



**Report of the
Comptroller and Auditor General of India
General and Social Sector
for the year ended March 2020**



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Odisha
Report No.5 of the year 2021

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Comptroller and Auditor General of India
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Preface

This Report for the year ended March 2020 has been prepared for submission to the Governor of Odisha under Article 151 of the Constitution of India for being laid before the State Legislature.

The Report contains significant results of the Compliance Audits of the Departments of Housing and Urban Development, Law, Panchayati Raj & Drinking Water, Women & Child Development and Mission Shakti, ST&SC Development, Minorities and Backward Classes Welfare, School & Mass Education, Higher Education and Revenue & Disaster Management.

The instances mentioned in this Report are those, which came to notice in the course of test audit for the period 2019-20 as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports. Instances relating to the period subsequent to 2019-20 have also been included, wherever necessary.

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

Chapter I

Overview

Chapter I: Overview

1.1 Introduction

This Report covers matters arising out of the audit of State Government Departments and Autonomous Bodies under the General and Social Sectors during 2019-20. The primary purpose of this Report is to bring to the notice of the Legislatures the important findings of Audit conducted during 2019-20. The findings of Audit will work as guidance to the Executives in carrying out corrective measures and in framing policies and directives that will help in better financial management and in achieving good governance.

The Report has been organised in two chapters as under:

- **Chapter I** contains the Profile of the Departments under the General and Social Sector during 2019-20, with a brief analysis of the expenditure of the Departments for the last five years; the authority for Audit, Audit jurisdiction, planning and conduct of Audit, significant Audit observations, response of the Government to various Audit products, namely Inspection Reports, Draft Paragraphs, *etc.*, and follow-up action on Audit Reports.
- **Chapter II** contains significant observations arising out of Compliance Audit of various Departments and their functionaries and includes Compliance Audit of “Water Quality Management in urban areas of the State” and “Management of Religious institutions by the Commissioner of Endowments in the State”.

1.2 Profile of General and Social Sector and Audit Universe

As per the Budget Publication, the Government of Odisha releases 43 grants related to its various Departments. The Audit universe under the General and Social Sector of the Office of the Accountant General (General and Social Sector), Odisha, during 2019-20 comprises 11,997 units of various levels related to 24 grants. It also includes 152 bodies/ authorities which are either substantially financed from the Consolidated Fund of the State or Audit of which has been entrusted by the Government under various sections of the Comptroller & Auditor General’s (CAG’s) DPC (Duties, Powers and Conditions of Service) Act, 1971. List of the Departments, Autonomous bodies and Companies under the Audit jurisdiction of the office of the Accountant General (General and Social Sector Audit), Odisha is shown in *Appendix 1.1*.

Summary of expenditure of major departments during 2015-20 under the Audit jurisdiction of the office of the Accountant General (General and Social Sector Audit), Odisha is shown in *Table 1.1*.

Table 1.1: Summary of expenditure of major Departments under the Audit jurisdiction of Accountant General (General and Social Sector Audit), Odisha for the years 2015-16 to 2019-20

(₹ in crore)

Sl. No.	Name of the Department	2015-16	2016-17	2017-18	2018-19	2019-20
1	Odisha Language Literature and Culture	213.02	209.69	274.07	131.38	158.94
2	Electronics and Information Technology	110.83	111.25	99.19	112.87	134.79
3	Finance	6,719.98	7,213.97	10,520.15	12,351.26	16,438.34
4	Food Supplies and Consumer Welfare	1,269.43	1,081.54	988.59	1,224.46	1,426.21
5	Health and Family Welfare	3,724.14	4,817.09	4,928.42	5,800.46	6,378.67
6	Higher Education	1,944.62	1,973.94	1,792.21	2,009.55	2,069.42
7	Home	3,379.99	3,585.35	4,198.73	4,923.19	4,953.14
8	Housing & Urban Development	2,721.88	3,075.76	4,683.27	4,540.75	5,258.03
9	Panchayati Raj and Drinking Water	7,652.22	8,345.96	9,302.11	15,426.37	16,856.22
10	Planning and Convergence	764.06	785.32	992.12	987.37	707.84
11	Revenue and Disaster Management	3,257.10	3,291.03	1,992.70	931.75	1,013.64
12	Rural Development	6,609.27	7,276.61	7,392.33	7,289.79	3,325.78
13	School and Mass Education	9,049.63	9,774.15	12,058.59	14,161.88	15,292.46
14	Social Security and Empowerment of Persons with Disabilities#	0	1,746.13	1,914.79	2,257.12	3,450.64
15	Sports and Youth Services	85.15	102.82	250.39	418.08	249.09
16	ST and SC Development, Minorities and Backward Classes Welfare	2,508.60	2,542.57	2,851.83	3,220.68	2,764.93
17	Women and Child Development & Mission Shakti	3,812.51	2,109.05	2,266.84	3,163.51	3,229.68

(Source: Appropriation Accounts of Government of Odisha for 2015-16 to 2019-20)

Sl.14 came into being with effect from July 2015. Allotment under separate Grant was made from 2016-17 onwards.

In Panchayati Raj & Drinking Water Department, expenditure in 2019-20 rose by ₹ 1,429.85 crore (9.27 per cent) over 2018-19 due to increase in outlay in schemes like Buxi Jagabandhu Assured Water Supply to Habitations (BASUDHA) and Gopabandhu Gramya Yojana as well as increase in amount towards devolution of funds to Panchayati Raj Institutions. In Finance Department, the expenditure in 2019-20 registered an increase of ₹ 4,087.08 crore (33 per cent) over 2018-19 due to increase in pension liability by ₹ 3,749.50 crore. In case of Social Security and Empowerment of Persons with Disabilities, there was an increase in expenditure by ₹1,193.52 crore (53 per cent) in 2019-20 over 2018-19 mainly due to increase in outlay in social assistance schemes like pensions to old aged, disabled, destitute persons and widows.

Decrease in expenditure in Rural Development in 2019-20 by ₹ 3,964.01 crore (54.38 per cent) in comparison to the previous year was mainly due to decrease in outlay in Pradhan Mantri Gram Sadak Yojana and no provision for Special Central Assistance for Kalahandi-Balangir-Koraput (KBK) region.

1.3 Authority for Audit

Authority for Audit by the CAG is derived from Articles 149 and 151 of the Constitution of India and the CAG's (Duties, Powers & Conditions of Service) Act, 1971 (DPC Act). CAG conducts Audit of expenditure of State Government Departments under Section 13 of the CAG's DPC Act. CAG is the sole auditor in respect of Autonomous Bodies, which are audited under Section 19 (2) and 19 (3) of the DPC Act. In addition, CAG also conducts Audit of other Autonomous Bodies which are substantially financed by the Government under Section 14 of the DPC Act and Local Bodies under Section 20 (1) of the Act. Principles and methodologies for various audits are prescribed in the Regulations on Audit and Accounts, 2007 and Auditing Standards by the Indian Audit and Accounts Department.

1.4 Planning and conduct of Audit

Compliance Audit is conducted as per the Annual Audit Plan. Units for Compliance Audit are selected on the basis of risk assessment of the Apex units, Audit Units and Implementing Agencies involving matters of financial significance, social relevance, internal control system, past instances of defalcation, misappropriation, embezzlement, etc., as well as findings in previous Audit Reports.

Inspection Reports are issued to the heads of Units after completion of Audit. Based on the replies received, Audit observations are either settled or further action for compliance is advised. Important audit findings are processed further as Draft Paragraphs for inclusion in the Audit Report.

Formal replies furnished by Departments as well as views expressed by the Heads of Departments in Exit Conferences have been considered for inclusion in the Audit Report. Audit Reports are laid before the State Legislature under Article 151 of the Constitution of India.

1.5 Lack of response of Government to Audit

1.5.1 Response of the Government to Inspection Reports

Accountant General (Audit)-I conducts audit of government Departments to check for compliance to rules and regulations in transactions and to verify the regularity in maintenance of important accounting and other records as per the prescribed rules and procedures. After these audits, Inspection Reports (IRs) are issued to the Heads of Offices audited, with copies to the next higher authorities. Important irregularities and other points detected during inspection, which are not settled till the end of audit, find place in IRs. Serious irregularities are brought to the notice of the Government.

As per the Regulations on Audit and Accounts, 2007, the Officer in charge of the audited entity shall send the reply to an IR within four weeks of its receipt.

On intimation of any major irregularity by Audit, the Government shall undertake *prima facie* verification of facts and send a preliminary report to AG-I confirming or denying the facts within six weeks of receipt of intimation. Where the fact of major irregularity is not denied by the Government in the preliminary report, the Government shall further send a detailed report to AG-I within three months of the preliminary report indicating remedial action taken to prevent recurrence and action taken against those responsible for the lapse.

Besides above, the Finance Department of Government of Odisha has also issued instructions from time to time for prompt response by the executive to IRs issued by the AG to ensure timely corrective action in compliance with the prescribed rules and procedures and also to ensure accountability for the deficiencies, lapses, *etc.*, observed during audits.

A six monthly report showing the pendency of IRs is sent to the Principal Secretary/ Secretary of the respective Department to facilitate monitoring and settlement of outstanding audit observations/ paras in the pending IRs.

Inspection Reports issued up to March 2020 relating to 11,997 offices under 24 Departments showed that 48,193 paragraphs relating to 10,394 IRs remained outstanding as of June 2020. It was observed that out of 217 IRs issued during the period from April 2019 to March 2020, relating to 17 Departments, replies were received only in case of 44 IRs relating to 12 Departments.

Department-wise and year-wise break-up of the outstanding IRs and Paragraphs are detailed in **Appendix 1.2**.

The outstanding IRs contained 998 paragraphs involving serious irregularities like theft, defalcation, misappropriation, *etc.*, of government money, loss of revenue and shortages, losses not recovered/ written off amounting to ₹ 1,149.58 crore. The Department-wise and nature-wise detailed breakup of the outstanding paragraphs of serious nature are shown in **Appendix 1.3**.

Triangular Committees (TC), comprising of representatives of the respective administrative Departments, Finance Department and Audit, held 141 meetings in respect of 14 out of 24 Departments under General and Social Sector Audit for expeditious settlement of outstanding Inspection Reports/ Paragraphs. Triangular Committee meetings were not held for the remaining 10 Departments. Of the 14 Departments where TC meetings were held during April 2019 to March 2020, 1,949 paragraphs and 195 Inspection Reports were settled.

It is recommended that the Government should ensure that a procedure is put in place for (i) action against officials failing to send replies to IRs/ paragraphs as per the prescribed time schedule, (ii) recovery of losses/ outstanding advances/ overpayments, *etc.*, in a time-bound manner and (iii) holding at least one meeting of each Audit Committee every quarter.

1.5.2 Impairment to Audit scope

Section 18(1) (b) of the DPC Act stipulates that the CAG has the authority in connection with the performance of his duties under the said Act to requisition any accounts, books, papers and other documents which deal with or form the

basis of or otherwise relevant to the transactions to which his duties in respect of audit extend. The provision has been further amplified by Regulation 181 of the Regulations on Audit and Accounts, 2007 which provides that every Department or entity shall establish and implement a mechanism to ensure that data, information and documents that are required by Audit are made available in time. Further, Section 7A of Information Technology (Amendment) Act, 2008, provides that where in any law for the time being in force, there is a provision for audit of documents, records or information, that provision shall also be applicable for audit of documents, records or information processed and maintained in electronic form.

Despite such clear provisions, there were instances of non-production of records which restricted the effectiveness of Audit. Out of 520 units under various Departments audited during April 2019 to July 2020, nine audited entities under three Departments did not provide vouchers relating to transactions amounting to ₹ 3.43 crore, although sought for while conducting audit, as detailed in *Appendix 1.4*.

1.6 Response of the Departments to Draft Audit Paragraphs

Regulations on Audit & Accounts, 2007 stipulate that responses to Draft Audit Paragraphs proposed for inclusion in the Report of the Comptroller & Auditor General of India should be sent within six weeks.

Draft Paragraphs are forwarded to the Principal Secretaries/ Secretaries of the concerned Departments drawing attention to the audit findings and requesting them to send their response within prescribed time frame. It is also highlighted to the Departments that in view of the likely inclusion of such paragraphs in the Audit Reports of the Comptroller and Auditor General of India which are placed before the Legislature, it would be desirable to include their comments on these audit findings.

Draft Paragraphs proposed for inclusion in this Report were forwarded to the Secretaries of the concerned Departments between July 2020 and June 2021 through Demi-Official letters. The concerned Departments/ Directorates did not send replies to 10 out of 12 Paragraphs featuring in this Audit Report.

The responses of concerned Directorates/ Departments as well as replies to initial audit memos, wherever received, have been suitably incorporated in the Report.

1.7 Follow-up on Audit Reports

After tabling of the Reports of the C&AG of India in the State Legislature, the State Government Departments are required to submit *suo motu* replies to the audit observations within three months. Review of outstanding replies on paragraphs included in the CAG's Reports on the General and Social Sector and Local Bodies on the Government of Odisha up to 2016-17 showed that no compliance is outstanding as of September 2020. Out of 210 paragraphs pertaining to the years 2007-08 to 2016-17, 153 paragraphs were selected for discussion by the Public Accounts Committee (PAC).

As stipulated in the Rules of Procedure of the PAC, Administrative Departments were required to take suitable action on the recommendations

made in the Reports of PAC presented to the State Legislature and submit comments on the action taken or proposed to be taken on those recommendations within four months.

Action Taken Notes on 21 paras contained in two Reports¹ of the PAC, presented to the Legislatures had not been submitted by six Departments² to the Assembly Secretariat as of September 2020. These two Reports of the PAC had suggested recovery, disciplinary action, *etc.* A few significant cases are elaborated in *Appendix 1.5*.

Action taken by administrative Departments on the recommendations of the PAC were, however, found to be inadequate and wanting.

1.8 Significant Audit observations during Compliance Audit

During the course of Audit, significant deficiencies which impacted the efficient functioning of the State Government including cases of misappropriation of government money, loss of revenue, idling of assets, wasteful expenditure, *etc.*, were noticed across various Departments. These significant audit findings have been reported in Chapter II. The major observations in this regard are as follows:

1.8.1 Water Quality Management in urban areas of the State

Achievement of 100 *per cent* water quality by 2016-17 as envisaged in Water Policy 2013 remained unfulfilled due to non-creation of infrastructure and human resources even after six years of framing of policy.

Procurement of equipment without making provision for chemical reagents and staff for operation, led to idling of equipment worth ₹ 1.43 crore, affecting analysis of quality of drinking water.

The percentage of shortfall in frequency of sample testing of water ranged from 71 to 99 *per cent* during 2016-19.

Non-testing of water samples of all sources in nine Public Health (PH) Divisions could not be made by State water testing laboratories, leading to non-analysis of water from bore well and other sources. Remedial action on results of tests was inadequate in sampled PH Divisions.

In the absence of regular testing of physical, chemical and bacteriological, metal and pesticide parameters of water, supply of safe drinking water could not be ensured.

Non-obtaining accreditation to any of water testing laboratories indicated lack of assurance regarding availability of required managerial and technical personnel to deal with the parameters identified in the BIS on quality standards for drinking water.

(Paragraph 2.1)

¹ 16th PAC Report 2018-19 and 17th PAC Report 2018-19

² Home (1), Panchayati Raj and Drinking Water (2), Revenue and Disaster Management (2), Rural Development (14), Higher Education (1), Science and Technology (1)

1.8.2 Management of religious institutions by the Commissioner of Endowments in the State

The institutional arrangements provided in the Orissa Hindu Religious Endowment (OHRE) Act, for management of religious institutions (RIs), had not been complied with. The sampled 13 religious institutions had not maintained important documents like property register, ornament register, cash book, ledgers, *etc.* Only seven out of 13 RIs had prepared and sent their budget to the Assistant Endowment Commissioners concerned for the years 2016-17 to 2019-20. However, no approval was found on record. Similarly, 12 sample RIs who had a registered income of ₹ 39.82 crore and incurred an expenditure amounting to ₹ 17.21 crore during 2016-19, had not prepared the annual Income and Expenditure accounts as required in the Act.

Absence of trust boards or fully functional trust boards resulted in improper management of properties, valuables and revenues of RIs. Audit noticed instances of suspected misappropriation of funds in RIs. In two RIs, ₹ 74.53 lakh was suspected to have been misappropriated. On being pointed out in Audit, Law Department of Government of Odisha referred (January 2020) the matter to the Economic Offence Wing of the Odisha Police for further investigation.

In nine RIs where the Executive Officer and Managing Trusty were jointly responsible for custody of jewels, 9.3 kg (38 *per cent*) out of 24.5 kg gold and 139.58 kg (49 *per cent*) out of 284.55 kg of silver found during JPI was in custody of *sevaks* and office bearers. The value of unauthorised custody of jewels was ₹4.73 crore. In five RIs, Audit found shortage of 823.334 grams of gold and 53,595.84 grams of silver valuing ₹ 60.07 lakh.

The Trust Boards of the RIs had not reported about encroachment of land to EC. As a result, eviction measures contemplated under Section 25 of the OHRE Act were not initiated as of March 2020 in any of the RIs concerned.

Audit noted that RIs had commercial premises given on rent. However, the schemes were silent on the manner of renting out of commercial space. Thus, absence of provisions in Schemes for regulating renting out of commercial spaces coupled with non-observance of general commercial prudence in letting out of shops like, signing agreements with tenants, fixing rent as per the prevailing rate and periodic revision thereof, resulted in revenue loss of ₹ 4.38 crore in three sampled RIs.

(Paragraph 2.2)

1.8.3 Other Compliance Audit Observations

- Wilful negligence of District Social Welfare Officer in exercising due oversight on transportation and delivery of rice resulted in misappropriation of 3,398.25 quintals of rice valuing ₹ 1.14 crore.
- Private land measuring 44.10 acres, acquired without resorting to mandated land acquisition proceedings and even without payment of compensation to the land owners for construction of canals amounted to gross violation of the provisions of the Land Acquisition Act and overt disregard to the property rights of the concerned land owners.

- Lack of coordination among ST&SC Development, Minorities & Backward Classes Welfare Department and School & Mass Education Department in assessing requirement for B.Ed. College resulted in wasteful expenditure of ₹ 9.12 crore in construction of a B.Ed. College in Malkangiri.
- Bhubaneswar Municipal Corporation did not heed advice of the consultant in deciding modalities of operation of slaughter house and proceeded as per its own accord. As a result, it could not find an operator for operation of the slaughter house leading to idling of infrastructure created after expenditure of ₹ 7.27 crore.

Chapter II

Compliance Audit

HOUSING AND URBAN DEVELOPMENT DEPARTMENT

2.1 Water Quality Management in urban areas of the State

Provision of safe drinking water is essential for promoting public health and for preventing and controlling water borne diseases. Providing safe drinking water and improvement of water quality is also one of the goals of the United Nations' Sustainable Development Goals (SDG) under SDG 6. With the objective of providing universal access to potable piped water at an affordable price and in an equitable and sustainable manner, the Housing and Urban Development (H&UD) Department, Government of Odisha (GoO) framed (October 2013) the 'Odisha State Urban Water Supply Policy 2013' (OSUWSP). Ensuring water quality supported by an efficient and effective surveillance system was one of the main objectives of the Policy. The Policy, *inter alia*, emphasised on ensuring 100 *per cent* physical, chemical and bacteriological tests of water at treatment plant, distribution point and consumer end by 2016-17. To provide a detailed framework for routine water quality monitoring, the H&UD Department issued the Odisha Urban Water Quality Monitoring Protocol (OUWQMP) in September 2015.

The Public Health Engineering Organisation (PHEO) headed by Engineer-in-Chief (EIC), under the H&UD Department, was responsible for supplying treated water in the urban areas of the State. There were 22 water testing laboratories (WTL) in the State as of September 2019. This included nine laboratories established and operated under Public Private Partnership (PPP) mode. During 2016-17 to 2018-19, H&UD Department incurred an expenditure of ₹ 40.14 crore on setting up of 13 laboratories (including nine labs on PPP mode) as well as procurement of equipment/ instrument and chemicals used for water testing and treatment in respect of all Public Health (PH) Divisions.

In order to assess adequacy of water sample testing and examine availability of facilities to achieve the objectives of OSUWSP, audit was conducted during October 2019 to February 2020 covering the period from 2016-17 to 2018-19 wherein test check of records of EIC PH and six out of 19 PH Divisions of the State¹ was carried out. Besides, Audit also checked records of six out of 22 water testing laboratories². Apart from scrutiny of records, Audit also conducted physical inspections of infrastructure facilities jointly with the PHEO officials and with private partners of laboratories. Water samples were also collected jointly and tested at the State level water testing laboratory.

The audit findings are discussed in succeeding paragraphs.

2.1.1 Water testing framework

The OUWQMP, 2015, envisages three-tier laboratories framework *i.e.*, at the State level, Division level and Basic laboratories at Water Treatment Plant

¹ Cuttack II, Balasore, Rayagada, Koraput, Puri and Balangir, which were selected through stratified random sampling

² Under PPP: 3 (State level, Puri and Balasore Divisional level); managed by PHEO: 3 (Koraput, Jeypore and Sunabeda – all basic level)

(WTP) or Waste Water Treatment Plant level (basic laboratories). Nature and extent of testing to be done at different levels of laboratories were as follows:

Table 2.1.1: Number of types of tests to be done at different WTLs

Sl. No.	Level	Function	No. of testing parameters	Kinds of testing to be carried out
1.	State	Analysis of bore well/source, research & development, training and quality control	97	Physical: 8, chemical: 22, metal: 14, bacteriological: 3, microbiological: 9, pesticides: 18, toxicity: 4, radio activity: 2, waste water: 9, treatment aids: 6 and process control: 2
2.	Division	Surveillance of distribution system, analysis of bore well/ source	34	Physical: 8, chemical: 13, bacteriological: 3, waste water: 5, treatment aids: 3 and process control: 2
3.	Basic/WTP	Process control and optimisation	12	Physical: 6, chemical: 4, bacteriological: 1 and process control: 1

(Source: Records of PHEO)

As per Para 6.1 of OUWQMP read with instructions of the EIC PH (2 November 2015), there were various parameters based on which water was required to be tested starting from source to consumer point at different frequencies, as detailed below and was to be followed strictly to ensure 100 per cent water quality by 2016-17.

- Residual chlorine, to be tested daily in respect of surface water, clear water reservoir and distribution system.
- Physical, chemical and bacteriological parameters, to be tested daily for clear water reservoirs, twice a year for hand pump tube well (HPTW) in summer and rainy season and quarterly for production well (PW).
- Metal, pesticide and toxic parameters, to be tested annually in respect of PW and at raw water intake point.
- Biological parameters of raw water at intake point to be tested annually.

Since testing of water samples of different parameters was beyond the scope of existing laboratories at Division level, the EIC, PH (Urban) instructed (November 2015) all Divisions to take help of State laboratory/ premier institutions for water testing as per norms envisaged in OUWQMP. Consequent upon establishment of one State Laboratory at Bhubaneswar and eight laboratories under PPP mode in 10 PH Divisions, EIC PH instructed (March 2018 and February 2019) Executive Engineers (EEs) of remaining nine PH Divisions to send water samples from sources and distribution

networks to State Laboratory as well as nearby Divisional laboratories for testing and water quality monitoring as and when required.

In addition to the above, the EIC PH instructed (January 2015), each Section Officer of PH Section under PH Divisions to conduct water testing of 10 samples chosen randomly at consumer point daily through testing kits. Thus, water samples were to be tested both at WTLs and through field kits.

Audit examined availability of WTLs and field kits as well as adherence of testing norms, as discussed in the following paragraphs.

2.1.2 Establishment of Water Testing Laboratories

2.1.2.1 Inadequate water testing laboratories

As per the three tier laboratory structure at State, division and basic/WTP levels envisaged by the OUWQMP, 2015, 115 WTLs were to be set up at different levels. Required numbers of WTLs to be set up at each level and numbers of WTLs actually set up as of March 2019 are shown in the following table:

Table 2.1.2: Number of WTLs to be set up at different levels

Sl. No.	Level	No. of WTLs as per norm	Actual number of WTLs	Shortfall	
				Number	Percentage
1.	State	1	1	0	0
2.	Division	19	8	11	58
3.	Basic/WTP	95	13	82	86
	Total	115	22	93	81

(Source: Records of PHEO)

Audit noted that of the 114 ULBs in the State, 62 ULBs were sourcing water from surface sources (river, lake, etc.), thus, requiring WTPs for purification of water. There were 93 WTPs in these 62 ULBs. Though a basic WTL is required to be established for each WTP, there were only 12 basic WTLs³ in 19 ULBs. Thus, 81 WTPs, did not have any WTL to ensure quality of drinking water supplied.

Audit observed that although OSUWSP envisaged preparation of an Action Plan, which, *inter alia*, included establishment of WTLs to achieve 100 per cent water quality by 2016-17, no such action plan was prepared. These planning deficiencies contributed towards overall gap in the number of WTLs required as per OUWQMP norms and actual number set up, as can be seen from the table above. Inadequate numbers of WTLs affected the overall outcome of providing quality drinking water in urban areas.

On this being pointed out by Audit, EIC PH accepted the fact and stated (September 2020) that establishment of additional WTLs was under active consideration by Government and the same would be taken up as per budgetary provision of the Government. The fact, however, remains that the

³ One WTL at Nimapara ULB had no WTP

objective of providing 100 *per cent* safe drinking water in urban areas by 2016-17 could not been achieved even by 2019-20, since only 19 *per cent* of the required laboratories were set up and there was no plan in place to bridge the shortfall, in a time bound manner.

2.1.2.2 Water quality testing facility was not disaster resilient

Para 5.1 and 7.1 of OUWQMP 2015 envisaged the requirement of Mobile water testing laboratory for disaster management and special assigned task. This mobile laboratory was to move and operate in areas affected by calamities and visit reference stations at regular intervals to perform on-site analysis.

Audit however, noticed that PHEO neither established any mobile water testing laboratory nor did it have a plan to create the same to meet exigencies arising out of disasters and for performing any assigned special task. Odisha witnessed two major cyclones⁴ during 2018-19 and 2019-20 disrupting the water supply and contaminating drinking water. Had the mobile water testing laboratory facility been available, water analysis could have been carried out in these disaster affected areas to ensure supply of safe drinking water, as envisaged in OUWQMP 2015.

On this being pointed out in Audit during October 2019, EIC PH stated (September 2020) that one mobile testing laboratory had been procured in July 2020 for moving and operating in affected areas during calamities. However, the same was yet to be commissioned for water analysis purpose.

2.1.3 Water sample testing

2.1.3.1 Water testing at WTPs

As per Para 6.1 and 6.2 of OUWQMP 2015 read with instruction of EIC PH (2 November 2015), each basic WTL attached to WTP should have the facility for testing 12 physical and chemical parameters.

Audit test checked records of water testing at 14 WTPs⁵. Of this, only three WTPs had WTLs (Sunabeda, Koraput and Jeypore Divisions) and 11 WTPs did not have any WTL.

Audit found that:

- Only one sample WTL at Sunabeda conducted all the prescribed tests on 12 required parameters while WTL at Koraput conducted tests only on four⁶ parameters during 2016-19. The WTL at Jeypore conducted tests only on three⁷ parameters during 2016-18 but did not conduct any test in 2018-19 due to non-availability of laboratory personnel.
- Of the 11 WTPs which did not have WTLs, five WTPs had not conducted any tests through nearby WTLs and the other six WTLs

⁴ *Titli* in 2018 and *Fani* in 2019

⁵ PH Divisions at Puri, Koraput, Rayagada and Balangir

⁶ Turbidity, pH, Residual chlorine and Jar test

⁷ Turbidity, pH, and Residual chlorine

conducted tests on only one to four parameters due to non-availability of laboratory facilities and trained staff in these WTPs.

During Joint Physical Inspection (JPI) (December 2019 to February 2020) of three WTPs (Rayagada, Balangir and Puri), two parameters (residual chlorine and turbidity) were got tested with available equipment/ instruments through the PHEO officials and it was found that turbidity of clear water ranged from 2.73 Nephelometric Turbidity Unit (NTU) to 8.87 NTU in three PH Divisions⁸ against the acceptable limit (1.00 NTU) as per BIS. Residual Chlorine in clear water of WTP (Mangalaghat, Puri) was reported as 6.00 mg/l against acceptable limit of 0.2 mg/l as per BIS, as shown in *Appendix 2.1.1*. As per SOP, NTU beyond the BIS limit causes health risk as suspended particles harbour micro-organisms and high concentration of chlorine causes toxic effects in human body.

Thus, prescribed quality tests had been conducted only in one out of 14 test-checked WTPs. Supply of drinking water without conducting required test did not ensure safe drinking water to people, as discussed in *Paragraph 2.1.5*.

In reply, Executive Engineers (EEs) concerned of PH Divisions stated (November 2019-February 2020) that due to absence of laboratory facilities and trained staff, prescribed tests could not be conducted. The reply underlines the fact that PHEO was not adequately equipped with laboratories and trained staff even after two years of the target of providing safe drinking water by 2016-17, as discussed in *Paragraph 2.1.6*.

2.1.3.2 Working of divisional WTLs

PHEO engaged (December 2016) M/s Spectro Analytical Lab Limited (SAL) for the establishment and operation of one State level laboratory at Bhubaneswar and eight laboratories in PH Divisions for a period of 10 years on PPP model for ₹47.33 crore (excluding taxes). As per the agreement signed (December 2016) with SAL, PHEO would bear capital cost of establishment of WTLs and SAL would conduct test of water samples. For this purpose, SAL would employ requisite manpower and procure consumables. SAL established nine WTLs (one at State level and eight at Divisional level) and received ₹14.23 crore towards capital cost and ₹3.52 crore towards operation and maintenance (O&M) cost during the period 2017-19. Of the eight divisional WTLs, Audit test checked records of two WTLs (Balasore and Puri) and observed that these two laboratories carried out tests on only 29 parameters against 33 included in the agreement with SAL. The other four parameters on which tests were not conducted were disinfection by-product (DBP), anionic detergent, chloramine and mineral oil. SAL attributed reason for non-conduct of these tests to non-availability of required equipment that was part of the responsibility of PHEO. Non-availability of certain equipment indicated that the WTLs set up under PPP mode were not fully equipped to carry out tests as prescribed under OUWQMP. Thus, supply of safe drinking water to people could not be ensured.

⁸ Clear water of WTP, Mangalaghat, Puri: 2.73 NTU; Clear water of WTP Rayagada:8.87 NTU; Clear water of WTP, Sibtala:4.65 NTU

As per the Standard Operating Procedure issued by PHEO in December 2018, presence of DBP beyond 0.06 mg/l increases the risk of cancer, presence of anionic detergent in excess of 0.2 mg/l and mineral oil cause froth in water and impact odour and tastes after chlorination and presence of Chloramine beyond 4.0 mg/l causes eye/nose irritation, stomach discomfort and anemia.

2.1.3.3 Working of State level laboratory

The only State level laboratory started functioning from March 2018 under PPP mode. As per terms of agreement with SAL, the private partner, State laboratory was responsible for collecting water and waste water samples from bore wells and other sources at regular intervals for testing water quality. Further, quality monitoring of 1,782 production wells (PW), 80 surface water (SW) sources and 10,130 hand pump tube wells⁹ (HPTW) spread across all 19 Divisions were to be monitored annually by the State Laboratory. Details of water samples collected and tested as per the norms in the agreement are shown in the table below:

Table 2.1.3: Details of number of sources tested in State laboratory during 2018-19

Nature of Source	Tests to be done as per the agreement		Tests actually done		Shortfall/ (excess)	
	No. of Divisions	No. of sources	No. of Divisions	No. of sources	No. of Divisions	No. of sources
PW	19	1,782	10	1,750	9	32
HPTW	19	10,130	10	9,913	9	217
SW	19	80	10	100	9	(20)
Total	19	11,992	10	11,763	9	249

(Source: Information and records furnished by the EIC, PH (U), Odisha and State Laboratory, Bhubaneswar)

It would be observed from the above that a significant number of HPTW were not tested by the State Laboratory and only 10 out of 19 Divisions were covered in testing. Audit noticed that SAL collected water samples from sources (PW, HPTW and SW) from the 10 PH Divisions only where its Divisional labs were operating and did not collect any samples from sources in the other nine PH Divisions of the State.

Thus, SAL had failed to conduct water testing in State laboratory as per the terms of the agreement. EIC, PH, instead of ensuring that the contractual obligations are fulfilled by SAL by collecting samples from the remaining nine Divisions, instructed (March 2018 and February 2019) those nine Divisions to send water samples to State laboratory for testing. This nine Divisions included four divisions test checked in audit. However, only two test checked Divisions (Koraput and Balangir) sent nine water samples and the remaining two Divisions (Cuttack-II and Rayagada) claimed shortage of trained manpower to draw water samples.

Further, EIC also proposed (March 2018) to give formal training to PHEO staff to collect water samples for which SAL, Bhubaneswar would organise workshops and requested nine Divisions to send the names of such staff who would be assigned the job of collection of samples for the above training.

⁹ All 30,389 hand pump tube wells would be monitored over a period of three years

Audit, however, noticed that none of the EEs sponsored the names of any PHEO staff for training/ workshop proposed to be organised at State WTL at Bhubaneswar. As such, training programme for PHEO staff for collection of water samples could not be held in State laboratory.

Audit also noted that of the various defined parameters, testing of Cryptosporidium, Giardia, Trihalomethane and mineral oil could not be done in State laboratory by SAL due to non-availability of equipment/ instruments. Presence of Cryptosporidium and Giardia (Biological parameters) beyond limit causes diarrhoea and bloating while Trihalomethane (Toxicity parameter) causes the water toxic and mineral oil (chemical parameter) impacts odour and taste.

Similarly, testing on two parameters (Alpha emitter and Beta emitter) could not be done in absence of full set of required standard equipment approved by Bhaba Atomic Research Centre. Additional equipment was needed by SAL to carry out tests against the above parameters. However, the requirement of these equipment was not properly assessed neither by PHEO nor by SAL. Hence, these equipment were not included as part of the agreement itself. Non-availability of equipment indicated that the State WTL was not properly equipped to carry out all the mandated tests.

On this being pointed out in Audit, the EIC PH stated (September 2020) that SAL would be instructed to collect required samples from sources across all the divisions as per the agreement. Regarding absence of equipment and materials, the General Manager (WATCO) stated (September 2020) that action is being taken to procure required instruments and materials for conducting specified tests.

2.1.3.4 Frequency of water sample testing of sources and distribution system

As per the provisions of OUWQMP, physical, chemical and bacteriological tests are to be conducted daily from clear water reservoirs, twice a year (summer and rainy season) from HPTW and quarterly from PW. Metal, pesticide and toxic parameters are to be tested annually in respect of production well and raw water. Audit found shortfalls in tests with reference to the provisions of OUWQMP, as discussed below:

- **Shortfall in frequency of tests of PW and HPTW:** In six sample PH Divisions, number of water samples tested as against the norm in respect of PW and HPTW are detailed in *Appendix 2.1.2*. A summarised comparative statement is shown below:

Table 2.1.4: Frequency of sample testing vis-a-vis norm in six sample PH Divisions

Particulars	2016-17		2017-18		2018-19		Total	
	PW	HPTW	PW	HPTW	PW	HPTW	PW	HPTW
No. of sources	578	11,195	621	11,318	603	11,212	--	--
No. of samples required to be tested	2,312	22,390	2,484	22,636	2,412	22,424	7,208	67,450
No. of sample testing done	181	199	45	517	708	3,777	934	4,493

Particulars	2016-17		2017-18		2018-19		Total	
	PW	HPTW	PW	HPTW	PW	HPTW	PW	HPTW
Shortfall	2,131	22,191	2,439	22,119	1,704	18,647	6,274	62,957
Percentage of shortfall	92	99	98	98	71	83	87	93

(Source: Information and records furnished by the sampled PH Divisions)

Thus, the target of conducting tests on water samples on the prescribed parameters had not been achieved even by the end of 2018-19 and the same remained extremely low. The percentage of average shortfall in tests with reference to the norms, in last three years (2016-19) was as high as 87 and 93 in respect of PW and HPTW respectively. Two sample Divisions (Balangir and Koraput) did not conduct even a single sample test in respect of PW and HPTW respectively (*Appendix 2.1.2*).

- **Shortfall in sample testing of sources (surface water and treated water at WTP):** Out of six sample Divisions, five Divisions had five surface water sources as of March 2019. Water sample testing of these water sources during 2016-19 ranged from 1 to 3,175 as detailed below:

Table 2.1.5: Number of surface water sources and WTPs vis-a-vis number of sources tested during 2016-19 by sample PH Divisions

Name of PH Division	No. of sources			No. of tests to be done as per the norm	No. of sources tested during 2016-19
	2016-17	2017-18	2018-19		
Cuttack-II	3	3	5	4,015	1
Rayagada	2	2	2	2,190	8
Balasore	0	0	0	0	0
Koraput	6	6	6	6,570	3,175
Puri	5	6	6	6,205	89
Balangir	8	8	8	8,760	10

(Source: Information and records furnished by the sampled PH Divisions)

Except Koraput and Puri Divisions, frequency of testing of surface source was very negligible against the norm of daily testing of physical, chemical and bacteriological tests.

- **Shortfall in sample testing of distribution systems:** Availability of distribution system¹⁰ in six sample PH Divisions during 2016-19 ranged from 1.10 lakh to 1.42 lakh whereas total number of testing of distribution system ranged from 5 to 13,183 during 2016-19 as detailed below:

¹⁰ Underground reservoir, Over-ground reservoir, Elevated storage reservoir, Stand posts and House connections

Table 2.1.6: Number of distribution systems vis-a-vis number of systems tested during 2016-19 by sample PH Divisions

Name of PH Division	No. of distributions systems			No. of distribution systems tested during 2016-19
	2016-17	2017-18	2018-19	
Cuttack-II	20,024	21,351	29,988	5
Rayagada	9,743	10,015	12,643	18
Balasore	21,197	22,170	24,543	6,178
Koraput	20,867	22,494	25,314	4,300
Puri	20,746	22,460	27,727	13,183
Balangir	17,351	17,361	21,426	17
Total	1,09,928	1,15,851	1,41,641	23,701

(Source: Information and records furnished by the sampled PH Divisions)

Except Koraput, Puri and Balasore Divisions where laboratory facilities were available, frequency of sample testing of distribution systems in remaining three Divisions was negligible.

- **Testing of metallic parameters:** As per OUWQMP 2015, minimum sampling frequency for water quality monitoring against metallic parameter, was once annually for each production well and surface water (raw water and intake point). Audit noticed that out of six test checked PH Divisions, two divisions (Koraput and Rayagada) had sent 30 samples for testing during 2016-17 and two other Divisions (Koraput and Balangir) had sent nine samples for testing during 2018-19. They did not send any samples for testing during 2017-18. One division (Cuttack II) did not send any sample during 2016-19 while remaining two sample divisions (Puri and Balasore), did not send the samples for testing of metal parameters during 2016-18. During 2018-19, SAL was engaged for collection of samples in these two Divisions¹¹. As such, there was negligible sample testing of metallic parameter of the production well and surface water during 2016-19.

Thus, due to absence of regular water quality testing of physical, chemical and bacteriological, metal and pesticide parameters, supply of safe drinking water could not be ensured.

Confirming the facts of shortfall in sample testing, Executive Engineers (EE) of the sample Divisions stated that due to shortage of qualified personnel for collection and preservations of samples, required numbers of samples could not be sent for testing and assured to send water samples more frequently as per norms prescribed in the protocol.

2.1.4 Water sample testing at consumer points through field kits

Guidelines issued in January 2015 by the PHEO emphasised on testing water quality starting from raw water intake point to consumer end at different stages and proper dosing of chlorine and other chemicals to be monitored in a scientific manner. Each Section Officer of PHEO was required to conduct water testing of 10 samples chosen randomly at consumer point daily. From the information furnished to Audit, it was noticed that 60 Sections/ ULBs

¹¹ Puri and Balasore

under six sample Divisions had conducted water sample testing on 2 to 4 parameters (pH, bacteriological-H₂S¹² and residual chlorine and turbidity) through testing kits. On scrutiny of water testing registers of these Sections and information made available, Audit observed the following:

2.1.4.1 Shortfall in residual chlorine testing through field kits

As per the aforesaid guidelines, each Section was to conduct 3,650 sample (i.e., 10 samples per day) testing per year. Division-wise number of sections and number of water samples required to be tested and actually tested during 2016-19 are shown in the table below:

Table 2.1.7: Number of sections and number of water samples required to be tested and actually tested

Name of PH Division	No. of Sections	No. of samples required to be tested ¹³	Total residual chlorine tests conducted	Shortfall in testing	Percentage of shortfall
Cuttack II	8 ¹⁴	87,600	27,793	59,807	68.27
Rayagada	4	43,800	4,015	39,785	90.83
Balasore	13	1,42,350	6,339	1,36,011	95.55
Koraput	8	87,600	31,223	56,377	64.36
Puri	13	1,42,350	14,006	1,28,344	90.16
Balangir	14	1,53,300	20,590	1,32,710	86.57
Total	60	6,57,000	1,03,966	5,53,034	84.18

(Source: Information and records furnished by sampled PH Divisions)

It would be seen from the above that only 1.04 lakh (16 per cent) sample tests of residual chlorine were conducted by the Section Officers against requirement of 6.57 lakh resulting in shortfall of 5,53,034 (84 per cent) sample tests. The reasons for large shortfall in conducting tests were negligence of the officials concerned as well as non-availability of staff/ consumables required for testing.

Few instances are shown in the table below:

Table 2.1.8: Instances of reason for shortfall in conducting test

Name of the division	Brief of deficiencies noticed
Balangir	Subarnapur and Binika Sections did not conduct any chlorine test during 2016-19 due to shortage of staff despite availability of equipment and chemical reagents procured during March 2015 at a cost of ₹ 6.35 lakh.
Rayagada	In Rayagada Section II, Audit found (21 December 2019) 144 pouches of chlorine reagent during joint physical inspection,

¹² H₂S vial is a bacteriological field test kit used for detection of fecal contamination of drinking water

¹³ Number of sections * 3,650 * 3 (years)

¹⁴ One Section (Paradeep PH Section) out of nine Sections under Cuttack PH Division did not furnish data

Name of the division	Brief of deficiencies noticed
	which had crossed expiry date of July 2017 and March 2018. Despite availability of chemical reagents, the Section had conducted only 220 tests against norm of conducting 7,300 tests during 2016-17 to 2017-18. The Section was, however, not provided with fresh chemical reagents thereafter.
Cuttack-II	Examination of data of eight out of nine Sections in Audit, it was found that seven Sections (except Kendrapara) had not been supplied with chemical, reagents and kits during 2016-19. These seven Sections, however, informed Audit that 25,003 tests against norm of 76,650 tests had been conducted by them procuring chemicals and reagents at their own. Audit, however, could not verify veracity of such claim in absence of documentary evidence to that effect.

(Source: Data available in records and information furnished by sample Divisions)

In reply, five EEs (except PH Division, Puri) confirmed (November 2019-February 2020) shortfall in conducting tests due to shortage of staff, chemicals and reagents.

2.1.4.2 *Overstatement of numbers of water samples tested through field kits*

Scrutiny of records in respect of number of residual chlorine tests and H₂S tests conducted by nine Sections of two sample PH Divisions¹⁵ during 2016-19 revealed the following:

Table 2.1.9: Overstatement of Residual Chlorine and H₂S tests in two sample PH Divisions

Name of PH Division	No. of Sections	Residual Chlorine test conducted	H ₂ S test conducted	Total
Koraput	2	10,523	0	10,523
Cuttack II	7	25,003	26,178	51,181

(Source: Data available in records and information furnished by sample Divisions)

On scrutiny of stock register of these nine Sections for the period 2016-19, Audit found that there were no required chemicals and reagents available in stock, despite which, these sections claimed that they had conducted chlorine and H₂S tests. On being pointed out in Audit, the Section Officers concerned stated that they had procured chemicals and reagents on their own which was not included in stock registers. However, in the absence of documentary evidence and lack of authorisation to procure such materials, the veracity of the number of tests conducted, as reported remains doubtful.

The EEs concerned stated (November 2019 to February 2020) that the Section Officers would be instructed to maintain water testing register properly with

¹⁵ Cuttack PH Division II: 9 Sections and Koraput PH Division: 2 Sections

actual testing as per stock. However, the possibility of false reporting of testing cannot be ruled out.

2.1.5 Remedial actions taken on Test Reports

As per Para 5.1 of OUWQMP, the results of test reports are to be communicated to concerned officials for taking corrective and follow up action. EIC PH instructed (November 2015) that record of the test reports is to be maintained, analysed and needful action taken, so as to ensure provision of safe drinking water. Objective of IS 10500: 2012 was to assess the quality of water resources, and to check the effectiveness of water treatment and supply. Values in excess of those mentioned under 'Acceptable' render the water not suitable. Such a value may, however, be tolerated in the absence of an alternative source. However, if the value exceeds the limits indicated under 'permissible limit in the absence of alternate source', the sources will have to be rejected. This standard prescribes the requirements and the methods of sampling and testing for drinking water.

Number of water samples tested during 2016-19 and results thereof are shown in the following table:

Table 2.1.10: Number of samples tested and results thereof in sample Divisions

Name of the Division	No. of samples tested	No. of samples found beyond BIS limit	Percentage of samples found beyond BIS limit
Balasore	8,375	7,094	84.70
Cuttack-II	69	50	72.46
Balangir	38	14	36.84
Puri	16,200	5,166	31.89
Rayagada	228	39	17.10
Koraput	7,481	22	0.29
Total	32,391	12,385	38.24

(Source: Data available in records and information furnished by sample Divisions)

From the above table, it would be observed that test report of water samples in respect of two sample Divisions, viz., Balasore and Cuttack-II indicated quality of water was beyond BIS acceptable limit in 84.70 *per cent* and 72.46 *per cent* cases respectively and in case of Koraput Division, the same was only 0.29 *per cent*.

In the above context, Audit noted the following:

- The laboratory test reports of six sample divisions revealed presence of high phenol compounds, colour, total alkalinity, turbidity, coliform, F streptococci, etc., in water samples. The Divisions, however, had not taken any remedial measures to rectify the same, except in a few cases in Balangir, Cuttack II and Koraput PH Divisions¹⁶. In one case of PH Water Supply at Sahadapada of Cuttack II Division, Iron Removal Plant was installed to filter out iron contents from water.
- In Koraput PH Division, despite reporting of high metallic substance in

¹⁶ Balangir:4, Cuttack: 1 and Koraput: 7

drinking water by a premier National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited laboratory (IMMT Bhubaneswar), the EE neither re-sampled remaining 10 samples nor took any remedial measures. Rather EE while forwarding the report of IMMT laboratory to EIC PH, Odisha on 5 November 2016, misrepresented the fact that the laboratory found water safe for drinking purpose.

- Further, as per sample testing report (19 November 2019) of central laboratory of State Pollution Control Board (SPCB), high BOD (4.9), high cadmium and iron in five water source (raw water) was reported in Koraput. SPCB advised (November 2019) PHEO to ensure adequate treatment of raw water sources from Kolab Water Reservoir system in its WTP to ensure drinking water quality standards as prescribed under IS 10500:1500. However, EE did not take remedial measures to rectify the deficiencies reported either in water testing reports of IMMT laboratory, Bhubaneswar or the sample testing report of SPCB.

In absence of remedial measures to make the water safe for drinking, it could not be ensured that safe drinking water was being supplied for human consumption in the urban areas of the State. Audit noted that 53,873 persons were infected by water borne diseases in the localities during 2016-19 under four out of six sample Divisions, as shown in the table below:

Table 2.1.11: Outbreak of waterborne diseases in localities under four sample PH Divisions

Name of CDM & PHO	Acute Diarrhoeal disease	Enteric fever (Typhoid)	Viral Hepatitis Total	Total
Balasore	25	0	30	55
Rayagada	5,277	1,165	0	6,442
Koraput	12,666	19	0	12,685
Puri	33,571	1,107	13	34,691
Total	51,539	2,291	43	53,873¹⁷

(Source: Information furnished by the CDM & PHOs)

2.1.5.1 Non-sending of test reports of State WTL to field offices for taking corrective actions.

Para 5.1 of the OUWQMP, 2015 states that the main function of the State WTL is to analyse water quality from bore wells and surface water sources.

As per the agreement with SAL, the State WTL was responsible for collecting water samples from all PWs, surface sources annually and HPTWs over a period of three years located in domestic areas spread across all 19 Divisions in the State. Further, the samples so drawn would be tested and the test report would be sent timely to the PHEO authorities for taking corrective actions.

Audit noted that SAL had conducted test of 11,763 water samples¹⁸ from 10 PH Divisions during March 2018-March 2019. Audit test checked test reports

¹⁷ 2016-17 : 21,511, 2017-18 : 17,036, 2018-19 : 15,326

¹⁸ Surface source:100; Hand Pump Tube Wells: 9,913; Production Well:1,750

for the month of March 2019 and found that 762 samples¹⁹ (6.48 per cent) tested in the State WTL during March 2019 were found beyond BIS acceptable limit/ permissible limit in respect of one or more parameters due to presence of high phenol, turbidity, hardness, alkalinity, calcium, magnesium, iron, aluminium, coliform, e-coli, F. Streptococci, etc. Audit also test checked water testing reports of 6,021 test samples from March 2018 to February 2019 and found that test results of all samples were reported beyond BIS acceptable limit/ permissible limit in respect of one or more parameters due to presence of high chemicals/ substances.

Audit found that the agreement with SAL did not clearly specify as to the exact authority to whom SAL would submit the test reports. SAL, however, submitted the test reports to the PH Sub-Division, Palasuni under PH Division, Bhubaneswar only for the sole purpose of claiming monthly O&M charges. The PH Sub-Division, Palasuni used the test reports only for calculating the O&M charges to be paid to SAL but did not share the test reports with any PH Divisions for taking corrective actions. Though SAL was paid ₹ 97.62 lakh for testing of 11,763 water samples during 2018-19, no benefit could be yielded from the test reports due to absence of arrangement for receipt of test reports from SAL and dissemination among the PH Divisions for taking corrective actions and thus rendering the expenditure unfruitful.

Though a standard operating procedure (SOP) detailing the procedure to be followed for non-compliance to a quality parameters had been approved by Government in December 2018, PHEO authority did not make any agreement with SAL to clearly specify the role to be played in line with the SOP as of November 2019.

In reply, the General Manager, WATCO Division No. I, stated (September 2020) that test reports from July 2020 onwards were being sent to field offices concerned regularly for taking necessary action at their end.

2.1.5.2 Results of water testing reports of random joint sample collection: Supply of unsafe drinking water

To ascertain quality of drinking water supplied in test checked PH Divisions, on the request of Audit, joint water samples were taken randomly from 32 sources/locations in eight²⁰ urban areas under seven PH Divisions and the same were tested (November 2019-March 2020) in State Rural Water Supply and Sanitation (RWS&S) Water testing laboratory, Khandagiri (NABL accredited) Bhubaneswar with 16 to 71 parameters (physical, chemical, bacteriological, pesticide and metal).

On the basis of analysis of test results, Audit observed the following:

- Out of 32 test reports received, water samples of 31 sources/ locations in eight urban areas were found to be unsafe due to BIS beyond acceptable/ permissible limit in respect of 1 to 7 parameters.

¹⁹ Surface sources:4, Production well:11 and hand pump tube wells:747

²⁰ Bhubaneswar (6) Choudwar (4), Rayagada (4), Sunabeda (3), Koraput (3), Balasore (4), Puri (4), Balangir (4)

- These source were found to be unsafe for drinking due to presence of high turbidity (22 samples), high iron content (5 samples), total coliform (17 samples), Faecal coliform (10 samples), e-coli (8 samples), manganese (8 samples), aluminium (10 samples), nitrate (3 samples), calcium (3 samples), total hardness (7 samples), pH (7 samples), total alkalinity (6 samples), magnesium (4 samples) and chloride (3 samples).
- The tested samples were found to be beyond the acceptable limit on 41 parameters and beyond the permissible limit on 72 parameters of BIS due to presence of high turbidity, total coliform, faecal coliform, iron, magnesium, *etc.* , indicating unsuitability of water for drinking.

Presence of unsafe chemicals, bacteria and metals in drinking water in random sample testing indicates the fact that sufficient action has not been taken to ensure safe drinking water to urban populace. Further, there is absence of remedial action on the part of PHEO authorities on test reports of water samples.

In reply, EIC, PH stated (September 2020) that collection of water samples itself was very vital and any careless attitude during collection of water samples would lead to erroneous results and considered the results of joint sample collection to be inconclusive. He also stated that joint testing would be done with proper procedure with IMMT or State Pollution Control Board laboratory. Reply of EIC, PH highlights the fact that the PHEO does not have sufficient confidence in its own staff as well as SAL personnel despite making significant expenditure every year, towards water testing charges and sample collection.

2.1.6 Availability of infrastructure and manpower

In the backdrop of large shortfalls in conduct of prescribed sample testing of water, as discussed in *Paragraphs 2.1.3* and *2.1.4*, Audit analysed availability of required equipment/ instrument as well as trained manpower for conducting sample test of water as per the OUWQMP. Audit found instances of non-availability of equipment/ instrument and trained manpower as well as non-utilisation of available equipment/ instrument, as discussed below.

2.1.6.1 Inadequate equipment/ instrument in basic WTLs

OUWQMP prescribes 15 instruments/ equipment for basic WTLs. Audit reviewed the availability of equipment/ instrument at three basic WTLs (Sunabeda, Koraput and Jeypore) and found that none of the sample WTLs were fully equipped to conduct tests on all parameters as prescribed in OUWQMP.

- The WTL at Koraput lacked 12 prescribed equipment/ instruments for water testing and safety devices. In absence of required equipment, tests for chlorine content, bacteria, *etc.*, were not possible.
- In the WTL at Jeypore, nine prescribed equipment/ instruments were not available. Of these, four equipment/ instruments are meant for water testing like bacteria count, distillation, cooling, *etc.* and the

remaining are safety devices. Jar Test apparatus²¹ although available, could not be used due to lack of trained personnel.

- The WTL at Sunabeda also did not have six prescribed equipment/instrument. Out of the available equipment, three equipment²² were not functional since February 2016. However, no action had been taken to repair or replace the equipment.

Thus, deficient infrastructure indicated that the WTLs were inadequately equipped with equipment/ instrument and lacked trained manpower to carry out prescribed quality tests to ensure supply of quality drinking water.

In reply, EEs confirmed the facts and stated that due to absence of qualified staff, 100 *per cent* quality checking as per OUWQMP could not be made.

2.1.6.2 Non-utilisation of available equipment/ instrument and chemicals

Audit found instances of non-utilisation of available equipment/ instrument and chemicals worth ₹ 68.07 lakh in five out of six sample PH Divisions. This included items worth ₹ 19.13 lakh procured for Divisional WTLs at Puri and Balasore which were being operated under PPP mode. A table summarising unused equipment in the sample divisions and value thereof are shown below:

Table 2.1.12: Statement showing PH Division wise equipment/instrument lying idle

Sl. No.	Name of the PH Division	Name of the WTL/ Section	No. of equipment/ instrument/chemical remained unutilised	Period of purchase	Cost of equipment (₹ in lakh)
1.	Balasore	Nilgiri and Bhadrak Sections I and II)	779	March 2016	4.69
		Divisional WTL, Balasore	5	2017-18	7.47
2.	Puri	Divisional WTL, Puri	10	2017-18	11.66
		Nimapara Section	103	March 2014	4.78
3.	Rayagada	WTP Rayagada	9	2016-18	3.77
4.	Koraput	Basic WTLs at Sunabeda, Jeypore and Koraput	43	2013-18	13.43
5.	Balangir	Balangir College Square, Subarnapur, Binika, Siptala and Boudh Sections	64	March 2015-April 2016	22.27
Total			1,013		68.07

(Source: Information and records furnished by the PH Divisions)

²¹ Used for determining dosing of chemical (alum) in raw water

²² Conductivity meter, Colour Comparator and Colony Counter

Some instances of non- utilisation of available equipment are discussed below:

- **Unused equipment/ instruments at Division WTL at Balasore:** The Divisional WTL at Balasore under PPP mode came into operation in March 2018. As per the terms of the agreement, equipment worth ₹ 1.14 crore funded by the H&UD Department, was procured by the private partner. Of this, Audit found that equipment worth ₹ 7.47 lakh remained idle since their procurement (March 2018). Idle equipment included Biochemical Oxygen Demand and Chemical Oxygen Demand incubators valuing ₹3.57 lakh required for treatment of waste water.
- **Unused equipment/ instruments at Division WTL at Puri:** Audit found that 10 equipment/ instruments worth ₹ 11.66 lakh remained idle/ unused from the date of commencement of operation of the WTL (March 2018) under PPP mode. The equipment were procured for conducting chlorine test, oxygen density in waste water, alum dosing, etc. This indicated poor monitoring by EE, PH Division, Puri.
- **State PH Laboratory (Departmental):** The State WTL (Departmental) was functioning under the control and supervision of the PHEO up to February 2018. From March 2018, a new State WTL which was set up under PPP mode became operational. It was found that four equipment/ instrument valuing ₹ 74.70 lakh were purchased (2015-17)

for the State WTL but the same remained idle due to non-receipt of water samples for testing. Despite availability of these equipment, the same



Total Organic Carbon Analyser lying idle in old State PH lab, Bhubaneswar due to non-receipt of the job consequent upon establishment of new lab on PPP mode

were again purchased at a cost of ₹ 99.50 lakh, funded by the Department, for the WTL set up under PPP. Thus, PHEO did not factor in, utilisation of existing equipment while outsourcing water testing to the private party, resulting in avoidable expenditure of ₹ 99.50 lakh.

In reply, EEs stated that equipment/ instruments could not be put to use due to shortage of technical man-power and chemical re-agents and assured to take necessary steps for utilisation of equipment/instrument soon. Regarding State PH laboratory (Departmental), General Manager WATCO, Division No. I stated (September 2020) that laboratory had been closed and all materials would now be handed over to existing laboratory (PPP mode) for use. Reply was not acceptable since State WTL (PPP mode) was already in possession of this equipment/ instrument but the same had not been put to use.

2.1.6.3 Non-use of Iron Removal Plants at Puri

Audit *vide* Inspection Report No. 627/2016-17, para No.2 had pointed out infructuous expenditure of ₹ 24.37 lakh towards installation and commissioning of two Iron Removal Plants (IRP) at (1) R&B quarters complex, ESR premises, Puri (₹ 13.57 lakh) and (2) Kusthashram ESR premises, Puri (₹ 10.80 lakh) during April-July 2015. These IRPs were connected to production wells for reducing high percentage of iron content and for improving quality of ground water supplied to the public. The works were completed at ₹ 25.57 lakh during April-July 2015.

During joint physical inspection of IRP at Kusthashram on 22 January 2020, Audit noticed that IRP at Kusthashram (₹12 lakh) was lying idle since October 2017. As water supply to that area was being made from WTP Mangalaghat constructed under JnNURM scheme, there was no use of IRP attached to production well in Kusthashram premise. Scrutiny of records/ information furnished to Audit also revealed that other IRP of R&B Quarters (₹13.57 lakh) remained unused and was shifted to Konark PH Section on 10 February 2019 for use. However, the latter had still not been put to use and was lying idle at Badeibant Pump House (January 2020).

Thus, despite observation of audit in December 2016 and assurance of EE to utilise the IRPs early, EE did not put to use the two IRPs constructed at a cost of ₹ 25.57 lakh as of January 2020 leading to infructuous expenditure apart from depriving people from getting quality, iron free water.

In reply, EE stated that IRP at Krushnashram was functional and IRP at R&B Quarters complex had been shifted to Badeibant, Konark and would be functional by February 2020. However, reply of EE was not supported by the JPI wherein it was noted, in January 2020, that IRP at Krushnashram had not been made operational and water supply to that area was being made from WTP Mangalaghat constructed under JnNURM. The second IRP at Badeibant (Konark) remained uninstalled as of January 2020.

2.1.6.4 Irregular expenditure due to continuation of commercial operation by SAL without completion of outstanding punch list items

As per Article 14.3 of the agreement signed with SAL (December 2016), an Independent Engineer (IE) may at the request of the Concessionaire, issue a provisional certificate of completion, if the tests are successful and the Project can be safely and reliably placed in commercial operation. The certificate can be issued even though certain works or things forming part thereof, are outstanding and not yet complete, by preparing an outstanding list of items with joint signature of both the parties. In such an event, the Provisional Certificate shall have a list of outstanding items (Punch List) appended thereto, signed jointly by the IE and the Concessionaire.

As per Article 14.4.1, all items in the Punch list shall be completed by the Concessionaire within 90 days of the date of issue of Provisional Certificate. In case of failure, the Authority shall be entitled to complete the Punch list items on its own cost and recover the same from the Concessionaire, including

by way of forfeiting of Performance Security or terminating the agreement (Article 14.4.2).

Scrutiny of records of PH Divisions and information furnished by State WTL and two sampled WTLs (Balasore and Puri) revealed that IEs had approved provisional completion of the works at Balasore and Puri while appending a sheet of punch list (outstanding items) which required completion and submission of compliance report. Commercial operation of the Labs was allowed (March 2018) on the basis of provisional completion certificates (December 2017 and February 2018). Accordingly, outstanding punch list items were to be completed by (March-May 2018) *i.e.*, within 90 days from the date of issue of provisional completion certificate. However, Audit noticed that the Concessionaire did not comply with outstanding punch list items as of January 2020, as detailed in *Appendix 2.1.3*.

Though the Superintending Engineer, Public Health Circle, Bhubaneswar had intimated (04 June 2018) SAL to furnish the compliance to the punch list through respective divisions, the same was not furnished by the Concessionaire till January 2020. Further, as per the terms of the Agreement PHEO also did not complete the items at its own cost and recover the amount from the Concessionaire by forfeiting the performance security. Despite non-fulfilment of this contractual obligation, PHEO made payment of ₹1.85 crore towards O&M cost (April 2018 to November 2019) which was irregular.

Due to non-completion of mandatory items, commercial operations of WTL for safe and reliable analysis of water quality and testing of water samples could not be ensured. Also, continuation of commercial operation for long period without completion of required punch list and non-termination of contract with forfeiture of performance security led to extension of undue favour to the Concessionaire by compromising the quality of water testing.

In reply, EE PH Division, Balasore stated (December 2019) that SAL would be instructed to complete the punch list of work very soon. The General Manager, WATCO stated (September 2020) that due to lack of fulfilment of punch list, the laboratory was issued with provisional completion certificate. He also stated that on completion of 100 *per cent* punch list, the Concessionaire would be issued with final completion certificate. The reply was not acceptable since outstanding punch lists required to be completed by April 2018 *i.e.*, within 90 days of issue of provisional certificate, was not ensured as of September 2020.

2.1.6.5 Inadequate laboratory staff

The OUWQMP, 2015 contemplated requirement of laboratory personnel (both technical and non-technical) for proper functioning of water testing laboratories and for smooth monitoring of water quality in the State. As per protocol, 388 personnel of different categories (both technical and non-technical) were required for operation of 115 laboratories in urban areas.

Audit noticed that EIC PHO submitted (17 May 2016) the proposal to H&UD Department for cadre restructuring of laboratories and creation of 168 posts of different categories in the first phase for implementation of the OUWQMP. EIC further requested the H&UD Department in August 2016 for a pre-budget

meeting for sanction of posts of laboratory personnel prior to creation of posts of laboratory personnel for functioning of laboratories in the State.

Audit observed that required posts of laboratory personnel were yet to be created (October 2019). Out of 22 WTLs, 13 WTLs were run departmentally and nine other through PPP mode. No regular laboratory staff was posted in the 13 WTLs run departmentally. These laboratories were run by Junior Engineer/ Assistant Engineer under control of PH Divisions. However, PHEO had only four staff (Analysts) who were designated as Quality Managers for supervising nine laboratories run through PPP mode.

Audit test checked three WTP level laboratories (in Koraput, Sunabeda and Jeypore) and found that against requirement of a total of 12 staff as per Protocol, only one laboratory staff (Assistant Analyst) was engaged through outsourcing in one laboratory (Sunabeda) and no staff were posted in Jeypore and Koraput resulting in vacancy of 11 laboratory staff.

Although PHEO had prescribed (September 2015) frequency parameters for water testing and EIC PHO, instructed (2 November 2015, 30 October 2017) all circles to ensure both testing as well as water quality in all ULBs, required laboratory staff were not deployed to carry out these crucial activities and for proper functioning of these laboratories. Thus, lack of required laboratory staff while indicating absence of proper planning also impacted effective water quality management and surveillance and the provision of quality drinking water in urban areas.

In reply, EIC PH stated (September 2020) that since proposal for establishment of PPP laboratories in other areas was under active consideration by the Government, there was no necessity for deployment of further manpower. However, the fact remains that due to absence of laboratory staff/ trained staff, required water quality testing could not be carried out to ensure supply of safe drinking water.

2.1.7 Monitoring

2.1.7.1 *Non-conduct of cross checking of parallel samples in standard laboratory*

As per Article 6.12.II (ii) of the Concession Agreement, the Authority/ Maintenance Board shall have the authority to get parallel samples checked with standards laboratories like Institute of Minerals and Materials Technology (IMMT), Bhubaneswar, State Pollution Control Board, Bhubaneswar, National Environmental Engineering Research Institute (NEERI), Nagpur, *etc.*, at any point of time to confirm the efficacy of laboratories run by SAL on PPP mode. These cross checks shall consist of periodic (quarterly) analysis with reference samples (1 *per cent* samples).

Audit noticed that though three sampled WTLs (State WTL and two Divisional WTLs at Puri and Balasore) conducted 27,745 sample testing during March 2018 to March 2019, no such samples were cross checked with any of the above reputed laboratory (as of January 2020). Due to non-conduct

of periodic analysis with reference to cross checking of water samples, efficacy of the laboratories could not be confirmed.

Results of joint parallel testing of water samples: To ascertain efficacy of WTLs run by SAL, at the request of Audit, water samples for parallel testing were taken from 14 places in three urban areas under three PH Divisions and the same were tested (November 2019-February 2020) simultaneously in State Rural Water Supply and Sanitation (RWS&S) water testing laboratory, Bhubaneswar and Divisional/ State laboratory run by SAL. Samples were collected by personnel of SAL in presence of Audit and sent to both laboratories for parallel testing.

On analysis of test results received from these two labs, Audit found SAL had different values from RWS&S laboratory in 3 to 15 parameters in respect of all 14 samples.

Due to large variation in value of test results, the efficacy of PH labs run by SAL for analysis of water quality is questionable. For proper evaluation of its analysis process and effectiveness of its test results, parallel testing of sample with IMMT, NEERI, etc., is therefore, very much required. Besides, non-conducting of parallel testing of water samples to ascertain efficacy of laboratories is indicative of lapse of monitoring on the part of PHEO.

In reply, EEs confirmed the facts of non-conduct of parallel testing. EIC PH also stated (September 2020) that different value of testing results in two different laboratories for same parameters of same sources proved that procedure of sampling was not followed properly and assured for cross checking of parallel samples to be done with proper procedure of sample collection as per provision of agreement. Reply of EIC PH was not acceptable since sample collection for parallel testing was done by personnel of SAL in presence of Audit, Quality Manager and PHEO of concerned WTL. SAL followed the same sample collection procedure which had been followed for collection of samples for conducting daily testing of different parameters in their State and Divisional laboratories.

2.1.7.2 Non-obtaining of accreditation of water quality testing laboratories

As per OUWQMP 2015, water quality testing laboratories at all levels shall strive for accreditation in a phased manner. State level laboratories shall be given top priority for obtaining accreditation by National Accreditation Board and International Organisation for Standardisation (ISO)-9001 at an early date. The laboratory should be well-equipped to conduct tests on the parameters as identified by the BIS to maintain quality standards of drinking water. The laboratory, *inter alia*, shall have required managerial and technical personnel with the authority and resources needed to carry out their duties.

Audit however, noticed that none of the 22 laboratories (State level:1, Division level:8 Basic/WTP level:13) functioning under PHEO have been accredited by NABL. Even the nine laboratories (State level:1 and Division level:8) run on PPP mode by SAL did not have NABL accreditation as of March 2020, although the same were to be obtained within 18 months *i.e.* by September 2019 as per condition of the Concession Agreement. PHEO did not make any efforts to obtain NABL accreditation for laboratories under its

control. Out of 22 WTL in the State, audit test checked six labs and found absence of technical persons, shortage of equipment/ instruments, etc. which were essential for NABL accreditation.

Thus, non-obtaining accreditation for any of water testing laboratories indicates lack of assurance regarding readiness of the laboratories to monitor quality standard of drinking water as prescribed by the BIS.

In reply, EIC PH stated (September 2020) that action was being taken for accreditation of State and divisional laboratories in phased manner. The reply was not acceptable since WTLs run on PPP mode failed to obtain NABL accreditation till date (September 2020) though the same was to be obtained by September 2019 as per the agreement with SAL.

2.1.7.3 Shortfall in visits by the Quality Managers

As per Article 6.12.II of the Concession Agreement, a maintenance Board will function and Quality Manager (QM) will be appointed by the PHEO. Accordingly, Maintenance Board consisting of EE of the concerned PH Division, representative of SAL and QM appointed by PHEO was formed to review the proper implementation of the project.

The EIC, PH, Odisha appointed (2 April 2018) four QMs in respect of nine PH Divisional laboratories including a QM each for sampled Divisional laboratories at Balasore and Puri. Quality Manager was required to visit respective laboratory at least once in each fortnight for ensuring proficiency and report about functioning of the laboratory to the concerned Executive Engineer.

Scrutiny of records at PH Divisions (Balasore and Puri) and two Divisional WTLs revealed that during 2018-19, Quality Managers visited Balasore WTL (nine times) and Puri WTL (15 times) against norm of 24 times during one year. This led to shortfall of visits to the extent of 15 visits (62 per cent) for Balasore WTL and nine visits (37 per cent) for Puri WTL. Details of visits and submission of reports are depicted below:

Table 2.1.13: Details of Shortfall in visit of Quality Manager (QM)

Name of WTL	No. of visits required to be made in 2018-19	No. of visits made by QM	Shortfall in visits	No. of cases, observations of QM fully complied by SAL	No. of cases, observations of QM not complied fully by SAL
Divisional WTL, Balasore	24	9	15	4	5
Divisional WTL, Puri	24	15	9	0	15
Total	48	24	24	4	20

(Source: Information and records furnished by the sampled PH Divisions)

Though Quality Managers visited and submitted reports to EE/ WTL concerned, SAL only complied with observations in four cases and did not comply fully in the remaining 20 cases.

Similarly, despite frequent observations of Quality Manager during his visits to State WTL, Bhubaneswar in 2018-19 regarding non-development of database management, preparation of sampling plan, maintenance of chain of custody, non-storage of analytical data, etc., the same were not complied with by the State WTL as of November 2019. However, PHEO did not take any effective steps against SAL for the non-compliance.

Thus, shortfall of visits by Quality Manager and non-compliance by SAL indicated lack of effective monitoring by the Divisional WTLs.

EE, PH Balasore stated that audit observations would be issued to Quality Manager for compliance, while EE, PH Puri did not offer his comments.

2.1.7.4 Non-formation of agency for water quality monitoring and surveillance

Water Quality monitoring and surveillance is a continuous process, along with vigilant assessment and control of safe potable water supply, to be under taken by the ULB. Surveillance as an investigative activity was to be undertaken by an agency consisting of the members from State PHE Department and Local Health Authority such as Chief Medical Health Officer and State Pollution Control Board, to identify and evaluate factors posing health risk related to drinking water supply. The surveillance agency would pinpoint the risk areas and give advice for remedial action for betterment of water supply. As such, an agency should have been constituted in each ULB to give advices and ensure the supply of safe drinking water.

Audit observed that no such surveillance agency was formed in any ULBs. Due to non-formation of surveillance agency, PHEO could not get regular inputs/ advice on risk areas and remedial action for betterment of water supply.

Confirming the facts, EEs stated that quality monitoring could be done in better way, if surveillance team were formed.

2.1.7.5 Non-formation of community based monitoring and Surveillance

As per OUWQMP, community participation is an essential component of the monitoring and surveillance framework. They are the people who may first notice the problems in water supply and report to concerned agency or take remedial action, if possible. The community based monitoring and surveillance can be carried out in two ways through, (a) Selection of community volunteers, including women, to undertake surveillance activities after training and (b) Providing encouragement to local workers to carry out certain jobs pertaining to surveillance.

Scrutiny of records and information furnished by EEs of sample PH Divisions that the community based monitoring and surveillance had not been formed during 2016-19 since no initiative had been taken in this regard. As a result, the primary beneficiary community, who would have first noticed problems in water supply, could not play a role in surveillance activity.

In reply, it was stated that Government implemented (December 2019) community based participation for urban water supply by engaging “Jalsathi” in Puri and Bhubaneswar for attending common complaints, for collection of water tax and sample testing of vital water parameters. The reply was not acceptable as community based surveillance team was not formed in all ULBs to monitor the quality of water.

2.1.7.6 Non-development of data base

As per Para 6.9 of the OUWQMP 2015, digital data for the entire State, produced and reported by different WTLs are to be archived in five common databases. As per the agreement with SAL, each laboratory shall be responsible for development and filling of information in the databases, which shall be also accessible to public. Further, SAL should maintain custody, control, transfer, analysis and disposition of physical or electronic evidence to permit a qualified individual to reconstruct and understand all steps in the process that produced the final result.

Audit noticed that database for State laboratory was not being maintained by SAL as of November 2019 despite repeated observations of the Quality Managers. SAL also did not maintain chain of custody of records since March 2018 despite repeated comments by the Quality Manager. In the absence of a database, sample collection-receipt at laboratory and chain of custody could not be tracked thereby compromising the quality data analysis. However, no action had been taken by the PH Authority against SAL for non-fulfilment of the contractual obligations.

In reply the Nodal Officer of PPP WTL accepted the fact and stated (September 2020) that NIC software with chain of custody and data validation facilities had been implemented at Puri and Bhubaneswar Divisional laboratories and remaining locations were under trial. The fact, however, remains that despite operation of WTL since March 2018, these contractual obligations were not fulfilled and PHEO had not taken any action against SAL.

2.1.7.7 Non-appointment of Independent Engineer for setting up laboratories on PPP mode

As per the agreement with SAL for establishment of WTLs under PPP mode, the PHEO, shall appoint an Independent Engineer (IE), a firm or individual having expertise in supervising all aspects in setting up of WTLs. The IE, as an external consultant, was responsible for day to day contract management and supervision during the construction period and issuance of the completion certificate certifying that laboratory is ready for commissioning of tests. The cost of this external consultant was to be borne by the Government.

Though H&UD Department approved RFP in April 2017 for appointment of IE, yet EIC, PH did not float the RFP and no IE was appointed as of October 2019. Audit noticed that the EIC, PH formed (01 March 2017) a committee comprising six officials to monitor the progress of establishment of WTLs till appointment of regular IE. In the absence of an IE, the committee of officials

continued to act as IE. Audit observed that the committee members (officials of PHEO) who were involved in estimation of project and selection process of the private party for setting up the WTLs, also acted as IE without having the required expertise, thus depriving the project from the independent supervision of IE. IEs were to supervise all aspects of setting up of laboratories including, availability of equipment/instruments. As a result, the WTLs established under PPP mode were found lacking in equipment/ instruments as highlighted in **Paragraph 2.1.6.4.**

In reply, EIC stated (September 2020) that since the Member Secretary, State Pollution Control Board did not agree to their request to act as IE, he (EIC) formed a committee considering experts/persons having experience in laboratory work in PHEO and one-member from SPCB. Reply was not acceptable since EIC failed to carry out the instructions of the H&UD Department (April 2017) to float RFP for appointment of IE, thus depriving the project of independent supervision of IE.

2.1.8 Conclusion

Achievement of 100 *per cent* water quality by 2016-17 as envisaged in Water Policy 2013 remained unfulfilled, even after six years of framing of policy, due to non-creation of infrastructure, human resources and negligence of officials. Procurement of equipment without making provision for chemical reagent and staff for operation led to idling of equipment worth ₹ 1.43 crore affecting analysis of quality of drinking water. The percentage of shortfall in frequency of sample testing of HPTW and PW ranged from 71 to 99 *per cent* during 2016-19. Non-testing of water samples of all sources in nine PH Divisions could not be made by State WTL (SAL) leading to non-analysis of water from bore well and other sources. Remedial action on results of test was inadequate in sampled PH Divisions. Absence of regular water quality testing of physical, chemical and bacteriological, metal and pesticide parameters, supply of safe drinking water could not be ensured. Non-obtaining accreditation to any of water testing laboratories indicates lack of assurance regarding availability of required managerial and technical personnel to deal with the parameters identified in the BIS on quality standards for drinking water.

LAW DEPARTMENT

2.2 Management of religious institutions by the Commissioner of Endowments in the State

Administration of Hindu Religious Institutions (RIs) in Odisha is carried out as per the provisions of the Orissa Hindu Religious Endowment (OHRE) Act, 1951 and OHRE Rules, 1959. Law Department in Government of Odisha appoints a Commissioner (Commissioner of Endowments or EC) under Section 4 of the Act who is responsible for the general superintendence of all Religious Institutions (RI) and endowments. As per Section 7 of the Act, the EC may do all things which are reasonable and necessary to ensure that the religious institutions and endowments are properly administered and that their income is duly appropriated for the purposes for which they were founded or exist. The EC is assisted by Hereditary Trustees²³/ Non-Hereditary Trust Board²⁴, established for each RI. As of March 2019, there were 17,422 Hindu RIs in the State under the administrative control of the EC.

This audit was conducted based on a request received from the Endowments Commission to conduct an examination of the status of compliance by the RIs, with the provisions of the OHRE Act and Rules. Audit was conducted during July 2019 to March 2020 to assess compliance to the provisions of the OHRE Act, 1951 and OHRE Rules, 1959 and other instructions issued by Government from time to time. Audit scrutinised records of the EC and 13 RIs²⁵. The RIs were selected on the basis of suggestions made by the Endowments Commission.

Audit findings are discussed in the succeeding paragraphs.

Audit findings

2.2.1 Deficient institutional arrangements

2.2.1.1 Non-formation of Trust Boards

As per Section 27 of the OHRE Act, the EC will submit a proposal for nomination of trustees to the trust board of an RI to the Government for approval. Under Section 27 (2) of the Act, maximum tenure of a non-hereditary trustee is 30 months. Section 28(3) envisaged that if a trustee (either

²³ Hereditary trustee means the trustee of a religious institution succession to whose office devolves by hereditary right. The Board which has a hereditary trustee(s) is known Hereditary Trust Board

²⁴ A trustee who is not a hereditary trustee is called Non-Hereditary Trustee. The Board which contains non-hereditary trustees is known Non-Hereditary Trust Board.

²⁵ Sri Ram Mandir, Rajdhani Puja Samiti and Sri Lingaraj Temple of Bhubaneswar, Maa Mangala Temple of Kakatpur, Puri, Maa Chandi Temple, Cuttack, Maa Sarala Temple and Sri Gorakhnath Temple of Jagatsinghpur, Sri Jagannath Ballav Math of Puri, Sri Akhandalamani Temple, Bhadrak, Thakur Mahal, Nilgiri, Balasore, Debottar of Dhenkanal district, Maa Ugratara Temple of Bhusandpur, Khurda and Maa Samleshwari Temple of Sambalpur

hereditary or non-hereditary) is removed on disciplinary grounds²⁶, the EC is to appoint a fit person in that place to discharge functions of the trustee. Thus, a trust board is a perpetual entity.

Of the 13 RIs, test-checked in Audit, it was found that the above mentioned provisions of the OHRE Act, are not applicable to Debottar, Dhenkanal and application of these provisions in the case of Sri Ram Temple, Bhubaneswar, was sub-judice. Status of formation of trust boards in the remaining 11 sample RIs are shown in the *Appendix 2.2.1*. Some of the instances are discussed below:

- Of the 11 sample RIs, provision for induction of hereditary as well as non-hereditary trustees in the trust board was there in respect of three RIs²⁷. Accordingly, while trust boards had been constituted in these three RIs, non-hereditary members had not been nominated by the EC, even after the expiry of the regular trust boards. The day-to-day functioning of these three RIs was therefore, being carried out *via ad-hoc* arrangements. In Maa Chandi Temple, one hereditary trustee and one servitor (a member of the trust board) were managing the affairs; in Sri Akhandalamani Temple, the *de-facto* trust board with hereditary members was continuing; in Thakur Mahal, an interim trust board had been constituted and was continuing.
- Of the remaining eight RIs, interim trust boards had been formed in case of five RIs²⁸, though there is no provision of interim trust boards in the OHRE Act. In case of two RIs (Jagannath Ballav Math and Maa Samaleshwari Temple), even interim trust boards were not in place. In case of one RI (Maa Ugratara Temple), although the EC had nominated (December 2018) seven members to the Trust Board, the same had not been approved by the Government till October 2020 and as a result, the board remained non-functional.
- As regards, appointment of Government Officers as Trustees, it was noted that there was lack of consistency in this arrangement. In Rajdhani Puja Samiti, while all the three members in the interim trust board were Government officials, in Maa Sarala Temple, the District Collector of Jagatsinghpur district remained as the sole member in the trust board.
- As per Section 42(2) (i) of the OHRE (Amendment) Act, 2018, not less than 50 *per cent* of trustees shall be appointed by virtue of their office amongst officers of the State Government²⁹. However, in none of the

²⁶ On the grounds like, persistent default in the submission of budgets, accounts, reports or returns or in payment of contribution or other dues payable to Government; disobedience of any order issued by Government; malfeasance, misfeasance, breach of trust or neglect of duty; misappropriation/ improper dealing with the properties of the institution; unsoundness of mind or other mental or physical defect or infirmity

²⁷ Maa Chandi Temple, Sri Akhandalamani Temple and Thakur Mahal

²⁸ Rajdhani Puja Samiti, Lord Lingaraj Temple, Maa Mangala Temple, Maa Sarala Temple and Sri Gorakhnath Temple

²⁹ Tehsildar, Block Development Officer, Sub-Collector, District Collector, *etc.*

11 RIs, Government officers made up 50 *per cent* of the number of total trustees.

Thus, the institutional arrangements provided in the OHRE Act for management of RIs had not been complied with. Absence of trust boards or fully functional trust boards resulted in reduced oversight and scope for improper management of properties, valuables and revenues of RIs, as discussed in succeeding paragraphs.

The EC stated (July 2020) that selection of trustees by following the procedure as laid down in Section 27 of the Act was a time consuming process for which interim arrangements had been made. The reply is not tenable as there is no provision of intermediate or *ad-hoc* arrangements in the OHRE Act.

2.2.1.2 Non-framing of Scheme for management of RIs

As per Section 42 of OHRE Act, a Scheme may be settled for an RI whenever there is a reason to believe that the same is necessary in the interest of proper administration of the RI or when not less than five persons having interest apply in writing to State for the same. A Scheme entails fixing the number of trustees, appointing/ removing trustee, defining the powers and duties of trustees/ Managing Trustee and Executive Officer (EO), *etc.* It also regulates scale of expenditure for administration of RI, manner of custody of valuables and individuals responsible therefore, maintenance of accounts, management of properties, *etc.*

Audit found that out of 12 sample RIs³⁰, no Scheme had been framed in respect of three RIs³¹. In the absence of a Scheme, proper management and custody of properties and valuables of the RIs could not be ensured. As a result, no office bearers/ trustees were responsible for preparation of accounts and management of property, safe custody of valuables, *etc.* The resultant lacunae noted in management of property by RIs are discussed in Paragraphs 2.2.2.3 and 2.2.3.1. Besides, issues noted in safe custody of valuables by RIs are discussed in *Paragraphs 2.2.3.6 and 2.2.3.7.* The issues found in three temples where no Scheme had been framed, are presented in the following table:

Table 2.2.1: Summary of deficiencies in RIs found in Audit where Scheme had not been framed

Name of the RI	Issue-1	Issue-2	Issue-3	Issue-4
Sri Ram Mandir	Very poor maintenance of documents.	Mismanagement of shops.	Irregular procurement.	Low utilisation of funds.
Sri Gorakhnath Temple	No process for appointment of Trustees (interim trust	Significant amount (₹1.83 crore) outstanding	No control over servitors who irregularly sell <i>Prasad</i> in	13 construction works executed

³⁰ Except Group of RIs in Dhenkanal district which come under Debottar (under direct control of the State Government)

³¹ Sri Ram Mandir, Sri Gorakhnath Temple and Maa Ugratara Temple

Name of the RI	Issue-1	Issue-2	Issue-3	Issue-4
	board runs with 11 members).	from auctioneers .	temple premises.	without tender.
Maa Ugratara Temple	The temple sustained three robbery attacks during 2012-17 in which most of the cash and valuables of the temple were stolen.	A parallel management committee including Sub-Collector, Tahasildar and BDO functioned till November 2018. Presently, an interim trust board is functioning.	Mismanagement of landed property.	Jewels were kept in office bearer's house.

(Source: Audit observation based on the records of test checked RIs)

The EC did not offer any reply.

2.2.1.3 Irregularities in appointment of staff

As per Section 31 of OHRE Act 1951, the vacancies, whether permanent or temporary, amongst the office-holders or servants of an RI shall be filled up by the trustee in cases where the office or service is not hereditary. As per Rule 67 (2) of OHRE Rules, 1959, except in the case of a hereditary officer or servant, no person shall be appointed to or hold any office unless he is more than 25 years and less than 60 years of age. Number of staff appointed, their age and status of approval of their appointment by respective trust boards of the test-checked 13 RIs are shown in **Appendix 2.2.2**.

Audit found that:

- In 13 RIs, appointments of 246 (93 *per cent*) non-hereditary staff, out of 265 staff were not approved by the respective Trust Boards and no service regulations had been framed for the staff.
- Age of 40 staff members (14 *per cent*) including EOs in 13 sample RIs were above 60 years, and hence, they were not eligible to continue in service of the respective trust boards. The expenditure on their salary per annum was ₹ 27.79 lakh.

The EC, while accepting (July 2020) the audit observations, stated that since trustees of some of the RIs manage the institutions that might have resulted in appointment of staff without following the stipulated criteria. The fact, however, remains that the prevalent practice in engagement of staff were not in conformity with the provisions in the OHRE Rules.

2.2.2 Deficient maintenance of important records

2.2.2.1 Non-maintenance of Register

Section 15 (1) of OHRE Act requires that every RI should maintain a register (mostly called property register) which should contain the names of past and present trustees, particulars of all endowments of the RI and all title deeds and

other documents including the properties standing in the name of the hereditary trustees, jewels, gold, silver, precious stones, all vessels and movables belonging to the institution with their estimated value, particulars of the idols and other images in or connected with the institution, whether intended for worship or for being carried in processions, *etc.* As per Section 15(2), the register shall be prepared, signed and verified by the trustee or an authorised agent of the RI concerned and submitted by him to the EC through Assistant Commissioner.

Audit found that the aforesaid register, approved by EC, was maintained by only one (Thakur Mahal, Nilgiri), out of 13 sample RIs. These registers were not maintained by six RIs³². While the remaining six RIs maintained the register but it was not approved by the EC. Even in case of Thakur Mahal, Nilgiri, the register was last updated in 1993. Due to improper maintenance of register, it was found that:

- the inventory of idols, jewels, brass and copper outfits and utensils were not correctly accounted for,
- details of movable and immovable properties including copies of land pattas/Records of Rights/agreements, *etc.*, were not available,
- schemes settled for temples, scale of expenditure fixed for various daily rituals/ festivals and names of office holders with their service particulars such as age, duty allotted, remuneration fixed, *etc.*, were not recorded in any documents.

The EC while accepting (July 2020) the audit observations stated that non-settlement of landed properties of the RIs and change of trustees in non-hereditary trust boards were some of the reasons for non-maintenance of property registers. The reply was not tenable, since maintenance of the property register as per available details is a basic internal control, apart from being a statutory requirement under the Act.

2.2.2.2 Non-maintenance financial records and other registers

As per provisions of the OHRE Act and OHRE Rules, 1959, trust boards of RIs are to maintain certain records and submit this information to the EC. In this regard, Audit found the following deficiencies:

- As per Rule 58 of OHRE Rules, 1959, every RI whose annual income is ₹10,000 and above, has to send an Administrative Report for every financial year to the EC before the end of the succeeding month (April). However, none of the sample RIs had prepared and sent such administrative reports to the EC. There was no follow up on this issue from the EC also.
- As per Section 57 of the Act, every RI is to send a copy of its budget before the end of December showing the probable receipts and disbursements in the following financial year. The Assistant Endowments Commissioners (AEC) may, on receipt of the budget,

³² Sri Ram Mandir, Sri Lingaraj Temple, Maa Mangala Temple, Group of temples in Dhenkanal district coming under Debottar, Maa Ugratara Temple and Maa Samleshwari Temple

make such alterations, omissions or additions therein as may be prescribed. Only seven RIs³³ had prepared and sent their budget to the AECs concerned for 2016-17 to 2019-20 but no approval of the latter was found. The AECs had also not asked these RIs for submission of budgets within the prescribed time. Thus, financial control over RIs expected to be applied by the EC had not been exercised.

Non-updation of register

Section 15 (1) of OHRE Act requires that every RI should maintain a register which should *inter alia* contain details of the jewels, gold, silver, precious stones, all vessels and movables belonging to the institution with their estimated value and particulars of the idols and other images in or connected with the institution.

Audit noticed that the registers meant for goods, ornaments and utensils were not updated. Further, ten³⁴ out of 13 RIs maintained stock registers of articles but the same were not updated and many articles like vessels, jewels worn by the Deity, idols, *etc.*, had not been included in the list of inventories. The stock including the idols and brass/ copper utensils was never physically verified by the EOs in any of the test-checked 13 RIs. The respective trust boards and the EC are responsible for such improper maintenance of registers and lapses in monitoring by the Endowments Inspectors concerned, respectively.

The EC confirmed (July 2020) the above facts and figures.

2.2.2.3 Non-maintenance of Income and Expenditure Accounts

Section 58 of the OHRE Act envisages that the trustee of every religious institution shall keep regular accounts of all receipts and disbursements. Further, as per Rule 21(2) [m(b)] of OHRE Rules, 1959, Auditor should check the Income and Expenditure statement so prepared.

Audit found that the trust board of only one sample RI (Maa Sarala Temple) had prepared annual Income and Expenditure accounts up to 2018-19. The remaining 12 sample RIs who had a registered income of ₹ 39.82 crore and incurred an expenditure of ₹ 17.21 crore during 2016-19 had not prepared the annual Income and Expenditure accounts resulting in non-compliance with the OHRE Act and Rules. Income and expenditure details for these 12 RIs from available records were as follows:

Table 2.2.2: Income and Expenditure of 12 sample RIs during 2016-19

Sl. No.	Name of the RI	Income	Expenditure
		(₹ in lakh)	
1	Sri Gorakhnath Temple, Jagatsinghpur	429.66	121.54
2	Jagannath Ballav Math, Puri	497.92	139.18

³³ Sri Lingaraj Temple, Maa Sarala Temple, Jagannath Ballav Math, Sri Akhandalamani Temple, Debottar Dhenkanal, Sri Gorakhnath Temple and Thakur Mahal

³⁴ Sri Lingaraj Temple, Maa Mangala Temple, Maa Sarala Temple, Sri Gorakhnath Temple, Jagannath Ballav Math, Sri Akhandalamani Temple, Thakur Mahal, Debottar Dhenkanal, Maa Ugratara Temple and Maa Samleshwari Temple

Sl. No.	Name of the RI	Income	Expenditure
		(₹ in lakh)	
3	Akhandalamani Temple, Aradi	180.12	98.78
4	Thakur Mahal, Nilgiri	43.24	34.07
5	Dhenkanal Debottar	1,087.86	535.04
6	Rajdhani Puja Samiti, Bhubaneswar	19.74	16.62
7	Sri Ram Mandir, Bhubaneswar	238.08	153.07
8	Sri Lingaraj Temple, Bhubaneswar	572.33	252.67
9	Maa Mangala Temple, Kakatpur	436.67	81.49
10	Maa Chandi Temple, Cuttack	180.06	224.58
11	Maa Ugratara Temple, Bhusandpur	51.08	26.96
12	Maa Samleshwari Temple, Sambalpur	245.60	36.82
Total		3,982.37	1,720.81

(Source: Cash books of respective RIs)

Audit observed that

- The EC had not taken steps for preparation of required accounts despite the fact that four sample RIs had received ₹ 43.25 lakh grants as aid³⁵ for conducting rituals and festivals from Government during 2016-19.
- In six RIs, the cash books were not written for 10 to 246 days up to the dates of audit³⁶ as shown below.

Table 2.2.3: Period for which cash books had not been written

Sl. No.	Name of RI	Period from	Period to	No. of days
1	Maa Sarala Temple	01 December 2019	10 December 2019	10
2	Sri Gorakhnath Temple	01 December 2019	21 December 2019	21
3	Jagannath Ballav Math	01 December 2019	01 January 2020	32
4	Thakur Mahal	15 November 2019	22 January 2020	69
5	Maa Samleshwari Temple	01 February 2020	27 February 2020	27
6	Sri Lingaraj Temple	01 March 2019	01 November 2019	246

(Source: Cash books of respective RIs)

- In 11 RIs, the closing balances in bank accounts were not reflected in the cash books nor were Bank Reconciliation Statements prepared.
- In none of the sample RIs, were the cash books attested by the competent authority indicating the fact that correctness of the income/ expenditure reflected in the cash books were not certified/ reliable.

³⁵ Sri Lingaraj Temple (₹13 lakh), Sri Akhandalamani Temple (₹8 lakh), Thakur Mahal (₹1.50 lakh) and Debottar Dhenkanal (₹20.75 lakh)

³⁶ Dates mentioned in 'Period to' column in the Table were dates of Audit

Non-maintenance/ improper maintenance of financial records may lead to malfeasance and misuse of temple funds. Illustrative cases of misuse are discussed below.

2.2.2.4 Suspected misappropriation of temple funds

Audit noticed the following instances of mismanagement of funds:

(i) **Suspected misappropriation in Rajdhani Puja Samiti:** During 2016-19, ₹15.92 lakh had been shown as expenditure in the cash book. However, vouchers in support of the expenditure were not available with the trust board. Non-availability of vouchers raised doubt on the authenticity/ accuracy of amount of expenditure.

On being pointed out in Audit, Law Department of Government of Odisha referred (January 2020) the matter to the Economic Offence Wing of the Odisha Police for further investigation.

(ii) **Suspected misappropriation in Maa Mangala Temple:** Cash books for the period from 1 July 2010 to 18 November 2012 and 13 March 2015 to February 2019 were not produced to Audit for verification. The ex-EO of the RI, produced only four cash books for the period from November 2012 to March 2015 to Audit. During the period from 06 November 2017 to 31 August 2018, an amount of ₹ 101.28 lakh was shown to have been realised³⁷ from the sale proceeds of dry *Prasad* and *Deepa* (sacred lamp) and of this, ₹ 28.69 lakh was shown as expenditure. However, no voucher in support of the expenditure could be produced to Audit. Thus, the absence of vouchers raised doubt about the veracity of stated expenditure.

In the absence of cash books for that period, Audit attempted to trace the amount in the bank accounts and found that out of the residual amount of ₹ 72.59 lakh (₹101.28 - ₹ 28.69 lakh), only ₹ 49.47 lakh was deposited in the bank accounts. For the balance amount of ₹ 23.12 lakh, no explanation was furnished to Audit, which is suspected to have been misappropriated.

Besides the above, Audit noted that the incumbent EO while taking charge in March 2019 opened a cash book with opening balance as ₹ 2,34,60,110 *i.e.*, balance in one savings bank account³⁸ as on 1 March 2019. However, there were six other savings accounts and 23 fixed deposits which had not been taken into the cash book. Audit found that the total balances in savings accounts and fixed deposits were ₹ 2.23 crore and ₹ 4.32 crore respectively as on 31 October 2019.

Further, the ex-EO withdrew ₹ 6.80 lakh from savings bank account³⁹ during 29 August 2013 to 24 December 2014 for the purpose of renovation of shops for selling dry *Prasad* and Sacred lamp. However, no documentary evidence in support of expenditure incurred, if any, was available.

³⁷ Sacred lamp: ₹ 43.25 lakh and *Prasad*: ₹ 58.03 lakh

³⁸ Savings bank account with UCO bank bearing number 08400100002856

³⁹ UCO bank account bearing number 08400110090022

On being pointed out in Audit, Law Department of Government of Odisha referred (February 2020) the matter to the Superintendent of Police, Puri to register an FIR to investigate the matter further.

(iii) **Absence of details of advance paid:** As per provisions of SR 509 of OTC Vol.-I, advances paid from government resources for incurring departmental expenditure were to be adjusted promptly within a month by way of submission of the details of expenditure supported with vouchers and refund of the unspent amount, if any. Audit found that only Debottar Dhenkanal had maintained an advance register. The Advance Register produced to Audit was maintained from the year 2004-05. In the Advance Register, outstanding advances of ₹2.49 crore had been continuing against various officials and executants. Of this, details of recipients of advances of ₹1.48 crore in 579 cases were available in the register and for the balance amount of ₹1.01 crore, no particulars were available. In absence of details of recipients of advances, chances of recovery of ₹1.01 crore is remote. Also, possibility of showing advances fraudulently in the Advance Register cannot be ruled out.

The EC stated that (July 2020) steps were being taken to issue directions to the trust boards of the concerned RIs to maintain proper accounts, engage professional staff and to review the accounting records periodically.

2.2.3 Management of properties of RIs

Audit observations on management of properties of RIs *i.e.*, landed properties, housing properties, precious metals/ objects (gold and silver) and revenue sources are discussed below:

2.2.3.1 Management of landed properties

As mentioned in **Paragraph 2.2.2.1**, Section 15 (1) of OHRE Act requires that every religious institution should maintain a register mostly called property register. As per Section 15(2), such register shall be prepared, signed and verified by the trustee or his authorised agent of the RIs concerned and submitted to the EC through Assistant Commissioner.

Audit found that property register of only one sample RI (Thakur Mahal, Nilgiri) was submitted to the EC. Even in this case, the register had been last updated in 1993. In case of the remaining 12 sample RIs, Audit gathered particulars of property owned, under possession/ encroachment based on the information furnished by the respective trust boards and Revenue Inspectors, as shown in the table below:

Table 2.2.4: Particulars of landed properties of test checked RIs

Sl. No.	Name of the Temple	Total landed property	Actual possession	Area encroached
		<i>(In acres)</i>		
1	Sri Ram Mandir	1.190	1.190	0
2	Rajdhani Puja Samiti	1.440	1.440	0
3	Sri Lingaraj Temple	1,523.879	31.556	36.370*
4	Maa Mangala Temple	100.83	Not available	0.070**

Sl. No.	Name of the Temple	Total landed property	Actual possession	Area encroached
		<i>(In acres)</i>		
5	Maa Chandi Temple	0.443	0.443	0
6	Maa Sarala Temple	130.450	Not available	Not available
7	Sri Gorakhnath Temple	3.410	3.410	0
8	Jagannath Ballav Math	563.109	266.445	296.664
9	Sri Akhandalamani Temple	333.960	2.260	Not available
10	Thakur Mahal	785.450	162.483	139.330
11	Debottar Dhenkanal***	9,296.05	5,265.27	4,030.78
12	Maa Ugratara Temple	23.240	10.881	Not available
13	Maa Samleshwari Temple	4.738	4.086	0.657
Total		12,767.679	5,749.464	4,503.871

(Source: Information furnished by trust boards of RIs and Revenue Inspectors)

* Area of encroachment was only traced in Bhubaneswar; in other areas, the RI had no data

** Area of the Temple only, as no information was available about total landed property of the RI

*** As per information sheet of Debottar furnished to Collector, Dhenkanal

It would be observed from above that out of the total landed property of 12,767.679 acres of 13 sample RIs, only 5,749.464 acres (45.03 per cent) were under their possession and 35.28 per cent of the land was under encroachment. While only four RIs were in possession of all their landed properties, two RIs (Maa Mangala and Maa Sarala Temples) were not fully aware of extent of possession of the landed property. Further, extent of encroachment of landed property was also not known in respect of three RIs. Therefore, 7,018.215 acres of land were not under possession of respective seven RIs⁴⁰. Thus, the RIs concerned were not aware of status of more than half of their properties which were not under their possession. There were lacunae in internal control measures like maintenance of property registers and their submission to the EC, indicating apathy in safeguarding RI properties both by the related trust boards as well as by the EC.

2.2.3.2 Encroachment of land

As per Section 19 of OHRE Act, no transfer by exchange, sale or mortgage and no lease for a term exceeding five years of any immovable property belonging to, or given or endowed for the purpose of any RI, shall be made unless it is sanctioned by the EC as being necessary or beneficial to the institution. Also, no such transfer shall be valid or operative unless it is so sanctioned. Further, as per Section 25 of the Act, in case of any alienation, or in case of unauthorised occupation of any immovable property belonging to the RI, the EC may, after enquiry send requisition to the Collector of the district to deliver possession of the same to the trustee of the RI.

⁴⁰ Except Maa Mangala and Maa Sarala Temples and four other RIs having no encroachment of land

It was noted that the Trust Boards of the RIs (mentioned in **Table 2.2.4** above) failed to report to the EC about encroachment of landed property due to which eviction measures contemplated under Section 25 of the OHRE Act had not been initiated (March 2020) in any of the RIs concerned. Failure to trace and track properties owned by these RIs bears the risk of the ownership of property getting changed over a course of time or it becoming more difficult to recover the encroached land.

Details of other cases of encroachment, as observed by Audit are as follows:

- **Sri Lingaraj Temple:** Although the RI owns landed properties across the State, it was aware of possession and encroachment related to the city of Bhubaneswar only. Information on ownership and encroachment of land at other places were not known to the temple administration. The EO, Sri Lingaraj Temple intimated Audit that 36.370 acres out of 69.423 acres of land in Bhubaneswar, were under encroachment. Of this, in 23 cases, encroachment involved more than 0.30 acres of land in each case. Some photographs of encroachment under Sri Lingaraj Temple Trust Board are given below:



The EO of Sri Lingaraj Temple had filed 272 cases against the encroachers between 1990 and 2010. The EC had disposed off 222 cases as of October 2019. Of this, the EC forwarded 196 cases to the District Collector, Khurdha for eviction of encroachments. On the remaining 26 disposed off cases, actions to be taken were not on record. Of the 196 cases referred to the Collector, 79 cases related to Bhubaneswar Tahasil only. Of this, possession was recovered in 15 cases and 17 were pending for want of action at the level of District Collectors. In the remaining 47 cases, it was reported (January 2017) that eviction was not possible by demolishing/ evicting dwelling units or shops constructed in the encroached lands due to probable law and order situation which might arise.

Land measuring 5.988 acres situated in Gautam Nagar under Bhubaneswar Municipal Corporation area was in the name of Sri Lingaraj Mahaprabhu Marfat Trust Board in the Sabik⁴¹ record. In

⁴¹ Meaning in terms of revenue is previous or pre-vesting records (Pre-1950 to 1965)

1995, the land was settled in the name of a former trustee of the trust board. The market value of the land, as reported by the EO of the temple in November 2019, stood at ₹ 62.87 crore.

- **Debottar Dhenkanal:** As per the report submitted by the Debottar Dhenkanal to Collector Dhenkanal, 4,030.78 acres (43 per cent of total land of 9296.05 acres) was under encroachment. The Debottar Inspector stated (February 2020) to Audit that they were preparing to evict the encroachers who have not responded to encroachment notices issued to them.

The above facts indicated that the trust boards and EOs had not taken appropriate action to safeguard the valuable landed property of the RIs.

The EC stated that orders were being passed for recovery of land on the cases preferred by the trust boards and requisitions were being sent to Collector of the districts for delivery of possession of the said land.

It is recommended that Government may charge penal rent on the occupants of encroached land in case eviction is not possible. In addition, the EC may advise the RIs to plan for utilisation of lands lying vacant under their possession to avoid cases of further encroachment, etc.

2.2.3.3 *Improper management of housing properties*

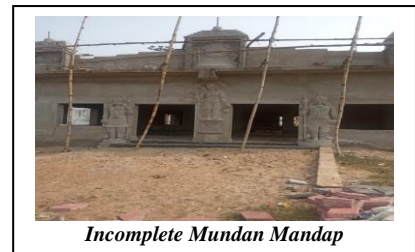
Deficiencies noticed in mismanagement of housing properties are discussed below:

2.2.3.4 *Improper management of housing property worth ₹1.55 crore*

As per OHRE Rules, 1959, trustee of a RI shall submit reports periodically to the EC on the building works which is desirable or necessary to be carried out during the succeeding year. The Report would include the need for, and details of the works as well as rough estimate of the expenditure involved and the manner in which the expenditure on the works is proposed to be met.

Audit observed that four projects undertaken by RIs after spending ₹ 1.24 crore became idle/ unfruitful, as discussed below:

- In case of Sri Akhandalamani Temple, Aradi, Government sanctioned (December 2015) ₹10 lakh for construction of a Mundan Mandap. The temple trust board, however, prepared an estimate of ₹ 15.54 lakh in December 2016 without identifying source for the balance of ₹ 5.54 lakh. The work started during 2017-18 but was stopped after spending ₹ 10 lakh. In absence of provision for the balance fund, the work remained incomplete.



- In Maa Chandi Temple, Cuttack, the work of beautification and construction of the multipurpose building, drainage path and landscaping were completed after incurring an expenditure of ₹109.69 lakh in October 2019. The newly constructed building could not be put to use due to defective work resulting in seepage and leakage of water, etc. However, the EO did not raise objections on the defects and released the payment to the contractor.



- A work for water supply to *Payamruta Kunda* at Kapilash (Debottar, Dhenkanal) was stated to have been completed in June 2019 incurring expenditure of ₹ 75,000. During joint physical inspection of the work along with the departmental officers in February 2020, no trace of existence of such work could be noticed. Thus, veracity of execution of such work is doubtful.
- In Sri Ram Temple at Saptasajya, a kitchen and a storeroom constructed at a cost of ₹3.34 lakh in May 2019 could not be put to use due to inferior quality of work resulting in seepage of water from roof.

Thus, the respective Trust Boards/EOs failed to plan and monitor the work as a result of which assets valued at ₹1.24 crore could not serve the intended purpose.

The EC confirmed (July 2020) the above facts and figures.

2.2.3.5 Deficient management of commercial premises of RIs

As per Section 7 (2) of OHRE Act, the Commissioner may do all things which are reasonable and necessary to ensure that the religious institutions and endowments are properly administered and that their income is duly appropriated for the purposes which they were founded or exist.

Audit noted that 11 out of 13 sample RIs had given commercial premises on rent. As per the information furnished number/ area of commercial/ residential units rented out, amount collected etc., are shown in the table below:

Table 2.2.5: Commercial space rented out and rent collected

Sl. No.	Name of the RI	No. of shops/houses	Area (sq.ft.)	Rent collected (₹ in lakh)	Rent collected for the period	No. of shops for which agreement in force
1	Sri Ram Temple	33	9,832.37	51.83	Mar 2017 to Oct 2019	7
2	Rajdhani Puja Samiti	80	34,617.00	21.57	Mar 2017 to Oct 2019	0

Sl. No.	Name of the RI	No. of shops/houses	Area (sq.ft.)	Rent collected (₹ in lakh)	Rent collected for the period	No. of shops for which agreement in force
3	Sri Lingaraj Temple	60	10,348.24	12.19	Apr 2016 to Oct 2019	0
4	Maa Mangala Temple	19	2,662.92	0	Apr 2016 to Nov 2019	0
5	Maa Chandi Temple	18	1,157.81	4.01	May 2018 to Nov 2019	0
6	Maa Sarala Temple	129	30,629.00	5.29	Apr 2016 to Nov 2019	0
7	Jagannath Ballav Math	51	42,982.00	47.72	Apr 2016 to Dec 2019	0
8	Sri Akhandalamani Temple	43	3,615.50	7.27	Apr 2016 to Dec 2019	0
9	Thakur Mahal	19	2,661.40	0.93	Apr 2016 to Dec 2019	0
10	Dhenkanal Debottar	22	14,270.00	8.54	Apr 2016 to Jan 2020	0
11	Maa Ugratara Temple	14	1,036.00	5.14	Apr 2016 to Jan 2020	0
Total		488	1,53,812.20	164.49	--	7

(Source: Records of sample RIs)

In the above context, Audit found that the Schemes settled for RIs were silent on manner of renting out of commercial space. As a result, out of 488 shops/houses rented out, agreements with tenants existed only in case of seven shops owned by Sri Ram Temple. The remaining 481 shops were on rent without any agreement with the tenants raising risk of non-payment, less payments of rent, discrepancies in revision of rent, etc., in future. In absence of agreement, Audit found that in Maa Mangala Temple, tenants of 19 shops did not pay any rent during April 2016 to November 2019. Besides, in rented properties of three RIs, rent amounting to ₹ 43.28 lakh was outstanding⁴².

Absence of enabling provision in the Schemes on the matter of fixation of basis of rent resulted in lack of uniformity in rent charged per square feet. Few test checked cases are given below:

⁴² Maa Chandi Temple: ₹ 3.41 lakh, Jagannath Ballav Math: ₹ 11.41 lakh and Maa Samleshwari Temple: ₹ 28.46 lakh

- The General Administration (GA) Department of the State Government fixes rent (or license fee) for commercial space owned by Government/ Government bodies in Bhubaneswar and Cuttack cities. The Department fixed (November 2016) rent at ₹ 30 per sqft. for the areas concerning to two sample RIs viz., Sri Ram Temple and Rajdhani Puja Samiti, effective from March 2017. In case of Sri Ram Temple, monthly rent was collected at ₹ 16.47 per sqft. (average) on 9,832.37 sqft during March 2017 to October 2019, which was only 55 per cent of rent fixed by GA Department. Further, there was no uniformity in rate of rent charged to various shops owned by it which varied from ₹ 66.03 per sqft to ₹ 3.57 per sqft. Only in case of five shops (1,018.64 sqft), rent charged was more than ₹ 30 per sqft. Thus, due to undercharging of rent, the RI sustained revenue loss of ₹ 42.57 lakh during March 2017 to October 2019⁴³.
- Similarly, in case of Rajdhani Puja Samiti, the RI did not have agreements in place for seven out of the total 80 shops. In case of the remaining 73 shops with commercial space of 32,864 sqft where agreements existed, the RI earned monthly rent of ₹ 72,260 i.e. ₹ 2.20 per sqft per month (average) during March 2017 to October 2019 as against, ₹ 30 per sqft fixed by GA Department. Further, rent per sqft charged varied from shop to shop, which ranged from ₹ 8.51 to ₹ 0.53. As such, rent charged was much lower than that fixed by the GA Department. As a result, the RI lost revenue of ₹ 2.92 crore in the above mentioned period⁴⁴.
- The rent fixation order issued by the GA Department did not include areas pertaining to Sri Lingaraj Temple. The BMC, however, fixed rent at ₹ 26 per sqft for the areas pertaining to the RI. The RI had 60 shops with 10,348.24 sqft. During April 2016 to October 2019, rent per month was ₹ 29,568 for the entire area of 10,348.24 sqft. Thus, rent per sqft worked out to ₹ 2.86 per sqft which was far lower than the rent fixed by BMC. The RI, however, did not revise the rent as of October 2019 and sustained revenue loss⁴⁵ of ₹ 1.03 crore in 43 months from April 2016 to October 2019.

Thus, absence of provisions in Schemes for regulating renting out of commercial spaces coupled with non-observance of general commercial prudence in letting out of shops i.e., signing agreements with tenants, fixing rent as per the prevailing rate and periodic revision thereof, resulted in revenue loss of ₹ 4.38 crore in three RIs.

The EC accepted (July 2020) the audit observations and assured to take corrective measures.

It is recommended that schemes of respective RIs should be amended to clearly specify the renting procedure and the methodology to determine the rate to be charged for rent units.

⁴³ 9,832.37 sqft * (₹ 30-₹ 16.47) * 32 months

⁴⁴ 32,864 sqft*(₹ 30-₹ 2.20)*32 months

⁴⁵ 10,348.24 sqft*(₹ 26-₹ 2.86)*43 months

2.2.3.6 Management of gold, jewelry and other precious metals

As per Section 33 of OHRE Act, without prejudice to the generality of the provisions of this Act, no office-holder or servant of a temple shall have the right to be in possession of the jewels or other valuable belongings to the temple except under such conditions and safeguards as the EC may by general or special order direct. Further, according to Schemes settled for certain RIs, the Executive Officer shall be responsible for the custody of all records and properties including cash and valuables of the temple and the jewels shall be in the joint custody of Managing Trustee (MT)/ President of the Trust Board and the EO of the RIs concerned.

Unauthorised custody of jewels of the deity

Audit conducted joint physical inspection of jewels (gold and silver) in 11 out of 13 RIs. Of this, Schemes were framed in respect of nine RIs. Out of the Schemes of nine RIs, except one RI, in the Scheme of eight RIs, office bearers of the trust board to be responsible for safe custody of jewels had been defined. In case of remaining two RIs⁴⁶, Scheme had not been framed. Quantity of gold and silver jewels in custody of office bearers, *sevaks*, etc., *vis-à-vis* provisions in the Schemes of respective RIs are shown in **Appendix 2.2.3**. In this regard, Audit observed the following:

- In respect of nine RIs for which there were provisions in the Scheme/ authorisation of EC, the EO and MT were jointly responsible for custody of jewels. Out of 24,463.75 grams of gold found during JPI in these RIs, 9,313.86 gram of gold⁴⁷ (38 *per cent*) was in custody of *sevaks* and office bearers other than the EO. Similarly, out of 284.55 kilogram (kg) of silver, 139.58 kg (49 *per cent*) was in custody of *sevaks* and office bearers other than the EO, which was highly irregular. Thus, only 7 kg out of 29.64 kg gold (24 *per cent*) and 62.70 kg out of 332.55 kg silver (19 *per cent*) was in the joint custody of MT and the EO.
- Though the EO alone was authorised to be the sole custodian of jewels in respect of Maa Sarala Temple, the entire quantity of gold (5,952.36 gram) and silver (93,393.40 gram) were in custody of *sevaks* and office bearers other than the EO. Thus, the EO had failed to assume responsibility of taking custody of jewels and instead allowed unauthorised individuals to be the custodians. On being pointed out in Audit (December 2019), the Deputy Commissioner issued (January 2020) a show cause notice to the EO of the Maa Sarala Temple for not taking possession of jewels.
- In case of Maa Ugratara Temple, in the absence of a Scheme, the EC authorised (December 2018) the EO and MT to be the joint custodian of properties of the RI. However, entire quantity of gold and silver were found to be in the custody of *sevak* and office bearers other than EO. In 2012 and 2017, three burglary cases were reported in which

⁴⁶ Sri Gorakhnath Temple and Debottar Dhenkanal (which is not coming under OHRE Act)

⁴⁷ Office bearers other than EO: 6,169.64 gram; *Sevaks*: 3,144.22 gram

most of the jewels of the deity were stolen. Despite this incident, valuable jewels of the RI were still found to be in the custody of unauthorised individuals.

- In case of Sri Gorakhnath Temple, neither the Scheme had been settled nor had the EC authorised anyone to be the custodian of jewels. In this case, the entire quantity of gold and silver were found to be in custody of an office bearer other than the EO.
- Scheme settled in respect of Sri Akhandalamani Temple was silent on officials/ *sevaks*/ trustees to be the custodian of jewels of the RI. As per the record, 8,510.500 gms of gold articles of the temple were stored in an iron chest in District Treasury of Bhadrak. It was also recorded that two keys had been deposited in 1995, one with the MT of the temple *i.e.*, the Sub-Collector, Bhadrak and second one with the Tahasildar, Chandbali. However, there was no acknowledgment of keys by the both, in the record. When Audit attempted (17 January 2020) to get the jewels physically verified through the representatives of the EC along with the officers of the temple trust board, the first key, supposed to be with the Sub-Collector, was not found and the second key was found with the representative of hereditary trustee, who was not designated as a co-custodian of jewels. Due to non-availability of both the keys at a time, the physical inspection of jewels could not be possible. Further, tracing of second key with an unauthorised person created doubt on availability of gold articles as per the record. Even after lapse of more than six months from the attempted physical verification, the EO and the concerned officers could not trace the keys as of July 2020, despite issue of several reminders and instructions. Thus, accountability needs to be fixed for such carelessness in preservation of keys of valuables, compromising their safe custody.

Thus, unauthorised custody of jewels valuing ₹ 4.73 crore not only raised doubt on safety of the same but also led to suspected pilferage as evident from the shortage of jewels found during joint physical inspection, as discussed in the following paragraph.

The EC accepted the audit observation and assured to take corrective measures.

2.2.3.7 Discrepancy in stock of jewels

While the Schemes settled for RIs envisaged manner of custody of jewels, they were silent on periodic physical verification of these valuables so as to ensure that the quantity and number of jewels entered in the registers were actually present.

Audit found that four RIs⁴⁸, however, maintained ornament register and collection register. The other RIs either mentioned it in the property register or in other documents. Audit conducted physical inspection of jewels on sample

⁴⁸ Dhenkanal Debottar, Sri Akhandalamani Temple, Maa Sarala Temple and Sri Gorakhnath Temple

basis in 11 RIs⁴⁹ jointly with the representatives of the RIs concerned. While in one RI (Sri Lingaraj Temple) there was no discrepancy between recorded quantity of jewels and physically inspected quantity, in four other RIs⁵⁰, correctness of quantity of jewels in terms of weight could not be ascertained since either quantification of jewels were mentioned only in number or the weight in a different unit (*i.e.*, *Bhari or Rati*).

In case of the other five RIs⁵¹, the jewels in the custody of different office bearers and *sevaks* (which were on record), were weighed in presence of Audit by goldsmiths engaged by the respective RIs. Audit found shortage of 823.334 grams of gold and 53,595.84 grams of silver valuing ₹ 60.07 lakh⁵², as shown in the **Appendix 2.2.4**. Major discrepancy of 579.69 grams of gold and 52.182 kgs of silver was noticed in Maa Chandi Temple. The EO of the RI is yet to furnish (July 2021) explanation for the discrepancy.

Audit noted that there was no provision in the Schemes settled for RIs on periodic physical verification of properties of RIs including jewels. Despite absence of provision in the Schemes, the EC had also not issued any directions to the respective RIs to conduct periodic physical verification of the same. Thus, there was no control and monitoring mechanism to safeguard the properties of the RIs.

The EC, accepting (July 2020) the audit findings, assured to take remedial action. It is recommended that EC should lodge FIR for shortage of jewels and that the provision for periodic physical verification of assets of the RIs (real estate, gold, silver, jewels, *etc.*) may be included in the Schemes/ OHRE Rules.

2.2.4 Management of revenue sources

2.2.4.1 Loss of revenue to religious institutions due to inefficient management of income generating sources

Major sources of income of an RI are auction of *Anna Prasad*, shops of dry bhog and sacred lamp and puja materials, parking and shoe stand. Where no auction is possible, the Trust Board of RI manages the sources till auction can be done. The status of auction of sources in audited RIs is given in **Appendix 2.2.5**. Audit noticed following shortcomings:

- In 10 sample RIs, 70 sources were available for auction (except Sri Ram Mandir and Rajdhani Puja Samiti). However, only 33 sources were put to auction. The remaining 37 sources were left without auction due to non-participation of bidders, *etc.* In RIs like Sri Lingaraj Temple and Debottar Dhenkanal, the bidders did not turn up to

⁴⁹ Sri Lingaraj Temple, Maa Chandi Temple, Maa Mangala Temple, Jagannath Ballav Math, Maa Sarala Temple, Sri Gorakhnath Temple, Sri Akhandalamani Temple, Kapilash Temple, Thakur Mahal, Nilgiri, Maa Ugratara Temple and Maa Samleshwari Temple

⁵⁰ Sri Gorakhnath Temple, Thakur Mahal, Debottar Dhenkanal and Maa Ugratara Temple

⁵¹ Maa Chandi temple, Maa Sarala Temple, Sri Gorakhnath Temple, Sri Akhandalamani Temple, Maa Samleshwari Temple

⁵² As per the price of gold and silver on 12 March 2020 in Bhubaneswar

participate in the auction. In other RIs, no attempt was made to put these sources into auction.

- In Sri Lingaraj Temple, Bhubaneswar, potential revenue earning sources like *Ananda Bazar*, sale of *Prasad*, sale of sacred well water, etc., were not being tapped to augment earnings of the RI.
- In seven RIs, an amount of ₹ 2.91 crore was outstanding against the auctioneers for the period 2010-11 to 2019-20⁵³. The range of outstanding amount was ₹ 0.61 lakh (Thakur Mahal) to ₹ 1.83 crore (Sri Gorakhnath Temple).

Thus, efforts to monetise potential revenue earning sources of RIs were not adequate. Besides, non-realisation of outstanding dues from auctioneers indicated lackadaisical approach in augmenting financial position of RIs.

The EC confirmed (July 2020) the above facts and figures.

2.2.4.2 Poor management of crops

As per Section 14(1) of the Act, the trustee of every religious institution is bound to administer its affairs and to apply its funds and properties in accordance with the terms of the trust, the usage of the institution and all lawful directions issued by a competent authority. The trustees are expected to exercise the same vigilance in respect of management of affairs of the RIs as a man of ordinary prudence would deal with such affairs, funds and properties as if they were his own.

Audit checked the crop registers in four sample RIs having agricultural land. Status of realisation of crop dues from the farmers who had been cultivating deity's land during last three years ending March 2019 is shown in the table below:

Table 2.2.6: Status of realisation of crops in sample RIs

Name of the RI	Total cultivable land	Land cultivated	Opening balance of outstanding dues	Crop demanded	Crop realised	Balance due	Value (₹)
	(In acres)		(In quintals)				
Thakur Mahal	116.375	116.375	610.26	523.69	712.93	421.02	Not available
Sri Lingaraj Temple	57.408	53.23	1294.925	399.22	365.375	1328.77	680270
Sri Akhandalamani Temple	44.8	24.96	208.17	523.43	241.66	489.94	165770
Debottar Dhenkanal	1021.72	626.78	0	2185	1781.11	403.89	1059670
Total	1240.303	821.345	2113.355	3631.34	3101.075	2643.62	1905710

(Source: Records of sample RIs)

Debottar Dhenkanal had total 1,021.72 acres of agriculture land out of which 626.78 acres of land (61 per cent) was used at an average for crop production in a year leaving 395 acres of land unutilised. The EO, Debottar did not

⁵³ 2010-11: ₹ 5.14 lakh, 2011-12: ₹ 0.87 lakh, 2013-14: ₹ 11.80 lakh, 2014-15: ₹ 55.33 lakh, 2015-16: ₹ 8.75 lakh, 2016-17: ₹ 32.03 lakh, 2017-18: ₹ 0.81 lakh, 2018-19: ₹ 54.16 lakh and 2019-20: ₹ 121.91 lakh

furnish replies to Audit as to why the remaining land was not cultivated. In case of Sri Akhandalamani temple too, 44 *per cent* of cultivable land was not cultivated.

The EC confirmed (July 2020) the above facts and figures.

2.2.5 Conclusion

The spirit of the Orissa Hindu Religious Endowment (OHRE) Act, 1951 is to ensure that the religious institutions and endowments are properly administered and that their income is duly appropriated for the purposes intended. Audit found that the said objective, was not being largely followed either in establishing required mechanism like constitution of trust boards and nominating members thereto or day to day administration like safeguarding properties of the RIs.

Audit test checked records of 13 sample RIs and found that for three RIs, the EC had not nominated non-hereditary members even after the expiry of the regular trust boards. For five other RIs, interim trust boards had been formed though there is no provision for such interim boards in the OHRE Act. In case of two RIs, even interim trust boards were not in place. Thus, intended mechanism required to be put in place for smooth management of RIs were absent.

Except one RI, important records like Property Register were either not maintained or were not authenticated by the EC. Likewise, only one RI was preparing annual Income and Expenditure Account. Non-maintenance/ non-authentication of property register coupled with absence of Income and Expenditure Accounts led to discrepancies in accountal of all properties and incomes/ expenditure of RIs. While around 36 *per cent* of the landed property of RIs was under encroachment, in some cases (Maa Mangala Temple and Maa Sarala Temple) even the total area of landed property in the name of the RIs was not known to the concerned trust boards.

In view of malfunctioning of the trust boards, matters pertaining to renting out of properties on commercial basis remained poorly governed. The RIs rented out 481 shops without any agreement raising risk of non-payment, less payments of rent, discrepancies in revision of rent, *etc.*, in future. In case of three sample RIs situated in Bhubaneswar urban area, fair rent declared by the General Administration Department and Municipalities were not adhered to and rent was fixed much below the fair rent. This resulted in loss of revenue of ₹ 4.38 crore.

As per the Schemes or authorisation of EC in respect of nine RIs, Executive Officer or Managing Trustee or both had been authorised for safe custody of gold and jewels. Of this, in five RIs, 38 *per cent* of gold (9,313.86 gram) was under the custody of unauthorised individuals i.e., *sevaks* and office bearers. On weighment of jewels in the custody of different office bearers and *sevaks* of five RIs, in presence of Audit, shortage of 823.334 grams of gold and 53,595.84 grams of silver valuing ₹ 60.07 lakh was detected. EC has not issued any directions for periodic physical verification of properties, including jewels. Thus, there was lack of proper control and monitoring mechanism to safeguard property and valuables of the RIs.

**WOMEN AND CHILD DEVELOPMENT & MISSION SHAKTI
DEPARTMENT**

2.3 Misappropriation of rice valuing ₹ 1.14 crore

Wilful negligence of District Social Welfare Officer in exercising due oversight on transportation and delivery of rice resulted in misappropriation of 3,398.25 quintals of rice valuing ₹ 1.14 crore.

Supplementary Nutrition Programme (SNP) is one of the interventions⁵⁴ under the Integrated Child Development Services (ICDS) scheme. The scheme is implemented by the Women & Child Development and Mission Shakti Department in Odisha. In each Block/ Urban Local Body, there is at least one ICDS Project, headed by Child Development Project Officer (CDPO), who implements the scheme at ground level. The functioning of CDPOs is supervised by District Social Welfare Officer (DSWO) at district level.

Under SNP, children aged between three and six years enrolled in Anganwadi Centres (AWC) are provided Hot Cooked Meal (HCM) on every working day. Along with the enrolled children, Anganwadi Workers (AWW) and Helpers are also provided HCMs. For each HCM, 80 grams of rice is allocated as per the norm fixed by the Government. The required quantity of rice is lifted from the godowns of the Food Corporation of India (FCI) or from the godowns of the Odisha State Civil Supplies Corporation Limited (OSCSCL) and delivered at each AWC through a Transport Agent (TA). The TA is selected by the concerned District Collector through a tendering process.

As per clause 3(g) of the agreement, executed between the TAs and the Collector, Angul for the years 2016-17 to 2018-19, the TA would take delivery challans/way bills from DSWO in quadruplicate while transporting the stock to AWCs. After delivery of the stock, one copy of the challan would be given to the recipient of stock *i.e.*, AWW, a second copy would be submitted to the CDPO and the third copy to the DSWO along with a statement of distribution of rice at different AWCs duly countersigned by the CDPO concerned. The DSWO would make payment to the TA towards transport and handling charges, as per the statement so certified by the CDPO.

Audit scrutinised (January 2020) registers of stock of rice at 1,045 AWCs⁵⁵ of five ICDS Projects⁵⁶ (out of eight) under the DSWO, Angul. From the stock registers maintained at DSWO office, Audit noted that 20,233.98 quintals of rice were distributed to 1,045 AWCs during 2016-17 to 2018-19. The TA had been paid transport charges amounting to ₹ 12.56 lakh for the said quantity. However, as per the stock register maintained by the AWWs at AWC level, only 16,835.73 quintals of rice were shown to have been received from the TA. Details of less receipt of 3,398.25 quintals of rice, are shown in the table below:

⁵⁴ The other interventions are: Pre-school education, Nutrition and health education, Immunisation, Health check-up and Referral services

⁵⁵ Angul-264, Athamallik-226, Chhendipada-191, Kaniha-176 and Pallahara-188

⁵⁶ Angul, Athamallik, Chhendipada, Kaniha and Pallahara

Table 2.3.1: Statement showing short delivery of rice by TA during 2016-17 to 2018-19

Sl. No.	Name of the ICDS Project	Quantity shown as distributed as per records of DSWO	Quantity shown to have been received at AWCs as per the records at AWCs	Short delivery	Cost of shortage
<i>(In quintals)</i>					<i>(₹ in lakh)</i>
1	Angul	4,191.43	4,093.04	98.39	3.28
2	Athamallik	4,299.23	2,825	1,474.23	49.23
3	Chhendipada	4,406.66	3,711.25	695.41	22.94
4	Kanhia	3,462.14	2,898.10	564.04	19.34
5	Pallahara	3,874.52	3,308.34	566.18	19.02
	Total	20,233.98	16,835.73	3,398.25	113.81

(Source: Records of DSWO, Angul)

The above shortage of 3,398.25 quintals of rice occurred during 2016-17 to 2018-19 and the year-wise shortage ranged from 501.98 quintals in 2016-17 to 1,667.65 quintals in 2018-19. The cost of rice provided for SNP at Central Issue Price (CIP), ranged from ₹ 3,104.96 per quintal in 2016-17 to ₹ 3,472.94 per quintal in 2018-19. The value of short quantity of rice⁵⁷ as per the CIP prevailed in the corresponding years worked out to be ₹ 1.14 crore.

Audit observed that the TA had not handed over the challans/way bills to the AWWs and CDPOs after delivery of rice at the AWCs. The CDPOs also did not take any action to obtain the same. Further, the TA also did not obtain certificate from the CDPOs in support of quantity of rice delivered at AWCs and submitted bills to the DSWO without attaching such certificate though required as per Clause 4(b) of the agreement. The DSWO released payment of ₹ 12.56 lakh in favour of the TA towards transportation charges without insisting on certificates provided by CDPOs, in violation of the provisions of the agreement.

Audit noted that the CDPO, Athamallik had drawn the attention of the DSWO twice⁵⁸ about short supply of rice by the TA. The CDPOs of the other four sampled ICDS Projects had not pointed out short receipt of rice. The DSWO, however, had not taken any action against the TA on the intimation of the CDPO, Athamallik. This indicated that the then DSWO had wilfully overlooked the necessity of obtaining certificates from CDPOs by the TA in support of the actual quantity of rice delivered. As a result, the TA got an opportunity to inflate the quantity of rice supplied in the bills. Complicity of the then DSWO with the TA in misappropriating 3,398.25 quintals of rice valued at ₹ 1.14 crore cannot be ruled out.

In reply, the DSWO clarified (November 2020) the following:

- The stock register of DSWO office had been corrected and as per the corrected figure DSWO had distributed 19,835.31 quintals of rice, not

⁵⁷ 2016-17: 501.98 quintal @ ₹ 3,104.96 = ₹ 15.59 lakh, 2017-18: 1,228.62 quintal @ ₹ 3,280.31 = ₹ 40.30 lakh and 2018-19: 1,667.65 quintal @ ₹ 3,472.94 = ₹ 57.92 lakh

⁵⁸ On 14 December 2018 and on 19 February 2019

20,233.98 quintals of rice to the five sample ICDS Projects (*i.e.*, the quantity of rice distributed as reported by Audit is overstated by 398.67 quintals).

- 1,694.20 quintals of rice although received in AWCs had not been taken into their stock accounts. Further, 657.54 quintals of rice were received after March 2019 *i.e.*, in April 2019. Hence, total quantity of rice received by AWCs stood at 19,187.47 quintals⁵⁹, not 16,835.73 quintals.
- Against distribution of 19,835.31 quintals by DSWO, receipt at AWC end was 19,187.47 quintals. The shortage of 647.84 quintals was due to non-delivery by the TAs against whom action would be taken.
- No reply was provided on the issue of inaction on the complaint of CDPO, Athamallik.

The above clarifications of the DSWO were verified (February 2021) by Audit through rechecking of records and the following was observed:

- In the stock register maintained by the DSWO, the names of the recipient ICDS Projects were found to have been changed by overwriting. The names of the ICDS Projects which were not among five sample ICDS Projects⁶⁰ had been included. Thus, an attempt was purportedly made to show that 398.67 quintals of rice have been received by Projects other than the five sample ICDS Projects. However, there was no acknowledgement from any of the ICDS Projects of receipt of such rice as shown in the revised stock register. One such recipient of rice was shown to be ICDS Project, Talcher, which, as per the revised stock register, had received 124.25 quintals of rice on 19 January 2019. Audit sought confirmation of the CDPO, Talcher about receipt of 124.25 quintals of rice. As per the rice receipt statement furnished to Audit by the CDPO, Talcher, no such quantity of rice had been received by the CDPO, Talcher. Thus, the clarification of the DSWO is not based on facts.
- That 1,694.20 quintals of rice had not been taken into account was not factually correct. Audit has taken the quantity of rice received at AWCs as per the figures certified by the AWWs and CDPOs concerned. After being pointed out in Audit, the opening balance, quantity of rice received, utilised and closing balance in respect of five sample ICDS Projects had been revised. Further, the reply that 657.54 quintals of rice was delivered in the next quarter (*i.e.*, in the first quarter of 2019-20) is not correct since the above quantity received in AWCs were against allotments made by the DSWO during 4 April to 10 April 2019 and Audit observations are based on the quantities allotted and distributed up to March 2019.
- In view of above, it is established that 20,233.98 quintals of rice had been distributed by DSWO during 2016-19 against which only

⁵⁹ 16,835.73 quintals + 657.54 quintals + 1,694.20 quintals

⁶⁰ Angul, Athamallik, Chhendipada, Kaniha and Pallahara

16,835.73 quintals were received at AWCs. As such, the short delivery of rice was 3,398.25 quintals valuing ₹ 1.14 crore.

- In a purported attempt to cover up the shortage quantity, Audit found overwriting of many figures of rice account pertaining to opening balance, quantity received, quantity utilised and closing balance.

Thus, wilful negligence of then DSWO resulted in misappropriation of 3,398.25 quintals of rice valuing ₹1.14 crore. Payments were made to TAs without counter certificates by CDPOs. Possible complicity of the then DSWO with the TA in committing such misappropriation merits further investigation by the Department.

It is recommended that:

- The Government should get the records of other AWCs⁶¹ maintained by concerned DSWOs rechecked, to assess short supply of rice in these AWCs.
- The Government should fix responsibility for short supply of 3,398.25 quintals of rice, due to which children were deprived of the intended benefits of nutritious food under the SNP scheme.
- Appropriate action should be taken against the TA for short supply of rice.

The matter has been reported (March 2021) to Government; reply is awaited (July 2021).

HOUSING AND URBAN DEVELOPMENT DEPARTMENT

2.4 Failure in implementation of National Mission Mode Project

Housing and Urban Development Department failed to implement National Mission Mode Project rendering initial expenditure of ₹ 4.07 crore as wasteful besides loss of ₹ 8.63 crore of Central assistance for the project and depriving the citizens from the benefits of the project.

Ministry of Housing and Urban Development (MHUD), Government of India (GoI) launched the National Mission Mode Project (NMMP) on e-governance under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) in December 2005. The objective of the NMMP was to deliver citizen services like registration and issue of birth/ death certificates, payment of property tax, etc., on web-based platforms in Urban Local Bodies (ULB). The cost of the project was to be shared between the GoI and State Government in the ratio of 80:20.

As per the NMMP Guidelines, State Government would appoint a consultant to help the State and ULBs in rolling out the e-Governance project. The consultant would prepare Detailed Project Report (DPR), Request for Proposal (RFP), assist in tendering for selection of software developer and monitor implementation till the system goes live. In case of Odisha, M/s WIPRO Limited (WIPRO) was appointed as the Consultant on 18 January 2012.

⁶¹ Angul-264, Athamallik-226, Chhendipada-191, Kaniha-176 and Pallahara-188

MHUD approved (March 2012) the proposal of the State Government to implement NMMP in two cities of the State viz., Bhubaneswar and Puri at projected cost⁶² of ₹ 14.02 crore. GoI released (October 2012) ₹ 2.60 crore as first instalment. State Government also released (December 2012) ₹ 0.65 crore as its share.

In line with the provisions of the consultancy agreement, WIPRO was responsible for the implementation of the project in both the cities for ₹ 2.60 crore⁶³. WIPRO was to prepare the DPR, RFP (for selection of software developer) and monitor implementation of 28 service modules⁶⁴. WIPRO was to complete consultancy service-related works by 14 October 2012. Thereafter it was to monitor, evaluate and extend operational support in implementation of the project. Implementation of the project was to be completed by 17 January 2014.

Due to non-completion of the project by the stipulated date, contract with M/s WIPRO was extended (July 2014) by one year (*i.e.*, up to 16 January 2015) or till “Go live” of the application, whichever is later. The contract value was also increased by ₹ 60 lakh. Out of the enhanced contract value of ₹ 3.20 crore, WIPRO was paid⁶⁵ ₹ 2.63 crore during January 2013 to May 2017 since the contract was terminated with effect from 31 December 2017.

Audit noted that Housing & Urban Development (H&UD) Department failed in implementing the project despite incurring initial expenditure of ₹ 4.07 crore as of March 2020 rendering the entire expenditure wasteful. In this connection, Audit observed delays as well as deficiencies in preparation of project blue prints and selection of software developer contributing to the failure in implementation of the project, as discussed below:

- **Delay in selection of software developer:** Paragraph 3.5.14 of OPWD Code, Volume I states that in case L₁ bidder does not turn up for agreement upon selection, L₂ bidder shall be offered the work with same price and terms and conditions as offered by L₁ bidder, otherwise tender shall be cancelled. H&UD Department issued an RFP on 6 February 2013 for selection of a software developer. It was noted that against the stipulated timeline of 60 days for finalisation of RFP as per the terms of the contract with M/s WIPRO⁶⁶, the same was finalised in 384 days. The bids which were to be evaluated within 45 days (*i.e.*, by 02 May 2012) as per the terms of contract with M/s WIPRO, were evaluated only on 29 June 2013 *i.e.*, after 423 days⁶⁷.

⁶² Bhubaneswar: ₹12.98 crore + Puri: ₹1.04 crore

⁶³ Preparation of DPR: ₹25.96 lakh; Project Management Cost: ₹2.34 crore in eight equal quarterly instalments

⁶⁴ 16 Geographical Information System (GIS)/ Management Information System (MIS) based service modules and integration of 12 existing modules with the newly developed system

⁶⁵ Towards preparation of DPR: ₹ 25.96 lakh and Project Management cost: ₹ 2.37 crore

⁶⁶ Contract was signed on 18 January 2012. RFP was to be finalised within 60 days of signing in the contract *i.e.*, by 18 March 2012

⁶⁷ Duration from 2 May 2012 (the stipulated date of evaluation of RFP) to the actual date of evaluation (29 June 2013)

During the evaluation of bids, M/s Tech Mahindra was found to be the L₁ bidder. A Letter of Intent (LoI) was issued on 8 October 2013 to the firm asking it to accept by 24 October 2013. However, instead of accepting, the firm conveyed (28 October 2013) an increase in their initial quoted price by ₹ 3.23 crore due to computational error on their part in arriving at the total bid price. The Tender Evaluation Committee rejected the request of M/s Tech Mahindra and further, instead of offering the work to the L₂ bidder, recommended (4 November 2013) cancellation of the tender. Accordingly, the H&UD Department cancelled the tender on 13 December 2013 and issued another RFP on 18 December 2013. In response, it received only one bid. In view of the single bid, the tender was again cancelled. Meanwhile, the Central scheme JNNURM, expired on 31 March 2014. Thus, the commitment of GoI to provide financial assistance for the scheme, also lapsed. Thus, besides delays in finalisation of RFP and evaluation of bid, cancellation of the bid instead of offering the work to the L₂ bidder delayed the project further. Consequently, the project could not take off within the stipulated timeline of 31 March 2014 and the State Government lost the opportunity of availing Central assistance amounting to ₹ 8.63 crore.

- The State Government subsequently decided (October 2015) to go ahead with the work from its own resources reducing the project size to five service modules⁶⁸ from the previously envisaged 28. The Department once again issued a RFP in March 2015 for selection of a software developer. M/s IL&FS Environmental Infrastructure & Services Limited (IEISL) was selected (February 2016), being the L₁ bidder.
- **Development of modules before finalisation of System Requirement Specification (SRS):** A tripartite agreement was signed (29 February 2016) among H&UD Department, Bhubaneswar Municipal Corporation (BMC)/Puri Municipality and IEISL for implementation and development of five modules for ₹ 7.86 crore. IEISL was to make the system GO live successfully at BMC and Puri Municipality by November 2016. The stipulated date was later extended up to 31 December 2017. As per the terms of the agreement, System Requirement Specification (SRS) should be prepared by IEISL in consultation with ULBs. The SRS was to be approved by the H&UD Department within 11 weeks from the date of signing the agreement, *i.e.*, by 16 May 2016. Based on the approved SRS, IEISL would develop modules which were to be put for User Acceptance Testing within 26 weeks (29 August 2016) of the signing in the agreement. Accordingly, IEISL submitted draft SRS of all five modules during March 2016. User agencies like BMC and Bhubaneswar Development Authority (BDA) continued to suggest changes in the draft SRS due to which it could not be approved. Notwithstanding finalisation of SRS, M/s IEISL started developing the software modules on the basis of

⁶⁸ i) Procurement and contract management; ii) Revenue management; iii) Works management system; iv) Building Plan Approval; v) Human Resource Management System

draft SRS and feedback received from the user agencies from time to time. Thus, the system development path was not in sync with the terms of the agreement and eventually failed to fulfil requirements of the users. As a result of such deviations, the project could not be completed by the stipulated date of 31 December 2017 due to which the tenure of the contract with M/s IEISL was further extended (19 March 2018) up to 31 March 2018. However, the contract with M/s WIPRO was terminated with effect from 31 December 2017 due to its failure in getting the project timely completed.

- Of the five modules to be developed by M/s IEISL, one module (Works Management Application) was put to User Acceptance Testing (UAT) on 22 June 2017 by a Committee chaired by the City Engineer, BMC. The Committee suggested further changes in the module.
- Another module (Building Plan Approval System) was put to operation on 01 August 2017 in BDA without approval of SRS and UAT. The users encountered numerous technical errors/ issues in the module during the processing of building plan applications. The Planning Member, BDA suggested (September 2017) for changes in the module but the same were not addressed by M/s IEISL. Consequently, the use of the module was discontinued with effect from 5 December 2017. In case of the remaining three modules, there was no evidence of any UATs being conducted nor of these modules being put to operation.
- The Department finally terminated (March 2019) the contract with M/s IEISL retrospectively with effect from March 2018. IEISL had been paid ₹1.44 crore towards installation of hardware (₹1.06 crore) and development of one module (₹ 37.74 lakh). Implementation of project remained stalled thereafter and the hardware procured for the purpose remained idle. Meanwhile, three-year warranty period on hardware expired at the end of March 2020. Consequently, entire expenditure of ₹ 4.07 crore (payments to WIPRO: ₹ 2.63 crore and IEISL: ₹ 1.44 crore) incurred on the project became wasteful.

Thus, delay in selection of software developer coupled with non-finalisation of SRS before development of software led to NMMP not being implemented successfully. As a result, expenditure of ₹ 4.07 crore incurred for the purpose became wasteful besides loss of ₹ 8.63 crore as Central assistance for the project.

The H&UD Department stated (July 2020) that the SRS had been discussed multiple times among the stakeholders and it was decided that upon completion of the UAT, SRS would be finalised. The Department further clarified that the residual works would be done through the Bhubaneswar Smart City Limited (BSCL), another State PSU. The reply is not convincing. SRS is the document based on which a software is developed. The agreement with IEISL also envisaged preparation of the SRS before developing the required software. Regarding, completion of the residual works, expertise of BSCL in undertaking the task is undocumented, hence, possibility of the project getting completed is doubtful.

2.5 Idle expenditure due to failure in making the slaughter house operational

Bhubaneswar Municipal Corporation did not heed advice of the consultant in deciding modalities for operation of slaughter house and proceeded as per its own accord. As a result, it could not find an operator for operation of the slaughter house leading to idling of infrastructure created by spending ₹ 7.27 crore.

Rule 3 of the Prevention of Cruelty to Animals (Slaughter House) Rules, 2001 provides that no person shall slaughter any animals within a Municipal area except in a slaughter house licensed by the concerned authority. Further, Section 562 of the Odisha Municipal Corporation Act, 2003 prohibits roadside slaughter of any animal within the Municipal Corporation area.

Audit noticed (January 2020) that Bhubaneswar Municipal Corporation (BMC) engaged (March 2011) Centre for Environment and Development (CED) for providing consultancy to construct a modern abattoir. In course of preparation of the DPR, CED had viewed (October 2013) that adopting Construct, Operate and Maintain (COM) model would not be feasible for small projects (*i.e.*, 100 sheep per day) and it, therefore, advised the BMC to manage the slaughter house with their own staff instead. For this, BMC was advised by CED to form a co-operative society which would carry out operation and maintenance (O&M) tasks of the slaughter house. The other option CED gave to BMC was to outsource O&M activities to an external agency on lease agreement under the condition that the agency would slaughter the animals at a fixed rate in morning hours only and thereafter the agency could utilise the plant for its own purpose. However, in a meeting held (October 2013) by BMC with the representatives of CED and Odisha Urban Infrastructure Development Fund⁶⁹ (OUIDF), it was decided to opt for the COM Model.

Accordingly, CED prepared (November 2013) a Detail Project Report (DPR) for the construction of the slaughter house on COM model. As per the DPR, the capacity of the slaughter house was to be 100 sheep per day at an estimated project cost of ₹ 6.40 crore. The project cost was to be funded by BMC and the successful bidder would construct the slaughter house and operate it for 10 years. Subsequently, Housing and Urban Development (H&UD) Department accorded (July 2014) administrative approval for ₹ 6.40 crore, which was revised (February 2016) to ₹ 8.78 crore to construct a 'modern abattoir at Gadakana' with source of funds being a mix of grant, loan from OUIDF and contribution by BMC⁷⁰.

BMC invited request for proposal (RFP) in November 2013 for 'Construct, Operate and Maintain' a slaughter house but did not receive any response. Thereafter, National Building Construction Corporation (NBCC) offered (August 2014) to construct the slaughter house only on turnkey basis. The Project was completed in August 2017 by NBCC with an expenditure of

⁶⁹ A trust established by Government of Odisha for the purpose of developing and financing infrastructure projects under taken by Urban Local Bodies, Statutory Bodies, Public Sector Undertakings and Private Investors

⁷⁰ OUIDF Grant: 45 per cent, OUIDF loan: 45 per cent and BMC contribution: 10 per cent

₹ 7.27 crore. After the slaughter house was made ready, BMC invited (July and September 2017) bids for O&M of the slaughter house but failed to receive any response. OUIDF, on behalf of BMC, again invited (November 2017) an Expression of Interest (EoI) and received offer from one agency (M/s Hind Agro Industries Limited). Audit found that while a Committee constituted by BMC for selection of operator had taken note of the offer in its meeting held on 8 March 2018, it did not express any opinion on its acceptability. Rather, the Committee recommended enforcing a ban on road side slaughtering to make the plant operational. Audit noted that no further efforts were made either for engagement of operator nor was the ban on road side slaughtering enforced, rendering the slaughter house idle. During physical inspection (December 2019) of the slaughter house by Audit in presence of the representatives of BMC, it was noticed that the abattoir consisting of administrative building, lairage⁷¹, slaughter building and sewerage treatment plant were complete in all respects but were lying unused. Besides, two generators and one refrigerator van were lying idle in the premises of the abattoir. Further, during joint physical inspection of local meat market within BMC area, slaughtering of animals at road side were noticed.



In the above context, Audit observed that:

- BMC had ignored the views of the consultant, CED of not opting for COM model in view of the small capacity of the slaughter house. This decision of the BMC proved to be imprudent as is evident from the fact that its RFP floated for selection of an agency did not receive any response.
- CED had also suggested an alternative to BMC for operating the slaughter house through its own staff or forming a co-operative society or outsourcing the operation to an external agency. Despite this, upon non-receipt of response to the RFP, it did not act as per any of the suggestions of CED.
- Further, response to EoI received from one agency had not been acted upon, reasons for which are not on record. This is indicative of lackadaisical approach of BMC in making the slaughter house operational.

H&UD Department stated (February 2021) that BMC had floated another tender in August 2020 for selecting an agency for O&M of the slaughter house, in response to which only one bid was received. The Department, however, granted (January 2021) approval for awarding the O&M contract to

⁷¹ A place where sheep are rested on the way to slaughtering

the single bidder. Accordingly, the O&M work was awarded to the agency for five years. Later, BMC intimated (25 June 2021) that a Memorandum of Understanding had been signed with a private party on 29 April 2021 for O&M of the slaughter house. It was added that the agency had not commenced work due to prevailing pandemic situation.

From the above, it is clear that the slaughter house is now going to be made operational through outsourcing of O&M activities to an external agency, something that had been suggested by the consultant in October 2013 itself, but ignored by the BMC.

Thus, non-adherence to the advice of the consultant as well as inaction on the offers received subsequently for operation of the slaughter house led to idling of infrastructure created after spending ₹ 7.27 crore. Besides, the objective of stopping road side slaughtering of animals as envisaged in the Prevention of Cruelty to Animals (Slaughter House) Rules, 2001 could not be achieved.

2.6 Loss of interest of ₹ 2.56 crore due to improper funds management

Improper funds management by Bhubaneswar Development Authority deprived it of earning interest income amounting to ₹ 2.56 crore.

As per Rule 80 of Orissa Development Authorities Rules 1983, the Authority may invest any surplus money to the credit of the Fund Authority from time to time and deposit in interest bearing account in any scheduled bank or banks or invest in any of the securities or debentures as may be considered appropriate by the Authority. Audit observed improper funds management by Bhubaneswar Development Authority (BDA) resulting in loss of opportunity of earning ₹ 2.56 crore, as discussed below:

(i) Loss of interest of ₹ 1.04 crore due to deposit of unutilised funds in non-interest bearing account

BDA availed (September 2017) ₹ 41.16 crore from Odisha Urban Infrastructure Development Fund (OUIDF) for implementation of housing projects. The aim of the housing projects was to rehabilitate slum dwellers and people belonging to economically weaker section. As per Clause 7 (iv) of the sanction of loan, BDA was to open a separate project specific bank account with a nationalised bank wherein all the loan amounts and grants received from various sources would be deposited. For repayment of loan, BDA would open an escrow account not later than two years from receipt of loan. All revenue generated from the sale of housing units were to be deposited in the escrow account.

Audit test checked records of BDA during August-September 2018 and noticed that it had availed ₹ 41.16 crore (loan and grant of ₹ 20.58 crore each) from OUIDF in September 2017. BDA also contributed its own share of ₹ 20.58 crore for these projects. The total amount of ₹ 61.74 crore was kept in three different escrow accounts in September 2017 even though terms of sanction of loan did not require depositing the amount in an escrow account. Only revenue generated from sale of houses was to be deposited in escrow accounts.

Since deposits in escrow account are non-interest bearing, the said amount deposited therein, did not fetch any interest. BDA authorities realising this, transferred (January 2018) the fund from the escrow accounts to saving accounts with auto sweep facility. After this transfer, BDA managed to earn interest at the rate of 6.5 *per cent*⁷² on such deposits. Thus, the initial decision to deposit the amount in escrow accounts was, therefore, devoid of merit which deprived BDA of earning interest amounting to ₹ 1.04 crore⁷³ for the period from 1 October 2017 to 4 January 2018.

The Member Finance of BDA stated (August 2019) that the loan availed from any agency should not be diverted for any investment other than investing for the purpose for which it has been given. OUIDF, being the sponsored agency of Government of Odisha, could not allow the funds to be invested to accrue interest. The Member Finance further stated that the amount had since been invested in flexi account to have a better return.

The reply is not acceptable for the reason that retaining loan funds in a remunerative account till utilisation had not been barred in the sanction order of the loan. Further, subsequent action of the Member Finance of BDA in depositing the funds in flexi accounts to earn better returns defeats their own logic of not doing the same right from the beginning. Hence, responsibility needs to be fixed for such loss of interest by the BDA.

(ii) Retention of unutilised funds in savings account instead of fixed deposit accounts resulting in loss of interest of ₹ 1.52 crore

On scrutiny of Bank pass books (during 10 August-12 October 2018) maintained for Subudhipur Housing Project, Audit noticed that balance in the saving bank account with Oriental Bank of Commerce was ₹ 2.48 crore on 15 April 2006. Thereafter, no transaction had been carried out in the said account. BDA withdrew the entire amount ₹ 3.96 crore (including interest of ₹ 1.48 crore) from the account and deposited it in a flexi fixed deposit account on 29 August 2018. Audit observed that since the amount was not required by BDA for 12 years, the amount could have been deposited in a fixed deposit account much earlier, where rate of interest is higher than the savings account. Considering the prevailing rate of interest at 7.10 *per cent* on fixed deposit up to three years offered by the bank, BDA could have earned interest amounting to ₹ 3.00 crore during May 2006 to August 2018. Thus, BDA lost the opportunity of earning additional interest amounting to ₹ 1.52 crore due to improper funds management by the Member Finance, BDA.

Member Finance, BDA confirmed (August 2019) that the amount had since been deposited in fixed deposit account. The fact, however, remains that due to improper fund management by the Member Finance, BDA lost opportunity of earning additional interest amounting to ₹ 1.52 crore.

The above matter was reported (September 2020) to Government; reply is awaited (July 2021).

⁷² Prevailing then for deposits for 45 days to 179 days

⁷³ ₹ 61.74 crore x 6.5 *per cent* per annum for 95 days = ₹ 1.04 crore

PANCHAYATI RAJ AND DRINKING WATER DEPARTMENT
2.7 Unfruitful expenditure on construction of check dams

Deficient planning, inappropriate site selection, improper designing as well as failure to complete construction of check dams, led to non-achievement of intended objectives of meeting irrigational needs of farmers, resulting in unfruitful expenditure of ₹ 2.33 crore.

Panchayati Raj & Drinking Water (PR&DW) Department instructed (January 2012) all executing agencies to give emphasis on selection of technically feasible sites for construction of check dams. It was also instructed to keep crop planning in adjoining areas in view while selecting sites. As per the instruction, the executing agencies were to consult the engineering personnel of the concerned Minor Irrigation (MI) Division⁷⁴ for selection of feasible sites, preparation of design and estimates of the check dam. The check dams were to be handed over to the local farmers group who would operate them.

Paragraph 1.2 of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) Operational Guidelines, along with providing wage employment, seeks to strengthen the natural resource base of rural livelihood. Therefore, the guidelines require creation of durable assets and improvement of land productivity in rural areas.

Audit conducted test check of records of Block Development Officers (BDOs) of seven Panchayat Samitis (PSs) and two Gram Panchayats (GPs) between January 2018 and December 2019. Audit noted that during the period 2009-2018, 48 check dams with an estimated cost of ₹3.13 crore were planned for construction under MGNREGS. As of March 2018, 37 check dams were completed with an expenditure of ₹2.48 crore and 11 check dams remained incomplete after incurring an expenditure of ₹30.53 lakh. Audit noted the following deficiencies in construction and utilisations of check dams which resulted in non-achievement of the intended objectives.

A. Unfruitful expenditure on construction of Check Dams: ₹ 2.03 crore

Out of 37 completed check dams, Audit conducted joint physical inspection of 30 check dams (81 *per cent*) which were constructed at an expenditure of ₹ 2.03 crore. Audit found that these check dams were not utilised for the purposes of irrigation of agricultural land. Reasons for such non-utilisation were faulty selection of sites as evident from non-availability of agricultural land along the check dams, non-availability of space for water storage, *etc.* The details of shortcomings in 30 check dams physically inspected are shown in **Appendix 2.7.1**.

Audit observed that the concerned BDOs neither consulted the engineering personnel of concerned MI Divisions before finalising technical feasibility of sites nor were inputs obtained from MI Divisions, for finalising the design and estimates of these check dams. Besides, farmers were also not consulted during selection of sites, especially to ascertain cropping patterns planned by

⁷⁴ Coming under the Department of Water Resources

farmers of the locality. After completion of the construction, the check dams were not handed over to the farmer group/ Pani Panchayat for their utilisation.

Thus, deficient planning, inappropriate site selection, improper designing and lack of farmers' involvement before selection of sites resulted in non-utilisation of the check dams rendering the



Check Dam at Mardarajpur GP of Khandapada Block without agriculture land

expenditure of ₹ 2.03 crore unfruitful. Moreover, the additional objective of MGNREGA to strengthen the natural resource base of rural livelihood through creation of durable assets and improvement of land productivity could not be achieved.

B. Unfruitful expenditure on incomplete check dam: ₹ 30.53 lakh

Audit also found 11 check dams lying incomplete for a period ranging from 18 to 72 months from the stipulated date of completion⁷⁵ after incurring an expenditure of ₹ 30.53 lakh (*Appendix 2.7.2*). Although Audit did not find any recorded reasons for non-completion, it is viewed that the concerned BDOs had not monitored the timely progress of the projects resulting in unfruitful expenditure of ₹ 30.53 lakh.



Incomplete Check dam on Sunamuhi Mundakara jore at Tangi Choudwar Block

Thus, due to deficient planning, inappropriate site selection and incorrect design of check dams as well as failure to complete construction, the intended objectives of meeting irrigational needs of farmers could not be met. As a result, an amount of ₹ 2.33 crore spent for constructing check dams became unfruitful

In reply (June 2018 to January 2019), BDOs and PEOs did not furnish any convincing reason for construction of such infructuous check dams or non-completion of remaining check dams. They, however, assured utilisation of the completed projects by handing over to the Pani Panchayats for their management and completing the incomplete projects.

⁷⁵ Kandhaguda CD of Khairapur Block- February 2015, Mukriguda CD of Khairapur Block- March 2013, Mangarajpur Khandia CD, Thuntimuhi CD, Haladibasanta CD, Kanpur CD, Koladihs bandha CD of Tangi Chaudwar Block- June 2012, Lokanathpur Dakuasar CD of Telkoi Block- January 2017, Lokanathpur Jambutaliasar CD of Telkoi Block- July 2016

The replies are not tenable as instructions of the Department for selection of sites for the check dams by involvement of technical functionaries and farmers participation were not followed leading to non-achievement of desired outcomes. Also, the locations of the completed check dams were such that the intended benefits of the check dams were unachievable. It was noted that in 19 cases there was no agricultural land either upstream or downstream, in six cases there was no water storage facility, in four cases water could not have reached the fields as they were upstream and in one case there was no space for the reservoir.



Check Dam on Samuka Nala in Benagadia GP of Khnadapada Block without space for storage of water

The above matter has been reported (June 2021) to the Government; reply is awaited (July 2021).

2.8 Unfruitful expenditure on construction and utilisation of Bharat Nirman Rajiv Gandhi Seva Kendra in the State

Bharat Nirman Rajiv Gandhi Seva Kendra constructed at a cost of ₹1.34 crore could not be utilised after completion or were utilised for other than the intended purposes resulting in unfruitful expenditure of ₹1.34 crore

The objective of constructing Bharat Nirman Rajiv Gandhi Seva Kendras (BNRGSK) is to provide space for a dedicated office to facilitate implementation of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) at Gram Panchayat (GP) and Panchayat Samiti (PS) levels. These buildings are to be used for submitting applications for job cards and for demanding work, submitting complaints and conducting Muster Roll scrutiny besides acting as Knowledge Resource Centre. To facilitate proper management and control of the resources created, these buildings were to be structurally connected to the GP/PS building or be near it. The cost ceiling for construction of the buildings at GP and PS level was ₹10 lakh and ₹25 lakh respectively. The same was revised (August 2013) to ₹17 lakh for GP and ₹30 lakh for PS.

Audit test checked records of 25 PS (August 2019 to January 2020) and noticed that in six PSs⁷⁶ the Block Development Officers (BDOs) took up construction of 14 BNRGSK buildings at an estimated cost of ₹1.40 crore and completed the same at an expenditure of ₹1.34 crore. However, the completed

⁷⁶ Marshaghai, Jajpur, Sukinda, Polsara, Aul and Derabis

buildings were not utilised or were put to use for other than the intended purpose as discussed below:

(a) Unfruitful expenditure on completed buildings

Nine BNRGSK buildings constructed in four PSs⁷⁷ during November 2011 to June 2013 with an expenditure of ₹85.70 lakh (*Appendix 2.8.1*) were not put to use for more than six to eight years since their completion. In



Unutilised BNRGSK building of Gobindpur GP of Aul PS

Marshaghai PS, two BNRGSK buildings could not be utilised as these were constructed at a distance from the GP Offices. For the remaining seven buildings in three PSs, no specific reason for non-utilisation was produced.

In reply, the BDOs (Jajpur and Sukinda) stated (January 2020) that steps would be taken to utilise the buildings to facilitate implementation of MGNREGS.

(b) Irregular utilisation of the buildings

In four PSs⁷⁸, five buildings were constructed (October 2011 to July 2013) at an expenditure of ₹ 48.77 lakh (*Appendix 2.8.2*).

Audit noticed that the buildings were unauthorisedly, (i) occupied by local people (Derabish and Aul PS), (ii) used by a temple (Polsara PS), (iii) used as local police station (Marshaghai PS) and (iv) utilised as a PDS store and shop (Marshaghai PS).



BNRGSK building of ChirikipadaSasan GP of Polsara PS used by temple

While BDO, Marshaghai stated (September 2019) that as per requisition of the Inspector-in-Charge of Marshaghai Police Station, the building was allotted, the BDOs of Derabis and Aul stated that steps would be taken to vacate the building from unauthorised occupation. BDO, Polsara could not furnish any satisfactory reply to Audit. Thus, non-utilisation of the buildings and utilisation of the buildings for other than intended purposes, resulted in unfruitful expenditure of ₹1.34 crore. Further, the very objective of providing

⁷⁷ Polsara, Marshaghai, Sukinda, and Jajpur

⁷⁸ Derabis, Polsara, Marshaghai and Aul

a dedicated office for implementation of MGNREGS at GP level could not be fulfilled.

Government should also review utilisation of BNRGSK buildings at other PSs, not examined during test-check by Audit, and ensure their proper utilisation as intended under the scheme.

The matter has been reported (March 2021) to Government; reply is awaited (July 2021).

2.9 Suspected misappropriation of funds

Disbursement of Social Security Allowance in the name of dead beneficiaries, retention of funds by the Panchayat Extension Officers and ex-Sarpanchs for years without depositing and manipulation of records resulted in suspected misappropriation of government money of ₹6.70 lakh.

Payment of Social Security Assistance in the name of deceased beneficiaries: ₹0.50 lakh

The National Social Assistance Programme (NSAP) is a Centrally Sponsored Scheme of the Government of India that provides financial assistance to the elderly, widows and persons with disabilities in the form of social pensions. Madhu Babu Pension Yojana (MBPY) is a Government of Odisha scheme which provides pension to persons above 60 years of age, widows (irrespective of age), AIDS patients and persons with deformity having yearly income of less than ₹12,000. As per the Guidelines of NSAP and provisions of MBPY Rules 2008, Gram Panchayat (GP)/ Panchayat Samiti (PS) shall report every case of death of a pensioner immediately to the Block Development Officer (BDO)/ Sub-Collector concerned. Further, annual verification of pensioners shall be conducted by the competent authority to ascertain that the pensioner is alive and continues to fulfil all the conditions of eligibility. Pension shall cease to be payable following the death of the pensioner.

Audit test checked (January 2019 to March 2020) records of 27 PS and 118 GPs and noticed irregularities like payment of Social Security Assistance in the name of dead beneficiaries, non-refund of unspent funds, manipulation of records and non-deposit of collected revenues as discussed below.

(a) In six PSs it was noticed (between January 2019 and December 2019) that the concerned Panchayat Executive Officers (PEO) of 17 GPs disbursed pension of ₹50,400 in the name of 68 deceased beneficiaries, as detailed in *Appendix 2.9.1*. The pension amounts were shown as distributed up to one to seven months after their death. Thus, the amounts were suspected to have been misappropriated.

(b) *Non-refund of unspent fund: ₹ 3.79 lakh*

As per Rule 81 of Odisha GP Rule 2014, no amount shall be drawn from the Grama Panchayat Fund unless it is required for immediate payment. As per Rule 93(4) and 96(3), the Gram Panchayat Extension Officer (GPEO) shall

verify the cash book and the cash in hand, at least once in a month and bring to the notice of the proper authorities any discrepancy, irregularity, misappropriation or defalcation.

Scrutiny of records revealed (between August 2019 and November 2019) that the ex-PEOs and ex-Sarpanchs of 18 GPs under seven PSs had received funds for purposes like distribution of Social Security Assistance, Public Distribution Scheme (PDS) and execution of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and Central/ State Finance Commission projects, *etc.*, and retained the unutilised funds of ₹3.80 lakh with them for near about one year to 13 and half years as detailed in **Appendix 2.9.2**. They neither deposited the unspent fund in the bank nor did they hand it over to their successor/ PEO (5 August 2019 to 22 November 2019). Retention of Government money for years together amounts to misappropriation of fund.

**(c) Manipulation of records and non-deposit of collected revenue:
₹ 2.40 lakh**

As per Rule 93(2) of Odisha Gram Panchayat Rules 2014, the PEO/ Sarpanch of the GP is to record all transactions in the cashbook on the same day on which money is received or paid. As per Rule 93 (4), the GPEO is to verify the cash books and the cash in hand, at least once in a month. Further, as per Rule 96(3) Odisha GP Rules, the GPEO shall scrutinise the accounts of the GP every month and bring to the notice of the proper authorities any discrepancy, irregularity, misappropriation or defalcation.

Scrutiny of records revealed (between August 2019 and December 2019) that in three GPs under three PSs, the PEOs manipulated the figures in the cash books by understating the opening balance, overstating expenditure and wrong totalling, resulting in understatement of GP funds by ₹ 1,38,121. Further in three GPs, the PEOs had not deposited collected revenue of ₹15,377 and in one GP, they incurred an expenditure of ₹86,600 without having supporting documents. These transactions were not rectified in GP records even after lapse of five to 30 months of their occurrence. The shortage of Government money amounts to misappropriation by concerned PEOs as detailed in **Appendix 2.9.3**.

Audit observed that in all these cases, the GPEOs had not verified the Cash Book on monthly basis. The failure in the internal control resulted in misappropriation of ₹6.70 lakh.

In reply, the PEOs and BDOs confirmed the fact and stated (between August 2019 and December 2019) that they would take steps for recovery of funds from the persons concerned. However, as of March 2020, concerned officers have not submitted any documentary evidence of taking such action nor have they commented on the misappropriations and manipulations.

Audit has verified, on test check basis, only a limited number of cases in PSs and GPs; Government should get verified remaining PS and GPs to avoid other such possible cases of defalcations.

The matter has been reported (February 2021) to Government; reply is awaited (July 2021).

**ST & SC DEVELOPMENT, MINORITIES AND BACKWARD
CLASSES WELFARE DEPARTMENT
and
SCHOOL AND MASS EDUCATION DEPARTMENT**

2.10 Idle expenditure of ₹ 9.12 crore on construction of B.Ed. college

Lack of coordination among SSD Department and SME Department in assessing requirement for B.Ed College resulted in wasteful expenditure of ₹ 9.12 crore in construction of a B.Ed. College in Malkangiri.

The Government of Odisha in ST & SC Development (SSD) Department decided (April 2012) to set up B.Ed. Colleges in Tribal Sub-Plan districts⁷⁹ with an intake capacity of 100 trainees in a batch per institution for ensuring quality teaching and qualified teachers particularly in tribal dominated districts. In the first phase, B.Ed. College at Malkangiri was proposed to be taken up in the year 2012-13. Further, the Department was instructed to identify a suitable patch of land of about five acres in and around Malkangiri for the B.Ed. College. Functioning of B.Ed. Colleges in the State come under the administrative jurisdiction of the School & Mass Education (SME) Department.

On scrutiny of records of the Project Administrator (PA), Integrated Tribal Development Agency (ITDA), Malkangiri, Audit noticed (October 2019) that the SSD Department sanctioned⁸⁰ (August 2012, January 2013 and December 2016) ₹ 10.12 crore for construction of the college building and allied infrastructure. The Finance Department had also concurred to the creation of required numbers of teaching and non-teaching posts for functioning of the college. The college with campus area of five acres of land, 18,885 sq.ft. academic building, 56-bedded hostels each for boys and girls and 17 staff quarters was completed on 20 February 2018 with an expenditure of ₹ 9.12 crore by the PA, ITDA, Malkangiri. The college was inaugurated on 26 July 2018 after a delay of 5 months.

On joint physical inspection of the college (30 October 2019), Audit found that the college building (as shown in the photograph) was lying idle. Audit observed that it was only after a lapse of



Newly constructed B.Ed. college building at Malkangiri lying idle

about 20 months from the completion of the building, that the PA, ITDA, Malkangiri, requested (09 October 2019) the Director, SSD Department regarding handing over of the college to the SME Department. Thereafter, the

⁷⁹ Tribal Sub-Plan denotes the planning concept used to channelise the flow of benefits from the Central Government for the development of the tribal populations in States. Areas included in the Tribal Sub-Plan are Blocks with 50 per cent or more tribal population

⁸⁰ Out of Central Assistance for State Plan under 1st proviso of Article-275(I)

Collector, Malkangiri also requested (22 October 2019) the Commissioner-cum-Secretary, SME Department to take steps for functioning of the college. Despite this, SME Department had not taken any step to take over the B.Ed. College building for its functioning. The reasons for belated request for handing over as well as the reasons for not taking over the building by the SME Department were not on record. Further, affiliation of the National Council for Teacher Education (NCTE), which is a pre-requisite for functioning of B.Ed. colleges, had not yet been obtained (July 2021). Apart from this, appointment of teaching and non-teaching staff had not been done by the SME Department (September 2020).

Thus, except for construction of the civil structure of the College, no other measures had been taken to make the college functional despite over three years of completion of civil works (February 2018) till date (June 2021). The buildings, therefore, remain unutilised and there were cases of theft of building fittings like windows and doors. As such, an amount of ₹ 9.12 crore spent on construction of college and hostel buildings as well as staff quarters became wasteful.

In reply, the SSD Department stated (September 2020) that they had requested SME Department several times to make the college functional. Pending action by the SME Department, the building was being utilised as Covid Care Hospital. The reply of the Department supports Audit contention that the objective of setting up a B.Ed. College for ensuring quality teaching by qualified teachers had not been achieved despite an expenditure of ₹ 9.12 crore.

The Director, State Council of Educational Research & Training of the SME Department stated (April 2021) in reply that, the affiliating authority *i.e.*, NCTE under Government of India has imposed restriction on giving affiliation to new colleges from 2018-19. It was also added that they did not see any requirement for new B.Ed. Colleges in the State.

The above views of the both the departments are indicative of lack of coordination between them in assessing requirement for B.Ed. colleges in the State. The expenditure on the establishment of college infrastructure due to negligence of both SSD and SME Departments has thus, become wasteful.

Government may take suitable action to fix responsibility on the officers concerned in this case.

HIGHER EDUCATION DEPARTMENT

2.11 Misappropriation of ₹ 27.75 lakh in manipulation of pay bill

Lapses in following the codal provisions as well as failure in carrying out internal checks and controls resulted misappropriation of ₹27.75 lakh.

Section 7(C) (7) of Odisha Education Act 1969 envisages that Grant in Aid (GIA) released by the State Government towards salary cost of staff of the Non-government educational institutions shall be disbursed directly to employees concerned. Any excess or inadmissible payment shall be refunded

to Government. In case of any deviation, the prescribed authority may withdraw the GIA.

Audit examined (November 2019) records of Anchalika Mahavidyalaya, Gadia, Mayurbhanj for the period from January 2013 to November 2018. It was found that excess salary amount of ₹27.75 lakh had been credited in favour of three employees of the college who were in receipt of GIA. Of this, ₹ 7.68 lakh had been recovered and balance ₹ 20.07 lakh was pending for recovery, as shown in the table below:

Table 2.11.1: Excess salary credited as detected by College Principal and Audit
(Amount ₹ in lakh)

Sl. No.	Name of the employees & their designation	Period	Amount of excess salary detected by:			Recovered	Balance recoverable
			College Principal	Audit	Total		
1.	Braja Kishore Jena, Lecturer	July 2013 to Nov 2013 & Feb 2017 to Nov 2018	5.55	17.10	22.65	6.18	16.47
2.	Nilakantha Patra, Lecturer	July 2013 to Nov 2013	--	3.60	3.60	--	3.60
3.	Durga Charan Patra, Clerk-cum-typist	Sept 2013 to Nov 2013	--	1.50	1.50	1.50	0
	Total		5.55	22.20	27.75	7.68	20.07

(Source: Records of the Anchalika Mahavidyalaya, Gadia, Mayurbhanj)

Audit noted that pay bills of the employees of the college were prepared for each month under supervision of Accounts Bursar⁸¹. After approval of the pay bills by the Principal and the Chairman of the Governing body, the same were submitted to the District Treasury, Baripada for release of salary. On comparison of the pay bills approved by the Principal with the treasury vouchers, Audit noted that the figures in the copy of the approved pay bills furnished to the treasury had been inflated afterwards.

On further scrutiny of the records, Audit found that:

- In respect of excess amount of ₹22.65 lakh credited in favour of Shri Braja Kishore Jena, Lecturer, the Principal of the College had detected (March 2019) excess payment of ₹ 7.63 lakh for the months from August 2018 to November 2018. The Principal had issued (March 2019) a show cause notice to Shri Jena asking for refund of the amount. In response, Shri Jena refunded (March 2019) ₹ 6.18 lakh. Audit examined the excess payment as detected by the Principal and found that Shri Jena had actually been paid excess amount of ₹ 5.55 lakh and not ₹ 7.63 lakh. Further, Audit also examined salary records of Shri Jena for the period from January 2013 to November 2018. Audit noted that Shri Jena had been paid ₹ 22.65 lakh in excess of salary due during this period (including ₹ 5.55 lakh detected by the

⁸¹ One of the senior teaching staff in a College is nominated as Accounts Bursar to assist the principal in accounts matter

Principal). Of this, Shri Jena had refunded ₹6.18 lakh and balance amount of ₹16.47 lakh was due for recovery.

- Audit also found that two other employees had also been paid excess salary amounting to ₹5.10 lakh, as detailed in the table above. On this being pointed out in Audit, one employee refunded (January 2020) the entire excess amount of ₹1.50 lakh. The other employee had not refunded ₹3.60 lakh.

Audit noted that the Principal being the Drawing and Disbursing Officer (DDO) was supposed to be guided by the provisions in the Odisha Treasury Code. The Odisha Treasury Code 55-A envisages that to guard against manipulation and increase of the amount in the challan and endorsements in words “under rupees ...” should always be written across the challan at the time of its presentations. The Principal, however, had signed the documents without proper check. Further, reconciliation of Cash book (bank column) with bank account (with the treasury) had not been done during the period April 2013 to November 2018, which would have helped in detecting the excess payment. The Higher Education Department or the Regional Director of Higher Education, Balasore had also not initiated any action in this regard, even though the College had reported the matter (March 2019).

Thus, lapses in following the codal provisions as well as failure in carrying out internal checks and controls resulted in misappropriation of ₹27.75 lakh.

The Principal, while confirming the fact stated (February 2020) that the matter is under investigation of Police and the employee concerned had been instructed to refund the excess amount. The fact, however, remains that no action had been taken to recover balance amount of ₹20.07 lakh. A detailed scrutiny needs to be conducted by the Department and excess amount of ₹ 20.07 lakh paid should be recovered at the earliest. Responsibility may be fixed on the three employees and the then Principal for misappropriation of Government money.

The above matter has been reported (June 2021) to the Government; their reply is awaited (July 2021).

REVENUE & DISASTER MANAGEMENT DEPARTMENT

2.12 Acquisition of private land without payment of compensation

Private land measuring 44.10 acres, acquired without resorting to mandated land acquisition proceedings and even without payment of compensation to the land owners for construction of canals amounted to gross violation of the provisions of the Land Acquisition Act and overt disregard to the property rights of the concerned land owners.

Article 300A of the Constitution of India envisages that no citizen shall be deprived of his property except under authority of law. The matters relating to acquisition of private land by Government were governed by the Land Acquisition (LA) Act, 1894, which was replaced by the Land Acquisition, Rehabilitation and Resettlement (RFCTLAR&R) Act, 2013 with effect from 1

January 2014. The administration of land resources in the State is the responsibility of the Revenue & Disaster Management (R&DM) Department.

Section 6(1) of the LA Act requires publication of a declaration by the Government that land is required for a public purpose. Thereafter, on deposit of the compensation amount with the Land Acquisition Officer (LAO), the R&DM Department shall issue order under Section 7 of the Act to proceed for payment of compensation. Upon issue of such order, award of compensation would be passed by the Collector under Section 11 of the Act. As per Section 11A of the Act, the award should be made within two years from the date of the publication of declaration in the official gazette or newspaper or serving in the locality, whichever is later, and if no award is made within that period, the entire proceeding for the acquisition of the land shall lapse. Physical possession of land can be taken only after tendering at least 80 per cent of the compensation amount, as envisaged in Sub-section 3-A of Section 17 of the Act.

The Executive Engineer (EE), Kalahandi Minor Irrigation (MI) Division, Bhawanipatna, under the Department of Water Resources (DoWR), filed (during October 2009 to August 2012) requisitions with the LAO, Kalahandi for acquisition of 44.10 acre private land in five villages for construction of the five minor irrigation projects (MIPs)⁸². Accordingly, the LAO instituted (January 2010 to January 2013) land acquisition cases. The R&DM Department issued declarations for acquisition of 44.10 acre land between April 2014 and January 2015 under Section 6 (1) of the LA Act. Audit found (June 2019) that the land acquisition proceedings could not be completed within the stipulated two years and therefore no compensation had been paid to the land owners. The EE, Kalahandi MI Division, however, had irregularly taken possession of the said land and utilised it for construction of irrigation facilities. Status of land acquisition case as of June 2019 is shown in the table below:

Table 2.12.1: Status of land acquisition as of June 2019

Name of the MIP	Revenue village	Land area (acre)	Date of declaration u/s 6(2)	Estimated LA cost deposited by EE, MIP (₹ in lakh)	Order u/s 7	Date of lapse of LA proceedings
Jatakhalia	Badpodaguda	22.43	22 Apr 2014	153.52	Not issued	21 Apr 2016
Talijore	Tujung	5.87	22 Sept 2014	28.32	Not issued	21 Sept 2016
Subarnarekha	Ratanpur	1.99	21 Jan 2015	6.06	Not issued	20 Jan 2017
Katakinala	Krupapadar I	3.65	11 Jun 2014	0	Did not arise since LA cost not deposited	10 Jun 2016
Mangalajore	Kushurla	10.16	08 Jan 2015	0	Withdrawal proposed	07 Jan 2017
Total		44.10		187.90		

(Source: Records of Collector, Kalahandi)

⁸² Jatakhalia MIP: 22.43 acre; Talijore MIP: 5.87 acre; Subarnarekha MIP: 1.99 acre; Mangalajore MIP: 10.16 acre and Katakinala MIP: 3.65 acre

Audit observed the following:

- In case of Jatakhalia MIP, the LA proceedings lapsed on 21 Apr 2016 *i.e.*, upon completion of two years from the date of issue of declaration. The EE deposited compensation amount by March 2016. Thereafter, the LAO submitted (31 May 2016) proposal for issue of order under Section 7 to the R&DM Department. Likewise, in case of Talijore MIP and Subarnarekha MIP, the LA proceedings lapsed on 21 September 2016 and 20 January 2017. After lapse of LA proceedings, the EE deposited compensation amounts in February 2018 and July 2018 respectively. Despite lapse of LA proceedings, the LAO submitted (28 November 2018) a proposal to R&DM Department for issue of order under Section 7, but the same had not been issued till the date of Audit (June 2019). In all these cases, the LAO instead of redrawing the LA proceedings, had proposed to R&DM Department for issue of order under Section 7. The Department also did not advise the LAO to redraw the proceeding and remained silent on the proposals of the LAO.
- LA proceeding in case of Katakinala MIP lapsed on 10 June 2016 *i.e.*, two years after issue of declaration (11 June 2014). During the currency of the LA proceeding, the EE did not deposit the compensation amount with the LAO. Therefore, order under Section 7 could not be issued for acquisition of land. In case of Mangalajore MIP, the proceeding lapsed on 07 January 2017. The EE, however, intimated (November 2018) the LAO to withdraw the LA proceedings since they had taken a decision to purchase the said land, directly from the land owners. However, the withdrawal notice was not accepted due to procedural lapses pointed out by the LAO. The fact remains that while on the one hand, both the LAO and EE continued to engage in sorting out procedural issues on a lapsed LA proceeding, the EE without resorting to direct purchase of land, constructed canals unauthorisedly on the land intended to be purchased directly.

Despite non-completion of LA proceeding in all of the five cases and without payment of compensation to the land owners, the EE constructed canals on the land notified for acquisition in gross violation of the provisions of the LA Act and overt disregard to the property rights of the concerned land owners. The villagers of Badapodaguda and Tujung had submitted (February 2016 and September 2018) representations to the District Collector, Kalahandi for payment of compensation, alleging that they had been dispossessed of their land without payment of compensation. However, no action has been taken on the grievances as of June 2019. On being pointed out in Audit, the LAO sought (July 2019) clarification from the EE on unauthorised construction of canals before acquisition of land. Further development on the matter is awaited (December 2020).

In reply, the Board of Revenue admitted (July 2020) the fact of unauthorised possession of the private land by the Kalahandi MI Division without payment of compensation to the land owners and confirmed that canals had been constructed thereon with the consent of land owners. The Board also intimated

that awards had not been passed in three LA cases (Jatakhali, Talijore and Subarnarekha MIPs) due to non-receipt of order under Section 7 of the Act from the R&DM Department and in the remaining two cases, due to receipt of withdrawal proposal from DoWR Department.

The facts, however, remain that the land parcels notified for acquisition have been acquired unauthorisedly without conclusion of LA proceeding and also without payment of compensation to land owners, which was grossly irregular.

The matter has been reported (January 2021) to Government; reply is awaited (July 2021).

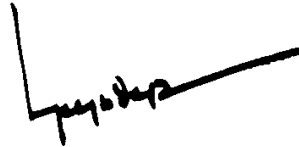


(SMRITI)

Bhubaneswar
The 6 OCT 2021

Accountant General (Audit-I)
Odisha

Countersigned



(GIRISH CHANDRA MURMU)

New Delhi
The 14 OCT 2021

Comptroller and Auditor General of India

Appendices

Appendix 1.1
(Refer Paragraph 1.2)
Statement showing Audit jurisdiction of Accountant General (General and Social Sector Audit), Odisha during 2019-20

Sl. No.	Names of the Departments	Sl. No.	Public Sector Undertakings ¹ <i>Under Section 19(1)</i>
1.	Odisha Language Literature and Culture	1.	Odisha State Police Housing & Welfare Corporation Limited
2.	Electronics and Information Technology	2.	Odisha State Civil Supplies Corporation Limited
3.	Finance	3.	Odisha State Medical Corporation Limited
4.	Food Supplies and Consumer Welfare	4.	Odisha Rural Housing & Development Corporation Limited
5.	General Administration and Public Grievance	5.	Bhubaneswar Smart City Limited
6.	Health and Family Welfare	6.	Water Corporation of Odisha
7.	Higher Education	7.	Rourkela Smart City Limited
8.	Home		Autonomous Bodies Under Section 19(2)
9.	Housing and Urban Development	1.	Odisha State Legal Services Authority and 30 District Legal Services Authorities
10.	Information and Public Relations	2.	Odisha Building and Other Construction Workers Welfare Board
11.	Labour & Employees' State Insurance		Autonomous Bodies Under Section 19(3)
12.	Law	1.	Cuttack Development Authority
13.	Panchayati Raj and Drinking Water	2.	Berhampur Development Authority
14.	Planning and Convergence	3.	Bhubaneswar Development Authority
15.	Revenue and Disaster Management	4.	Puri-Konark Development Authority
16.	Rural Development	5.	Rourkela Development Authority
17.	School and Mass Education	6.	Kalinga Nagar Development Authority
18.	Social Security and Empowerment of Persons with Disabilities	7.	Paradeep Development Authority
19.	Sports and Youth Services	8.	Talcher-Angul-Meramundali Development Authority
20.	Scheduled Tribes and Scheduled Castes Development, Minorities & Backward Classes Welfare	9.	Sambalpur Development Authority
21.	Women and Child Development and Mission Shakti		
22.	Science & Technology		
23.	Parliamentary Affairs		
24.	Public Enterprises		

¹ Excluding 111 bodies/ authorities substantially financed by the State Government and audited under Section 14 and 15.

Appendix 1.2

(Refer Paragraph 1.5.1)

Department-wise and year-wise breakup of the outstanding Inspection Reports (IRs) and Paragraphs up to June 2020

Sl. No.	Name of the Department	Up to 2016-17		2017-18		2018-19		2019-20		Total	
		No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras
1	Odisha Language Literature and Culture	32	168	9	61	0	0	7	61	48	290
23	Electronics and Information Technology	7	76	2	21	2	23	1	12	12	132
3	Finance	20	41	2	8	0	0	4	19	26	68
4	Food Supplies and Consumer Welfare	95	189	23	115	0	0	8	70	126	374
5	General Administration and Public Grievance	18	72	3	14	6	42	1	5	28	133
6	Health and Family Welfare	681	2,040	40	449	13	252	7	114	741	2,855
7	Higher Education	377	2,000	38	321	25	263	0	0	440	2,584
8	Home	101	446	48	363	57	365	14	97	220	1,271
9	Housing & Urban Development	144	1074	18	165	14	172	2	21	178	1,432
10	Information and Public Relations	71	231	0	0	1	12	0	0	72	243
11	Labour & Employees' State Insurance	51	258	0	0	14	136	0	0	65	394
12	Law	107	404	1	8	11	88	0	0	119	500
13	Panchayati Raj and Drinking Water	3,248	13,520	406	3,100	291	1,958	154	1,178	4,099	19,756
14	Parliamentary Affairs	15	43	0	0	0	0	2	13	17	56
15	Planning and Convergence	58	239	7	47	1	8	0	0	66	294
16	Public Enterprises	4	17	0	0	0	0	0	0	4	17
17	Revenue and Disaster Management	1,489	4,122	75	731	68	799	14	208	1,646	5,860
18	Rural Development	223	513	6	41	18	177	4	29	251	760

Sl. No.	Name of the Department	Up to 2016-17		2017-18		2018-19		2019-20		Total	
		No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras
19	School and Mass Education	966	3,402	14	241	18	384	10	173	1,008	4,200
20	Science & Technology	17	85	2	33	2	18	5	39	26	175
21	Social Security and Empowerment of Persons with Disabilities	6	28	10	100	12	133	10	97	38	358
22	ST and SC Development, Minorities and Backward Classes Welfare	344	1,770	25	279	13	133	18	177	400	2,359
23	Sports and Youth Services	33	114	2	30	0	0	0	0	35	144
24	Women and Child Development and Mission Shakti	664	3,281	1	8	46	483	18	166	729	3,938
Total		8,771	34,133	732	6,135	612	5,446	279	2,479	10,394	48,193

Appendix 1.3
(Refer Paragraph 1.5.1)

Statement showing outstanding paragraphs on serious irregularities up to June 2020

(₹ in lakh)

Sl. No.	Name of the Department	Cases of theft/ defalcation/ misappropriation		Loss of revenue		Shortage/ losses neither recovered nor written off		Total	
		No. of Para	Amount	No. of Para	Amount	No. of Para	Amount	No. of Para	Amount
1.	Panchayati Raj and Drinking Water	409	15,757.00	0	0	0	0	409	15,757.00
2.	Women and Child Development and Mission Shakti	4	676.47	10	7.25	0	0	14	683.72
3.	Scheduled Tribes and Scheduled Castes Development, Minorities and Backward Classes Welfare	3	2.96	4	8.13	4	390.73	11	401.82
4.	Labour & Employees' State Insurance	1	0.63	5	4,106.00	0	0	6	4,106.63
5.	Rural Development	0	0	22	3,785.00	14	402.00	36	4,187.00
6.	Social Security and Empowerment of Persons with Disabilities	2	1.73	5	3.95	2	2.82	9	8.50
7.	Higher Education	10	127.19	4	580.51	14	5,411.60	28	6,119.30
8.	School and Mass Education	22	377.98	12	839.42	33	2,001.20	67	3,218.60
9.	Health and Family Welfare	17	80.50	3	85.23	4	5.49	24	171.22
10.	Odia Language Literature and Culture	2	3.28	1	33.95	3	109.30	6	146.53
11.	Electronics and Information Technology	0	0	3	2,574.00	3	1354.27	6	3928.27
12.	Finance	0	0	1	276.00	0	0.00	1	276.00
13.	General Administration and Public Grievance	0	0	13	7,654.10	6	878.40	19	8,532.50
14.	Home	2	1.64	48	31,201.01	7	134.90	57	31,337.55
15.	Information and Public Relations	0	0	1	783.00	0	0	1	783.00
16.	Law	0	0	3	70.93	0	0	3	70.93
17.	Planning and Convergence	0	0	1	138.00	0	0	1	138.00
18.	Revenue and Disaster Management	23	626.29	140	18,012.67	121	12,367.82	284	31,006.78
19.	Science & Technology	0	0	3	262.30	4	1,050.66	7	1,312.96
20.	Parliamentary Affairs	0	0	0	0	2	12.62	2	12.62
21.	Food Supplies and Consumer Welfare	0	0	0	0	7	2,759.22	7	2,759.22
	Total	495	17,655.67	279	70,421.45	224	26,881.03	998	1,14,958.15

Appendix 1.4
(Refer Paragraph 1.5.2)
Statement showing non-production of records/ vouchers

No. of units audited during 2018-19	No. of units that did not produce vouchers	Related Department	Amount involved (₹ in lakh)
5	1	Finance	164.00
41	6	Revenue and Disaster Management	103.10
38	2	Scheduled Tribes and Scheduled Castes Development, Minorities and Backward Classes Welfare	76.23
84	9	Total	343.33

Appendix 1.5
(Refer Paragraph 1.7)

**Statement showing significant recommendations of Public Accounts Committee (PAC)
against which Action Taken Notes (ATNs) were outstanding from Departments as of
September 2020**

Year of Audit Report with para No.	PAC report number/ Recommendation No.	Name of the Department	Gist of the Audit para	Recommendation of PAC
3.14 of 1996-97	16 th Report (15 th Assembly)/118	Home	Inadmissible payment of Special Diet Allowance.	Action should be taken against the Departmental Secretary for not furnishing required compliance note.
3.8.4 of 1985-86	16 th Report (15 th Assembly)/225	Revenue and Disaster Management	Assistance to farmers for repair of damaged tube wells/ pumps etc.	Undue benefit availed by the banks due to delay should be recovered from them and a system should be developed for quickly compensating the identified beneficiaries.
4.10 of 2005-06 (Revenue Receipts)	16 th Report (15 th Assembly)/267	Revenue and Disaster Management	Short demand of capitalised value.	Department should immediately intimate about realisation of Government dues.
2.2.9 of 1988-89	16 th Report (15 th Assembly)/271	Science and Technology	Expenditure without provision.	Departmental action should be taken against the officer responsible for overdrawal of money for expenditure and initiate action against officers responsible for non-monitoring such cases.
3.18 of 1995-96	17 th Report (15 th Assembly)/163	Higher Education	Misappropriation and losses.	Departmental Secretary should review the cases and furnish the detailed report at the earliest.
7.11 of 1993-94	17 th Report (15 th Assembly)/304	Panchayati Raj and Drinking Water	Unfruitful expenditure on incomplete water harvesting structure.	Department should collect the information on audit objections and submit it to the Committee.
4.14 of 1983-84	17 th Report (15 th Assembly)/310	Rural Development	Supply of drinking water to problem villages.	Department should initiate departmental proceeding against the concerned errant officials for not furnishing the required ATNs.
5.4 of 1985-86	17 th Report (15 th Assembly)/311	Rural Development	Non-receipt of Departmental materials due to non-arrival/missing of Railway wagons	Department should initiate departmental action against the erring officers to give exemplary punishment for failure to submit Action Taken Notes on the observations of the Committee.
4.30 of 1990-91	17 th Report (15 th Assembly)/362	Rural Development	Doubtful execution of work.	Action should be taken against the concerned officers for not furnishing the report of high level enquiry or State Vigilance.

Year of Audit Report with para No.	PAC report number/ Recommendation No.	Name of the Department	Gist of the Audit para	Recommendation of PAC
4.20 of 1991-92	17 th Report (15 th Assembly)/372	Rural Development	Extra expenditure due to delay in finalisation of designs.	Criminal proceeding should be initiated against the concerned retired Chief Engineer, Superintending Engineer and Executive Engineer for failure to discharge their duties causing extra expenditure.
4.10.08 (b) of 1995-96	17 th Report (15 th Assembly)/417	Rural Development	Other point of interest - Theft or loss of materials.	Disciplinary action should be taken to punish the errant officials and to recover the Government money of ₹ 45.45 lakh from them.

(Source: Reports of Public Accounts Committee)

Appendix 2.1.1
(Refer Paragraph 2.1.3.1)
Joint sample testing in WTP premises in four PH Divisions

Sl. No.	Name of PH Division	Name of test conducted	Source/location	Date/ Time	Result	Acceptable Limit	Permissible Limit
1	Puri	Turbidity(NTU)	Raw water/ Mangalaghat	22 Jan 2020 4.06 PM	6.07	1(NTU)	5(NTU)
		Turbidity(NTU)	Clear water/ Mangalaghat	22 Jan 2020 4.05 PM	2.73	1(NTU)	5(NTU)
		Free Residual Chlorine, mg/l	Clear water/ Mangalaghat	22 Jan 2020 4.09 PM	6.00	0.2 mg/l	1 mg/l
2	Balangir	Turbidity(NTU)	Raw water/ Sibtala	6 Feb 2020 1.12 PM	9.63	1(NTU)	5(NTU)
		Turbidity(NTU)	Clear water/ Sibtala	6 Feb 2020 1.14 PM	4.65	1(NTU)	5(NTU)
3	Rayagada	Turbidity(NTU)	Raw water at intake point/ Rayagada	21 Dec 2019 12.30 PM	8.04	1(NTU)	5(NTU)
		Turbidity(NTU)	Clear water from sump/ Rayagada	21 Dec 2019 12.50 PM	8.87	1(NTU)	5(NTU)

(Source: Information furnished by PH Divisions, Puri, Balangir and Rayagada)

Appendix 2.1.2
(Refer Paragraph 2.1.3.4)

Shortfall in frequency of sample testing of water quality parameters under six PH Divisions

Year	No. of source		No. of sample testing required to be tested as per protocol			No of sample testing done			Shortfall			Shortfall (In per cent)
	PW	HPTW	PW	HPTW	Total	PW	HPTW	Total	PW	HPTW	Total	
Public Health Division No. II, Cuttack												
2016-17	138	2110	552	4220	4772	5	0	5	547	4220	4767	99.90
2017-18	138	1631	552	3262	3814	19	0	19	533	3262	3795	99.50
2018-19	177	1583	708	3166	3874	26	13	39	682	3153	3835	98.99
<i>Average percentage of three years</i>												99.46
Public Health Division, Rayagada												
2016-17	35	484	140	968	1108	2	0	2	138	968	1106	100.00
2017-18	37	552	148	1104	1252	0	220	220	148	884	1032	82.00
2018-19	52	552	208	1104	1312	0	0	0	208	1104	1312	100.00
<i>Average percentage of three years</i>												94.00
Public Health Division, Balasore												
2016-17	163	1506	652	3012	3664	168	24	192	485	2988	3473	95.00
2017-18	165	1890	660	3780	4440	18	77	95	642	3703	4345	98.00
2018-19	195	1874	780	3748	4528	390	1520	1910	390	2228	2618	58.00
<i>Average percentage of three years</i>												83.67
Public Health Division, Koraput												
2016-17	35	1957	140	3914	4054	3	0	3	137	3914	4051	100.00
2017-18	47	1988	188	3976	4164	0	0	0	188	3976	4164	100.00
2018-19	65	1937	260	3874	4134	3	0	3	257	3874	4131	100.00
<i>Average percentage of three years</i>												100.00
Public Health Division, Puri												
2016-17	172	2396	688	4792	5480	3	175	178	685	4617	5302	97.00
2017-18	193	2515	772	5030	5802	8	217	225	764	4813	5577	96.00
2018-19	84	2493	336	4986	5322	289	2236	2525	47	2750	2797	53.00
<i>Average percentage of three years</i>												82.00
Public Health Divisions, Balangir												
2016-17	35	2742	140	5484	5624	0	0	0	140	5484	5624	100.00
2017-18	41	2742	164	5484	5648	0	3	3	164	5481	5645	100.00
2018-19	30	2773	120	5546	5666	0	8	8	120	5538	5658	100.00
<i>Average percentage of three years</i>												100.00
Total of six PH Divisions												
2016-17	578	11195	2312	22390	24702	181	199	380	2131	22191	24322	98.46
2017-18	621	11318	2484	22636	25120	45	517	562	2439	22119	24558	97.76
2018-19	603	11212	2412	22424	24836	708	3777	4485	1704	18647	20351	81.94
Total			7208	67450	74658	934	4493	5427	6274	62957	69231	

(Source: Information furnished by PH Divisions)

Appendix 2.1.3
(Refer Paragraph 2.1.6.4)
Statement showing Punch list outstanding items

Sl. No.	Punch list outstanding items	Status of compliance in State laboratory, Bhubaneswar	Status of compliance in Divisional laboratory, Balasore	Status of compliance in Divisional laboratory, Puri
1	Demonstrate capability to carry out analysis of all the required parameters simultaneously	Not done	Not applicable	Note done
2	Submission of copies of documental evidence for all the items listed in the check list	Not done	Not done	Note done
3	Sampling kit to be procured	Not done	Note done	Note done
4	Rectify Jar test apparatus and COD digester	Done	Not done (Jar test apparatus is not being used)	Not done (Jar test apparatus is not being used)
5	Microscope need to be modified or replaced	Not done	Not applicable	Not applicable
6	Service check on Ultrapure water to achieve required specification	Done	Not applicable	Not done
7	Demonstrate capability of PCR to quantify MS2 phase	Not done	Not applicable	Not applicable
8	Demonstrate capability of analysis of all biological parameters and pesticides	Not done	Not applicable	Not applicable
9	Illustrate CFU analysis procedure	Done	Not done	Note done
10	Demonstrate facilities for testing of (i) Polychlorinated biphenyls (ii) Polynuclear aromatic hydrocarbons and (iii) Trihalomethanes (iv) Disinfection by products	Partly done	Not applicable	Not applicable
11	Fulfil and demonstrate condition o sample collection, reporting and database management	Partly done	Partly done (Data-base management not developed)	Note done
12	Demonstrate data validation software	Not done	Note done	Note done
13	Demonstrate capability to perform the assigned workload (sampling, testing and reporting) on a given day	Not done	Not done	Not done
Total "Not/ partly done"		10 out of 13	7 out of 7	9 out of 9

(Source: Information furnished by the sample Divisions)

Appendix 2.2.1
(Refer Paragraph 2.2.1.1)

Statement showing status of formation of trust boards in sample Religious Institutions

Sl. No.	Name of the RI	Whether fully functional trust board exists	Number of trustees as per the Scheme			Remarks
			Private trustee*	Government trustee*	Total	
1	Rajdhani Puja Samiti, Bhubaneswar	No	5	2	7	Interim trust board was formed in September 2018. Prior to this, status of existence of trust board and membership details were not on record. There were three trustees from Government in the interim trust board.
2	Sri Lingaraj Temple, Bhubaneswar	No	5	4	9	All trustees are non-hereditary trustees. On expiry of tenure of the trustees in March 2019, no new trustee had been nominated instead an interim trust board comprising of nine members (private: 5 and Government: 4) had been formed.
3	Maa Mangala Temple, Kakatpur	No	3	2	5	An interim trust board comprising of four Government members was in charge of administration.
4	Maa Chandi Temple, Cuttack	No	4	3	7	Member strength of the trust board is seven (one hereditary and six non-hereditary). No non-hereditary member was in the trust board since October 2019.
5	Maa Sarala Temple, Jagatsinghpur	No	3	2	5	The District Collector was the sole managing trustee during the period 2016-19 i.e., period under Audit.
6	Sri Gorakhnath Temple, Kerker, Jagatsinghpur	No	No scheme had been settled		--	No trust board was in existence from December 2016 to December 2018. An interim trust board comprising of 11 members (Private: 8, Government: 3) had been formed in January 2019.
7	Jagannath Ballav Math, Puri	No	4	3	7	On expiry of tenure of trustees and non-nomination of new trustees, Additional District Magistrate of Puri acted as sole interim trustee from September 2018 to September 2019. Thereafter no arrangement was in place for administration of temple.
8	Sri Akhandalamani Temple, Aradi, Bhadrak	No	3	2	5	As per the Scheme, not more than five members which would comprise of one hereditary trustee and a nominee of <i>Sevaks</i> . Upon expiry of tenure of the non-hereditary trustees on 15 January 2017, new members were not nominated. A <i>de facto</i> trust board comprising of members of the earlier trust board was continuing.

Sl. No.	Name of the RI	Whether fully functional trust board exists	Number of trustees as per the Scheme			Remarks
			Private trustee*	Government trustee*	Total	
9	Thakur Mahal, Nilgiri	No	3	2	5	As per the scheme, one trustee shall be hereditary trustee. Upon completion of tenure of non-hereditary trustees in March 2015, no new trustees were nominated to the trust board till April 2018. In May 2018, an interim trust board comprising of three trustees was formed for a period of six months. No further action taken thereafter.
10	Maa Ugratara Temple, Bhusandpur	No	No scheme had been settled		--	In July 2012, the EC appointed Tahasildar of Tangi as sole trustee of the trust board. In the same month, the EC, however, nominated seven members as non-hereditary trustees to the trust board. The nominated trustees failed to select their Managing Trustee due to which the trust board could not start functioning. The EC, therefore, restored the order of inducting Tahasildar as sole trustee. On 10 December 2018, EC nominated seven members to the trust board and sought approval of such nomination from Government. Approval of Government was awaited (October 2020).
11	Maa Samleshwari Temple, Sambalpur	No	5	4	9	Upon completion of tenure of trustees in March 2019, no new members had been nominated.

** As per Section 42(2) (i) of the OHRE (Amendment) Act, 2018, half of trustees shall be Government representative.*

(Source: Records of sample RIs)

Appendix 2.2.2
(Refer Paragraph 2.2.1.3)

Statement showing appointment of staff in sample RIs

Sl. No.	Name of the temple	Total no. of appointments	No. of appointments not approved by trust board	Staff aging more than 60
1	Debottar Dhenkanal	25	24	1
2	Thakur Mahal, Nilgiri	20	19	4
3	Sri Akhandalamani Temple, Aradi	21	18	3
4	Jagannath Ballav Math, Puri	64	54	5
5	Sri Gorakhnath Temple, Jagatsinghpur	9	8	1
6	Maa Sarala temple, Jagatsinghpur	29	29	12
7	Maa Chandi Temple, Cuttack	12	12	1
8	Maa Mangala Temple, Kakatpur	12	12	0
9	Sri Lingaraj Temple, Bhubaneswar	15	15	0
10	Sri Ram Mandir, Bhubaneswar	21	21	6
11	Rajdhani Puja Samiti, Bhubaneswar	6	6	0
12	Maa Ugratara Temple, Bhusandpur	6	4	2
13	Maa Samleshwari Temple, Sambalpur	25	24	2
Total		265	246	37

(Source: Records of sample RIs)

Appendix 2.2.3

(Refer Paragraph 2.2.3.6)

Statement showing quantity of Gold & Silver jewels (in gram) in custody of different office bearers and Managing Trustees (MT) found during joint physical inspection

(Figures in gram)

Sl. No.	Name of the RI	Scheme provision for custody	Type of jewel	EO	Office bearer other than EO	Sevak	Joint custody (MT & EO)	Joint custody (EO & Sevak)	Total
1	Sri Lingaraj Temple	EO	Gold	128.42	0	0	0	1977.43	2105.85
			Silver	1607.75	0	0	0	65334.85	66942.6
2	Maa Mangala Temple	EO	Gold	2658.33	0	0	555.29	0	3213.62
			Silver	9401.45	0	0	9581.45	0	18982.9
3	Maa Chandi Temple	EO & MT	Gold	5875.23	0	1622.13	0	0	7497.36
			Silver	26790.15	0	16943.6	0	0	43733.75
4	Maa Sarala Temple	EO	Gold	0	5950.46	1.90	0	0	5952.36
			Silver	0	79032.9	14360.5	0	0	93393.4
5	Jagannath Ballav Math	EO & MT	Gold	1198.39	0	0	0	0	1198.39
			Silver	9515.22	0	1775.02	0	0	11290.24
6	Thakur Mahal	EO & MT	Gold	718.33	0	7.72	0	0	726.05
			Silver	1991.73	0	14362.59	0	0	16354.32
7	Maa Ugratara Temple	EO & MT	Gold	0	219.18	14.47	0	0	233.65
			Silver	0	1202.08	172.32	0	0	1374.4
8	Maa Samleshwari Temple	EO & MT	Gold	682.05	0	1498	1356.42	0	3536.47
			Silver	8767.11	0	11728	11981.72	0	32476.83
Sub-Total			Gold	11260.75	6169.64	3144.22	1911.71	1977.43	24463.75
			Silver	58073.41	80234.98	59342.03	21563.17	65334.85	284548.44
9	Sri Gorakhnath Temple	No scheme	Gold	0	225.63	0	0	0	225.63
			Silver	0	7510.01	0	0	0	7510.01
10	Sri Akhandalamani Temple Temple	No provision	Gold	78.22	0	0	5102.15	0	5180.37
			Silver	6855	0	0	41144	0	47999

Sl. No.	Name of the RI	Scheme provision for custody	Type of jewel	EO	Office bearer other than EO	Sevak	Joint custody (MT & EO)	Joint custody (EO & Sevak)	Total
11	Debottar Dhenkanal (Kapilash Temple and Baldev Jew Temple)	No scheme	Gold	8451.95	26.22	0	0	0	8478.17
			Silver	62904.42	12877.39	0	0	0	75781.81
	Sub-Total	--	Gold	8530.17	251.85	0	5102.15	0	13884.17
			Silver	69759.42	20387.40	0	41144	0	131290.82
	Grand Total	--	Gold	19790.92	6421.49	3144.22	7013.86	1977.43	38347.92
			Silver	127832.8	100622.4	59342.03	62707.17	65334.85	415839.25

* Excluding quantity of jewels in Sanctum sanctorum and Hundi
(Source: Records of sample RIs)

Appendix 2.2.4
(Refer Paragraph 2.2.3.7)

Statement of discrepancy in jewels in five RIs

Sl. No.	Name of the RI	Weight of gold as per record	Gold weighed in JPI	Shortage	Value (₹)	Stock of silver as per record	Silver weighed in JPI	Shortage	Value	Total value
		<i>(In grams)</i>				<i>(In grams)</i>				
1	Maa Chandi Temple, Cuttack	6705.00	6125.31	579.69	2395279	166410.91	114228.75	52182.16	2536053	4931332
2	Maa Sarala Temple, Jagatsinghpur	1849.11	1842.77	6.340	26214	225	0	225	10935	37149
3	Sri Gorakhnath Temple, Jagatsinghpur	313.54	143.44	170.10	702853	0	0	0	0	702853
4	Sri Akhandalamani Temple, Bhadrak	5602.284	5544.33	57.954	239466	48465.158	47999	466.158	22656	262122
5	Maa Samleshwari Temple, Sambalpur	833.57	824.32	9.25	38221	10971.87	10249.35	722.52	35114	73335
Total		15303.51	14480.17	823.334	3402033	226072.9	172477.1	53595.84	2604758	6006791

*Note: (i) In respect of Maa Chandi Temple, 210 grams of gold items were recorded as missing which was excluded from the above statement.
(ii) Value of jewels as per the price of gold and silver on 12 March 2020 in Bhubaneswar
(Source: Records of concerned RIs)*

Appendix 2.2.5
(Refer Paragraph 2.2.4.1)

Statement showing status of sairat sources in audited religious institutions

Sl. No.	Name of the RI	Sources available for auction	No. of sources auctioned	Sources not put to auction	Loss due to non-auction (Rs)	Outstanding amount against auctioneers (Rs)	Period	No. of sources run on negotiation	Whether tender process followed	Amount involved (₹)
1	Debottar Dhenkanal	29	19	10	1001871	1192992	2019-20	10	Yes	0
2	Thakur Mahal, Nilgiri	7	0	7	0	61000	2018-19	7	No	564833
3	Sri Akhandalamani Temple, Aradi	2	0	2	29300	220000	2011-12	0	Yes	0
4	Jagannath Ballav Math, Puri	4	1	3	0	956400	2015-16	3	No	3270588
5	Sri Gorakhnath Temple, Jagatsinghpur	4	4	0	0	18331397	2010-11	0	Yes	0
6	Maa Sarala Temple, Jagatsinghpur	3	2	1	0	6836587	2016-17	0	Yes	0
7	Maa Chandi Temple, Cuttack	6	0	6	0	0	Not applicable	6	No	2870236
8	Maa Mangala Temple, Kakatpur	2	2	0	0	0	Not applicable	0	Yes	0
9	Sri Lingaraj Temple, Bhubaneswar	6	3	3	0	610067	2019-20	3	No	7268188
10	Maa Ugratara Temple, Bhusandpur	2	2	0	0	871800	2019-20	0	No	1368800
11	Maa Samleshwari Temple, Sambalpur*	5	0	5	31500	0	Not applicable	0	NA	
Total		70	33	37	1062671	29080243		29		15342645

* In Maa Samleshwari temple, all the sources were previously being auctioned and the upset price fixed was very low. Now the Trust Board had been managing the sources through its own staff.
(Source: Records of sample RIs)

Appendix 2.7.1
(Refer Paragraph 2.7)

Statement showing completed check dam projects lying unutilised

Sl. No.	Name of the Block	Year of sanction	Location of the check dam	Estimated cost (₹ in lakh)	Date of completion	Total expenditure (₹ in lakh)	Remarks
1	Khandapada Block	2014-15	New Bandha in Mardarajpur GP	4.96	15 June 2015	4.86	There was no agriculture land either upstream or downstream of the Nala. Also, no facility for storage of water.
2		2015-16	Khajuri Nala of Mardarajpur GP	5.00	21 March 2016	5.00	No facility for storage of water.
3		2013-14	Patharadwara Nala of Benagadia GP	4.95	12 June 2015	4.95	No facility for storage of water.
4		2014-15	Ghodamari Kadamb Nala in Benagadia GP	4.95	12 June 2015	4.95	No facility for storage of water.
5		2015-16	Potanai Nala of Benagadia GP	5.00	16 August 2016	5.00	No facility for storage of water.
6		2015-16	Samuka Nala in Benagadia GP	5.00	13 August 2016	4.92	No facility to stop the flow of water.
7	Kuliana Block	2016-2017	Barudihi Bulun	5.20	12 March 2018	5.02	The check Dam has no space (reservoir area) to impound the water
8		2015-2016	Sannuagaon Thakurani Nallah	5.00	25 February 2017	4.99	There was no upstream and downstream area available as these are the crop fields of private people around the construction structure of check dam.
9	Telkoi Block	2015-16	Rudhisahi Nala	10.00	25 June 2016	9.06	There was no agriculture field near the check dam.
10		2016-17	Talakapada Nala	7.00	17 July 2017	6.79	There was no agriculture field near the check dam.

Sl. No.	Name of the Block	Year of sanction	Location of the check dam	Estimated cost (₹ in lakh)	Date of completion	Total expenditure (₹ in lakh)	Remarks	
11		2015-16	Keranga Nala	7.00	21 June 2016	6.73	There was no agriculture field near the check dam	
12		2016-17	Katini Badhipathar	7.00	14 June 2017	6.93	There was no agriculture field near the check dam	
13		2016-17	Desbandha Nala	7.50	09 June 2017	7.45	There was no agriculture field near the check dam.	
14		2016-17	Mankadchua	7.00	09 June 2017	7.00	There was no agriculture field near the check dam	
15		2016-17	Malati Bandha	7.00	14 June 2017	7.00	There was no agriculture field near the check dam	
16		2016-17	Maisimanjari Nala Kerang	7.00	09 June 2017	7.00	There was no agriculture field near the check dam	
17		2016-17	Hanumantia Nala	9.00	28 March 2018	9.00	There was no agriculture field near the check dam	
18		Not available	Nakidi Jharana	10.00	02 July 2014	10.00	There was no agriculture field near the check dam	
19		Not available	Duan Kudar	10.00	20 March 2014	5.29	There was no agriculture field near the check dam	
20		Not available	Purunapani nala	8.00	24 February 2018	7.28	There was no agriculture field near the check dam	
21		2013-14	Similikudar Nala	7.00	16 June 2015	6.53	There was no agriculture field near the check dam	
22		2015-16	Manikudar Nala	7.00	20 July 2016	6.99	There was no agriculture field near the check dam	
23		2015-16	C S Pur Rupadara	7.00	20 July 2016	6.99	There was no agriculture field near the check dam	
24		2014-15	Banspal Juangasahi Kendumanjarinala	7.00	03 August 2016	6.87	There was no agriculture field near the check dam	
25		Malkangiri Block	2012-13	MV-7 nala-1	6.82	03 July 2013	6.82	The agriculture land was above the check dam, for which irrigation by canal to the agriculture land was not possible.

Sl. No.	Name of the Block	Year of sanction	Location of the check dam	Estimated cost (₹ in lakh)	Date of completion	Total expenditure (₹ in lakh)	Remarks
26		2013-14	MV-7 nala-2	6.88	31 March 2015	6.72	The agriculture land was above the check dam, for which irrigation by canal to the agriculture land was not possible.
27	Chandahandi Block	2012-13	Baidapada nallah near Manjit Pada Land of Baidapada	7.00	18 August 2012	7.00	There was no agriculture land near the check dam.
28		2009-10	Mathurapada	15.00	12 October 2012	13.97	There was no agriculture land near the check dam.
29	Brahmanpad GP	2015-16	Kutisahi Kumbharabila	5.91	01 July 2016	5.91	The possibility of irrigation by the dam was remote due to deviation of the water stream from the Dam.
30	Chakapad GP	2015-16	Rupagaon Brahmanmunda	6.34	30 May 2016	5.70	The possibility of irrigation by field channels was remote due to the land of two side of the nallah was higher than the check dam.
	Total			212.51		202.72	

(Source: Records of concerned PSs)

Appendix 2.7.2
(Refer Paragraph 2.7)

Statement showing list of incomplete check dam projects

Sl. No.	Name of the Block	Year of sanction	Location of the check dam	Estimated cost (Rs. in lakh)	Schedule date of completion	Months of delay	Total expenditure (Rs. in lakh)	Expenditure as of
1	Kairaput Block	2014-15	Kandhaguda	6.00	23 February 2015	47 months	2.15	18 May 2016
2		2012-13	Murkiguda	6.82	14 March 2013	70 months	3.02	18 May 2015
3	Tangi-Chaudwar Block	2012-13	Mangarajpur Khandia jora near Haramohan Baral land	4.00	30 June 2012	71 months	2.33	Not available
4		2012-13	Thuntimui bandha, pardesipali	5.00	23 July 2012	70 months	4.41	27 July 2012
5		2012-13	No-3 at Haladibasanta	3.60	10 June 2012	71 months	1.83	20 August 2012
6		2012-13	No.-2 on Sunamui Mundakara jora at Haladibasanta	3.60	02 June 2012	72 months	2.47	03 September 2012
7		2012-13	Kanpur	3.60	02 August 2012	70 months	1.68	08 November 2013
8		2012-13	Koladiha Bandha, Tulasipur	3.60	02 August 2012	71 months	2.85	15 September 2012
9	Telkoi Block	2015-16	Loknathpur Dakuasar	5.00	01 January 2017	18 months	3.69	1 January 2017
10		2015-16	Loknathpur Jambutaila	5.00	02 July 2016	24 months	3.70	02 July 2016
11	Kuliana Block	2017-18	Dantamusal sankarmora nalla	8.00	Not available	Not available	2.40	18 August 2017
	Total			54.22			30.53	

(Records of concerned PSs)

Appendix 2.8.1
(Refer Paragraph 2.8)
Statement showing details of BNRGSK Buildings lying idle

Sl. No.	Name of the PS	Name of the GP	Sanction cost (₹ in lakh)	Expenditure (₹ in lakh)	Date of completion	Reason of non-utilisation	Period remaining idle
1	Polsara	Budheisuni	10.00	8.28	12 January 2013	No reason	More than seven years
2	Marshaghai	Marshaghai	10.00	10.00	22 June 2013	Due to distance location	More than six years
3	Marshaghai	Manikunda	10.00	9.39	13 June 2013	Due to distance location	More than six years
4	Sukinda	Ransol	10.00	9.62	17 February 2013	No reason	More than seven years
5	Sukinda	Dudhujori	10.00	9.62	31 March 2012	No reason	More than eight years
6	Sukinda	Bartanda	10.00	9.68	30 June 2012	No reason	More than seven years
7	Sukinda	Kharadi	10.00	9.77	30 November 2011	No reason	More than eight years
8	Jajpur	Bichitrapur	10.00	9.64	06 March 2012	No reason	More than eight years
9	Sukinda	Kansa	10.00	9.70	01 September 2012	No reason	More than seven years
	Total		90.00	85.70			

(Source: Records of concerned PS)

Appendix 2.8.2

(Refer Paragraph 2.8)

Statement showing irregular utilisation of BNRGSK buildings

Sl. No.	Name of the PS	Name of the GP	Sanction cost (₹ in lakh)	Sanction Date/Date of issue of Work Order	Expenditure (₹ in lakh)	Date of Completion	Status of project	Manner of utilisation
1	Derabis	Laxminarayanpur	10.00	24 April 2010	10.37	05 October 2011	complete	Unauthorised occupation by local people
2	Polsara	Chirkipadasasan	10.00	21 June 2010	9.38	12 January 2013	complete	Unauthorised occupation by temple
3	Marshaghai	Silipur	10.00	07 June 2011	9.54	23 March 2013	complete	Unauthorised occupation by police personnel of local police station
4	Marshaghai	Dasipur	10.00	07 June 2010	9.73	26 February 2013	complete	Unauthorised occupation by locals for PDS store and shop
5	Aul	Ketuapal	10.00	05 July 2010	9.75	02 July 2013	complete	Unauthorised occupation by locals
		Total	50.00		48.77			

(Source: Records of concerned PS)

Appendix 2.9.1
(Refer Paragraph 2.9)

Details of beneficiaries where disbursement of Social Security Assistance after death

Sl No	Name of the PS	Name of the GP	Name of the village	Name of the beneficiaries	Name of father/ Husband	Actual date of death as per medical record	No. of months disbursed after death	Total amount paid (₹)	Scheme
1	Kolnara	Kolnara	Suri	Gadela Appal Swami	Not available	17 July 2018	2	600	OAP/ ODP
2	Kolnara	Badakhalipadar	Radhangi	Bangari Pulaka		09 March 2018	6	1,800	OAP/ ODP
3	Kolnara	Kolnara	Bhujabala	Chedibansa Tanguru		10 June 2016	3	900	MBPY
4	Kolnara	Kolnara	Bhujabala	Naraj Palaka		31 August 2016	1	300	MBPY
5	Kolnara	Kolnara	Sonapadia	Kardaka Sunami		03 June 2016	3	900	OAP/ ODP
6	Kolnara	Suri	Dakulguda	Bhagyabati Sahu		22 May 2018	6	1,800	OAP/ ODP
7	Kolnara	Kolnara	Suri	Ramba Patro		28 May 2018	6	1,800	IGNWP
8	Kolnara	Kolnara	Bhujabala	Dhansing Chintada		06 May 2015	3	900	MBPY
9	Kolnara	Kolnara	Suri	Dumburu Adhinarayan		03 April 2017	4	1,200	MBPY
10	Jharigam	Kutrichapar	Kolegam	Balaram Naik	Dambarudhar	05 September 2018	2	600	OAP
11	Jharigam		Kutrichapar	Sambari Santa	Madan	10 September 2018	2	600	OAP
12	Jharigam	Bakadabeda	Bakadabeda	Subas Panka	Suku	23 June 2018	4	1,200	OAP
13	Jharigam		Turunji	Satai Panka	Madan	28 July 2018	2	600	OAP
14	Jharigam		Turunji	Sahadev Gonda	Kamalochan	28 December 2018	3	900	OAP
15	Jharigam	Phuphugam	Tarakonadi	Ratni Bhatra	Sanpat	26 August 2018	1	300	OAP
16	Jharigam		Lambikonadi	Bhalanath Bhatra	Baiyanath	25 December 2018	1	300	OAP
17	Jharigam		Boraguda	Manguli Bhatra	Ghasiram	28 June 2018	2	600	OAP
18	Jharigam		Nangaguda	Kanhei Bhatra	Rati	24 January 2019	1	300	OAP
19	Jharigam		Phupugam	Madhaba Majhi	Mandhar	22 November 2018	1	300	OAP
20	Jharigam	Ratakhandiguda	Chhotaguda	Binapani Mandal	Bansidhar	20 September 2018	1	300	OAP
21	Jharigam		Chotaguda	Lachama Bhatra	Bukulu	29 August 2018	3	900	OAP
22	Jharigam		Prasla	Bali Bhatra	Kandru	15 January 2019	1	300	OAP
23	Jharigam		Ranichachra	Mukta Santa	Dambarudhar	10 August 2018	6	1,800	OAP
24	Jharigam		RK Guda	Mitki Gond	Saradu	19 December 2018	2	600	OAP

Sl No	Name of the PS	Name of the GP	Name of the village	Name of the beneficiaries	Name of father/ Husband	Actual date of death as per medical record	No. of months disbursed after death	Total amount paid ()	Scheme	
25	Jharigam		Kumdaguda	Gupto Santa	Bisu	10 August 2018	6	1,800	OAP	
26	Jharigam		Goindhodi	Babasi Santa	Linga	02 January 2018	4	1,200	OAP	
27	Jharigam	Bhikya	Bhikhya	Budu Bhatra	Kacharu	25 March 2018	4	1,200	OAP	
28	Jharigam		Bhikhya	Rainu Bhatra	Ramdhar	24 September 2018	2	600	OAP	
29	Jharigam		Kodovatta	Subasini Gomsta	Upen	15 July 2018	1	300	OAP	
30	Jharigam		Gauntiaguda	Sadhu Banjara	Harischandra	17 October 2018	1	300	OAP	
31	Jharigam		Palia	Chepiama	Bina Santa	Kamala	11 March 2018	6	1,800	OAP
32	Jharigam			Dumrpadar	Ghenu Santa	Mangtu	19 August 2018	2	600	OAP
33	Jharigam	Badani		Chandrabati Meher	Koni	11 March 2018	7	2,100	OAP	
34	Jharigam	Badani		Lalu Harijan	Basu	17 July 2018	2	600	OAP	
35	Jharigam	Dhadra		Gobri	Malsai Bhatra	Brunnda	31 March 2018	1	300	OAP
36	Jharigam			Gulibandha	Jaldhar Bhatra	Jitru	08 January 2019	1	300	OAP
37	Jharigam		Banuaguda	Krusha Bhatra	Buti	26 November 2018	2	600	OAP	
38	Jharigam		BS Padar	Haribandhu Gonda	Chandra	31 October 2018	1	300	OAP	
39	Jharigam		Gobri	Nandai Bhatra	Ghasiram	19 November 2018	3	900	OAP	
40	Jharigam		Gulibadana	Chainu Gouda	Sonu	15 August 2018	2	600	OAP	
41	Jatni	Padanpur	Bhimpur	Sabitri Bewa	w/o Uma Kandi	19 January 2016	5	1,500	IGNOP	
42	Jaipatna	--	Mukhuguda	Dasarath Majhi	S/o Ghana Majhi	27 October 2016	1	300	OAP	
43	Jaipatna	--	Kanakapur	Mukta Bewa	W/o Lambodar Agasthi	09 October 2016	3	900	OAP	
44	Jaipatna	Bengar	Bengar	LambodarSabar	S/o Bamadeb Sabar	10 March 2016	1	300	OAP	
45	Jaipatna	--	Sindhikaguda	Arjun Sabar	S/o Baidyanath Sabar	26 July 2016	2	600	OAP	
46	Jaipatna	--	Podaguda	Gurubari Bewa	W/o Madhu Naik	07 March 2016	2	1,000	OAP	
47	Jaipatna	Ranmal	Ranmal	Uanshi Chhatria	W/o Arjun Chhataria	22 April 2016	1	300	OAP	
48	Jaipatna	Ranmal	Ranmal	Ambika Patra	W/o Balaram Patra	21 June 2016	6	1,800	OAP	
49	Jaipatna	Ranmal	Ranmal	Baikuntha Pradhani	S/o Jagannath Pradhani	03 April 2016	1	300	OAP	
50	Jaipatna	Ranmal	Ranmal	Baikunthanatha Dhana	S/o Lakhana Dhan Majhi	27 August 2016	1	300	OAP	

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Sl No	Name of the PS	Name of the GP	Name of the village	Name of the beneficiaries	Name of father/ Husband	Actual date of death as per medical record	No. of months disbursed after death	Total amount paid ()	Scheme
51	Jaipatna	--	Santemeri	Bendale Bewa	W/o Srinibas Naik	31 July 2016	1	300	OAP
52	Jaipatna	--	Santemeri	Rama Singh	S/o Gopinath Singh	01 September 2016	1	300	OAP
53	Jaipatna	--	Santemeri	Rama Prasad Majhi	S/o Jagannath Majhi	12 March 2016	1	300	OAP
54	Jaipatna	--	Santemeri	Kalindri Kharsela	W/o Sukhi Sen	09 April 2016	2	600	OAP
55	Jaipatna	--	Badatemeri	Jaya Pan	S/o Ghenu Pan	08 May 2016	1	300	OAP
56	Jaipatna	--	Thekmudi	Padmini Bag	W/o Kapil Bag	16 April 2016	1	500	OAP
57	Jaipatna	--	Santemeri	Dharmaraj Majhi	S/o Kechkech Majhi	19 July 2016	1	500	OAP
58	Morada	Barkand	Bholagadia	Ghasiram Mohanta	S/o Gajendra Mohanta	19 August 2018	5	1,500	OAP
59	Ramanguda	Gulunthi	Somispadar	Patika Subarna	Not available	09 December 2016	1	500	OAP
60	Ramanguda		Sabareda	Mandangi Narasingha		18 December 2016	1	500	OAP
61	Ramanguda		Dharekhunti	Ukala Sentama		13 November 2016	1	500	OAP
62	Ramanguda		Tambakara	Khandagri Budrema		04 January 2017	1	300	OAP
63	Ramanguda	S.Dhamuni	Tasakiguda	Patika Hadi		08 November 2016	1	300	OAP
64	Ramanguda	Gulunthi	Dhepuguda	Himirika Bhaskar		24 January 2019	1	300	OAP
65	Ramanguda	Parikhiti	Kamdatamungi	Kantema Toika		23 May 2015	2	1,000	OAP
66	Ramanguda		Jhingiribadi	Ramdasa Nisika		31 March 2015	3	900	OAP
67	Ramanguda		Khambaguda	Karkaria Jogi		17 November 2015	3	900	OAP
68	Ramanguda		Khnadabadi	Mutuka Minarao		01 February 2016	1	300	OAP
	Total							50,400	

(Source: Pension acquittance maintained by GPs, information from CHCs and Audit analysis)

Appendix 2.9.2
(Refer Paragraph 2.9)

Details of unspent funds retained by concerned PEOs/ Sarpanchas

Sl. No.	PS	GP	Name of the officer	Designation	Scheme/ project	Amount outstanding (₹)	Period outstanding from	Period outstanding to	Period outstanding in days	Present status of employment
1	Satyabadi	Sriramchandrapur	P.K. Parida	Ex-PEO	OAP	1,37,900	17 July 2015	15 October 2019	1,551	transferred
2	Satyabadi	Sriramchandrapur	Basanta Das	Ex-PEO	GP Fund	955	07 October 2010	15 October 2019	3,295	transferred
3	Satyabadi	Biraramchandrapur	D. Sethi	Ex-PEO	GP Fund	1,683	9 September 2015	22 October 2019	1,505	expired
4	Aul	Narendrapur	Manmath Swain	Ex-Sarpanch	NREGS	2,000	15 November 2010	5 August 2019	3,186	not continuing
5	Aul	Nial	SaratNayak	Ex-Secretary	GP Fund	3,364	25 April 2011	8 August 2019	3,028	transferred
6	Aul	Badambila	N.R. Parida	Ex-GPTA	OAP	24,800	15 December 2016	14 August 2019	973	transferred
7	Aul	Sahira	Ms. Tilottama Panda	Ex-GRS	OAP	4,800	14 August 2018	19 August 2019	371	transferred
8	Aul	Sahira	Pramod Pradhan Ku.	Ex-VLW	OAP	3,000	14 August 2018	19 August 2019	371	transferred
9	Pipli	Jasuapur	Suratha Swain	Ex-cashier	OAP	3,000	14 May 2018	27 August 2019	471	retired
10	Pipli	Jasuapur	P.P. Sahoo	JE	OAP	4,800	15 October 2018	27 July 019	286	continuing
11	Pipli	Saraswatipur	Balabhadratripathy	Ex-PEO	OAP	16,700	13 June 2018	04 September 2019	448	transferred
12	Derabish	Chatrachakada	Dulashish Gupta	Ex-PEO	3 rd SFC	954	24 April 2016	31 August 2019	1,225	transferred
13	Derabish	Chatrachakada	Dulashish Gupta	Ex-PEO	14th FC	730	08 July 2016	31 August 2019	1,150	transferred
14	Derabish	Golarhat	G.N. Mnik	Ex-PEO	3rd SFC	18,400	31 December 2014	06 September 2019	1,711	transferred
15	Derabish	JanaraBarimul	(no name)	Ex-Sarpanch	GP Fund	2,081	04 April 2006	11 September 2019	4,909	not continuing
16	Derabish	Chhoti	(no name)	Ex-PEO	GP Fund	5,332	06 June 2016	13 September 2019	1,195	transferred
17	Polsara	Nimina	Nilakantha Swain	Ex-PEO	14th FC	3,000	29 October 2014	06 November 2019	1,834	transferred
18	Polsara	Nimina	DebarajBehera	Ex-PEO	GP Fund	8,577	30 June 2015	06 November 2019	1,590	transferred
					PDS	32,360	29 April 2016	6 November 2019	1,225	transferred
19	Polsara	Chirkipadasan	P.Dakua	Ex-PEO	GP Fund	2,542	16 November 2015	16 November 2019	1,462	transferred
20	Morada	Dantiamuhan	Lokanath Soren	Ex-Sarpanch	GP Fund	1,200	03 February 2005	22 November 2019	1,753	not continuing
21	Aul	Demal	Madhabananda Dalai	Ex-PEO	OAP	49,500	16 September 2015	22 August 2019	1,437	transferred

Sl. No.	PS	GP	Name of the officer	Designation	Scheme/project	Amount outstanding (₹)	Period outstanding from	Period outstanding to	Period outstanding in days	Present status of employment
22	Aul	Demal	Ms. Samal	Ex-Sarpanch	OAP	2,600	30 June 2018	22 August 2019	419	not continuing
23	Aul	Demal	Madhabananda Dalai	Ex-PEO	GP Fund	13,325	5 November 2014	22 August 2019	1,752	transferred
24	Marsaghai	Bandhakata	Santosh Prusti	Horticulturist	OAP	4,200	15 January 2018	18 September 2019	611	continuing
25	Marsaghai	Dashipur	R.K. Mohali	Ex-PEO	14th FC	31,727	25 December 2015	21 September 2019	1,367	transferred
	Total					3,79,530				

(Source: Records of GPs)

Appendix 2.9.3
(Refer Paragraph 2.9)
Details of short account of GP Funds

Sl. No.	PS	GP	Designation	Brief of objection	Scheme/ Cash book	Amount under objection (₹)	Period of outstanding from	Period of outstanding to	Period outstanding in days	Present status of employment
1	Marshaghai	Bandhakata	Ex-PEO	Non-deposit of collected shop rents	GP fund	4,377	30 March 2019	18 September 2019	172	transferred
2	Polasara	Chirkipadasan	PEO	Non-accountal of sale proceeds of kerosine	PDS	1,000	23 November 2017	16 November 2019	724	continuing
3	Morada	Barkand	PEO	Non-deposit of collection from lease of ponds	GP Fund	10,000	05 June 2017	02 December 2019	910	continuing
					Total	15,377				
4	Marshaghai	Marshaghai	PEO	Overstating of expenditure	GP Fund	1,000	22 May 2017	25 September 2019	854	continuing
5	Polasara	Bellagam	PEO	Less totaling (₹93,386) in receipt side of cash book, non accountal of sale proceeds (₹ 26,135) of kerosene	PDS	1,19,521	93386(31 March 2018) 26135(05 November 2017)	13 November 2019 13 November 2019	5,93,739	continuing
6	Polasara	Bellagam	PEO	Overstating of expenditure	OAP	15,300	15 December 2018	13 November 2019	334	continuing
7	Morada	Halipal	Ex-PEO	Less OB	OAP	2,300	30 March 2018	27 November 2019	607	transferred
					Total	1,38,121				
8	Aul	Sahira	PEO	Purchase of tube-well spare parts without supporting receipt and issue entries	-	86,600	2017-19	19 August 2019	365	continuing
	Grand Total					2,40,098				

(Source: Records of GPs)

GLOSSARY

Glossary of abbreviations

AG	Accountant General
AWC	Anganwadi Centre
AWW	Anganwadi Worker
BDA	Bhubaneswar Development Authority
BDO	Block Development Officer
BIS	Bureau of Indian Standards
BMC	Bhubaneswar Municipal Corporation
BNRGSK	Bharat Nirman Rajeev Gandhi Seva Kendra
BOD	Biochemical Oxygen Demand
BSCL	Bhubaneswar Smart City Limited
CAG	Comptroller and Auditor General
CDPO	Child Development Project Officer
CED	Centre for Environment and Development
CIP	Central Issue Price
COM	Construct, Operate and Maintain
DBP	Disinfection By-Product
DDO	Drawing and Disbursing Officer
DoWR	Department of Water Resources
DPC	Duties, Power and Conditions of Service
DPR	Detailed Project Report
DSWO	District Social Welfare Officer
EC	Commissioner of Endowments
EE	Executive Engineer
EIC	Engineer in Chief
EO	Executive Officer
EOI	Expression of Interest
FCI	Food Corporation of India
GA	General Administration
GIA	Grants in AID
GIS	Geographical Information System
GoI	Government of India
GoO	Government of Odisha
GP	Gram Panchayat
GPEO	Gram Panchayat Extension Officer
H&UD	Housing and Urban Development
HCM	Hot Cooked Meal
HPTW	Hand Pump Tube Well
ICDS	Integrated Child Development Services
IE	Independent Engineer
IEISL	IL&MS Environmental Infrastructure & Services Limited
IRP	Iron Removal Plant
IMMT	Institute of Minerals and Materials Technology
ISO	International Organisation for Standardisation
ITDA	Integrated Tribal Development Agency
JNNURM	Jawaharlal Nehru National Urban Renewal Mission

JPI	Joint Physical Inspection
LA	Land Acquisition
LAO	Land Acquisition Officer
LoI	Letter of Intent
MBPY	Madhu Babu Pension Yojana
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MHUD	Ministry of Housing and Urban Development
MI	Minor Irrigation
MIP	Minor Irrigation Project
MIS	Management Information System
MT	Managing Trustee
NABL	National Accreditation Board for Testing and Calibration Laboratories
NBCC	National Building Construction Corporation
NCTE	National Council for Teacher Education
NEERI	National Environmental Engineering Research Institute
NMMP	National Mission Mode Project
NSAP	National Social Assistance Programme
NTU	Nephelometric Turbidity Unit
O&M	Operation and Maintenance
OAP	Old Age Pension
OHRE	Orissa Hindu Religious Endowments
OSCSCL	Odisha State Civil Supplies Corporation Limited
OSUWSP	Odisha State Urban Water Supply Policy
OTC	Odisha Treasury Code
OUIDF	Odisha Urban Infrastructure Development Fund
OuwQMP	Odisha Urban Water Quality Monitoring Protocol
PA	Project Administration
PDS	Public Distribution Scheme
PEO	Panchayat Executive Officer
PH	Public Health
PHEO	Public Health Engineering Organisation
PPP	Public Private Partnership
PR&DW	Panchayati Raj and Drinking Water
PS	Panchayat Samiti
PSU	Public Sector Undertaking
PW	Production Well
R&DM	Revenue and Disaster Management
RFCTLAR&R	Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement
RFP	Request for Proposal
RI	Religious Institution Revenue Inspector
RWS&S	Rural Water Supply and Sanitation
SAL	Spectro Analytical Lab Limited
SDG	Sustainable Development Goals
SME	School and Mass Education

SNP	Supplementary Nutrition Programme
SOP	Standard Operating Procedure
SPCB	State Pollution Control Board
SR	Supplementary Rule
SRS	System Requirement Specification
SSD	ST & SC Development
SW	Surface Water
TA	Transport Agent
UAT	User Acceptance Testing
ULB	Urban Local Body
WATCO	Water Corporation of Odisha
WTL	Water Testing Laboratory
WTP	Water Treatment Plant

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