Overview

This Report of the Comptroller and Auditor General of India on the General and Social Sector for the year ending 31 March 2019 includes one Performance Audit on 'Indo-Nepal Border Road Project' and Compliance Audit on 'Adequacy and Development of Infrastructure for Animal Husbandry', 'Road works funded through State Road Fund', 'Kumbh Mela 2019', 'Upgradation of Government Industrial Training Institutes in Uttar Pradesh' and 17 Audit Paragraphs on Government Departments.

1. Performance Audit

Performance Audit is an independent, objective and reliable examination of whether Government entities, institutions, operations, programmes, funds, activities (with their inputs, processes, outputs, outcomes and impacts) are operating in accordance with the principles of economy, efficiency and effectiveness and whether there is room for improvement.

Performance Audit on Indo-Nepal Border Road Project

The Ministry of Home Affairs, Government of India (GoI) approved (November 2010) construction of a road along the Indo-Nepal border (INB) in the States of Uttarakhand, Uttar Pradesh and Bihar. Indo-Nepal Border Road Project (INBRP) was to be implemented jointly by the GoI and State Governments concerned. The scheduled date of completion (31 March 2016) was extended by GoI to December 2019 for encumbrance-free stretches and December 2022 for stretches with encumbrances. INBRP was envisaged to add to the mobility of Sashastra Seema Bal (SSB) and enable them to dominate sensitive borders more effectively from Border Out Posts (BOPs).

In Uttar Pradesh, the Public Works Department (UPPWD) was implementing the project. The initial alignment of 640 km INB road in the State was revised to 574.59 km after survey, including 257.02 km under 12 sanctioned Detailed Project Reports (DPRs). Remaining 16 DPRs for 317.57 km road were yet to be sanctioned as of December 2019. During 2012-20 (up to December 2019), UPPWD incurred an expenditure of ₹ 834.50 crore (GoI fund: ₹ 591.72 crore and State Government fund: ₹ 242.78 crore) on implementation of the project.

The role of UPPWD in implementation of the project during the period 2012-19 was examined in the Performance Audit, which revealed shortcomings in preparatory phase, project execution, monitoring and financial management, as highlighted below:

Preparatory work

- The forest and wildlife clearances, which were prerequisites for commencement of work, were yet (December 2019) to be accorded for INBRP due to faulty/incomplete proposals submitted by UPPWD and lack of coordination with the Forest Department. Besides, the earlier finalised alignment of 574.59 km road, approved during 2012-13, was rendered ineffectual in view of directions of the State Wildlife Board for revision in alignment.

(Paragraph 2.2.1)

- The pace of acquisition of land by UPPWD was tardy as 27 *per cent* land (113.10 hectare) was yet to be acquired as of December 2019 which would have a concomitant effect on further delays in completion of the project.

(Paragraph 2.2.3.2)

- Availability of clear site for construction was not ensured by UPPWD as against the required shifting of 1,544 electric poles from site, only 1,220 electric poles (79 *per cent*) had been shifted as of December 2019, despite payment of ₹ 3.23 crore to Uttar Pradesh Power Corporation Limited between August 2013 and March 2017.

(Paragraph 2.2.3.3)

Project execution

- Due to application of different hire charges for the same machines by UPPWD, which were also at variance with Ministry of Road Transport and Highways (MORTH) rate for these machineries, the cost of the project was inflated in nine DPRs by ₹ 11.93 crore.

(Paragraph 2.3.1)

- In case of 11 out of 13 contracts, Notice Inviting Tender (NITs) were invited by INB circles 34 to 162 days prior to Technical Sanction (TS) by the competent authorities and the financial bids were also opened up to 59 days prior to the dates of according TS. Further, in eight out of 11 NITs, contract bonds were executed 18 to 146 days beyond the stipulated period of 52 days. As the bids of successful bidders were higher than the estimated cost ranging between 12.15 *per cent* and 49.20 *per cent*, INB circles irregularly reduced the BOQ to bring the contract within the approved estimated cost (TS).

(Paragraph 2.3.2.1)

- INB circles entered into contracts for execution of 12 works between May 2013 and February 2018, though the land had not been acquired in 11 works. This was not only against the financial rules but also led to undue favour to the contractors as they were paid ₹ 84.85 crore of interest-free advances whose recoveries were tied to the progress of construction. As a result, mobilisation advances of ₹ 27.25 crore (86 *per cent*) and equipment advances of ₹ 45.23 crore (85 *per cent*) remained unadjusted even beyond the stipulated date of completion of works and as of December 2019, mobilisation advances of ₹ 7.93 crore (25 *per cent*) and equipment advances of ₹ 14.38 crore (27 *per cent*) were pending for recovery.

(Paragraphs 2.3.2.2 and 2.3.2.3)

- UPPWD incurred an excess expenditure of ₹ 2.46 crore on running of vehicles used for execution of works under INBRP, though in two works this item was not provisioned in DPRs.

(Paragraph 2.3.2.4)

- Without obtaining the mandatory approval of the Forest Department, INB Division, Lakhimpur Kheri, constructed road on forest land by widening the road from existing three meters to seven meters and strengthening by cement concrete. Thus, the construction of road was in violation of the Forest Conservation Act, 1980.

(Paragraph 2.3.2.5)

Quality control and monitoring

- Mandatory tests of materials were not carried out as per norms leading to shortfalls ranging between 28 *per cent* and 91 *per cent.* Against the prescribed norms, there was substantial shortfall in field inspections by CE (86 *per cent*) and SEs (83 *per cent*). This was fraught with the risk of sub-standard work.

(Paragraphs 2.4.1 and 2.4.2)

- Payments of ₹ 38.44 crore were made to contractors for bitumen used in the road works either without obtaining consignee receipt certificates or without its verification, which not only led to violation of Government order but was fraught with the possibility of compromising with the quality and quantity of bitumen.

(Paragraph 2.4.3)

Financial management

- The project was not able to absorb funds released by GoI for construction of roads due to slow progress of work as land acquisition was lagging behind, forest clearances were yet to be obtained and site of construction was not cleared of hindrances. As of December 2019, ₹ 59.07 crore of funds remained unutilised as against GoI release of ₹ 650.79 crore.

(Paragraph 2.5.1.1)

- The deductions/expenditure on establishment charges (₹ 13.45 crore), utility shifting (₹ 2.85 crore), afforestation (₹ 0.20 crore) and depreciation fund (₹ 1.15 crore) were borne out of GoI fund. However, there was lack of clarity on admissibility of these deductions from GoI fund as Memorandum of Understanding (MoU) for implementation of INBRP was yet to be finalised between GoI and the State Government.

(Paragraphs 2.5.2.1 and 2.5.2.2)

Impact of delays on the implementation of project

- Inordinate delays in the implementation of the project had a cascading effect on its construction cost, as out of 12 sanctioned projects, the cost of nine projects was revised from ₹ 550.12 crore to ₹ 779.20 crore. Similarly, delays in land acquisition led to escalation of land acquisition cost by ₹ 284.80 crore (164 *per cent*) from the original cost of ₹ 173.53 crore to ₹ 458.33 crore.

(Paragraph 2.6)

Link roads for BOPs not falling on main alignment

- Despite having agreed to construct link roads to provide connectivity to BOPs, UPPWD did not make provision for link roads in DPRs. As a result, despite completion of five road works, five BOPs located off these roads were not connected through link roads.

(Paragraph 2.7)

2 Compliance Audit

Compliance audit is an independent assessment of whether a given subject matter (an activity, financial or non-financial transaction, information in respect of an entity or a group of entities) complies in all material respects with the applicable laws, rules, regulations, established codes, etc., and the general principles governing sound public financial management and the conduct of public officials.

Audit of financial transactions, test-checked in some departments of the Government and their field functionaries showed instances of not complying with rules and regulations, expenditure without adequate justification and failure of oversight and administrative control which impact the effectiveness of the State Government. The gist of important compliance audit paragraphs is given below:

(i) Audit of Adequacy and Development of Infrastructure for Animal Husbandry

The Animal Husbandry Department provides services to develop livestock sector in the State through various veterinary infrastructures, viz., veterinary hospitals, livestock extension centres, artificial insemination centres, dispensaries, etc. This audit, covering the period of 2014-19, was conducted to examine the sufficiency of animal husbandry infrastructure and adequacy of efforts to augment animal husbandry infrastructure in the State. Major findings are as under:

- The Department did not have a comprehensive livestock policy to address issues such as feed and fodder development, animal biodiversity and strengthening infrastructure development in respect of Animal Husbandry activities in the State. Though the Department had prescribed norms for establishing Veterinary Hospitals (VHs), there were no standards/norms for equipping a VH.

(Paragraph 3.1.3)

- The Department did not prepare the required Strategic and Annual Action Plans for strengthening and creating veterinary infrastructure under National Livestock Mission (NLM) which was launched by the GoI in 2014-15 to aid State Governments for developing livestock sector. Despite availability of funds, the Department failed to augment animal husbandry infrastructure under NLM and surrendered ₹ 5.43 crore to the GoI. No step was taken for improving wasteland to develop pastureland, establishing fodder block and silage making units and identification of rural and semi-urban areas for establishment/modernisation of slaughter houses.

(Paragraph 3.1.4)

- An area of 526.49 hectare land of *Chak Ganjaria* livestock farm was transferred (April 2013) to Lucknow Development Authority but the sale proceeds of ₹ 679.91 crore were yet to be received. Further, the State Government directed (April 2013) to shift the existing activities of the Animal Husbandry Department from *Chak Ganjaria* to other livestock farms within two years, however, the Horse Breeding Centre and the Fodder Seed Production Unit which were functional at *Chak Ganjaria* farm ceased to exist as it was not shifted to another livestock farm.

(Paragraph 3.1.5)

- State Government had targeted in September 2005 to provide one VH for at least 15,000 livestock. However, the availability of VHs in fact worsened from the status of one VH for 22,758 cattle and buffaloes as per Animal Census 2012 to one VH for 23,577 cattle and buffaloes as per Animal Census 2019.

(Paragraph 3.1.6.1)

- The utilisation of existing veterinary infrastructure was ineffective due to shortages of human resources, medicines and equipment in VHs, livestock extension centres and mobile clinics. Out of 278 VHs in test-checked eight districts, veterinary officers were not posted in 41 VHs. Overall, more than 25 *per cent* posts of veterinarian and para-veterinary staff were vacant in the State. Similarly, out of 177 medicines and 80 equipment recommended by the Veterinary Specialists Committee, 103 medicines and 35 equipment were not available in at least 50 *per cent* of the 107 test-checked VHs.

(Paragraphs 3.1.6.2, 3.1.6.3 and 3.1.6.6)

- There were substantial delays in formulation and implementation of veterinary infrastructure projects. Reconstruction project (₹ 14.94 crore) of 45 VHs, was scheduled in 2014-15 but the construction work was started in May 2016. As of March 2019, all 45 VH buildings were under construction.

(Paragraph 3.1.6.5)

- National Animal Disease Reporting System (NADRS), which is a GoI scheme to monitor livestock diseases, was implemented in Uttar Pradesh since 2010-11 and 893 computer systems were supplied to the State in February and March 2011. However, NADRS was almost non-functional in the State, as none of the 822 nodes were active till 2017-18. During 2018-19, only 244 out of 822 nodes were active but data was yet not being entered on daily basis. The reasons for non-functional NADRS in test-checked districts included unavailability of electricity and internet connection.

(Paragraph 3.1.7)

- The Department commenced work for establishing meat quality control laboratories at Meerut and Aligarh without examining viability of the project. Subsequently, the project was found to be economical not viable and therefore, shelved after incurring unfruitful expenditure of ₹ 79.56 lakh on construction of buildings. Further, as the testing of meat quality was not within the purview of Animal Husbandry Department, the establishment of meat quality control laboratories under it was itself questionable.

(Paragraph 3.1.8)

- Inadequate allotment and utilization of funds on repair and maintenance resulted in poor condition of veterinary infrastructure. Out of 100 test-checked VH buildings, only 17 were repaired/maintained during 2014-19.

(Paragraph 3.1.9)

(ii) Audit of Road works funded through State Road Fund

The State Government established the State Road Fund (SRF) in the year 1998 earmarking part of sales tax on diesel and motor spirit (petrol). Under Uttar Pradesh State Road Fund Rules, 2013, SRF was to be utilised for repair, renewal, maintenance, widening and strengthening and construction/re-construction of roads. The Uttar Pradesh State Road Fund Management Committee, headed by the Public Works Department (PWD) Minister, was responsible for approving the works to be undertaken under SRF. PWD was nodal department for execution of road works.

Audit of Road works funded through SRF covering the period 2014-19 was conducted to assess the adequacy of planning for identification and prioritisation of roads, cost effectiveness and accuracy of estimates for road works, transparency and fairness in tendering and award of work and compliance with terms & conditions of contract for timely completion of quality road work. The major audit findings are as under:

- UP Road Development Policy (1998) envisaged that a computerised data bank of every road, consisting of details of width, crust thickness and composition, properties of soil in subgrade, culverts, bridges, traffic density, number of road accidents, *etc*. would be created and a computerised Management Information System (MIS) would be developed to implement the construction and maintenance of works in a planned manner. PWD had developed (2015-16) a web-based system *'Srishti'* for digitisation of road data but crucial details such as California Bearing Ratio value of soil, traffic density, culverts, bridges and road accidents were not maintained on *'Srishti'* as of August 2019.

(Paragraph 3.2.2)

- Specific criteria for selection of roads under SRF for widening and strengthening, construction, re-construction, repair/renewal/maintenance of roads were not prescribed.

(Paragraph 3.2.2)

- Department did not prepare a strategic plan to assess the total number of works to be executed under SRF, availability/requirement of funds, priority in sanctions and works to be kept in the pipeline, etc. As these details were not maintained by the Department, the works were sanctioned in an *ad-hoc* manner.

(Paragraph 3.2.3)

- During 2014-15 to 2018-19, ₹ 17,128 crore was disbursed from SRF. However, funds for road works sanctioned under SRF were not released timely. Audit observed that out of 212 sampled works, funds for execution of 106 works with a stipulated completion schedule of one to 24 months were released over a duration of two to seven years from their sanctions.

(Paragraph 3.2.4)

- Road works were executed based on faulty estimates due to use of incorrect technical parameters and non-compliance of existing instructions, which led to avoidable/excess expenditure ₹ 16.32 crore on widening and strengthening of roads.

(Paragraphs 3.2.5.1 and 3.2.5.2)

- Sanctioning authorities did not ensure timeliness in accord of technical sanctions. The technical sanction to 61 works of ₹ 681.11 crore, out of 212 test-checked works, were accorded with delays ranging between 17 and 594 days.

(Paragraphs 3.2.6)

- Notice Inviting Tenders (NIT) should be issued only when technical sanction was accorded by the competent authority. However, tenders for 169 works costing ₹ 1,213.34 crore out of 212 test-checked works, were invited before technical sanctions to detailed estimates, which ranged up to 280 days. Further, out of these 169 works, tenders for 81 works of ₹ 520.46 crore were also invited up to 278 days prior to the administrative approval of works. Inviting of tender before administrative approval and technical sanction in a majority of case was also indicative of the fact that department adopted this as a common practice.

(Paragraph 3.2.7.1)

- Contrary to Engineer-in-Chief's directions and Central Vigilance Commission guidelines, eligible contractors were deprived from participating in the bidding process due to adding restrictive conditions in NITs of 15 works of ₹ 115.73 crore and revisions in Bill of Quantities for 10 works of ₹ 17.09 crore. Further, price negotiations were resorted to with bidders in 105 tenders without recording reasons for such action, thereby vitiating the contract process.

(Paragraphs 3.2.7.3, 3.2.7.4 and 3.2.7.6)

- Tenders for 130 contracts of ₹ 593.54 crore were invited through e-tender during August 2014 and March 2019. However, in more than 78 *per cent* of the contracts, submission of documents like security deposit, solvency certificate, affidavit, etc. were accepted manually. Thus, the eventual goal of ensuring transparency in works through e-tendering could not be achieved.

(Paragraph 3.2.7.7)

- PWD Divisions failed to adhere to terms and conditions of contracts. Equipment advances of ₹ 22.36 crore were paid to contractors against 14 contracts during 2014-19, however, the invoices were not obtained from contractors for advances of ₹ 20.76 crore to ensure that equipment advances were utilised for purchase of equipment. Besides, interest-free secured advances of ₹ 14.54 crore were paid to six contractors during 2014-19 against material brought to the site, which was not admissible under the terms and conditions of contract. Further undue benefits were extended to contractors on account of non-deduction of retention money (₹ 1.33 crore) and labour cess (₹ 24.44 lakh) from the contractors' bills, besides adjustment of GST was not ensured while making payments of ₹ 13.40 crore in 31 contracts executed before 1 July 2017.

(Paragraph 3.2.7.9)

- Monitoring of the quality testing through prescribed mechanism was unsatisfactory as details of quality tests and their numbers were not mentioned in any test-checked estimates and the test-checked divisions did not maintain records of quality testing. Further, payments of ₹ 309.67 crore were made for bituminous items against 111 contracts by 19 divisions without obtaining Consignee Receipt Certificates from the contractors.

(Paragraphs 3.2.8)

(iii) Audit of Kumbh Mela 2019

Kumbh Mela at Prayagraj was organised from 15 January 2019 to 4 March 2019. A sandy area of about 3,200 hectare, divided into 20 sectors, at Sangam and surroundings thereof was developed by the State Government for hosting *Kumbh Mela*. Urban Development Department (UDD) was the nodal Department for organising *Kumbh Mela* and also the administrative Department for Prayagraj Mela Authority (PMA), which was constituted (November 2017) by the State Government for management of *Magh Mela*, *Kumbh Mela* and *Maha Kumbh Mela* in Prayagraj. The State Government made various arrangements including augmentation of physical infrastructures, both permanent and temporary, to cater to the gathering of visitors and pilgrims. The compliance audit of *Kumbh Mela* 2019 disclosed the following:

- UDD sanctioned ₹ 2,744 crore to *Kumbh Mela Adhikari* (KMA), the Chief Executive Officer of PMA, against which ₹ 2,112 crore was spent as of July 2019. Apart from release of funds to KMA, other departments also released funds for *Kumbh Mela* related works/procurement out of their budget provisions. Since the allotment and expenditure of fund by other departments were not made available by KMA, the holistic picture of the funds released and expenditure incurred for *Kumbh Mela* works was not ascertainable.

(***Paragraph 3.3.2***)

- In violation of Government of India guidelines for utilising State Disaster Response Fund (SDRF) for providing immediate relief to the victims of notified disasters, the State Government diverted ₹ 65.87 crore from SDRF for procurement of rescue equipment for *Kumbh Mela* which should have been met from budget provision of the State Government.

(Paragraph 3.3.2.1)

- The Public Works Department executed six works, costing ₹ 1.69 crore, related to repair of roads and painting of roadside trees without financial sanctions. Besides, Information & Public Relations Department allotted works amounting to ₹ 29.33 crore against the allocations of ₹ 14.67 crore for promotion of *Kumbh Mela* through electronic and print media.

(Paragraphs 3.3.2.2)

- KMA failed to effectively monitor the issue and return of tentage items to/from various institutions due to which the vendor claimed payment for compensation of ₹ 21.75 crore on account of missing tin, tent and furniture. However, the actual amount payable on account of missing items was not yet ascertained by KMA.

(Paragraph 3.3.2.3)

- The Departments did not adhere to the prescribed timelines due to which 58 permanent and 11 temporary nature works (15 *per cent* of works) were not completed by the start of *Kumbh Mela*. Further, due to inefficient procurement process by the Home (Police) Department, fire vehicles, baggage scanners, tyre killer, digital radio HF sets and drone cameras (cost: ₹ 7.83 crore) procured for the *Kumbh Mela* were either not received or not utilised during *Kumbh Mela*.

(Paragraphs 3.3.3 and 3.3.3.1)

- Audit noticed over estimation (₹ 3.11 crore) in estimates for road works; excess expenditure (₹ 95.75 lakh) due to laying of extra offset in construction of nine road works; short deposit (₹ 6.33 crore) of performance security by contractors; irregular award of work to under capacity contractors; avoidable expenditure on barricading works (₹ 3.24 crore) and Fiber Reinforce Plastic toilet works (₹8.75 crore); and excess payment (₹ 1.27 crore) to the contractors.

(Paragraphs 3.3.4, 3.3.5.1, 3.3.6, 3.3.7.2, 3.3.8.1, 3.3.8.2 and 3.3.8.3)

- Issue of management of Municipal Solid Waste (MSW) were not effectively addressed. Due to inoperative MSW processing plant, there was a massive scrapheap of MSW weighing 3,61,136 MT at Banswar plant site before *Kumbh Mela*, which was further piled up during January 2019 to March 2019 by additional collection of 52,727 MT MSW.

(Paragraph 3.3.9.1)

- Quality assurance in the construction works was unsatisfactory because most of the tests prescribed for quality checking were not carried out. Further, Audit could not examine the action taken on the report of third party inspection agency (TPIA), as PWD did not provide records regarding work-wise penalty imposed on the contractors in view of deficiencies reported by TPIA.

(Paragraphs 3.3.10.1 and 3.3.10.2)

- Long term perspective plan based on norms/criteria for creation of infrastructure and facilities along with detailed plan for Post *Mela* Utilisation of the goods and materials procured had not been drawn up to utilise them optimally after end of the *Mela*.

(Paragraph 3.3.11)

(iv) Audit of Upgradation of Government Industrial Training Institutes in Uttar Pradesh

Government of India (GoI) launched two schemes *viz.*, 'Upgradation of 1396 Government Industrial Training Institutes through Public Private Partnership' (PPP scheme) and 'Upgradation of existing Government ITIs into Model ITIs (Model GITI scheme)' in 2007-08 and 2014-15 respectively. These schemes were intended to interface with industry to improve the employment outcomes of graduates from the vocational training system, by making design and delivery of training more demand responsive. In Uttar Pradesh, 115 Government ITIs (GITIs) were covered under PPP scheme and two GITIs were covered under Model GITI scheme. The compliance audit of upgradation activities under the two schemes disclosed the following:

- The selection of GITIs under the schemes revealed non-adherence to the prescribed norms. Under PPP scheme, 26 (22 *per cent*) GITIs did not fulfil one or more criteria including affiliation with National Council of Vocational Training (NCVT), and were thus not eligible for the scheme. Under Model GITI scheme, the selection of one of the trades (electrician) by both GITIs was irregular because financial assistance for upgradation of electrician trades was already provided under other GoI schemes.

(Paragraph 3.4.2)

- Selection of Industry Partners (IPs), representing the major industry cluster in the vicinity of GITIs, was the bedrock of the schemes. However, IPs for 80 GITIs selected during 2007-11 under PPP scheme were identified without any criteria and the envisaged consultation/concurrence of the industry associations. In April 2011, GoI provided more specific criteria for selection of IPs. However, IPs for 21 GITIs out of 35 selected under PPP scheme during 2011-12 did not fully meet the criteria mandated by GoI.

(Paragraph 3.4.3)

- The IPs did not actively participate in the schemes and as a result the faculty/trainees did not benefit from the association with the IPs, as envisaged in the upgradation schemes for GITIs. In none of the test checked GITIs, IPs arranged training for faculty and on-the-job training for the trainees under PPP scheme. In respect of Model GITI scheme, the industrial attachment of trainees was minimal.

(Paragraph 3.4.3.1)

- The GITIs selected under PPP scheme could not utilise available loan from GoI within the specified period of five years. The utilisation of funds in

10 GITIs was less than 70 *per cent.* Under Model GITI scheme, the two GITIs could avail (₹ 9.35 crore) only 49 *per cent* of allocations (₹ 19 crore) earmarked for them due to delays in submission of utilisation certificates and slow pace of utilisation of funds.

(Paragraph 3.4.4.1)

- The physical infrastructure of GITIs got upgraded, however, GITIs did not adhere to the fund utilisation plan approved in the Institute Development Plan (IDP). Out of 19 test-checked GITIs, 14 GITIs incurred unauthorised excess expenditure of ₹ 3.36 crore beyond the funds earmarked for individual components in the IDP. The excess expenditure was met by diverting funds earmarked for other components of the IDP. Two GITIs incurred unfruitful expenditure of ₹ 1.81 crore on civil works and procurement of equipment and stores.

(Paragraphs 3.4.4.2 and 3.4.4.3)

- Except for one GITI, none of the GITIs proposed the introduction of new trades in their respective IDPs under PPP Scheme in view of expected delays in providing human resources for opening of new trades. GITI Saket Meerut did not commence any new trade though it had proposed for opening of three new trades. Thus, the problem of mismatch between industry requirements and availability of skilled persons was not addressed.

(Paragraph 3.4.5.1)

- Availability of human resources, critical for providing training and implementation of the schemes, was unsatisfactory as shortfalls in the cadre of instructors ranged between 14 *per cent* and 100 *per cent* in 18 test-checked GITIs under PPP scheme and from 14 *per cent* to 61 *per cent* in Model GITI scheme. Besides Principals were either not positioned or deployed intermittently during 2014-19 in 12 out of 19 test-checked GITIs.

(Paragraph 3.4.5.2)

- Assistance to the passed-out trainees for getting employment was inadequate as placement cell was not formed in six test-checked GITIs under PPP scheme. In the remaining 13 test-checked GITIs, though placement cells were constituted, placement records of trainees were either not available or available in respect of only a few trainees. The Department also did not monitor the status of placement of trainees which was to be furnished by GITIs through quarterly progress reports.

(Paragraph 3.4.5.3)

- The envisioned objective of sustainability and self-sufficiency of the selected GITIs through the implementation of PPP scheme could not be achieved as none of the sampled GITIs achieved the targets of revenue generation, with shortfalls ranging between 86 *per cent* and 100 *per cent* during 2014-19 due to suggested measures not being carried out for the most part. Out of the 115 GITIs selected under PPP scheme, 25 GITIs which were required to repay the first instalment of the loan from March 2019 failed to meet their commitment in this regard.

(Paragraphs 3.4.6.1 and 3.4.6.2)

- Monitoring of the PPP scheme was inadequate as State Implementation Cell to assist the State Steering Committee (SSC) was not constituted. SSC did not examine and review performance in terms of key performance indicators (KPIs) of IMCs during 2014-18. The compiled KPIs of 115 GITIs were presented to SSC for the first time in March 2019. However, the SSC did not issue any direction to IMCs over lower KPI scores.

(Paragraph 3.4.7)

(v) Audit Paragraphs

- Procurement of school bags by the Directorate of Basic Education for school children was marked by deficiencies in bidding process. Delays in supply and distribution of school bags deprived 1.15 crore students from receiving school bags during 2016-17, besides 6.55 lakh school bags valuing ₹ 9.46 crore remained undistributed for more than three years.

(Paragraph 3.5)

- Non-functioning of wi-fi networking system in hostels of Deen Dayal Upadhyaya Gorakhpur University, Gorakhpur deprived the students of intended benefits and also resulted in unfruitful expenditure of ₹ 2.14 crore on its installation.

(Paragraph 3.6)

- The Government sustained loss of ₹ 28.44 crore on 10,73,639 cum excavated rocks sold to contractors at *ad hoc* rates and declaring 90,054 cum rock as unusable through non-transparent procedure. Further, no specific guidelines for disposal of minor minerals excavated during irrigation works were issued.

(Paragraph 3.7)

- Irrigation and Water Resources Department extended undue benefit of ₹ 96.98 crore to the contractor by not recovering the cost of minor minerals used in the work without obtaining mining permit.

(Paragraph 3.8)

- Medical Health and Family Welfare Department failed to impose penalty of ₹ 6.17 crore on non-supply of medicines/drugs resulting in undue benefit to the suppliers coupled with concurrent risk of inadequate patient treatment.

(Paragraph 3.9)

- Lackadaisical approach of Medical Health and Family Welfare Department resulted in unfruitful expenditure of ₹ 1.88 crore on procurement of Central Oxygen System, which could not be made operational even after a lapse of more than eight to ten years.

(Paragraph 3.10)

- Failure in issuing bills and demand notices timely for payment of license fee to licensees of liquor shops running under the jurisdiction of Zila Panchayats of Agra and Gonda resulted in non-recovery of revenue of ₹ 1.09 crore.

(Paragraph 3.11)

- Inadequate detailed survey before construction of bridge and inordinate delay in taking remedial action after change in river course resulted in unfruitful expenditure of ₹ 16.17 crore on the incomplete bridge over Yamuna River at Mehra-Naharganj-Tundla road in Agra District.

(Paragraph 3.12)

- Commencement of construction work of a bridge in district Agra without acquisition of land required for construction of its approach road led to unfruitful expenditure of ₹ 1.90 crore.

(Paragraph 3.13)

- Failure of Public Works Department to ensure availability of land before commencement of work for construction of a bypass road near Bindki town, Fatehpur resulted in non-completion of the bypass road even after nine years of commencement of its construction and incurring expenditure of ₹ 7.88 crore.

(Paragraph 3.14)

- Failure of three Public Works Divisions in ensuring compliance of conditions of the contract resulted in unauthorised aid of ₹ 19.79 crore to the contractors and loss of interest of ₹ 2.80 crore to the Government.

(Paragraph 3.15)

- Social Welfare Department failed to complete the construction of a girls' hostel for Scheduled Castes (SC) girls at Siddharthnagar district even after a lapse of 11 years from the date of sanction and after incurring entire sanctioned fund of ₹ 80.90 lakh. Besides, non-availability of staff and funds for functioning of three other constructed girls' hostels for SC girls even after seven to nine years of their construction rendered the expenditure of ₹ 3.64 crore incurred on their construction unfruitful.

(Paragraph 3.16)

- Preparation of incorrect estimates for construction of residential school complex, non-release of fund after approval of revised estimates and delay in placement of demand for sanction of teaching and non-teaching staff resulted in non-completion/non-operationalisation of Ekalvya Model Residential Schools in Sonbhadra and Bahraich, besides unfruitful expenditure of ₹ 25.39 crore.

(Paragraph 3.17)

- Improper selection of land and non-preparation of feasibility report for construction of Government Polytechnic at Utraula, Balrampur, rendered the expenditure of ₹ 16.44 crore on construction unfruitful, despite a lapse of 10 years.

(Paragraph 3.18)

- Expenditure of ₹ 1.32 crore incurred by Nagar Palika Parishad, Rampur on the construction of 61 shops remained unfruitful due to non-availability of entrance to the shops.

(Paragraph 3.19)

- In contravention of the directives issued by the Government for keeping funds in saving bank account, Nagar Nigam, Ferozabad kept its funds in current account resulting in loss of interest of ₹ 2.49 crore.

(Paragraph 3.20)

- Failure of the District Urban Development Agency, Kasganj to seek approval from the Archaeological Department before starting construction of 96 houses under the ASRA scheme near a Centrally protected monument resulted in unfruitful expenditure of ₹ 1.50 crore on the construction work which was subsequently stopped.

(Paragraph 3.21)