



सत्यमेव जयते

**Report of the
Comptroller and Auditor General of India
on
General and Social Sector
For the year ended 31 March 2019**



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



**Government of Uttar Pradesh
Report No. 2 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 2019 has been prepared for submission to the Governor of Uttar Pradesh under Article 151 of the Constitution of India.

The Report contains significant results of the performance audit and compliance audits of the Departments of the Government of Uttar Pradesh under the General and Social Sector including Departments of Animal Husbandry, Basic Education, Higher Education, Irrigation and Water Resources, Medical Health and Family Welfare, Panchayati Raj, Public Works, Social Welfare, Technical Education, Urban Development, Urban Employment and Poverty Alleviation and Vocational Education and Skill Development.

The instances mentioned in this Report are those which came to notice in the course of test audit for the period 2018-19 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 2018-19 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.

OVREVIEW

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 Ekalvy 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)

CHAPTER – I
INTRODUCTION

Chapter-I

INTRODUCTION

1.1 About this Report

This report contains the results of Performance and Compliance Audits of various Departments under General and Social Sectors of the Government of Uttar Pradesh in compliance with the CAG's audit mandate under the Constitution of India and the CAG's (Duties, Powers and Conditions of Service) Act, 1971.

The report aims to bring to the notice of the State Legislature audit findings of significant materiality in respect of Performance Audit and Compliance Audits conducted during 2018-19 as well as instances which came to the notice in earlier years, but could not be reported in previous Audit Reports.

The layout of the Report is as under:

1. **Chapter I:** Introduction on general information about the audited entities.
2. **Chapter II:** Performance Audit on 'Indo-Nepal Border Road Project'.
3. **Chapter III:** 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.

1.2 Auditee Profile

During 2018-19, against the budget of ₹ 3,97,838 crore¹ for the entire State, total expenditure of ₹ 3,70,494 crore² was incurred out of which ₹ 2,18,413 crore pertained to 48 departments³ which were audited under General and Social Sector. The expenditure incurred by ten major Departments were: Basic Education Department (₹ 38,178 crore), Panchayat Raj Department (₹ 23,739 crore), Public Works Department (19,642 crore), Home Department (₹ 17,461 crore), Food, Civil Supplies and Consumer Forum Department (₹ 12,283 crore), Medical Health and Family Welfare Department (₹ 11,955 crore), Irrigation and Water Resources Department (₹ 11,134 crore), Rural Development Department (₹ 10,960 crore), Department of Secondary Education (₹ 9,126 crore) and Agriculture and Krishi Vipanan Department (₹ 8,531 crore). Results of audit of the financial performance of the Government for 2018-19 are included in the State Finances Audit Report.

¹ Budget estimates for revenue expenditure, capital expenditure and disbursement of loans and advances (source: Annual Financial Statement of State Government for the year 2018-19)

² Source: Finance Accounts for the year 2018-19

³ Source: 'koshvani' (koshvani.up.nic.in), a website of Government of Uttar Pradesh on finance activities in the State.

1.3 Audit Coverage

During the year 2018-19, the office of Principal Accountant General (General and Social Sector Audit), Uttar Pradesh⁴ conducted one Performance Audit on ‘Indo-Nepal Border Road Project’ and compliance audit of 920 out of 5,535 auditable units under the 48 Departments of the State Government pertaining to the General and Social Sectors.

1.4 Response of the Government to Audit

Audit affords a four-stage opportunity to the audited units/Departments to elicit their views on audit observations, viz.,

- **Audit Memos:** Issued to the head of the audited unit during the field audit to be replied during the audit itself.
- **Inspection Reports:** Issued within six weeks of the completion of audit to be replied by the head of the audited unit within four weeks.
- **Draft Paragraphs:** Issued to the heads of the Departments under whom the audited units function for submission of departmental views within a period of six weeks for consideration prior to their being included in the Audit Report.
- **Exit Conference:** Opportunity is given to the heads of Departments and State Government to elicit departmental/Government views on the audit observations prior to finalisation of the Audit Report.

At all these stages, Audit strives to provide full opportunity to audited units/heads of Departments/State Government to provide rebuttals and clarifications and only when the departmental replies are not received or are not convincing, the audit observations are processed for inclusion in the Inspection Report or Audit Report, as the case may be. However, it has been noticed that the audited units/ Departments, in most of the cases, do not submit timely and satisfactory reply as indicated below:

1.4.1 Inspection Reports (IRs)

The status of outstanding IRs (as on 30 September 2020) issued up to 31 March 2019 to 4,619 Drawing and Disbursing Officers (DDOs) pertaining to 48 departments is given in **Table 1.1**.

Table 1.1: Status of outstanding IRs (issued up to 31 March 2019) as on 30 September 2020

Sl. No.	Period	No of outstanding IRs (per cent)	No of outstanding paras (per cent)
1	Less than one year	846 (7)	4844 (10)
2	1 year to 3 years	3260 (29)	15949 (33)
3	3 year to 5 years	2935 (26)	11889 (24)
4	More than 5 years	4306 (38)	16007 (33)
Total		11347	48689

⁴ Presently, Principal Accountant General (Audit-I) Uttar Pradesh

A detailed review of outstanding IRs revealed that the DDOs submitted initial replies against 12,639 paragraphs contained in 3,220 IRs while, in respect of 36,050 paragraphs contained in 8,127 IRs, there was no response from DDOs. During 2018-19, one audit committee meeting was held with the departmental officers in which eight IRs and 27 paragraphs were settled.

1.4.2 Performance and Compliance Audit

For the present Audit Report, the draft report on Performance Audit of ‘Indo-Nepal Border Road Project’ and Compliance Audit of ‘Adequacy and Development of Infrastructure for Animal Husbandry’, ‘Kumbh Mela 2019’, ‘Road works funded through State Road Fund’, ‘Upgradation of Government Industrial Training Institutes in Uttar Pradesh’ and 17 audit paragraphs were forwarded to the concerned Administrative Secretaries. Replies of Government have been received in respect of Performance Audit, Compliance Audits and 12 audit paragraphs. However, replies of Government was awaited (January 2021) in case of five audit paragraphs⁵ despite requests from Audit.

1.5 Action taken on earlier Audit Reports

‘Regulations on Audit and Accounts, 2007’ envisages⁶ that the Secretary to Government of the concerned department shall cause preparation of self-explanatory action taken notes (ATNs) on the audit paragraphs relating to his department, that are included in the audit report, for submission to the Public Accounts Committee. The Finance Department, Government of Uttar Pradesh issued (June 1987) instructions to all the Administrative Departments to submit ATNs within a period of two to three months of presentation of Audit Reports of the CAG to the State Legislature. However, 1119 ATNs in respect of paragraphs included in Audit Reports up to the period ended 31 March 2018 were pending as on 30 September 2020.

⁵ Out of five Audit Paragraphs, partial reply of Government was received in respect of one Audit Paragraph.

⁶ Regulation 212

CHAPTER – II
PERFORMANCE AUDIT

Chapter - II

Performance Audit

PUBLIC WORKS DEPARTMENT

2. Performance Audit on Indo-Nepal Border Road Project

Executive Summary

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. The Indo-Nepal Border Road Project (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). The capital expenditure for the construction of roads under INBRP was to be borne by the GoI and the State Governments, being the owners of the roads, were to bear the cost of land acquisition, if required.

In Uttar Pradesh, INBRP envisaged construction of approximately 640 km of INB roads with a project cost of ₹ 1,621 crore. The Public Works Department (UPPWD), which was implementing the project in the State, was responsible to prepare Detailed Project Reports (DPRs) and construct INB roads. The DPR was to be approved by a High Level Empowered Committee (HLEC) of GoI.

During 2012-20 (up to December 2019), UPPWD incurred an expenditure of ₹ 834.50 crore on implementation of the project and 132.64 km INB road was constructed. Due to delays in the project, GoI extended (February 2018) the scheduled date of completion from March 2016 to December 2019 for encumbrance-free stretches and December 2022 for stretches with encumbrances. The role of UPPWD in implementation of the project was examined in the Performance Audit, which revealed shortcomings in preparatory phase, project execution, monitoring and financial management, as highlighted below:

Preparatory work

- The initial road alignment of 640 km was revised (during 2012-13) to 574.59 km after survey. Out of 574.59 km of approved alignment, 302.16 km (52.6 per cent) was under protected forest (15.82 km), reserve forest (54.14 km) and wildlife forest (232.20 km). However, the forest and wildlife clearances, which were prerequisites for commencement of work, were yet (December 2019) to be accorded due to faulty/incomplete proposals submitted by UPPWD and lack of coordination with the Forest Department.

In view of proposal for cutting of approximately 55,000 trees falling on the entire alignment of Indo-Nepal border road, Uttar Pradesh State Wildlife Board directed (August 2018) to make changes in the alignment to ensure minimum felling of trees. Thus, the earlier approved alignment of 574.59 km road was rendered ineffectual and the new alignment was still under finalisation (May 2020).

(Paragraph 2.2.1)

▪ Out of 28 DPRs for 574.59 km INB road, GoI sanctioned (January 2013 and March 2014) 12 DPRs for 257.02 km road. The remaining 16 DPRs for 317.57 km road were yet to be approved (December 2019), as GoI directed (March 2014) UPPWD to obtain forest clearance and submit revised alignment in consultation with SSB. Out of 12 approved DPRs, only one DPR for 7.60 km road was on encumbrance-free stretch. In case of remaining 11 DPRs, 230.15 km alignment (92 *per cent*) required either land acquisition (73.04 km alignment in five DPRs) or both land acquisition and forest clearance (157.11 km alignment in six DPRs).

UPPWD was required to acquire 415.81 hectare of land for road alignment approved in 11 out of 12 sanctioned DPRs. However, the pace of acquisition of land by UPPWD was tardy as 27 *per cent* land was yet to be acquired as of December 2019 which would have a concomitant effect on further delays in completion of the project.

(Paragraphs 2.2.2 and 2.2.3)

Project execution

▪ In nine out of 12 approved DPRs, UPPWD applied different hire charges for the same machines (batch mix hot mix plant and generator), which were also at variance with MORTH rate for these machineries. As a result, the cost of the project was inflated by ₹ 11.93 crore.

(Paragraph 2.3.1)

▪ In case of 11 out of 13 contracts, Notice Inviting Tenders (NITs) were invited by INB circles 34 to 162 days prior to Technical Sanction (TS), which was in violation of UPPWD order (September 1999) directing that NIT should not be invited without TS. Further, as bids of successful bidders were higher than the estimated cost (TS), INB circles irregularly reduced the BOQ to bring the contract within the approved TS although the contracts were executed for the entire length of road as mentioned in NITs. However, with the reduced BOQ, construction of 53.71 km road (22 *per cent*) was not possible.

(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 contractors as they were paid ₹ 84.85 crore of 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. As of December 2019, mobilisation advances of ₹ 7.93 crore and equipment advances of ₹ 14.38 crore were pending for recovery.

(Paragraphs 2.3.2.2 and 2.3.2.3)

▪ UPPWD incurred (December 2019) expenditure of ₹ 5.15 crore on vehicles used for execution of works under INBRP, out of which, expenditure of ₹ 2.46 crore was incurred in excess of estimates approved in seven DPRs.

(Paragraph 2.3.2.4)

- Without obtaining the mandatory approval of the Forest Department, INB Division Lakhimpur Kheri constructed (widening and strengthening) 15.500 km road on forest land. 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 samples at various road levels (earthwork, granular sub base, wet mix macadam, bituminous concrete, etc.) were not carried out as per norms leading to shortfall ranging between 28 *per cent* and 91 *per cent*. Further, there was substantial shortfall in field inspections by Chief Engineer and Superintending Engineers. This was fraught with the risk of sub-standard work.

(Paragraphs 2.4.1 and 2.4.2)

Financial management

- The project was not able to absorb funds released by GoI for construction of roads due to slow progress of work. As of December 2019, ₹ 59.07 crore of funds remained unutilised as against GoI release of ₹ 650.79 crore. Further, UPPWD incurred expenditure of ₹ 242.78 crore of State Government's funds for land acquisition and there was substantial savings of budget provision on this account during the years 2011-12 to 2018-19.

(Paragraphs 2.5.1.1 and 2.5.1.2)

- Memorandum of Understanding (MoU) for implementation of INBRP was yet to be finalised between GoI and the State Government, which resulted in lack of clarity over admissibility of deductions made by INB divisions from GoI fund on account of establishment charges (₹ 13.45 crore), utility shifting (₹ 2.85 crore), depreciation fund (₹ 1.15 crore) and afforestation (₹ 0.20 crore).

(Paragraphs 2.5.2, 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. Further, the delayed/non-construction of INB roads impeded the fast mobility of SSB.

(Paragraph 2.6)

Link roads for BOPs not falling on main alignment

- Out of 71 BOPs to be connected under 12 sanctioned DPRs, 13 BOPs were located at a distance of up to 1,000 meter from the proposed INB road. Despite having agreed to construct link roads to provide connectivity to such BOPs, UPPWD did not make provision for link roads. As a result, five BOPs located off five completed INB roads were not connected through link roads.

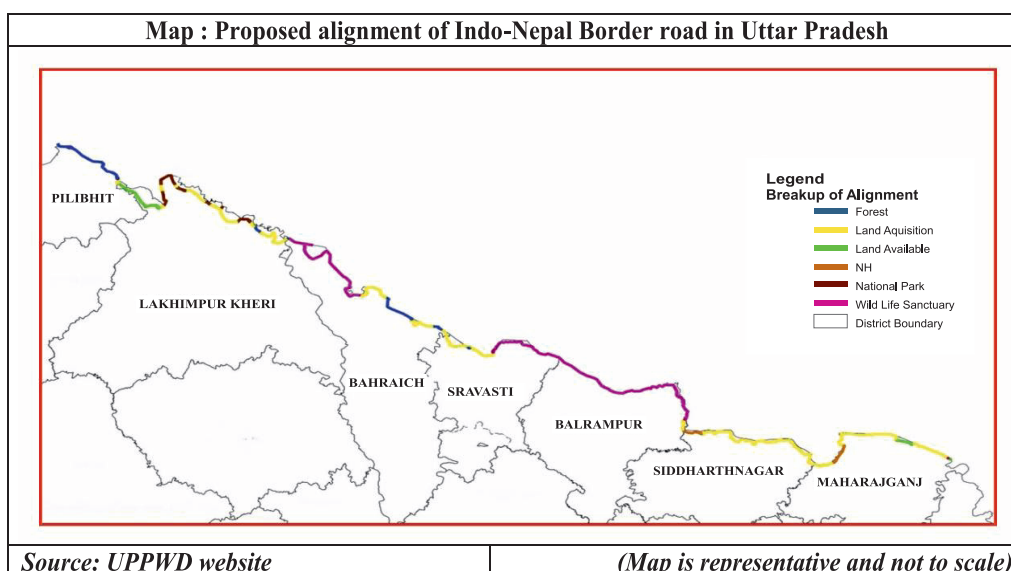
(Paragraph 2.7)

2.1. Introduction

The Ministry of Home Affairs (MHA), Government of India (GoI) approved (November 2010) construction of a road along the Indo-Nepal border⁷ in the States of Uttarakhand, Uttar Pradesh and Bihar. As per the approved project for development of roads along the Indo-Nepal border, Sashastra Seema Bal (SSB) battalions deployed on this border operate from 389 Border Out Posts (BOPs) located in Uttarakhand, Uttar Pradesh and Bihar, of which only 160 BOPs were connected by road. In Uttar Pradesh, 68 BOPs out of 150 were connected by road. The lack of road infrastructure severely limited the mobility of troops. The Indo-Nepal Border Road Project (INBRP) was envisaged to add to the mobility of SSB and enable them to dominate sensitive borders more effectively, besides these roads would also meet the requirements of the border population and catalyse better implementation of development initiatives in border areas.

INBRP was to be implemented jointly by the GoI and State Governments concerned. The capital expenditure for the construction of proposed roads was to be borne by the GoI. State Governments, being the owner of the roads, were to acquire land, if necessary, required for construction/ upgradation/widening of roads and bear the cost thereof. The State Government was also required to obtain the necessary clearances including forest/wildlife clearances wherever required.

In Uttar Pradesh, INBRP envisaged construction of approximately 640 km⁸ of border roads in seven districts⁹ with a project cost of ₹ 1,621 crore. The physical length of roads and financial projections were preliminary and indicative, which were likely to change after finalisation of Detailed Project Reports (DPRs). The pictorial diagram showing proposed alignment of Indo-Nepal Border road in Uttar Pradesh is depicted in the following map:



⁷ The Indo-Nepal border runs along the States of Uttarakhand, Uttar Pradesh, Bihar, West Bengal and Sikkim. The Indo-Nepal Treaty of Peace and Friendship, 1950 provides for an open border allowing free movement of Indian and Nepalese citizens without any travel document.

⁸ This included upgradation of 118.5 km of existing road

⁹ Bahraich, Balrampur, Lakhimpur Kheri, Maharajganj, Pilibhit, Shravasti and Siddharthnagar.

Considering the location of the proposed roads in the remote border areas and requirement of acquisition of land as well as statutory forest and wildlife clearances for some stretches in these roads, a time frame of five years with effect from 2011-12 was envisaged for completion of the project. Since the project could not be completed till March 2016 due to delays in land acquisition, forest and wildlife clearances, the Cabinet Committee on Security accorded (February 2018) approval for extension of time for completion of INBRP up to December 2019 for encumbrance-free stretches and up to December 2022 for stretches with encumbrances.

2.1.1 Organisational structure

In Uttar Pradesh, the Public Works Department (UPPWD) has been implementing the INBRP as executing agency. Principal Secretary, PWD represents the Department at the Government level, while the Department is headed by Engineer-in-Chief (E-in-C). In June 2012, UPPWD reorganised its circles/divisions and created two circles (INB Gorakhpur and INB Barabanki) and seven divisions¹⁰ (one INB division each in seven districts) for implementing INBRP. INB circles and divisions are headed by Superintending Engineers (SEs) and Executive Engineers (EEs) respectively. A post of Chief Engineer (CE), Indo-Nepal Border (INB) was also created (August 2013) for administrative control of two circles and seven divisions involved in INBRP.

UPPWD was responsible to prepare DPRs/cost estimates for roads and construction of roads under INBRP. The estimates framed by PWD were to be examined at GoI level by a Technical Committee (TC) headed by Director General, Central Public Works Department. The recommendations of TC would be placed for approval before a High Level Empowered Committee (HLEC), headed by Home Secretary, which was empowered to take appropriate decisions for execution of the project.

2.1.2 Audit objectives

The Audit was conducted to examine:

- whether preparation of DPRs for Indo-Nepal Border road has been completed as envisaged in the project and the connectivity to Border Out Posts (BOPs) has been achieved; and,
- whether adequate fund was made available and the project was executed in an economic, efficient and effective manner.

2.1.3 Audit criteria

The audit criteria were drawn from:

- Decision of Cabinet Committee on Security (November 2010 and February 2018) and approved scheme for INBRP;
- Ministry of Road Transport and Highways (MORTH)/Indian Roads Congress (IRC) codes and orders/circulars of UPPWD;

¹⁰ One each in Balrampur, Maharajganj and Siddharthnagar districts under INB circle Gorakhpur and one each in Bahraich, Lakhimpur Kheri, Pilibhit and Shravasti districts under INB circle Barabanki.

- Standard (Model) Bidding Document issued by UPPWD/Contract documents, guidelines issued by Central Vigilance Commission, Financial Handbook of Government of Uttar Pradesh (GoUP), and orders/instructions issued by the State Government/Government of India.

2.1.4 Audit scope and methodology

Audit scrutinised the records for the period 2012-19 (updated up to December 2019) in the offices of the Principal Secretary, PWD, CE (INB), two INB circles and seven INB divisions during January-April 2019 and July-August 2019. Data and information were also collected from the Forest Department and SSB. However, records prior to creation of INB divisions in June 2012 were not available with the CE, INB which limited the scope of audit.

Audit criteria, audit objectives, scope and methodology were discussed with the representative of the GoUP in an entry conference on 05 July 2019. Replies to the draft report were furnished by GoUP in January 2020 and an exit conference was held on 28 May 2020 with the Secretary, UPPWD, GoUP to discuss the draft report. The replies of the Department and the deliberations during the exit conference have been suitably incorporated in the report.

2.1.5 Acknowledgement

Audit acknowledges the co-operation and assistance extended by UPPWD, Forest Department and SSB during conduct of this performance audit.

Audit findings

2.2 Preparatory work

The work of construction of roads was to be preceded by preparatory work of identification of the alignment of roads, getting statutory clearances for roads passing through forests and wildlife sanctuaries, acquisition of private land falling on the planned alignment and preparation of Detailed Project Reports (DPRs). Planning for resettlement and rehabilitation of the displaced people was also to be done. Further, it was to be ensured that clear sites were available for commencing construction work.

2.2.1 Finalisation of alignment and forest clearances

Under INBRP, the executing agency (UPPWD) was to finalise the alignment of roads, in consultation with SSB, State Government and MHA. In this context, based on estimates of UPPWD, the State Government submitted (August 2008) the initial alignment to MHA for construction of 639.70 km road on the Indo-Nepal border in Uttar Pradesh. GoI also sanctioned (November 2010) the same length of road (640 km) for construction/upgradation under INBRP.

Audit could not verify the basis on which the initial alignment of 640 km was finalised, as the related records were not produced by UPPWD. CE (INB), however, informed (June 2020) that the respective PWD divisions would have finalised the estimated road length in consultation with the Forest Department and SSB. However, as against the initial alignment of 640 km, the alignment finalised by UPPWD (during 2012-13) with the approval of SSB had only

574.59 km road in Uttar Pradesh under INBRP. Audit further observed the following:

- While communicating the approval for INBRP to the State Government, MHA stated (November 2010) that the work may be started in patches where land acquisition and statutory clearances under Forest Conservation Act and Wildlife Protection Act was not required. Audit noticed that out of 574.59 km of approved alignment, 302.16 km (52.6 *per cent*) was under protected forest (15.82 km), reserve forest (54.14 km) and wildlife forest (232.20 km), which required forest and wildlife clearances¹¹. Further, acquisition of private land was required for 245.52 km of stretch in the proposed alignment. As a result, only 26.91 km road in the proposed alignment was on encumbrance free land and thus, available for construction.
- Despite the fact that a major portion (155.78 km) of the finalised alignment (57 *per cent*) in three districts (Balrampur, Bahraich and Maharajganj) was in forest/wildlife area, the road alignment (272.92 km) was finalised without involving the Forest Department.
- UPPWD submitted 14 project wise proposals to the Forest Department between October 2013 and November 2015 for forest clearance (10 proposals) and wildlife clearance (four proposals). Meanwhile, the Forest Department asked (August 2015) UPPWD to submit a consolidated requirement of forest land for INBRP. Accordingly, UPPWD submitted a consolidated forest clearance proposal (January 2016) and wildlife clearance proposal (February 2016). However, the Forest Department pointed out (November 2016) various deficiencies in the proposal, such as lack of information on component-wise break up of major/minor bridges, underpasses, over bridges, etc. and land required for these structures, mitigation measures certificates, environment clearance status, etc. In compliance, UPPWD submitted (March 2017) an amended consolidated wildlife clearance proposal for six districts¹².

Owing to queries by the Forest Department and directions (September 2017) for counting of trees on the proposed alignment, UPPWD again submitted a consolidated proposal for forest clearance in February 2018 and wildlife clearance in April 2018. Audit noted that the Forest Department raised several queries¹³ on the forest clearance proposal and wildlife clearance proposal, such as non-submission of prescribed certificates/information regarding unavailability of alternative suitable non-forest land for the project, site inspection report of forest area involved in the project, geo-referenced digital map of compensatory afforestation site, etc. Thus, the consolidated proposals submitted by UPPWD were still deficient leading to further delays in forest/wildlife clearance. Subsequently, in the case of district Siddharthnagar,

¹¹ As per section 2 of the Forest (Conservation) Act 1980, no State Government or other authority shall make, except with the prior approval of the Central Government, any order on direction that any forest land or any portion thereof may be used for any non-forest purpose.

¹² Bahraich, Balrampur, Maharajganj, Lakhimpur Kheri, Pilibhit and Shravasti. Proposal for Siddharthnagar was pending with Forest Department.

¹³ As per Parivesh portal (forestsclearance.nic.in) of GoI, Forest Department raised queries on seven occasions for forest clearance proposal (19 February 2018, 19 March 2018, 10 April 2018, 18 April 2018, 26 April 2018, 3 May 2018 and 15 June 2019) and nine occasions for wildlife clearance proposal (10 April 2018, 20 April 2018, 28 April 2018, 8 May 2018, 14 May 2018, 28 May 2018, 6 July 2018, 17 July 2018 and 26 November 2018)

forest clearance was accorded (August 2018) for 2.09 hectare forest land in respect of 1.28 km road. Audit, however, noted that queries in connection with forest clearances (15 June 2019) and in respect of wildlife clearances (17 July 2018 and 26 November 2018) were yet to be attended by UPPWD (December 2019).

▪ In a meeting of the Uttar Pradesh State Wildlife Board¹⁴ (Board) held in August 2018, objections were raised by the Board on account of cutting of approximately 55,000 trees falling on the entire alignment and accordingly the Board directed that a team of officers from the Forest Department, SSB and PWD should survey the existing roads along the Indo-Nepal Border and make required changes in the alignment to ensure minimum felling of trees. Audit noticed that the survey was completed in three districts (Bahraich, Balrampur and Shravasti), whereas it was in progress (October 2019) in three other districts (Lakhimpur Kheri, Maharajganj and Pilibhit). Subsequently, in another meeting (November 2019), the Board directed to finalise the alignment by taking the forest land as per requirement of a single lane road adjacent to the no man's land in order to minimise the cutting of trees.

Thus, the forest and wildlife clearances, which were prerequisites for commencement of work, were yet (December 2019) to be accorded for INBRP. Besides, the earlier finalised alignment of 574.59 km road, approved during 2012-13, was rendered ineffectual in view of directions of the Board for revision in alignment.

The Government stated (January 2020) that a consolidated proposal was submitted (February 2016) for forest clearance after completing the due formalities in consultation with Forest Department. The proposal was pending with the Forest Department despite regular pursuance and re-submission of proposals in compliance to objections of the Forest Department. As per the direction (November 2019) of the State Wildlife Board, an alternative alignment along the international border for the construction of single lane (3.75 meter wide) road was being prepared. The Government further stated during the exit conference (May 2020) that since PWD was an executing agency and alignment must be agreeable to the user agency (SSB), survey work was in progress and approximately 76 per cent alignment had been finalised. It was further stated that so far as faulty forest clearance proposals were concerned, new proposals would be submitted to the Forest Department and to the Board after finalisation of the new alignment. The Government also stated that the objections raised by the concerned forest divisions had been removed.

The fact remains that finalisation of alignment was flawed as UPPWD did not take the Forest Department on board while finalising the alignment. Further, faulty/incomplete forest clearance proposals submitted by UPPWD and lack of co-ordination with the Forest Department led to multiple queries on forest/wildlife clearance proposals. As a result, forest/wildlife clearance was not yet received (May 2020), although INBRP was initially scheduled to be completed by March 2016.

¹⁴ During exit conference, State Government informed that Uttar Pradesh State Wildlife Board (Board) was not in existence and it was constituted in 2018.

2.2.2 Preparation of DPRs

The State Government assigned (May 2011) the work of fixing initial alignment and subsequent consultancy work to Uttar Pradesh State Highways Authority (UPSHA)¹⁵. UPSHA executed (August 2011) an agreement with a consultant firm¹⁶ for preparation of DPRs for 640 kilometer for the proposed Indo-Nepal border road at an agreement cost of ₹ 2.83 crore. As per the terms and conditions of the agreement, the firm was to submit inception report, project preparation report, land acquisition report, detailed project report (DPR) and bidding document for selection of contractor, jointly inspect trees with forest authorities, application for forest & environmental clearances and project clearances from the concerned agencies within 24 weeks, i.e., by January 2012.

Scrutiny of records revealed that the consultant firm submitted inception report (September 2011), draft project preparation reports for 39 km (November 2011) and for 120 km (March 2012). Audit further observed that UPPWD returned (April 2012) draft project preparation report for 120 km to UPSHA being defective and directed UPSHA to submit the amended report. However, no action was taken by UPSHA in this regard. UPSHA, in a meeting (May 2012) showed inability in preparation of DPRs and stated that action was being taken to terminate the agreement executed with the consultant firm. Subsequently, UPSHA terminated¹⁷ the agreement in July 2012 due to non-submission of draft project preparation plan for 481 km, applying for forest clearances, final project preparation plan and DPRs. Non-preparation of DPRs by UPSHA had a consequential effect, as UPPWD prepared DPRs afresh which were submitted to GoI for approval in June 2012, i.e., after a lapse of more than 18 months of approval of project (November 2010).

The Government stated (January 2020) that punitive action had been taken against the firm by forfeiting the security deposit of ₹ 14.18 lakh. The fact remains that UPPWD failed to get DPRs prepared timely. Further, UPSHA terminated the agreement with the condition to recover the amount of ₹ 36.15 lakh paid to the firm, which was not recovered (January 2020).

Submission and approval of DPRs

Audit noticed that out of 28 DPRs (each DPR contains one road) for 574.59km road (estimated cost ₹ 2,805.56 crore) submitted by UPPWD, HLEC approved only 12 DPRs for construction of 257.02 km road, of which 11 DPRs were approved in January 2013 and one DPR was approved in March 2014. Status of DPRs submitted by UPPWD and approval thereagainst by HLEC is detailed in **Table 2.1**.

¹⁵ Uttar Pradesh State Highways Authority is constituted by Uttar Pradesh Act No. 19 of 2004 (13 August 2004) for the development, maintenance and management of state highways and related matters.

¹⁶ Enarch Consultants Private limited, NOIDA in joint venture with NNP Infra Consultants Private Limited, Delhi.

¹⁷ With the condition to recover the amount of ₹ 36.15 lakh paid to the consultant firm between January and March 2012 and forfeited security deposit of ₹ 14.18 lakh of the firm.

Table 2.1: Submission of DPRs vis-a-vis approved DPRs

Sl. No.	District	Total Length (km)	Total no. of DPRs	No. of DPRs approved	Length approved (km)	Executed length up to surface level as of December 2019 (in km)
1	Bahraich	118.83	5	1	20.36	17.460
2	Balrampur	84.31	3	1	7.48	07.260
3	Lakhimpur Kheri	124.80	6	2	57.35	42.000
4	Maharajganj	69.85	3	2	67.60	13.900
5	Pilibhit	37.00	3	1	7.00	02.800
6	Shravasti	64.29	5	2	21.72	21.470
7	Siddharthnagar	75.51	3	3	75.51	27.750
Total		574.59	28	12	257.02	132.64

(Source: CE (INB), UPPWD)

In respect of the remaining 16 DPRs for 317.57 km road, which involved forest clearance for 270.06 km alignment and land acquisition for 47.45 km alignment, HLEC directed (March 2014) UPPWD to obtain forest clearance and submit revised alignment after finalising it in consultation with SSB.

Further scrutiny revealed that out of the 12 approved DPRs for estimated cost of ₹ 735.83 crore, only one DPR (estimated cost ₹ 22.03 crore) for Thuthibari-Bargadwa road (7.60 km) was on encumbrance free stretch, as it did not require either land acquisition or forest land. In case of five other DPRs, including one DPR approved in March 2014, though no forest land clearance was required, land acquisition (73.04 km) was required in these five DPRs and both land acquisition and forest clearance (157.11 km) was required in case of the remaining six DPRs. Audit noted that the award of contract for road works under 11 approved DPRs without ensuring availability of land and requisite statutory clearances led to delays and cost overrun, as discussed in subsequent paragraphs.

This also resulted in construction of roads in patches thereby leaving gaps in intra as well as inter-district connectivity of INB roads as the roads were not constructed in continuous stretches, thereby defeating the objective of adding to the mobility of SSB, and enabling them to dominate sensitive borders more effectively.

2.2.3 Acquisition of land

Considering the longer time required for acquisition of land under the Land Acquisition Act, the Government decided (February 2013) to purchase land from the landowners in terms of the land acquisition policy order (June 2011) issued by the State Government. According to the order, the general policy for land takeover would be that the land be purchased directly from the landowners on the basis of mutual understanding/agreement arrived at between the land owners and the acquisition bodies by following the relevant rules/orders relating to the purchase of land. In addition to the cost of land, financial assistance was also to be provided for resettlement and rehabilitation of landowners. Thus, land acquisition involved preparation of resettlement and rehabilitation plan (RAP) in seven project districts by establishing legal

boundaries of the right of way and identifying current usage of land in terms of owners, squatters, trees, fixed and mobile structures.

2.2.3.1 Preparation of RAP

Scrutiny of records revealed that INB circle, Gorakhpur entered (April 2013) into a contract with a consultant firm for preparation of RAP to be completed by April 2014. Under the terms and conditions of the contract, the firm was to prepare micro-plans¹⁸ as part of the RAP, identify the Project Affected Persons (PAPs) and counsel the entitled persons. The information gathered for each PAP was to be recorded and computerised along with video recordings and photographs. The firm was also responsible for facilitating disbursement of compensation¹⁹ and transfer of ownership of land in the name of the State Government.

Audit noticed that the consultant delayed preparation of micro-plan and thus, was given two more years (up to April 2016) beyond the stipulated time (April 2014), which affected the progress in land acquisition. In this context, the functioning of the firm was questioned by the EEs and SEs *inter alia* regarding delays in submission of micro-plans, gross mistakes in micro-plans and non-deployment of personnel²⁰. Besides, the micro-plans submitted by the firm required subsequent revisions due to changes in revenue records in view of time lag and changes in alignment of road. Further, there was no evidence about the firm facilitating the work of the registry of land. Audit noted that officers of divisions were deputed to contact the title holders and bring them to the registry office for getting the registry in the name of the department. Regarding compliance with other terms and conditions of the agreement by the consultant, viz., recording and computerisation of information gathered for each PAP, disbursement of compensation, ID cards for PAPs, etc., INB circle, Gorakhpur did not furnish records/comments. Thus, compliance with all the terms and conditions of the agreement was not ascertainable in audit.

Further scrutiny revealed that the micro-plans prepared by the firm were unrealistic, as the requirement of land assessed in the micro-plan vis-à-vis actual requirement of land delineated in the progress reports of respective UPPWD divisions had deviation of 14 to 37 per cent in six out of seven districts, as detailed in **Table 2.2**.

¹⁸ Khasra/ Gata no., area affected, name of land owner, land compensation to be paid, cost of structure, etc.

¹⁹ For resettlement, compensation amount of ₹ 10,000 per family was to be given to the affected families in terms of the State Government Order dated 17 August 2010. The provision for compensation amount was withdrawn vide order March 2015 while implementing 'The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013' in Uttar Pradesh.

²⁰ Against the contracted amount of ₹ 47.55 lakh (excluding service tax), payments of ₹ 48.70 lakh (including taxes) was made to the firm against the contract as of March 2019.

Table 2.2: Land requirement as per micro-plan vis-à-vis actuals

Districts	Micro-plan		Actuals		Deviation between column 2 and 4 (in per cent)
	Land required (in hectare)	No. of villages	Land required (in hectare)	No. of villages	
1	2	3	4	5	6
Bahraich	29.8240	10	30.2000	10	1
Balrampur	19.2940	04	12.0600	04	(-) 37
Lakhimpur Kheri	3.3713	12	4.5700	14	36
Maharajganj	145.6947	40	167.5500	40	15
Pilibhit	8.5080	02	7.3000	02	(-) 14
Shravasti	57.6690	16	45.5000	13	(-) 21
Siddharthnagar	128.8910	63	148.6300	63	(-) 15

(Source: UPPWD divisions)

Thus, INB circle, Gorakhpur did not enforce the terms and conditions laid down in the contract on the consultant firm for compliance as neither micro-plans were accurate nor was there any evidence in support of other terms and conditions. Besides, delays in preparation of the micro-plans had a consequential effect on acquisition of land.

The State Government stated (January 2020) that micro-plans prepared by the consultant were checked and countersigned by the revenue authorities and accordingly, land acquisition was being carried out. The Government further stated that in some cases due to death of the owner or some discrepancies in revenue records, at a later stage minor changes in the micro-plan was inevitable. The State Government, however, did not provide reasons for deviation from 14 per cent to 37 per cent from the micro-plans for land acquisition in six districts, except Bahraich.

2.2.3.2 Acquisition of land

Audit observed that in five districts (Balrampur, Bahraich, Lakhimpur Kheri, Maharajganj and Siddharthnagar) the consent of more than 80 per cent landowners was obtained for transfer of land, whereas in the other two districts it was not verifiable in the absence of records. The status of private land acquired by UPPWD in the seven districts is given in **Table 2.3**.

Table 2.3: Land required vis-à-vis actual acquisition of private land

District	Actual requirement of land		Actual acquisition (up to 12/2019)	
	Land required (in hectare)	No. of villages	Land acquired (in hectare) (per cent)	No. of villages covered
Bahraich	30.20	10	28.00 (93)	10
Balrampur ²¹	12.06	4	11.62 (96)	4
Lakhimpur Kheri	4.57	14	4.57 (100)	14
Maharajganj	167.55	40	93.62 (56)	40
Pilibhit	7.30	2	6.38 (87)	2
Shravasti	45.50	13	41.50 (91)	13
Siddharthnagar	148.63	63	117.02 (79)	63
Total	415.81	146	302.71 (73)	146

(Source: CE and the seven divisions)

²¹ Sale deeds were faulty as out of 262 registries submitted to audit for scrutiny, in 93 cases (35 per cent), the registries were executed mentioning rates per square meter instead of per hectare basis. In 23 cases (nine per cent), rates were not mentioned in the sale deeds.

Audit noticed that Hon'ble Home Minister, GoI requested (November 2015) the Hon'ble Chief Minister, Uttar Pradesh to direct respective District Magistrates/ other departments of the State Government to expedite the process of land acquisition and other clearances so that road works could achieve desired speed. Subsequently, Chief Secretary, GoUP directed (January 2016) district magistrates of seven project districts to expedite the work of land acquisition, utility shifting works and forest clearances. MHA further directed (January 2019) the CE (INB) to make efforts to acquire the balance land through constant liaisoning with locals/villagers/landowners and the State revenue authorities. However, despite this pursuance, the pace of acquisition of land by UPPWD continued to be extremely tardy as it was yet to acquire 27 per cent land (December 2019) in case of 11 out of 12 sanctioned DPRs.

The Government replied (January 2020) that initially land acquisition was based on old rates which were revised on the demand of landowners as per the provisions of the revised Act (The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013) and consequent order of the State Government in March 2015 in this regard. As a result, the revised estimates for land acquisition were sanctioned by May 2017. As of November 2019, approximately 73 per cent of the land had been acquired.

The fact remains that UPPWD had ample time to acquire the land even after implementation of the revised Act in March 2015. Due to delays in land acquisition, 27 per cent land was yet to be acquired which would have a concomitant effect on further delays in completion of the project.

2.2.3.3 Availability of clear sites for construction

Paragraph 37 of Uttar Pradesh Budget Manual and 378 of Financial Hand Book (FHB) Volume-VI provides the availability of clear site as a precondition for taking up of work.

Scrutiny of records of the seven divisions revealed that in four²² out of seven divisions, a sum of ₹ 3.23 crore was provided between August 2013 and March 2017 to the Uttar Pradesh Power Corporation Limited (UPPCL) for shifting of 1,544 electric poles erected on the alignment of the proposed roads, against which 1,220 electric poles (79 per cent) had been shifted as of December 2019. Further, in district Bahraich, the site was not got cleared from the Indian Railways. **Table 2.4** summaries the status regarding site clearances as of December 2019.

Table 2.4: Progress regarding site clearances

Site clearance work	Event	Audit observation
Shifting of electric poles from site	Payment of ₹ 1.04 crore made to UPPCL during August 2013 to February 2016.	In district Lakhimpur Kheri , against the targeted 606 poles to be shifted, 476 poles were shifted.
	Payment of ₹ 43.61 lakh made to UPPCL during August 2013 to March 2017.	In district Maharajganj , against the targeted 137 poles to be shifted, 121 poles were shifted.

²² Lakhimpur, Maharajganj, Shravasti and Siddharthnagar.

Site clearance work	Event	Audit observation
	Payment of ₹ 48.43 lakh had been made to UPPCL for shifting 144 poles.	In district Shravasti , as per initial estimate 144 poles were to be shifted. This was later changed to 99 poles on account of changes in alignment. All 99 poles were shifted but cost of 45 poles (approximately ₹ 12.20 lakh ²³) was not recovered as of December 2019.
	Payment of ₹ 1.27 crore made to UPPCL in September 2013	In district Siddharthnagar , against the targeted 702 poles to be shifted, only 524 poles were shifted. Audit observed that no pole was shifted between September 2014 and June 2019.
Availability of railway land	In district Bahraich , construction of road on a stretch of 270 meter of Rupaidiha-Munshipurwa road (total road length 17.96 km) could not be taken up as the land was under the jurisdiction of the Indian Railways.	The DPR was sanctioned in January 2013. Subsequently, due to change of alignment in March 2015, the new alignment was passing through railway land, which was required to be transferred to UPPWD. However, the matter was not taken up immediately and was raised with the Indian Railways in December 2018 and was pending as of December 2019.

(Source: UPPWD Divisions)

Audit observed that despite the matter being taken up at the apex level on two occasions (July 2015 and May 2017) by the Principal Secretary, UPPWD and by Chief Secretary in January 2016, wherein directions were issued to the concerned District Magistrates and Energy Department to make the sites clear by removing electric poles, it could not be translated at the ground level. However, on being pointed out in audit, the issue of non-shifting of poles was taken up vigorously at the divisions level as well as circles level. Thus, non-compliance of the orders of apex level officers coupled with indifferent approach by UPPWD authorities (in Bahraich), the availability of clear site was not ensured, thereby leading to delays in construction works.

The Government replied (January 2020) that 178 number of electric poles were likely to be shifted very soon in district Siddharthnagar. In district Shravasti, the funds provided to UPPCL had been consumed. Hence, there was no case of recovery. It was further stated that in district Bahraich, due to change (March 2015) in alignment, railway land of 270 m length was required for construction of road along the international border for which correspondence and pursuance were being done. During the exit conference, the Secretary, PWD, GoUP stated that the Indian Railways was being pursued to get the railway land in district Bahraich.

It was apparent from the reply that shifting of electric poles was yet (January 2020) to be completed in Siddharthnagar, Lakhimpur Kheri and Maharajganj districts. The reply of Government in case of district Shravasti was not tenable, as the payments of ₹ 48.43 lakh were made for shifting of 144 poles against which only 99 poles were shifted.

²³ ₹ 19.25 lakh was paid for shifting of 71 poles against which only 26 poles were shifted. However, UPPCL shifted another 73 for which UPPWD had deposited ₹ 29.18 lakh.

2.3 Project execution

Audit noticed that project execution was marred with procedural irregularities as well as time and cost overruns on account of over-estimation in DPRs, calling of Notice Inviting Tenders (NITs) before technical sanctions, delays in execution of contract bonds despite availability of fund, undue benefit to the contractors and inadequate quality control, as discussed in the succeeding paragraphs:

2.3.1 Over-estimation in estimates for road works

Financial Rules²⁴ provide that detailed estimates must be prepared for every work proposed to be carried out, followed by technical sanction (TS) to the detailed estimate by the competent authority, which gives an assurance that the proposals are structurally sound and the estimates are accurately calculated and based on adequate data. UPPWD order (December 2005) provides for the preparation of estimates as per the specifications of MORTH and IRC. Accordingly, the detailed estimates for roads are to be based on MORTH Standard Data Book (standardised quantity, hire charges, output, etc., of material, machines and labour) for analysing the rates of different items.

Scrutiny of 12 approved DPRs revealed that in nine DPRs, UPPWD applied different hire charges for the same machines (batch mix hot mix plant and generator) (*Appendix-2.1A*) in analysing the estimates for Dense Graded Bituminous Macadam (DGBM) and Bituminous Concrete (BC). The hire charges applied were also at variance with MORTH rate for these machineries, which inflated the cost of the projects by ₹ 11.93 crore (*Appendix-2.1B*). Pertinently, certificates to the effect that rates were analysed as per MORTH data book, were given in the faulty DPRs. Audit also noticed that the office of CE (INB) also did not apply due diligence while according TS to the DPRs on inflated cost.

The State Government stated (January 2020) that rates were different for different capacities of machines as per the quantum of work and therefore, inference of audit that different rates for the same machines were applied was not correct.

The reply was not tenable as the rates for batch mix hot mix plant and generator in the rate analysis of nine DPRs were not in conformity with rates prescribed by MORTH for the same capacity of machines. In addition, the rate analysis for DGBM and BC in these nine DPRs also lacked uniformity in the application of rates for these machines, which could have been avoided. As a result, the rates arrived at in the DPRs for DGBM and BC were inflated.

2.3.2 Contract management

Thirteen contract bonds were executed for ₹ 646.34 crore between May 2013 and February 2018 for construction of 244.707 km roads under the project. Scrutiny of records pertaining to contracts revealed shortcomings in the contract management as enumerated below:

²⁴Paragraph 318 of Financial Handbook Volume-VI.

2.3.2.1 Invitation and opening of bids before according TS and delay in execution of contract bonds

As per UPPWD order (September 1999), NIT should not be issued without obtaining TS from the competent authority. Further, E-in-C directed (April 2004) that NITs should not be published without finalisation of Bill of Quantities (BOQ). E-in-C (UPPWD) order (December 2005) also provides for execution of the contract bond within 52 days from the date of NIT.

Audit scrutiny revealed that in case of 11 out of 13 contracts, NITs were invited by INB circles 34 to 162 days prior to TS by the competent authorities. Further, in these 11 NITs, the financial bids were also opened up to 59 days prior to the dates of according TS (**Appendix-2.2**). Scrutiny, however, revealed that in eight out of 11 NITs, contract bonds were executed 18 to 146 days beyond the stipulated period of 52 days. Thus, there was no justification for inviting tenders and opening of financial bids prior to TS.

Further scrutiny revealed that bids of successful bidders were higher than the estimated cost ranging between 12.15 *per cent* and 49.20 *per cent*. Therefore, to bring the contract within the approved estimated cost (TS), the INB circles reduced the BOQ although the contracts were executed for the entire length of road as mentioned in NITs. However, with the reduced BOQ, construction of 53.71 km road (22 *per cent*) was not possible²⁵ (**Appendix-2.3**).

The Government replied (January 2020) that in order to save time, bids were invited before TS and TS was accorded prior to the commencement of work as per the provision of FHB Volume-VI. The scope of work remained as sanctioned. It was further stated that bids were received on the higher side as compared to the rates mentioned in the BOQ. In case of rejecting bids and going for re-tendering, it was probable that rates could have gone further higher. Hence, in the government's interest it was decided to negotiate with the lowest bidder to obtain the minimum cost. This process consumed some extra time.

The reply was not acceptable as the invitation and opening of bids before TS violated the UPPWD order of 1999. Further, the reduction of BOQ after opening of bid was against the essence of transparency in contract management. This also led to lesser length as compared to the sanctioned length taken up for construction. Further, the contention that rejection of bids and going for re-tendering could have resulted in higher rates was entirely based on assumption since likewise the process of re-tendering could have yielded lower rates also. Moreover, UPPWD directed (November 1965) that negotiation should only be resorted to under conditions when it is not possible to invite fresh tender for the work. Further, the officer shall invariably record in detail the reason(s) for not inviting fresh tender and a quarterly statement of such cases was to be put to the higher authority for examination.

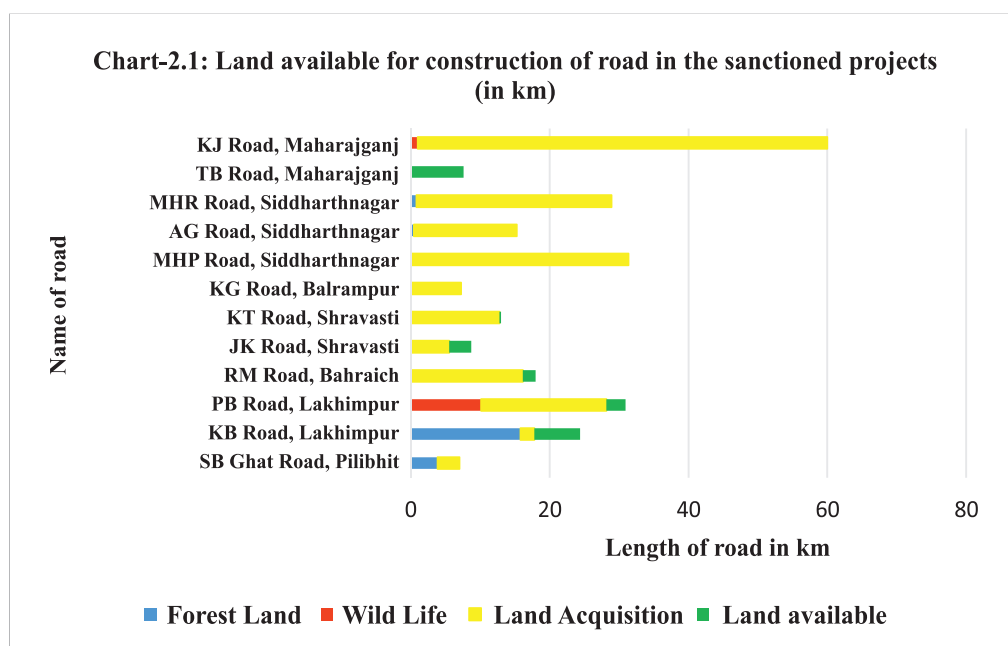
²⁵ Computed on proportionate basis of quantity of BC/PQC works as per NIT and as per BOQ of the contract bonds.

2.3.2.2 Execution of contract bonds without acquisition of land

As per Financial Rules²⁶, no work should be commenced in land which has not been duly made over by the responsible civil officer.

Scrutiny of records revealed that INB circles entered into 13 contracts for execution of work between May 2013 and July 2015 (12 contract bonds) and in February 2018 (one contract bond) though the land was not acquired for construction work. Audit observed that just one month prior to taking up of the construction work in May 2013, a consultancy firm was engaged for survey work (identification of land, consent from land owners and getting registry done in the name of the State Government) and preparation of micro-plan for land acquisition. This indicates that even preparatory work relating to land acquisition was not completed and, thus, there was no scope for construction work but the contracts were executed in anticipation of land acquisition which was inconsistent with the financial rules.

Audit observed that at the time of execution of the contract, out of 12 works (13 contract²⁷), no land was available in six works whereas two to 10 per cent land was available in three works. In two works, the availability of land was 27 per cent and 37 per cent respectively and only in one work 100 per cent land was available as detailed in **Chart 2.1**.



The acquisition of land in respect of 12 road works was started by UPPWD between February 2014 and August 2014 and as of December 2019, 27 per cent of required land was yet to be acquired. Execution of contract bonds without acquisition of land was not only against the financial rules but also led to undue favor to the contractors as they were paid large amounts of interest-free advances (₹ 84.85 crore) which were tied to progress of

²⁶ Rule 378 of FHB-Volume VI.

²⁷ In Bahraich, road work was awarded in part to two contractors, hence, 13 contract bonds.

construction though land was not available, as discussed in the succeeding paragraphs.

The Government stated (January 2020) that agreements were made keeping in view that some portion of the packages include government land where no land acquisition was required and construction and land acquisition process may proceed simultaneously. Land acquisition process was held up due to amendment in Land Acquisition Act (2013).

The reply was not acceptable as in one work only, 100 *per cent* land was available for construction at the time of execution of the contract. Thus, without acquisition of land the execution of contract bonds not only violated the financial rules but also led to cost and time overrun.

2.3.2.3 Advances to contractors

Model Bidding Document (MBD) prescribes that interest-free Mobilisation Advance (up to five *per cent* of contract value) and Machinery Advance (up to 10 *per cent* of contract value) are admissible to the contractor. The advance payment shall be repaid by deducting proportionate amounts from payments otherwise due to the contractor for the construction work, following the schedule of completed percentage of the work on payment basis.

Irregularities in the grant of advances and their recovery have been consistently highlighted in the Reports of the Comptroller and Auditor General of India (e.g. Paragraph No. 2.3 of the Performance Audit Report on Contract Management in Road Works), Government of Uttar Pradesh, for the year ended 31 March 2016. Scrutiny of records in the seven divisions, however, revealed similar irregularities in grant of advances to contractors as discussed below:

▪ Mobilisation Advance

Scrutiny of records revealed that interest free advances amounting ₹ 31.81 crore were granted (May 2013 to March 2018) to the contractors in 12 out of 13 contracts in the INB divisions.

Audit further observed that there was unadjusted mobilisation advance of ₹ 27.25 crore (86 *per cent*) in 12 contracts even beyond the stipulated date of completion and as of December 2019, ₹ 7.93 crore was pending for recovery in four contracts (**Appendix-2.4**). Since no time limit was prescribed for recovery of these advances in the MBD and recoveries were linked with the progress of work, misuse of mobilisation advance by contractors could not be ruled out.

The Government replied (January 2020) that grant of mobilisation advances and recoveries thereof were done as per the contract conditions. It was further stated that ₹ 7.93 crore was pending for recovery. The fact remains that provisions of MBD regarding interest-free mobilisation advances without a fixed schedule of recovery led to large unadjusted advances for years, which was also in violation of Central Vigilance Commission order (April 2007) that recovery should be time based and not linked with the progress of works.

▪ **Equipment Advance**

The contractor is to use the advance payment only to pay for equipment and plant expenses required specifically for execution of works. The contractor shall demonstrate the advance payment has been used in this way by supplying copies of invoices or other documents to the Engineer.

Scrutiny of records revealed that equipment advances of ₹ 53.04 crore against 11 contracts in the test-checked divisions were granted (June 2013 to March 2018) to the contractors without obtaining and verifying the invoices in support of procurement of machinery and equipment.

Further, as recovery of advances was linked with the progress of works, contractors were allowed to retain equipment advance amounting to ₹ 45.23 crore (85 *per cent*), even beyond the stipulated date of completion as detailed in **Appendix-2.5**. This included ₹ 14.38 crore (27 *per cent*) lying unrecovered as of December 2019. It is pertinent to mention that the entire unrecovered amount as of December 2019 was lying against two contractors in INB divisions, Maharajganj and Siddharthnagar, who were granted advances of ₹ 32.95 crore between September 2013 and May 2014.

The Government stated (January 2020) that the grant of equipment advances and recoveries thereof were done as per the contract conditions. Bank guarantee against advances has been pledged which are safe with the Department. The fact remains that non-recovery of large sum of interest-free advances from the contractors even after a lapse of four years from the scheduled dates of completion led to undue advantage to the contractors.

▪ **Secured advance**

Scrutiny of records of INB Division, Bahraich revealed that as per the terms and conditions of the contract executed with the contractor, only mobilisation and equipment advances were permissible to be granted to the contractor. However, against the terms and conditions of the contract, inadmissible interest-free secured advances of ₹ 1.53 crore were granted²⁸ to two contractors against two contracts in February 2015 and March 2018.

The Government replied (January 2020) that the secured advances were granted against actual work done but not measured as per para 456 (a) of the Financial Handbook, Volume-VI.

The reply was not acceptable as terms and conditions of the contract permit grant of mobilisation and equipment advances only to the contractor. Thus, the grant of secured advances was not only against the terms and conditions of the contract but also gave undue advantage to the contractors.

2.3.2.4 Payments for vehicles

As per Clause 124 of MORTH, the contractor shall provide a vehicle to the engineer for inspection work and will be paid accordingly as mentioned in the Bill of Quantity (BOQ).

²⁸ Contract Bond (CB) No. 03/SE dated 30.12.2013: ₹ 1.23 crore on 7.02.2015 and CB No. 08/SE dated 12.02.2018: ₹ 29.88 lakh on 24.03.2018

The scrutiny of DPRs revealed that in nine out of 12 DPRs, ₹ 3.42 crore (original ₹ 1.55 crore) was provisioned for vehicles under road safety, road signage, etc. in BOQs of DPRs and accordingly sanctioned by the competent authority while according TS to these DPRs. However, against these provisions, an expenditure of ₹ 5.15 crore with an excess expenditure of ₹ 2.46 crore was incurred on vehicles as of December 2019, as detailed in **Appendix-2.6**. It is pertinent to mention that in two works neither this item was provisioned in original DPRs nor in the revised DPRs. Thus, not only excess payment was made but items not sanctioned in DPRs were unauthorisedly taken in the contracts and payments were being made.

The Government replied (January 2020) that the vehicles had been used for the execution of Indo-Nepal border works in seven INB divisions as per minimum requirements. As per prevailing practice, two vehicles are allowed in normal working divisions but divisions of INB were placed in interior and remote areas. Therefore, more number of vehicles were required to be deployed. Payments of vehicles are being charged against contingencies provided in the sanctioned estimates.

The fact remains that not only was excess payment made on vehicles but it was included in the BOQ of contract without having been sanctioned in the DPRs. Further, the Government did not offer specific comments to audit observations with regard to the excess and unauthorised payments comment.

2.3.2.5 Construction of road on forest land without approval of the Forest Department

Audit noted that out of total length 24.400 km of Khajuria-Bazarghat road²⁹, 15.500 km stretch was falling on forest land for which a proposal for transfer of forest land was submitted by UPPWD during 2012-13. While the proposal was under consideration of the Forest Department, the office of Deputy Director, Buffer Zone, Dudhwa Tiger Reserve, Lakhimpur intimated (July 2013) the INB Division, Lakhimpur Kheri that the approval for construction of road could not be accorded without the transfer of forest land. The Division, however, without obtaining the mandatory approval of the Forest Department, constructed the road on the forest land (widening 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.

Audit further observed that the Forest Department had sought (October 2018) details of the divisional officers involved in the construction of road from UPPWD for appropriate action, which was awaited as of December 2019.

The Government stated (January 2020) that in district Lakhimpur Kheri, widening and strengthening of single lane road was done. However, no comment was offered regarding construction of road without having clearance from the Forest Department though it was mandatory and accordingly intimated by the Forest Department in July 2013.

²⁹ Sanctioned by MHA, GoI in January 2013.

2.3.2.6 Non-construction of road despite forest clearance

Scrutiny of records of INB Division, Siddharthnagar revealed that 1.28 km (2.088 ha land) of sanctioned roads (Aligarhawa to Kakrahwa road and Barhani to Pakrihawa road) were falling under reserve and protected forest for which necessary approval was required from the GoI.

Audit observed that GoUP conveyed (August 2018) the approval of the GoI for cutting of 344 trees necessary for making the site clear for widening of road. Further, an amount of ₹ 29.91 lakh on account of Net Present Value and Compensatory Afforestation was paid by the UPPWD to the Forest Department. However, the execution of work was not commenced (August 2019), despite forest clearance³⁰.

The Government replied (January 2020) that the work has been initiated after getting necessary approval from GoI and cutting of trees. The fact remains even after getting the approval in August 2018, the work was not started until August 2019 (as intimated by INB Division Siddharthnagar) due to which the work was further delayed.

2.4. Quality control and monitoring

2.4.1 Mandatory quality tests of materials

Section 900 of MORTH Standard Data Book prescribes various types of tests to be carried out for road construction work. Further, as per GoUP instructions (August 1996), 25 per cent test samples, out of total samples, would be sent to Research Development and Quality Promotion Cell (QPC) and Research Institute (RI), Lucknow and 25 per cent would be sent to Regional Laboratory, Meerut. In regions where regional laboratories are not available, these 25 per cent test samples would also be sent to QPC and RI³¹. Remaining 50 per cent test samples would be sent to district laboratories for testing. Further, INBRP scheme envisages the provision of third-party inspection to ensure quality and timely completion of the project.

Audit, however, observed shortfalls in tests to be carried out in the test-checked divisions (as of December 2019) as given in **Table 2.5**.

Table 2.5: Shortfall against tests required to be carried out

Sl. No.	Road levels	No. of tests to be carried out	No. of tests carried out	Shortfall (in per cent)
1	Earthwork	24,125	5,328	18,797 (78)
2	Granular Sub base (GSB)	3,595	2,180	1,415 (39)
3	Wet Mixed Macadam/ Water Bound Macadam (WMM/ WBM)	6,037	2,630	3,407 (56)
4	Dense Bituminous Macadam/ Bituminous Concrete (DBM/BC)	3,906	2,800	1,106 (28)
5	Dry lean concrete (DLC)	6,686	595	6,091 (91)

(Source: MORTH specifications and PWD divisions)

As evident from the above, the maximum shortfall of tests was in DLC followed by earthwork. Details are given in **Appendix-2.7**. Further, against

³⁰ Contracts for these road works was already awarded (June 2013 and January 2014).

³¹ In case of INB Divisions, which are not in the jurisdiction of RI Meerut, 50 per cent of sample was to be sent to QPC.

the norm of 50 *per cent* samples required to be sent to QPC and RI, 0.58 *per cent* samples were sent and no sample was sent to the district laboratories for testing.

The Government stated (January 2020) that tests were carried out at site as far as possible in accordance with Section 900 of MORTH. Third party tests and tests at QPC were also carried out to ensure quality control.

The reply was not acceptable, as CE, INB while replying to an audit query³² had accepted (June 2019) that third party inspection were not carried out. Further, the Department cannot absolve itself from the primary responsibility of mandatory tests to be carried out in terms of the instructions laid down in GoUP order issued in August 1996 as there was a shortfall of almost 100 *per cent* tests carried out at QPC Lucknow. Tests carried out at site laboratories of the contractors cannot be fully relied upon.

Thus, due to non-observance of rules and orders for ensuring quality control, the quality of road works being executed by the UPPWD was fraught with the risk of sub-standard work.

2.4.2 Monitoring of road construction

GoUP order (May 1999) makes concerned Superintending Engineers (SEs) and Chief Engineers (CEs) responsible for quality control of the construction works being executed under their jurisdiction. Accordingly, the SEs and CEs are to inspect all works being executed under their jurisdiction once in six months and in a year, respectively.

The status of monitoring of works by CE and SEs during 2014-15 to 2019-20 (up to December 2019) is given in **Table 2.6**.

Table 2.6: Monitoring of works by CE and SEs during 2014-20

Authority	Inspections required	Inspections conducted	Shortfall
CE	56 inspections of 12 works	8 inspections of six works	86 <i>per cent</i>
SEs	124 inspections of 12 works	21 inspections of 12 works	83 <i>per cent</i>

(Source: CE, SEs and the seven divisions)

As evident from the above table, there was a substantial shortage in the field inspections by the CE and SEs and in fact, six roads³³ in INB divisions Balrampur, Lakhimpur Kheri, Shravasti and Siddharthnagar remained uninspected by CE (**Appendix-2.8**). This was not only against the orders but was also indicative of poor monitoring on the part of CE.

The Government replied (January 2020) that inspections were carried out as far as possible and all officers have been instructed to inspect works as per norms. The fact remains that substantial shortfalls in inspections by CE and SEs possibly contributed to delays and questionable quality of construction.

³² Reply given in June 2019 by CE, INB in respect of an audit query raised in February 2019

³³ C/o Kanchanpur Gandhelnaka Road (7.475 kilometer), C/o Paliaghat to Barsola Road (Gauriphanta To Chandan Chawki (30.950 kilometer), C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.000 kilometer), Jamunaha to Kakardhari (8.7200 kilomwter), C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 kilometer) & C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 kilometer).

2.4.3 Bitumen supplied by oil companies

The State Government ordered (May 2009) that the divisional officer shall obtain Consignee Receipt Certificates (CRCs) from contractors and verify its genuineness from oil companies before making payments to contractors against the bituminous works done.

Scrutiny of records of the seven divisions, however, revealed that in ten works, a total of 7322.493 MT bitumen was consumed in execution of bituminous works, out of which CRCs of 3400.171 MT bitumen, costing ₹ 18.11 crore, were not obtained from the contractors before making payments (*Appendix-2.9*). Further, the required verification of CRCs obtained (3922.322 MT, ₹ 20.33 crore) was not carried out from the respective oil companies. Payments to contractors without obtaining CRCs and without verification, where obtained, were not only in violation of the Government order but the possibility of compromising with the quality and quantity of bitumen used in bituminous work could not be ruled out.

The Government replied (January 2020) that genuineness of the CRCs obtained from contractors was ensured from the oil companies. Also, the remaining CRCs shall be obtained from the contractors before the finalisation of the agreements.

The reply was not acceptable as no document regarding verification of genuineness of the CRCs was provided either during audit or with the reply.

2.5 Financial Management

As per scheme, cost of construction of roads is to be borne by the GoI, whereas the cost of land acquisition is met from the funds provided by the GoUP. During 2012-20 (upto December 2019), against the total releases of ₹ 934.91 crore (GoI funds ₹ 650.79 crore and GoUP funds ₹ 284.12 crore), the Department incurred an expenditure of ₹ 834.50 crore (GoI funds ₹ 591.72 crore and GoUP funds ₹ 242.78 crore) on implementation of the project. The GoI funds and the GoUP funds have been discussed below separately:

2.5.1 Provisioning of funds and expenditure thereagainst

2.5.1.1 GoI funds for construction of roads

Audit noted that GoI funds were routed through the State budget up to 2017-18. However, in view of directions of MHA (August 2017), the State Government opened (October 2017) a separate savings bank account in the name of Indo-Nepal Border Road Project, UPPWD and the amount released from GoI from 2018-19 onwards was deposited in this bank account. The fund released by the GoI and expenditure thereagainst by UPPWD on account of the construction of roads is given in **Table 2.7**.

Table 2.7: GoI funds for construction of roads

(₹ in crore)

Year	Funds released by GoI	Expenditure	Unutilised balance
2012-13	0.00	0.03	(-) 0.03 ³⁴
2013-14	350.00	117.61	232.36
2014-15	0.00	51.09	181.27
2015-16	0.00	89.72	91.55
2016-17	31.57	91.23	31.89
2017-18	200.92	74.85	157.96
2018-19	50.00	98.20	109.76
2019-20 (up to 12/2019)	18.30	68.99	59.07
Total	650.79	591.72	59.07

(Source: CE, INB, UPPWD)

From the above table, it is evident that the project was not able to absorb fund released by GoI for construction of roads, which was 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 from hindrances. As of December 2019, ₹ 59.07 crore of funds remained unutilised as against GoI release of ₹ 650.79 crore. Audit further noted that the State Government had submitted utilisation certificates of ₹ 567.04 crore to GoI as of January 2020.

The Government stated (January 2020) that for construction of works, targets were set according to availability of land, sanctions and allotment. The land acquisition was affected as a result of revised Land Acquisition Act, 2013, which was implemented in Uttar Pradesh in March 2015, which resulted in hampering the progress of the project. CE (INB) further stated (August 2020) that UCs for ₹ 591.72 crore had been sent to the GoI.

The fact remains that there was slow progress in construction of roads under INBRP despite availability of funds and even after implementation of the revised Land Acquisition Act in March 2015, the utilisation of funds did not gain momentum.

▪ **Interest accrued not surrendered**

Audit noted that UPPWD deposited ₹ 68.30 crore released by the GoI in 2018-19 and 2019-20 (as of December 2019) in a bank account opened for INBRP. However, interest amounting to ₹ 1.16 crore accrued (as of December 2019) on the deposited fund in the bank account was not surrendered to the GoI.

The Government accepted the fact and stated (January 2020) that the interest accrued on GoI funds up to March 2019 had been intimated to MHA and it had been requested that interest amounts may either be taken back or be accounted for in the next release of funds by them.

2.5.1.2 GoUP funds for land acquisition

Funds allocated by GoUP and expenditure thereagainst for land acquisition is given in **Table 2.8**.

³⁴ During 2012-13, expenditure of ₹ 0.03 crore was borne by the State Government from its own resources.

Table 2.8: GoUP funds for land acquisition

(₹ in crore)			
Year	Budget provision	Expenditure	Savings/ Surrenders
2011-12	10.00	0.00	10.00
2012-13	20.00	0.00	20.00
2013-14	17.00	17.00	0.00
2014-15	162.48	40.01	122.47
2015-16	120.00	19.01	100.99
2016-17	188.10	25.06	163.04
2017-18	46.67	24.57	22.10
2018-19	200.00	76.15	123.85
2019-20 (up to 12/2019)	122.08	40.98	Not Any (as only part of the year)
Total	886.33	242.78	

(Source: CE, INB, UPPWD)

As evident from the table above, there was substantial savings of fund each year, as UPPWD could not utilise the funds provisioned by the State Government for the acquisition of land due to slow pace of acquisition of land.

The Government replied (January 2020) that rates of land acquisition were revised in compliance with GO (March 2015) after the new Act came into existence for the ‘Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation & Resettlement Act, 2013’. Accordingly, revised estimates were sanctioned for ongoing works up to May, 2017. So, it cannot be said that pace of work was not up to the mark.

The reply was not acceptable as even after implementation of the new LA Act in Uttar Pradesh in March 2015, there was ample time to complete the land acquisition.

2.5.2 Non-signing of Memorandum of Understanding (MoU)

As per INBRP scheme, MHA would consider signing of MoU with the State Government for implementation of the scheme. Scrutiny of records revealed that the GoI sent (June 2013) a draft MoU to GoUP for consideration which was not finalised even after lapse of more than six years despite several correspondences between MHA and GoUP. Audit further observed that office of CE (INB), UPPWD had proposed (May 2019) modification in respect of several terms and conditions mentioned in the draft MoU sent by GoI, as illustrated in **Table 2.9**.

Table 2.9: Illustrative lists of modifications proposed in the draft MoU

Exclusions proposed in draft MoU clauses	Additions proposed in draft MoU clauses
<ul style="list-style-type: none"> • Cost of construction of per km road at the rate of ₹ 2.53 crore per km • Cost of land acquisition, cost of compensatory afforestation and other incidental costs to prevent damages to the ecosystem from the scope of DPR • Levy of liquidated damages on UPPWD in case the work was delayed due to the reasons solely attributable to UPPWD • Responsibility of UPPWD to obtain clearances from utility authorities (telephone, water supply, etc.) and to bear cost of utility shifting, etc. 	<ul style="list-style-type: none"> • Provision for unforeseen increase in cost of the Project due to increase in the scope of work in the form of construction of additional cross drainage structures and protection works for roads/bridges due to challenging terrain along INB • Exception clause to the provision of two lane road (seven-meter carriage way width and right of way as per IRC specifications) in restricted areas due to forests and existing irrigation infrastructure • Price escalation as per provisions of bidding documents, if any.

The State Government stated (January 2020) that the construction of INBRP works was being carried out as per sanctioned DPR and in accordance with GoI and GoUP rules and regulations. The Government further added that MoU had been sent by GoUP to MHA in September 2019, which was under finalisation.

The fact remains that GoI fund of ₹ 591.72 crore was incurred on INBRP without MoU between GoI and GoUP, which resulted in lack of clarity over terms and conditions for implementation of the scheme. As discussed in paragraph 2.6, deterioration in constructed roads could not be ruled out due to delays in construction of roads, however, there was no clarity over responsibility for delays in construction of roads. Further, GoUP incurred inadmissible expenditure of ₹ 17.65 crore from funds provided by GoI, as discussed in the subsequent paragraphs.

2.5.2.1 Inadmissible deductions of establishment charges

As per GoUP order (April 2010), establishment charges at the rate of 6.875 *per cent* on the total cost of the project shall be deducted and credited to the concerned revenue head of account. Accordingly, while approving the total cost of the 12 sanctioned DPRs, the Expenditure Finance Committee (EFC), GoUP had added the cost of establishment charges on the State share. Further, according to the sanction orders of the State Government on the DPRs³⁵, these charges were to be deducted exclusively from the State share.

Scrutiny of records of six divisions revealed that as the State Government did not release its share, the establishment charges of ₹ 13.45 crore was deducted³⁶ by the respective divisions as of December 2019 from GoI funds and remitted to the revenue head of accounts which violated the sanctions of EFC.

The State Government stated (January 2020) that the establishment charges were deducted from the allotment as per the terms and conditions given in the administrative and financial sanction orders issued the GoUP (July 2013). The Government further added that agency charges had been proposed in the MoU, which was under finalisation between GoUP and GoI and if any issue is raised by the GoI in this regard, it may be settled at the time of closure of the project.

The reply was not acceptable as in the light of terms and conditions given in the administrative and financial sanction orders issued by the GoUP, the establishment charges were to be deducted from the State's share of the project.

2.5.2.2 Inadmissible expenditure out of contingency charges

The scheme guidelines provide that the cost of forest clearance would be borne by the State Government. Further, UPPWD had clarified (May 2016) that expenditure on account of utility shifting (shifting of electric poles, tubewells, etc.) was also the responsibility of GoUP.

Audit noted that UPPWD incurred an expenditure of ₹ 4.20 crore as of January 2019 on account of utility shifting (₹ 2.85 crore), afforestation

³⁵ Issued after administrative and financial sanction of GoI.

³⁶ Bahraich: ₹0.18 crore, Balrampur: ₹0.22 crore, Lakhimpur Kheri: ₹6.06 crore, Maharajganj: ₹1.44 crore, Shravasti: ₹0.43 crore and Siddharthnagar: ₹5.12 crore.

(₹ 0.20 crore) and depreciation fund (₹ 1.15 crore). Although GoUP was to bear the cost of these items, the Department met these expenses from the contingency charges of the concerned works from GoI funds.

The Government stated (January 2020) that the DPRs sent to MHA were approved with a provision of 3 *per cent* contingency. Also, GoUP has no cost-sharing for the construction of roads. The reply was not acceptable as expenditure on the above mentioned items was the responsibility of GoUP under INBRP scheme.

2.6 Impact of delays on the implementation of project

Against 574.59 km stretch identified for construction under INBRP in Uttar Pradesh by March 2016, DPRs for only 257.02 km (45 *per cent*) of 12 roads were sanctioned by GoI. Remaining 16 DPRs for 317.57 km of 16 roads, of which 85 *per cent* alignment involved forest/wildlife clearance, was yet to be approved, as GoI directed to obtain forest clearance and submit revised alignment in respect of these DPRs. Further, non-approval of the entire stretch along the Indo-Nepal border resulted in gaps in intra-district and inter-district connectivity of INB roads as detailed in paragraph 2.2.2.

Further, even the sanctioned DPRs had forest clearance (for 32.10 km alignment) and land acquisition (for 198.07 km alignment). However, as the contracts for construction of roads were entered into without ensuring availability of land, only 132.64 km (52 *per cent*) were actually constructed as of December 2019 due to delays in statutory clearances and land acquisition, as shown in **Table 2.10**.

Table 2.10: Sanctioned length and executed length

Sl. No.	District	No. of Works	Sanctioned length (in km)	Executed length up to surface level as of December 2019 (in km)	Percentage of Col. 5 to 4
1	2	3	4	5	6
1	Bahraich	1	20.363	17.460	86
2	Balrampur	1	07.475	07.260	100 ³⁷
3	Lakhimpur Kheri	2	57.350	42.000	73
4	Maharajganj	2	67.600	13.900	21
5	Pilibhit	1	07.000	02.800 ³⁸	40
6	Shrawasti	2	21.720	21.470	99
7	Siddharthnagar	3	75.509	27.750	37
Total		12	257.017	132.640	52

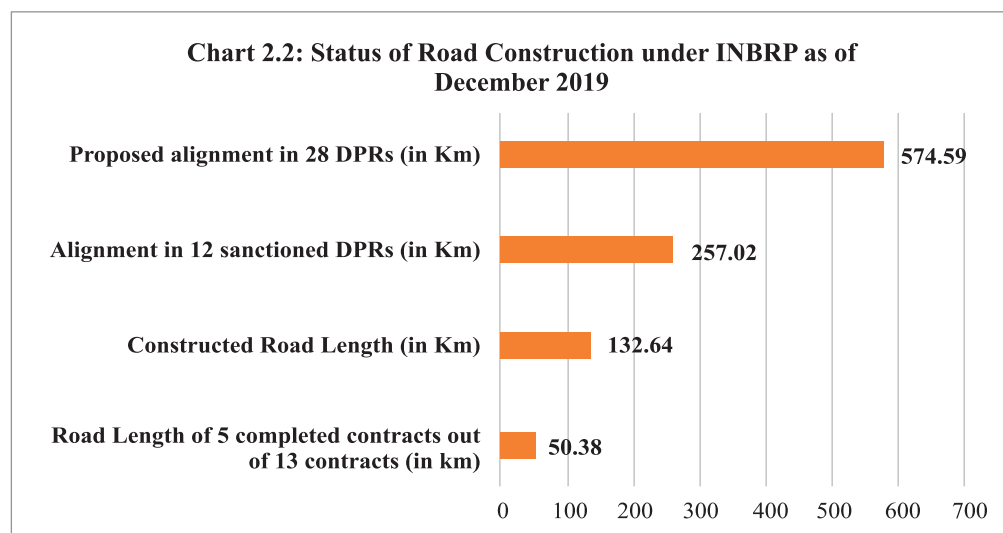
(Source: CE, INB, UPPWD)

Audit further noticed that out of 12 road works, only five road works (50.38 km) were completed³⁹ (December 2019), whereas construction of roads in case of the remaining seven road works was carried out in patches due to non-availability of land and forest clearance. The impact of delays on construction of roads is further summarised in **Chart 2.2**.

³⁷ The revised road length of 7.260 km was approved by HLEC in March 2015.

³⁸ The remaining road alignment, which was in forest area, was not included in the contract.

³⁹ Project completion report yet to be issued.



Time and cost overrun

The inordinate delays in the project had a cascading effect on construction cost of the project. Due to receipt of bids at higher rate for construction of roads, scope of works was changed and lesser road length were taken up for construction, as discussed in Paragraph 2.3.2.1. Out of 12 sanctioned works, the cost of nine works (original aggregate cost: ₹ 550.12 crore) was revised to ₹ 779.20 crore (42 per cent increase). Further, there were significant delays of 16 to 66 months beyond the stipulated dates of completion in 13 contracts executed against 12 sanctioned works (**Appendix-2.10**) due to which deterioration in constructed roads could not be ruled out. 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.

The Government stated (January 2020) that the DPRs were sanctioned between January 2013 and March 2014 and bids were invited on the prevailing rates of 2011. Bids were received at higher rates on account of appreciation of labour and material costs. Consequently, lesser length as compared to the sanctioned length was taken up for construction. This was intimated to MHA and contracts were entered into with the concurrence of MHA. Revised estimates were submitted to MHA accordingly for revision of cost, which were sanctioned by the High-Level Empowered Committee, MHA. It was further stated that contract agreements were made keeping in view that some parts of the packages include government land where no land acquisition was required and there was no provision of price escalation in the contract bond.

The reply was not acceptable, as the project was to be completed by March 2016 as per initial sanction given by MHA. Further, works under 10 out of 13 agreements, were scheduled to be completed by 31 March 2016, but could not be completed as scheduled. As regards cost overrun, the construction cost had been escalated by ₹ 249.18 crore in 10 out of 12 works as noted from the revised estimates approved for these works. Further, as per Rule 378 of the Uttar Pradesh FHB Volume VI, no work should be commenced on land which has not been duly made over by the responsible civil officers, which was not

followed while executing contracts as out of 257.02 km⁴⁰ of sanctioned road taken up for construction, only 22.25 km was without encumbrance.

The execution of contracts without ensuring the availability of land not only led to inordinate delays in the execution of works but also a spike in costs. Further, the delayed/ non-construction of INB roads impeded the fast mobility of SSB as evident from the fact that SSB, while replying to an audit query, stated (September 2019) that it faces problems in patrolling including no movement by vehicle during the rainy season due to non-construction of border roads.

2.7 Link roads for BOPs not falling on main alignment

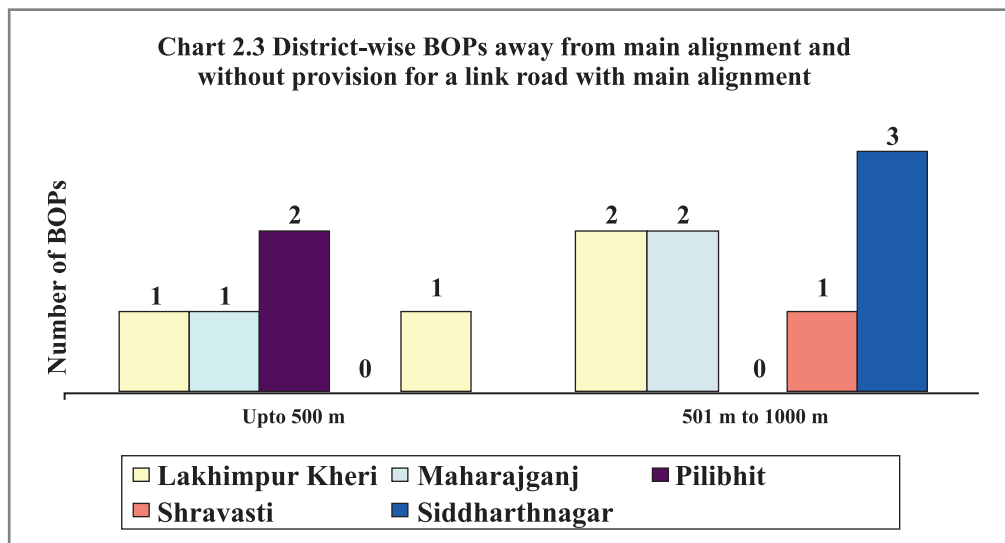
As per approved scheme (November 2010) many of the BOPs were not connected by road and this makes the task of border guarding forces difficult as operational stretches also include difficult terrain such as hills, mountains, rivers, streams and forest area. The approved scheme for INBRP envisaged that proposed roads would primarily run parallel to the borders thereby adding to the mobility of SSB.

In the 28th meeting of the Technical Committee⁴¹ (January 2012), CE (INB) agreed to construct link roads for BOPs not falling on the main alignment. While according approval for alignment of border roads, SSB reiterated that provision for link road to the BOPs which were not on the proposed road be ensured. This was also reiterated (January 2018) by UPPWD, Forest Department and SSB in a meeting held for review of alignment of border roads and a decision was taken that separate DPRs would be prepared for this purpose.

Scrutiny of records revealed that out of 71 BOPs to be connected under 12 sanctioned DPRs, 31 BOPs were adjacent to the proposed alignment and 40 BOPs were located at a distance ranging between 100 and 6500 m. Out of 40 BOPs, 27 BOPs were having connectivity through link roads with INB roads which were being constructed. Remaining 13 BOPs were located at a distance upto 1000 m (*Appendix-2.11*) for which neither was there any provision for a link road in the sanctioned DPRs nor were separate DPRs prepared by the UPPWD, as depicted in **Chart 2.3**.

⁴⁰ This length of stretch 257.02 km was reduced to 252.40 km by reducing 4.62 km {Lakhimpur Kheri (2.0 km), Balrampur (0.22 km) and Bahraich (2.40 km)} as per actual site conditions.

⁴¹ The proposals submitted by the State Governments were examined by the Technical Committee (TC) of GoI headed by Director General (Works), Central Public Works Department.



Audit noted that five⁴² roads having 17 BOPs were completed as of December 2019. Of which, 12 BOPs were either connected through link roads (six BOPs) or were adjacent to the alignment (six BOPs). Remaining five BOPs were off the INB roads with a distance ranging between 200 m and 1000 m as detailed in *Appendix-2.12*.

The Government replied (January 2020) that in the sanctioned DPRs, there was no provision to connect BOPs which were falling outside the alignment. It was further stated that separate DPRs would be prepared in consultation with SSB as per their requirements to connect BOPs, since SSB had intimated that several temporary BOPs were to be shifted to permanent locations. During the exit conference, the Government stated (May 2020) that after finalisation of the new alignment, DPRs would be prepared for connecting BOPs.

The reply of the Government confirms that the DPRs for the Indo-Nepal Border roads project were prepared and approved without providing for link roads to BOPs not falling on the approved alignment. Thus, DPRs were not in conformity with the INBRP scheme’s stipulation to provide road connectivity to BOPs. Further, separate DPRs for linking unconnected BOPs were also not prepared. This was indicative of poor planning.

2.8 Conclusion

MHA, being the administrative ministry of GoI had approved the INBR project in November 2010 with a goal to construct roads of strategic importance along the Indo-Nepal border by March 2016 and provided funds for it. SSB, the user department, was to be benefited from this project of strategic importance by achieving fast mobility of troops to dominate the sensitive borders more effectively. UPPWD, the executing agency, was responsible to complete the project in its entirety, viz., finalisation of alignment in consultation with SSB, State Government and MHA, getting forest and wildlife clearances and acquisition of private land followed by the execution of construction works as scheduled.

⁴² 50.38 km of road constructed between June 2017 and June 2019.

The role of UPPWD in implementation of the scheme was found to be below par. Even after eight years from the commencement of the project, the DPRs of 56 *per cent* alignment for Indo-Nepal Border roads in Uttar Pradesh was yet to be approved by GoI, as UPPWD had not submitted the revised alignment and forest clearances for these stretches of roads were yet to be obtained. Even for the 252 km stretch⁴³ sanctioned by GOI, only 132.64 km (52 *per cent*) of sanctioned road length could be completed as of December 2019.

The failure of UPPWD in getting the site cleared for construction coupled with acquisition of land at snail's pace and delays in forest clearance caused massive delays of 16 to 66 months beyond the stipulated dates for completion of contracts. This also led to 42 *per cent* increase in construction cost and 164 *per cent* increase in cost of land acquisition. Further, BOPs situated off the constructed roads were left without connectivity despite GoI covenants to provide connectivity through link roads.

Contract management was opaque and deficient. Financial bids were opened prior to technical sanction. There were inordinate delays in execution of contracts. Execution of the project was marred with delays in recovery of advances and considerable amounts remained pending. Quality control and monitoring were sans requisite oversight by the authorities responsible therefor, leading to the possibility of sub-standard construction works on a project of strategic importance. Further, inadmissible expenditure was incurred from funds provided by GoI due to lack of clarity on the terms and conditions for implementation of the scheme since MoU between GoI and GoUP was not finalised.

To sum up, lack of adequate preparatory work including obtaining forest and wildlife clearances and land acquisition in time, deficient contract management and lack of co-ordination between departments resulted in only 12 (257.02 km) out of 28 DPRs for 574.59 km being sanctioned and construction of 132.64 km (52 *per cent*), including 50.38 km road length of five completed contracts out of 13 contracts, till December 2019. The remaining 16 DPRs for 317.57 km (56 *per cent*) were yet to be approved by GoI. There were delays of 16 to 66 months beyond the stipulated dates of completion of contracts which led to 42 *per cent* increase in construction cost and 164 *per cent* increase in cost of land acquisition. BOPs situated off the constructed roads were left without connectivity. Thus, these factors had an adverse effect on completion of the INBR project and resulted in gaps in intra as well as inter-district connectivity of INB roads, and therefore, the end objective to add to the mobility of SSB to enable them to dominate sensitive borders more effectively could not be fulfilled.

2.9 Recommendations

The State Government should:

- *develop institutional mechanisms to ensure effective coordination among departments, viz. PWD, Forest Department and SSB to finalise alignments to*

⁴³ 252 km out of approximate length of 570 km.

connect BOPs in a time-bound manner so that seamless connectivity to roads constructed in patches can be provided while arresting time and cost overrun.

- *take immediate action to reverse the systemic vitiation of the tender finalisation process and initiate departmental proceedings as appropriate in cases involving significant deviations.*
- *revise the Model Bid Document to specify provisions related to time-bound recovery of advances made to contractors or make provisions of interest-bearing advances to the contractors.*
- *ensure strict adherence to the quality control mechanism, including field inspections of the works by CE and SEs.*
- *finalise the MoU with GoI urgently so as to implement the INB project as per agreed terms and conditions.*

CHAPTER – III
COMPLIANCE AUDIT

Chapter - III

COMPLIANCE AUDIT

Animal Husbandry Department

3.1 Audit of Adequacy and Development of Infrastructure for Animal Husbandry

3.1.1 Introduction

Animal Husbandry Department (Department) covers livestock development, poultry development, disease control, fodder development and other animal husbandry activities related to the socio-economic upliftment of rural masses and employment generations. The services are provided by the Department through the following animal husbandry infrastructure:

Table 3.1.1: Animal Husbandry Infrastructure in the State (as on March 2019)

Item	No. of units	Function
Veterinary Hospitals	2202	Treatment, vaccination and other disease control activities
Livestock Extension Centre	2575	Perform artificial insemination and provide first aid treatment to infirm animals
Dispensaries	267	
Multipurpose Mobile Veterinary Services	774	Provide artificial insemination and veterinary treatment services to infirm animals in remote villages
Artificial Insemination Centres	5044	Provide artificial insemination to cattle and buffalos
Other types of infrastructure	275	These include Disease Diagnostic Laboratories, Polyclinics, Semen Production Centers, Livestock Farms, Carcass Utilisation Units, etc. (<i>Appendix-3.1.1</i>) for providing/assisting breeding services, animal health, feed and fodder development, carcass utilisation, etc.

(Source: Directorate, Animal Husbandry)

The Principal Secretary, Animal Husbandry is the administrative head of the Department and is responsible for implementation and monitoring of animal husbandry activities at the Government level. At Department level, there are two Directors who are supported by Additional Directors and Joint Directors to carry out activities of the Department. For streamlining livestock farm activities in the State, there is one Deputy Director, Farms who monitors farm activity in the Department. The State of Uttar Pradesh is divided into 18 administrative regions comprising three to six districts in each region. The administrative regions are headed by Deputy Directors who monitor animal husbandry activities in their respective regions. At the district level, Chief Veterinary Officers monitor various departmental activities in the respective districts.

3.1.1.2 Scope of Audit

The audit of 'Adequacy and Development of Infrastructure for Animal Husbandry' was conducted for the period from 2014-15 to 2018-19 with a view to assess the sufficiency of animal husbandry infrastructure and

adequacy of efforts to augment animal husbandry infrastructure. Eight districts⁴⁴ were sampled⁴⁵ for the detailed audit. Besides scrutiny of records at Directorate, records of the offices of Chief Veterinary Officers in the sampled districts, 109 block-level veterinary hospitals⁴⁶ and one livestock farm were also examined. Apart from scrutiny of the records, audit methodology involved issuing of questionnaires, evidence gathering during examination of records of audited entities and site visits carried out jointly with the departmental officials, etc.

The audit objectives, scope, criteria, etc. were discussed with the Department in the entry conference held on 16 August 2019. An Exit Conference was held on 16 March 2020 to discuss the draft report. The reply of Government during the Exit Conference have been suitably incorporated in the report.

3.1.2. Funding for Animal Husbandry activities

Year-wise budget provision and expenditure during 2014-19 pertaining to the Department were as shown in **Table 3.1.2** and **Table 3.1.3**.

Table 3.1.2: Provisioning and Expenditure – Capital

(₹ in crore)			
Year	Budget Provision	Expenditure	Savings
2014-15	99.27	81.30	17.97
2015-16	67.72	66.61	1.11
2016-17	317.59	194.44	123.15
2017-18	199.85	130.30	69.55
2018-19	284.58	187.02	97.56
Total	969.01	659.67	309.34

(Source: Directorate, Animal Husbandry)

Table 3.1.3: Provisioning and Expenditure – Revenue

(₹ in crore)			
Year	Budget Provision	Expenditure	Savings
2014-15	740.56	677.56	63.00
2015-16	898.31	728.75	169.56
2016-17	1117.52	943.85	173.67
2017-18	1362.20	1135.40	226.80
2018-19	1653.78	1255.19	398.59
Total	5,772.37	4,740.75	1,031.62

(Source: Directorate, Animal Husbandry)

As seen from **Table 3.1.2**, capital expenditure spiked during 2016-17 to 2018-19, which was mainly on account of funding for reconstruction of veterinary hospitals. However, there were significant savings of 32 per cent under capital and 18 per cent under revenue heads.

Audit findings

The audit findings are discussed in succeeding paragraphs. As this was a test audit in eight sampled districts and most of the audit findings are of a nature that may reflect in other districts not covered in the test audit, Department may therefore like to internally examine the position in rest of the districts with a

⁴⁴ Agra, Barabanki, Gonda, Gorakhpur, Hamirpur, Maharajganj, Mathura and Saharanpur

⁴⁵ using stratified random methodology

⁴⁶ There were a total of 278 veterinary hospitals in the eight test-checked districts.

view to ensure adequacy of animal husbandry infrastructure as per requirement.

3.1.3 Policy framework for Animal Husbandry infrastructure

For planned infrastructure development in respect of animal husbandry in Uttar Pradesh, it was essential that the State have a comprehensive policy in place for addressing various challenges in the field of animal husbandry. In this context, the National Livestock Policy, 2013 (NLP) outlined major challenges in the livestock sector, viz., shortage of feed and fodder; low productivity of livestock; prevention and control of livestock diseases; issues relating to biosecurity; absence of effective extension and lack of access to institutional finance for improving productivity by adopting latest technology; and, inadequate infrastructure for marketing, processing and value addition. The NLP laid down various interventions for increasing livestock productivity in a sustainable manner. Further, the NLP provides that the States' may review and prepare their respective livestock and breeding policies taking into account the National Livestock Policy to suit their local needs.

Audit observed that while the State Government had a State Breeding Policy, 2018 for cattle and buffaloes, it neither prepared a comprehensive livestock policy to address issues such as feed and fodder development, animal biodiversity and strengthening infrastructure nor adopted the National Livestock Policy, 2013.

Audit did not find on record the mechanism for planning and establishing veterinary infrastructure in the State. The Department did not prepare strategic and annual action plans for strengthening of veterinary infrastructure. Further, the only veterinary facilities for which the Department had prescribed norms were for establishing new Veterinary Hospitals (VH) and operation of multipurpose mobile veterinary services. However, standards/norms for equipping a VH were not prescribed, though every year a Veterinary Specialist Committee prepares a list of medicines and equipment for procurement. Similarly, there were no norms/standards prescribed for other types of veterinary institutions, except for multipurpose mobile veterinary services.

The Government stated (March 2020) that the Department had prepared the Breeding Policy whereas other issues of livestock development in line with the National Livestock Policy, 2013 were under consideration.

3.1.4 Infrastructure augmentation through National Livestock Mission

The National Livestock Mission (NLM) was launched by GoI in 2014-15 to aid State Governments in achieving sustainable growth and developing livestock sector and to create additional employment opportunities in rural areas. To achieve these objectives, the State Government was to prepare Strategic and Annual Action Plans for strengthening and creating veterinary infrastructure as per NLM Guidelines.

Scrutiny of records revealed that the Department did not prepare the required Strategic and Annual Action Plans. Under NLM, District Livestock Mission Committee (DLMC) was to be constituted for project formulation, implementation and monitoring of the various interventions under NLM. However, DLMC was not constituted in any of the eight test-checked districts

and no action plan was prepared in these districts under NLM during 2014-15 to 2018-19.

Audit scrutiny revealed that during 2014-15 to 2018-19, the Department received ₹ 6.35 crore from GoI and ₹ 1.50 crore from the State Government⁴⁷ under NLM for developing livestock sector, viz., conservation and promotion of Muzaffarnagari⁴⁸ sheep (₹ 0.36 crore), organising trainings (₹ 0.21 crore), fairs/exhibitions (0.14 crore) and genetic improvement of goat and sheep (₹ 7.14 crore). While the Department utilised entire fund available for organising trainings and fairs/exhibitions, the expenditure under programmes for conservation and promotion of Muzaffarnagari sheep and genetic improvement of goat and sheep were ₹ 0.29 crore (81 *per cent*) and ₹ 0.40 crore (six *per cent*). As a result of less utilisation, the Department surrendered ₹ 5.43 crore⁴⁹ to GoI. Thus, the Department failed to augment animal husbandry infrastructure despite availability of funds under NLM. Audit further noticed that due to lack of efforts, the Department could not augment the following animal husbandry infrastructure:

Table 3.1.4: Lack of efforts to augment infrastructure through NLM

Veterinary Infrastructure	Purpose of the Infrastructure	Audit Observation
Modernisation and development of breeding infrastructure ⁵⁰	Developing breeding farms with infusion of high-end technology with focus on biosecurity and maintenance of disease free stock	In test-checked districts of Agra and Hamirpur, none of 25 goat breeding centres and 14 pig breeding centers were functioning during 2014-19 due to non-availability of male goats and pigs. However, no action was taken to activate these breeding centres, despite substantial surrender under the programme for genetic improvement of goat.
Rural Slaughter Houses	To ensure hygiene in meat production by establishing/modernising slaughter houses in rural and semi-urban areas with population of less than 50,000 and encourage value addition to products in rural areas so that livestock owners get better income with proper utilization of by-products	NLM envisaged to implement the programme of Rural Slaughter Houses (establishment /modernisation/expansion) through Panchayati Raj Institutions. However, department did not identify rural and semi-urban areas to establish abattoirs.
Pastureland and Fodder Conservation Units	Improving degraded waste-land, enhancing vegetation cover on barren lands, producing green fodder and to improve fertility	State Government directed (May 2017) Chief Veterinary Officers in each districts to identify wasteland, degraded forest land in gram panchayats for developing pasture land under NLM. However, no wasteland/degraded forest was selected in any block of the State.

⁴⁷ State Government provided ₹ 1.50 crore under the programme for genetic improvement of goat and sheep.

⁴⁸ Muzaffarnagari sheep is one of the tallest and heaviest mutton breed of the country.

⁴⁹ Including interest

⁵⁰ Breeding infrastructure through artificial insemination in cattle and buffalos are available in veterinary hospitals, livestock extension centres and dispensaries of Animal Husbandry Department in the State.

Veterinary Infrastructure	Purpose of the Infrastructure	Audit Observation
Conservation of fodder through post-harvest technologies	Conservation of fodder and converting crop residues into fodder blocks by establishing fodder blocks through the use of modern technologies.	This component of NLM included establishment of high capacity fodder block making units and distribution of low capacity, tractor mountable fodder block making units. However, Department did not carry out feasibility studies to establish fodder block and silage making units.

(Sources: Directorate and Chief Veterinary Officers in the test-checked districts)

The Government stated (March 2020) that new projects pertaining to conservation of fodder were proposed but were not sanctioned. The reply was not satisfactory as the Department failed to make use of NLM towards developing infrastructure for animal husbandry in the State.

3.1.5 Livestock farm

The Department had a total of ten farms for the purpose of raising pedigree seeds and to produce pedigree livestock to meet the growing needs of the State. Out of these farms, only one farm (in Barabanki) fell in the test-checked districts. Scrutiny of records revealed that some facilities in Barabanki farm had been established after the closure of the farm at *Chak Ganjaria*, Lucknow.

The farm at *Chak Ganjaria*, Lucknow was established in March 1950 to undertake work on allied problems, such as production of fodder and seed culture and to undertake research in crop and livestock production and management. Green trees, shrubs, vegetation of various varieties were existed on a substantial portion of the farmland. As per GoUP Order (April 2013), the entire land of *Chak Ganjaria* livestock farm (846.49 acres) was transferred to Lucknow Development Authority (LDA) (526.49 acres) and other State Government departments (320 acres) for infrastructure development, such as Information Technology city, establishment of medical institutions, Indian Institute of Information Technology, Uttar Pradesh Administrative Academy and milk processing plant. Government also directed that the existing activities of Animal Husbandry Department would be shifted within two years in phases to State Institute for Management of Agriculture, Rahmankhera, Lucknow (frozen semen production centre), Mahangar Lucknow (departmental training centre), Livestock farm, Niblet, Barabanki (remaining activities of the Animal Husbandry Department at *Chak Ganjaria* farm) so that activities of *Chak Ganjaria* are not be affected due to transfer of land to other Departments.

Further scrutiny revealed that LDA was to pay ₹ 679.91 crore to the Animal Husbandry Department on account of transfer of *Chak Ganjaria* farmland to LDA, which was yet to be received (March 2020). On the other hand, the Department had incurred ₹ 163.31 crore for transferring units to Rahmankhera and Barabanki. However, veterinary infrastructure, viz., Horse Breeding Centre and Fodder Seed Production Unit, which were functional at *Chak Ganjaria* farm, ceased to exist as it was not shifted to Barabanki.

The Government stated (March 2020) that some infrastructure of *Chak Ganjaria* farm was functioning at other places and efforts were being made to

obtain the sale proceeds of ₹ 679.91 crore from LDA. The reply was not tenable, as Horse Breeding Centre and Fodder Seed Production Unit, which were earlier functioning at *Chak Ganjaria* farm, were not shifted to Barabanki farm as envisaged (April 2013) by the State Government.

3.1.6 Animal Husbandry Healthcare Infrastructure

3.1.6.1 Veterinary hospitals

The National Commission on Agriculture in 1976 had observed that there was roughly one veterinary hospital/dispensary for 26,000 cattle units⁵¹, which was inadequate to ensure the health and production of livestock. It recommended that there should be at least one veterinarian for every 20,000 cattle units by the year 1980, 10,000 cattle units by the year 1990 and 5,000 cattle units by the year 2000. In this context, keeping in view the limited resources, the State Government decided (September 2005) to have a veterinary hospital⁵² for at least 15,000 livestock.

Audit observed that against the total number of 520.36 lakh cattle and buffaloes⁵³, there were only 2,202 veterinary hospitals at district headquarters as well as in rural areas (tehsil and block levels) and five polyclinics at regional level. Thus, there was one veterinary hospital/polyclinic available in the State for 23,577 cattle and buffaloes as per Animal Census 2019, which was less than that targeted by the Government in September 2005. The availability of veterinary hospitals in fact worsened from the status of one hospital for 22,758 cattle and buffaloes as per Animal Census 2012. The Government accepted (March 2020) the shortage of veterinary hospitals.

3.1.6.2 Human resources for veterinary services

Availability of adequate number of veterinarians and para-veterinary staff at different levels of the veterinary set-up is essential for providing expected level of veterinary services and efficient utilisation of veterinary infrastructure. However, out of 278 veterinary hospitals (VHs)⁵⁴ in the test-checked eight districts, veterinary officers were not posted in 41 VHs whereas 125 VHs were running without pharmacist. Similarly, as against 310 Livestock Extension Centres in these test-checked districts, only 281 Livestock Extension Officers (LEOs) were posted. The shortages in the cadres of veterinarian and para-veterinary staff in the State ranged from 12 per cent to 47 per cent, as detailed in Table 3.1.5.

Table 3.1.5: Availability of veterinarian and para-veterinary staff in Animal Husbandry Department (as on March 2020)

Designation	Description	Sanctioned Strength	Persons in position	Shortfall (per cent)
Chief Veterinary Officer	Administrative Head in district, who is responsible to implement the scheme of Department and monitor veterinary services	75	75	No shortfall

⁵¹ In making calculation for 'cattle units', the Commission applied following factors of livestock unit: cattle, buffaloes, equines (1.0), sheep and goats (0.1), pigs (0.2) and poultry (0.01).

⁵² In Uttar Pradesh, the post of one veterinarian (Veterinary Officer) is sanctioned in every VH.

⁵³ As per animal census 2019

⁵⁴ Eight VHs did not provide information about availability of Veterinary Officers and Pharmacists.

Designation	Description	Sanctioned Strength	Persons in position	Shortfall (per cent)
Deputy Chief Veterinary Officer	Posted in district and tehsil level VHs, who provides treatment, vaccination and insemination services; out of 467 sanctioned posts, 302 posts are for VHs and 165 sanctioned posts are for other animal husbandry infrastructure in the State.	467	314	153 (33)
Veterinary Officer	Posted in VHs, who provide treatment, vaccination and insemination services; out of 1984 sanctioned posts, 1900 posts are sanctioned for VHs and 84 posts are sanctioned for other animal husbandry institutions in the State.	1984	1740	244 (12)
Livestock Extension Officer	Posted in livestock extension centres and dispensaries, who perform vaccination, first aids, castration and animal husbandry extension work.	3116	2475	641 (21)
Pharmacist	Posted in VHs to assist veterinary officers in treatment and other veterinary services	1984	1096	888 (45)
Lab Assistant	Posted in laboratories to provide diagnostic services	102	54	48 (47)
Dresser	Posted in district level hospitals and dispensaries to perform dressing	293	184	109 (37)
Total		8,021	5,938	2,083 (26)

(Source: Directorate, Animal Husbandry)

Audit also observed that the State Government made an effort to address this paucity by recruiting 497 veterinary doctors during 2014-19 as follows:

Table 3.1.6: Recruitment of Veterinary Doctors during 2014-19

Year	2014-15	2015-16	2016-17	2017-18	2018-19
Doctors recruited	168	236	16	Nil	77

(Source: Directorate, Animal Husbandry)

The Government accepted (March 2020) the availability of inadequate number of veterinarians in hospitals and other veterinary centres. The Department stated that the status of vacant posts had been periodically intimated to the concerned authorities. It further stated that the recruitment of 242 veterinary officers was under progress and recruitment rules of LEOs were being revised.

3.1.6.3 Medicines and equipment

A Veterinary Specialist Committee comprising senior veterinary officers and subject specialists was constituted annually at the Department level, which prepares a list of important medicines and equipment to be procured for use in veterinary hospitals. Scrutiny of records in the test-checked districts revealed that most of the medicines and equipment were not being procured and supplied to hospitals. During 2018-19, out of the 177 medicines and 80 equipment recommended by the Veterinary Specialist Committee, 103

medicines and 35 equipment were not available in at least 50 *per cent* of the test-checked hospitals (*Appendix-3.1.2 and Appendix-3.1.3*). Non-availability of the essential medicines, equipment and consumables in the VHs indicates that either the quality of treatment was compromised or the animal keepers were buying medicines from outside. An illustrative list of unavailability of important medicines and equipment in 107 test-checked VHs during 2018-19 is given in **Table 3.1.7**.

Table 3.1.7: Illustrative list of unavailability of important medicines and equipment in VHs

Name of Medicine and Equipment	Usage	Non-availability (Number of VHs)
Inj. Andreno Chrome monosemicarbazone IP	Used for treatment, control and prevention in secondary haemorrhage, haematuria, bleeding nose, retinal haemorrhage, etc.	97
Amoxicillin IP+ Cloxacillin IP + Probenecid IP bolus	Used to prevent gout and gouty arthritis	61
Norfloxacin IP+ Tinidazol IP Bolus	Used to treat vaginal infections	68
Inj. Ranitidine	Used to treat ulcers of stomach and intestines	89
Inj. Serum Gonadotrophin B. Vet C	Used in infertility treatment to trigger final follicular maturation and ovulation, as well as for luteal phase support.	98
Animal Sling	Used in orthopaedic injury	95
Laryngoscope with 4 blades (For small animals laryngoscopy/ standard)	Used to anaesthetise animals	83
High Frequency X-ray unit (mobile) with minimum 10 kv output	Used in x-ray examination	107
Ultrasound (vet)	Used in performing ultrasound in animals	100
Otoscope and Ophthalmoscope set	Used in examining ear canal, eardrum and interior structure	93

(Source: Information provided by VHs)

The Government stated (March 2020) that every year the Veterinary Specialist Committee prepares lists of medicines and equipment for procurement and their usage in hospitals across the State. Only necessary medicines and equipment are procured and distributed in the field units within the available budgetary provisions.

The reply was not tenable, as the Veterinary Specialist Committee recommends only important medicines and equipment in its list and the shortages of these medicines and equipment were a cause of major concern in the test-checked districts.

3.1.6.4 Bio-medical waste treatment

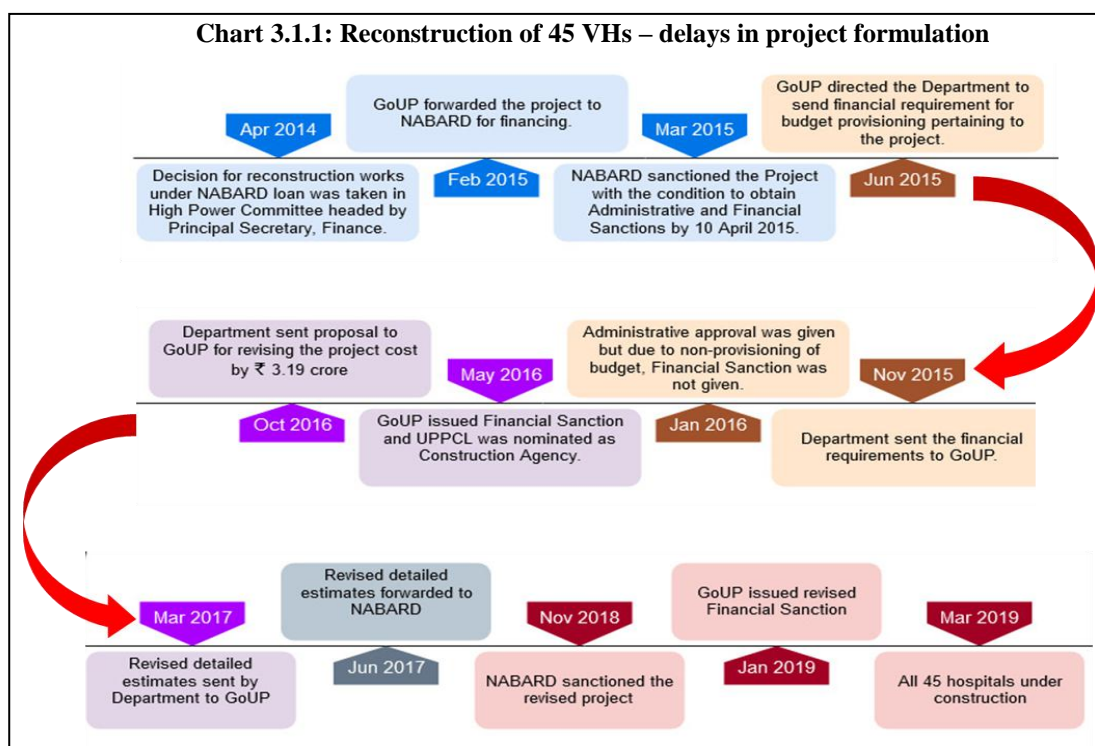
Bio-Medical Waste Management Rules, 2016 provide that veterinary centres that generate bio-medical waste shall take all necessary steps to ensure that such wastes are handled without any adverse effect to human health and the environment.

Audit observed that the Department neither created any system nor issued any advisory to the field units for treatment of bio-medical wastes as per the provisions contained in the Rules. All veterinary units were discarding bio-medical wastes without treatment, thus violating the Rules with a concomitant deleterious impact on the environment.

The Government stated (March 2020) that advisory would be issued to field units to follow the Bio-Medical Waste Management Rules.

3.1.6.5 Reconstruction of veterinary hospitals

During 2014-19, a total of 82 Veterinary Hospitals (VHs) were under reconstruction in the State, which were funded through loans by NABARD⁵⁵ under RIDF⁵⁶ Tranche XIX and Tranche XX. This project was for reconstruction of those hospital buildings which were dilapidated and unserviceable. Audit analysed the reconstruction project (₹ 14.94 crore) of 45 VHs funded under RIDF-Tranche XX⁵⁷. The decision for reconstruction of these 45 VHs was taken in April 2014 and was to be scheduled in 2014-15 but the construction works started in May 2016 after releasing of funds to executing agency. There were substantial delays in project formulation and implementation as shown in **Chart 3.1.1**.



Also, in six⁵⁸ out of the 45 VHs, the selection of hospitals initially proposed by the offices of district CVO was faulty as detailed surveys were not conducted before sending the list to higher authorities. After finalisation of the list, the offices of CVO of Ballia and Lakhimpur Kheri informed the Department that the selected hospitals for reconstruction were in good condition and not

⁵⁵ National Bank for Agriculture and Rural Development

⁵⁶ Rural Infrastructure Development Fund

⁵⁷ The project formulation and construction of 45 VHs coincided with the audit period (2014-19)

⁵⁸ Two sites in Ballia, one site each in Mau, Hardoi, Fatehpur and Lakhimpur Kheri

declared condemned while the offices of CVO of Mau, Hardoi and Fatehpur intimated that selected sites were in dispute and construction works at these sites were not possible. Thus, laxity in project formulation was observed at all levels of governance.

The Government informed (March 2020) that 41 out of the 45 referred hospitals had been completed and only four hospital buildings were in progress due to site related issues. However, documents in respect of completion and handing over of the completed buildings were not provided and no specific replies were given regarding the substantial delays in the project formulation process.

3.1.6.6 Multipurpose Mobile Veterinary Services (Mobile clinics)

Multipurpose mobile veterinary services (mobile clinics) were started in 2016-17 in 774 blocks of 68 districts⁵⁹ of Uttar Pradesh with a view to provide treatment services to livestock owners in remote rural areas, beside other veterinary services, viz., artificial insemination, vaccination, sterility prevention, etc. The guidelines for mobile clinics (September 2016) also prescribed the list of equipment (*Appendix-3.1.4*) and human resources – one Veterinary Officer, one Livestock Extension Officer or Pharmacist and one or two para-veterinarians for the mobile clinic vehicles.

Scrutiny of records revealed that none of the 105 mobile clinics available in the test-checked districts were provisioned with the prescribed equipment. Further, the Directorate did not take action in this regard nor did the CVOs formulate any demands for the requisite equipment to the Directorate. Similarly, no separate sanction of human resources was made for these mobile clinics. Further, the functional status of mobile clinics could not be ascertained as no records were made available to audit pertaining to the days for which the mobile clinics functioned against the requirement of 20 days in a month.

The CVOs in their reply, without producing any supporting documents, stated (June/July 2019) that the mobile clinics were operational for the mandated days with the help of equipment and human resources of the Veterinary Hospitals. Even if the CVOs contention is accepted, it can be plausibly concluded that on the days the mobile clinics operated, the concerned hospitals were, in effect, rendered more or less non-functional.

The Government accepted (March 2020) that due to non-sanction of posts for mobile clinics, the available veterinarians and staff at hospitals and veterinary centers were providing services.

3.1.6.7 Institute of Veterinary Biologicals

The only Vaccine Production Unit of the State Government – Institute of Veterinary Biologicals (IVB) at Lucknow – was producing eight types of vaccines⁶⁰ for protection against various animal diseases for the use of the Department only. Audit observed that production of these vaccines, which ranged from 228.49 lakh dosages to 250.15 lakh dosages during 2014-15 to 2018-19, was stopped in October 2018. The IVB was found to be functioning

⁵⁹ In seven districts of Bundelkhand region, the mobile clinics were running since 2010-11.

⁶⁰ HS Alum, Black Quarter, Enterotoxaemia, TC Sheep Pox, Fowl Pox, Swine Fever, RD (R2B), RDF-1.

without license in a joint inspection (October 2018) by Central Drugs Standard Control Organisation (CDSCO)⁶¹, GoI and Food Security and Drug Administration, Lucknow and thus, the Unit was ordered to be closed till the license was obtained.

The Government stated (March 2020) that on account of not having a license as well as Good Manufacturing Practice (GMP) Compliance, the Central Government authorities ordered production of vaccines to be halted. Further, to make the Unit GMP compliant, a DPR had been prepared and was under process of sanction by the Government. It was also stated that due to non-production of vaccines, the Department had to spent huge sum of moneys on purchase of vaccines. However, the Department did not provide the details of expenditure on vaccine procurement despite assurance during the exit conference.

3.1.7 National Animal Disease Reporting System

National Animal Disease Reporting System (NADRS), which is a Government of India scheme, was implemented in Uttar Pradesh since the year 2010-11. It is a platform for reporting data related to occurrence of 143 animal diseases from the block-level veterinary units with a view to enable their early control, which will result in improving the livestock health in the country.

NADRS involved a computerised network, linking all blocks, districts and the State Headquarters with the Central Project Monitoring Unit in the Department of Animal Husbandry and Dairying, GoI at New Delhi. Veterinary centres were required to enter all data relating to animal diseases and vaccinations and the State Level Authorities were to monitor and collate these data. To make the scheme functional, GoI supplied 893 computer systems, valuing ₹ 8.41 crore in February and March 2011⁶². The systems were supplied to block level veterinary hospitals (820 computers), district headquarters (71 computers) and Directorate (two computers).

In the test-checked districts, out of 105 computer nodes for NADRS data entry, only 26 computer nodes (25 per cent) were active ranging from one to 38 days during 2018-19. The reasons for non-functional NADRS included unavailability of electricity and internet connection as well as want of an Annual Maintenance Contract. In the sampled districts, the number of veterinary hospitals with electricity and internet connections were only 160 and 13 hospitals respectively out of the total 270 hospitals⁶³.

Scrutiny of State level data also revealed that NADRS was almost non-functional in the State as negligible data was entered in the system. Out of 822 computer nodes to be used for data entry under NADRS, none of the nodes were active during the period from 2014-15 to 2017-18. During 2018-19, only

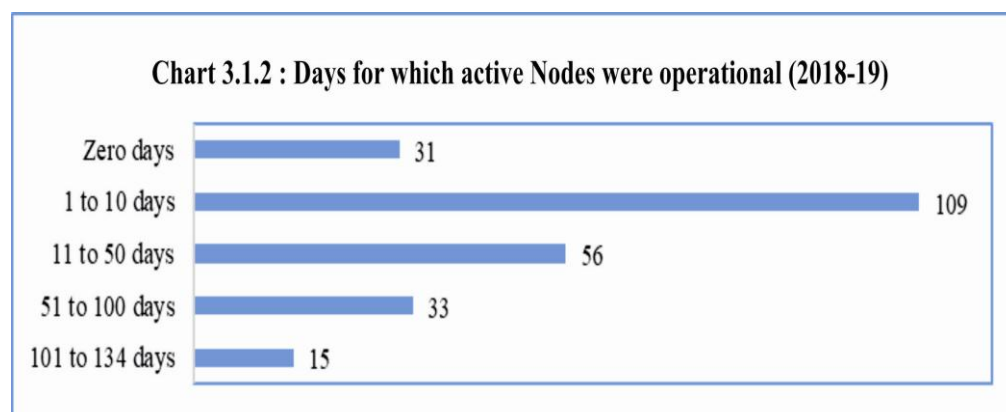
⁶¹ Human and veterinary medicines in India are regulated by CDSCO.

⁶² Cost of one computer system including printers, UPS, etc., was ₹ 94,216.

⁶³ Out of 278 VHs in test-check districts, records of electricity and internet connections were made available in respect of 270 VHs:

District	No. of hospitals	Electricity Connection	Internet Connection	District	No. of hospitals	Electricity Connection	Internet Connection
Barabanki	36	18	1	Saharanpur	36	32	11
Mathura	29	15	0	Agra	32	25	1
Maharajanj	31	11	0	Gonda	35	33	0
Hamirpur	18	17	0	Gorakhpur	53	9	0

244 computer nodes were active and the remaining 578 computer nodes were still inactive in the State. However, even the active computer nodes were not entering data⁶⁴ on a daily basis as shown in **Chart 3.1.2**.



(Source: <https://nadsapps.gov.in>)

GoI launched a mobile version of NADRS for better coverage but it was also not functional as usage of mobile version was found in only four veterinary centres⁶⁵. Due to non-functioning of the system, the basic objectives of NADRS were not fulfilled, thereby hampering evidence-based decision making pertaining to tackling animal diseases.

Department constituted (March 2013) a State Monitoring Unit under the chairmanship of Director, Animal Husbandry for monitoring the smooth running of the scheme. Similarly, at district level, a monitoring committee under the chairmanship of CVO was constituted. Both the State and District level committees were required to meet once a month to supervise and to make the system functional. However, audit observed poor monitoring of NADRS at both State and district levels as no records of any meetings conducted were available.

Thus, the efforts made by the Department to operationalise NADRS were negligible as evidenced by the fact that only 30 *per cent* nodes could be made active after a lapse of 8 years in 2018-19, that too intermittently for very few days coupled with virtually non-existent monitoring. Failure of the Department in this regard also rendered the expenditure on purchase of computer systems unfruitful.

The Government stated (March 2020) that due to non-availability of electricity and internet connections in many centers and other software issues, the functioning of NADRS was not satisfactory and now efforts were being made to improve the system and the field offices were being provided with mobile devices.

3.1.8 Construction of meat quality control laboratories

With a view to establish Meat Quality Control Laboratories at Aligarh and Meerut, the Animal Husbandry Department sent a proposal for ₹ 11.56 crore

⁶⁴ All veterinary hospitals and centres were expected to enter complete data of animal diseases and vaccinations for monitoring of animal diseases and to initiate preventive action on daily basis.

⁶⁵ Veterinary Hospitals of Murlichhapra in Ballia; Padrauna in Kushinagar; Nautanwa in Maharajganj and Patehra in Mirzapur.

in March 2011 to Agriculture and Processed Food Products and Export Development Authority (APEDA), Government of India. Department did not have any meat quality test laboratory and therefore, was relying upon the tests conducted in APEDA approved in-house laboratories of abattoirs. APEDA sanctioned both the laboratories for ₹ 9.96 crore and released ₹ 3.78 crore in March 2011. As per the MoUs signed between the Department and APEDA, the project was to be completed by March 2012. Laboratory buildings were completed in November 2015 but could not be commissioned for want of equipment and human resources.

Subsequently, APEDA withdrew from the projects in January 2017 due to delays of more than five years in completion of both projects. At the request (August 2017) of the Department, APEDA re-sanctioned (November 2017) the laboratory at Aligarh with a revised cost of ₹ 9.03 crore, of which ₹ 5.00 crore was to be borne by APEDA and remaining cost was to be borne by the Department. APEDA requested (August 2018) the Department to conduct a feasibility study. As per the techno-economic feasibility report (October 2018), the project was found to be economically not viable. In addition, there was absence of adequately trained staff to operate sophisticated equipment of the proposed laboratory.

Thus, without examining the viability of the meat quality control laboratories, the Department proceeded with their establishment at Aligarh and Meerut which resulted in unfruitful expenditure of ₹ 79.56 lakh on construction of buildings, while APEDA's share of ₹ 2.99 crore along with ₹ 1.13 crore on account of interest accrued was lying in the bank account. APEDA's share was still to be refunded and buildings were lying unutilised (March 2020).

The Government stated (March 2020) that after completing the buildings, procurement of equipment could not be done despite publishing several tender notices and, therefore, the laboratories could not be made functional. In the meantime, APEDA cancelled the project on the basis of techno-feasibility survey. It was also stated (May 2019) by the Government that the building at Aligarh had been proposed to be developed as a Satellite Sample Collection Centre for use by the Department.

The fact remains that projects were commenced without examining their feasibility. Further, as the testing of meat quality is not within the purview of Animal Husbandry Department⁶⁶, the establishment of meat quality test laboratories under it was itself questionable. As a result, expenditure of ₹ 79.56 lakh incurred on construction of buildings for setting up meat quality control laboratories at Aligarh and Meerut remained unfruitful.

3.1.9 Maintenance of veterinary infrastructure

In Uttar Pradesh, there were 10,363 veterinary institutions⁶⁷ like Veterinary Hospitals, Livestock Extension Centers, Artificial Insemination Centers, etc. Budget provision of ₹ 27.33 crore was made during 2014-19, out of which only ₹ 17.64 crore was utilised, as shown in **Table 3.1.8**.

⁶⁶ During exit conference, the State Government informed that the testing of meat quality was not under the purview of Animal Husbandry Department.

⁶⁷ Excluding Mobile Clinics

Table 3.1.8: Expenditure on Maintenance of veterinary infrastructure

(₹ in crore)			
Year	Provision	Expenditure	Savings
2014-15	2.92	1.57	1.35
2015-16	5.28	4.22	1.06
2016-17	7.48	6.17	1.31
2017-18	7.28	2.99	4.29
2018-19	4.37	2.69	1.68
Total	27.33	17.64	9.69 (35%)

(Source: Directorate, Animal Husbandry)

Thus, on an average ₹ 3,400 was spent on maintenance of a veterinary center annually during the period from 2014-15 to 2018-19.

Out of 100 test-checked veterinary hospital buildings⁶⁸, only 17 were repaired/maintained during 2014-19. During joint physical verification of 16 VHs with Departmental officers, it was found that due to non-maintenance, most of the buildings were in shabby condition and were not fit to provide the required veterinary services, as evident from the following photographs:



The Government stated (March 2020) in its reply that the Department had to maintain the veterinary infrastructure within the available budgetary support. It further stated that keeping in view large number of infrastructure, budgetary support needs to be increased so that all infrastructure could be maintained as per the maintenance cycle. The reply was not satisfactory as the Department could not utilise even the available budgetary support for maintenance of veterinary infrastructure since only 65 per cent of the allotted budget was utilized during 2014-15 to 2018-19.

3.1.10 Rainwater harvesting systems

As per the Government Order (April 2001), the Department was expected to ensure installation of rooftop rainwater harvesting system in all new and existing buildings. In this context, Audit observed that in none of the existing buildings, except for the newly constructed polyclinic buildings during 2014-19, provision of rainwater harvesting system was ensured by the Department, thus violating the Government Order for conservation and re-charging of ground water.

⁶⁸ Out of 109 test-checked VHs, only 100 units provided the data.

The Government stated (March 2020) that rainwater harvesting systems were installed in newly constructed polyclinic buildings and accepted the absence of such systems in the existing hospitals and other veterinary centers. However, the reply did not indicate any timelines for their installation.

3.1.11 Conclusion

The infrastructure related to animal husbandry in the State was insufficient as evident from the acute shortage of veterinary hospitals. State Government had targeted in September 2005 to provide one veterinary hospital for at least 15,000 livestock. However, the availability of veterinary hospitals in fact worsened from the status of one hospital for 22,758 cattle and buffaloes as per Animal Census 2012 to one hospital for 23,577 cattle and buffaloes as per Animal Census 2019. The situation was exacerbated by poor provisioning of human resources and equipment/facilities in veterinary hospitals, livestock extension centres and mobile clinics, thus showing markedly ineffective utilisation of the existing animal husbandry infrastructure. Most of the created infrastructure suffered from meagre maintenance efforts.

The Department was also lax in creation of new infrastructure as evident from the substantial delays observed in formulation and implementation of projects. Similarly, the Department was inattentive in availing the centrally sponsored schemes for infrastructure augmentation as project proposals were not sent to the Government of India under the National Livestock Mission, besides major portion of funds received from Government of India were surrendered due to non-utilisation.

3.1.12 Recommendations

- *The Department should conduct a baseline survey of the infrastructure available with it, so as to ensure efficient and effective preparation of a strategic plan for creation of animal husbandry infrastructure in the State.*
- *The Department should address the inadequacy of veterinary hospitals, including provisioning them with required resources, in a time bound manner.*
- *The Department should prepare annual action plans to augment the veterinary infrastructure in the State for livestock development. The Department should also ensure its readiness to avail centrally sponsored schemes for infrastructure augmentation.*

Public Works Department

3.2 Audit of Road works funded through State Road Fund

3.2.1 Introduction

To arrange financial resources for fulfilling the objectives enunciated in the Uttar Pradesh Road Development Policy 1998²⁶, the Government established a 'Road Fund' (RF) for maintenance of roads in 1998. Resources for this fund were arranged by imposing enhanced sales tax on diesel and motor spirit (petrol) from 16 to 20 *per cent* and from 14 to 20 *per cent* respectively. The additional amount so realised was to be assigned to RF to the extent considered appropriate by the Government. Though RF was abolished by the Government in March 2009, it was reinstated retrospectively from March 2009 as State Road Fund (SRF) in January 2013. Under Uttar Pradesh State Road Fund Rules, 2013 (UPSRF), expenditure for capital nature works²⁷ was also allowed in addition to the existing provisions for repair and maintenance of roads²⁸. 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.

PWD is headed by Principal Secretary at the Government level and Engineer-in-Chief (E-in-C) at the departmental level. For successful operation of various schemes by PWD, Zones headed by Chief Engineers (CEs) are established, which are divided into Circles headed by Superintending Engineers (SEs). Circles are further divided into Divisions, headed by Executive Engineers (EEs) who are directly responsible for execution of works.

3.2.1.1 Scope of Audit

During 2014-15 to 2018-19, ₹ 17,128 crore was disbursed from SRF, which constituted 21 *per cent* of total expenditure²⁹ on the development and maintenance of roads and bridges in the State. The objectives of the compliance audit of 'road works funded through SRF' were to assess whether:

- adequate planning for identification and prioritisation of roads was in place for road works funded through SRF,
- estimates for road works were prepared in a cost-effective manner based on accurate road data,
- tendering process and award of work was transparent ensuring competitive bidding process, and

²⁶ 'Uttar Pradesh Road Development Policy 1998' defined the strategy of State Government for the development of roads in the future keeping in view the need for all-round development of the State. The envisaged objectives of the policy were to keep the roads free of potholes and patches, to maintain and modernise roads in the State, to construct and reconstruct bridges, rail overhead/under bridges and flyovers in the State, to ensure quality in construction and maintenance of roads, to bring organisational and procedural improvements in the Public Works Department (PWD), to conserve environment, etc. PWD was designated as the nodal department for all road related works.

²⁷ Construction, Reconstruction, Widening and strengthening work under Major Head (MH) 5054- Capital Expenditure on Roads and Bridges.

²⁸ Under Major Head 3054 – Roads and Bridges.

²⁹ Total expenditure on roads and bridges (MH 3054 and MH 5054) was ₹ 82,820 crore during 2014-19.

- compliance with terms & conditions of contract was ensured for timely completion of quality road work.

An Entry Conference was held (August 2019) with the Government to discuss the audit objectives, criteria, scope and methodology, etc., for the compliance audit. Records relating to the development of roads under SRF were test-checked for the period 2014-19 in eight sampled districts³⁰. Taking all 22 PWD divisions in eight sampled districts for detailed scrutiny of records, 223 contracts in 212 works for repair, maintenance, construction, widening and strengthening of roads executed under SRF during 2014-19 were audited. Data and information in respect of SRF were collected from the offices of Principal Secretary (PWD), E-in-C and concerned seven zones and eight circles.

The draft audit findings were discussed (October 2020) with the Government in the Exit conference and replies received from the Government were incorporated suitably in the report.

Audit Findings

3.2.2 Absence of norms for selection of road works under SRF

UP Road Development Policy (1998) envisaged that a computerised data bank of every road consisting of details of width, crust thickness, composition of crust, properties of soil in subgrade, details of culverts, bridges, traffic density in terms of passenger car unit and commercial vehicle per day, 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.

Audit noted that PWD had developed (2015-16) a web-based system '*Srishti*' for digitisation of road data. However, the test-checked divisions had filled in only some details of roads such as category of road, name of road, length, width, crust thickness, type of top surface, etc., but other crucial details such as period of last construction/maintenance, California Bearing Ratio³¹ (CBR) value of soil, traffic density, culverts, bridges and road accidents were not maintained on '*Srishti*' as of August 2019.

Audit also observed that there were several other schemes³² under which widening and strengthening, construction, re-construction, repair/renewal/maintenance of roads were also sanctioned. However, specific criteria under which a particular work under SRF would be selected were not prescribed.

The State Government stated (October 2020) that details of culverts, bridges and roads were being updated in the data bank in a phased manner. The Government further stated that road works for new construction, reconstruction, widening, strengthening and repair were sanctioned from SRF as per UPSRF Rules. However, the Government did not respond to the audit observation regarding absence of specific criteria to be adopted for selection of a particular road work under SRF.

³⁰ Azamgarh, Banda, Barabanki, Bijnore, Meerut, Moradabad, Pratapgarh, and Varanasi

³¹ California Bearing Ratio (CBR) of soil is a measure of load bearing of soil and it is used to decide thickness of road.

³² Rajya Yojana, Central Road Fund, *Vyapar Vikas Nidhi*, etc.

During the Exit Conference (October 2020), the Government stated that some works pertaining to construction, reconstruction, widening, strengthening and repair were sanctioned from SRF because of limited financial resources made available through the State budget. The reply confirms lack of norms and criteria for selection of roads under SRF.

3.2.3 Strategic and annual planning for works under SRF

UPSRF Rules, 2013 provided that the operation of SRF was to be managed by 'Uttar Pradesh State Road Fund Management Committee' (UPSRFMC). All rights relating to the determination of criteria/work plan and items for the utilisation of this fund were vested in the Committee. Administrative and financial sanction of the works would be issued by the administrative department after scrutiny and approval of the proposals by the Project Formulation and Appraisal Division/Expenditure Finance Committee and subsequent approval by UPSRFMC.

Examination of records, agenda of meetings and minutes of meetings of UPSRFMC disclosed that the Committee approved the work plans at the beginning of every financial year. However, approved work plans contained only lump-sum costs approved for the year under revenue and capital heads without providing details of works sanctioned. UPSRFMC authorised the Chairman to issue work-wise financial sanction against approved work plans.

Audit further observed that the Department did not prepare a strategic plan to assess the total number of works to be executed, availability/requirement of funds, priority in sanctions and works to be kept in the pipeline³³, etc. As such details³⁴ were not maintained by the Department, the works were sanctioned in an *ad-hoc* manner.

The State Government stated (October 2020) that the works relating to renewal of road were sanctioned on the basis of proposals received from field offices according to renewal cycles of these roads. However, Government did not provide a specific reply regarding absence of details of works sanctioned in the approved work plan and non-preparation of strategic plan.

During the exit conference (October 2020), the Government assured that issues highlighted by audit would be considered in preparation of annual work plan in future.

3.2.4 Delay in release of funds for sanctioned works

SRF is kept in Public Account as Reserve Funds not bearing interest under the head of account '8225-Roads and Bridges Fund'. Expenditure for SRF works is incurred by making budgetary provision under Grant No. 58 – Public Works Department (Communications–Roads). At the end of the financial year, total expenditure incurred on SRF works against budgeted provision is debited to SRF head of account (8225-02-101-01) and credited as recoveries under

³³ Works which could not be sanctioned during the year due to limited fund resources.

³⁴ Details regarding proposals received from the field offices, proposals sent to the Government for sanction and works kept in pipeline.

Grant No. 58. The receipts and disbursements under SRF during 2014-19 was as given in **Table 3.2.1**.

Table 3.2.1: Receipt and disbursements under State Road Fund

(₹ in crore)

Year	Opening Balance	Receipt	Total available funds	Disbursement	Closing Balance
2014-15	2,157.45	2,800.00	4,957.45	5,279.18	(-) 321.73
2015-16	(-) 321.73	2,500.00	2,178.27	2,499.73	(-) 321.46
2016-17	(-) 321.46	4,400.00	4,078.54	4,400.00	(-) 321.46
2017-18	(-) 321.46	2,000.00	1,678.54	2,000.00	(-) 321.46
2018-19	(-) 321.46	3,000.00	2,678.54	2,949.53	(-) 270.99

(Source: Information collected from Finances Accounts of respective years)

As per UP Road Development Policy 1998, sanction of works and funds required were to be provided in the first quarter of the financial year for ensuring financial discipline. Further, the full amount for work sanctioned by the administrative department was to be released as far as possible to avoid time and cost overrun.

Scrutiny of records of the test-checked divisions revealed that funds for road works sanctioned under SRF were not released timely at one go. Contracts were signed for execution of 212 sampled works with a stipulated completion schedule of one to 24 months but funds for 106 works were released over a duration of two to seven years from their sanction. Further, out of these 212 works, 110 works pertaining to annual maintenance/renewal were required to be completed in the same financial year but funds for 45 such works were also released over a duration of two to three years. Also, the timelines for completion of works and the schedule of release of funds were neither mentioned in the proposals sent for approval nor in the sanctions. Details of delayed release of funds for the test-checked works are given in **Table 3.2.2**.

Table 3.2.2: Delay in release of funds

Scheduled Completion timeline as per contract	No. of works	Cost of works (₹ in crore)	No. of years over which funds released
1 to 6 months	61	182.01	2 to 3 years
7 to 12 months	42	670.07	2 to 7 years
13 to 18 months	2	54.86	3 to 5 years
More than 18 months	1	49.21	5 years
Total	106	956.15	2 to 7 years

(Source: Information collected from divisions)

The Government stated (October, 2020) that in many cases, allotment of funds at one go was not possible in view of unavailability of budget and importance of work and conditions of the work site like land dispute.

The reply was not acceptable, as sanction of works should be based on proper planning, assessment of required fund and availability of funds. Further, it was the responsibility of PWD to remove impediments in construction including land disputes prior to taking up the work.

3.2.5 Faulty estimates due to use of incorrect technical parameters

Estimates for road works in PWD are prepared as per IRC norms and instructions issued by Government/E-in-C. To assess the need for widening

and strengthening of existing roads, accurate calculation of values of Passenger Car Unit (PCU)³⁵, Million Standard Axle (MSA)³⁶ based on traffic census data and CBR were required to determine the warranted widening and crust thickness. Audit observed that the preparation of estimates, in violation of IRC norms and departmental instructions led to avoidable/excess expenditure:

3.2.5.1 Avoidable expenditure

Audit noticed following cases of avoidable expenditure:

(I) As per the policy (December 2003) of the State Government for the widening of roads, roads having PCU of more than 10,000 would be of two lanes (7.00 metre carriageway), roads having PCU of 5,000 to 10,000 would be widened to intermediate lane (5.50 metre carriageway) and road having PCU of less than 5000 would be single lane (3.75 metre carriageway).

(a) Scrutiny of records of Provincial Division (PD), Banda revealed that the Government sanctioned (February 2010) ₹ 13.84 crore for the widening of Baberu Tindwari road to 7.00 metre³⁷. Audit further noted that the PCU of road was incorrectly determined as 10,009 in the estimate owing to non-application of equivalency factor for various types of vehicles counted during traffic census. As per prescribed equivalency factor, the actual PCU of this road was only 6,915 and therefore, the road was eligible for widening to intermediate lane (5.50 metre carriageway). Thus, the incorrect computation of PCU led to sanction of widening of road to 7.00 m instead of 5.50 m resulting in avoidable expenditure of ₹ 3.54 crore³⁸ as of October 2016 (13th Running Account Bill). Audit further noted that no further progress³⁹ was made in the work (August 2019) due to unavailability of fund.

The Government stated (October 2020) that as per traffic census conducted in March 2016, PCU of the road was 11,207 and as per minutes of meeting (December 2017) of high level technical committee of Chief Engineers, the requirement of PCU for two lane roads was 6,000.

The reply was not acceptable, as the traffic census of March 2016 and the policy decision taken in December 2017 regarding requirement of PCU for deciding the width of roads would not apply on the estimate sanctioned in February 2010. The PCU of the road was only 6,915 when the work was sanctioned in February 2010. As such, the road was not eligible to be widened to two lanes.

(b) Scrutiny of records of PD, Moradabad revealed that the Government sanctioned (December 2011) ₹ 22.29 crore for widening and strengthening of

³⁵ Passenger Car Unit is the number of all type of vehicular traffic moving on a road calculated in terms of equivalent number of passenger cars. As per IRC 73:1980, the equivalent value of different vehicles i.e. Motorcycle, Car, Bus, Truck etc. are 0.5, 1, 3 and 3 respectively.

³⁶ Million Standard Axle is an indicator of traffic load on a road.

³⁷ Chainage Km 0.500 to 19.100 and chainage Km 19.100 to 19.520 were to be widened from 3.00 m and 5.50 m to 7.00 m respectively.

³⁸ Contract bond (no. 06/SE/10-11) of ₹ 12.69 crore was executed for this road and as of August 2019, ₹ 9.93 crore had been paid to the contractor on GSB, WMM, BM and SDBC works for widening of road (by 4 metre) up to chainage 16 km, incurring avoidable expenditure of ₹ 3.54 crore : (₹ 9.93 crore x 1.5/4) = ₹ 3.72 crore – 4.9 per cent below to departmental rate (as per contract).

³⁹ The scheduled date of completion was 10.06.2011 and the contract was also in force.

Haridwari Marg (Kanwad Path) from km 0.00 to Km 23.250. The width of this road was 3.00 metre to 3.75 metre, which was proposed to be widened to 5.50 metre. The work was completed in September 2016 against completion schedule of September 2013.

Audit noted that no traffic census was carried out for preparation of estimates for widening and strengthening of the road. The proposal for widening and strengthening of the road was based on 25 per cent traffic load (PCU 3524 and Commercial Vehicle Per Day 655) of a road parallel⁴⁰ to it. In view of estimated PCU of 3524 for this road, the road was to be kept as single lane (3.75 metre carriageway), however, PD Moradabad proposed to widen the road to intermediate lane (5.50 metre carriageway). Due to sanction of widening work on incorrect proposal, an avoidable expenditure of ₹ 7.98 crore⁴¹ was incurred on earthwork, sub-grade, sub-base and base course work on the widened portion (1.75 metre) of the road.

The Government accepted (October, 2020) that the widening and strengthening of *Haridwari Marg (Kanwad Path)* was envisaged by taking 25 per cent traffic density of *Moradabad-Haridwar-Dehradun* road. However, no reply was furnished for widening of the road to intermediate lane despite it not being eligible for widening.

(II) Paragraph 6.4.1 of IRC: 73-1980 prescribes that per lane width of a multi-lane road should be 3.5 metre. As such, the width of a four-lane road should be 14 metre.

Scrutiny of the records of Construction Division (CD)-2, PWD Banda revealed that the Government sanctioned (June 2009) ₹ 34.03 crore for the widening of Banda-Bahraich road (State Highway-13) from km 301 to 311 from two to four lanes. Technical sanction of ₹ 29.24 crore was accorded by Jhansi zone in January 2010. For the execution of the work, a contract⁴² was executed (January 2010) by Banda circle, Banda. The work was scheduled to be completed in October 2010 but was actually completed in December 2014.

Further scrutiny of the records of PD, PWD Banda revealed that the Government sanctioned (October 2011) ₹ 33.00 crore for strengthening of Banda-Bahraich road (State Highway-13) from km 311 to 320. Technical sanction of the same amount was accorded by Jhansi zone in November 2011. A contract⁴³ was executed (December 2011) for the work by Banda circle, Banda. The work was in progress and 96 per cent work had been completed (March 2019) against the completion schedule of December 2012.

Audit noted that both roads were widened/strengthened to 15 metre instead of 14 metre, as prescribed in IRC:73-1980. The construction in extra width (1 metre) resulted in avoidable expenditure of ₹ 1.44 crore on construction of

⁴⁰ Moradabad-Haridwar- Dehradun (SH-49).

⁴¹ Out of total expenditure of ₹ 17.85 crore on granular sub-base (GSB), wet mixed macadam (WMM), prime coat, tack coat, bituminous concrete (BC) and Semi dense bituminous concrete (SDBC), expenditure of ₹ 9.87 crore was incurred on construction of single carriageway (3.75 m); avoidable expenditure: ₹ 17.85 crore - ₹ 9.87 crore = ₹ 7.98 crore.

⁴² Contract Bond No. 11/SE/09-10 dated 30.01.2010 for ₹ 19.07 crore.

⁴³ Contract Bond No. 42/SE/11-12 dated 02.12.2011 for ₹ 20.95 crore.

road⁴⁴ from km 301 to 311 and ₹ 82.27 lakh on strengthening of road from km 317 to 320 of Banda-Bahraich road⁴⁵ (State Highway-13).

The CD-2, PWD Banda and PD, PWD Banda stated (October 2020) that the provision of divider was not sanctioned in the estimate of the road, however, for safety of traffic, provision of divider was unavoidable and thus, painted road was constructed in place of the divider. After construction of divider, the width of the road would be only 14 metre.

The reply was not acceptable, as the road should have been widened to 14 metre as prescribed under IRC:73-1980 guidelines. In this context, the Government stated (October 2020) that it disagreed with the contention of both Divisions (CD-2 and PD PWD Banda).

3.2.5.2 Excess expenditure due to non-use/improper use of Stabilisation Technique

E-in-C instructed (March 2018) that all such works which were in progress and had been sanctioned on conventional method for pavement design, would be implemented using stabilisation technique and revised technical sanction from competent authority should be obtained. It was envisaged that the use of stabilisation technique would result in savings to the State Government and construction would be environment friendly.

Table 3.2.3: Case of non-use/improper use of Stabilisation Technique

Case	Audit Observation
Scrutiny of records of EE, PD & CD Building, Varanasi and CD Building, Meerut revealed that the Government sanctioned (2017-18) four works ⁴⁶ of ₹ 141.59 crore. Technical sanction to the works was accorded by concerned CEs between January 2018 and June 2018 and contracts for these works were executed during January 2018 and July 2018. The works were to be completed between January 2019 and March 2019; however, the works were in progress as of July 2019.	<p>Audit noted that the required crust for two road works⁴⁷ was designed using conventional method, though the contracts for these works were executed⁴⁸ after issuance of E-in-C's instructions for using stabilisation technique. In view of E-in-C's instructions (March 2018), it was required to redesign the crust by using IIT Pave software and obtain revised sanction. But the crust was not redesigned and the execution of works continued based on original sanction, resulting in an excess expenditure of ₹ 2.11 crore incurred on these two works (Appendix-3.2.1).</p> <p>Audit further noted that though the crust of two other works⁴⁹ was designed by applying stabilisation technique using IITPAVE software, the crust thickness included in the estimate was more than required (Appendix-3.2.1) which resulted in an excess expenditure of ₹ 43.22 lakh on these works. Thus, a total excess expenditure of ₹ 2.54 crore was incurred due to excess crust design and non-adherence to instructions issued by the E-in-C.</p> <p>The Government stated (October 2020) that three works in Varanasi were designed as per IITPAVE whereas administrative approval/financial sanction and technical sanction of works in Meerut were issued prior to the E-in-C order issued in March 2018.</p> <p>The reply was not acceptable as out of three works in Varanasi, two works were designed as per IITPAVE, design of which was faulty whereas the other work was designed on the conventional method. Further, works relating to Meerut was required to be redesigned in compliance with the E-in-C orders to minimise the cost.</p>

⁴⁴ On execution of GSB, WMM, prime coat, tack coat, BC and SDBC works for extra width (1 metre).

⁴⁵ On execution of WMM and Plain Cement Concrete (PCC works) on the widened portion (1 metre) of the road up to March 2019 (25th Running Account Bill).

⁴⁶ (1) Widening, interlocking, drainage, surface dressing work of Ashapur to Musium road (ODR), (0.000 to 2.100) (2) Widening and strengthening of Bhojubir Sindhora road Bhojubir to ring road (Km 0.000 to 2.055), (3) Widening and strengthening of Panchkoshi Parikrama road (Km 36.559 to 40.559 and 40.969 to 48.959), (4) Widening and strengthening of Jwalagarh to Rardhana, Maumin, Faridpur through Khera up to Rardhana Bridge.

⁴⁷ (1) Widening and strengthening of Panchkoshi Parikrama road (Km 36.559 to 40.559 and 40.969 to 48.959), (2) widening and strengthening of Jwalagarh to Rardhana, Maumin, Faridpur through Khera up to Rardhana Bridge.

⁴⁸ One work - Widening and strengthening of Jwalagarh to Rardhana, Maumin, Faridpur through Khera up to Rardhana Bridge work was under progress at the time of issue of E-in-C order in March 2018.

⁴⁹ (1) Widening, interlocking, drainage, surface dressing work of Ashapur to Musium road (ODR), (0.000 to 2.100) (2) Widening and strengthening of Bhojubir Sindhora road Bhojubir to ring road Nagar Nigam portion (Km 0.000 to 2.055).

3.2.6 Delay in granting technical sanctions

E-in-C directed (January 2002) to ensure that the Technical Sanction (TS) to the detailed estimates is accorded within 15 days, 30 days and 45 days by EEs, SEs and CEs respectively after accord of administrative approval and financial sanction. Scrutiny of records revealed that out of 212 test-checked works, TS to 61 works of ₹ 681.11 crore was accorded by the sanctioning authorities with delays ranging between 17 and 594 days during 2014-19 (*Appendix-3.2.2*).

The Government accepted (October 2020) the fact and attributed the delays in according TS to actual calculation of quantities and items given in the estimates by applying measures like detailed survey, traffic census, crust chart, etc. The Government, however, assured that instructions were being issued to expedite the issuance of technical sanctions.

3.2.7 Contract management

3.2.7.1 Invitation of tenders before approval of detailed estimates

Paragraph 328 of Financial Handbook Volume-VI provides that on receipt of the administrative approval, detailed estimates should be prepared for its technical sanction (TS) by the competent authority. TS gives guarantee of a structurally sound and accurately calculated proposal. Further, office of E-in-C directed (September 1999) that Notice Inviting Tender (NIT) should be issued only when TS was accorded by the competent authority. E-in-C also directed (April 2004) that NITs should be published only after finalisation of bill of quantities (BOQs).

Scrutiny of records of sampled districts revealed that out of 212 test-checked works for ₹ 1,549.06 crore, tenders for 169 works costing ₹ 1,213.34 crore were invited before technical sanction of 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 one to 278 days prior to the administrative approval of works (*Appendix-3.2.3*).

Audit further noted that the financial bids of 99 contracts worth ₹ 675.81 crore were opened two to 291 days prior to the date of accord of technical sanction. Since BOQ was not approved by the competent authority, in these cases opening of financial bids was irregular (*Appendix-3.2.4*).

The Government stated (October, 2020) that in compliance with the orders of the higher authorities from time to time, tenders were invited in anticipation of administrative approval and financial sanction, but contracts were normally executed after issuing administrative approval and financial sanction.

The reply was not acceptable, as inviting of tender before administrative approval and technical sanction of such large number of works not only vitiated the tenets of transparency in contract management but was also indicative of the fact that department adopted this as a common practice.

3.2.7.2 Short term tenders

Financial rules⁵⁰ prescribe that the time for submission of tenders should be at least one month after the date of the first advertisement. The Government also

⁵⁰ Paragraph 360 (2) of the Financial Hand Book Vol. VI

directed (December 2000) that generally bids would be invited giving minimum 30 days' notice. Further, Central Vigilance Commission (CVC) guidelines⁵¹ suggest that if adequate time is not given for publication of tender, it could restrict competition.

Audit noted that out of 212 test-checked works, bids for 119 works (56 per cent) of ₹ 681.52 crore were invited by giving tender notices of short periods ranging between four and 21 days only. However, the contracts for 64 works of ₹ 370.62 crore were executed after two months from the date of invitation of bids, though the tenders for these works were invited on short-term notices (**Appendix-3.2.5**).

The Government stated (October 2020) that though the tenders were invited on short term basis but competitive bids were received and contracts were also executed below the departmental rates.

The reply was not acceptable, as there is no justification for short term notices for inviting tenders. Further, in the absence of sufficient notice, it cannot be vouched if bids received were competitive.

3.2.7.3 Restrictive conditions in NIT

E-in-C directed (November 2010) that conditions of NITs would not be changed in any circumstances. The order, further, stated that the changes in clause of the Model Bidding Document (MBD)⁵² would be treated as financial misconduct and concerned officers should be held responsible. CVC guidelines⁵³ also state that if eligibility/prequalifying criteria are made very stringent, it may restrict the numbers of intending bidders.

Audit noted that tenders were invited for 15 works of ₹ 115.73 crore by including a condition that bidders should have own hot mix plant (HMP). Further, a condition of installation of HMP within 50 km of the work site was also included in the NITs of four works of ₹ 57.27 crore (**Appendix-3.2.6**). As the MBD only prescribes that each bidder must demonstrate the availability of the owned/hired or leased key equipment, adding such condition in the bids restricted the scope of competition. Thus, the concerned EEs/SEs did not adhere to E-in-C order of 2010.

The Government stated (October 2020) that terms and conditions given in MBD were to be followed while inviting tenders. It further, justified the addition of provision with regard to hot mix plant on the ground that it was necessary to ensure quality of road work.

The reply was not acceptable, as the inclusion of a new clause regarding ownership of HMP in the NIT was in deviation of MBD which was to be followed while inviting tenders. Further, it restricted the bidders from participation by adding specific conditions suitable for a category of bidders having their own HMP.

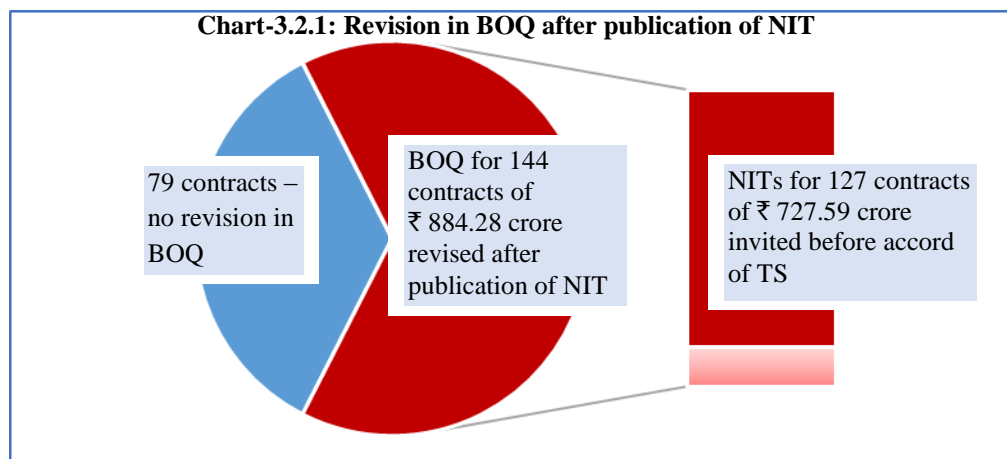
⁵¹ Para 7.1.1 of Preventive Vigilance Publication (2002) of Central Vigilance Commission.

⁵² The State Government introduced (January 2007) three model bidding documents, viz., PWD T-1 (for construction works with a value of less than ₹ 40 lakh), PWD T-2 (for construction works with a value of more than ₹ 40 lakh) and PWD T-3 (for the supply of materials), which was to be used for tenders to be invited by PWD in future after issuance of Government order dated 5 January 2007.

⁵³ Para 6.1.3 of Preventive Vigilance Publication of Central Vigilance Commission.

3.2.7.4 Revision of bill of quantities

Scrutiny of records revealed that bill of quantities (BOQ) of 144 out of 223 test-checked contracts⁵⁴ were revised after publication of NIT (**Chart 3.2.1** and **Appendix-3.2.7**). Further, fresh NITs were not invited in these cases and contracts were awarded based on original NITs. The award of works without inviting fresh tenders was not proper and deprived bidders of the opportunity to submit bids according to the changed scope of work.



Audit further noted that due to change in cost of works (BOQ), the category of contractors⁵⁵ eligible for bidding was changed in 10 works of ₹ 17.09 crore (**Appendix-3.2.8**). Thus, the publication of fresh NITs was required to provide an opportunity to all eligible contractors because of the revision of BOQ. However, fresh NITs were not published and contracts were finalised based on original NITs. Thus, eligible contractors were deprived of participating in the bidding process of works of ₹ 17.09 crore. It was also a violation of the CVC guidelines (July 2003) directing that the pre-qualification criteria should be made explicit at the time of inviting tenders so that basic concept of transparency and interests of equity and fairness are satisfied.

The Government stated (October 2020) that tenders were invited on percentage rate bid and revision of BOQ due to changes in the quantities of items as per site requirements neither affected evaluation of bids nor resulted in any loss to the Government.

The reply was not acceptable as the cost of works (BOQ) was revised after inviting the tenders and the category of eligible contractors also changed for which fresh NITs was required to provide an opportunity to all eligible contractors. Further, revision in BOQ was made in 65 per cent cases which indicates that it was done routinely by the department.

3.2.7.5 Deficient technical evaluation

MBD⁵⁶ provides that financial bids of only those bidders shall be opened who are declared technically qualified in the evaluation of technical bids. Further, PWD directed (June 2017) that in cases of participation of partnership firms,

⁵⁴ 223 contract bonds were executed against 212 works.

⁵⁵ Category A – Unlimited, Category B – ₹ 2 crore, Category C – ₹ 75 lakh, Category D – ₹ 40 lakh.

⁵⁶ T-2 for contracts of more than ₹ 40 lakh.

the solvency certificate in the name of the firm only should be treated as valid. However, out of 21 contracts executed with the partnership firms after June 2017, 15 contracts of ₹ 101.20 crore were executed on the production of solvency certificates issued in the name of the partners of the firms (**Appendix-3.2.9**).

The Government stated (October 2020) that instruction was being issued for strict compliance with the norms.

3.2.7.6 Negotiation with bidders

Chief Engineer, PWD directed (November 1965) that negotiation should be resorted to only when for one reason or the other, it is not possible to invite fresh tender for the work. Further, the officer shall invariably record in detail the reason(s) for not inviting fresh tender and a quarterly statement of such cases was to be put up to the higher authority for examination. Further, E-in-C directed (June 2005) that savings on account of contracts executed on lower rates would be surrendered.

Scrutiny of records of the test-checked divisions revealed that negotiations for 105 contracts of ₹ 770.75 crore were done with the contractors after the opening of financial bids and the rates quoted in the bids were reduced from 0.10 *per cent* to 37 *per cent* by the bidders during negotiation (**Appendix-3.2.10**). However, audit did not find on record reason(s) for not inviting fresh tenders in any of the contracts as well as any quarterly statements of such cases sent to the higher authority. Further, neither the records nor information of savings accounted for on the works due to execution of contracts on lower rates was provided to audit by the divisions.

The Government stated (October 2020) that audit had quoted a very old order (1965) when tenders were invited on item rates. Presently, rates from bidders were invited on percentage rate and departmental rates were already specified in BOQs which was known to contractors.

The reply was not acceptable in view of the extant orders and instructions of PWD which discourage negotiations with tenderers. Further, Para 3.4 of the UP Procurement Manual 2016 (Procurement of Goods) had also envisaged that negotiations with tenderers must be severely discouraged and in exceptional circumstances, where price negotiations were considered unavoidable, the same may be resorted to after duly recording the reasons for such action.

3.2.7.7 e-Tendering

To ensure transparency in the award of works, E-in-C directed (June 2014) that with effect from 01 August 2014, tenders for works of more than ₹ one crore would be received only through e-Tendering.

Audit observed that 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 (**Appendix-3.2.11**), submission of documents like security deposit, solvency certificate, affidavit, etc. were accepted manually.

Thus, the Department stymied its directions of June 2014 and the eventual goal of ensuring transparency in works through e-tendering could not be achieved.

The Government stated (October 2020) that e-tendering had been adopted for works of more than ₹ 10 lakh. Further, the department had done away with the submission of bid security in physical form in light of the Government order issued in September 2017.

The reply was not acceptable as bid securities were received in physical forms in 25 out of 48 contracts executed on the basis of NITs published after Government orders of September 2017.

3.2.7.8 Delays in execution of contracts

E-in-C directed (December 2005) that contracts would be executed within 22 days from the date of opening of tender. Further, financial rules and Government orders prescribed for invitation of tender giving 30 days' notice. Thus, contracts should be executed within 52 days (rounded to two months) from the date of NIT.

Test check of records revealed that the timeline prescribed (two months) for execution of contracts was not followed in 127 contracts of ₹ 767.52 crore as these contracts were entered into with a delay of up to 268 days (*Appendix-3.2.12*).

The Government stated (October 2020) that delay in execution of contracts was due to time taken in verification of documents submitted by bidders. The reply is not acceptable as the timeline for execution of contracts prescribed by the E-in-C was not adhered to in 57 per cent of works indicating that this was part of general practice of the department.

3.2.7.9 Undue benefit to contractors

▪ *Advances to contractors*

Audit noted following irregular equipment and secured advances paid to contractors:

Table 3.2.4: Irregular advances to contractors

Criteria	Audit Observation
Equipment advance	
MBD allowed for payment of interest-free equipment advance up to a maximum of 10 per cent of the contract value for the purchase of equipment required especially for the execution of the work. The contractor was to demonstrate that the advance payment had	Scrutiny of records of the test-checked divisions revealed that though equipment advances of ₹ 22.36 crore were paid to contractors against 14 contracts during 2014-19, the invoices/evidence for advances of ₹ 20.76 crore were not obtained from contractors to prove that equipment advances were utilised for purchase of equipment for the specific works (<i>Appendix-3.2.13</i>). This indicated that divisional officers failed to ensure that advances were utilised for the intended purposes. The Government stated (October 2020) that most of the divisions had obtained the invoices and in cases where

Criteria	Audit Observation
been used for the procurement of equipment for the specific work by providing copies of invoices or other documents to the engineer.	invoices were not submitted by the contractors, instructions have been issued to submit the same. The reply is not acceptable as PD Azamgarh, PD Banda, CD-1 Pratapgarh and CD (B) Varanasi neither produced the invoices during audit nor with the Government's reply, whereas CD-3 Barabanki submitted proforma invoice instead of purchase invoices of the equipment while CD-2 Pratapgarh submitted invoices of the equipment purchased prior to execution of the contract.
Secured advance	
As per the terms and conditions of MBD, only mobilisation and equipment advances are permissible to be granted to the contractor.	Scrutiny of records of the sampled districts revealed that interest-free secured advances of ₹ 14.54 crore were paid to six contractors during 2014-19 against material brought to the site (Appendix-3.2.14). Granting of secured advance was not only against the terms and conditions of MBD but also gave undue benefit to the contractors. The Government stated (October 2020) that secured advances were sanctioned in accordance with the provisions of Financial Hand Book-Vol. VI. The reply was not acceptable as terms and conditions of MBD permits grant of mobilisation and equipment advances to the contractor. However, the department instructed (October 2020) all CEs/SEs/EEs to adhere the provision of the bidding document (T-2) strictly regarding advances to be given to contractors.

▪ ***Deduction of retention money***

MBD prescribed that the employer shall retain the security deposit of five *per cent* amount from each payment due to the contractor. Audit observed that 19 out of the 22 test-checked divisions did not deduct ₹ 1.33 crore on account of retention money from the payments made to contractors against 75 contracts (**Appendix-3.2.15**).

The Government stated (October, 2020) that provision for deduction of five *per cent* from each contractor's bill has been given in MBD. Instructions regarding strict observance to this provision were issued in November 2017.

The fact remains that PWD needs to ensure enforcement of the provisions of MBD and relevant instructions regarding deduction of retention money to safeguard Government's financial interest in the event of the contractor leaving the work midway without completing the work.

▪ ***Deduction of labour cess***

UPBOCW rules⁵⁷ provide for deduction of labour cess by the employer at the rate of one *per cent* of the total value of the bill amount to be paid to the contractor. E-in-C also clarified (December 2017) that provision in respect of labour cess was already included in MBD and as such, contractors were liable for payment of labour cess.

⁵⁷ Uttar Pradesh Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2009.

Audit noted that the system of deduction of labour cess was not uniform and varied from division to division and also from contract to contract within the same division. Out of 223 test-checked contracts, labour cess amounting to ₹ 24.44 lakh was not deducted from bills of the contractors against 75 contracts. On the other hand, in 14 contracts, labour cess of ₹ 22.05 lakh was first added to the bills and then subsequently deducted from the bills. Thus, the payment of labour cess in these 14 contracts were made by the Government instead of the contractor (*Appendix-3.2.16*).

The Government stated (October 2020) that instructions were already issued in April 2010 and December 2017 for recovery of labour cess from the contractor's bills. The reply was, however, not acceptable as divisions were adopting different methods for deduction of labour cess.

▪ ***Execution of extra items***

Chief Engineer, PWD (January 2007) and E-in-C, PWD (November 2010) directed that extra items should be executed in unavoidable circumstances only. Further, instructions were issued for deduction of security deposit for the cost of extra items from the bills of contractors.

Audit observed that certain items, such as, granular sub base (GSB), water bound macadam (WBM), wet mix macadam (WMM), bituminous concrete (BC), tack coat, prime coat, etc., though sanctioned in the detailed estimates, were not included in the BOQ of 32 contracts and these items were executed as extra items of ₹ 10.33 crore. The performance security of ₹ 50.86 lakh due for the payments of extra items was also not deposited by the contractors against these contracts (*Appendix-3.2.17*). Deduction of required performance security from the contractor's bill was made against the payment of extra items in only one case⁵⁸.

The Government stated (October 2020) that extra items were being sanctioned in terms of the provisions of MBD. New guidelines would be issued after reviewing the order issued in January 2007.

The reply was not acceptable since not only extra items as a common practice was adopted by the divisions but contractors got waiver from depositing the performance securities.

▪ ***Adjustment of GST***

The Government ordered (November 2017) that payments after 1 July 2017 for contracts executed up to 30 June 2017 would be made after assessing additional tax based on service tax included in the rates and rate of GST implemented from 1 July 2017. Scrutiny of records revealed that the required adjustment of GST from the bills was not ensured while making payments of ₹ 13.40 crore against 31 out of 32 contracts executed before 1 July 2017 (*Appendix-3.2.18*).

The Government stated (October 2020) that divisions were following the detailed guidelines issued in November 2017 in this regard. The reply was not

⁵⁸ CB No. 182SE 24-12-2016 in CD-3 Barabanki.

acceptable, as audit did not notice adjustments of GST by divisions in spite of prevailing orders.

▪ ***Short performance security***

MBD prescribes that within 10 days after receipt of the letter of acceptance, the successful bidder shall submit a performance security of five *per cent* of the contract price.

Scrutiny of records of the test-checked divisions revealed that contracts for 49 contracts of ₹ 238.06 crore were executed without obtaining the required amount of performance security. Performance security in these cases was short by ₹ 3.35 crore (***Appendix-3.2.19***), which led to undue favour to contractors.

The Government stated (October 2020) that instruction had already been issued for obtaining performance security in full from contractors and action would be taken in those cases where less than required performance security were taken. The Government further added that presently, obtaining of security deposit against a contract was being monitored online through 'Chanakya' software due to which there would not be possibility of error in future.

▪ ***Insurance cover not provided***

MBD prescribed that the contractor⁵⁹ shall, at his cost, provide insurance cover from the date of commencement to the end of the defect liability period for personal injury or death. Insurance policies and certificates were required to be submitted to the Engineer. CVC guidelines⁶⁰ also insist for provision of insurance cover to save from any mishap during execution.

Examination of records revealed that insurance cover was not provided by contractors against any of the 185 test-checked contracts of ₹ 1,139.35 crore (***Appendix-3.2.20***). As percentage rates quoted by the contractors were inclusive of cost of insurance as mentioned in bid documents⁶¹, non-provision of insurance benefitted the contractors to the extent of premia payable for insurance cover.

The Government stated (October 2020) that instructions in this regard were already issued (January 2018) for providing insurance cover by contractors. The reply was not acceptable as in spite of prevailing instructions, PWD Divisions did not ensure that insurance covers were provided by the contractors in compliance to terms & conditions of contracts.

3.2.7.10 Completion of works and sanction of time extension

Audit noted that the works against 99 contracts of ₹ 590.79 crore were completed with a delay of two to 1,561 days from the scheduled date of completion. Out of these 99 contracts, 28 contracts were finalised without obtaining sanction for time extension from the competent authority.

As per last bill paid to contractors, works against 44 contracts for road lengths ranging between one km and 54 km were not completed (July 2019) even after

⁵⁹ For contracts of more than ₹ 40 lakh.

⁶⁰ Para 9.1.4 of Preventive Vigilance Publication of Central Vigilance Commission.

⁶¹ Section-7, Bill of Quantities Preamble.

a lapse of 49 to 3,175 days of their completion schedule, which ranged between one month and 18 months. Out of these, the execution of 21 contracts was continued without obtaining sanction for time extension (**Appendix-3.2.21**). Further, audit could not verify the actual length of the roads completed vis-à-vis sanctioned length of road works as the length of road completed was not mentioned in the paid vouchers.

The Government stated (October 2020) that most of works were completed and time extension was sanctioned by the competent authority. The reply was not acceptable as information of completion of work and approval of time extension in respect of works included in **Appendix-3.2.21** was not provided.

3.2.8 Quality control

3.2.8.1 Monitoring of quality testing

The Government directed (August 1996 and October 2010) that item-wise tests and their numbers according to Indian Standard/Departmental/ IRC specifications would be mentioned in all estimates and sanctioning authorities would be fully responsible for ensuring that it has been done as per norms. Further, out of total test-samples required, 25 per cent test samples would be sent to Research Institute (RI) and Quality Promotion Cell (QPC), 25 per cent would be sent to Regional Laboratory⁶² and remaining 50 per cent test samples would be sent to district laboratories for testing. Besides, respective CEs were required to send a division-wise monthly progress report on test samples to E-in-C and Government.

Scrutiny of test-checked works revealed that details of quality tests and their numbers in respect of various items of works were not mentioned in any test-checked estimate. Further, records of test samples sent for testing and their results were not maintained at division level. Information in respect of tests carried out by the divisions was not provided by concerned CEs⁶³ except CE, Ayodhya. As per information provided by CE, Ayodhya, 637 works were executed by three divisions (PD Barabanki, CD-1 Barabanki and CD-3 Barabanki) during 2014-19 but only 19 tests against 203 executed works were carried out at RI and QPC in respect of works executed by one division (PD Barabanki).

The Government stated (October, 2020) that instructions for testing of samples at Research Institute, Quality Promotion Cell and Regional Laboratory were already issued. Hot Mix Plant and Wet Mix Plant were used in most of the works for which testing was carried out in laboratory established by the contractor at work site.

The fact remains that quality tests at contractor's laboratory cannot replace the mandatory tests required to be carried out by departmental laboratories prescribed in Government orders (August 1996 and October 2010). Further, due to non-maintenance of records of samples sent for quality testing by test-

⁶² In regions where regional laboratories are not available, these 25 per cent test samples would be sent to QPC and RI.

⁶³ CE Azamgarh, CE Banda, CE Meerut, CE Moradabad, CE Prayagraj and CE Varanasi.

checked divisions, Audit could not vouch for the actual number of quality tests carried out in sampled works.

3.2.8.2 Monitoring of bitumen supplied

As per the conditions of the MBD, the contractor shall procure Bitumen and Modified Bitumen from Indian Oil Corporation and Hindustan Petroleum Corporation and produce the original Consignee Receipt Certificate (CRC) issued by the company at the time of claiming the payment. E-in-C also directed (October 2008) that payments should not be made to the contractors for bituminous work without obtaining original CRCs.

Audit noted that CRCs were obtained for only 56 out of the test-checked 167 contracts⁶⁴. Thus, payments of ₹ 309.67 crore were made for bituminous items against 111 contracts by 19 divisions without obtaining CRCs from the contractors (*Appendix-3.2.22*).

The Government stated (October 2020) that divisions which had not obtained CRCs, were instructed to obtain CRCs urgently. It further added that at present, the verification of CRC was being done online so that occurrence of such errors would be less.

3.2.9 Conclusion

Expenditure through State Road Fund (SRF), which constituted 21 *per cent* of the total expenditure on the development and maintenance of roads and bridges during 2014-19 in Uttar Pradesh, was riddled with major shortcomings on the part of the Public Works Department at all stages from planning to execution of the works.

No efforts were made to assess the priority of works to be executed, works to be kept in the pipeline, etc., culminating in improvisatory annual planning. Funds for works were released with delays of up to seven years of their sanction. Estimates for road works were faulty and avoidable excess expenditure was incurred due to use of incorrect technical parameters and non-compliance with existing instructions. Tenders were invited even before administrative approval and technical sanctions for the work. In a majority of cases, scope of work was changed after publication of notice inviting tender and price negotiations were resorted to with bidders without recording the reason for such action, thereby vitiating the contract process. PWD Divisions failed to adhere to terms and conditions of the contract which resulted in undue benefit to contractors. The norms for quality control of road works were also not complied.

Thus, the overall functioning of the Department *vis-à-vis* road works funded through SRF revealed flouting of due process, with a concomitant diminution in transparency and needless additional outflow from the State's exchequer.

⁶⁴ Contracts executed including cost of bitumen.

3.2.10 Recommendations

- *Priority should be given to completion of 'Srishti' as a comprehensive database of roads with all their attributes within a prescribed timeline.*
- *Norms should be framed for selection and financing of roads under SRF to enable better planning and to eliminate arbitrariness.*
- *The sanctioned works under SRF should be completed in order of their priority before sanctioning new works.*
- *The procedures of contract management in the execution of contracts should be strictly adhered to and departmental action as appropriate in cases involving significant deviations may be initiated.*
- *The provisions of quality control to keep watch over the execution of roads works should be ensured.*

URBAN DEVELOPMENT DEPARTMENT

3.3 Audit of Kumbh Mela 2019

3.3.1 Introduction

The confluence (*Sangam*) of the rivers Ganga, Yamuna and mythical Saraswati at Prayagraj is the site for hosting of the *Magh Mela* every year, the *Kumbh Mela* every six years and the *Maha Kumbh Mela* every 12 years. In the year 2019, *Kumbh Mela* (KM) was organised in Prayagraj 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 KM.

The State Government constituted (November 2017) the Prayagraj Mela Authority (PMA) for management of *Magh Mela*, *Kumbh Mela* and *Maha Kumbh Mela* in Prayagraj and appointed (December 2017) *Kumbh Mela Adhikari* (KMA) to act as Chief Executive Officer of PMA. Urban Development Department (UDD) was the nodal Department for organising KM and also the administrative Department for PMA. The works related to creation and upgradation of infrastructures and facilities for the pilgrims and visitors were undertaken by 24 State Government offices/local bodies under 16 Departments of the State Government, as detailed in *Appendix-3.3.1*.

3.3.1.1 Scope of Audit

The objectives of compliance audit of Kumbh Mela 2019 were to ascertain:

- whether funds were released timely and utilised for the earmarked purposes in accordance with the extant rules/regulations/orders;
- whether the works were undertaken with economy and efficiency; and
- whether adequate mechanism for quality assurance in the works was put in place and implemented.

The compliance audit covers 10 Departments⁶⁵ involved in works relating to KM 2019. The records in 14 offices pertaining to these 10 Departments, which incurred ₹ 1,259 crore as of July 2019 (60 per cent of total expenditure), were examined during April 2019 to November 2019. The audit methodology included general examination of the records in these 14 offices with detailed analysis of 20 per cent highest value works carried out by the five offices⁶⁶ (*Appendix-3.3.2*). The State Government furnished replies of draft report in May 2020, which have been suitably incorporated in the report.

3.3.1.2 Scope limitations

Despite repeated requests and pursuance at the Government level, the records/information pertaining to overall expenditure for KM, details of payments related to various permanent and temporary works, third party inspection reports on the basis of which contractor's bills were paid,

⁶⁵ Home (Police) Department, AYUSH Department, Horticulture and Food Processing Department, Food and Civil Supplies Department, Information and Public Relations Department, Irrigation and Water Resources Department, Medical Health and Family Welfare Department, Medical Education and Training Department, Public Works Department and Urban Development Department.

⁶⁶ These five out of 14 offices incurred about 84 per cent expenditure.

work-wise penalty imposed in view of inferior/delayed works, records relating to erection of temporary structure in KM areas by Home (Police) Department, stock book of KMA related to issues and receipts of material to various organisations during KM, as detailed in **Appendix-3.3.3**, were not produced during the compliance audit of *Kumbh Mela 2019*. The non-production of records/information limited the audit exercise and it may also result in lack of accountability by State Government functionaries. The State Government is urged to take appropriate action in respect of non-production of records cited in the report.

Audit Findings

The State Government had described the organisation of KM 2019 as very successful. The KM 2019 was visited by more than 240 million people and many new initiatives were taken, especially in the field of sanitation, hygiene and availability of clean water in the river.

The compliance audit of KM 2019 revealed that scope exists for improvement in financial management, coordination and project management by the authorities. The audit observations discussed in the succeeding paragraphs are intended to draw the attention of the authorities for taking corrective steps for further improvements in future *melas*.

3.3.2 Financial management

For the execution of KM related works, respective departments were to send the project proposal for creation of infrastructure/facilities to PMA. The projects were appraised/screened by PMA and then presented before the State Level Committee, headed by the Chief Secretary, Uttar Pradesh, which was constituted for overseeing the KM arrangements at the State level. UDD in turn, issued financial sanctions to KMA, whereas technical sanctions were issued by respective departments. The respective Departments executed the works and raised the bills to KMA for payment through treasury.

The State Government made budget provision of ₹ 3,499 crore during 2017-18 to 2019-20 for carrying out various works for KM and payments to contractors. To cater to the requirement of funds, the State Government had also sent (June 2018) a Detailed Project Report, amounting to ₹ 3,019 crore, for seeking financial assistance from the Government of India (GoI). GoI released (July 2018 and December 2018) special assistance grant of ₹ 1,200 crore to the State Government for creation of permanent infrastructure in Prayagraj. Apart from this, GoI provided ₹ 81.62 crore (July 2018) under National Mission for Clean Ganga (NMCG) to KMA for creation of toilets and other sanitation arrangements in the KM area.

Audit observed that UDD sanctioned ₹ 2,743.60 crore to KMA against which ₹ 2,112 crore was spent as of July 2019⁶⁷. This included Government's sanctions of ₹ 1,697 crore to the 10 Departments, which are covered in this compliance audit (**Appendix-3.3.4 & 3.3.5**).

⁶⁷ As informed by the State Government (February 2020), the total expenditure up to 2019-20 was ₹ 2,447.96 crore.

Further, apart from release of funds to KMA, various departments also released funds for KM 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 KM works was not ascertainable. Out of 10 Departments⁶⁸, three departments (Public Works Department, Home Department and Urban Development Department) separately released ₹ 324.86 crore⁶⁹ from their departmental heads of accounts for various activities during KM against which ₹ 313.65 crore⁷⁰ was spent.

The State Government stated (May 2020) that KMA had a holistic picture of funds released for works being executed in lieu of KM from all sources and all associated information had also been shared by KMA and respective departments.

The reply was not acceptable, as KMA did not provide the overall provision of fund and expenditure incurred for KM from all sources. Further, in its reply, the State Government also did not provide the details of provision and expenditure incurred for KM from all sources, despite subsequent request (May 2020).

3.3.2.1 Diversion of ₹ 65.87 crore from State Disaster Response Fund

As per the GoI guidelines of State Disaster Response Fund (SDRF), which was created under Disaster Management Act, 2005, the SDRF would be used only for meeting the expenditure for providing immediate relief to the victims of cyclone, drought, earthquake, fire, flood, tsunami, hailstorm, landslide, avalanche, cloud burst, pest attack, frost and cold wave.

Audit observed that the State Government allotted (December 2017 and April 2018) ₹ 65.87 crore to the Home (Police) Department from SDRF for purchase of rescue equipment in the event of disaster during KM. These equipment were for use of Jal Police, fire service, wireless, radio communication and traffic arrangement. The entire allocated fund was incurred⁷¹ for procurement of equipment. However, allotment of funds from SDRF for procurement of equipment for KM was in violation of the guidelines of SDRF, as it was to be used only for providing immediate relief to the victims of notified disasters, viz., cyclone, drought, earthquake, fire, flood, tsunami, hailstorm, landslide, avalanche, cloud burst, pest attack, frost and cold wave.

The State Government stated (May 2020) that the allocation of ₹ 65.87 crore from SDRF to the Home (Police) Department was made for creating capital assets for enhancing disaster preparedness of the State and to provide immediate relief in events not only in *Kumbh Mela* 2019 but during subsequent *Melas* and other events across the State. The State Government

⁶⁸ Details of release of funds from departmental head of accounts in respect of departments other than the 10 Departments have not been commented in view of the scope of this compliance audit.

⁶⁹ Home (Police) Department: ₹ 102.66 crore, which included ₹ 65.87 crore made available by diverting money from SDRF; Public Works Department: ₹ 172.98 crore; Urban Development Department: ₹ 49.22 crore.

⁷⁰ Home (Police) Department: ₹ 102.66 crore (August 2019), Public Works Department: ₹ 170.44 crore (March 2019), Urban Development Department: ₹ 40.55 crore (March 2019)

⁷¹ This included ₹ 25.63 crore transferred (February 2019) to Smart City Limited Prayagraj for purchase of surveillance system for KM 2019 and future *Magh Melas*.

further stated that the expenditure was made not as a subsidy, but to increase the disaster relief provision capacity of the Police Department.

The reply was not acceptable, as the sanction for allotment of ₹ 65.87 crore from SDRF was specific for KM and it was not for capacity building for response to notified disasters. The funds were required for equipment for the use of Jal Police, fire services, wireless, radio communication and traffic arrangements during KM, which are standard arrangements required during any *mela* and should have been met from the budget provision instead of diverting money from SDRF, which was to be utilised for notified disasters.

3.3.2.2 Creation of liabilities-works without/in excess to financial sanctions

According to paragraphs 316 and 317 of the Financial Hand Book Volume VI, no work should be taken up without administrative and financial sanctions by the competent authorities.

Audit observed instances in which works were executed without financial sanctions as well as in excess of the financial sanctions issued by UDD, as discussed below:

- The State Government sanctioned ₹ 14.67 crore to Information & Public Relations (I&PR) Department for promotion of KM through electronic and print media. However, I&PR Department issued work orders amounting to ₹ 29.33 crore to 11 media channels for preparation and telecast of documentaries. Thus, work orders were issued in excess of financial sanction, which was irregular.

The reply of Government was awaited (January 2021).

- UDD accorded financial sanction of ₹ 105 crore for erection of tin, tents, pandals, barricading works in KM area. As against this, KMA executed the works costing ₹ 143.13 crore resulting into creation of financial liabilities amounting to ₹ 38.13 crore, which was yet to be paid (August 2019).

The State Government stated (May 2020) that on the basis of Expression of Interest (EoI) received from 19 vendors for erection of tentage and temporary structures, PMA assessed fund requirement of ₹ 129.14 crore. UDD approved (May 2018) the proposal of PMA. While the tendering process was underway, UDD accorded financial sanction for only ₹ 105 crore. The suppliers after executing the works, submitted inflated bills amounting to ₹ 231.45 crore. However, after verification of bills, only ₹ 143.13 crore out of ₹ 231.45 crore claimed by suppliers was found to be payable. The State Government further added that excess expenditure was due to creation of 102 special tents for dignitaries invited for the *Mela*, rise in the number of people and organisations attending the *Mela*, tin barricading in almost all plots allotted to *Akharas*, *Prayagwal*, *Mahamandaleshwar*, etc. The Government further stated that PMA paid ₹ 105 crore to the suppliers and sent proposal of ₹ 38.13 crore for additional allotment of funds against which ₹ 33.27 crore was sanctioned by UDD in December 2019 and sanction of the remaining funds was in process.

The fact remains that PMA could not keep the expenditure within the financial sanctions accorded by UDD and additional allotments of ₹ 4.86 crore for excess expenditure were yet to be made. The excess expenditure over sanctions should be regularised by adhering to the laid down procedures.

▪ Provincial Division, PWD, Prayagraj carried out six works, costing ₹ 1.69 crore, related to repair of roads and painting of roadside trees without financial sanction by UDD. EE made (January 2019) payment of ₹ 52.86 lakh in respect of one of these six works (Jhansi-Allahabad-Mirzapur road to Chheoki station to COD and Garh Madhav Marg) by utilising the savings of another work, which was irregular.

Audit scrutiny revealed that the Provincial Division, PWD, Prayagraj sent a proposal to Construction Division-4 (nodal division) for allotment of funds for payment to the contractors in respect of remaining five roads stating that the roads works were executed on the verbal orders of KMA and other authorities. However, no fund was allotted to the Provincial Division as of July 2019.

The State Government stated (May 2020) that the repair/renewal of the six roads was critical and of utmost importance to ensure timely and smooth execution of KM and, thus, these works were carried out under the general repairs/renewal head of the approved departmental budget and payments were made to respective contractors.

The reply was not tenable, as the State Government did not provide evidence in support of sanction of these works under the general repairs/renewal head of the approved departmental budget head. Further, Audit verified the accounts of the division which disclosed that no payment was made in respect of above mentioned five works as of October 2020 under the head repair and maintenance.

Thus, execution of works by Provincial Division, PWD, Prayagraj on the verbal orders of KMA without corresponding financial sanctions had led to creation of financial liability, which was yet to be paid (October 2020). Besides, it was in contravention of codal provision proscribing execution of works without administrative and financial sanctions by the competent authority.

3.3.2.3 Liability to compensate losses to suppliers

KMA entered into (November 2018) agreement with various suppliers for tentage items including any support structures, tin, furniture, manpower, materials *etc.* for temporary settling in the KM area on rental basis. As per terms and conditions of the contract, the suppliers were responsible for supply and complete installation of tents, including any support structure and uninstallation of the same at the end of KM. The contract further provided that all furniture items were to be supplied only to the departmental stores against proper receipt by departmental functionaries. The department would be responsible for upkeep of the materials supplied/erected at the site by the suppliers and the department would have to ensure safe return of material and keep them in their watch and ward. In case of non-return of material to the vendor or losses/damages, KMA would be liable for payment of

compensation to the vendors at the rate of five times for furniture group items and ten times for tentage items as defined in the contract.

Audit observed that the vendor claimed payment for compensation of ₹ 21.75 crore on account of missing tin, tent and furniture. However, Audit could not verify the actual status of receipt and return of tentage/furniture items *vis-à-vis* the claims made by the suppliers, as KMA did not produce the stock books to Audit and details of no dues certificates issued by it to the institutions to whom tents were allotted, despite repeated requests⁷². The claim of the vendor remained unsettled as of July 2019.

The State Government stated (May 2020) that the responsibility of return of the supplied materials lies with the respective institutions, as mentioned in the terms and conditions of the *Suvidha Parchis*. It added that notices were issued to respective institutions by *Mela* administration to return the respective materials to the vendors and to get no dues certificate thereafter. The State Government further informed that the list of 403 defaulting institutions had been reduced to less than 150 institutions based on the continuous correspondence carried out by PMA and the same was accepted by the suppliers. It also stated that actual amount payable (if any), on account of missing items was not yet ascertained since the return of material was underway.

The reply was not acceptable, as department was responsible for upkeep of the materials supplied/erected at the site by the suppliers and non-return of tentage/furniture items by defaulting institutions was indicative of failure of KMA to effectively monitor the issue and return of the material to/from the institutions. Further, the fact remains that the missing material were not returned to vendor even after more than one year since the end of KM.

Creation of infrastructure and delivery of services

3.3.3 Milestones not achieved

The bathing dates of the KM commenced with *Makar Sankranti* held on 15 January 2019. Hence it was imperative for the Departments to complete all works and receive all supplies prior to that day.

▪ Audit observed that 58 permanent works (15 *per cent*) costing ₹ 144.84 crore were not completed by 15 January 2019, *i.e.*, the date of commencement of KM 2019. The incomplete works included heliport in Prayagraj, construction/ upgradation of roads and signage works, pontoon bridge approach roads, bore of mini tube wells, shifting of transformer and electric poles, etc. Further, 11 temporary works (15 *per cent*) costing ₹ 109.93 crore also remained incomplete by 15 January 2019, which included development of parking area, pontoon bridge, supply of LED fittings, rain coat, gum boot, etc. Out of these permanent and temporary incomplete works, progress of 11 works was zero, progress of 10 works ranged between one *per cent* and 50 *per cent* and progress of 15 works ranged between 51 *per cent* and 75 *per cent*, as detailed in *Appendix-3.3.6*.

⁷² Last correspondence was on 12 November 2020.

The State Government stated (May 2020) that most of the works were completed prior to the first bathing date, *i.e.*, 15 January 2019 and merely ornamental tasks in some of the works remained to be completed, which were completed within 4-6 days after 15 January 2019. Government further stated that overall, every project was completed in KM to ensure that the execution was smooth and pilgrim experience was not compromised. However, the reply was not acceptable, as the 69 works, mentioned above, were not completed even up to February 2019.

▪ In addition, it was seen that Home (Police) Department planned procurement of a few items, like, fire equipment, baggage scanners, radio HF sets, etc., for safety and security arrangements during KM. Audit noticed that the supply orders were issued (October 2018 and December 2018) for procurement of 10 Motor Fire Engine (Cost: ₹ 1.79 crore), four Foam tenders (Cost: ₹ 1.36 crore) and 09 fire equipment (Cost: ₹ 36.85 lakh) for utilisation during KM to maintain safety and security of the pilgrims. However, these were not received till the end of KM. Besides, as against supply orders (November 2018 and February 2019) for procurement of 37 baggage scanners⁷³ (Cost: ₹ 4.91 crore) eight baggage scanners (cost: ₹ 1.02 crore) were not received⁷⁴ till the end of KM and nine baggage scanners (cost: ₹ 1.15 crore) were received on 1 March 2019, *i.e.*, four days before the end of KM. Apart from this, 75 metre tyre killer (Cost: ₹ 1.64 crore) and four Digital Radio HF set (Cost: ₹ 16.92 lakh) were received with delays on 24 January 2019 and 22 February 2019 respectively. Audit also observed that nine baggage scanners, four Digital Radio HF Set and tyre killer were not utilised during KM.

The State Government stated (May 2020) that the equipment procured were extensively used during KM and upon completion of the *Mela* duration, the equipment was distributed to different districts within the State for extensive deployment.

The reply was not acceptable, as nine baggage scanners, four Digital Radio HF Set and tyre killer procured by the Home (Police) Department were not used during KM. Besides, 10 motor fire engine, four foam tenders, nine fire equipment and eight baggage scanner purchased for KM 2019 were not received even till the end of KM 2019.

3.3.3.1 Procurement of drone cameras of inappropriate specification

Amongst various measures taken for crowd control, real time monitoring of crowd movement through drone cameras was planned by the Home (Police) Department. The real time pictures and video feeds captured by the drone cameras were to be transmitted to the Integrated Control and Command Centre (ICCC), situated in the KM area. A technical committee of the Home (Police) Department, recommended the purchase of drone camera of 640 x 480 pixel resolution and having capacity to capture videos/pictures from a distance of two kilometres. Accordingly, the office of Deputy Inspector General of Police (*Kumbh*) procured (January 2019) 10 drone cameras at a cost of ₹ 32.50 lakh.

⁷³ Used for scanning of articles for safety purposes.

⁷⁴ Received on 21 March 2019

Audit observed that none of the 10 drone cameras were utilised in KM because on deployment, it was found that picture quality of the camera was not suitable for monitoring real-time crowd movement. However, the Home Police Department could not resolve the issue till the end of KM as a result of which all the cameras remained idle during KM and the envisaged crowd management was not carried out through these drone cameras.

In reply, the State Government stated (May 2020) that three large drones and 10 small-size drones were procured and used as per requirement throughout the *Mela* period. During such deployment, it was found that the quality of the images captured by 10 small drones was not up to the mark and, therefore, the supplier was asked to identify and remove the problem. It further stated that the supplier replaced the cameras with higher resolution (1280X720 pixel) supported with team-viewer software which had a positive impact on the image quality of these drones.

The reply was not tenable, as the replacement of the drone cameras did not take place during KM period since as per the records, the supplier had consented to replace the cameras in its communication dated 29 March 2019, *i.e.*, after the *Mela* period.

3.3.4 Construction, widening and strengthening of roads

The State Government sanctioned ₹ 563.06 crore for construction, widening and strengthening of roads in Prayagraj city and connected areas to facilitate smooth movement of vehicles and the public during KM. Significant audit observations emanating from the test-check of records of the respective divisions of Public Works Department (PWD) and Prayagraj Nagar Nigam (PNN) have been discussed in the succeeding paragraphs:

3.3.4.1 Over estimation in estimates for works

According to Para 523 of the Financial Handbook Volume-VI, estimates of work should be prepared on the basis of rates prevailing in each locality and necessary analysis of the rates for each description of work. Further, Para 14.19 of UP Procurement Manual 2016 stipulates that before placing the contract on the lowest evaluated responsive tender (L1), the purchasing organisation is to ensure that the price to be paid is reasonable. Besides, guidelines issued (2002)⁷⁵ by Chief Technical Examiner's organisation, Central Vigilance Commission, GoI stipulated that before acceptance of the offer, it is very important to establish the reasonableness of rates on the basis of estimated rates and the prevailing market rates. Audit noticed cases of inflated estimates due to which reasonability of rates offered by lowest responsive bidders (L1) could not be ensured, as discussed below:

- ***Inclusion of excess overhead charges in the estimates for road works***

According to the Government order (November 2017), overhead charges at the rate of 2.5 *per cent* of the cost of work was allowed in respect of works related to Other District Roads (ODRs). However, audit noticed that in the estimates of widening and strengthening of 19 ODRs, overhead charges were

⁷⁵ Paragraph 15.1

applied at the rate of six *per cent*, which inflated the estimates by ₹ 2.68 crore (**Appendix-3.3.7**). Technical sanctions for these inflated estimates were accorded by the office of Chief Engineer, Prayagraj Zone between January 2018 and September 2018.

Further scrutiny revealed that these works were subsequently awarded to the contractors after evaluating the rates quoted by bidders *vis-à-vis* the rates in the approved estimate. However, the bidders had mentioned the rates by percentage reduction or increase in the departmental assessed rates without providing details of quoted rates, viz., material, labour, overhead charges, etc. As a result, it was not possible to ascertain the excess payment on account of inflated overhead charges included in the estimates. However, the possibility of payment of overhead charges at the enhanced rates could not be ruled out in Audit.

The State Government stated (May 2020) that in the standard data book for analysis of rates, issued by Ministry of Road Transport and Highways (MoRTH), GoI, overhead charges were allowed at the rate of six *per cent* and accordingly the overhead charges were provisioned in the estimates.

The Government's reply was contradictory to its own order of November 2017 which specified that overhead charges at the rate of only 2.5 *per cent* would be allowed in the estimates of ODRs work. Pertinently, in two other ODRs⁷⁶ constructed during KM, overhead charges at the rate of only 2.5 *per cent* were included in the estimates.

▪ ***Estimates for installation of LED lights along the roads***

State Government accorded administrative approval and financial sanction of ₹ 3.19 crore in January 2018 for providing LED lights with galvanised poles along the roads. The financial sanction accorded by the State Government was based on the unit cost of ₹ 22,650 per LED light as per the Schedule of Rates (SoR) of September 2015. PNN invited (March 2018) bids for the work in March 2018 and supply orders were issued in April 2018 for supply and fixing of LED lights.

Audit in this respect further observed that the unit rate of the LED light was revised (28 March 2018) to ₹ 10,500 per LED light in the PWD Scheduled of Rates (SoR) applicable from 1 April 2018. Thus, the revised SoR rate for LED lights was 54 *per cent* less than the unit rate of ₹ 22,650 on which State Government accorded financial sanction in January 2018. However, PNN did not take cognizance of the reduction in the rate of LED light in the revised SoR and work orders were issued to the suppliers on 13 April 2018 at the quoted rates of ₹ 16,426 (for 358 LED lights) and ₹ 16,589 (for 179 LED lights). Had the work been awarded on revised reduced rates of ₹ 10,500 per LED lights, the expenditure of ₹ 32.11 lakh could have been avoided.

The State Government stated (May 2020) that the governing rate as per PWD SoR was ₹ 22,650 at the time of preparation of expenditure estimates and receipt of approval. Government further added that it was after this, in April

⁷⁶ Widening of Karchhana-Jari Marg and Widening of Madauka Mohabbatganj Sanai ka pura Dabhav approach Road.

2018, that revised SoR was issued by PWD wherein the rates for LED lights were decided as ₹ 10,500.

The reply was not acceptable, as at the time of opening of bids (11 April 2018) the revised SoR was already circulated (28 March 2018) and it could have been taken as benchmark for ascertaining reasonableness of bids. However, bids were accepted at higher rates, despite the fact that the lowest bid for LED light was more than 56 per cent above the prevailing SoR which was finalised recently and therefore, it was much closer to the prevailing market rate.

▪ ***Estimates for laying of Bituminous layer in road works***

The State Government sanctioned (May 2018) works for renewal of 10 roads at a cost of ₹ 6.37 crore (**Appendix-3.3.8**). The renewal of road works *inter alia* involved laying of Bituminous Macadam (BM) and Semi Dense Bituminous Macadam (SDBC) over the base layer of the roads. Scrutiny of records of PNN revealed that the administrative approval and financial sanctions for these roads were based on the preliminary estimates prepared by PNN on the schedule rates of 2016. However, the rate of bitumen⁷⁷ was reduced subsequently in February 2018 and resultantly the cost of BM and SDBC was also reduced to ₹ 3,129 per MT and ₹ 3,804 per MT respectively⁷⁸.

Despite the downward revision of rates for BM and SDBC works, PNN did not revise the estimate for these roads. Audit observed that out of 10 works, the contracts were awarded in seven works only after obtaining single bid and in respect of remaining three works, only two bids in each work were received. Therefore, on the one hand the estimates of the works were inflated as it was not revised at the prevailing rates, on the other hand the PNN could not even discover the reasonable market rates through open bidding due to insufficient participation of bidders. Had the work been awarded on revised reduced rates of BM and SDBC, expenditure of ₹ 11.17 lakh in the execution of BM (6,447.75 MT) and SDBC (3,711.85 MT) could have been avoided, as detailed in **Appendix-3.3.8**.

The State Government stated (May 2020) that the estimate was prepared prior to revision in the rate of bitumen and it was not possible to change the estimates at a later stage. The reply was not acceptable, as the administrative and financial sanction was accorded in May 2018, *i.e.*, after the revision (February 2018) of rates of BM and SDBC and the estimates could have been revised before the administrative approval and invitation of bids in May 2018.

3.3.4.2 Excess expenditure due to laying of extra offset

In road construction, non-bituminous layers are extended on both sides, beyond the width of the carriageway (termed as offset), to provide stability to the edges. E-in-C, PWD specified (March 2016) that the width of the offset on both side of carriageway should be equal to the thickness of the non-bituminous layers overlaid.

⁷⁷ VG-30 for BM: from ₹ 35,949 per MT to ₹ 29,019 per MT; CRMB for SDBC: from ₹ 40,127 per MT to ₹ 30,749 per MT).

⁷⁸ Rates of BM and SDBC as per schedule rate of 2016 were ₹ 3,308 per MT and ₹ 4,100 per MT respectively.

Scrutiny of records revealed that in the construction of nine roads executed by PWD (**Appendix-3.3.9**), offsets were overlaid in excess width (43 to 288 *per cent* more than the prescribed width) which resulted in excess expenditure of ₹ 95.75 lakh.

The State Government stated (May 2020) that offsets were provided adhering to the E-in-C's order of March 2016 and PWD norms. The reply was not acceptable, as the order of E-in-C was not adhered to and offsets were provided in the extra width ranging from 0.09 meter to 0.69 meter, as detailed in **Appendix-3.3.9**.

3.3.4.3 Sub-standard road works

- PWD circular⁷⁹ (June 2007) stipulates laying of a prime coat layer below the bituminous layer to act as an adhesive between the non-bituminous and bituminous surfaces. However, Audit observed that in the strengthening and widening of the road from railway crossing to Annie Besant school *via* Rampriya road (estimated cost: ₹ 209.31 lakh; expenditure: ₹171.22 lakh), PNN overlaid BM (1146.16 MT @ ₹ 3308/MT) and SDBC (572.10 MT @ ₹ 4100/MT) over the base layer of the road. However, PNN did not provide the prime coat below the BM. As a result, bituminous works (BM and SDBC) executed at a cost of ₹ 57.62 lakh remained sub-standard.

The State Government stated (May 2020) that the works were done on an existing bituminous road, wherein GSB had to be laid down in order to cover undulation that occurred due to road cutting (which was done for laying down of a sewer line). The estimates for these works provided for laying down of a tack coat, as a result, tack coat was used to conduct the strengthening works.

The reply was not acceptable, as the road work also involved widening of road by two meter and the old painted surface of the existing road was scraped for laying of BM on entire executed length (1,730 meter) of road works. Therefore, prime coat was to be provided over WBM in view of PWD circular (June 2007).

- According to PWD circular⁸⁰ (July 2006), thermoplastic paint (white coloured strips over the road) over the bituminous surface should be overlaid at least after 45 days of laying the bituminous surface. Early laying of thermoplastic would adversely impact the performance of thermoplastic painting over the bituminous surface. However, thermoplastic paint was overlaid in eight roads (Cost: ₹11.22 lakh) only after one to 37 days from the date of laying of Semi Dense Bituminous surface, rendering it sub-standard.

The State Government stated (May 2020) that as per MORTH specification, only temperature not being less than ten degree and pavement being free from dust, oil and grease was taken into consideration for application of thermoplastic paint.

⁷⁹ Issued by the office of Engineer-in-Chief.

⁸⁰ Issued by the office of Engineer-in-Chief.

The reply was not acceptable, as PWD circular (July 2006) specifically mention for taking up thermoplastic paint work at least after 45 days of laying of bituminous surface.

3.3.5 Undue advantage to contractors

3.3.5.1 Short deposit of performance security amounting to ₹ 2.40 crore

Determining the items of work and quantities thereof on the basis of detailed estimates is the foremost requirement for initiating the process of contracting out the work. The Model Bidding Document of PWD provides that the performance security equal to five *per cent* of the contract price was to be obtained from the contractors. The validity of the performance security shall be until a date 45 days after the expiry of Defect Liability Period of one year after intended completion date of work. Besides, as per circular (November, 2010) of the office of Engineer-in-Chief, PWD, extra items would be executed only in unavoidable circumstances, otherwise the responsible officer would be personally liable for the losses of the performance security and the stamp duty.

Audit observed that in 11 road works, one or more essential items of construction of road work such as, excavation of soil, Providing / Laying (P/L) of Granular Sub-base, P/L of stone aggregate to Wet Mix Macadam, P/L of Dense graded Bituminous Macadam, P/L of Bituminous Concrete were *ab initio* excluded from the scope of the contracts. However, these items of work were subsequently executed by the same contractor as extra items under the same contracts. As a result, the cost of work was kept low while awarding the contract which consequently reduced the performance security deposited by the contractors resulting in unauthorised aid of ₹ 2.40 crore to the contractor, as detailed in *Appendix-3.3.10*.

The State Government stated (May 2020) that the performance security was deposited by the contractors as per the contract bond price. It also stated that as far as extra items are concerned, the same have been sanctioned by the competent authority. The State Government, however, did not specify the circumstances under which essential items of the road construction works were excluded from the scope of contract at the time of award of contract and were subsequently given to the same contractor under same contract to carry out. Further, a road is constructed by laying of soil, non-bituminous and bituminous layers one after other. If the work of a particular layer was included in the contract and the work of laying of other layer(s) were kept out of the initial scope of contract, it would lead to an anomalous situation under which a layer(s) of road work would be covered by the performance guarantee during defect liability period leaving other layer(s) out of the performance guarantee.

3.3.5.2 Non-verification of royalty pass (MM-11)

According to the provisions⁸¹ of the Mines and Minerals (Development and Regulation) Act, 1957 and Uttar Pradesh Minor Mineral Concession Rules, 1963, the holder of a mining lease or permit or a person authorised by him in

⁸¹ Section 4(1-A) and Section 21(1) to (5) of the Act of 1957 read with Rule 70(1) of the Rules of 1963.

this behalf may issue a pass in form MM-11 to every person carrying, consignment of minor mineral by a vehicle, animal or any other mode of transport. Holding MM-11 form by the users confirms that royalty has been paid in the Government's account.

Test-check of records revealed that in 25 road works, the contractors supplied and utilised 5,03,085 cum stone ballast and 1,24,045 cum stone grit (**Appendix-3.3.11**). The respective divisions of PWD did not recover the royalty from the contractors on the pretext that the contractors had paid the royalty amounting to ₹ 7.52 crore in the Government's account and submitted MM-11 forms in support. However, test check of MM-11 forms submitted in respect of the sampled works revealed that none of the MM-11 was linked to contractors' bill and the name of the work was not mentioned in MM-11 by divisions or contractors. As a result, audit could not ensure that these were related to the sampled works.

The State Government stated (May 2020) that MM-11 forms were attached with the concerned bills but due to work urgency, MM-11 could not be crossed (linked) by the divisions during payments to the contractors, but after KM, all MM-11 were verified, cross linked and kept in division office before finalising the contract bond. The reply was not acceptable, as no such cross linking of MM-11 forms were noticed during the audit which was undertaken after the KM.

3.3.6 Irregular award of work to under capacity contractor

The State Government ordered (July 2017) that in respect of execution of works costing ₹ five crore or more by Public Works Department (PWD), Standard Bidding Document (SBD) prevailing in the MoRTH, Government of India should be adopted. The works costing less than ₹ five crore are executed on the Model Bid Document (MBD) of PWD. The SBD *inter alia* prescribe formula⁸² for assessment of bid capacity of participating bidders by factoring in the inputs *viz.*, (i) maximum value of the works executed by the bidder during last five years (ii) stipulated time of completion of the work, and (iii) existing commitments of the bidder. In the MBD, bid capacity of the bidder is assessed on different criteria adopting different formula⁸³. Audit scrutiny revealed that three works were awarded to bidders, who were not qualified for the bid on the basis for their bid capacity, as discussed in succeeding paragraphs.

⁸² Bid capacity = $A \times N \times 2 - B$. Where A is Maximum value of civil engineering works executed in any one year during the last five years, (updated to the price level of the last year at the rate of 10 per cent a year) taking into account the completed as well as works in progress. N = Number of years prescribed for completion of the works for which bids are invited, B = Value, at the current price level, of existing commitments and on-going works to be completed during the period of completion of the works for which bids are invited.

⁸³ Bid capacity = $(A \times N \times M - B)$ where
A = Maximum value of civil engineering works executed in any one year during the last five years (updated to the price level of the last year at the rate of 8 percent a year) taking into account the completed as well as works in progress.
N = Number of years prescribed for completion of the works for which bids are invited (period up to 6 months to be taken as half-year and more than 6 months as one year).
M = M is taken 2.5
B = Value, at the current price level, of existing commitments and on-going works to be completed during the period of completion of the works for which bids are invited.

3.3.6.1 Award of works of putting signage on the roads

Scrutiny of records revealed that office of Superintending Engineer (SE), PWD, Prayagraj circle invited (September 2018) bids from the prospective bidders for the work of putting signage on the roads (cost: ₹ 9.60 crore). The terms of the tender *inter-alia* required minimum bid capacity of ₹ 9.60 crore of the participating bidders. Audit observed that on the basis of technical and financial evaluation of the bids submitted by the five bidders, the contract was awarded (December 2018) to M/s Sakshi Construction (contractor). However, in contravention to the Government order of July 2017, the office of SE had invited bid and executed contract on MBD instead of SBD. Resultantly, the bid capacity of the contractor was also assessed on the criteria prescribed in the MBD and it was arrived at ₹ 50.66 crore on the basis of annual turnover of ₹ 37.53 crore for the year 2016-17 declared by the contractor. It was observed that if the bidding capacity of the same contractor was assessed on the criteria prescribed in SBD, it would have been only (-) ₹ 1.92 crore, thus, the contractor would not have been eligible for the contract. Incidentally, the contractor failed to complete the work within the stipulated date (15 January 2019).

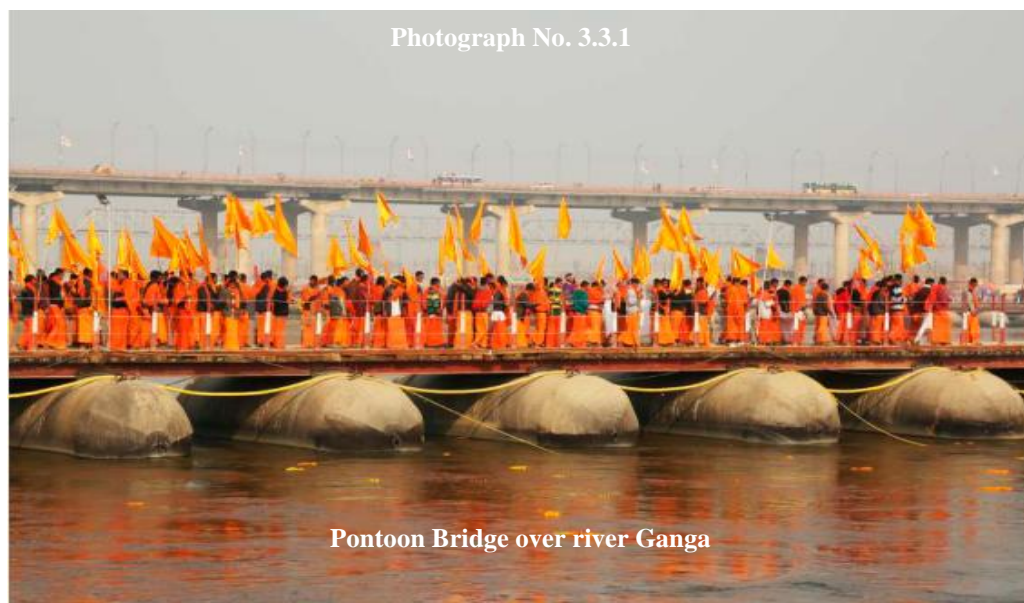
Furthermore, the same contractor had also participated (March 2019) in another bidding for execution of another work⁸⁴ under the same PWD circle for which the contractor disclosed an annual turnover for year 2016-17 as only ₹ 8.60 crore and submitted CA's certificate for the same. However, as discussed above, the contractor had disclosed its annual turnover for 2016-17 as ₹ 37.53 crore in the bid for KM work. Thus, the contractor had submitted contradictory documents in support of its claim for annual turnover, as a result the veracity of annual turnover certificate used in the determination of the bid capacity of the contractor for KM work was doubtful, which requires further investigation at the department level.

The State Government stated (May 2020) that the contractor had submitted the CA's certificate in support of the annual turnover of the firm and the tender committee went through the same. All works were completed on time and payments were made following the verification by third party inspection.

The reply was not acceptable, as the bid was not invited on SBD due to which the bid capacity of the contractor was overassessed in view of different formula being used for MBD contracts. Further, the contractor did not complete the work by stipulated date of completion. Moreover, the State Government did not furnish any reply regarding submission of two different sets of documents in support of annual turnover by the same contractor in two different works.

⁸⁴ Road safety work on State Highways, Major District Roads and Other District Roads in District Kaushambi.

3.3.6.2 Erection of pontoon bridges



With a view to facilitate easy movement of traffic 22 temporary pontoon bridges were erected in the KM area. SE awarded contracts for construction of Pontoon-I bridge at Ganga River (tendered cost: ₹ 95.59 lakh) and another Pontoon bridge at Chhatnag Arail (up) at Ganga river (tendered cost: ₹ 55.63 lakh) to two contractors⁸⁵. As per terms of the tender document, contractors having bid capacity of minimum ₹ 95.59 lakh and ₹ 55.63 lakh respectively were eligible to be awarded the contract. Scrutiny of records revealed that the bid capacity of both the contractors was below the required limits (only ₹ 61.44 lakh and ₹ 17.92 lakh respectively), though the contractors were awarded the contracts. Thus, an undue advantage was extended to the contractors.

The State Government stated (May 2020) that efforts were made to get reasonable prices for erection of pantoon bridges through repeated financial biddings. Since there was no further time to re-issue the bid again, the bidders were awarded the work which was completed without compromising on safety and security of pilgrims.

The reply was not acceptable, as the eligibility of bidders including bid capacity were to be assessed in technical bid evaluation process before evaluation for financial bids, which was not complied with in these cases.

3.3.7 Creation of temporary structures

Various temporary nature works (sanctioned cost ₹ 940.25 crore) were executed for creating amenities for the pilgrims. The temporary works included levelling of land in the river bed, construction of pontoon bridges, chequered plate roads, barricading, parking etc. The significant audit observations related to temporary works are discussed in the succeeding paragraphs:

⁸⁵ (i) Sadan Lal Nishad and (ii) Gopal Das.

3.3.7.1 Land development work-levelling of river bed

The State Government sanctioned ₹ eight crore for levelling of KM area in the vicinity of river Ganga and Yamuna for organising KM. KMA issued (October 2018 to November 2018) work orders to three contractors, viz., M/s Swastik Construction, M/s Narayan Associates and M/s Maa Bhavani Construction for carrying out the levelling work using



tractors. As per terms and conditions of the contracts, the contractors were to raise invoices on monthly basis along with a certificate of concerned SDM/employees regarding work completed. The three contractors' bill of ₹ 4.43 crore for levelling works were approved against which ₹ 3.66 crore was paid (July 2019). Scrutiny of records revealed:

- In respect of levelling work done by two contractors, viz., M/s Narayan Associates and M/s Maa Bhavani Construction, verification reports certified by the sector supervisors and sector magistrates did not have vital details regarding registration number of the tractors employed for levelling work, though this detail was required as per format of the verification report.

The State Government stated (May 2020) that for making payments to vendors engaged in levelling works for river bed, verification reports and verified log books were received from sector supervisors and sector magistrate in the KM area. While making the running payments, some sector reports were submitted mentioning only the number of tractors deployed and the number of hours worked. The State Government further added that all details including vehicle numbers, etc., were duly compiled in the final report. However, the final report or the said log books were not provided in support of the reply. Thus, audit could not derive assurance regarding the quantity of work done *vis-à-vis* payment to the contractors.

- Audit verified the registration numbers of 32 tractors mentioned in the verification reports pertaining to M/s Swastik Construction, with the records of the Regional Transport Office, Prayagraj. The cross verification disclosed that the registration numbers of four out of 32 tractors belonged to a moped, two motorcycles and a car.

The State Government stated (May 2020) that the four registration numbers which appear to be incorrect, was a typographical error which could have happened because of poor quality photographs of the registration papers of the vehicles.

The fact remains that the veracity of verification report or documents submitted by contractors, which were the basis for payments to contractors, were doubtful.

3.3.7.2 Barricading work



Erection of barricading is one of the important components during a public gathering for crowd management. During KM 2019, barricading works were carried out by KMA, Home (Police) Department and PWD.

KMA concluded (27 November 2018) a contract with a firm for erection of barricading in KM area at the agreed rate of ₹ 160 (two rows barricading) and ₹ 180 (three rows barricading) per running feet. Further, Home (Police) Department also got the work of barricading done during KM from the same firm at the rates agreed by KMA.

Audit scrutiny revealed that KMA did not prepare an estimate for the barricading work prior to initiating the tendering process, which was in violation of codal provisions as discussed in Paragraph 3.3.4.1. Besides, the contracted rates of KMA for barricading work were not reasonable, since PWD had contracted (15 November 2018) with another contractor for carrying out similar kind of barricading work⁸⁶ in the KM area at ₹ 46 per running feet. Further scrutiny revealed that PWD had prepared (November 2018) an estimate for carrying out three rows barricading works in the parking area at the estimated rate of ₹ 46 per running feet, which was based on the Schedule of Rates (SoR) for district Prayagraj (*Kumbh Mela*) effective from February 2018.

Thus, KMA awarded the contract for barricading works without analysing the reasonableness of rates in the absence of a benchmark price in the form of estimates. As a result, the rates on which KMA executed the contract were much higher (291 per cent) than the prevailing market rates explored by

⁸⁶ The specification of size of barricading (size of ballis) in case of KMA was – (a) diameter of balli – vertical: four to five inches and horizontal: three inches (b) digging under the ground two feet (61 cm). In case of PWD, the specification of size of barricading (size of ballis) was – (a) diameter of balli – vertical: 15 cm (5.9 inch) to 20 cm (7.8 inch) and horizontal: 10 cm (3.9 inch) to 15 cm (5.9 inch) (b) digging under the ground 45 cm.

PWD. KMA and Home (Police) Department cumulatively executed 2.65 lakh running feet barricading work at the cost of ₹ 4.46 crore⁸⁷, which could have been executed at the cost of only ₹ 1.22 crore (*Appendix-3.3.12*) as per the PWD agreed rate. Thus, KMA could have avoided extra expenditure of ₹ 3.24 crore⁸⁸ on barricading works if due diligence had been exercised for determining reasonable rates before awarding work.

The State Government stated (May 2020) that a methodical, open, transparent tender process was adopted by the Mela Authority and all efforts were made to discover the best rate for barricading work. It further stated that the rates secured by PWD were for short-term deployment (including single day events), while the rates procured by KMA were for a significantly higher duration of 50 days and in addition to barricading, vendors were required to set up nets for enhanced safety and security.

The reply was not acceptable, as the contract executed by PWD was also for the entire KM period and the specifications of barricading were the same in both the contracts (KMA and PWD). Further, had KMA prepared an estimate for barricading works based on the SoR of PWD, it would have been possible for KMA to set a benchmark price before issuing the tender. The award of similar work for KM on two different rates by KMA and PWD was also indicative of absence of coordination between two departments, which led to extra avoidable expenditure of ₹ 3.24 crore on barricading works.

3.3.8 Health and Sanitation Services

Health and sanitation services constitute a significant component of crowd management in a public gathering. The arrangements made by the State Government in respect of sanitation services included creation of 89,494 temporary toilets, 17,910 urinals and round-the-clock cleaning and sweeping in KM area. The temporary toilets and urinals of different specifications⁸⁹ were created using Fibre Reinforce Plastic (FRP), steel and cloth (*kanath*) to optimise cleanliness and environmental protection. The waste disposal of the toilets and urinals was managed through the septic tank, soak pits and also through sewer lines laid in a portion of the KM area. Arrangement for the management of solid waste was made by providing vehicles for collection and transportation of solid waste up to the processing plant. As regards health services, 12 temporary hospitals and 25 First Aid points (FAP) were created in the KM area to deliver routine and emergency health services for the pilgrims. In this context, significant audit observations are discussed in succeeding paragraphs:

⁸⁷ KMA had approved deduction @ 35 per cent from the bill of contractor due to inferior quality work.

⁸⁸ The final payment in respect of barricading works was awaited from respective departments (November 2020).

⁸⁹ 6648 FRP toilets with septic tank, 7273 FRP toilets with soak-pit tank, 8119 Pre-fabricated steel toilets with septic tank, 21204 Pre-fabricated steel toilets with soak-pit tank, 35569 *Kanath* toilets (without O&M), 2957 *Kanath* toilets (with O&M), 7724 Tin toilets with soakpit and 17910 FRP Urinals with septic tank.

3.3.8.1 Award of works for FRP toilets



KMA invited (February 2018) Expression of Interest (EoI) from the prospective firms for renting, operating and maintaining community/public toilets, individual tentage toilets and urinals at KM. Audit noticed that in response to EoI, the technical proposals of 12 firms were evaluated by a committee (March 2018) and thereafter, benchmark rental cost per unit were fixed for erection, operation and maintenance of various types of toilets and urinals for a duration of three months, which was ₹ 38,000 in case of FRP with tank/soak pit.

Subsequently the office of Additional Director, Medical Health and Family Welfare, Prayagraj Division Prayagraj (AD) invited (June 2018) open tenders (Notice Inviting Tenders-NITs) requesting proposals for empanelment of agencies to undertake renting, operating and maintaining the toilets and urinals for KM. Four bidders submitted the bids for FRP toilets of which three bids were qualified for financial bid evaluation held in July 2018. Subsequently, AD awarded the works of erection of FRP toilets to M/s Lalloo Ji and Sons (3,000 septic tank and 5,000 soak pit), M/s Bhutani (2,000 septic tank and 1,500 soak pit) and M/s Anchor (2,000 septic tank and 1,000 soak pit) at the negotiated per unit cost of ₹ 42,000 and ₹ 36,000 for FRP (septic tank) and FRP (soak pit) toilets respectively.

Audit observed that the benchmark price fixed by the committee for FRP (with tank/soak pit) was above the lowest EoI prices quoted by the firms⁹⁰ and the contracted rates were further higher, as detailed in **Table 3.3.1**.

Table 3.3.1: EoI rate, benchmark rate and contract rate in the renting of FRP toilets

Types of toilet	No. of toilets constructed	Lowest EoI rate (in ₹)	Highest EoI rate (in ₹)	Benchmark rate in ₹ (in per cent higher with respect to col. 3)	Contract rate ₹ (in per cent higher with respect to col. 4)
(1)	(2)	(3)	(4)	(5)	(6)
FRP (Septic Tank)	6,648	34,000	40,000	38,000 (12)	42,000 (5)
FRP (Soak pit)	7,273	26,000 ⁹¹	35,000	38,000 (46)	36,000 (3)

(Source: information provided by AD, MH & FW).

⁹⁰ Out of four firms provided on-site demonstration during technical presentation to EoI Committee, only three firms had quoted for FRP toilet.

⁹¹ Audit noticed that the technical committee for evaluation of EoI had equated FRP (Soak pit) with FRP (without tank) for benchmark costing of various types of toilets.

As noticed from the minutes of technical committee for evaluation of EoI, there was no justification for fixing the benchmark price and keeping the same benchmark price for FRP (septic tank) and FRP (soak pit). Further, in case of soak pit FRP toilets, benchmark rate was fixed even in excess of the highest EoI rates. It was also not evident what further improvement was anticipated by the committee in proposal of lowest EoI bidder for FRP toilets which led to increase in the benchmark rental cost.

Audit noticed that among the three bidders, M/s Lalloo Ji and Sons quoted the lowest rates, *i.e.*, ₹ 44,000 per unit for FRP (septic tank) and ₹ 36,000 per unit for FRP (Soak pit) toilets. However, the per unit cost quoted by M/s Lalloo Ji and Sons in response to NIT was 21 *per cent* above in case of FRP (septic tank) and 24 *per cent* above in case of FRP (soak pit) as compared to its quoted per unit cost in EoI. Audit further observed that a financial bid discussion meeting was held (July 2018) with the participation of authorities of PMA, Medical Health and Family Welfare Department and representatives of the bidders. During the discussion, M/s Lalloo Ji and Sons reduced its quoted rates for the FRP toilets (septic tank) to ₹ 42,000 from earlier quoted rate of ₹ 44,000 per toilet. However, it could not be ascertained from the minutes of the meeting whether the officials discussed with the bidders the substantially enhanced bids with respect to the rates offered by them in EoI. Since two other bidders agreed to execute the work at the rates revised by M/s Lalloo Ji and Sons, AD divided the work among the three bidders and concluded contracts with them. Pertinently, all three successful bidders had participated in EoI and offered lower rates during EoI.

Thus, the entire process of price discovery was unreliable, as the participating firms had substantially increased the per unit cost of FRP toilets within a period of three months between EoI and NIT. Had works been awarded to the firms at the EoI rates of L1 vendor, *i.e.*, at the rate of per unit cost of ₹ 36,500 for FRP (septic) and ₹ 29,000 for FRP (soak pit) toilet, there was a possibility of saving of ₹ 8.75 crore⁹² of public money on erection of 13,921 FRP toilets⁹³. Even if the works were awarded at highest EoI rates, there would have been saving of ₹ 2.06 crore.

The State Government stated (May 2020) that the purpose of EoI was only to conduct market research, not to ascertain rates and as per procurement norms, the rates in which contracts were awarded, could only be discovered through Request for proposal (RFP) which was done in this case. Further, in the EoI, the detailed scope of work was not defined and hence from learning of KM 2013, Ujjain Simhastha (Kumbh) 2016, *Magh Mela* Prayagraj 2018 and EoI (*Kumbh Mela*) February 2018, a RFP was prepared. The period of deployment in EoI taken out for market assessment of temporary toilets' requirement was 60 days, whereas the period deployment in tender document was 90 days. The Government further added that there was an increase in the scope of work, such as toilet cabins were to be of FRP, minimum size (3 feet x 3 feet x 7 feet), lockable door, proper arrangement for ventilation and lighting, superior

⁹² FRP (septic): 6,648 toilets @ ₹ 5,500 = ₹ 3.66 Crore & FRP (Soak pit): 7,273 toilets @ ₹ 7,000 = ₹ 5.09 Crore.

⁹³ Total payment for renting, operating and maintenance of 13,921 FRP toilets was ₹ 42.76 crore.

quality of water proofing, cleaners with necessary personal protective equipment, ICT based monitoring mechanism, deployment of jet spray machine for cleaning of toilets, etc. The State Government further stated that the rates were negotiated with the L1 bidder with increased scope of work and then all other bidders were on boarded to provide supply/rental at the negotiated L1 rates.

The reply was not acceptable, as the EoI rates were also obtained for 90 days. Further, the technical committee for evaluation for EoI had mentioned in its minutes that they had studied the deployment of toilets in Ujjain Simhastha (*Kumbh*) 2016 and on-site demonstration done during *Magh Mela* 2018. Hence, it could be reasonably concluded that benchmark cost for per unit toilet was fixed after taking into account all the above factors, which have been cited by the Government as a reason for change in RFP and contracted cost. In addition, there was no significant difference in specification offered by vendors in EoI *vis-à-vis* RFP. Thus, the entire process of awarding works for FRP toilets, including fixation of benchmark costs and negotiations with bidders, lacked transparency and was fraught with risk of collusion due to which Audit could not derive assurance that the contracts were executed at a reasonable rate.

3.3.8.2 Excess payment to contractors

As per term of the contracts, the suppliers were to set up the toilets and urinals by 10 January 2019 and the contractual period of 90 days was to commence from that date. Test check of records revealed that the suppliers set up 1,256 toilets and 1,560 urinals with delays of 17 to 19 days from 10 January 2019. Since these toilets and urinals were not set up for the full contracted period of 90 days, it was expected that the hire charges in respect of these units should have been proportionately reduced. However, AD paid the hire charges at the full rate, which resulted in excess payment of ₹ 1.27 crore⁹⁴ to the contractors.

The State Government stated (May 2020) that a majority of toilets were established and made functional before 10 January 2019. However, the remaining toilet units could not be established by the deadline because they were to be established on the land which was made available very late due to changing course of the rivers. It was further added that full payment had to be made to the vendors as it was not their fault in delayed establishment of toilets.

⁹⁴ Excess payment on hire charges due to non-deduction on account of delayed installation of toilets/urinals:

Name of Contractor	Details of delayed installation of Urinal/Toilet			Per unit rate of Urinal/Toilet for 90 days (in ₹)	Excess Payment (₹ in lakh)
	Type of Urinal/Toilet	Number	Delay in days		
M/s Lalloji & Sons	Toilet - type I/II	400	19	36,000	30.40
	Urinal- type III	280	19	16,000	9.46
M/s Bhutani	Urinal- type III	400	17	16,000	12.09
M/s Anchor	Toilet - type I/II	436	17	36,000	29.64
	Toilet - type V/VI	420	17	23,800	18.88
	Urinal- type III	880	17	16,000	26.60
Total					127.07

The reply was not acceptable, because in the organization of KM on the river bed, delay in change in river course was an expected event and it should have been factored into the contract documents.

3.3.8.3 Non-recovery of performance security from contractors

According to the condition of the contracts for setting up toilets and urinals, performance security at the rate of 10 *per cent* of the contract price was to be obtained from the contractors in the form of Bank Guarantee. However, scrutiny of records revealed that the prescribed performance security was not recovered from two contractors, M/s Lalloo Ji & Sons (₹ 3.34 crore) and M/s *Surbhi Gramin Vikas Samiti* (₹ 0.59 crore), thereby extending an undue advantage to both contractors.

The State Government stated (May 2020) that on the request of the vendors (M/s *Surbhi Gramin Vikas Samiti* and M/s Lallooji & Sons) and in view of materializing the overall goal of keeping the KM area open defecation free, deduction of the performance guarantee from the running bills of the vendors was allowed instead of taking the entire amount at the beginning.

The reply was not acceptable, as the contractors were under contractual obligations to deposit the bank guarantee at the rate of 10 *per cent* of the contract price. Further, out of required performance security of ₹ 6.68 crore, only ₹ 3.34 crore was deducted towards performance security from the bills of M/s Lalloo Ji & Sons and similarly, there was short deduction of ₹ 0.59 crore from the running bills of M/s *Surbhi Gramin Vikas Samiti*, resulting in undue advantage of ₹ 3.93 crore to the contractors.

3.3.8.4 Engagement of temporary labourers for sweeping

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act) lays down that an employer in respect of any establishment employing 20 or more persons or class of such establishments which the Central Government may specify in this behalf, is required to get the labourers registered under the EPF Act. Further, the EPF contribution at the rate of 25 *per cent* of the wages (12 *per cent* labourer contribution and 13 *per cent* employer contribution) in respect of the labourers whose monthly salary/remuneration is ₹ 15,000 or less, was to be deposited in the account of the Employees Provident Fund Organisation. Central Government notified (March 2001) that EPF Act would apply to an establishment engaged in rendering cleaning and sweeping services.

Audit observed that AD⁹⁵ employed 9,483 labourers (semi and unskilled) on temporary basis for performing round the clock sanitation work in KM area for which wages of ₹ 24.91 crore was paid. However, AD did not make the required EPF contributions to Employees Provident Fund Organisation.

The State Government stated (May 2020) that the labourers were engaged under *maith* system through recruited *Jamadars* on a daily wage basis, wherein registration for EPF for the short duration of three months was not feasible as all the sanitation workers were recruited in increasing order and

⁹⁵ Additional Director, Medical Health and Family Welfare, Prayagraj Division Prayagraj

health department terminated their services in decreasing order as per the requirement of works. Government further added that traditionally, there had been agitations and strikes among various workers at KM and any deduction, even as well-intentioned as EPF contributions, would have been met with hostility by the temporary labourers, thereby adversely impacting the sanitation and cleanliness efforts at the KM area.

The reply was not acceptable, as the contribution towards EPF Act was mandatory for employers, which was not deducted and deposited.

3.3.9 Environmental health

3.3.9.1 Management of Municipal Solid Waste

Improper Management of Municipal Solid Waste (MSW) causes environmental pollution and is a source of infection. Therefore, management of MSW generated during KM was of utmost importance. Under the arrangements made for the management of MSW during KM, collection and primary transportation of MSW from KM area to the dumping stations were to be performed by AD, Medical Health and Family Welfare Department⁹⁶ whereas the secondary collection, transportation and disposal of MSW at the processing plant was entrusted to PNN.

Audit observed that the processing plant of PNN at Banswar⁹⁷, Prayagraj was inoperative since October 2018, *i.e.*, before the start of KM, and was not activated even till the end of the KM. As a result, MSW collected from the KM area and the city area during the period of KM was dumped at the processing plant site without any processing of MSW, as detailed in Table 3.3.2.

Table 3.3.2: Transportation and Processing of MSW

Month	MSW transported to the processing plant (in MT)			MSW processed at the plant (in MT)
	Municipal area	KM area	Total	
January 2019	16,219.88	2,919.48	19,139.36	00
February 2019	12,202.48	5,986.43	18,188.91	00
March 2019	14,558.07	840.27	15,398.34	00
Total	42,980.43	9,746.18	52,726.61	00

(Source: information collected from PNN)

Audit further observed that due to inoperative MSW processing plant, there was a massive scrapheap of MSW weighing 3,61,136 MT at Banswar plant site, which was further piled up during January 2019 to March 2019 by additional collection of 52,727 MT MSW. As per information provided by PNN, 9,947 MT of MSW collected during KM were processed at Banswar plant during June 2019. Thus, scrapheap of unprocessed MSW in the vicinity of KM area remained a health hazard with serious ramifications *vis-à-vis* pollution of soil, water and air.

The State Government stated (May 2020) that for scientific disposal of waste generated during KM, the Directorate of Urban Local Bodies provided ₹ 40

⁹⁶ Collection and transportation of MSW from the city area was done as usual by PNN through service provider.

⁹⁷ The processing plant established by PNN at Banswar, Prayagraj was run under Public Private Partnership (PPP) for regular management of MSW of the Prayagraj municipal area.

lakh funds for the repair and maintenance of the machine in Banswar processing plant and ₹ 35 lakh for processing of the waste. Government further stated that all the waste accumulated during the KM 2019 was processed and tender had been floated by the State Government for scientific disposal of remaining waste generated within Prayagraj Municipal Area during January 2019 to March 2019, along with older waste. It further added that the scrapheap was about 16 km away from the nearest KM area and MSW was lying inside the premise of Banswar plant and it did not pose a direct risk to public health.

The fact remains that the Banswar plant remained inoperative during KM. Further, the State Government was yet to make arrangements (May 2020) for disposal of collected MSW at Banswar plant, which is situated at an air distance of merely 4-5 km from the KM area due to which the pilgrims who visited KM area remained at risk.

▪ ***Underutilised compactors***

PNN procured 40 compactors⁹⁸ at an expenditure of ₹ 13.27 crore for transportation of MSW from KM area. Records revealed that apart from these 40 compactors, 15 more compactors (total 55 compactors) were deployed by PNN for 76 days for secondary collection and transportation of MSW from KM area to the processing plant at Banswar, Prayagraj.

Scrutiny of records however revealed that the compactors deployed in KM remained underutilised as 22 out of 55 compactors performed only one to 10 trips, 22 compactors performed 11 to 30 trips and 11 compactors performed 31 to 56 trips during the 76 days' deployment in KM. It was also observed that 9,746 MT MSW was transported by these 55 compactors. Based on the capacity of the compactors, Audit assessed that 9746 MT MSW could have been transported by deploying only 10 compactors⁹⁹. This indicated that PNN could have deployed lesser number of compactors with a resultant saving of the operating costs. Hence, 40 new compactors at a cost of ₹ 13.27 crore remained underutilised.

The State Government stated (May 2020) that to achieve the vision of *Divya Kumbh, Bhavya Kumbh*, it was essential that cleanliness and sanitation levels in the *Mela* are unprecedented. In view of a larger area than that in previous *Melas*, two compactors and six mini-tippers in each sector were deployed. The reply was not acceptable, as 22 out of 55 compactors performed only one to 10 trips which indicated that assessment of requirement of compactors for KM area was excessive.

Further, audit test-checked the log books and records of receipt of MSW at Banswar plant in respect of randomly selected eight out of the 55 compactors deployed in the KM area. It was noticed that as per the records of the Banswar plant, five out of the test checked eight compactors had not delivered the MSW on 21 different dates during KM but the log books of these compactors

⁹⁸ A special purpose vehicle used for transportation of MSW.

⁹⁹ Based on the capacity of compactor (10 MT) and MSW generated (9746MT/10MT*3 trips*76 days=4.28, say 5 compactors); including five compactors for backup.

showed the journey between KM area and Banswar plant. The above irregularities were noticed in respect of test-checked eight vehicles only, hence, the possibility of similar irregularities in respect of other vehicles cannot be ruled out.

The State Government stated (May 2020) that on the respective dates, refuse compactors were used in KM area to collect MSW and, therefore, did not reach at the plant on the dates mentioned by Audit. The Government further stated that drivers and helpers were hired by PNN and there was a possibility of human errors while filling the logbook as they were not trained.

The fact remains that the information recorded in logbooks was erroneous, which requires further investigation by the department.

3.3.10 Quality assurance

Quality assurance is essential for creating physical infrastructure and provisioning of goods and services, as it would contribute towards providing a safer/accident free environment for the mela. This was to be ensured through the regular prescribed mechanism of laboratory testing as well as through third party inspections. The audit observations in respect of quality assurance have been discussed in the succeeding paragraphs:

3.3.10.1 Quality assurance through laboratory testing

The Government order (August 1996) prescribed a mechanism for ensuring quality testing of road works. The mechanism included that 25 per cent test samples would be sent to Research Development and Quality Promotion Cell (QPC) and Research Institute (RI) Lucknow; 25 per cent of test samples would be sent to Regional Laboratory, Meerut¹⁰⁰; and the remaining 50 per cent test samples would be sent to district laboratories for quality testing. Apart from this, every contract bond includes the provision that the contractor shall establish a field laboratory for carrying out mandatory tests as prescribed in the specification.

Audit, however, observed that the prescribed quality testing through QPC, RI and district laboratories was not conducted in respect of any of the test-checked 24 road works executed by PWD. PNN also did not carry out any quality testing of material and workmanship in respect of 35 road works. Besides, Audit also did not find any evidence in the records in respect of quality tests carried out by the contractors in the site laboratories.

The concerned Departments stated that the quality testing was to be done by a Third Party Inspection Agency (TPIA). As per Government order (August 1996), the primary responsibility of quality testing rested with the Department itself and the mechanism prescribed by GO was not substituted by third party inspection. Thus, the pretext of third party inspection was used to avoid the mandated quality assurance tests for the KM works and was tantamount to a dilution in the required oversight by the concerned Department, which was a serious transgression of the GO.

¹⁰⁰ In regions where regional laboratories are not available, 25 per cent test samples were to be sent to QPC and RI.

The Government stated (May 2020) that the quality tests in respect of all works were carried out by the TPIA. It added that the contractors also conducted required quality tests in their laboratories and in some cases, quality tests were conducted through Moti Lal Nehru National Institute of Technology, Allahabad. The Government, however, did not explain the circumstances under which the quality testing through QPC, RI and District laboratories were not conducted.

3.3.10.2 Quality assurance through Third Party Inspections

PMA engaged an independent (Third Party Inspection Agency-TPIA) for maintaining the quality of the works and for monitoring the quality of input materials so as to have the finished product to the desired specifications. Term of Reference (ToR) in respect of TPIA stipulated that TPIA shall carry out quality assurance and certification of all the works as per prescribed technical specifications.

Out of 59 road works test-checked in audit, the quality test reports of TPIA in respect of 30 works were not provided to Audit as a result, no assurance could be derived regarding quality of these road works. In respect of remaining 29 test-checked road works, Audit noticed from TPIA reports that quality test was not conducted in four works, whereas in 25 road works, 80 *per cent* to 96 *per cent* of required quality tests were not carried out by TPIA (**Appendix 3.3.13**). The significant tests not carried out by TPIA included California Bearing Ratio and moisture content test in respect of Granular layers and quality of binder, rate of spread of binder, water absorption capacity of aggregate, plasticity index, mix grading and stability of mix in respect of bituminous works.

Audit further noticed that TPIA reported at least one shortcoming in all such works and suggested for carrying out rectifications and/or imposing penalty on the contractors, as per requirement. However, audit could not examine the action taken by PWD on the report of TPIA, as PWD did not provide records regarding work-wise penalty imposed on the contractors in view of deficiencies reported by TPIA.

Further, in respect of works of temporary nature, TPIA carried out visual inspections and Department accordingly imposed a recovery of ₹ 52.01 crore¹⁰¹ from the contractors/suppliers on account of poor quality of material and workmanship.

The State Government stated (May 2020) that all tests were carried out by TPIA as per the agreement. The reply was not acceptable, as many of the significant quality tests were not carried out by the TPIA as depicted in **Appendix-3.3.13**. Further, quality test reports in respect of 30 test-checked road works and records relating to penalty imposed on contractors due to inferior quality of road works were not provided to Audit.

¹⁰¹ ₹ 49.00 crore in toilets & urinals, ₹ 2 crore in tin and tentage, ₹ 0.08 crore in temporary construction of six camp office of Food & Civil Supply and ₹ 0.93 crore in the barricading works executed by KMA.

3.3.10.3 Non-verification of quality of bitumen

As per State Government order (May 2009), Executive Engineers (EEs) of the PWD divisions were to obtain Consignee Receipt Certificates (CRCs) from the contractors in respect of procurement of bitumen for the contracted works before making payments. The veracity of the CRCs was also required to be verified from the concerned oil companies.

Scrutiny of records revealed that in the construction/strengthening of 26 road works, 8,153 MT bitumen (*Appendix-3.3.14*) was used against which the respective contractors did not submit the CRCs for 7,121 MT bitumen (87 per cent). However, the divisions in contravention of the Government order, made the payment to the contractors. Besides, the required verification of the CRCs (1,032 MT) submitted by the contractors with the oil companies were also not done by the concerned divisions of PWD. Thus, the quality of the bitumen used in the road works was not verifiable.

The Government stated (May 2020) that CRCs in respect of entire bitumen used in roads works were submitted by the contractors. The reply was not verifiable as the divisions of PWD, despite requests, did not provide the CRCs to Audit in respect of 7,121 MT bitumen used in the road works. In respect of non-verification of CRCs from the respective oil companies, no reply was furnished by the State Government.

3.3.11 No long term perspective plan based on norms/criteria for creation of infrastructure and facilities for *Kumbh Mela*

Maha Kumbh Mela, *Kumbh Mela* and *Magh Mela* are held in Prayagraj every twelve, six and one year respectively. Significant expenditure are incurred on the creation of permanent and temporary infrastructure in this concern. Therefore, a long term perspective plan based on proper/scientific assessment of requirement of infrastructure and facilities for the pilgrims is the foremost necessity in order to create/augment the infrastructure/facilities optimally and to avoid unnecessary provisioning. It was imperative for the concerned departments/agencies, to put in place norms/criteria for creation of various infrastructures and facilities during *Kumbh Mela* on the basis of which the departments/agencies should prepare Detailed Project Report (DPR) for execution of works. Standard Operating Procedures (SOPs) for procurement of goods/materials within the framework of government rules and regulations should also be devised and adopted to ensure procurement of goods/material efficiently and economically. A detailed plan for post *Mela* utilisation of the goods and materials, procured should also be drawn up so that the goods / materials procured at huge cost may be utilised optimally after end of the *Mela*. Further, the departments/agencies should also consider dovetailing the schemes/programmes of the governments, implemented with the similar objectives/purposes, such as construction/upgradation of the roads, bridges, street lights, electricity equipment, etc. to avoid duplication and to ensure that goods and material taken back from KM be accounted for in the regular budget estimate/demands for funds of the organisations, they are being used.

Audit, however, did not find any evidence in the records of the test checked offices regarding adoption of any norms/criteria for creation of infrastructures/services during KM and also for post *mela* utilisation of goods and material. The Departments prepared the DPRs without any set norms/criteria due to which Audit could not draw assurance over the scale of the arrangements, both in term of quantity and quality, stated to have been created by the departments. Besides, in absence of specific SOPs for procurement of goods and material for KM, procurement process could not be completed timely as discussed in paragraph 3.3.3.

In respect of post *mela* utilisation of goods and material, Home (Police) Department issued (March to April 2019) orders to allot the vehicles and other equipment procured by the Home (Police) Department for KM to the offices in other districts without specifying mechanism/criteria for such allocations and directions for accounting of these receipts at the level of these offices. Besides, Additional Director, Medical health and Family Welfare informed to Audit that the unutilised medicines and other consumables were allotted to other offices of the department for further utilisation.

The Government stated (May 2020) that it should be noted that no norms existed for setting up of such infrastructure at the scale of *Kumbh Mela*. However, in keeping with the transparency and meticulous planning that became the hallmarks of this *Kumbh Mela*, the Authority attempted to incorporate norms for this as well. Fact remains that no norms/criteria were prepared by the departments for creation of infrastructures/facilities which could be benchmarked for planning and execution during subsequent *Kumbh Melas* and *Magh Melas*.

3.3.12 Conclusion

Kumbh Mela 2019 was organised successfully, however, scope exists for improvement to ensure the desired level of economy and efficiency in the creation of infrastructure and delivery of services. Expenditure was incurred over and above the Government's sanctions, as a result, payments to contractors was still pending. The procurements and construction works did not follow the tenets of competition and transparency and there were instances of execution of works at higher prices/cost and non-adherence to the orders of the Government. Management of solid waste was not adequately addressed.

3.3.13 Recommendations

- *Magh Mela, Kumbh Mela and Maha Kumbh Mela are organised at fixed intervals. The State Government, therefore, may consider framing norms and standards in respect of quantity and quality of the infrastructure and services required for the visiting pilgrims. Standard Operating Procedures (SOPs) for procurement of goods/materials within the framework of government rules and regulations should also be devised;*
- *Expenditure and budgetary controls need to be tightened in accordance with the extant rules and laws. The State Government should also ensure to*

release funds from single budget head to keep effective vigil over the sanctions and expenditure thereagainst. Cases of excess expenditure over sanctions should be regularised, adhering to the laid down procedures;

- *Process of selection of contractors/suppliers should be transparent, fair, competitive and in sync with the provisions of the financial rules, Government orders, manuals, guidelines of Central Vigilance Commission etc;*
- *Provisions included in proposals/estimates of construction works should be based on detailed surveys and adequate preparatory work as per IRC provisions and orders of Government, E-in-C, PWD;*
- *Waste Management infrastructure and facilities should be augmented at appropriate scale to provide safe, hygienic and healthy environment for the visitors during melas; and,*
- *The regimen of quality testing prescribed by the State Government should be meticulously followed for maintaining quality in the execution of works. Ensuring proper monitoring and quality control would also contribute towards providing a safer/accident free environment for the mela.*

VOCATIONAL EDUCATION AND SKILL DEVELOPMENT DEPARTMENT

3.4 Audit of Upgradation of Government Industrial Training Institutes in Uttar Pradesh

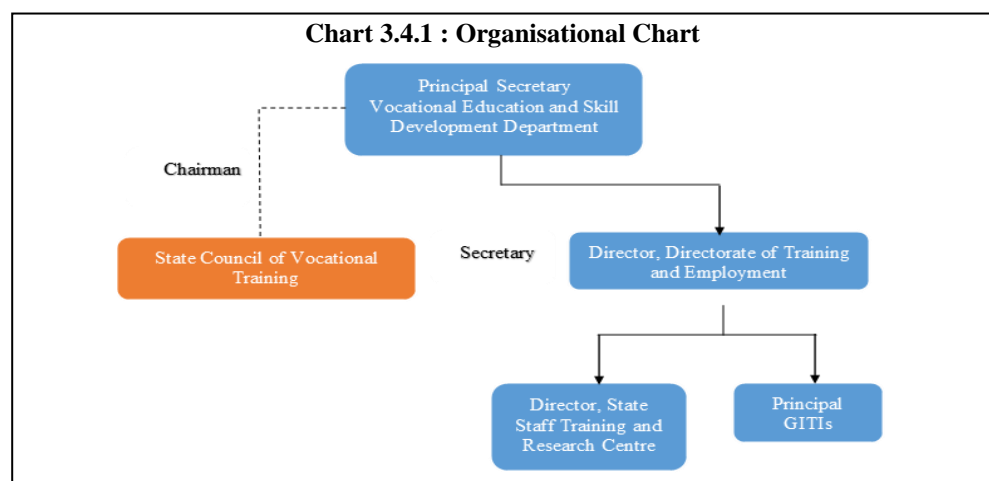
3.4.1 Introduction

Under the Constitution of India, vocational training is a concurrent subject and thus both the Central and State Governments share responsibility for effective implementation of vocational training system in the country. Pursuant to the initiative of Government of India (GoI) under Craftsmen Training Scheme¹⁰², Industrial Training Institutes (ITIs) were set up to provide vocational training in various trades. National Council of Vocational Training (NCVT), having representatives from GoI, State Governments, employers' and workers' organisations, etc. has been constituted at the national level to extend advice to the GoI in respect of ITIs. Correspondingly, State Council of Vocational Training (SCVT) advises the State governments in respect of vocational training at the State level.

As on October 2020, there were 308 Government ITIs (GITIs) in Uttar Pradesh. GITIs offer craftsman training courses in 49 engineering and 21 non-engineering trades for durations varying from one year to two years. The entry-level qualification varies from Class VIII to Class X pass depending upon the trade. After completion of craftsmen training, GITI trainees are awarded NCVT/SCVT certificate, depending upon affiliation of GITI training course, which is recognized for the purpose of recruitment to the subordinate technical posts at the shop floor level.

3.4.1.1 Organisational set-up

In Uttar Pradesh, the Department of Vocational Education and Skill Development (Department), headed by the Principal Secretary along with the Directorate of Training and Employment (DTE) are overall responsible for administering of GITIs in the State. Each GITI is headed by a Principal.



¹⁰² Craftsmen Training Scheme (CTS) was introduced by the Government of India in the year 1950 to ensure a steady flow of skilled workers in different trades for the domestic industry, to reduce unemployment among the educated youth by providing them employable skills and to cultivate and nurture a technical and industrial attitude in the minds of the younger generation. Under the scheme, vocational training is provided through the network of ITIs in the State. The day-to-day administration of ITIs under CTS was transferred to the State Governments with effect from the year 1956.

The State Council of Vocational Training (SCVT) is responsible for conducting entrance examinations for admission in ITIs, examinations for trainees enrolled under various NCVT/SCVT trades in the State and course development, recognition and certification for ITI courses. State Staff Training and Research Centre (SSTRC) organises refresher courses for instructors of GITIs.

3.4.1.2 Scope of Audit

GoI launched two schemes, namely “Upgradation of 1396 GITIs through Public Private Partnership” (PPP scheme) in 2007-08 and “Upgradation of existing GITIs into Model ITIs” (Model GITI scheme) in 2014-15 to improve the employment outcomes of trainees passing out from GITIs. In Uttar Pradesh, Vocational Education and Skill Development Department is the nodal department for implementation of schemes. The compliance audit of implementation of both schemes in Uttar Pradesh was conducted to assess the appropriateness of planning and financial management of the upgradation schemes, the economy and efficiency in implementation of the schemes and the adequacy of the monitoring mechanism.

Records related to planning, implementation and monitoring of the schemes for five years from 2014-15 to 2018-19 were examined in the Department, DTE, SCVT and SSTRC at the State level. For selection of GITIs, seven districts¹⁰³ (10 per cent) were selected¹⁰⁴ and all 19 GITIs¹⁰⁵ covered under PPP scheme in these seven districts were included in the sample. Besides, two GITIs¹⁰⁶ being upgraded in the State under Model GITI scheme were taken up for audit.

An Entry Conference was held on 21 August 2019 with the Department wherein the audit objectives, scope, criteria, etc., were discussed. An Exit Conference was held on 17 March 2020 in which audit observations included in the report were discussed. The State Government furnished replies in May 2020 which have been suitably incorporated in the report.

3.4.1.3 Framework of schemes

Scheme 1: Upgradation of GITIs through Public Private Partnership

The scheme for ‘upgradation of 1396 Government ITIs through Public Private Partnership’ (PPP Scheme) was launched by the Directorate General of Employment & Training (DGET) under Ministry of Labour and Employment, GoI in the XI Plan period (2007-08 to 2011-12). The PPP scheme is now implemented by Ministry of Skill Development and Entrepreneurship. In Uttar Pradesh, 115 GITIs¹⁰⁷ were covered under PPP scheme.

Under the scheme, an Industry Partner (IP) was to be associated with every GITI covered under the scheme and an Institute Management Committee

¹⁰³ Lucknow, Bahraich, Bijnor, Aligarh, Mahoba, Gorakhpur and Ballia

¹⁰⁴ Using Probability Proportionate to Size without Replacement statistical method

¹⁰⁵ World Bank(W) Aliganj, Charbagh and Charbagh (W) in Lucknow, Nanpara and Rehwa Mansoor Mahsi in Bahraich, Bijnor, Dhampur and Najibabad in Bijnor, Atrauli and Koil in Aligarh, Mahoba and Charkhari in Mahoba, Railway Colony, World Bank (W), Khajni, Campierganj and Barhalganj in Gorakhpur, Rasara and Ibrahimabad in Ballia

¹⁰⁶ GITIs- Saket, Meerut and Karaundi, Varanasi

¹⁰⁷ In 65 districts of the State

(IMC), a registered society headed by the IP¹⁰⁸, was to be constituted in each ITI. The interest free loan of ₹ 2.50 crore was to be released to the IMC directly on the basis of an Institute Development Plan (IDP) prepared by it in a prescribed format. The IDP was to include targets for institutional improvement, Key Performance Indicators as yearly targets for next five years for improving efficiency of GITIs, details of financial requirement with year-wise break-up to meet the needs, the total loan amount sought, proposed changes in training programme, details of revenue generating facilities proposed to be set up, etc.

IMC was to send the IDP to the State Steering Committee (SSC), which was formed¹⁰⁹ by the State Government for overseeing the implementation and monitoring of the scheme. SSC was to examine IDP and forward it to Director General of Employment and Training (DGE&T) of GoI for approval and release of loan to the concerned GITI. A Memorandum of Agreement (MoA) was to be signed among the Central Government, the State Government and the Industry Partner defining the roles and responsibilities of all the parties. Interest-free loan of ₹ 2.50 crore released to IMC Society of the GITI had a moratorium of 10 years to repay¹¹⁰ the loan.

After receipt of funds, IMC of the selected GITI was to execute the works as per approved IDP and report the progress of financial and physical performance periodically to SSC. The IDPs¹¹¹ were still under implementation in all 19 GITIs selected for the compliance audit.

Scheme 2: Upgradation of Government ITIs into Model ITIs

The Ministry of Skill Development and Entrepreneurship, GoI introduced (2014-15) the Model GITI scheme with the objective to develop a benchmark for industry-oriented GITIs which would serve as a model for other ITIs. The scheme was funded by Central and State Government on 70:30 sharing basis. Two GITIs at Saket, Meerut and Karaundi, Varanasi were selected for upgradation in Model ITIs under the scheme.

Similar to PPP scheme, the GITI under Model GITI scheme was to have a functioning IMC and a pre-identified Champion Industry Partner (IP) for implementation of the scheme. IMC was to prepare the implementation plan under the scheme guidelines and a MoA was to be signed among the Central Government, the State Government and the Industry Partner defining the roles and responsibilities of all the parties. The funds released by Central and State Government were to be transferred to the IMC for execution of the implementation plan. The scheme was originally to close in March 2017, but due to slow implementation and low disbursement level, GoI extended the scheme up to March 2020.

¹⁰⁸ In the IMC, the members are as follows: IP or its representative as Chairperson, four members from local Industry to be nominated by the IP in such a way that the IMC is broad-based, five members nominated by the State Government and Principal of the GITI, as ex-officio member secretary of the IMC Society.

¹⁰⁹ Principal Secretary as Chairperson, Director of the Department as member Secretary and eight other members

¹¹⁰ Repayment in 20 equal annual instalments of ₹ 12.50 lakh

¹¹¹ IDPs and its implementation scheduled were revised since the approved IDPs could not be implemented within five years as envisaged in the scheme.

Audit Findings

3.4.2 Selection of GITIs

According to the guidelines of PPP scheme, the GITIs affiliated with National Council for Vocational Training (NCVT) were to be covered under the scheme. In May 2010, the National Steering Committee (NSC) of the scheme decided that the GITIs affiliated with SCVT but established before January 2007 and having their own building and infrastructure could also be considered for selection under PPP scheme, if the State Governments got those GITIs affiliated to NCVT within six months¹¹².

Audit scrutiny revealed that 26 GITIs out of 115 GITIs selected in the State under PPP Scheme did not fulfil the selection criteria and thus, were not eligible for selection under the scheme, as detailed below:

- Out of the 75 GITIs selected up to May 2010, 11 GITIs did not have affiliation with NCVT.
- After revision in the guidelines in May 2010, 40 GITIs were selected under PPP Scheme. These GITIs were affiliated with SCVT. Out of these 40 GITIs, 15 GITIs were not eligible for selection under the scheme since seven GITIs were established after January 2007 and other eight GITIs did not have their own building.

Audit further ascertained the current affiliation status of the 19 test-checked GITIs (*Appendix-3.4.1*) and observed that GITI Barhalganj, Gorakhpur was still running without its own building as well as without affiliation to NCVT, while seven other GITIs were partially affiliated¹¹³ with NCVT.

The State Government stated (May 2020) that in absence of any specific directions from GoI in 2007-08, GITIs recognised by NCVT were given priority in the selection under PPP scheme. It added that by the time of receipt of the revised guidelines in May 2010 from GoI, GITIs were selected and provided loan from GoI. The State Government further stated that subsequent to receipt of revised guidelines in May 2010, the directions of GoI were adhered to.

The reply of the State Government is not tenable, as the guidelines of the PPP scheme applicable up to May 2010 specifically provided for selection of GITIs having NCVT affiliation. The State Government did also not follow the revised guidelines (May 2010) as 15 GITIs selected after May 2010 did not meet prescribed selection criteria. Further, despite implementation of upgradation scheme, some of the selected GITIs were yet to be affiliated with NCVT. Due to not having affiliation to NCVT, trainees who passed out from these GITIs were deprived of NCVT certificate which was tantamount to a forfeiture of obtaining better employment opportunities¹¹⁴.

¹¹² In April 2011, NSC decided that the State Government should affiliate such GITIs with NCVT within two years after receipt of loan.

¹¹³ Some trades were affiliated with NCVT and other trades were affiliated with SCVT.

¹¹⁴ During Exit Conference, the State Government representatives informed that GITIs are initially affiliated to SCVT and thereafter, these are got affiliated to NCVT after attaining standard since the certificate issued by NCVT is valid at national level.

Model GITI scheme

In respect of Model GITI scheme, the guidelines stipulated that the trades proposed to be upgraded under the scheme must not have been funded under any Central Scheme in the past. Audit, however, observed that electrician trade in the two selected GITIs – Saket, Meerut and Karaundi, Varanasi were previously taken up for upgradation (2005-06 and 2007-08) under other Central schemes¹¹⁵. However, electrician trade in both GITIs were also taken up for upgradation under Model GITI scheme, which was not in consonance with the prescribed criteria for the scheme.

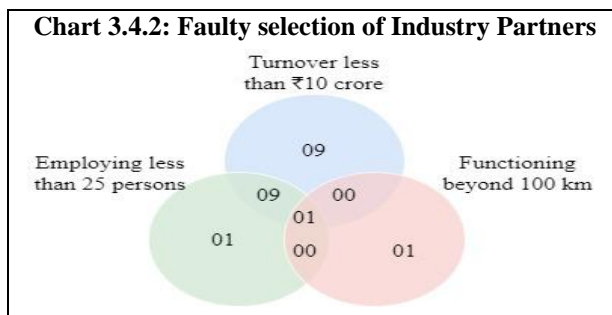
The State Government accepted (May 2020) the fact regarding repetition of electrician trade for upgradation under Model GITI scheme. It further stated that this trade was selected as the Model ITI scheme was started after seven/eight years of earlier Central scheme for the improvement of GITIs and Government of India had upgraded the syllabus of most of the trades in the years 2013 and 2014 due to which requirement of equipment for GITIs changed. The reply is not tenable as no such relaxation for selection of already upgraded trades was available under Model GITI scheme.

3.4.3 Association of Industry partners

As per the PPP Scheme guidelines (2007-08), for each GITI covered, one Industry Partner (IP) was to be identified by the State Government in consultation with the industry associations. GoI provided more specific criteria in this respect in April 2011 according to which the IP selected should have an annual turnover of more than ₹10 crore, been functional for at least five years with more than 25 employees and located within a radius of 100 km from the GITI. It was envisaged that IPs who were located in and around areas having their own industrial manufacturing or services sector enterprises could contribute significantly by way of time, experience, expertise and resources.

Out of 115 GITIs selected in the State under PPP scheme, 80 GITIs were selected during 2007-11 and 35 GITIs during 2011-12. Since GoI had expected that the State Government would select suitable IPs for each selected GITI, it was imperative for the State Government to adopt explicit operative criteria for assessing the suitability of the IP through a transparent process. However, evidence was not available on record of the DTE having adopted any such criteria for selection of IPs for the GITIs selected during 2007-11 nor was the rationale regarding the criteria adopted by DTE provided to Audit. As regards required consultation with the industry associations for selection of IPs, DTE shared the details of the scheme through a letter in April 2007 addressed to the various industry associations and invited their suggestions. However, there was no assurance regarding efficacy of the consultation process for selection of IPs under the PPP scheme, as one of the industry associations, with whom DTE had shared the scheme details in April 2007, informed (December 2011) GoUP that it was not consulted for nomination of 17 of its members as IP.

¹¹⁵ Vocational Training Improvement Project (VTIP) scheme in GITI Karaundi, Varanasi (expenditure: ₹ 1.52 crore) and Centre of Excellence (CoE) scheme in GITI Saket, Meerut (expenditure: ₹ 1.16 crore).



(Source: Information provided by DTE)

Further scrutiny revealed that DTE did not also adhere to the explicit criteria for selection of IPs mandated by GoI in April 2011 in respect of identifying IPs for 21 out of 35 GITIs selected for upgradation during 2011-12, as depicted in **Chart 3.4.2**.

The State Government stated (May 2020) that by the time of promulgation of specific criteria by GoI in April 2011 for the selection of IP under PPP scheme, selection of IPs for the all proposed GITIs had been completed with the concurrence of reputed industrial organisations. The reply is not convincing as in effect no tangible recommendation/concurrence in respect of selection of IPs, which could have been potentially beneficial, was sought from the industry associations since only the features of the PPP schemes were disclosed to them in April 2007. Further, IPs for 21 GITIs (60 per cent) selected during 2011-12 did not adhere to the criteria.

Model GITI scheme

In respect of Model GITI scheme, the scheme guidelines stipulated that the selected GITIs should be in the major industry cluster with a champion industry partner and the IMC would reassess the existing trades and new requirements for their relevance with local market demand. Thus, a mix of activities with close coordination and integration was imperative to be implemented in order to achieve the objective of the scheme.

Audit, however, observed that in GITI Saket, Meerut, the selected IP was from the surrounding industry cluster of sports goods. However, none of the trades identified for upgradation¹¹⁶ or new trade proposed to be introduced¹¹⁷ in this GITI catered to the sports industry sector. On the other hand, in case of GITI Karaundi, Varanasi, the IP was selected from the automobile sector with no manufacturing plant of it in the vicinity.

The State Government stated (May 2020) that trades related to various industrial areas were available in both GITIs, accordingly, the IPs were selected with the approval of GoI, giving prominence to the aspect of employability for the trainees. The fact remains that there was a mis-match in the sector represented by the IP and trades available in GITI Saket Meerut whereas the IP selected for GITI Karaudi, Varanasi did not have a manufacturing plant in the vicinity.

Thus, the selection of the Industry Partner, which was to play a critical role in the success of the two schemes, was done without adhering to the norms in a majority of the cases.

3.4.3.1 Role of Industry Partners

Under the PPP scheme as well as Model ITI scheme, the Industry Partner (IP) was to arrange training of faculty members and on-the-job training to the

¹¹⁶ Fitter, electrician, machinist, mechanical electronics, welder and fashion technology

¹¹⁷ Mechanical diesel, COPA (information technology), dress making

students of the ITI. Both schemes envisaged that the IP may contribute financially and/or in terms of machinery and equipment which may be instrumental in furthering the objective of the Scheme.

In the 19 test-checked GITIs, it was found that IPs neither arranged training for faculty of GITIs nor provided on-the-job training to the trainees of the institute. Similarly, in respect of Model GITI scheme, the IPs did not conduct training programmes in the GITI or any activity for upgradation of skills of the existing workforce of the local industrial units, as envisaged in the scheme. As regards industrial attachment of trainees for a minimum of 15 days, in GITI Saket, only 10 trainees were sent for industrial attachment in two spells while GITI Karaundi, Varanasi did not furnish any information in this respect.

Audit further noticed that none of the IP associated with the test-checked GITIs either contributed financially and/or provided any kind of machinery and equipment to the concerned GITIs.

The State Government stated (May 2020) that IPs had provided training to the faculty and extended on-the-job training to the trainees in GITIs, such as GITIs Barabanki, Sitapur, Charbagh Lucknow, Chaukaghat Varanasi, etc. However, Audit did not find evidence to corroborate this in GITI Charbagh Lucknow or any other test-checked GITIs under the PPP scheme. The delivery of such training in GITI Saket, Meerut under Model GITI scheme was also nominal.

Thus, the IPs did not actively participate in the schemes, as envisaged under the upgradation schemes for GITIs, and as a result the faculty/trainees did not benefit with the association of IPs.

3.4.4 Implementation of Institute Development Plan and utilisation of fund

3.4.4.1 Release of funds and expenditure thereagainst

Against release of ₹ 296.85 crore under the two schemes (PPP scheme: ₹ 287.50 crore and Model GITI scheme: ₹ 9.35 crore), ₹ 276.52 crore was spent (PPP scheme: ₹ 267.68 crore and Model GITI scheme: ₹ 8.84 crore) as of March 2019. Scheme-wise and year-wise details of release of funds and expenditure thereagainst have been discussed in **Table 3.4.1** and **Table 3.4.2**.

Fund utilisation status under PPP Scheme

Table 3.4.1: Funding and expenditure under PPP scheme as on 31 March 2019

(₹ in Crore)

Year	Amount Released	Expenditure
Prior to 2014-15 ¹¹⁸	287.50	115.98
2014-15	-	40.63
2015-16	-	66.99
2016-17	-	21.14
2017-18	-	13.40
2018-19	-	9.54
Total	287.50	267.68

(Source: Information provided by DTE)

The scheme stipulated that the courses in the upgraded facilities were to be started from the academic session commencing after the financial year in

¹¹⁸ Funds under the scheme was released up to 2011-12.

which the loan was released. Thus, infrastructure in the GITIs was required to be developed in the first two years of release of loan. However, there were considerable delays in spending the funds. Scrutiny of records of the DTE further disclosed that in 10 GITIs, including one test-checked, out of the total 115 selected under the PPP scheme, expenditure was less than 70 per cent (as of March 2019) of the funds released to them¹¹⁹. The low level of expenditure in these 10 GITIs was attributed to purchase of less equipment due to unavailability of own building, non-appointment of regular Principals, non-conducting of meetings of IMCs, etc.

Fund utilisation status under Model GITI Scheme

Table 3.4.2: Funding and expenditure under Model GITI scheme as on 31 March 2019

							(₹ in crore)	
GITI	Approved allocation	Central allocation	State allocation	Central release	State release	Total release	Total expenditure	
Meerut	10.00	7.00	3.00	3.50	1.50	5.00	4.49	
Varanasi	9.00	6.30	2.70	3.05	1.30	4.35	4.35	

(Source: Quarterly Progress Reports/Utilisation certificates)

Audit observed that both GITIs under Model GITI scheme submitted Utilisation Certificates (UCs) in respect of funds released in the first instalment to GoI with delays¹²⁰, which consequently delayed release of second instalment of funds. Further, in GITI, Varanasi, ₹ 3.50 crore and ₹ 4.20 crore were provisioned for civil works and procurement of tools and equipment, respectively. Scrutiny, however, revealed that while the expenditure on civil works was about 67.72 per cent of the provisioned amount, the corresponding expenditure on tools and equipment was only 6.70 per cent as on 31 March 2019. Thus, funds were not utilised as planned in implementation plan and the thrust was mainly on civil work which led to delay in upgradation of trades in GITI, Varanasi.

The State Government stated (May 2020) that the available funds were to be utilised under the PPP Scheme within five years after release of funds to GITIs. The Government also stated that IMCs utilised the funds on the execution of capital nature works during the initial years and the recurring nature expenditure on the payment of honorarium of guest speakers, procurement of raw material and other consumables continued even after this period. It added that GITIs had utilised ₹ 275.16 crore as of May 2020 out of ₹ 330.64 crore¹²¹ available with the IMCs under PPP scheme.

In respect of Model GITI scheme, the State Government accepted that the pace of utilisation of funds in GITI Karaundi, Varanasi was slow in the initial years as the Industry Partner took more time in the evaluation of works done

¹¹⁹ Azamgarh (61.57%); Kanpur (46.96%); Saidpur, Ghazipur (6.82%); Salon, Raibareli (41.74%); Jewar, Gautam Buddha Nagar (53.09%); Kasganj (45.27%); Barhalganj, Gorakhpur (43.99%); Anandpur Jarkhi, Firozabad (69.56%), Manikpur, Chitrakoot (55.30%) and Shahganj, Jaunpur (61.01%)

¹²⁰ GITI Saket, Meerut: First instalment was released during March 2015 to September 2016 but GITIs submitted UC in November 2018; GITI Karaundi, Varanasi: First instalment was released during July 2016 to September 2018 but UC was submitted in April 2019. As per sanction orders, grants shall be utilised within a period of 12 months from the close of financial year of issue of sanction/release and UCs indicating expenditure incurred should be furnished.

¹²¹ This includes interest income on deposits and revenue generated from other sources

by the GITI. However, no reply was furnished in respect of GITI Saket, Meerut.

The fact remains that the available funds could not be utilised timely in a planned manner on the activities earmarked in Institute Development Plans/Implementation Plans.

3.4.4.2 Unauthorised expenditure under PPP scheme

(i) Audit scrutiny of DTE records revealed that out of 115 GITIs under PPP scheme, five GITIs¹²² incurred expenditure of more than ₹ one crore on civil works, whereas the scheme guidelines prescribed a ceiling of ₹ one crore for civil works.

Further, as per guidelines, each IMC was required to strictly adhere to the IDP for utilisation of funds on the earmarked components of IDP. Audit scrutiny of component-wise expenditure by GITIs as against approved IDPs (*Appendix-3.4.2*) revealed that out of 19 test-checked GITIs, 14 GITIs¹²³ did not adhere to the utilisation plan approved in the IDP and incurred unauthorised excess expenditure of ₹ 3.36 crore beyond the funds earmarked for individual components in the approved IDPs. The excess expenditure was met by diverting funds earmarked for other components.

The State Government accepted (May 2020) that the IMC was not empowered to incur expenditure beyond that approved on a component in the IDP and therefore, explanation had been called for from GITIs Charbagh in Lucknow, Nanpara in Bahraich, Charkhari in Mahoba and Campierganj in Gorakhpur. However, action taken was incomplete as no action was proposed in case of remaining 10 GITIs which did not adhere to approved IDPs.

(ii) GITI Rehwa Mansoor Mahsi, Bahraich procured (2015-16) equipment worth ₹ 54.07 lakh for Fitter/Diesel Mechanic trades under PPP scheme, though this was not included in the IDP. Audit scrutiny further revealed that the GITI did not have Fitter/Diesel trade and thus, procurement of the equipment was also not warranted.

The State Government stated (May 2020) that purchase of equipment was approved separately by DTE and the procured equipment would be utilised after approval of Fitter/Diesel Mechanic trades, proposal for which was pending. The reply is not tenable as the funds of PPP scheme were to be spent only as per IDP. Further, even after four years of procuring the equipment, the concerned trade was yet to be approved due to which expenditure of ₹ 54.07 lakh remained unfruitful.

3.4.4.3 Unfruitful expenditure under PPP scheme

(i) In GITI Charbagh (W), Lucknow, the IMC incurred an expenditure of ₹ 39.10 lakh on construction of a building and purchase of equipment for fashion designing trade and revenue generation for the GITI through stitching/selling of cloth. However, the fashion designing trade was neither

¹²² Etah, Charbagh and Charbagh (W) in Lucknow, Mathura and Allahabad (W)

¹²³ World Bank (W) Aliganj, Charbagh and Charbagh (W) in Lucknow, Nanpara, Rehwa Mansoor Mahishi in Bahraich, Bijnor, Dhampur and Najibabad in Bijnore, Atrauli in Aligarh, Mahoba and Charkhari in Mahoba, Khajni and Campierganj in Gorakhpur and Ibrahimabad in Ballia.

available in the GITI nor approved under its IDP. Audit further noticed that the GITI failed to attract customers and resultantly, neither the revenue generation work of stitching/selling clothes could begin nor operation of fashion designing trade had started (May 2020).



The State Government stated (May 2020) that an explanation had been sought from the GITI Charbagh (W), Lucknow in respect of irregularities pointed out by Audit.

(ii) GITI Barhalganj, Gorakhpur was selected under the PPP scheme though it did not have its own building and the GITI was under operation from the campus of GITI Chargawan at Gorakhpur. Further, the building of the GITI was under construction at Barhalganj, Gorakhpur through State funds provided separately. The IMC of GITI Barhalganj, however, had spent a total of ₹ 1.42 crore to construct one classroom and toilets at the site of the under-construction building and on procurement of equipment for operation of trades. The classroom constructed and equipment procured under PPP scheme was lying without use since 2016-17, thus rendering the expenditure of ₹ 1.42 crore¹²⁴ unfruitful.

The State Government stated (May 2020) that an explanation had been sought from the GITI Barhalganj, Gorakhpur for incurring irregular expenditure.

3.4.4.4 Retention of unspent balance under PPP Scheme

The guidelines of PPP scheme stipulated for utilisation of funds on the interventions identified in the IDP. National Steering Committee observed (June 2014) that most of the IMCs had kept large amounts of money including seed money in the bank account instead of utilising it towards upgradation activities. In order to encourage IMC/GITI to spend money in a focussed/time bound manner for meaningful purposes, GoI directed in the revised guidelines (July 2014) that the balance funds including seed money and interest available after making required expenditure at the end of the financial year 2015-16, shall not be more than ₹ one crore and any balance beyond this amount was to be refunded to GoI. In the revised guidelines, the limit of seed money kept in a corpus fund was also reduced to maximum 20 per cent (i.e., ₹ 50 lakh) from earlier ceiling of 50 per cent (i.e., ₹ 1.25 crore).

¹²⁴ Expenditure till 2016-17: ₹ 1.18 crore and up to March 2019: ₹ 1.42 crore.

In test checked GITIs, audit observed that in contravention of the guidelines, five GITIs¹²⁵ retained ₹ 2.78 crore as balance fund in excess of ₹ one crore at the end of March 2016 and out of these, three GITIs¹²⁶ retained ₹ 1.99 crore in excess of ₹ one crore at the end of March 2019. None of these GITIs had refunded the excess funds to GoI.

The State Government stated (May 2020) that the unspent funds over and above ₹ one crore were not refunded to GoI because the GIITs had not received any demand from GoI in this regard. It further stated that explanations were being called from the Principal/Secretary, IMC, Charbagh (W) Lucknow, Mahoba and Barhalganj, Gorakhpur for unutilised fund of more than ₹ 1.00 crore at the end of March 2016.

The fact remains that respective IMCs failed to utilise the loan provided under the PPP scheme for upgradation activities which resulted in unspent funds of more than ₹ one crore, which were to be refunded and for which no further directions from GoI were required.

3.4.4.5 Non-delegation of financial powers

IMC of GITI was to implement both schemes at GITI level. As agreed upon in the Memorandum of Agreement (MoA), GoUP was to delegate to the IMC adequate administrative and financial powers for expenditure out of the interest free loan/funds received under the scheme.

▪ Scrutiny of records at DTE revealed that loans were released to five GITIs¹²⁷ under PPP scheme during 2007-08 to 2010-11. In November 2017, DTE decided to execute the remaining portion of IDPs of these five GITIs through another agency and stopped IMC from making any expenditure. DTE, subsequently, reversed its decision and allowed IMCs to continue the implementation of IDPs in September 2018. Stopping these IMCs from implementation of IDP for about 10 months was against the guidelines, besides it affected the implementation of IDP.

The State Government stated (May 2020) that the decision was taken in view of non-achievement of desired progress on upgradation in these GITIs. The reply was not acceptable, as the scheme was to be implemented through the IMC of GITI under PPP scheme.

▪ Under the Model GITI Scheme, examination of records of GITI Saket, Meerut revealed that an amount of ₹ 2.16 crore was not released to IMC of GITI Saket Meerut and instead this amount was spent by DTE on renovation work proposed in the implementation plan. Audit examination further revealed that DTE awarded the renovation work at its own level to a State Government Public Sector Undertakings on nomination basis, i.e., without adopting tendering process for selection of construction agency. This was in violation of the Model GITI scheme guidelines which provided for release of funds under the scheme to the IMC for execution of the implementation plan, besides IMC was required to invite open tenders for works above ₹ five lakh by advertising in at least one national daily having wide circulation.

¹²⁵ Charbagh (W) in Lucknow, Nanpara in Bahraich, Koil in Aligarh, Mahoba and Barhalganj in Gorakhpur

¹²⁶ Koil in Aligarh, Mahoba and Barhalganj in Gorakhpur

¹²⁷ Jewar in Gautam Buddha Nagar (2009-10), Kasganj (2010-11), Mohammadabad Gohna in Mau (2009-10), Chaukaghat in Varanasi (2007-08) and Saidpur in Ghazipur (2009-10).

The State Government stated (May 2020) that the work was awarded directly to the executing agency due to lack of clarity in the rules for operation of the scheme at that time. It added that IMC had subsequently approved the release of funds and selection of executing agency by DTE, which was also acknowledged by GoI. The fact remains that the scheme was to be implemented by the IMC of GITI, therefore, awarding the construction work directly by DTE on nomination basis, was in violation of the scheme guidelines.

Thus, the State Government did not follow through on its commitment of delegation of adequate administrative and financial powers to the IMC.

3.4.5 Training and placement

3.4.5.1 Changes in training programmes

As envisaged in the PPP scheme, the IMC had to include in the Institute Development Plan (IDP) proposal for changes in the training programme, viz., proposals for – (a) upgradation of the GITI into a centre of excellence (CoE) in specific trade sector, (b) upgradation of existing trades being offered by the GITI, (c) addition of new trades for craftsman (ITI) training, and (d) deletion of any of the existing trades. Audit, however, observed that in the test-checked 19 GITIs, none¹²⁸ of the IMCs proposed for introduction of new trades or deletion of existing trades in their respective IDPs.

Under the Model GITIs, GITI Saket Meerut had in its implementation plan opted for opening of three new trades (Mechanic Diesel, COPA¹²⁹ and Dress Making) and discontinuance of one trade (Mechanic Agriculture Machinery). The GITI also had to provide training to 278 trainees annually under six MES¹³⁰ courses for existing workers. However, none of the new trades for craftsman training were commenced and mechanic agriculture trade was also not discontinued. Further, the GITI did not provide training to existing workers as proposed in its Implementation Plan. Similarly, GITI Karaundi, Varanasi proposed six courses for training of existing workers, however, it did not impart training to existing workers during 2016-17 to 2018-19.

Further, as per Memorandum of Association, the IMC was required to set up a suitable mechanism to obtain feedback from the trainees and industry about quality of training and use the feedback for improvement in the training delivery. Audit observed that in none of the test-checked GITIs, the IMCs developed any mechanism to obtain feedback from trainees and industries in respect of training imparted by the Institute.

The State Government stated (May 2020) that in view of necessity of sanction of different posts and expected delay in providing human resources against these posts, none of the GITIs covered under PPP scheme started new trades and opted for upgradation of existing trades only. The State Government also stated that 75 out of 115 GITIs covered under PPP scheme had opted for opening of business sector under the component - Centre of Excellence (CoE) which was subsequently closed by GoI in August 2015. In respect of not

¹²⁸ Except GITI Najibabad in Bijnor which proposed a new trade of Fitter in the revised IDP.

¹²⁹ Computer Operator and Programming Assistant.

¹³⁰ Modular Employable Skills Course.

developing a mechanism to obtain feedback from trainees as well as industries, the State Government stated that directions to GITIs in this respect had been issued.

Thus, by not opening any new trades and also due to closure of CoE in GITIs, the problem of mismatch between industry requirements and availability of skilled persons was not addressed. In case of GITI Saket Meerut, there was no trade related to sports industry sector despite it being one of the prominent industry clusters in the locality. This mis-match was compounded by non-operationalisation of the mechanism to assess the efficacy of training. Thus, the GITIs continued to function as before despite upgradation of infrastructure.

3.4.5.2 Availability of instructors and principals in GITIs

The schemes' guidelines stipulate that the administrative control of GITIs selected under both the schemes would remain with the State Government. As per the schemes' guidelines, the State Government was required to ensure that the sanctioned strength of the instructors in the GITIs was always filled up and in no case, the vacancies exceeded 10 *per cent* of the sanctioned strength.

Examination of records revealed that during the period 2014-19, out of 19 test-checked GITIs, vacancy of instructors in 18 test-checked GITIs¹³¹ ranged from 14 *per cent* to 100 *per cent* (**Appendix-3.4.3**). This included two GITIs at Nanpara, Bahraich and Rehwa Mansoor Mahsi, Bahraich where no instructors were placed during 2014-17¹³². It was observed that both GITIs did not have their own building and were operated by sharing the accommodation, instructors and other facilities of the GITI, Bahraich, established at the district headquarter. In the Model GITIs, shortage of instructors ranged from 14 *per cent* to 61 *per cent* during 2014-19.

Thus, the State Government failed to bring to fruition its commitment made in Memorandum of Agreement as regards provision of human resources, thereby adversely affecting the quality of training in these GITIs. This is evident from the fact that in the two GITIs with 100 *per cent* shortfall of instructors, the percentage of candidates passing out vis-à-vis candidates appearing in the examination¹³³ ranged between 54 *per cent* and 56 *per cent* only.

The State Government stated (May 2020) that instructors were placed in GITIs to the extent possible through regular/contractual deployments and requests were sent as well for selection of instructors to the Uttar Pradesh Subordinate Service Selection Commission. The reply was, however, unsupported by documentary evidence in this regard. Further, the fact remains that there were vacancies exceeding 10 *per cent* of the sanctioned strength in the test-checked 18 GITIs.

Availability of regular Principal

The Principal of the GITI has to play a crucial role as the Member Secretary of the IMC and it was advised as per PPP scheme guidelines to post regular Principals in all the GITIs being covered.

¹³¹ Except in GITI World Bank (W) Aliganj, Lucknow where there was no shortfall

¹³² GITIs –Nanpara, Bahraich: 2014-15 & 2016-17; Rehwa Mansoor Mahsi, Bahraich: 2015-17

¹³³ One of the KPIs to judge the performance of PPP scheme.

Out of the test-checked 19 GITIs covered under PPP scheme, in four GITIs¹³⁴ a regular Principal had never been posted and these GITIs were running with a Principal holding additional charge, whereas in eight GITIs¹³⁵ regular principals were posted intermittently during 2014-19 due to the reasons such as transfers, superannuation, etc., and due to not-providing/delay in providing the replacements. Audit noticed that the post of a regular principal was not even sanctioned in GITI Charbagh (W), Lucknow. Non-posting of regular principals affected the functioning of IMCs as, being the Secretary of the IMC, s/he was responsible for day-to-day management and administration of the IMC.

The State Government stated (May 2020) that vacancy of 58 principals were filled up through departmental promotion (36 posts) and direct recruitment (22 posts) and request for filling up 36 more posts were submitted by DTE. The State Government further stated that in the absence of the regular principal in GITI, the principal of the nodal GITIs of the respective district looked after the work in addition to his/her charge.

The fact remains that Member Secretary of the IMC was a significant element of the PPP scheme and the irregular deployment of principals had a concomitant impact on implementation of the scheme.

3.4.5.3 Functioning of placement cells

As per the PPP scheme guidelines and Memorandum of Agreement, the IMCs were to set up placement cells in the GITIs to guide/help the graduates in employment/self-employment and develop a suitable sustainable mechanism to trace the careers of the graduates for at least three years.

Scrutiny of records revealed that the placement cell was not formed in six GITIs¹³⁶ out of the 19 test-checked during 2014-19. In the remaining 13 test-checked GITIs, though placement cells were constituted but in these GITIs¹³⁷ placement records of trainees were either not available or available in respect of only a few trainees. Audit also observed that in GITI Charbagh, Lucknow, IMC hired a placement officer (December 2014 to September 2016) and paid remuneration amounting to ₹ 2.63 lakh. However, the GITI did not maintain the placement data of the trainees. Besides, no mechanism had been developed to trace the careers of the trainees for at least three years as envisaged in the scheme, in any of test-checked GITIs.

Audit further observed that the GITIs covered under PPP scheme did not provide the details of placement of the students to DTE though it was required to be furnished through the quarterly progress report. DTE also did not monitor the status of placement in the GITIs. During the conduct of audit, however, the 19 test-checked GITIs provided information on the aggregate number of trainees who passed during 2014-19 and got employed. Out of these, eight GITIs informed nil placement. However, there was no record to substantiate the reported aggregate number on employment status of ITI

¹³⁴ Campierganj and Barhalganj in Gorakhpur, Rehuwa Mansoor Mahsi in Bahraich and Charbagh (W) in Lucknow.

¹³⁵ World Bank (W), Aliganj, Charbagh in Lucknow, Nanpara in Bahraich, Railway Colony, World Bank (W) and Khajni in Gorakhpur, Rasara and Ibrahimabad in Ballia

¹³⁶ Rasra and Ibrahimabad in Ballia, World Bank (W), Khajni, Campierganj and Barhalganj in Gorakhpur

¹³⁷ Except GITI Koil, Aligarh where records were maintained during 2014-19.

passed-out trainees in respect of the remaining 10 test-checked GITIs, except GITI Koil, Aligarh which had maintained records of trainees' placement. Thus, the employment status of the passed-out trainees were not followed by IMCs as well as DTE which defeated the overall objective of the PPP scheme.

In Model GITI scheme, the implementation manual envisaged that the Placement Cell in the Model GITI should function as a Career Center envisioned under National Career Service and the GITI may appoint a qualified person on contract as coordinator for Training, Counselling and Placement Cell (TCPC) and equip the cell with better facilities for immediate response from employers/Industry. Audit, however, observed that TCPC in both the Model GITIs was not functioning as prescribed under the scheme. In both the GITIs, a full time training and placement officer was not appointed for liaising with the industry and generating and converting placement needs. In GITI Saket, Meerut placement details of only 188 trainees, out of 768 who passed during the academic year 2017, were provided to audit while in GITI Karaundi Varanasi data related to placement of trainees of the GITI was not provided.

The State Government stated (May 2020) that orders were issued in May 2017 for constitution of training-cum-placement cells in all GITIs for extending assistance to the trainees in getting employment by organising camps for campus selections at regular intervals. However, the State Government accepted that placement cells were not established by the IMCs in four out of 19 test-checked GITIs and stated that three GITIs had been issued show cause notices in this respect, whereas GITI Barhalganj could not operate placement cell as it was not running from its own building. In respect of GITI Rasra and GITI Ibrahimabad in Ballia, it claimed that placement cells were constituted, however, the reply was incorrect as both GITIs accepted that there was no placement cell. Further, the State Government did not furnish reply in respect of non-maintenance of placement records in the remaining test-checked GITIs. It, however, stated that an explanation was sought from GITI Charbagh, Lucknow for non-maintenance of the relevant records by the placement officer.

The fact remains that trainees were not provided adequate assistance through dedicated placement cells, thus defeating one of the objectives of the PPP scheme.

3.4.5.4 Training under Skill Development Initiative (SDI) scheme

The Government of India launched the Skill Development Initiative (SDI) scheme in May 2007. The main objective of the SDI scheme was to conduct short term courses to improve the skills of early school leavers and existing workers in the industries by optimum utilisation of infrastructure available in Government and Private Institution. As per Operational Manual for SDI Scheme (issued in December 2014), all ITIs whether public or private having up to four units would be required to train at least 20 candidates every year under SDI and 40 candidates every year in case they have more than four units.

Under the revised guidelines (July 2014) of the PPP scheme, each GITI was required to train at least 40 candidates every year under SDI scheme, if the

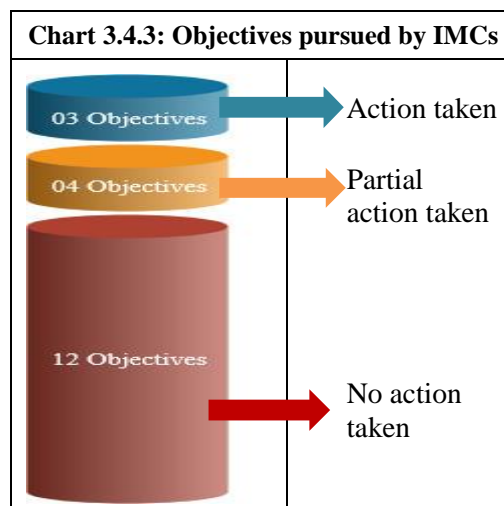
number of units was less than or equal to four in the GITI and 80 candidates per year, if number of units was more than four. Audit scrutiny in the 19 test-checked GITIs revealed that against a target of 1,480 per year, only 355 candidates were trained in 03 GITIs¹³⁸ from 2014-15 to 2018-19. In rest of the 16 GITIs, no training was conducted under the SDI scheme.

The State Government stated (May 2020) that six GITIs¹³⁹ did not provide training under SDI due to inadequate building infrastructure and GITI Aliganj in Lucknow would be commencing short-term courses under Uttar Pradesh Skill Development Mission. Government further stated that explanations were being called from GITIs Railway Colony in Gorakhpur and Charkhari, Mahoba in Mahoba. However, in case of remaining seven¹⁴⁰ GITIs, State Government stated that the scheme was not in operation in GITIs at present. The reply of the State Government is not tenable as GoI in its revised guidelines (July 2014) clearly directed that training under SDI was to be imparted by each IMC/GITI. Moreover, GITIs were also registered as vocational training providers under SDI Scheme.

3.4.6 Role of Institute Management Committees

As per Memorandum of Association and Rules and Regulations for the IMC Society annexed with the guidelines of the PPP scheme, there were 19 main objectives to be pursued by the IMC. These included aims such as - to assess emerging skill requirements of the region; short-term, medium-term and long-term requirement of skilled workforce; identify short-term training courses, review training needs of instructors; plan and establish such production/service centres in the GITI which help the trainees develop/learn their skills and also generate funds for the Society; network and interact with local industry chambers; and promote measures to increase the capacity of the GITI.

Audit observed that in the test-checked GITIs out of the 19 main objectives, IMCs took (i) action in respect of three objectives, viz., signing of Memorandum of Agreement (MoA), preparation of IDP and making expenditure out of the funds of the Society and (ii) partial action in respect of four objectives, viz., appointment of faculty on contract basis, measures for achievement of Key Performance Indicators (KPIs), admissions under IMC quota and setting up of placement cell (**Appendix-3.4.4**).



(Source: Information provided by test checked GITIs)

¹³⁸ Koil in Aligarh, Najibabad in Bijnore, Campierganj in Gorakhpur.

¹³⁹ Nanpara and Rehuwa Mansur Mahsi in Bahraich, Khajni, Barhalganj, Railway Colony and WB (W) in Gorakhpur.

¹⁴⁰ Atruali in Aligarh, Rasra and Ibrahimabad in Balia, Dhampur and Bijnore in Bijnore, Charbag and Charbag (W) in Lucknow.

In case of Model GITIs, the IMCs did not assess short-term, medium-term and long-term requirement of skilled workforce, besides reassessment of all existing trades and new requirements for their relevance with local market demand for preparation of the implementation plan as envisaged under the Model GITIs scheme.

The State Government accepted (May 2020) the audit observation and stated that necessary instructions had been issued to both Model GITIs for taking appropriate action in this regard. However, the State Government did not furnish any specific reply in respect of other GITIs being upgraded under PPP schemes. Thus, IMCs did not function as envisaged in the scheme guidelines, thereby hindering the overall upgrade towards self-sustainability of the GITIs.

3.4.6.1 Generation of revenue

To ensure sustainability of the operational model propounded in the PPP scheme and to become self-sufficient to meet all its expenses and liabilities, the IMC was to undertake measures to generate sufficient revenue, which was one of the KPIs as well. Scheme guidelines in this respect suggested measures such as admitting trainees under IMC quota (management quota), starting short term courses, consultancy/advisory services to industry, job work to generate extra revenue, training-cum-production centres, conducting short term courses and organising off-campus training programmes. It was also stipulated in the guidelines that GITIs could adopt separate fee structure for 20 *per cent* admission (IMC quota) for enhancing their revenues.

Audit, however, observed that none of the test-checked GITIs achieved the targets of revenue generation (₹ 5 to 15 lakh¹⁴¹), with shortfalls ranging from 86 *per cent* to 100 *per cent*¹⁴² during 2014-19.

Further examination revealed that the GITIs did not adopt measures as suggested in the guidelines for revenue generation, except taking admission under IMC quota. In respect of taking admission under IMC quota also, the 19 test-checked GITIs could achieve the targets by nil to 19 *per cent* in 18 GITIs during 2014-19 whereas GITI, Mahoba, achieved the target by 45 *per cent* during the period. Thus, the IMCs did not make adequate efforts to be self-sustainable.

The State Government accepted (May 2020) that GITIs adopted only one measure (admission under IMC quota) for generation of revenue. It, however, did not clarify the reasons due to which GITIs did not adopt other measures to augment revenue generation.

3.4.6.2 Repayment of loan

There was a moratorium of ten years from the year in which the loan was released to the IMC for repayment of GoI's loan under the PPP scheme. The loan was payable by the IMC in equal annual instalments over twenty years. In

¹⁴¹ Under the revised guidelines for the PPP scheme (July 2014), the target for revenue generation was fixed at ₹ five lakh, ₹10 lakh and ₹ 15 lakh for the years 2014-15, 2015-16 and 2016-17 respectively. In the absence of specific targets for 2017-18 and 2018-19, the target for revenue generation has been taken in the para as ₹ 15 lakh for the year 2017-18 and 2018-19.

¹⁴² Except in Mahoba and Atrauli in Aligarh where it was 27.6 *per cent* and 67 *per cent* respectively in 2014-15.

case of default, the National Steering Committee (NSC) may impose penalty on such overdue payments or take any other action deemed fit.

Under the PPP scheme, 25 GITIs selected in the year 2007-08 were due for repayment of loan from March 2019. However, scrutiny revealed that none of these 25 GITIs had started the repayment till December 2019. Thus, loan amount of ₹ 3.12 crore¹⁴³ remained unpaid.

In respect of the test-checked 19 GITIs, two GITIs (Charbagh in Lucknow and Mahoba) were due for repayment of the first instalment of loan amount in 2018-19 but neither GITI had started repayment of loan as of December 2019. It was also observed that the bank balance of GITI Charbagh, Lucknow and GITI, Mahoba was ₹ 17.69 lakh and ₹ 1.15 crore respectively, including the seed money. Considering the low bank balance of GITI Charbagh, Lucknow and lack of revenue generation, the GITI was not in a position to repay the loan.

Thus, non-repayment of loan not only created liability on the respective IMCs but would also invite the burden of penalty. Furthermore, since none of the IMCs had been able to generate significant revenue, this would also adversely impact the loan repayment capacity of other GITIs too.

The State Government stated (May 2020) that instruction for repayment of loan to GoI was issued (November 2019) to GITIs and the GITIs were taking action for repayment of the loan. The Government reply, however, did not provide any update on the present status of repayment of loans which assumes significance in the context of the low loan repayment capacity of the test-checked GITIs.

3.4.6.3 Exemption from Income Tax

As per guidelines of PPP scheme, the IMC Society was required to obtain a separate Permanent Account Number and get itself registered under Section 12A of Income Tax Act 1961 (IT Act) to avail exemption from income tax.

Audit observed that IMCs of 13 GITIs¹⁴⁴ out of the 19 test-checked had not registered themselves under the IT Act. This led to deduction of TDS¹⁴⁵ by banks (₹ 99.14 lakh in 13 GITIs) on interest accrued during 2008-19 which could have been avoided and the funds could have utilised towards fulfilment of the objectives of the scheme.

The State Government stated (May 2020) that action had been taken for registering IMC of GITI, Koil Aligarh under Section 12 of the IT Act, whereas other seven GITIs had been asked to explain the reasons for their non-registration under the IT Act. However, no reply was furnished in respect of remaining five GITIs¹⁴⁶.

¹⁴³ Repayable at the rate of ₹12.5 lakh per annum per GITI x 25 = ₹ 312.50 lakh

¹⁴⁴ Except in World Bank (W) in Aliganj, Lucknow, Atrauli in Aligarh, Dhampur and Najibabad in Bijnor, Barhalgarh and World Bank (W) in Gorakhpur

¹⁴⁵ Tax deducted at source under Income Tax Act 1961

¹⁴⁶ GITI Bijnor, Mahoba and Charkhari in Mahoba, Rasra and Ibrahimabad in Ballia

3.4.7 Monitoring

3.4.7.1 Monitoring of PPP scheme

The State Government was to form the State Steering Committee (SSC) for overseeing the implementation and monitoring of the scheme. SSC was to examine IDPs prepared by IMCs, forward the IDPs to Director General of Employment and Training (DGE&T) of GoI for approval and release of loan to the concerned GITI, review the progress of IMCs through quarterly progress reports and oversee the performance of the selected GITIs in respect of prescribed Key Performance Indicators (KPIs).

A State Implementation Cell (SIC), headed by Director, DTE and comprising of officers¹⁴⁷ of the level of Joint Director, Deputy Director and Section Officer was also to be constituted to assist the SSC and for management, monitoring and evaluation of the scheme under the guidance of SSC. The office and administrative expenses of SIC were to be borne out of management, monitoring and evaluation component of the outlay of the scheme based on proposal sent by the SIC.

Audit, however, observed that the SIC was not formed in the State. The State Government also did not send any proposal to GoI for release of funds for the constitution and functioning of SIC. In absence of a dedicated SIC, the functions to be taken up by SIC were instead reported to be performed by the State Project Implementation Unit, constituted by the State Government for monitoring of various government schemes. Evidently, considering the various irregularities observed during audit, the absence of a dedicated SIC was one of the factors which affected the management and monitoring of the scheme adversely. Furthermore, nine meetings of the SSC were held intermittently during 2013-19, which rendered periodic monitoring of IMC unfeasible through quarterly progress reports.

The revised guidelines of PPP scheme (July 2014) also mandated SSC to examine and review performance (in terms of KPIs) of each IMC at the end of the year by December. For default in non-achievement of 70 *per cent* level of KPIs, the State Government was required to change the chairman of IMC within six months after two such consecutive years. However, it was seen that neither was any such review taken up between December 2014 and December 2018 by the SSC nor was any action initiated against the IMC for non-performance. The compiled KPIs of 115 GITIs were presented to SSC for the first time in March 2019, but SSC did not issue any directions over the low KPI scores. As per data furnished to audit by 17¹⁴⁸ out of 19 test-checked GITIs, the achievement of KPI targets was as given in **Table 3.4.3**.

¹⁴⁷ The number of officers would depend upon the number of GITIs covered in the State.

¹⁴⁸ World Bank (W) Aliganj, Charbagh and Charbagh(W) in Lucknow, Nanpara and Rehwa Mansoor Mahsi in Bahraich, Dhampur and Najibabad in Bijnore, Atrauli and Koil in Aligarh, Mahoba and Charkhari in Mahoba, Railway Colony, World Bank (W), Khajni, Campierganj, and Barhalganj in Gorakhpur, Rasra in Ballia.

Table 3.4.3: Achievement of KPIs during 2014-15 to 2018-19

KPIs	Details	Target set	GITIs which achieved initial targets (2014-15 and 2015-16)	GITIs which achieved the upward targets (2016-17 to 2018-19)
I	Percentage of candidates appearing in the examination vis-à-vis intake capacity	Initial benchmark 70 per cent, which was to be taken up to 95 per cent in next few years	11 (except Charbagh in Lucknow, Nanpara and Rehwa Mansoor Mahsi in Bahraich, Dhampur in Bijnore, Koil in Aligarh and Barhalganj in Gorakhpur)	None, except in Rasara, Ballia where it was 100 per cent for the year 2016-17. (It was below 70 per cent in Rehwa Mansoor Mahsi in Bahraich, Dhampur and Najibabad in Bijnor, Barhalganj in Gorakhpur.)
II	Percentage of candidates passing out vis-à-vis candidates appearing in the examination	Initial benchmark 70 per cent, which was to be taken up to 95 per cent in next few years	15 (except Nanpara and Rehwa Mansoor Mahsi in Bahraich)	8 (except Nanpara and Rehwa Mansoor Mahsi in Bahraich, Dhampur and Najibabad in Bijnor, Koil in Aligarh, Mahoba, Charkhari in Mahoba, Railway Colony in Gorakhpur and Rasra in Ballia)
III	Percentage of passed out students employed/self-employed within one year of pass out ¹⁴⁹	Initial benchmark 50 per cent for wage employment and 70 per cent for overall employment	None	None
IV	Revenue generation	₹5.00 lakh (for 2014-15), ₹10.00 lakh (for 2015-16) and ₹15.00 lakh (for 2016-17)	None	None

(Source: Test-checked GITIs)

As seen from **Table 3.4.3**, the achievement of KPIs (except for KPI-II) by 17 out of the 19 test-checked GITIs was far below the level envisaged under the scheme, thus further emphasising the need for proper and regular monitoring of the scheme. Furthermore, as per the revised guidelines, the SSC did not take action against the IMCs despite continuous default on KPIs, reflecting poor monitoring.

The State Government confirmed (May 2020) that a dedicated SIC was not constituted. As regards irregular holding of meetings of SSC, it stated that meetings of SSC were held at regular intervals and such meetings were also held through circulation when no important policy decisions were included in the agenda of the meeting. In respect of non-achievement of KPIs, the State Government stated that the achievement of KPIs was submitted to SSC from time to time and it further added that explanations had been called for from the test-checked GITIs after receiving their response to audit observation regarding low performance.

The fact remains that inadequate monitoring by SSC limited the avenues for identifying the weaknesses in the implementation of the scheme and taking timely corrective action for upgradation of GITIs as envisaged under PPP scheme.

¹⁴⁹ GITIs Bijnore and Ibrahimabad, Ballia did not furnish the data.

3.4.7.2 Monitoring of Model GITI Scheme

Under Model GITI scheme, the State Government was to monitor the implementation of the scheme on the basis of the reports to be furnished by the IMCs quarterly and furnish a consolidated report to the Central Government.

Audit observed that in GITI Saket, Meerut, the scheme was being implemented since 2015-16, but the first Quarterly Progress Report (QPR) was submitted only in January 2018. It was also noticed that in QPRs of March 2018, March 2019 and June 2019, data other than expenditure remained the same. However, this was not examined or pointed out at the Directorate level and no action was taken against the IMC. On the other hand, GITI Karaundi, Varanasi was regularly submitting QPRs to DTE.

Further, DTE did not provide records related to compilation of the Annual Report detailing the progress of implementation of the scheme in the State.

The State Government accepted (May 2020) the audit observation and stated that instructions had been issued to both Model GITIs for submission of quarterly progress reports to DTE and QPRs were now being received.

3.4.8 Conclusion

PPP scheme and Model GITI scheme envisioned using industry interface for upgradation of GITIs to make design and delivery of training more demand responsive and the GITIs self-sustainable. The Department, Institute Management Committees (IMCs) and Industry Partners were the main stakeholders, on whose functioning depended the implementation of both schemes. An overview of the state of affairs as ascertained in audit was as follows:

- The functioning of IMCs (headed by Industry Partners) was sub-par, with inadequate action being taken by them vis-à-vis majority of the objectives of the scheme. The physical infrastructure got upgraded, however, IMC did not adhere to the approved Institute Development Plan. Instances of unfruitful expenditure and unauthorised excess expenditure on some components of IDP by diversion of fund from other components of approved IDP were noticed. Further, GITIs did not introduce new trades by assessing the demand /requirement of industry. Assistance to the passed out trainees for getting employment was inadequate as placement cell was not formed in about one-third test-checked GITIs and in remaining GITIs, records of placement were either not maintained or maintained in respect of a few trainees.
- The Industry Partners did not actively participate in implementation of the schemes and as a result the faculty/trainees did not benefit from the association of Industry Partners. Training for instructors and on-the-job-training to the students were not organised as envisaged.
- The monitoring of the scheme by the Department was lax as the State Implementation Cell for managing and monitoring the scheme was not formed. KPIs were called for by the State Steering Committee only in 2018-19, but no follow-up action was taken. Availability of human resources, critical for providing training and implementation of the schemes, was unsatisfactory.

- As regards the issue of loan repayment, the revenue generation activities in GITIs did not take off, thus defeating the objective of making IMCs self-sustainable and giving rise to uncertainty in respect of their loan repayment capacity.

3.4.9 Recommendations

- *Corrective steps should be taken to ensure that the IMCs and Industry Partners carry out their role as envisaged in the schemes.*
- *The State Government should urgently review the revenue generation efforts of the IMCs to make the GITIs self-sustainable and ensure loan repayment.*
- *The State Government should take urgent measures to fill up the vacant posts of principals/instructors in GITIs to improve quality of training.*
- *The State Government should assess the mismatch between training courses in GITIs and industries available in the locality and training courses should be designed accordingly for better employability.*
- *Funds available under the schemes should be utilised as per approved plan in a time-bound manner so that time and cost overruns could be avoided and GITIs could achieve prescribed key performance indicators.*
- *The State Government should ensure that placement cells are formed in GITIs and function effectively to provide adequate assistance to trainees in employment/self-employment.*
- *The State Government should take steps to improve monitoring of the schemes.*

Audit Paragraphs

Basic Education Department

3.5 Irregularities in procurement of school bags and unfruitful expenditure on undisbursed school bags

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.

The Government directed (August 2016) the Directorate of Basic Education (DBE) for purchase of school bags for free distribution amongst students of class one to eight of government and aided junior high schools, aided *madarsas*, government inter colleges (class six to eight), and aided secondary schools and constituted a tender committee¹⁵⁰ for selection of suppliers. A tender document¹⁵¹, approved by the Department, was also provided (August 2016) to the DBE for publication of tender.

Scrutiny of records (May 2017 and July-August 2018) of the DBE revealed that in response to Notice Inviting Tender (NIT) published (September 2016) for procurement of school bags, seven bidders participated in the tender. On 8 October 2016, the technical bids were opened and four out of the seven bidders were not found eligible by the tender committee on the grounds that they did not submit proper certificate of manufacturing of school bags and supply up to the delivery points and therefore failed to fulfil the eligibility criteria. The financial bids of the remaining three bidders were opened on 14 October 2016 in which the lowest tenderer had quoted a rate of ₹ 144.40 per school bag.

As per the conditions of NIT, the lowest tenderer (L1) would be offered contract for the quantity quoted in his offer in the technical bid, but not less than 25 *per cent* of the total supply. If some quantity remained to be allotted, the next responsive tenderer (L2) would be offered to supply school bags at the rate of L1 up to the quantity quoted, subject to his capacity, but not more than 20 *per cent* of the total supply. If some quantity still remained, the above process would be repeated for the next responsive tenderers such as L3, L4 and so on. Accordingly, the rate of ₹ 144.40 per school bag of L1 was negotiated with the other two bidders and Letter of Intent was sent (November 2016) to them for supply of about 180 lakh school bags (60 *per cent*, 20 *per cent* and 20 *per cent* of the total quantity by L1, L2 and L3 tenderer respectively).

¹⁵⁰ Director, Basic Education – Chairman and representative of Director, Mid-day Meal Authority, representative of State Project Director, Sarv Siksha Abhiyaan, Secretary, Basic Education Council and Finance Controller, Basic Education Directorate as members.

¹⁵¹ The draft tender document was forwarded to the Department by DBE in June 2016.

Deficiencies in tender evaluation process

Audit noticed that L1, L2 and L3 tenderer were consortiums¹⁵² formed by three firms/companies in cases of L1 (Consortium-1) and L3 (Consortium-3), and by two companies in case of L2 (Consortium-2). Analysis of the documents submitted by the firms in the bidding documents revealed the following:

- Tax audit report¹⁵³ for the assessment year 2014-15 submitted by a member in Consortium-1 (M/s Sumaja Electroinfra Private Limited) as part of the bid showed that the Company's business was in manufacturing of engineering goods and in trading of cloth. However, the tender committee accepted certificates submitted by Consortium 1 depicting M/s Sumaja Electroinfra Private Limited as a manufacturer of school bags.

The Government replied (May 2019) that Consortium-1, which presented M/s Sumaja Electroinfra Private Limited as a manufacturer of school bags, submitted the certificate of the Ministry of Small & Micro Enterprises (MSME) in respect of M/s Sumaja Electroinfra Private Limited, which was verified online through UAN code mentioned in Udyog Aadhar. The Government further stated that as per the said certificate, M/s Sumaja Electroinfra Private Limited was a manufacturer of 'other textiles/textile products' with date of commencement as April 2005 and the tender committee considered school bag in the category of 'other textiles/textile products' for technical evaluation. In addition, a manufacturing capacity certificate issued by the Chartered Engineer to M/s Sumaja Electroinfra Private Limited showed it as a manufacturer of school bags. Moreover, an external team headed by a chartered accountant also verified the documents of the bidders before selection of the technical bid.

The fact remains that there was contradictory information in the tax audit reports as well as in MSME certificate regarding M/s Sumaja Electroinfra Private Limited as manufacturer of school bags, which was not verified by the tender committee. Incidentally, as against supply order of 109.41 lakh school bags to Consortium-1, it was eventually able to supply only 7.51 lakh school bags, as a result of which its security deposit of ₹ 15.59 crore was forfeited, as discussed in the subsequent para.

- As part of the bid submission, an Integrity Pact was signed by the bidders wherein the bidders committed themselves to undertake and practice clean, ethical, honest and legal means and maintain complete transparency and fairness in all activities concerning bidding, contracting and performance thereto.

Audit observed that two companies, viz., a member of consortium-2 (M/s Sunlord Apparels Manufacturing Company Private Limited) and a member of consortium-3 (M/s Sunlord Industries Private Limited) respectively

¹⁵² A consortium was defined in the NIT as a group of firms/companies that agree to work together for the purpose of manufacturing and supply of school bags.

¹⁵³ Form No. 3CA and 3CD under Income Tax Act, 1961

were enterprises having significant influence¹⁵⁴ over the other as disclosed in their balance sheets as on 31 March 2016 and 31 March 2015 respectively under Related Party¹⁵⁵ Disclosures. The accounts of both companies were submitted to the tender committee along with the bidding documents of respective consortiums. ***Thus, these companies were related to each other but participated in the bidding process for school bags as members of two different Consortiums, which resulted in violation of the provisions of the Integrity Pact.***

The Government stated (May 2019) that as per information provided in the bid documents, the registered address of M/s Sunlord Apparels Manufacturing Company Private Limited was different from the registered address provided in the Certificate of Registration issued by Commercial Tax Department in respect of M/s Sunlord Industries Private Limited. It further contended that both bidders had submitted different e-mail IDs in bid documents, i.e., mishra@sunlord.com in case of M/s Sunlord Apparels Manufacturing Company Private Limited and ashishwahi@sunlord.com in case of M/s Sunlord Industries Private Limited.

The reply of the Government was not tenable as even in the documents submitted by bidders, both companies had used the same domain (@sunlord.com) in their e-mail ID. Audit further noticed from the records (company master data) available at the website of Ministry of Corporate Affairs (GoI) that the registered addresses and e-mail IDs of both companies (M/s Sunlord Apparels Manufacturing Company Private Limited and M/s Sunlord Industries Private Limited) were the same. Besides, the audited accounts of these companies specifically disclosed that key management personnel in both companies had significant influence over the other.

Thus, the tender evaluation process was deficient as the tender committee did not cross-verify the documents of the bidders regarding – (a) submission of contradictory documents by M/s Sumaja Electroinfra Private Limited (Consortium-1) in support of its claim as a manufacturer of school bags; and, (b) bidding by related parties - M/s Sunlord Apparels Manufacturing Company Private Limited (Consortium-2) and M/s Sunlord Industries Private Limited (Consortium-3), which was a red flag indicating collusion and vitiation of the tender process.

Deficiencies in supply and distribution of school bags

Emphasising the need for effective control and strict economy in expenditure by the officers dealing with budget and sanctioning of expenditure, paragraph 204 of the UP Budget Manual considers failure in ensuring full money's worth on purchase of goods or services made on behalf of the State, as wastefulness and requires every public servant to strive to the utmost of his capacity to eliminate all unnecessary or infructuous expenditure.

¹⁵⁴ All key management personnel were related to each other. Also, M/s Sunlord Industries Private Limited secured a loan of ₹ 1.16 crore against pledge of approved debt Mutual Funds owned by M/s Sunlord Apparels Manufacturing Company Private Limited.

¹⁵⁵ As per Accounting Standards 18, parties are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

Scrutiny of records (July/August 2018) of Directorate, Basic Education (DBE) revealed the following irregularities in supply of school bags by the Consortiums which were issued (November 2016) the Letter of Intent (LoI) to supply 1.80 crore school bags within 120 days to designated delivery points in all districts:

- Against the supply order of 1.80 crore school bags for all the 75 districts, the suppliers supplied only 78.58 lakh¹⁵⁶ (44 *per cent*) school bags and received total payment of ₹ 109.15 crore. Further analysis revealed that out of the 75 districts, eight districts received partial supplies while 38 districts received no supplies. Of the supplies received, only 65.27 lakh school bags (83 *per cent*) were distributed to children during the year 2016-17¹⁵⁷. As a result, the benefit of the scheme could not be extended to 1.15 crore¹⁵⁸ students during 2016-17.
- Out of 78.58 lakh school bags supplied during 2016-17, 13.31 lakh school bags were lying undistributed up to the close of the academic session 2016-17. DBE took up the issue frequently¹⁵⁹ with the Government seeking directions in the matter. In July 2017, the Government directed to distribute only 6.76 lakh bags during the academic year 2017-18 but did not issue any directives for the remaining 6.55 lakh bags. As a result, these 6.55 lakh bags having warranty of only one year were lying undistributed even after a lapse of more than three years, which resulted in unfruitful expenditure of ₹ 5.33 crore¹⁶⁰.

DBE in its reply (August 2018 and September 2019) did not provide any clarification regarding decision taken in respect of the 6.55 lakh bags lying undistributed. Further, against the short supply of 101.90 lakh school bags, it was stated that bank guarantee of the lead member of Consortium 1 amounting to ₹ 15.60 crore had been forfeited¹⁶¹. However, action taken by the Department is not complete as no decision regarding the undistributed bags was taken. Further, the matter of non-distribution of school bags was referred to the Department (December 2019), no reply was received (January 2021) despite repeated requests¹⁶².

Thus, the procurement of school bags for distribution to students suffered from deficiencies in the bidding process, irregular supply orders and non-distribution of school bags to 1.15 crore students during 2016-17. Besides, 6.55 lakh school bags remained undisbursed even after a lapse of more than three years of their purchase.

¹⁵⁶ Consortium-1 supplied 7.51 lakh bags (short by 101.90 lakh bags); Consortium-2 supplied 35.19 lakh bags and consortium-3 supplied 35.88 lakh bags.

¹⁵⁷ Up to the date of announcement of assembly elections on 4 January 2017.

¹⁵⁸ Since only 65.27 lakh bags were distributed against the actual requirement (supply order) of 1.80 crore school bags for 75 districts.

¹⁵⁹ Vide letters dated 30 March 2017, 4 May 2017, 30 May 2017.

¹⁶⁰ Out of ₹ 9.46 crore due to suppliers for 6.55 lakh undisbursed bags, payment for ₹ 4.13 crore was outstanding as on September 2019, the further progress was not provided by Government despite reminders (May 2020 and October 2020).

¹⁶¹ Deposited into the treasury through challan dated 01 June 2018.

¹⁶² February 2020, March 2020, May 2020, August 2020 and October 2020

Higher Education Department

3.6 Unfruitful expenditure on installation of networking system

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.

With the objective to provide online research material to research scholars/students and to enhance their knowledge, GoUP accorded (November 2013) administrative and financial approval (A&FA) of ₹ 2.14 crore for installation of wi-fi networking system in the hostels¹⁶³ of Deen Dayal Upadhyaya Gorakhpur University, Gorakhpur (DDUU). Uttar Pradesh Rajkiya Nirman Nigam (UPRNN) was nominated by the State Government as Executing Agency (EA) for the said work. The conditions of A&FA, *inter alia*, required releasing of funds by DDUU to EA immediately after its withdrawal from treasury; obtaining technical sanction (TS) of the competent authority before commencement of work; entering into agreement with the EA for execution of high quality works and also for timely completion; and submitting proposal for second instalment along with physical progress of the work and quality report after utilisation of 75 per cent of the sanctioned funds.

Scrutiny of records (April 2017) of DDUU revealed that the State Government released the first and second instalments of ₹ 1.06 crore and ₹ 1.08 crore to DDUU in November 2013 and July 2015 respectively. The first instalment was released to UPRNN in March 2014. DDUU released (December 2015) the second instalment to UPRNN on the basis of utilisation certificate submitted and funds demanded by the EA.

As per estimate submitted (June 2013) by UPRNN, the work was to be completed within three months from the date of issue of TS or release of funds, whichever was later. Subsequently, keeping in view the phased release of funds, UPRNN decided (May 2014) to take up installation of networking system in two hostels in the first phase and four hostels in the second phase of work. Accordingly, UPRNN was required to complete the first and second phases of works in February 2015 (reckoned from the date of issue of TS) and March 2016 (reckoned from the date of release of second instalment) respectively. Audit, however, observed that:

- Despite specific directions of the State Government in A&FA, DDUU did not execute an agreement with UPRNN. Further, in contravention of the conditions of the A&FA, the EA commenced the work without obtaining TS and 80 per cent of the first instalment was already utilised prior to receipt of TS in November 2014.
- As per information provided (April 2017) by DDUU, wi-fi facility was initially provided in February 2015 to students of the two hostels taken up in the first phase (Alaknanda Hostel and Gautam Budh Hostel), which was discontinued in May 2015 due to network attacks reported by National

¹⁶³ Six hostels named as Sant Kabir Hostel (Male), Nath Chandravat Hostel (Male), Swami Vivekanand Hostel (Male), Gautam Budh Hostel (Male), Alaknanda Hostel (Female) and Rani Laxmibai Hostel (Female).

Informatics Centre¹⁶⁴ (NIC). The network attack indicates that adequate preventive measures, such as firewalls, anti-virus softwares, etc., were lacking. Although the EA was responsible for on-site project management support, the reasons why the issue of network attacks was not fixed were not evident from the records.

Audit further noticed that wi-fi facility was subsequently provided to Gautam Budh Hostel in August 2015, but it stopped functioning in January 2016. In case of Alaknanda Hostel, wi-fi facility was resumed in March 2018, i.e., after a gap of 33 months, but it again stopped functioning in May 2018.

- The installation of wi-fi networking system in two other hostels (Swami Vivekanand Hostel and Nath Chandravat Hostel)¹⁶⁵ was completed in February 2018, i.e., after a delay of two years. The wi-fi facility of Swami Vivekanand Hostel was not functioning since May 2018, whereas an inspection team of DDUU reported (May 2018) slow internet speed in Nath Chandravat Hostel due to which students were unable to download journals. Thus, in the hostels, where networking system were installed, the facility provided was for a limited period of a few months and of inadequate bandwidth, as evident from frequent complaints by students about its disruption.
- In case of the remaining two hostels (Rani Laxmibai Hostel and Sant Kabir Hostel), the wi-fi equipment were installed in July 2017, but remained non-functional (August 2020).
- Though the installation and commissioning charges (₹14.15 lakh) and extended warranty and on-site project management support charges (₹43.93 lakh) for a period of two years were already released to UPRNN, it did not provide these services as the wi-fi facility was neither installed timely nor was the installed system made functional for the period of warranty.

The wi-fi system is yet to be handed over to the DDUU (August 2020). The non-functional wi-fi system not only deprived research scholars/students of the intended benefits but also resulted in unfruitful expenditure of ₹ 2.14 crore.

The Government in its reply (September 2018) and the Directorate during discussion (February 2019), accepted the fact of non-execution of agreement with EA and stated that the installed system had neither been handed over¹⁶⁶ by EA nor made functional till date, though the EA was responsible for timely installation and proper functioning/maintenance of the networking system for two years. The Government also stated that instructions have been issued to Registrar/Finance Officer of DDUU for imposing penalty/taking legal action against those responsible for adopting irresponsible procedures in execution

¹⁶⁴ NIC reported in May 2015 that they had detected a network attack and a computer connected to the network was probably infected. NIC requested the University to fix the issue as soon as possible.

¹⁶⁵ Out of four hostels taken up in the second phase (Swami Vivekanand, Nath Chandravat, Rani Laxmibai and Sant Kabir)

¹⁶⁶ As informed by EA, wi-fi equipment installed at Alaknanda and Gautam Buddha Hostels were handed over to the University in November 2014, but the EA furnished only a list of equipment installed in these hostels, signed by a Hostel Superintendent. The Government, though accepted installation of wi-fi equipment in the hostels but stated that the system was not functional and no action for transfer of the installed system had been taken so far.

of works. However, DDUU was yet to take any action against the EA (September 2019).

The fact remains that DDUU released funds to EA without executing any agreement and did not set a timeframe for completion of the work. This, coupled with EA's lackadaisical approach in installation of wi-fi networking infrastructure in hostels and absence of any penalty for delayed/non-execution of work and non-functioning (August 2020) of the internet system, led to unfruitful expenditure of ₹ 2.14 crore.

Irrigation and Water Resources Department

3.7 Loss of ₹ 28.44 crore to the Government

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.

UP Minor Minerals (Concession) Rules, 1963 (MMR) defines mining operations as any operations undertaken for the purpose of winning any minor minerals and categorises building stones under minor minerals. The rules¹⁶⁷, *inter alia*, prohibit¹⁶⁸ any mining operation except under a mining lease or mining permit granted by the District Officer¹⁶⁹ on the basis of an application in form MM-8 seeking such permit; and royalty deposited¹⁷⁰ by the applicant at prescribed rates for the total quantity of mineral permitted. The rules also prohibit¹⁷¹ transportation of minor minerals without a transit pass in form MM-11 issued by the District Officer in support of payment of royalty. The Government directed (October 2015¹⁷²) that if any use of minor minerals is done by a contractor during the execution of public works without a valid transportation pass (Form MM-11), the royalty and value of the mineral (normally five times of the royalty) will be deducted from the bills of the contractor.

Audit scrutiny (December 2016 and January 2018) of records of two construction divisions¹⁷³ of the Department revealed that though there was clarity in the MMR that no operation to win a minor mineral could be undertaken without obtaining a mining lease or mining permit and depositing

¹⁶⁷ Rule 3(1) of UP Minor Mineral (Concession) Rules, 1963.

¹⁶⁸ No person shall undertake any mining operations in any area within the State of any minor minerals to which these rules are applicable except under and in accordance with the terms and conditions of a mining lease or mining permit granted under these rules {Rules 3 (i)}.

¹⁶⁹ An application for the grant of mining permit shall be submitted in form MM-8 in triplicate to the District Officer or to such other authority who may be authorised by the State Government to grant such permit (Rule 52).

¹⁷⁰ When an order granting a mining permit has been made under Rule 53, the applicant shall within 15 days of the communication of the order, deposit the royalty for the total quantity of mineral permitted in the said order at the rates for the time being specified in the First schedule to these rules and, if the holder of the permit, due to any reason attributable on his part, could not remove minor mineral within the permitted time, any amount deposited as royalty shall not be refunded (Rule 54).

¹⁷¹ Rule 70 of MMR further stipulates that the holder of mining lease or permit, or a person authorised by him on his behalf shall issue a pass in form MM-11 or form e-MM-11 prepared through electronic process to every person carrying a consignment of minor mineral or any other mode of transport. The State Government may, through district officer, make arrangement for supply of printed MM-11 form books on payment basis.

¹⁷² Chief Secretary, Government of Uttar Pradesh order No.3385/86-2015-292/2015 dated 15 October 2015.

¹⁷³ Irrigation Construction Division, Mauranipur, Jhansi and Irrigation Construction Division-5, Jhansi

the required amount of royalty, there was no specific provision in the MMR relating to ownership, authority empowered to dispose of and mode of disposal of minor minerals recovered during development and construction of dams, canals and wells by Irrigation and Water Resources Department. While the Directorate of Geology and Mining, Government of Uttar Pradesh did not consider¹⁷⁴ the Irrigation and Water Resources Department a competent authority to dispose of such mineral on its own and required the same to be disposed of through a committee constituted under the concerned District Magistrate as provided under MMR, the Irrigation and Water Resources Department issued orders and executed agreements for utilisation/disposal of hard rocks considering itself to be having authority over such material.

Financial Handbook Volume-VI of Uttar Pradesh (FHB) provides¹⁷⁵ that a Schedule of Rates (SoR) should be kept in each division to serve as a guide in setting rates. In response to information/clarification sought (February 2018) from the office of Chief Engineer, Project Betwa, Jhansi (CE), it was clarified (February 2018) that issue rates¹⁷⁶ of boulder/granite rocks obtained in excavation are determined on the basis of prevailing Schedule of Rates (SoR). However, as pointed out in the succeeding paragraphs, different divisions of the Irrigation Department adopted different methods for issuing the excavated hard rocks to contractors. Further, excavated rocks, which were not to be utilised on the work, were sold to the contractors without ensuring issue of valid transit passes in favour of the contractors, at times without any provision for the same in the agreement and also at arbitrarily decided rates. The deviation in fixation of issue rate of excavated hard rocks vis-à-vis applicable SoR resulted in loss of revenue to the Government as discussed below:

(i) The Government accorded administrative approval (January 2009) and financial sanction (June 2009) of ₹ 76.68 crore¹⁷⁷ for 'Modernisation of Pahari Dam' in *tehsil* Mauranipur of district Jhansi. Scrutiny of records (January 2018) of Irrigation Construction Division, Mauranipur, Jhansi (ICD) revealed that under the 'Modernisation of Pahari Dam' project, an agreement (*Agreement-1*) for construction of Pahari Dam, spillway and earthen embankment was executed (February 2009) between Irrigation Construction Circle, Mahoba and a contractor for ₹ 90.84 crore. As per Schedule B (bill of quantity) and Schedule E (issue rate of materials to be supplied by the department) forming part of the agreement, 20,000 cubic meter (cum) stone boulders were to be issued to the contractor at the rate of ₹ 147.50 per cum, worked out on the basis of average rates of stone boulders weighing 25-40 Kg (₹140 per cum) and 40-60 Kg (₹155 per cum) given in the Schedule of Rates (SoR) applicable in Jhansi Circle of Irrigation Department effective from September 2006.

Though the rates of stone boulders weighing 25-40 Kg and 40-60 Kg were revised by Jhansi Circle to ₹ 325 per cum and ₹ 345 per cum in March 2013

¹⁷⁴ As clarified by the Directorate of Geology and Mining in September 2019 in response to audit query.

¹⁷⁵ Paragraph 523 of FHB stipulates that a schedule of rates for each kind of work commonly executed should be maintained in the division and kept upto date to facilitate the preparation of estimates, as also to serve as a guide in setting rates in connection with the contract agreement. The schedule of rates also includes rates of materials.

¹⁷⁶ The rate at which materials are issued to the contractor for consumption in the work.

¹⁷⁷ The project was approved by Expenditure Finance Committee for ₹ 76.68 crore

and thus, the average rate of stone boulders works out to ₹ 335 per cum, the Division issued (June 2015) additional 3,31,477 cum of excavated rock¹⁷⁸ to the contractor at the rate of ₹ 147.50 per cum, i.e., issue rate fixed on the basis of SoR rates of September 2006. The stone boulders were also sold without ensuring issue of valid transit pass for transporting the minor mineral. Since the additional quantity of 3,31,477 cum of stone boulders issued to the contractor was not required for the work and therefore, was not part of the agreement, its sale at old SoR rate of ₹ 147.50 per cum against the prevailing rate of ₹ 335 per cum as per applicable SoR, resulted in a loss of ₹ 6.22 crore¹⁷⁹ to the Government.

The Government, in reply, stated (March 2019) that the stone boulders were issued to the contractor on the basis of schedule annexed with the contract, which was beneficial to the State exchequer, as the previous auction (July 2011) of hard rocks by Mining Department fetched less revenue at the rate of ₹ 78.30 per cum. The reply was not acceptable because excess quantity of boulders were issued to the contractor, without following a transparent procedure, at about nine year old rates, which resulted in loss of ₹6.22 crore including loss of royalty amounting to ₹ 2.49 crore. The sale of hard rocks was also made without payment of royalty in contravention of provisions of MMR, as ICD deposited the entire sale proceeds of ₹ 5.18 crore out of sale of 3,31,477 cum of excavated rocks to the receipt head of Medium Irrigation instead of depositing ₹ 2.49 crore to receipt head of royalty for Non-ferrous mining.

During discussion (July 2019), the Government assured that necessary instructions would be issued for disposal of hard rocks through auction. Government was, however, requested to furnish reasons for non-adoption of rates of prevailing SoR for issuing excess quantity of 3,31,477 cum, which was still awaited (September 2020).

(ii) The Government accorded administrative and financial approval (February 2015) of ₹612.04 crore for Erach Multipurpose Irrigation/Drinking Water Project on Betwa River. TS for the same amount was accorded by CE, Jhansi in January 2015.

Scrutiny of records (December 2016/January 2018) of ICD revealed that an agreement (*Agreement-2*) for construction of Erach Multipurpose Dam, spillway and its allied works was executed (February 2015) with a contractor at a cost of ₹ 468.27 crore. The *Agreement-2* stipulated for handing over of excavated hard rocks to the contractor at an issue rate of ₹100 per cum¹⁸⁰. Audit noticed that rate of the minimum rate of stone boulder as per prevailing SoR (effective from March 2013) was ₹ 325 per cum, which was not taken

¹⁷⁸ As per Schedule B forming part of contract, only 20,000 cum of stone boulder was to be utilised for this work. Therefore, the issue of remaining 3,31,477 cum hard rock was beyond the provision of the agreement. Further, as informed by ICD, Mauranipur, Jhansi (July 2019), the contractor utilised only 1828.01 cum of stone boulders on this work.

¹⁷⁹ 3,31,477 cubic meter x ₹187.50 = ₹62151937.50 (say ₹6.22crore).

¹⁸⁰ The Irrigation Construction Division, Mauranipur, Jhansi informed (December 2016) that the issue rate was finalised on the basis of last rate obtained in the public auction of the excavated rocks from the concerned terrain, which was ₹ 78.30 per cum and the annual increase of eight *per cent* was added in the last auction rate to arrive at the issue rate. The Division, however, informed (February 2017) that the rate analysis was not available with approved estimates for the work.

into consideration while providing the issue rate in *Agreement-2*. This resulted in extension of undue benefit of ₹ 16.45 crore¹⁸¹ to the contractor on providing 7,31,203.90 cum of hard rocks during March 2016 to December 2016 (upto XIIth running bill) and consequential loss of ₹16.45 crore to the Government, including loss of royalty amounting to ₹ 9.14 crore (calculated at prevailing rate of ₹ 125 per cum).

Irrigation Construction Circle, Mahoba informed (February 2018) that the authority executing the agreement was competent to sell the excavated rocks. The Government, however, stated (May 2019) that an inquiry for the financial irregularities had been set up and disciplinary action was being taken against the responsible officers. Earlier, in a meeting held (July 2017) under the Chairmanship of Principal Secretary, Irrigation and Water Resources Department, GoUP, it was directed to estimate the definite loss that occurred to the Government due to difference between market rate and issue rate (₹ 100 per cum) of the rock.

The fact remains that despite directives issued by the Government for fixing responsibility of the concerned officers, no definitive action was taken. During discussion (July 2019), the Government assured to provide details of action taken against the erring officers, which was still awaited (September 2020).

(iii) Audit noticed that TS for the revival project of Pahuj Dam was accorded (October 2007) by CE, Jhansi at a cost of ₹ 67.35 crore subject to the condition that the work should be started after financial/administrative approval. The Government accorded (February 2009) administrative approval of ₹ 63.53 crore for the project for which financial sanctions were issued in phases.

Scrutiny of records (December 2016) and further information collected (April 2019) from Irrigation Construction Division-5, Jhansi (ICD-5) revealed that under the project, an agreement (*Agreement-3*) for construction of spillway was executed (June 2009) between the Irrigation Construction Circle, Jhansi and a contractor for ₹ 26.12 crore. As per the provisions of the agreement, the useable excavated hard/granite stone would be issued to the contractor and the cost would be recovered at the issue rate of the Department. Audit noticed that:

As discussed at (i) above, the *Agreement-1* with the same contractor was executed (February 2009) by Irrigation Construction Circle, Mahoba for construction of Pahari Dam, spillway and earthen embankment under the project 'Modernisation of Pahari Dam'. The issue rate of excavated rocks under the agreement was worked out as ₹147.50 per cum on the basis of average rates of stone boulders weighing 25-40 kg and 40-60 kg given in Schedule of Rates (SOR) applicable in Jhansi Circle of Irrigation department. However, in case of *Agreement-3*, the issue rate of excavated rocks was decided (April 2014) by a Committee¹⁸² at ₹100 per cum, which was calculated on the basis of average rate of ₹ 450 per cum for cut stone (khanda)

¹⁸¹ (₹325 per cum - ₹100 per cum =) ₹ 225 per cum x 7,31,203.90 cum = ₹16,45,20,877 (Say ₹16.45 crore).

¹⁸² Consisting of Superintending Engineer, Irrigation Works Circle, Jhansi, four Executive Engineers (EEs) of Irrigation Works Division (IWD)-1, II and III, Lalitpur, EE, IWD-V, Jhansi and Assistant Engineer, Irrigation Works Division, Matatila.

and boulder as per SoR and deducting therefrom ₹ 350 per cum towards charges relating to breaking of stones, stacking and royalty. Further, the division issued (April 2016, January 2018) 10,958 cum of hard rock to the contractor at the rate of ₹ 100 per cum and deposited the sale proceeds (₹10.96 lakh) in the departmental revenue head without ensuring issue of valid transit pass (Form MM 11) in favour of the contractor and payment of royalty in terms of Rule 3 (1) of MMR.

Had the issue rate of hard rock been fixed on the basis of average rate of stone boulders weighing 25-40 kg and 40-60 kg given in SoR applicable from April 2016, the issue rate of hard rocks would have been ₹ 582.50 per cum. Thus, the fixation of issue rate on *ad hoc* basis and subsequent issue of hard rocks at the rate of ₹ 100 per cum resulted in loss of ₹ 52.87 lakh to the Government.

Audit further noticed that during execution of the work under *Agreement-3*, 1,01,012 cum of granite rocks were excavated. The division, however, took into stock only 10,958 cum of the granite rock. The non-accountal of balance quantity of 90,054 cum of granite rock (boulders were weighing about one to two quintal) resulted in loss of ₹ 5.25 crore.

ICD-5 replied (April 2019) that the granite stone was sold as per the rates decided by the Committee; only 10 *per cent* of the excavated rock was assumed useful as per verbal directives of higher authorities and taken into stock; accordingly, balance quantity of 90,054 cum of granite stones was disposed of in the pits around Inspection House (IH) as per verbal directives of CE for which there was no evidence; and the rocks disposed were not verifiable as they were covered by soil. ICD-5 further stated (January and September 2020) that guidelines containing detailed procedure for storage and disposal of boulder/hard rock was not available with the Division; and there was no provision in the MMR regarding disposal of excavated rocks recovered during developmental work, authority competent to dispose of such rocks and fixation of rates.

The reply was not acceptable as granite rocks were sold to the contractor at lower rates than the rates applicable in accordance with SoR. Further, neither any reason was recorded nor confirmation¹⁸³ of the verbal orders was obtained in writing from the concerned authorities for considering 90 *per cent* of the granite rocks as non-usable and also for disposing the same in the pits around IH. Thus, the disposal of granite in the pits was doubtful.

The matter was reported to the Government (February 2020). Reply was awaited (January 2021).

Recommendations:

- *The Government should issue detailed procedure to be followed for disposal of the minor minerals extracted/recovered during activities by the Government Departments; and*
- *The Government should make codal provision or issue appropriate guidelines devising therein method for fixation of rates for issue of excavated minor minerals to the work and also for its sale to the prospective buyer.*

¹⁸³ As per GO No. 9/5/78-karmik-1 dated 4 December 1978, the subordinate concerned will obtain confirmation in writing of such verbal orders as soon as he receives them from the higher authority.

3.8 Undue benefit to the contractor

The 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.

UP Minor Minerals (Concession) Rules, 1963 (Rule) defines mining operations as any operation undertaken for the purpose of winning any minor mineral, and categorises sand and building stone under minor mineral¹⁸⁴. The Rules prohibit¹⁸⁵ any mining operation except under a mining lease or mining permit granted by the District Officer¹⁸⁶ on the basis of an application seeking such permit, and royalty deposited¹⁸⁷ by the applicant at prescribed rates for the total quantity of mineral permitted. With the objective to control illegal mining and pilferage of revenue, Government of Uttar Pradesh (GoUP) issued (October 2015 and September 2019) orders¹⁸⁸ for deduction of royalty as well as cost of minor minerals (usually five times of the royalty) from the bills of contractors and depositing the same into the specified head of account¹⁸⁹, if contractors fail to produce valid transit pass (Form MM-11) in support of payment of royalty.

The Government accorded (November 2010) administrative and financial approval (A&FA) of ₹ 652.58 crore for construction of Kanhar Irrigation Project (project) which included 'Construction of spillway with composite section on Kanhar river (SWCS)' at an estimated cost of ₹ 337.52 crore, and two¹⁹⁰ other works. Technical Sanction (TS) for SWCS was accorded (December 2010) by Chief Engineer (Bansagar), Allahabad¹⁹¹. The work was awarded (August 2011) to a contractor at a cost of ₹ 325.29 crore. Subsequently, due to change in rehabilitation package, adoption of richer specification¹⁹² and increase in quantity of various items of work, the Government accorded (October 2015) revised A&FA of ₹ 2,239.35 crore for the project. The Chief Engineer, Kanhar Irrigation Project, Vindhyachal, Mirzapur accorded (November 2016) revised TS of ₹ 1,003.15 crore for SWCS at the rates of already executed (August 2011) agreement with the contractor and the latter continued to execute the work. The scheduled dates of start and completion of the work were August 2011 and August 2014 (extended up to December 2018) respectively.

¹⁸⁴ "Minor minerals" means building stones, gravel, ordinary clay, ordinary sand other than sand used for prescribed purposes, and any other mineral which the Central Government may, by notification in the Official Gazette, declare to be a minor mineral {Rule 2(7)}.

¹⁸⁵ No person shall undertake any mining operations in any area within the State of any minor minerals to which these rules are applicable except under and in accordance with the terms and conditions of a mining lease or mining permit granted under these rules {Rules 3 (1)}.

¹⁸⁶ An application for the grant of mining permit shall be submitted in form MM-8, in triplicate, to the District Officer or to such other authority who may be authorised by the State Government to grant such permit (Rule 52).

¹⁸⁷ When an order granting permit has been made under Rule 53, the applicant shall, within 15 days of the communication of the order, deposit the royalty for the total quantity of mineral permitted on the said order at the rates of the time being specified in the First Schedule to these rules and if the holder of the permit, due to any reason attributable on his part, could not remove the minor mineral within the permitted time, any amount deposited as royalty shall not be refunded (Rule 54).

¹⁸⁸ Circular No.- 3385/86-2015-292/2015 dated 15.10.2015 and No.-2146/86-2019-52(का०)/2019 dated: 30.09.2019

¹⁸⁹ Account Head 0853

¹⁹⁰ 'Malliya aqueduct-cum-via duct from Km 24.075 to Km. 25.800 of right Kanhar Canal' and 'Tunnel from 27.500 to 30.500 of right Kanhar canal.

¹⁹¹ Now Prayagraj.

¹⁹² From M-10 grade concrete to M-15 grade.

Scrutiny of records (October 2019) of Kanhar Construction Division-3, Pipri, Sonbhadra and information collected in January and October 2020 revealed that during construction work, the contractor used coarse sand available in the river Kanhar and stone excavated from the spillway foundation as well as available in Sundari quarry without obtaining mining permits or having a valid transit pass (MM-11) issued by the District Officer/mining lease holder. The Division was, therefore, required to recover royalty as well as cost of minor mineral from the bills of the contractor. The Division recovered royalty of ₹ 18.05 crore on these minor minerals from the bills of the contractor¹⁹³. However, the cost of minor mineral used by the contractor in the work without furnishing MM-11 was not recovered. This resulted in undue favour to the contractor due to non-recovery of ₹ 96.98 crore¹⁹⁴ (up to the payment of 73rd running bill in August 2020).

Chief Engineer (CE), Kanhar Irrigation Project, Mirzapur accepted (July/August 2020¹⁹⁵) that the contractor had not submitted MM-11 but added that the District Magistrate (DM), Sonbhadra had permitted the contractor to mine the stone with certain conditions including payment of royalty and, accordingly, royalty was being recovered from the contractor. CE also stated that the matter was reported (February 2017) to the Government and as per directives issued (January 2019) by the Government, DM, Sonbhadra constituted (February 2019) a committee for conducting an inquiry¹⁹⁶ and submitting (March 2019) its report within 15 days. However, even after lapse of more than one year, the committee had not submitted (July 2020) its report. The reply regarding permission granted by DM to the contractor for excavation of rocks is not acceptable as the permission issued by DM was only a permission for drilling and blasting work in Sundari village. Therefore, as per Government Orders (October 2015 and September 2019), the Department should have recovered the cost of minor minerals also amounting to ₹ 96.98 crore.

The matter was reported (February 2020/October 2020) to the Government. Reply was awaited (January 2021).

¹⁹³ As per the contract, the contractor shall furnish MM-11 in support of royalty paid on material consumed in the work, otherwise recovery of royalty on such materials consumed shall be made at the rates intimated by District Magistrate Sonbhadra. The rate shall be subject to amendment from time to time. Royalty rates in force at the time of agreement will continue to be valid for recovery purpose and binding on the contractor, or the variation amount shall be reimbursed to the contractor.

¹⁹⁴ The computation for the cost of minor minerals recoverable from the contractor was as follows:

Name of minor mineral	Quantity used (lakh Cum)	Royalty applicable on minor mineral utilised by the contractor (₹ in lakh)	Cost of mineral recoverable (Five times of royalty) (₹ in lakh)
Sand	3.68	535.14	2,675.70
Grit	6.65	1,034.85	5,174.25
Boulder	3.73	369.53	1,847.65
Total		1,939.52	9,697.60

¹⁹⁵ In reply to Statement of Fact issued in February 2020.

¹⁹⁶ GoUP directed (January 2019) the DM Sonbhadra to constitute a committee for determining the minor minerals excavated during the construction works under Kanhar Irrigation Project and levy royalty on it and obtain the cost of minerals (five times of royalty) on such minor minerals which were used in the construction work by bringing without MM-11 from a site other than a valid lease site.

Medical Health and Family Welfare Department

3.9 Undue benefit to suppliers

The 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.

The policy issued (May 2011/ June 2012) by Government of Uttar Pradesh (GoUP) for procurement of drugs/medicines, surgical items and other equipment etc. stipulated inviting tenders by Central Medicine Store, Office of the Director General, Medical and Health, Uttar Pradesh (DGMH) and entering into rate contracts with suppliers for supply of drugs/medicines etc. to various hospitals of the Department. The conditions for supply under the rate contracts of medicine, *inter alia*, included automatic cancellation of any unexecuted order for supply of medicine/drugs after expiry of 60 days of their placement and recovery of liquidated damages at the rate of 20 *per cent* for the year 2015-16 and 15 *per cent*¹⁹⁷ for the year 2016-17 to 2018-19¹⁹⁸ of the value of unexecuted order from the supplier, irrespective of the indenting authority having actually suffered any damage/loss or not on account of non-supply of medicines/drugs.

Scrutiny of records of offices of Chief Medical Officers (CMOs)/Chief Medical Superintendents (CMSs) of 11 districts¹⁹⁹, conducted during August 2016 and September 2017, and information collected subsequently, revealed that 3,339 Purchase Orders (POs) valuing ₹ 37.37 crore placed to 374 suppliers²⁰⁰ during the period 2015-16 to 2018-19 remained unexecuted even after lapse of 60 days from their placement and, therefore, these POs were automatically cancelled. Accordingly, as per conditions of supply, liquidated damages at the rate of 20 *per cent* (2015-16) and 15 *per cent* (2016-19), on the value of unexecuted orders, amounting to ₹ 6.21 crore (*Appendix-3.5*) were required to be recovered from the suppliers. It was, however, observed that no liquidated damages were recovered (except ₹ 4.47 lakh recovered by CMO, Bareilly from seven suppliers upto October 2020) resulting in undue benefit of ₹ 6.17 crore to the suppliers. Further, risk of the quality of treatment being compromised on account of non-supply of medicines or the patients being compelled to buy medicines from outside could not be ruled out.

¹⁹⁷ Bid documents for rate contracts of medicine for the years 2016-17 and 2017-18 stipulated that if the supply reaches the designated places between 5 PM of the 30th day and upto 60th day from the date of supply, liquidated damages will be levied at 0.5 *per cent* per day for delayed supply respectively upto a maximum of 15 *per cent* irrespective of the fact whether the Government has suffered any damage/loss or not, on account of delay in effecting supply. It was further stipulated that in exceptional cases, indenting authority has every right to receive supply even after expiry of 60 days from the date of purchase order (provided an extension is granted on or before the 60th day) and in such cases; liquidated damages will be levied at 0.5 *per cent* per day but subject to maximum of 20 *per cent* of value of delayed supply. In case of alternate purchase effected due to non-execution, the differential cost incurred or the unexecuted fine, whichever is higher, will be levied. However, bid documents for the years 2016-17 and 2017-18 do not clearly mention the rate of liquidated damages to be applied in case of automatic cancellation of unexecuted orders after 60th day. Hence, recoverable penalty has been calculated in the para at the rate of 15 *per cent*, i.e., the maximum penalty chargeable upto 60th day.

¹⁹⁸ Medicines were purchased during 2018-19 on the basis of rate contract executed during 2017-18.

¹⁹⁹ Offices of CMO Meerut, CMO Mirzapur, CMO Varanasi, CMO Gonda, CMO Balrampur, CMO Bareilly, CMO Bhadohi, CMO Kushinagar, CMO Siddharthanagar, CMS District Hospital Faizabad and CMS, District Joint Hospital, Chakia, Chandauli.

²⁰⁰ 66 suppliers for the year 2015-16, 67 suppliers for the year 2016-17, 110 suppliers for the year 2017-18 and 131 suppliers for the year 2018-19.

The Government accepted the audit observation and stated (April 2019) that as per bid conditions, the penalty was to be recovered by the respective offices of CMOs/CMSs and in view of this, Divisional Additional Directors of the concerned units had been directed to investigate the matter and submit report after fixing responsibility. Government also assured to take action against the responsible officers after receipt of the report. However, status of action taken in the matter was awaited (January 2021), despite reminders (May 2020 and August 2020).

3.10 Unfruitful expenditure on Central Oxygen System

Lackadaisical approach of the 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.

Financial Rules²⁰¹ stipulate that the main duty of officers entering into contracts is to ensure that the Government gets fair return for the money to be spent. Further, where it is considered advisable to delay payment till it is ascertained that the machinery is in proper working order, it should be definitely stated in the agreement that the payment of the balance is contingent on the proper working of the machinery.

Scrutiny of records (July 2015 and November 2016) of the office of Superintendent-in-Chief, District Hospital (Male) Agra and information collected subsequently (September 2019) revealed that the Government of Uttar Pradesh sanctioned ₹ 2.76 crore and ₹ 2.70 crore in February 2010 and December 2011 respectively, for procurement of equipment and furnishing material to upgrade the medical facilities in District Hospital (DH), Agra. Accordingly, DH Agra invited tenders in March 2010 and November 2011 and executed agreements with two firms in March 2010 and February 2012 respectively for supply of various equipment and furnishing material, including Central Oxygen Systems (COS). Accordingly, COS for 50 beds and 60 beds (total 110 beds) were supplied by respective firms at the cost of ₹ 0.83 crore (March 2010) and ₹ 1.29 crore (March 2012) respectively.

Audit observed that the agreement executed by DH Agra with the suppliers neither incorporated any express clause for installation and commissioning of the COS nor linked release of payment to suppliers with successful commissioning of the system. The conditions of tender forming part of the agreement simply stipulated that *“the entire responsibility of providing training for use, operation and preventive maintenance of the equipment will be of the suppliers. The equipment will be required to be of high quality. In case of non-receipt of satisfactory quality by the specialist, payment would not be possible.”* The lack of definite and express conditions in the agreements, defining duties and responsibilities of the suppliers and also for releasing payment subject to successful commissioning of the COS, facilitated DH Agra to release the entire payment totalling ₹ 2.12 crore²⁰² to the suppliers after supply and installation of the components, but before making the COS

²⁰¹ Appendix XIX of Financial Handbook Volume V (Part-1).

²⁰² ₹ 0.83 crore and ₹ 1.29 crore in March 2010 and March 2012 against supplies of 50 beds and 60 beds COS respectively.

operational (except COS for 10 beds in ICU ward²⁰³). Further, while making payments, DH Agra neither ensured training to hospital staff for use and operation of the equipment and preventive maintenance of the system by the supplier nor recorded certificate stating that the quality of the COS supplied was found satisfactory by the specialist. Releasing full payment to suppliers without ensuring that the system was fully operational and without fulfilling all the other contractual obligations, led to lack of interest on the part of the suppliers in making the COS operational, which is reinforced by the fact that the COS remained non-operational despite repeated reminders²⁰⁴ issued to suppliers in this regard. Even the security deposit, made by the suppliers could not be forfeited as it was taken in a non-recognised form²⁰⁵, i.e. cheques, which became stale after lapse of their validity periods and could not be encashed.

On being pointed out by Audit (July 2015), the matter was taken up (September 2016) by DH Agra with both the suppliers²⁰⁶ for making the systems operational. The surveyor deputed by the suppliers quoted (May 2016) a sum of ₹ 77,950 (excluding tax) on account of service charges and cost of equipment required for making the COS operational. DH Agra informed (June 2016) Director General, Medical and Health Services (DGMHS) and requested either to make allotment of ₹ 77,950, as quoted by the surveyor or direct the suppliers to make the systems operational. The office of DGMHS directed (July 2016) DH Agra to submit the particulars of Superintendents-in-Chief who were posted in the DH during 2009-12 and 2016-17 so that further action could be taken. Meanwhile, District Magistrate, Agra also wrote (May 2017) a letter to both the suppliers, but only one supplier submitted (September 2017) a revised estimate of ₹ 3.61 lakh for making the COS operational. The amount sought (September 2017) from the DGMHS was yet to be released (June 2020).

Government, in reply and during discussion (December 2017), accepted the audit observation and stated that the matter would be investigated and responsibilities would be fixed to avoid recurrence of such incidences in the future. Information regarding action taken by the Government in the matter was awaited (September 2020).

Thus, release of full payment to suppliers without getting the COS operational, failure to ensure preventive maintenance of the equipment supplied and imparting training to hospital staff for use of the system, and failure to take up the case timely with the supplier, to make the system operational led to the expenditure of ₹ 1.88 crore being rendered unfruitful. Further, despite the assurance of Government (December 2017) in response to the audit observation, the COS was lying non-functional (September 2020) and the hospital continued to depend on small cylinders.

²⁰³ The COS for ICU beds was supplied and paid (₹ 24.17 lakh) in March 2012

²⁰⁴ Against Supply Order of February 2012: October 2014, December 2014, March 2015, April 2015, June 2015.

²⁰⁵ Paragraph 613 and 614 of Financial Handbook Volume 6.

²⁰⁶ DH, Agra informed (September 2020) that since supplier of both the firms was the same, the letters and reminders, prior to 23.9.2016, were issued to only one firm.

Panchayati Raj Department

3.11 Non-recovery of revenue

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.

Under Section 239 of the U.P. Kshetra Panchayats and Zila Panchayats Act 1961 (Act), Zila Panchayats (ZPs) have the authority to make by-laws which, *inter alia*, include regularisation of business in areas under their management and fixing fees payable on sale of specified articles of food and drink. Accordingly, ZPs of Agra (August 1985) and Gonda (September 1990) made by-laws²⁰⁷ and fixed the license fee recoverable from liquor shops running in rural areas at the rate of ₹ 5000 (country liquor shop) and ₹ 6000 (foreign liquor shop) per shop per annum in Agra and ₹ 1500 (₹ 1725 from 14 September 2013) per shop per annum in Gonda. Recovery of the license fee, as per Sections 147 to 155 of the Act, was to be made by issuing bills to the person concerned as early as possible mentioning the amount due; in case of default in payment of dues within 15 days of issue of bills, by issuing demand notice; and in case of further default in payment within 30 days, by issuing warrant for distraint and sale of moveable properties of the defaulter. Under Section 148 of the Act, a person shall be deemed to become liable for the payment of every tax and licence fee upon the commencement of the period in respect of which such tax or fee is payable. The Fourteenth Finance Commission had recommended that Local Bodies should improve their own source of revenue.

Scrutiny of the records of ZP Agra (January 2018) and ZP Gonda (May 2017) and information collected subsequently (May 2019) revealed that both ZPs failed to issue bills and demand notices for recovery of license fee from liquor shops running in rural areas of these districts during the period 2011-12 to 2017-18. Audit further noticed that even the list of liquor shop owners for issuing bills/demands were not available with ZP Agra and the ZP obtained the list from the Excise Department after the issue was raised by audit. The failure of ZPs in issuing bills and demand notices for the payment of license fee resulted in non-recovery of revenue amounting to ₹ 1.09 crore²⁰⁸ (**Appendix-3.6**) pertaining to 2011-12 to 2017-18²⁰⁹.

In respect of ZP Agra, Government stated (February 2019) that notices for the period 2011-12 to 2017-18 could not be issued by the ZP due to shortage of staff and the required action for recovery of licence fee from liquor shops was being taken on priority²¹⁰ on the basis of the list received (October 2018) from the District Excise Officer. In respect of ZP Gonda, Government stated (February 2019) that after receipt of the list from the Excise Department

²⁰⁷ Agra: UP Gazette No. 3706/21/13 (3)-83-84 dated 14 August 1985 and amended on 23 August 1997, Gonda: UP Gazette No. 949/21-39(88-89)-7 dated 20 October 1990 and amended on 14 September 2013.

²⁰⁸ ZP Agra: ₹ 84.29 lakh + ZP Gonda: ₹ 25.03 lakh = ₹ 109.31 lakh or ₹ 1.09 crore.

²⁰⁹ After the issue was raised by audit, both ZPs had either recovered license fee for 2018-19 or issued notices to liquor shops running in rural areas of these districts.

²¹⁰ ZP Agra informed (May 2019) that license fee of ₹ 4.34 lakh had been recovered in 2018-19 (which included recovery of ₹ 1.64 lakh for previous years).

during 2017-18, ₹ 3.04 lakh had been recovered from liquor shops and notices were being issued to other liquor shops for recovery of dues²¹¹. The reply reflects the lackadaisical attitude of both ZPs in realising revenue, which deprived them from augmenting revenues from their own sources.

Public Works Department

3.12 Unfruitful expenditure on incomplete bridge

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.

Indian Road Congress (IRC) Project Preparation Manual for Bridges (IRC SP: 54-2000) prescribes²¹² for topographic survey and hydrological survey as part of the preliminary investigation for bridge projects across any stream/river. The basic purpose of collection of hydrological data is to study the rainfall pattern and run-off characteristics of the basin under consideration, and thereby determine the likely discharge through the channel and thus decide upon the optimum waterway for the bridge. This Manual further provides that span arrangement for major bridge projects is, to some extent, dictated by the river regime. Establishing flow patterns, discharge, distribution, etc., become difficult for many reasons including meandering course of the river. Model studies give more definitive ideas about preferred alignment, flow patterns, discharge distribution, type and extent of guide bund etc., than analysis of data and studying maps.

The Government accorded (December 2010) administrative and financial sanction (A&FS) of ₹ 17.02 crore for construction²¹³ of a bridge on Yamuna River at Mehra-Naharganj-Tundla road in Agra district. Expenditure Finance Committee (EFC), while scrutinising the proposal for A&FS by the Government, recommended (October 2010) commencement of the work after carrying out a detailed survey and preparation of general arrangement of drawing; and directed to obtain a revised sanction from EFC before commencement of the work, in case of any significant deviation from the proposed data. Office of the Chief Engineer (Bridge), PWD, however, accorded (July 2011) Technical Sanction (TS) for the same amount (₹ 17.02 crore) on the detailed estimate which was prepared without hydrological survey and model study²¹⁴ of the river, despite the fact that the river had divided into two channels at a distance of 2.5 km in the upstream. A contract for construction of the bridge and its approach road/additional approach road was executed (July 2011) with stipulated date of completion as March 2013.

²¹¹ ZP Gonda informed (May 2019) that licence fees of ₹ 0.85 lakh and ₹ 3.12 lakh had been recovered during 2017-18 and 2018-19 respectively.

²¹² Paragraph 5 of IRC SP: 54-2000

²¹³ 424.98 metre long bridge along with approach road (400 metre), additional approach road (1,100 metre) and safety works.

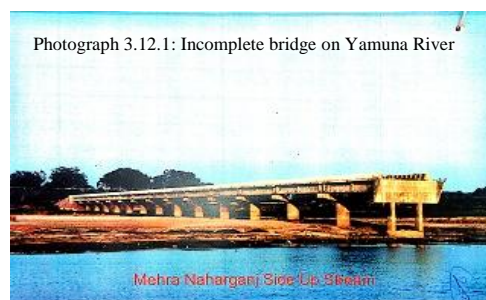
²¹⁴ E-in-C informed (August 2020) that model study was conducted by an external agency. However, the report of the external agency revealed that it provided only a topographical survey report.

Scrutiny of the records (July 2017) of Construction Division-II, Public Works Department, Agra revealed that the site for construction of the bridge was selected in March 2011 and the work was commenced in July 2011. Due to heavy rainfall in 2013-14, the river stream, over which the bridge was being constructed, changed its course and shifted 150 metre from Mehra-Naharganj-Tundla road towards the Agra side. EE intimated (June 2014) SE regarding change in course of the river and stated that it would not be appropriate to carry out construction of the bridge without its extension. In view of this, Engineer-in-Chief, PWD (E-in-C) constituted (June 2014) an Inspection Committee which recommended (November 2014) for construction of spurs and carrying out river training works to bring the river stream under the bridge.

Based on the recommendations of the Committee, a revised estimate of ₹ 28.27 crore was sent (May 2016) to the Government for sanction, but the Screening Committee did not find the recommendations of the Inspection Committee suitable. Subsequently, E-in-C constituted (January 2017) another Technical Expert Committee (TEC) to provide a report on requirement of river training works or extension of bridge or both keeping in view the present course of the river. The TEC recommended (January 2017) for extension of length of the bridge with seven to eight additional spans, construction of a spur to prevent erosion by the river, dredging of silt-created island and total station survey on both sides - one km upstream/downstream to ascertain the required expansion of the bridge²¹⁵. Accordingly, a revised estimate of ₹ 42.34 crore was submitted (July 2017) by the office of Chief Engineer, Agra Zone (CE) to E-in-C office for sanction which was returned (July 2017) with certain objections. Subsequently, another revised estimate of ₹ 35.61 crore was sent (April 2018) to the Government for sanction. In view of certain clarifications sought (July 2019) by the Government, the estimates were further revised to ₹ 35.87 crore and submitted (January 2020) by the CE, which was under consideration (August 2020) in E-in-C office.

Audit further noticed that PWD failed to stop construction of the bridge, though it was aware (June 2014) of the fact that the existing sanctioned length of the bridge was inadequate and further river training works were required for which sanction (FS/TS) of revised estimates was necessary.

The construction works continued till completion of the bridge (March 2017) as per length approved in the original sanction. As a result, the constructed portion of the bridge was not usable for transportation, as depicted in Photograph 3.12.1, even after incurring an



²¹⁵ TEC also mentioned in its report that Government had sought (July 2016) clarification regarding the circumstances in which action for conducting model study to assess the course of river stream was not taken before the commencement of the construction of the bridge. However, despite request (January 2020 and February 2020), Department could not make the related communications (letter specified by TEC and explanation given thereagainst) available to Audit.

expenditure of ₹ 16.17 crore. Had a proper model study of the river stream been conducted, PWD could have determined the optimum waterways for the bridge in accordance with the provision of IRC SP:54-2000. Thus, the commencement of work without adequate detailed survey (hydrological survey and model study of river) and subsequent inordinate delays in processing/sanction of the revised estimate led to non-completion of the bridge even after a lapse of more than nine years of commencement of work and unfruitful expenditure of ₹ 16.17 crore.

On being pointed out in audit (December 2017), the Government replied (February 2019) that the revised estimate was under consideration. The reply was not acceptable because more than four years have passed since the first revised estimate was submitted by the division and the revised sanction was still awaited (August 2020).

3.13 Unfruitful expenditure of ₹ 1.90 crore on construction of bridge

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.

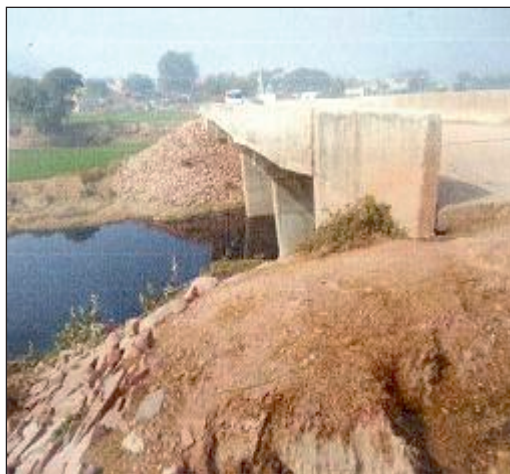
Paragraph 318 of Financial Handbook Volume VI of Uttar Pradesh (FHB) stipulates that technical sanction of a work is a guarantee that estimates are accurately calculated and based on adequate data. Paragraph 204 of Uttar Pradesh Budget Manual further cautions against wasteful expenditure being incurred on account of execution of large works being taken up even without availability of land.

The Government accorded (February 2011) administrative and financial sanction of ₹ 1.90 crore for construction of a bridge on Karban river situated at Ambedkar village Uncha and village Bans Munshi Road in district Agra, along with protection work and approach/additional approach road, for the benefit of the population of 27 villages. After technical sanction for the work (June 2011) by Public Works Department (PWD), PWD Circle, Agra executed (June 2011) a contract bond of ₹ 1.65 crore for the work with scheduled date of completion as June 2012. However, the construction of approach road and additional approach road was not included in the contract in order to keep the agreement cost within the cost approved for the work.

Scrutiny of the records (July 2017) of the PWD Construction Division-II, Agra (Division) revealed that though the construction of 200 metre approach road on both sides and 500 metre additional approach road on one side of the bridge required acquisition of land, the Division reported that no land was required on the basis of the verbal assurance given by a local Hon'ble Member of Legislative Assembly (MLA) for arranging the required land under ongoing *Chakbandi*²¹⁶. The Division spent (March 2016) the entire available funds of ₹ 1.90 crore released during 2010-16 on construction of the bridge without ensuring availability of land for construction of its approach road/additional approach road. The land was also not made available under *Chakbandi*. Later on, a revised estimate of ₹ 3.98 crore, including acquisition cost of required

²¹⁶ Process of land consolidation.

land²¹⁷, was submitted (January 2017) to the Government, against which ₹ 3.95 crore was sanctioned (June 2019). However, against the required acquisition of 1.99 hectares of land, 1.03 hectares of land for approach road/additional approach road was yet to be acquired (July 2019). Thus, (a) due to submission of incorrect/incomplete detailed estimate by the Division on the basis of verbal assurance given by a local Hon'ble MLA and its sanction by PWD; and (b) commencement of work without ensuring availability of land required for construction of approach road/additional approach road, the bridge constructed over the river Karban could not be put to use even after lapse of about four years from its completion during 2015-16.



Photograph No. 3.13.1: Bridge constructed on Karvan river (photographed in December 2018)



Photograph No. 3.13.2: Approach road not constructed (photographed in December 2018)

The Government, in reply, stated (February 2019) that the work would be completed after sanction of the revised estimates; the same was sanctioned in June 2019. However, as per the status provided (May 2020) by the Division, the land acquisition for additional approach road was still in progress. Thus, the commencement of works without ensuring the availability of land, which was in violation of Paragraph 318 of Financial Handbook Volume VI and Paragraph 204 of Uttar Pradesh Budget Manual, led to unfruitful expenditure of ₹ 1.90 crore due to non-completion (May 2020) of the project even after lapse of nine years from its sanction.

3.14 Unfruitful expenditure on incomplete bypass road

Failure of the 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.

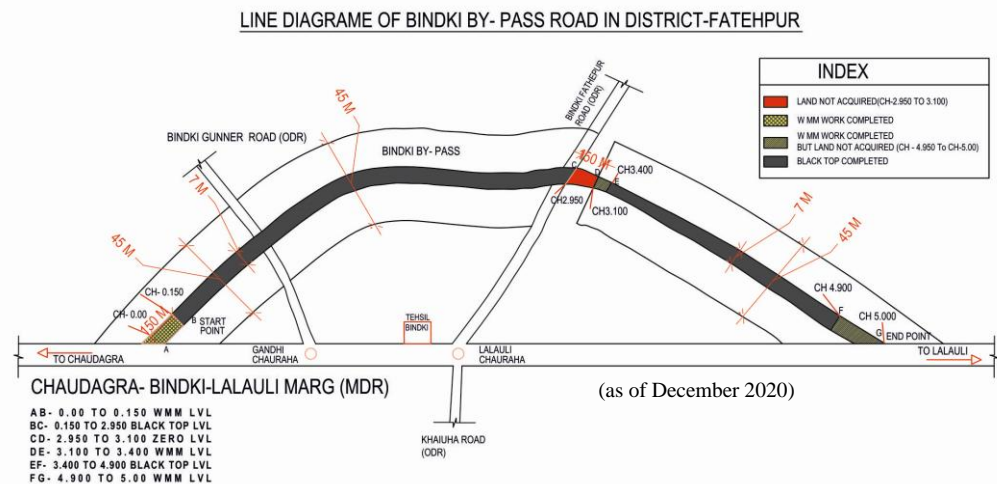
The Government accorded (July 2011) administrative and financial sanction of ₹ 8.23 crore for construction of a five kilometre long bypass road²¹⁸ with a

²¹⁷ Out of 1.99 hectare land required for approach road/additional approach road, the revised estimate included land acquisition cost for 1.81 hectare as remaining 0.18 hectare land was government land.

²¹⁸ A diversion at km 13.800 from Chaudagara-Bindki-Lalauli to connect the same road at km 17.750.

view to decongest²¹⁹ traffic between km 13.800 and km 17.750 of Chaudagara-Bindki-Lalauli road in Bindki town of district Fatehpur. Public Works Department (PWD) accorded Technical Sanction (TS) of the same amount and executed (September 2011) a contract²²⁰ of ₹ 7.27 crore with scheduled dates of start and completion of work as September 2011 and July 2012 respectively.

Scrutiny of the records (March 2017) of Provincial Division, PWD, Fatehpur and information collected subsequently revealed that the work of constructing the bypass road was commenced in September 2011 and the Division acquired 19.5972 hectares of land during 2011-14 as against the requirement of 20.5802 hectares of land. Audit further noticed that the remaining land (0.9830 hectare²²¹) required for construction of road between km 2.950 to km 3.100 (150 metre) and km 4.950 to km 5.000 (50 metre) could not be acquired (May 2020) even after a lapse of nine years of commencement of work (September 2011) due to objections raised by farmers on the compensation amount for land acquisition. As a result, 150 metre bypass road between km 2.950 and km 3.100 could not be constructed as of May 2020²²². Despite the incomplete road, the contract for construction of bypass road was concluded and the final payment of ₹ 7.03 crore was made to the contractor (October 2015). Thus, the objective of sanction of bypass road to provide diversion at Km 13.800 from Choudagra-Bindki-Lalauli and to connect the same road at Km 17.750 and thereby to decongest traffic in Bindki town, could not be achieved due to non-completion of the bypass road between km 2.950 and Km 3.100, as depicted in the line diagram of the bypass road:



The Government, in reply, stated (February 2019) that partial traffic was operational on three km of the road length and traffic load in terms of

²¹⁹ Bindki town is situated on the main road, which connects districts Lucknow and Kanpur to Banda district. The roads from Bindki to Khajuha, Ghatampur, Bindki-Gunir and Bindki- Fatehpur are also connected to this road. As Bindki town is the main commercial centre for the local public, as per the estimates for the TS, the road mostly remains congested during marketing hours.

²²⁰ Contract bond No. 05/SE-Pratapgarh Fatehpur circle/2011-12.

²²¹ Out of 0.9830 hectare of land remaining to be acquired, the Department stated (June 2019) that 0.1588 hectare of land between Km 0.000 to Km. 0.150 was now not required and the road work was in progress on the already acquired land.

²²² The Department stated (June 2019) that land acquisition of 0.1170 hectare between Km 4.950 to Km 5.000 was yet to be done, though the road was constructed up to WMM level between these chainages.

commercial vehicle per day (CVPD) was 124; action for acquisition of remaining portion of land was being taken; and action was being proposed against the officers/officials responsible for not getting the registration deed of the land executed with farmers.

The reply was not acceptable, as commencement of work without acquisition of land was in violation of paragraph 204 of Uttar Pradesh Budget Manual, which cautions against wasteful expenditure incurred on account of execution of large works being taken up even without availability of land. Further, the traffic supposed to be diverted between km 13.800 and km 17.750 after construction of the bypass road was still entering into Bindki town and the traffic load on the partially utilised bypass road²²³ was only 124 in terms of CVPD as against the projected²²⁴ CVPD of 232 for the entire bypass road. Due to failure of the Department to ensure availability of land before commencing work, the bypass road remained incomplete despite incurring an expenditure of ₹ 7.88 crore (May 2020). Even if partial utilisation of the bypass road from km 0.000 to km 2.950 is taken into account, the expenditure of ₹ 4.79 crore²²⁵ on the construction of unutilised road between km 3.100 and km 5.000 remained unfruitful since conclusion of the contract in October 2015.

3.15 Unauthorised aid to the contractors

Failure 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.

As per paragraph 367 of Financial Hand Book Volume VI, Engineers and their subordinates are responsible that the terms of contracts are strictly enforced and that no act is done tending to nullify or vitiate a contract.

Scrutiny of records of three PWD Divisions²²⁶ and collection of information from Provincial Division, Kasganj revealed that the conditions of respective contracts for grant of equipment advances were not adhered to, which led to undue benefit to contractors, as detailed below:

(a) Contract for widening and strengthening of Meerut-Budaun Road

The Department executed (December 2016) a contract bond²²⁷ of ₹ 87.83 crore for widening and strengthening of Meerut-Budaun Road in district Sambhal. As per General Conditions of Contract, the employer would make mobilisation advance upto five *per cent* of the contract price, and equipment advance upto 90 *per cent* of the cost of new equipment brought to the site, subject to a maximum of 10 *per cent* of the contract price. The contractor was to use the advance payment only to pay for equipment, plant and mobilisation expenses required specifically for execution of the work. The contractor would demonstrate that the advance payment had been used in this way by supplying copies of invoices or other documents to the engineer. Interest would not be charged on advance payment.

²²³ Between km 0.000 and km 2.950

²²⁴ As per estimates of technical sanction

²²⁵ Proportionate expenditure on unutilised road = Expenditure on the road work (₹ 7.88 crore) X partially utilised road length (2.950 km)/completed road length (4.850 km).

²²⁶ Provincial Division, Sambhal; Provincial Division, Etah; and Construction Division-2, Lucknow.

²²⁷ Contract Bond No. 65/SE/PD/SBL/16-17 dated 22.12.2016

Scrutiny of records (March 2019) of Provincial Division, PWD, Sambhal and subsequent collection of information revealed that interest-free equipment advance of ₹ 8.78 crore was paid (₹ seven crore on 10.1.2017 and ₹ 1.78 crore on 31.1.2017) to the contractor. However, copies of 24 invoices for equipment worth ₹ 8.76 crore furnished by the contractor in support of utilisation of the advance revealed that six invoices totalling ₹ 4.25 crore pertained to equipment purchased well before the date of execution of agreement (22.12.2016), whereas 15 invoices totalling ₹ 3.80 crore pertained to equipment purchased after execution of agreement but financed by and hypothecated to finance companies. Thus, Provincial Division, PWD, Sambhal failed to ensure that equipment advances were granted only for new equipment purchased using these advances, as provisioned in the contract. This resulted in undue financial aid of ₹ 8.14 crore²²⁸ to the contractor.

(b) Widening and strengthening of Etah-Kasganj road

The Department executed a contract bond²²⁹ of ₹ 232.91 crore for widening and strengthening of Etah-Kasganj road in districts Etah and Kasganj. The work was executed under Aligarh Circle of PWD. The Provincial Division, PWD, Etah and Provincial Division, PWD, Kasganj were acting as Engineer's representative for their respective districts against the contract bond.

As per the contract²³⁰, the employer would make mobilisation advance of 10 per cent of the contract price, and equipment advance of 90 per cent for new and 50 per cent of depreciated value for old equipment subject to a maximum of five per cent of the contract price. Further, the contractor was to use the advance payment only to pay for equipment, plant and mobilisation expenses required specifically for execution of the works. The contractor was to demonstrate that advance payment had been used in this way by supplying copies of invoices or other documents to the Engineer. Interest would not be charged on the advance payments.

Scrutiny of records (February 2019) of Provincial Division, PWD, Etah and collection of information from Provincial Division, PWD, Kasganj revealed that interest-free machinery advances of ₹ 11.65 crore²³¹ were paid to the contractor in July-August 2016. It was, however, found that the copies of 41 invoices for equipment worth ₹ 13.10 crore submitted by the contractor in support of machinery advance pertained to machinery purchased between December 2013 and May 2016, i.e., before execution of the agreement (July 2016). Thus, Provincial Division, PWD, Etah and Provincial Division, PWD, Kasganj did not adhere to the conditions of contract while granting equipment advances of ₹ 11.65 crore, which resulted in undue financial aid of ₹ 11.65 crore to the contractor.

²²⁸ Undue financial aid = Equipment advance granted (₹8.78 crore) – 90% of three invoices for new equipment which were eligible for advance (i.e., 90% of ₹ 0.71 crore) = ₹ 8.14 crore

²²⁹ Contract Bond No. 27/SE-AC/2016-17 dated 30.7.2016.

²³⁰ In January 2016, Government of Uttar Pradesh directed that for all contracts above ₹ 100 crore, the Standard Bidding Document (SBD) of MoRTH should be adopted. This work was executed as per SBD and therefore, the terms & conditions for granting advance for this road works was different from that in case of contract for widening and strengthening of Meerut-Budaun Road which was executed as per Model Bid Document (MBD) of PWD.

²³¹ ₹ 5.82 crore in July 2016 by Provincial Division, Etah; ₹ 2.44 crore in July 2016 and ₹ 3.39 crore (total ₹ 5.83 crore) in August 2016 by Provincial Division, Kasganj

Pertinently, in case of another road work²³² (construction of three lane road on each side of Sharda Canal in District Lucknow), Construction Division-2, PWD, Lucknow granted an advance of ₹ 10 crore to the contractor, in March 2016 and May 2016, for equipment purchased during May 2014 to November 2015, i.e. prior to execution of the contract (March 2016). On being pointed out in Audit regarding inadmissibility of advance on old equipment, the Government stated in its reply (February 2019) that the total amount of advance and interest thereon (₹ 1.29 crore) had been recovered from the contractor in compliance with the audit objection.

Audit further noticed that the same contractor was executing contracts for both road works, i.e., widening and strengthening of Etah-Kasganj road and construction of three lane road on each side of Sharda Canal. Further scrutiny revealed that the contractor was granted equipment advance under both contracts on the basis of copies of bills/invoices for the same equipment totalling ₹ 7.98 crore (*Appendix-3.7*). Since both contracts provided for granting of equipment advance after the equipment was brought to site, the fact that three different PWD Divisions granted equipment advance between March 2016 and August 2016 on two different road works on the basis of the same purchase invoices (worth ₹ 7.98 crore) is a red flag indicating possible misappropriation.

Thus, the Department failed to safeguard the interests of the exchequer by disregarding the conditions of contract for payment of machinery advance and accepted invoices which did not pertain to purchases for these works. This resulted not only in unauthorised financial aid of ₹ 19.79 crore to the contractors but loss of ₹ 2.80 crore as interest to the Government (calculated at interest rate of 6.82, 6.54 and 6.50 *per cent per annum* applicable on government borrowings in the years 2016-17, 2017-18, 2018-19 respectively²³³).

Provincial Division, Sambhal replied (March 2019) that action would be taken after enquiry, Provincial Division, Etah replied (February 2019) that machinery advance was granted against new machines and Provincial Division, Kasganj replied (September 2020) that advance to the tune of 90 *per cent* for new and 50 *per cent* of depreciated value for old equipment was granted to the contractor in accordance with the contract. The reply of Provincial Division, Etah was not acceptable because the invoices of equipment furnished in support of the purchases revealed that the equipment were not purchased after execution of contract. The reply of the Provincial Division, Kasganj was not acceptable because as per the condition of the contract, the contractor had to use the advance payment only to pay for equipment required specifically for execution of the work. Action taken by Provincial Division, Sambhal was awaited (January 2021).

The matter was reported to the Government (December 2019). Reply was awaited (January 2021).

²³² Contract Bond No. 108/SE-LKO Cir/2015-16

²³³ Interest has been computed on the reduced outstanding balances available after recovery from respective Running Account Bills of contractors.

Social Welfare Department

3.16 Unfruitful expenditure on construction of girls' hostels

The 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.

Government of India (GoI) launched the “*Babu Jagjivan Ram Chhatrawas Yojana*”, a centrally sponsored scheme for Scheduled Caste (SC) students, during the Third Five Year Plan 1961-66, which was subsequently revised in 2008. The objective of the scheme was to construct hostels through implementing agencies²³⁴, especially for SC girl students hailing from rural and remote areas, towards the broader vision of containment and reduction of dropout rate.

Under the scheme, GoI approved (December 2008) ₹ 6.97 crore for construction of seven SC girls' hostels (₹ 6.87 crore towards construction and ₹ 0.10 crore for cot, table and chair at the rate of ₹ 2,500 per student) having total capacity of 100 boarders for Sitapur and 50 boarders each at Etah, Jyotiba Phule Nagar, Lalitpur, Maharajganj, Shravasti and Siddharthnagar districts. The construction of hostels was to be completed within a period of two years from the date of sanction by GoI. They were to be made operational soon after completion and the expenditure on maintenance of hostels were to be borne by the State Government. These hostels were for high school and intermediate students.

Scrutiny of records (March 2017) of the office of District Social Welfare Officer (DSWO), Jyotiba Phule (JP) Nagar and further information collected from Social Welfare Directorate (Directorate) and DSWOs of seven districts revealed that construction of all hostels, except at Siddharthnagar, was completed and buildings were handed over to the Department between September 2010 and January 2013.

The girls' hostel at Siddharthnagar was not completed even after lapse of 11 years from the date of sanction and after expending the entire sanctioned fund of ₹ 80.90 lakh²³⁵. The Directorate submitted (May 2015) the revised estimate amounting to ₹ 1.14 crore to Government. As no approval was communicated, another revised estimate of ₹ 1.17 crore was submitted to Government in August 2018. No construction was going on due to lack of fund. However, the State Government did not release (March 2020) the additional cost required (₹ 36.14 lakh) to complete the work, despite the fact that as per GoI sanction (December 2008), the cost overrun was to be borne by the State Government.

Further scrutiny and joint physical inspection (September 2019) revealed that three girls' hostels (Etah, Maharajganj and Sitapur) out of six girls' hostels

²³⁴ State Governments/Union Territory Administrations; Central and State Universities/ Institutions; Non-Governmental Organisations (NGOs); and Deemed Universities in private sector.

²³⁵ The construction agency reported (December 2018) progressive expenditure of ₹ 91.88 lakh.

were not functional even after a lapse of seven to nine years from the dates of their handing over to the Department due to non-availability of staff and basic facilities such as furniture, electricity and approach roads. Out of the remaining three hostels, two hostels at JP Nagar and Lalitpur were made operational after more than four years of taking over with adjustment of staff from other schools and hostels of the Department. They were running with only 18 boarders (JP Nagar) to 36 boarders (Lalitpur) during 2019-20 against the intake capacity of 50 boarders in each hostel. The hostel at Shravasti was operating at its intake capacity of 50 boarders by utilising the resources (staff and financial resources for electricity, water and sanitation) of Kasturba Gandhi Girls Residential School, Shravasti.

Audit also noticed that proposals for sanctioning of required posts²³⁶, for four hostels²³⁷, were forwarded (January 2014 and June 2015) by the Directorate to the Government with delays ranging between 11 to 55 months, from the date of taking over of the hostels²³⁸. Further, the Government also belatedly forwarded (July 2017) the modified proposal to the Planning Department for sanction of posts as well as the budget. The Directorate in its reply (March 2020) informed that a request for sanction of required posts for all seven hostels was forwarded²³⁹ to the Government, which was under consideration. Thus, the sanction of manpower for these girls hostels was still awaited.

The Government in its reply (March 2019) stated that the sanction of posts was under process in consultation with the Planning Department. Regarding incomplete construction of hostel at Siddharthnagar, the Government stated that revised estimate of ₹ 1.17 crore for approval and request for release of additional ₹ 36.14 lakh was sent (October 2018) to GoI. The Government further stated (March 2020) that the fund was being provided for completion of Siddharthnagar girls' hostel and also action was being taken for sanction of posts so that the hostels could be operationalised in the next academic session.

The reply of the Government does not explain as to why the sanction of posts and funds required for operationalisation of these hostels could not be synchronised. There has been inexplicable delay in making these hostels fully functional, thus, rendering expenditure of ₹ 4.45 crore²⁴⁰ incurred on the construction of four girls' hostels unfruitful.

3.17 Unfruitful expenditure on construction of residential schools

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 Ekalvy Model Residential Schools in Sonbhadra and Bahraich, besides unfruitful expenditure of ₹ 25.39 crore.

Paragraph 212 of UP Budget Manual (UPBM) stipulates that project preparation should commence with the preparation of a Feasibility Report by

²³⁶ One post of Superintendent, peon, watchman, sanitation worker, and two posts of cook in each hostel.

²³⁷ Lalitpur, Shravasti, Siddharthnagar and Sitapur.

²³⁸ Siddharthnagar hostel was not taken over.

²³⁹ The Directorate did not specify the date on which proposal for required posts was sent to Government.

²⁴⁰ Sitapur: ₹ 2.02 crore; Etah: ₹ 80.90 lakh; Maharajganj: ₹ 80.90 lakh and Siddharthnagar: ₹ 80.90 lakh.

the Administrative Department which, *inter alia*, should focus on analysis of the existing situation and preliminary site investigation. Paragraph 174 (16) of UPBM considers any uneconomical or apparently wasteful expenditure due to the inception of works without conducting proper preliminary surveys and preparing detailed estimates of the cost and obtaining necessary administrative and technical approval to the estimates as financial irregularity.

With the objective²⁴¹ to provide quality education to tribal students in remote areas, Government of Uttar Pradesh (GoUP) submitted (May 2010) a proposal to Ministry of Tribal Affairs (MTA), Government of India for sanctioning Ekalavya Model Residential Schools (EMRS) for the districts of Sonbhadra and Bahraich at a unit cost of ₹ 12 crore (total ₹ 24 crore). MTA accorded (September 2010) approval²⁴² and released the entire construction cost of ₹ 24 crore to GoUP in two equal instalments (September 2010 and December 2011) of ₹ 12 crore. On the basis of cost estimates evaluated by Project Formulation and Appraisal Division (PFAD), GoUP accorded (February 2011) administrative and financial approval (A&FA) of ₹ 22.74 crore for construction of one EMRS each in the districts of Sonbhadra and Bahraich, at a unit cost of ₹11.37 crore, and nominated (February 2011) UP Samaj Kalyan Nirman Nigam²⁴³ as the Executing Agency (EA) for the work. GoUP also released the entire fund to the office of Director, Tribal Development (DTD) in two instalments²⁴⁴ (February 2011 and November 2012).

Scrutiny of records (May 2017 and August 2018) of the Director, Social Welfare, Lucknow revealed that:

EMRS Sonbhadra

EA started (June 2011) the construction work of EMRS, Sonbhadra with targeted date of completion as December 2013. While the work was in progress, EA submitted (February 2014) a revised estimate of ₹ 20.40 crore on the grounds that the land provided for construction of school was in a hilly area which required additional works of hill/rock cutting, retaining wall, etc. and also that the original estimates were prepared at an old rate applicable for the year 2010. Subsequently, EA submitted (March 2016) a further revised estimate on work-done and work-to-be-done basis as required by PFAD. The revised estimate was approved (June 2016) by Expenditure Finance Committee for ₹ 20.70 crore. However, instead of releasing the differential cost of ₹ 9.33 crore, GoUP requested (May 2017) GoI to provide additional funds. GoI rejected (June 2017) the demand and directed GoUP to bear the additional cost out of State Tribal sub-scheme funds. Despite this, the State Government had not released fund for construction of EMRS (July 2020).

²⁴¹ Ekalavya Model Residential School (EMRS) programme, started in the year 1997-98, is an intervention of the Government of India (GoI) to provide quality education to tribal students in remote areas. As per the scheme guidelines (June 2010), EMRS is managed by the State Government, whereas GoI provides capital cost for school complex construction and recurring cost @ ₹42,000 per child during the first year which may be raised by 10% every second year to compensate for inflation, etc.

²⁴² Any escalation in cost was to be met by the State Government.

²⁴³ Now, UP State Construction and Infrastructure Development Corporation Limited.

²⁴⁴ ₹ 12 crore was released (February 2011) as first instalment of ₹6 crore for each EMRS; and ₹ 10.74 crore was released (November 2012) as second instalment of ₹ 5.37 crore for each EMRS.

Meanwhile, by the year 2015-16, the entire amount of ₹ 11.37 crore released to the EA was spent but the construction work remained incomplete²⁴⁵.

Audit scrutiny revealed that the DM, Sonbhadra in his letter (May 2010) to the State Government had clearly indicated that the site available for construction of school was hilly²⁴⁶. Despite this the original estimate of ₹ 12 crore for construction of EMRS Sonbhadra did not include provision for hill/rock cutting, retaining wall, etc. clearly indicates that EA did not prepare the estimates keeping in view the topography of the land. The PFAD also failed to identify this lacuna in the estimates while recommending (December 2010) the cost of construction of ₹ 11.37 crore for EMRS, Sonbhadra. It may be mentioned that as per EMRS guidelines, GoI could provide ₹ 12 crore towards the capital cost for the school complex²⁴⁷ with a provision to increase it up to ₹ 16 crore for hill areas. Thus, the incorrect estimation of capital cost by GoUP led to inadequate sanction for EMRS Sonbhadra and consequent unavailability of fund had delayed the construction, besides cost escalation due to time overrun.

GoUP, while issuing (February 2011) A&FA for the work, directed that the work be started only after technical sanction (TS) of EMRS was issued by the competent authority. The TS could have rectified the lacunae in the original estimates and thus, provided an early signal for further augmentation of funds for EMRS Sonbhadra. However, the construction work was commenced (June 2011) without obtaining TS, which was accorded (February 2014) by EA when the proposal for revised estimates was already forwarded to the Department.

Audit further noticed that on the directives (September 2019) of GoUP to submit details of minimum required fund for making EMRS operational, EA submitted a demand of ₹ 39.51 lakh to complete the most essential work²⁴⁸ to make EMRS functional during the next academic session. Even this amount was not released (July 2020) by GoUP.

Thus, failure of EA to prepare the original estimates of EMRS Sonbhadra accurately and of PFAD to examine the estimates properly, lackadaisical approach of EA in approval of TS and non-release of fund by GoUP even after approval of revised estimate by Expenditure Finance Committee in June 2016 led to unfruitful expenditure of ₹ 11.37 crore on the construction of the school complex for EMRS Sonbhadra.

EMRS Bahraich

Paragraph 212 (VII) (4) of UPBM requires execution of a Memorandum of Understanding (MoU) with the work executing agency by the department before commencing construction work. While releasing (November 2012) the second instalment to DTD, GoUP also directed that the work be carried out after execution of MoU²⁴⁹ with EA. In contravention of the provisions of

²⁴⁵ Two dormitories, auditorium, pump-house, guest house, guard room, electrical control room, underground tank, culvert, boundary wall.

²⁴⁶ DM, Sonbhadra had mentioned in his letter that the available land was of *Pahad Khata* and provided further details of location of land.

²⁴⁷ including hostel and staff quarters.

²⁴⁸ Installation of green board in the building, cleanliness and painting of the constructed building, wardrobe shutter in constructed dormitory.

²⁴⁹ No such condition was there while releasing first installment.

UPBM and directives issued by GoUP while releasing the second instalment, DTD released (March 2011 to March 2013) the entire sanctioned cost (₹ 11.37 crore) and differential cost (₹ 2.65 crore) of revised estimate (October 2015) of EMRS, Bahraich totalling ₹14.02 crore to EA without execution of MoU. EA completed²⁵⁰ (March 2017) the work with a delay of 39 months, against the target date of completion (December 2013). However, no responsibility was fixed for the delayed execution of construction works leading to cost over-run by ₹ 2.65 crore.

DTD also failed to plan and synchronise sending its demand for sanction of posts and sent (November 2017) its proposal to GoUP for 49 posts (teaching and non-teaching staff) after the Uttar Pradesh Scheduled Tribes Educational and Economic Development Committee²⁵¹ recommended (September 2017) creation of posts for EMRS, Bahraich, i.e., after seven years of sanction (September 2010) of EMRS, which were sanctioned (September 2019), after several reminders²⁵², with further delay of two years. GoUP, however, sanctioned these posts after a directive was issued (March 2019) by MTA, GoI imposing a ban on new recruitments in EMRS due to proposed revamping of the EMRS scheme. MTA subsequently (May 2020) allowed the State Government to appoint teaching and non-teaching staff for EMRS and the modalities for appointment of personnel was still in progress (October 2020). As a result, the EMRS building remained unutilised and the school was functioning (since academic session 2016-17) from the campus of another EMRS located at a distance of 135 Km away with substantially reduced capacity²⁵³

Thus, the objective of providing quality education to tribal students in remote areas could not be achieved despite incurring expenditure of ₹ 25.39 crore (EMRS, Sonbhadra: ₹11.37 crore and EMRS, Bahraich: ₹ 14.02 crore), which remained unfruitful.

DTD in its reply (February 2020) on EMRS, Bahraich stated that the EMRS would be made functional after receipt of approval of GoI for recruitment to the posts. The Government, during discussion (March 2020) on EMRS Sonbhadra stated that the amount of ₹ 39.51 lakh had been demanded for completion of essential construction works and the EMRS would be made functional after receipt of funds and completion of the work. The Government further stated (February 2020) that operation of both EMRS was delayed due to delays on the part of EA in completing construction and the arrangement for free education to Scheduled Tribes students would be ensured in these EMRS from the next academic session.

The fact remains that even after 10 years of sanction both the EMRS were non-operational due to lackadaisical approach of EA as well as the Department in construction of school complex and timely recruitment of teaching/non-teaching staff. Further, the Department had not fixed any responsibility for delays in construction attributable to EA.

²⁵⁰ An expenditure of ₹ 14.02 crore was incurred against the original estimated cost of ₹ 11.37 crore after its revision.

²⁵¹ Uttar Pradesh Scheduled Tribes Educational and Economic Development Committee is a registered society which manages the affairs of EMRS at the State level.

²⁵² Nine letters were sent (November 2017 to August 2019) by the Department to GoUP for sanction of post.

²⁵³ EMRS, Bahraich was started in EMRS, Saunaha in district Lakhimpur Kheri with 90 students against the strength of 480 students.

Technical Education Department

3.18 Unfruitful expenditure on government polytechnic building

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.

Government of Uttar Pradesh (GoUP) accorded (March 2009) administrative and financial sanction of ₹ eight crore for construction of a Government Polytechnic at Utraula, Balrampur under the Centrally sponsored scheme ‘Sub-mission on Polytechnics under coordinated Action Plan for Skill Development’.

Audit noticed (August 2017) that on the request (January 2009) of Technical Education Department (TED), the district administration, Balrampur proposed (February 2009) a free-of-cost land for construction of the polytechnic, which was accepted²⁵⁴ by TED as suitable for the purpose. Accordingly, 2.428 hectares of land was transferred (December 2009) to the Polytechnic. GoUP nominated (February 2009) a State PSU as the construction agency. The work was started in June 2009 (prior to transfer of land), and as per sanction order (March 2009), the building was to be completed by June 2010 so that the new academic session could be started from the building.

Scrutiny of records (August 2017) of the *Chhatrapati Shahuji Maharaj* Government Polytechnic, Balrampur revealed that TED did not prepare a Feasibility Report including preliminary site investigation before commencement of the project, as mandated in Paragraph 212 of the UP Budget Manual²⁵⁵ (UPBM). The omission was further magnified by the Technical Sanction (TS) being accorded on a detailed estimate of ₹ 9.65 crore²⁵⁶ in July 2009 without including estimates for earth filling, though the land had regular problem of inundation and prolonged water logging during the rainy season due to its vicinity to the river Rapti. This hampered²⁵⁷ the physical progress of the work leading to increase in cost of material and labour. Subsequently, GoUP approved (September 2014) a revised estimate of ₹ 17.38 crore, which included provision of earth filling in low land, provision of pile foundation on the basis of soil test and some additional works²⁵⁸.

²⁵⁴ On the basis of joint inspection carried out (February 2009) by departmental officers, acceptance was made (February 2009) stating that the land was found suitable for establishment of Polytechnic as no other free-of-cost land was available in the district. The joint inspection team, however, failed to take notice that the proposed land was a low land having regular problem of inundation and prolonged water logging.

²⁵⁵ Provides for commencement of all projects costing five crore and above with preparation of a Feasibility Report by the Administrative Department focusing on analysis of existing situation, nature and magnitude of the problems to be addressed, initial environment and social impact analysis, preliminary site investigations etc.

²⁵⁶ For administrative and academic buildings, workshop buildings, boundary wall and gates.

²⁵⁷ Report submitted by the construction agency in October 2009, physical inspections carried out by the departmental officer in November 2014 and June 2016 and joint inspection conducted by Audit along with departmental officer (April 2018) indicated that the progress of the work was hampered due to water logging and consequent non-transportation of building material.

²⁵⁸ Boys and girls hostels, residential buildings etc.

Audit further observed that the construction agency handed over (December 2018) only the main/administrative building, workshop, overhead tank, boundary wall (included in the original estimate) and boys' hostel to the Department. The remaining works²⁵⁹ were either incomplete/not handed over or not started. Even the handed over buildings were lying idle and could not be put to use for running classes as a survey conducted by Flood Division, Balrampur (January 2019) at the instance of the *Chhatrapati Shahuji Maharaj* Government Polytechnic (after Audit raised the issue) suggested various measures to make the buildings usable, which included earth-filling (one metre) to avoid water logging and related diseases, construction of safe approach road, and closure of campus with provision for shifting of students to a safer place during the period of floods (July to September)²⁶⁰.

As a result of delays in construction, Civil Engineering and Mechanical Engineering courses of the *Chhatrapati Shahuji Maharaj* Government Polytechnic, Balrampur were running in Government Polytechnic building of district Gonda (58 Kms from Utraula, Balrampur) since the academic sessions 2012-13 and 2015-16 respectively, whereas Electronics Engineering course was not started despite approval for commencement of this course from the academic session 2013-14.

Thus, due to selection of an inappropriate land, the objective of construction of the polytechnic to create skilled manpower was not achieved²⁶¹, as even the few buildings, handed over to the Department after nine years of sanction of the work, could not be put to any use. This resulted in unfruitful expenditure of ₹ 16.44 crore (September 2020).

The Government stated (February 2019) that the land was provided by the district authorities in 2009 and at that time it was not affected by the flood water of river Rapti. The Government further stated (March 2020) that directions have been issued to the construction agency for early completion of work.

The reply was not acceptable as stoppage of work due to flood/water logging was reported by the construction agency to the *Chhatrapati Shahuji Maharaj* Government Polytechnic and by the Polytechnic to DTE in October 2009 and November 2009, i.e. prior to formal transfer of land, but the Department failed to conduct feasibility/site investigation before accepting the land. Regarding delay in completion of work, the Government stated that the construction agency was solely responsible for this whereas the construction agency stated that it was due to shortage of funds. The fact remains that the buildings, which were conceived to be made operational from the academic session 2010-11, were not usable (September 2020) even after their belated and partial completion/transfer due to selection of inappropriate land and non-completion of construction and associated works.

²⁵⁹ Tube-well work, pump-house, residences of Principal, HoDs and lecturers, and internal road were incomplete/not handed over whereas work of girls' hostel was not started (September 2020) despite incurring expenditure of ₹16.44 crore against the total funds of ₹ 16.56 crore released up to September 2020.

²⁶⁰ In the survey the fact that during this period even local residents migrate to take shelter at some safer place had been cited.

²⁶¹ Against the approved admission capacity of 1140 students during 2012-19, only 475 students took admission in Civil and Mechanical Engineering courses, running in the building of another polytechnic in Gonda.

Urban Development Department

3.19 Unfruitful Expenditure of ₹ 1.32 crore

Expenditure of ₹ 1.32 crore incurred on the construction of 61 shops remained unfruitful due to non-availability of entrance to the shops.

Paragraph 12 of UP Budget Manual (UPBM) stipulates that every government servant should exercise the same vigilance and care in respect of expenditure from public moneys under his control as a person of ordinary prudence would exercise in respect of expenditure of his own money. Further, paragraph 378 of Financial Hand Book Volume VI stipulates that no work should be commenced on land which has not been duly made over by the responsible civil officers.

Audit observed that with a view to avoid traffic jams caused due to existence of shops²⁶² alongside the outer face of the rampart of Rampur fort²⁶³ and to decongest traffic through widening of road by shifting these shops, the Nagar Palika Parishad, Rampur (NPP) submitted (February 2013) a proposal of ₹ 1.58 crore to the Government for construction of 43 shops inside the fort premises under Naya Savera Nagar Vikas Yojna²⁶⁴. The Government accorded (May 2013) administrative and financial sanction (A&FS) of ₹ 1.02 crore and the entire amount was released (May 2013) to NPP for construction of these shops. NPP invited (July 2013) tenders for the work and the work order of ₹ 1.02 crore was issued (September 2013) to the lowest bidder with the directive to complete the work within 6 months. The Government also accorded (April 2015) A&FS on the revised estimate²⁶⁵ of ₹ 1.32 crore and released (April 2015) the balance amount of ₹ 0.30 crore to NPP for completion of the remaining work.

Scrutiny of records of NPP, Rampur in December 2018 and further information collected subsequently (February 2019, March 2019 and August 2020) revealed that NPP constructed shops on the land belonging to the Horticulture Department without getting the title of the land transferred²⁶⁶ in its favour. NPP got construction of 61 shops²⁶⁷ completed (November 2016) at a total cost of ₹ 1.32 crore without ensuring provision of entrance into the shops from outside the fort. Although the proposal forwarded (February 2013) by NPP to the Government included provision for dismantling of a portion of the rampart for providing access to these new shops, the dismantling work was not included either in the detailed estimates/work order or in the revised estimates forwarded (February 2015) to the State Government. Resultantly, these shops could not be put to use despite a lapse of more than four years of their completion, leading to unfruitful expenditure of ₹ 1.32 crore. Further,

²⁶² Few of them were allotted by Nazul Department.

²⁶³ Not a protected monument.

²⁶⁴ The scheme was renamed (September 2017) as Pandit Deen Dayal Upadhyaya Nagar Vikas Yojna. Under the scheme, demand based interest free loan for infrastructural development is sanctioned to Urban Local Bodies.

²⁶⁵ Revised estimates was submitted (February 2015) due to change in foundation structure at the time of work execution and inclusion of verandah in front of the shops.

²⁶⁶ NPP requested (October 2013) Horticulture Department for transfer of land, which was awaited (August 2020).

²⁶⁷ The estimate (₹ 1.58 crore) was prepared for construction of 103 shops. While forwarding the proposal, however, NPP erroneously (as stated by NPP) mentioned proposal for 43 number of shops and accordingly, Government issued A&FS for construction of 43 shops. Subsequently, design and drawings were changed at the instance of NPP authorities and only 61 shops were constructed.

the objective of decongesting traffic by widening the road was not achieved as the shops located alongside the outer face of the rampart could not be shifted to the new shops inside the walls of the fort.

In reply, the NPP stated (December 2018/March 2019) that the required portion of the rampart was to be dismantled after construction of the shops for providing entrance, but the dismantling of rampart could not be done due to resistance of shopkeepers alongside the outer face of the rampart. The reply confirms that due vigilance and care was not taken while preparing the estimates and before incurring expenditure from public money, and construction of new shops was undertaken without ensuring access to these shops.

The matter was reported to the Government (December 2019). Reply was awaited (January 2021).

3.20 Loss of interest of ₹ 2.49 crore

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.

The Finance Department, Government of Uttar Pradesh issued (March 2012/May 2015) instructions to all Departments that keeping Government funds in banks/post offices after its withdrawal from the treasury by Departments/Public Sector Units/Local Bodies was not in accordance with the provisions of Treasury Rules and Financial Handbook and directed that in cases where accounts of the Departments/institutions had been opened in banks with specific permission of the Government, the existing current bank accounts should be replaced with savings bank accounts. Directorate of Local Bodies, Urban Development Department further reiterated (August 2019) that according to the rules of the Finance Department, bank accounts are to be operated as savings accounts for the deposit of funds assigned under the Fourth Finance Commission recommendations.

Scrutiny of records (November 2018) of Nagar Nigam, Firozabad (NN) and information collected (April and November 2019) revealed that in contravention of the directives issued (March 2012) by the Government, NN kept funds relating to State Finance Commission, Mukhya Mantri Nala Nirman Yojna, Mukhya Mantri Sadak Sudhar Yojna, Antyesthi/Kabristan Yojna etc. in current account²⁶⁸ of the bank during April 2013 to March 2019. As a result, no interest was received on the balances of funds ranging between ₹ 0.04 lakh and ₹ 42.13 crore kept in the current account during the period. This resulted in loss of interest of ₹ 2.49 crore calculated at the rate of interest applicable²⁶⁹ from time to time during April 2013 to March 2019.

²⁶⁸ The current account (no.10850294463) was opened in February 2000 by the then Nagar Palika Parishad in State Bank of India, Main Branch Ferozabad.

²⁶⁹ At the rate of 4 per cent per annum during 1.4.2013 to 30.7.2017; and at the rate of 3.5 per cent per annum and 4 per cent per annum on balance of less than ₹ 1.00 crore and more than ₹ 1.00 crore during 31.7.2017 to 31.3.2019. Loss on interest was calculated on daily balance (Interest = Daily balance x applicable interest rate ÷ days in the year).

NN accepted (April 2019 and June 2020) that the current account, operational since 2000 for keeping various funds, could not be replaced with savings bank account due to lack of awareness of the Government directives (March 2012). NN further stated that the Government's direction (March 2012) was not received by it and this directive was neither on the website of Finance Department nor available in the Manual of Government Orders. On being pointed out by Audit, the current account was closed by transferring the closing balance to savings bank account and State Finance Commission funds were being received in the savings account operated from May 2019. The reply indicates inadequate internal control due to which loss of ₹ 2.49 crore on interest occurred in a scenario wherein augmentation of revenues is needed.

The matter was reported to the Government (January 2020). Reply was awaited (January 2021).

Urban Employment and Poverty Alleviation Department

3.21 Unfruitful expenditure of ₹ 1.50 crore

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.

Section 20 (A) of Ancient Monuments and Archaeological Sites and Remains (Amendment and Validation) Act, 2010 (Act) stipulates that every area, beginning at the limit of the protected area or protected monument, as the case may be, and extending to a distance of 100 metres in all directions shall be the prohibited area in respect of such protected area or protected monument. No person, other than an archaeological officer, shall carry out any construction in any prohibited area. Sections 20 (B) and 20 (C) of the Act further provide that every area, beginning at the limit of the prohibited area in respect of every ancient monument and archaeological site and remaining and extending to a distance of 200 metres in all directions shall be the regulated area. Any person who owns land in any regulated area and desires to carry out any construction on such land may make an application to the competent authority for carrying out construction.

The State Government accorded (July 2015) administrative and financial sanction of ₹ 13.01 crore for construction of 252 houses²⁷⁰ (each having an area of approximately 25 square metres) under ASRA scheme (started in January 2013) in Soron, Paharpur Katra, Kasganj with a view to provide low cost residential facilities to the urban poor in minority concentrated habitations and urban slums, to change their living standards and to improve their social environment. The houses were to be allotted to the eligible beneficiaries²⁷¹ on the basis of survey and public draw. The Government also

²⁷⁰ ₹ 7.33 crore for construction of 142 houses for Scheduled Castes vide letter dated 3 July 2015 and ₹ 5.68 crore for construction of 110 houses for General Category of urban poor vide letter dated 13 July 2015.

²⁷¹ Persons residing in minority concentrated habitations and urban slums having monthly income of not more than ₹ 6,000 per month, registered rickshaw pullers, such homeless Other Backward Class/Scheduled Castes persons who are Below Poverty Line (BPL) card holders and rehabilitated manual scavengers.

sanctioned (July 2015) the first instalment of ₹ 6.50 crore to the State Urban Development Agency, Lucknow (SUDA)²⁷².

Scrutiny of records (July 2017) of SUDA and information collected (March 2019) from District Urban Development Agency (DUDA), Kasganj revealed that while releasing funds (₹ 3.66 crore) to DUDA, SUDA directed (August 2015) the former to ensure taking approval/no objection certificate (NOC) required under any State Government/local laws/rules and environmental clearances while undertaking work under the scheme. DUDA released (December 2015) ₹ 1.83 crore (out of ₹ 3.66 crore released by SUDA) as the first instalment to the executing agency (EA)²⁷³ with the instruction to obtain approval of the map from local authority and also obtain all necessary clearances from other departments prior to start of work. EA commenced (December 2015) the construction work in respect of eight blocks (96 houses). However, when the construction work reached pile foundation level, the District administration stopped (February 2016) the construction work in view of notice from Archeological Survey of India (ASI) that the construction site was within the prohibited area of a Centrally protected monument (*Sitaram Mandir*).

Under the scheme, DUDA was responsible for the selection of site and the Detailed Project Report²⁷⁴ (DPR) for the project was to be approved by DUDA and thereafter by SUDA. Audit noticed that the land for construction of houses under ASRA scheme was provided (July 2013) by Nagar Palika Parishad, Soro and DUDA, Kasganj forwarded (January 2014) the DPR for construction of 252 houses on this land to SUDA. However, DUDA failed to acknowledge the presence of a Centrally protected monument near the selected site though Additional District Magistrate (ADM) and District Magistrate who were Project Director (PD) and Chairman of DUDA respectively were also part of the District administration. DUDA also failed to ensure the compliance of its instructions issued (December 2015) to EA for obtaining requisite approvals before starting the construction work. As a result, the construction work in respect of 96 houses was commenced without obtaining approval of the map and clearance from the Archaeological Department²⁷⁵ despite the fact that a heritage structure was situated in close proximity of the construction site. Considering the objection of the Archaeological Department, the construction of the remaining 13 blocks (156 houses) was started (September 2016) at a new site provided (August 2016) by the District administration. This resulted in unfruitful expenditure of ₹ 1.50 crore incurred up to stoppage of work at the previous site, besides the objective of providing low-cost residential facilities to the urban poor under ASRA scheme was not achieved.

The Government, in its reply (May 2019) stated that a committee constituted (January 2019) at the instance of ADM, Kasganj / PD under the chairmanship of Sub-Divisional Magistrate, Kasganj found that out of 8 blocks (96 houses)

²⁷² Under the scheme, funds were to be provided by the State Government to District Urban Development Agency (DUDA) through SUDA.

²⁷³ Under the ASRA scheme, a State PSU (Construction and Design Services, Uttar Pradesh Jal Nigam) was the executing agency for construction of houses.

²⁷⁴ DPR was to be prepared by the executing agency.

²⁷⁵ Under Ancient Monuments and Archaeological Sites and Remains (Amendment and Validation) Act, 2010.

under construction, 4 blocks (48 houses) were within the limit of 100 metres (prohibited area) of the protected monument. The remaining 4 blocks (48 houses) were situated between 100 metres and 200 metres (regulated area) of the monument, construction work of which could be completed in future after getting NOC from the competent authority, which had already been applied for (April 2019).

The reply confirms that due to failure of DUDA, Kasganj in selecting a suitable site for the project and ensuring that necessary clearances were obtained before commencement of construction work, 4 blocks (48 houses) situated within 100 metres of the monument would not be completed as no construction activity can be carried out within the prohibited area under the Act. Further, NOC for the remaining 4 blocks (48 houses) situated in the regulated area was yet to be received (January 2021).



(RAM HIT)
Accountant General (Audit-I)
Uttar Pradesh

PRAYAGRAJ
THE
19 March 2021

COUNTERSIGNED



(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

NEW DELHI
THE
24 MAR 2021

APPENDICES

Appendix-2.1A
Application of different rates of machinery in different DPRs in analysis of
Dense Graded Bituminous Macadam and Bituminous Concrete
(Reference: Para No. 2.3.1)

Sl. No.	Name machine	Basic rate of machinery (MORTH 2001-02)	Basic Rate Of Machinery (MORTH 2001-02) sanctioned in the Technical Sanction								
			Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km), Pilibhit	Kanchanpur Gandhelnaka Road (7.475 km), Balrampur	Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km), Siddhartha Nagar	Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km), Lakhimpur Kheri	Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km), Siddhartha Nagar	Jamunaha to Kakardhari Road (8.720 km), Shravasti	Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km), Shravasti	Khairaghat to Jhulanipur and Patlahwa Road (60.000 km), Mahrajanj	Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (Km 20.363), Bahraich
Analysis of Dense Graded Bituminous Macadam											
1.	Batch mix HMP @ 75 tonne per hour	8,930.00	8,930.00	11,167.00	11,167.00	11,167.00	15,100.00	15,100.00	15,100.00	15,100.00	11,167.00
2.	Generator 250 KVA	450.00	590.63	450.00	590.63	590.63	590.63	572.73	590.63	590.63	590.00
Analysis of Bituminous Concrete											
1.	Batch mix HMP @ 75 tonne per hour	8,930.00	8,930.00	11,167.00	11,167.00	11,167.00	15,100.00	15,100.00	15,100.00	15,100.00	11,167.00
2.	Generator 250 KVA	450.00	437.50	450.00	590.63	590.63	590.63	572.73	590.63	590.63	590.00

Appendix-2.1B
Preparation of detailed estimates/DPRs
(Reference: Para No. 2.3.1)

(Amount in Rupees)

Sl. No.	District	Name of Work	TS No.	Item of Work	Quantity as per TS (in cum)	Hire Charges of Machinery taken in Rate Analysis of TS		Rate as per TS	Hire Charges of Machinery taken by Audit for Rate Analysis		Rate as per Audit	BOQ as per TS (Amount)	BOQ as per Audit (Amount) (Col 6*12)	Excess Provision (Col. 13-14)
						Machinery	Rate		Machinery	Rate				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (Km 20.363)	08/2013-14	DGBM	9,241.51	Batch mix Hot Mix Plant-75 tonne per hour	11,167.00	12,081.00	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	11,557.03	11,16,46,682.31	10,68,04,408.32	48,42,273.99
						Generator-250 KVA	590.00		Generator-250 KVA	450.00				
				BC	5,687.08	Batch mix Hot Mix Plant-75 tonne per hour	11,167.00	13,556.00	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	12,807.00	7,70,94,056.48	7,28,34,433.56	42,59,622.92
						Generator-250 KVA	590.00		Generator-250 KVA	450.00				
2	Balrampur	C/o Kanchanpur Gandhelnaka Road (7.475 km)	05/2013-14	DGBM	3,110.18	Batch mix Hot Mix Plant-75 tonne per hour	11,167.00	12,827.35	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	12,290.43	3,98,95,367.42	3,82,25,449.58	16,69,917.84
						Generator-250 KVA	450.00		Generator-250 KVA	450.00				
				BC	2,073.46	Batch mix Hot Mix Plant-75 tonne per hour	11,167.00	14,070.79	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	13,302.00	2,91,75,220.23	2,75,81,164.92	15,94,055.31
						Generator-250 KVA	450.00		Generator-250 KVA	450.00				
3	Lakhimpur Kheri	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	10/2013-14	DGBM	14,073.42	Batch mix Hot Mix Plant-75 tonne per hour	11,167.00	11,718.40	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	11,116.48	16,49,18,000.08	15,64,46,891.96	84,71,108.12
						Generator-250 KVA	590.63		Generator-250 KVA	450.00				
				BC	8,660.57	Batch mix Hot Mix Plant-75 tonne per hour	11,167.00	13,161.30	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	12,334.00	11,39,84,333.62	10,68,19,470.38	71,64,863.24
						Generator-250 KVA	590.63		Generator-250 KVA	450.00				

Sl. No.	District	Name of Work	TS No.	Item of Work	Quantity as per TS (in cum)	Hire Charges of Machinery taken in Rate Analysis of TS		Rate as per TS	Hire Charges of Machinery taken by Audit for Rate Analysis		Rate as per Audit	BOQ as per TS (Amount)	BOQ as per Audit (Amount) (Col 6*12)	Excess Provision (Col. 13-14)
						Machinery	Rate		Machinery	Rate				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
4	Maharajganj	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	11/2013-14	DGBM	25,032.00	Batch mix Hot Mix Plant-75 tonne per hour	15,100.00	13,259.00	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	12,428.58	33,18,99,288.00	31,11,12,214.56	2,07,87,073.44
						Generator-250 KVA	590.63		Generator-250 KVA	450.00				
				BC	16,688.00	Batch mix Hot Mix Plant-75 tonne per hour	15,100.00	14,551.40	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	13,475.00	24,28,33,763.20	22,48,70,800.00	1,79,62,963.20
						Generator-250 KVA	590.63		Generator-250 KVA	450.00				
5	Pilibhit	C/o Shardashuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	13/2013-14	DGBM	3,163.16	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	11,836.70	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	11,377.06	3,74,41,375.97	3,59,87,461.11	14,53,914.86
						Generator-250 KVA	590.63		Generator-250 KVA	450.00				
				BC	1,946.56	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	12,610.90	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	11,941.00	2,45,47,873.50	2,32,43,872.96	13,04,000.54
						Generator-250 KVA	437.50		Generator-250 KVA	450.00				
6	Shravasti	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	09/2013-14	DGBM	5,457.48	Batch mix Hot Mix Plant-75 tonne per hour	15,100.00	13,119.89	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	12,261.02	7,16,01,537.28	6,69,14,271.43	46,87,265.85
						Generator-250 KVA	590.63		Generator-250 KVA	450.00				
				BC	3,638.32	Batch mix Hot Mix Plant-75 tonne per hour	15,100.00	14,620.43	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	13,521.00	5,31,93,802.88	4,91,93,724.72	40,00,078.16
						Generator-250 KVA	590.63		Generator-250 KVA	450.00				
7	Shravasti	C/o Jamunaha to Kakardhari Road (8.720 km)	22/2014-15	DGBM	3,752.63	Batch mix Hot Mix Plant-75 tonne per hour	15,100.00	13,572.00	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	12,673.96	5,09,30,694.36	4,75,60,682.51	33,70,011.85
						Generator-250 KVA	572.73		Generator-250 KVA	450.00				

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Sl. No.	District	Name of Work	TS No.	Item of Work	Quantity as per TS (in cum)	Hire Charges of Machinery taken in Rate Analysis of TS		Rate as per TS	Hire Charges of Machinery taken by Audit for Rate Analysis		Rate as per Audit	BOQ as per TS (Amount)	BOQ as per Audit (Amount) (Col 6*12)	Excess Provision (Col. 13-14)
						Machinery	Rate		Machinery	Rate				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
				BC	2,501.75	Batch mix Hot Mix Plant-75 tonne per hour	15,100.00	15,545.30	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	14,375.00	3,88,90,604.38	3,59,62,656.25	29,27,948.13
						Generator-250 KVA	572.73		Generator-250 KVA	450.00				
8	Siddharth nagar	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	07/2013-14	DGBM	13,152.70	Batch mix Hot Mix Plant-75 tonne per hour	15,100.00	13,203.26	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	12,389.88	17,36,58,517.80	16,29,60,374.68	1,06,98,143.12
						Generator-250 KVA	590.63		Generator-250 KVA	450.00				
				BC	8,769.20	Batch mix Hot Mix Plant-75 tonne per hour	15,100.00	14,471.32	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	13,416.00	12,69,01,899.34	11,76,47,587.20	92,54,312.14
						Generator-250 KVA	590.63		Generator-250 KVA	450.00				
9	Siddharth nagar	C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km)	06/2013-14	DGBM	12,942.72	Batch mix Hot Mix Plant-75 tonne per hour	11,167.00	12,851.46	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	12,260.15	16,63,32,848.37	15,86,79,688.61	76,53,159.76
						Generator-250 KVA	590.63		Generator-250 KVA	450.00				
				BC	8,628.48	Batch mix Hot Mix Plant-75 tonne per hour	11,167.00	14,108.05	Batch mix Hot Mix Plant-75 tonne per hour	8,930.00	13,276.00	12,17,31,027.26	11,45,51,700.48	71,79,326.78
						Generator-250 KVA	590.63		Generator-250 KVA	450.00				
Total														11,92,80,039.25

(Source: CE, INB, PWD)

Appendix- 2.2
Invitation and Opening of Bids before according TS and Delay in execution of Contract Bonds
(Reference: Para No. 2.3.2.1)

(₹ in crore)

Sl. No.	District	Contract Bond No.	Name of work	Date of TS	Date of NIT	NIT before TS (days)	Date of opening of Financial Bid	Financial Bid opened before TS (days)	Date on which CB executed	Delay in finalisation of bond against prescribed 52 days	Estimated cost (₹ in crore)	Tendered Cost (₹ in Crore)	Contracted Rate (Per cent above)	Cost of work as per NIT
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	Bahraich	03/SE-INBC/BBK/2013-14	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	11.12.13	03.10.13	69	18.11.13	23	30.12.13	36	36.36	43.45	19.50	44.50
2	Bahraich	08/SE-INBC/BBK/2017-18	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	11.12.13	23.10.17	NA	03.01.18	NA	12.02.18	NA	9.52	11.24	18.00	9.76
3	Balrampur	05/SE-GKP/2013-14	C/o Kanchanpur Gandhelnaka Road (7.475 km)	24.09.13	15.04.13	162	20.08.13	35	30.10.13	146	17.47	19.83	13.50	19.99
4	Lakhimpur Kheri	02/SE-INBC/BBK/2013-14	C/o Khajuria Bazarghat Road (Shardapuri BOP to Bishenpur BOP) via Sampurnanagar Wanigarh Road (24.400 km)	24.04.13	02.02.13	81	09.04.13	15	06.05.13	41	59.67	68.63	15.00	69.72
5	Lakhimpur Kheri	07/SE-INBC/BBK/2015-16	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	20.01.14	21.03.15	NA	11.05.15	NA	9.07.15	58	61.11	79.13	29.50	79.88
6	Maharajganj	02/SE-INBC/GKP/2013-14	C/o Thuthibari to Bargadwa Road (CC Road) (7.600 km)	13.05.13	02.02.13	100	09.04.13	34	15.06.13	81	15.99	20.55	28.50	20.64
7	Maharajganj	07/INB/GKP/2013-14	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	22.01.14	17.12.13	36	18.01.14	4	31.01.14	NA	101.38	144.76	42.80	132.01

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Sl. No.	District	Contract Bond No.	Name of work	Date of TS	Date of NIT	NIT before TS (days)	Date of opening of Financial Bid	Financial Bid opened before TS (days)	Date on which CB executed	Delay in finalisation of bond against prescribed 52 days	Estimated cost (₹ in crore)	Tendered Cost (₹ in Crore)	Contracted Rate (Per cent above)	Cost of work as per NIT
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
8	Pilibhit	04/SE-INBC/BBK/2013-14	C/o Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	14.02.14	10.01.14	35	10.02.14	4	04.03.14	NA	6.88	08.81	28.00	6.88
9	Shravasti	05/SE-INBC/BBK/2014-15	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	20.12.13	30.09.13	81	01.11.13	49	10.11.14	NA	28.67	38.56	34.50	38.83
10	Shravasti	06/SE-INBC/BBK/2014-15	C/o Jamunaha to Kakardhari Road (8.720 km)	20.10.14	16.09.14	34	15.10.14	5	25.11.14	18	26.63	29.86	12.15	30.27
11	Siddharthnagar	03/SE-INBC/GKP/2013-14	C/o Malgahiya-Harbanshpur (Aligarwa to Ganwariya section) CC Road (15.259 km)	13.05.13	02.02.13	100	09.04.13	34	15.06.13	81	36.15	43.03	19.05	45.20
12	Siddharthnagar	06/SE-INBC/GKP/2013-14	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	05.12.13	12.08.13	115	07.10.13	59	30.01.14	119	53.43	72.40	35.52	72.58
13	Siddharthnagar	04/SE-INBC/GKP/2013-14	C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km)	24.09.13	02.05.13	145	17.08.13	38	26.10.13	125	44.29	66.08	49.20	66.08
Total											497.55	646.34		636.34

(Source: SEs, INB, PWD and Test checked Divisions)

Appendix-2.3
Execution of contracts for lesser length of roads
(Reference: Para No. 2.3.2.1)

Sl. No.	District	Name of work	Sanctioned length in km	Revised Length (km)	Quantity of BC/PQC in NIT (cum)	Length mentioned in NIT as per audit (in km)	Quantity of BC/PQC in contract bond (cum)	Length calculated by Audit (km)	Short length calculated by Audit (km)
1	*Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	20.363	17.960	4,739.500	16.927	3,926.300	14.023	2.904
2	Balrampur	C/o Kanchanpur Gandhelnaka Road (7.475 km)	7.475	7.260	2,093.000	7.475	1,827.820	6.528	0.947
3	Lakhimpur Kheri	C/o Khajuria Bazarghat Road (Shardapuri BOP to Bishenpur BOP) via Sampurnanagar Wanigarh Road (24.400 km)	24.400	24.400	47,824.000	24.400	41,128.640	20.984	3.416
4	Lakhimpur Kheri	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	32.950	30.950	8,660.570	30.931	6,625.000	23.661	7.270
5	Maharajganj	C/o Thuthibari to Bargadwa Road (CC Road) (7.600 km)	7.600	7.600	14,461.000	7.378	11,163.890	5.696	1.682
6	*Maharajganj	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	60.000	60.000	15,519.840	55.428	11,907.000	42.525	12.903
7	Pilibhit	C/o Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	7.000	7.000	728.000	2.600	728.000	2.600	0.000
8	Shravasti	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	13.000	13.000	3,632.720	12.974	2,654.680	9.481	3.493
9	Shravasti	C/o Jamunaha to Kakardhari Road (8.720 km)	8.720	8.720	2,501.750	12.085	2,235.540	11.135	0.950
10	Siddharthnagar	C/o Malgahiya- Harbanshpur (Aligarwa to Ganwariya section) CC Road (15.259 km)	15.259	15.259	29,838.000	15.223	25,063.420	12.787	2.436
11	*Siddharthnagar	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	28.900	28.900	7,971.600	28.470	5,860.000	20.929	7.541
12	*Siddharthnagar	C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km)	31.350	31.350	8,628.480	30.816	5,783.000	20.654	10.162
Total			257.017 say 257.02	252.399 say 252.40		244.707		191.002	53.705

(Source: CE, INB, PWD and Test checked Divisions)

*Note: Sanctions for revision of estimates of works mentioned against Sl. No. 1, 6, 11 and 12 were awaited as of December 2019.

Appendix-2.4
Details of mobilisation advances
(Reference: Para No. 2.3.2.3)

(₹ in lakh)

Sl. No.	District	Contract Bond No/Date	Scheduled date of completion	Details of advance paid		Details of recovery of advance				Total Amount Recovered	Amount to be recovered as of December 2019 (col. 6-11)	Advances Retained beyond the Original Stipulated Date (col. 6-7)
				Date	Amount	Amount Recovered as of Stipulated date of completion	Amount recovered after stipulated date of completion					
							Within 6 months	6-12 months	After 12 months			
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Bahraich	03/SE-INBC/BBK/2013-14 Dt. 30.12.2013	29.06.15	18.01.14	217.27	45.31	41.02	45.92	85.02	217.27	0.00	171.96
2	Bahraich	08/SE-INBC/BBK/2017-18 Dt.12.02.2018	11.08.18	07.03.18	50.00	15.00	29.00	6.00	0.00	50.00	0.00	35.00
3	Balrampur	05/SE-INBC/GKP/2013-14 Dt. 30.10.2013	29.10.14	30.11.13	99.17	23.33	45.27	13.75	16.82	99.17	0.00	75.84
4	Lakhimpur Kheri	02/SE-INBC/BBK/2013-14 Dt. 06.05.2013	05.11.14	22.05.13	343.13	48.65	44.86	16.58	233.04	343.13	0.00	294.48
5	Lakhimpur Kheri	07/SE-INBC/BBK/2015-16 Dt. 09.07.2015	08.07.17	03.02.16	395.66	136.50	8.68	57.91	192.57	395.66	0.00	259.16
6	Maharajganj	02/SE-INBC/GKP/2013-14 Dt. 15.06.2013	14.06.14	30.06.13	102.74	29.82	11.03	13.67	48.22	102.74	0.00	72.92
7	Maharajganj	07/SE-INBC/GKP/2013-14 Dt. 31.01.2014	30.07.16	31.01.14	723.82	71.00	31.09	0.72	115.79	218.60	505.22	652.82
8	Shravasti	05/SE-INBC/BBK/2014-15 Dt. 10.11.2014	09.11.15	20.11.14	192.50	0.00	20.00	0.00	172.50	192.50	0.00	192.50
9	Shravasti	06/SE-INBC/BBK/2014-15 Dt. 25.11.2014	24.11.15	29.11.14	149.00	75.00	74.00	0.00	0.00	149.00	0.00	74.00
10	Siddharthnagar	03/SE-INBC/GKP/2013-14 Dt. 15.06.2013	14.06.14	25.06.13	215.16	8.85	30.37	20.91	154.01	214.14	1.02	206.31
11	Siddharthnagar	06/SE-INBC/GKP/2013-14 Dt. 30.01.2014	29.01.16	20.02.14	362.00	0.98	0.55	1.56	163.88	166.97	195.03	361.02
12	Siddharthnagar	04/SE-INBC/GKP/2013-14 Dt. 26.10.2013	25.10.15	07.11.13	330.39	1.73	0.59	0.16	235.85	238.33	92.06	328.66
Total					3,180.84	456.17	336.46	177.18	1417.70	2387.51	793.33	2724.67

(Sources: Test Checked Divisions)

Appendix-2.5
Details of equipment advances
(Reference: Para No. 2.3.2.3)

(₹ in lakh)

Sl. No.	District	Contract bond no/date	Schedu-led date of completion	Details of advance paid		Details of recovery of advance						Advances Retained beyond the Original Stipulated Date of Completion (Col. 6-7)
				Date	Amount	Recovery as of Stipulated date of completion	Amount recovered after stipulated date of completion			Total Amount recovered	Amount to be recovered as of December 2019 (Col. 6-11)	
							Within 6 months	6-12 months	After 12 months			
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Bahraich	03/SE-INBC/ BBK/2013-14 Dt. 30.12.2013	29.06.15	29.03.14 22.05.14	134.60	28.39	25.43	31.52	49.26	134.60	0.00	106.21
2	Bahraich	08/SE-INBC/ BBK/2017-18 Dt. 12.02.2018	11.08.18	22.03.18	50.00	15.00	29.00	6.00	0.00	50.00	0.00	35.00
3	Balrampur	05/SE-INBC/ GKP/2013-14 Dt. 30.10.2013	29.10.14	29.03.14	198.34	46.67	66.30	27.50	57.87	198.34	0.00	151.67
4	Lakhimpur Kheri	02/SE-INBC/ BBK/2013-14 Dt. 06.05.2013	05.11.14	29.06.13 12.07.13 06.08.13 17.01.14	106.18 314.15 204.08 41.84	171.56	89.71	33.16	371.82	666.25	0.00	494.69
5	Lakhimpur Kheri	07/SE-INBC/ BBK/2015-16 Dt. 09.07.2015	08.07.17	19.03.16 29.03.16 29.03.16	325.00 100.00 150.00	294.99	17.35	115.83	146.83	575.00	0.00	280.01
6	Maharajganj	02/SE-INBC/ GKP/2013-14 Dt. 15.06.2013	14.06.14	19.02.14	205.47	59.64	22.06	27.33	96.44	205.47	0.00	145.83
7	Maharajganj	07/SE-INBC/ GKP/2013-14 Dt. 31-01-2014	30.07.16	26.03.14	1275.00	141.99	62.19	1.45	231.37	437.00	838.00	1133.01
8	Shravasti	05/SE-INBC/ BBK/2014-15 Dt. 10.11.2014	09.11.15	20.11.14	385.50	0.00	40.00	0.00	345.50	385.50	0.00	385.50
9	Siddharthnagar	03/SE-INBC/ GKP/2013-14 Dt. 15.06.2013	14.06.14	19.09.13	430.31	17.70	42.54	36.66	303.93	400.83	29.48	412.61
10	Siddharthnagar	06/SE-INBC/ GKP/2013-14 Dt. 30.01.2014	29.01.16	24.02.14 02.05.14	592.98 130.00	1.96	0.96	3.12	327.84	333.88	389.10	721.02
11	Siddhartha nagar	04/SE-INBC/ PWD/GKP/2013-14 Dt. 26.10.2013	25.10.15	12.11.13 03.05.14	619.79 40.98	3.45	1.19	0.31	474.05	479.00	181.77	657.32
Total					5,304.22	781.35	396.73	282.88	2,404.91	3,865.87	1,438.35	4,522.87

(Sources: Test Checked Divisions)

Appendix-2.6
Payment for Vehicles
(Reference: Para No. 2.3.2.4)

(₹ in lakh)

Sl. No.	District	Name of Work	Original Provision as per DPR	Revised Provision as per DPR	Payment made	Excess Payment over approved DPRs
1	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	26.40	Revised provision not available*	31.17	4.77
2	Balrampur	C/o Kanchanpur Gandhelna Road (7.475 km)	16.13	46.88	27.81	0.00
3	Lakhimpur Kheri	C/o Khajuria Bazarghat Road (Shardapuri BOP to Bishenpur BOP) via Sampurnanagar Wanigarh Road (24.400 km)	37.80	37.80	43.19	5.39
4	Lakhimpur Kheri	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	0.00	0.00	0.00	0.00
5	Maharajganj	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	0.00	0.00	116.95	116.95
6	Maharajganj	C/o Thuthibari to Bargadwa Road (CC Road) (7.600 km)	0.00	32.38	44.08	11.70
7	Pilibhit	C/o Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	0.00	Not revised	12.67	12.67
8	Shravasti	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	0.00	54.70	44.25	0.00
9	Shravasti	C/o Jamunaha to Kakardhari Road (8.720 km)	34.97	54.70	50.06	0.00
10	Siddharthnagar	C/o Malgahiya- Harbanshpur (Aligarwa to Ganwariya section) CC Road (15.259 km)	0.00	50.00	30.77	0.00
11	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	20.16	Not revised	37.47	37.47
12	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km)	19.20	Not revised	76.24	57.04
Total			154.66	342.22**	514.66	245.99

(Source: Test-checked divisions)

* Revised sanction issued by the GoI in January 2020

**Revised Provision ₹ 342.22 lakh (Original cost of DPRs at Sl. no. 1, 11 and 12: ₹ 65.76 lakh + revised cost in remaining DPRs: ₹ 276.46 lakh)

Appendix-2.7
Mandatory quality tests of materials
(Reference: Para No. 2.4.1)

Sl. No.	District	Name of Work	BOQ items	Executed quantity (in cum)	Number of tests to be carried out against executed quantity	Tests carried out on executed quantity at site laboratories	No. of Samples/ Tests to be carried out at QPC LKO	No. of Samples/ Tests carried out at QPC LKO
1	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	Earth work	4,26,513.13	2,701	350	1351	6
2	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (4.000 km)	Earth work	74,286.75	470	0	235	
3	Balrampur	C/o Kanchanpur Gandhelnaka Road (7.475 km)	Earth work	1,11,188.18	704	87	352	6
4	Lakhimpur Kheri	C/o Khajuria Bazarghat Road (Shardapuri BOP to Bishenpur BOP) via Sampurnanagar Wanigarh Road (24.400 km)	Earth work	1,90,843.59	1,209	214	605	12
5	Lakhimpur Kheri	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	Earth work	4,99,871.64	3,166	55	1,583	
6	Mahrajganj	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	Earth work	4,80,881.25	3,046	124	1,523	0
7	Mahrajganj	C/o Thuthibari to Bargadwa Road (CC Road) (7.600 km)	Earth work	76,788.19	486	23	243	
8	Pilibhit	C/o Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	Earth work	92,834.82	588	287	294	1
9	Shravasti	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	Earth work	4,65,856.95	2,950	2248	1,475	5
10	Shravasti	C/o Jamunaha to Kakardhari Road (8.720 km)	Earth work	3,02,497.34	1,916	1718	958	
11	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km)	Earth work	5,50,745.89	3,488	70	1,744	2

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Sl. No.	District	Name of Work	BOQ items	Executed quantity (in cum)	Number of tests to be carried out against executed quantity	Tests carried out on executed quantity at site laboratories	No. of Samples/ Tests to be carried out at QPC LKO	No. of Samples/ Tests carried out at QPC LKO
12	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	Earth work	3,84,258.99	2,434	70	1,217	
13	Siddharthnagar	C/o Malgahiya-Harbanshpur (Aligarwa to Ganwariya section) CC Road (15.259 km)	Earth work	1,52,751.27	967	50	484	
Total tests for earth work					24,125	5,296	12,064	32
1	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	GSB	38,763.4	388	502	194	1
2	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (4.000 km)	GSB	8,559.77	86	0	43	
3	Balrampur	C/o Kanchanpur Gandhelna Road (7.475 km)	GSB	17,986.55	180	205	90	12
4	Lakhimpur Kheri	C/o Khajuria Bazarghat Road (Shardapuri BOP to Bishenpur BOP) via Sampurnanagar Wanigarh Road (24.400 km)	GSB	45,249.28	452	268	226	0
5	Lakhimpur Kheri	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	GSB	48,493.25	485	106	243	11
6	Mahrajganj	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	GSB	48,561.77	486	58	243	1
7	Pilibhit	C/o Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	GSB	8,180.64	82	143	41	0
8	Shravasti	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	GSB	35,782.08	358	566	179	1
9	Shravasti	C/o Jamunaha to Kakardhari Road (8.720 km)	GSB	24,655.97	247	306	124	0

Sl. No.	District	Name of Work	BOQ items	Executed quantity (in cum)	Number of tests to be carried out against executed quantity	Tests carried out on executed quantity at site laboratories	No. of Samples/ Tests to be carried out at QPC LKO	No. of Samples/ Tests carried out at QPC LKO
10	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km)	GSB	50,210.31	502	0	251	0
11	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	GSB	32,874.90	329	0	165	0
Total tests for GSB					3,595	2,154	1,799	26
1	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	WMM	24,712.02	741	748	371	1
2	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (4.000 km)	WMM	6,087.75	183	0	92	
3	Balrampur	C/o Kanchanpur Gandhelnaka Road (7.475 km)	WMM	13,151.28	395	215	198	3
4	Lakhimpur Kheri	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	WMM	33,407.61	1,002	163	501	1
5	Mahrajganj	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	WMM	26,291.25	789	101	395	1
6	Pilibhit	C/o Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	WMM	5,049.39	151	120	76	0
7	Shravasti	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	WMM	23,796.44	714	685	357	1
8	Shravasti	C/o Jamunaha to Kakardhari Road (8.720 km)	WMM	17,042.16	511	487	256	0
9	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km)	WMM	29,002.84	870	56	435	0
10	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	WMM	22,684.05	681	48	341	0
Total tests for WMM					6,037	2,623	3,022	7

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Sl. No.	District	Name of Work	BOQ items	Executed quantity (in cum)	Number of tests to be carried out against executed quantity	Tests carried out on executed quantity at site laboratories	No. of Samples/ Tests to be carried out at QPC LKO	No. of Samples/ Tests carried out at QPC LKO
1	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	DBM	6,126.74	368	322	184	3
2	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (4.000 km)	DBM	858.75	52	0	26	0
3	Balrampur	C/o Kanchanpur Gandhelnaka Road (7.475 km)	DBM	3,095.96	186	291	93	0
4	Lakhimpur Kheri	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	DBM	8,159.55	490	158	245	11
5	Mahrajganj	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	DBM	2,684.64	161	25	81	0
6	Pilibhit	C/o Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	DBM	1,235.00	74	60	37	9
7	Shravasti	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	DBM	5,616.24	337	207	169	51
8	Shravasti	C/o Jamunaha to Kakardhari Road (8.720 km)	DBM	3,986.81	239	207	120	13
9	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km)	DBM	5,405.67	324	42	162	0
10	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	DBM	3,850.26	231	20	116	18
11	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	BC	3,755.27	225	282	113	9
12	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (4.000 km)	BC	484.52	29	0	15	

Sl. No.	District	Name of Work	BOQ items	Executed quantity (in cum)	Number of tests to be carried out against executed quantity	Tests carried out on executed quantity at site laboratories	No. of Samples/ Tests to be carried out at QPC LKO	No. of Samples/ Tests carried out at QPC LKO
13	Balrampur	C/o Kanchanpur Gandhelnaka Road (7.475 km)	BC	2,047.46	123	162	62	2
14	Lakhimpur Kheri	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	BC	5,005.41	300	312	150	9
15	Mahrajganj	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	BC	1,782.76	107	25	54	1
16	Pilibhit	C/o Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	BC	752.06	45	40	23	12
17	Shravasti	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	BC	3,759.88	226	199	113	24
18	Shravasti	C/o Jamunaha to Kakardhari Road (8.720 km)	BC	2,666.99	160	198	80	8
19	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km)	BC	2705.00	162	42	81	0
20	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	BC	1,114.31	67	20	34	18
Total tests for BC					3,906	2,612	1,958	188
1	Lakhimpur Kheri	C/o Khajuria Bazarghat Road (Shardapuri BOP to Bishenpur BOP) via Sampurnanagar Wanigarh Road (24.400 km)	DLC	27,109.47	3,615	518	1,808	4
2	Mahrajganj	C/o Thuthibari to Bargadwa Road (CC Road) (7.600 km)	DLC	8,477.12	1,130	47	565	0
3	Siddharthnagar	C/o Malgahiya-Harbanshpur (Aligarwa to Ganwariya section) CC Road (15.259 km)	DLC	14,558.04	1,941	26	971	0
Total tests for DLC					6,686	591	3,344	4
Grand Total					44,349	13,276	22,187	257

(Source: Test Checked Divisions and QPC Lucknow)

Appendix-2.8
Monitoring of road construction
(Reference: Para No. 2.4.2)

Sl. No.	District	Name of Work	Inspection made by	No. of inspections of road carried out in respect of quality control							No. of inspections to be done
				2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 up to 12/19	Total	
1	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	SE	0	0	0	0	0	1	1	11
			CE	1	0	0	0	0	-	1	5
2	Balrampur	C/o Kanchanpur Gandhelna Road (7.475 km)	SE	1	0	0	0	0	0	1	11
			CE	0	0	0	0	0	-	0	5
3	Lakhimpur Kheri	C/o Khajuria Bazarghat Road (Shardapuri BOP to Bishenpur BOP) via Sampurnanagar Wanigarh Road (24.400 km)	SE	0	0	0	0	1	0	1	11
			CE	2	0	0	0	0	-	2	5
4	Lakhimpur Kheri	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	SE	-	-	0	0	1	0	1	7
			CE	-	-	0	0	0	-	0	3
5	Maharajganj	C/o Thuthibari to Bargadwa Road (CC Road) (7.600 km)	SE	0	1	0	1	0	0	2	11
			CE	1	0	0	1	0	-	2	5
6	Maharajganj	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	SE	0	0	0	1	0	2	3	11
			CE	0	0	0	1	0	-	1	5
7	Pilibhit	C/o Shardapuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	SE	0	0	0	0	1	0	1	11
			CE	1	0	0	0	0	-	1	5
8	Shravasti	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	SE	-	0	0	0	1	1	2	9
			CE	-	0	0	0	0	-	0	4
9	Shravasti	C/o Jamunaha to Kakardhari Road (8.720 km)	SE	-	0	0	0	0	1	1	9
			CE	-	0	0	0	0	-	0	4
10	Siddharthnagar	C/o Malgahiya-Harbanshpur (Aligarwa to Ganwariya section) CC Road (15.259 km)	SE	0	0	0	1	0	2	3	11
			CE	1	0	0	0	0	-	1	5
11	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km)	SE	0	0	0	1	0	2	3	11
			CE	0	0	0	0	0	-	0	5
12	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	SE	0	0	0	0	0	2	2	11
			CE	0	0	0	0	0	-	0	5
Total			SE	1	1	0	4	4	11	21	124
			CE	6	0	0	2	0	-	8	56

(Source: Test Checked Divisions)

Appendix-2.9
Bitumen supplied by oil companies
(Reference: Para No. 2.4.3)

(₹ in crore)

Sl. No.	District	Name of work	Quantity of bitumen required in executed work as per last bill (in MT)	Cost of bitumen	Quantity of bitumen for which CRCs submitted (in MT)	Cost of bitumen for which CRCs submitted (as per estimated rate)	Difference in Qty. (in MT) (Col. 4-6)	Difference in amount (Col. 5-7)
1	2	3	4	5	6	7	8	9
1	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	1,114.001	6.37	793.209	4.53	320.792	1.84
2	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (4.00 km)	150.821	0.86	133.058	0.76	17.763	0.10
3	Balrampur	C/o Kanchanpur Gandhelnaka Road (7.475 km)	581.991	3.28	443.225	2.50	138.766	0.78
4	Lakhimpur Kheri	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	1,484.150	6.72	709.090	3.21	775.060	3.51
5	Maharajganj	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	505.600	2.96	35.930	0.21	469.670	2.75
6	Pilibhit	C/o Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	223.930	1.23	0.000	0.00	223.930	1.23
7	Shravasti	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	1,061.580	4.44	782.430	3.27	279.150	1.17
8	Shravasti	C/o Jamunaha to Kakardhari Road (8.720 km)	753.320	4.32	635.090	3.64	118.230	0.68
9	Siddharth nagar	Construction of INBR for part of Malagahia Harbanshpur Road (from Latahawa Ghat to Pakarihawa.)	905.500	5.13	390.290	2.21	515.210	2.92
10	Siddharth nagar	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	541.600	3.13	0.000	0.00	541.600	3.13
Total			7,322.493	38.44	3,922.322	20.33	3,400.171	18.110

(Source: Test Checked Divisions)

Appendix-2.10
Cost overrun due to delays in completion of sanctioned works under INBRP
(Reference: Para No. 2.6)

(₹ in crore)

Sl. No.	District	Name of work	Original Cost of the Work	Revised Cost of the Work	Cost over run	Cost overrun (in per cent)	Scheduled date of start	Scheduled date of completion	Time over run up to 12/2019 in months
1	Bahraich	C/o Rupaideeha to Munshipurwa Road Village Shrinagar to BOP Samtalia (20.363 km)	55.05	65.94	10.89	20	30.12.13	29.06.15	54
							12.02.18	11.08.18	16
2	Balrampur	C/o Kanchanpur Gandhelnaka Road (7.475 km)	20.93	24.94	4.01	19	30.10.13	29.10.14	62**
3	Lakhimpur Kheri	C/o Khajuria Bazarghat Road (Shardapuri BOP to Bishenpur BOP) via Sampurnanagar Wanigarh Road (24.400 km)	72.83	90.72	17.89	25	06.05.13	05.11.14	61**
4	Maharajganj	C/o Thuthibari to Bargadwa Road (CC Road) (7.600 km)	22.03	26.49	4.46	20	15.06.13	14.06.14	66**
5	Maharajganj	C/o Khairaghat to Jhulanipur and Patlahwa Road (60.000 km)	172.22	266.48	94.26	55	31.01.14	30.07.16	41
6	Shravasti	C/o Kakardhari to Tarsoma and Bharta-Gujjargauri Road (13.00 km)	40.70	65.00	24.30	60	10.11.14	09.11.15	49
7	Shravasti	C/o Jamunaha to Kakardhari Road (8.720 km)	31.57	40.09	8.52	27	25.11.14	24.11.15	49**
8	Siddharth nagar	C/o Malgahiya- Harbanshpur (Aligarwa to Ganwariya section) CC Road (15.259 km)	45.50	60.54	15.04	33	15.06.13	14.06.14	66
9	Lakhimpur Kheri	C/o Paliaghat to Barsola Road (Gauriphanta to Chandan Chowki) (30.950 km)	89.29	139.00	49.71	56	09.07.15	08.07.17	29
Total			550.12	779.20	229.08	42			
Details of DPRs not revised									
1	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Karamaini Ramnagar (28.900 km)	83.40	Not revised			30.01.14	29.01.16	47
2	Siddharthnagar	C/o Malgahiya Harbanshpur Road via Barhni Pakarhiwa Road (31.350 km)	82.37	Not revised			26.10.13	25.10.15	50
3	Pilibhit	C/o Shardarpuri Bazar Ghat Road to Tilla No. 4 (BP No. 42 to BP No. 36) (7.00 km)	19.94	Not revised			04.03.14	03.03.15	57**
Total			185.71	0.00					
Grand total			735.83	779.20					

(Source: CE, INB, PWD and Test checked Divisions)

** These roads were completed, however, project completion reports were yet to be issued (December 2019)

Appendix-2.11
Link roads for BOPs not falling on main alignment of 12 sanctioned projects
(Reference: Para No. 2.7)

Sl. No.	Name of District	Total No. of BOPs covered	No. of BOPs falling on the alignment or connected with link roads	No. of BOPs not connected by link road and their distance from alignment		
				Total	Upto 500 m	501 m to 1000 m
1	Bahraich	9	9	0	0	0
2	Balrampur	2	2	0	0	0
3	Lakhimpur Kheri	13	10	3	1	2
4	Maharajganj	18	15	3	1	2
5	Pilibhit	2	0	2	2	0
6	Shravasti	7	6	1	0	1
7	Siddharthnagar	20	16	4	1	3
Total		71	58	13	5	8

(Source: SSB, Lucknow)

Appendix-2.12
Details of BOPs away from constructed INBRP road as of December 2019
(Reference: Para No. 2.7)

Sl. No.	Name of District	Name of Work	Length taken up for construction (in km)	Completed Length (in km)	Details of unconnected BOPs and their distance from INBRP Road	
					Name of BOPs	Distance (in km)
1	Maharajganj	C/o CC Pavement road from Thoothibari to Bargadwa (60.20 to 67.80 of CSNTN Road)	7.600	7.600	Bargadwa	1.000
2	Pilibhit	C/o Shardapuri Bazarghat to Tila no.-4	2.600	2.800	Nazuria-I	0.300
					Nazuria-II	0.200
3	Lakhimpur-Kheri	C/o Khajuria Bazarghat Road (Ch 00 to 24.40)	24.400	24.000	Shardapuri	1.000
4	Sharvasti	C/o Jamunha Kakardhari (Part-A)	8.720	8.720	Sagargaon	1.000
Total					5	

(Source: UPPWD and SSB, Lucknow)

Appendix-3.1.1
Availability of Animal Husbandry Infrastructures
(Reference: Paragraph no. 3.1.1)

Sl.	Name of the Unit	No.
1.	Veterinary Hospitals	2,202
2.	Livestock Extension Centres	2,575
3.	Dispensary	267
4.	Mobile Clinics	774
5.	Polyclinics	05
6.	Central Laboratory	01
7.	Regional Laboratories	10
8.	Artificial Insemination Centres	5,044
9.	Liquidation Nitrogen Centres	02
10.	Frozen Semen Production centres	03
11.	Sheep Development Project	01
12.	Bull Sheep Centres	05
13.	Sheep and Wool Distribution Centres	180
14.	Sheep Farms	02
15.	State Goat Production Farms	06
16.	Reproduction Farm for Bhadawari Buffalo and Jamunapari Goat	01
17.	Government Livestock and Agriculture Farms	10
18.	Pig Reproduction Farms	07
19.	Pig Rearing Training Centre	01
20.	Poultry Diagnostic Laboratory	01
21.	Poultry Rearing Training Centre	01
22.	Poultry Farms	11
23.	Training Centre for Carcass Usage	01
24.	Training Centres for Livestock Development Officers	03
25.	Bovine Sterility and Infertility Control Laboratories	09
26.	Thanaila Disease Control Laboratory	01
27.	TB Brusela and Jonine Unit	01
28.	Dietetic Test laboratory	01
29.	Epidemiology Unit	01
30.	Canine Rabies Control Units	10
31.	Institute of Veterinary Biologicals	01

(Source: Director, Animal Husbandry Department)

Appendix-3.1.2
Availability of medicines in test-checked VHs during 2018-19
(Reference: Paragraph no. 3.1.6.3)

Sl.	Name of medicine (Not available in more than 50 per cent of test-checked 107 VHs)	Availability (No. of VHs)	
		No	Yes
1	Amikacin Sulphate BP Equivalent to Amikacin base + Methyl hydroxyl benzoate BP + Propyl Hydroxy benzoate BP +Water for Injection BP	89	18
2	Amitraz BP Vet Liquid	57	50
3	Amoxicillin IP+ Cloxacillin IP + Probenecid IP bolus	61	46
4	Antimony Pot. Tartrate USP + Ferrous Sulphate IP +CuSO4 IP/BP + CoCl B Vet C	82	25
5	Benzalkonium Chloride Solu. I.P.+ Chlorhexidine Gluconate Solu. I.P.as teat Dip	80	27
6	Benzalkonium Cl+ Glutaraldehyde+ Formaldehyde+ Stabilizer	89	18
7	Benzyl Benzoate IP+ Salicylic Acid IP+ Sulpher IP	87	20
8	Benzyl Benzoate IP+ Sulphanilamide IP-55+ Zinc Oxide IP + Sulpher precipitated IP-66 in paraffin ointment base	87	20
9	Benzyl Penicillin Procaine + Dihydro streptomycin + Neomycin + Polymyxin B + Sulpha Dimidine + Sulphathiazole + Hydrocortisone B.P.	88	19
10	Benzyle Benzoate I.P.+Gamabenzene Hexachloride I.P. Lotion	66	41
11	Betmethasone Dipropionate USP+Gentamycin Sulphate IP+ MiconezoleNitrate IP +Chlorquenol as preservative IP	89	18
12	Bolus Vit.D3 IP+E IP+A IP+Cal.Phos. IP+ CuSO4 IP+Cobalt Oxide IP+Ferrous Sulph Diried IP+ IodineIP+ Manganese Sulphate I.P.+ Mag.Sulph.IP +Phosphorus IP+ Selenium IP+Zinc Sulph IP+ Bio Active Chromium IP+Biotin IP	83	24
13	Calcium LevulinateI.P.+Vit D3 I.P.+Vit B12 I.P.	97	10
14	Cefoparazene sodium USP Eq. to cefoparazene anhydrous	69	38
15	Cefquinome	67	40
16	Cephalaxin IP + Neomycin Sulphate IP + Prednisolone IP as Prednisolone Acetate+ Base QS as Intra Mammary syringe	80	27
17	Closantel +Levamisol Liquid B.P.Vet.	54	53
18	Colistin Sulphate U.S.P.+Cloxacillin Sod. I.P.	71	36
19	Dextrose Infusion I.P.	79	28
20	Dextrose Normal Saline Infusion	81	26
21	Didecyl dimethyl ammonium chloride + Ethanol	90	17
22	Diethyl Carbamazine Citrate I.P.	90	17
23	Disinfectant Fluid (Black) R.W.C.10 Grade-2 (According to Schedule'O' specification) ISI marked.	62	45
24	Each Bolus contains Nitrofurazone I.P +Metronidazole I.P + Urea I.P +Povidone Iodine I.P +excipients q.s.	89	18
25	Each Vial Contains:Ceftriaxone I.P.+ Tazobactam I.P.	68	39
26	Enrofloxacin+Zinc Sulphate Monohydrate USP Equ. to elemental zinc	79	28
27	Formaline Tablet (for formaline chamber)	82	25
28	Gentamycin Sulphate I.P. Cream	60	47
29	Halquinol Bolous B.P.	68	39
30	Inj Ketamin I.P.	95	12

Audit Report (General and Social Sector) for the year ended March 2019

Sl.	Name of medicine (Not available in more than 50 per cent of test-checked 107 VHs)	Availability (No. of VHs)	
		No	Yes
31	Inj. Andreno Chrome monosemicarbazone I.P.	97	10
32	Inj. Antimony Pot. Tartrate USP	82	25
33	Inj. Aquous Soln. Gonadrolin 1 mg/ml B.P. Vet	98	9
34	Inj. Ascorbic Acid B.P. Vet.	96	11
35	Inj. Atropine sulphate B.P. Vet.	75	32
36	Inj. Calc. Borogluconate + Boric Acid+ Magnesium Phospt.+ Dext. Anhy. B.P. Vet.	89	18
37	Inj. Calcium Borogluconate B.P. Vet	79	28
38	Inj. Chorionic Gonadotrophin B. Vet C	100	7
39	Inj. Dicyclomine HCl IP + Benzyle Alcohol IP+ Water for injection IP	82	25
40	Inj. Diminazene Aceturate + Phenazone B.P.	56	51
41	Inj. Diminazene Aceturate B. Vet C	56	51
42	Inj. Dinoprost Tromethamine	97	10
43	Inj. Dizepam B.P. Vet.	95	12
44	Inj. DI-Alpha Tocopheryl acetate IP eq. to Tocopherol (vit. E) base+ Sodium Selenite USP eq. to selenium base + Vit. A+ Vit. D3+ Biotin USP+ Benzyle alcohol IP (as preservative), Water of Inj. QS	80	27
45	Inj. Esthemsylate B.P.+Methyl Hydroxy Benzoate BP+ Propyl Hydroxy Benzoate BP+Water for Injection BP QS	87	20
46	Inj. Frusemide B.P. Vet.	84	23
47	Inj. Lignocaine Hcl I.P.	88	19
48	Inj. Lithium Antimony Thiomalate B.Vet.C.	79	28
49	Inj. Metaclopromide Hcl IP	89	18
50	Inj. N-Butyl Alcohol USNF+Citric Acid IP+Sodium chloride IP+Water for injection IP	97	10
51	Inj. Nikethamide	99	8
52	Inj. Ondansetron HCl USP	98	9
53	Inj. Oxytetracycline BP Vet (LA)	71	36
54	Inj. Piroxicam IP+Pitofenone Hydrochloride+ Fempiverinium Bromide+Benzyle Alcohol IP+ Water for injection Qs	55	52
55	Inj. Procaine Penicillin B.P. Vet	89	18
56	Inj. Quinpyramine Sulphate B. Vet. C.	63	44
57	Inj. Quinpyramine Sulphate+Quinpyramine Chloride B Vet C	64	43
58	Inj. Ranitidine	89	18
59	Inj. Serum Gonadotrophin B. Vet C	98	9
60	Inj. Sodium Dimethyl Aminomethyle Phosphenic Acid B.P.Vet.	84	23
61	Inj. Streptomycin Sulphate I.P.+Procain Pencillin G I.P.+Pencillin G Sodium I.P.	84	23
62	Inj. Sulphadiazine B.P. Vet+Trimethoprim B.P. Vet	81	26
63	Inj. Sulphadimidine B.P. Vet	83	24
64	Inj. Synthetic Gonadotrophin	88	19
65	Inj. Tolfenamic Acid	55	52
66	Inj. Triflupromazine Hcl B.P. Vet.	74	33
67	Inj. Tylosin IP+Water for Inj. and propylen glycol (in equal volume)	85	22
68	Inj. Vaalthamate Bromide+Chlorbutol IP+ Water for Inj. QS	94	13

Sl.	Name of medicine (Not available in more than 50 per cent of test-checked 107 VHs)	Availability (No. of VHs)	
		No	Yes
69	Inj. Vit A+D3+E IP	55	52
70	Inj. Vitamin E+Selenium I.P.	65	42
71	Inj. Flunixin Meglumine USP	57	50
72	Inj. Isometamidium HCl	88	19
73	Inj. Methyl Cobalamin+Nicotinamide+Pyradoxin	79	28
74	Injection B1, B6, B12 each ml contain Cyanocobalamin IP+Thiamine Hydrochloride IP +Pyridoxine Hydrochloride IP	65	42
75	Inl. Xylazine Hcl USP.	54	53
76	Mebendazole I.P. Bolus	78	29
77	Mercuric Chloride(Calomel)	75	32
78	Mercurochrome	59	48
79	Microcrystalline hydroxyl patiate complex (MCHC) eq. to calcium + phosphorus+ Magnesium Carbonate USP eq. to Magnesium + Zinc Sulphate eq. to Zinc I.P.+ Manganse sulphate USP eq. to Manganese + Ferric Amonium citrate IP eq. to Iron + Sodium Selenite USP eq. to Selenium + Potassium Iodide USP eq. to Iodine	88	19
80	Multivit. Inj. Vit.-A I.P.+D3 I.P.+E I.P.+Niacinamide I.P.+Thiamine Hcl I.P.+Riboflavin Phos. Sod. I.P.+ D-Penthenol I.P.+B12 I.P.+D-Biotin USP+ Pyridoxin Hcl I.P.+Calcium Glycerophoshate I.P.+ Phenol I.P.	57	50
81	Neomycin Sulphate I.P.+Bacitracin Zinc I.P.+Creame Base Q.S.	81	26
82	Nicotanic Acid I.P.+Dried Yeast I.P.+Sodium Dihydrogen Phosphate I.P.	82	25
83	Norfloxacin I.P.+Tinidazol I.P.Bolus	68	39
84	Normal Saline I.P.	89	18
85	Oxyclozanide BP+Oxfendazole BP	61	46
86	Paraziquental USP+Oxfendazole	59	48
87	Permethrin IP Lotion	54	53
88	Polymyxin B-Sulphate B.P. + Neomycin Sulphate I.P.+Zinc Bacitracin I.P.+ QS Creambase	89	18
89	Potassium Nitrate	81	26
90	Potassium Peroxomono Sulphage+Sulphonic Acid+Sodium Alkyl Benzine Sulphonate(Virkon-S)	80	27
91	Povidone Iodine IP.+Tinidazole IP+ Clotrimazol IP (I/U)	80	27
92	PovidoneIodine IP + Metronidazole IP Water Soluble Ointment base q.s	82	25
93	Praziquantel U.S.P.+Pyrantel Pamoate U.S.P.+ Fenbendazole B.P. Vet./ Tab.	54	53
94	Procain Penicillin G+Streptomycin Sulphate IP+ Sulphamerezine BP (Vet) +Hydrocortisone In Plasto base IM Tube	96	11
95	Pyrantel Pamoate U.S.P.+Mebendazole I.P. Tab	67	40
96	Refoxanide USP+ Closantel IP	79	28
97	Ringer Lactate Infusion USP	92	15
98	Sodium Salicylate	56	51
99	Sulphadiazine IP +Trimethoprim IP powder	67	40
100	Tab Grisofulvin B.P. Vet.	99	8
101	Tab Seretiopeptidase	75	32
102	Tinidazol IP + Povidone Iodine IP + Clotrimazole IP	94	13
103	Tranexamic Acid B.P./U.S.P.	91	16

(Source: information provided by test-checked VHs)

Appendix-3.1.3
Availability of equipment in test-checked VHs during 2018-19
(Reference: Paragraph no. 3.1.6.3)

Sl.	Name of equipment (Not available in more than 50 per cent of test-checked 107 VHs)	Availability (No. of VHs)	
		No	Yes
1	Absorbable Suture thread with needle	64	43
2	Animal Sling	95	12
3	Autoclavable Unbreakable Reusable Plastic Syringe 5 ml	81	26
4	Autoclave Vertical Electric/Non Electric (Portable)	82	25
5	Bone Pin Cutter	77	30
6	Chuck with key (Orthopaedic) S.S. -304	72	35
7	Computed Radiography System for x-ray unit (KODAK, KONICA, FUZI, AGFA)	107	0
8	Detachable Blades for Dehorning saw	73	34
9	Dispsable Hypodermic plastic hub needles (Single pack, sterile, single use)	55	52
10	Electrically operated Needle & Syringe Destroyer	84	23
11	Electric Fumigator	90	17
12	Endotracheal tubes	81	26
13	Enema Pump (Veterinary)	84	23
14	Formalin Chamber with 100 formalin tablets	63	44
15	Gerlach/ Buhner Vulva suture instrument	87	20
16	Gray's mouth gags for dogs	83	24
17	Insulated Sample Carrier	55	52
18	Intramedullary Bone Pins	82	25
19	Laryngoscope with 4 blades (For small animals laryngoscopy/ standard)	83	24
20	Leptospira Antibody Rapid Test Kit	101	6
21	Luer Mount Needle ISI mark	82	25
22	Orthopedic Saw, (SS-304)	70	37
23	Otoscope and Ophthalmoscope set	93	14
24	Plaster Cutting saw s.s. 4 cm wide	59	48
25	Plastic syringe made of PP material, individually packed	78	29
26	Probang & Probang Gag for cattle	72	35
27	Sheep balling gun	85	22
28	Stethoscope Flat Chest Piece	55	52
29	Stomach Tube for horse	83	24
30	Taylor Percussion Hammer	90	17
31	Ultrasound(Vet)	100	7
32	Urinary Catheters	75	32
33	Veterinary Suction Pump	92	15
34	Weingart Rumensotomy Set	83	24
35	X-Ray Unit High Frequency (Mobile) with minimum 10 kv output	107	Nil

(Source: information provided by test-checked VHs)

Appendix-3.1.4
Necessary equipment and medicine for Mobile Clinics
(Reference: Paragraph no. 3.1.6.6)

Instrument kit	Scissors, BP Handle, BP Blades, Artery Forceps, Suturing Needle, Suturing Thread, Clamps, Syringes (50, 20 & 10 ml) Needle, Glass Slides, Cover Slips, Cryovials, Thermometer, Stethoscope
Dystocia & P.M. Sets	With Necessary instruments, One Castrator
Medicine Box	30 Vials of Antibiotics Drugs, 30 Vials of Analgesic Drugs, 20 Vials of Anti-inflammatory Steroids, 20 Vials of Drugs against Trypanosomiasis, 20 Vials of Liver supporting Drugs Vitamin-A & Multivitamin and Liver extract, Anthelmintic, Insecticides, Hormones, Antiseptic/Antifly, Intramammary infusion and other supportive medicines, etc.
Mineral Mixture	1 Kg*10 Packet. 5 kg* 4 Packet
Artificial Insemination Kit	BA-3 LN2 Container with 3 goblets, Gloves, Arm Sleeves, Thawing Apparatus, AI Guns, Sheet etc.
Vaccine Carrier with Ice Packs	One
Douche Can with Rubberpine – one litre	One
Miscellaneous	Dog Mask, Muzzle, Bucket, Mug, Splints, Gypsum, Bandage, Cotton, Apron, Douching Can, Potassium Permagnet, Acriflavine, Doctors Coat, Handwash etc.

(Source: Directorate, Animal Husbandry)

Appendix-3.2.1
Excess Expenditure of ₹ 2.54 crore
(Reference: Paragraph 3.2.5.2)

Name of work/ Name of Division	AA Date	TS Date	CBR	MSA	Allowable strain on subgrade	Allowable strain below bottom of bituminous layer	Crust as per estimate	As per estimate strain on sub grade	As per estimate strain below bottom of bituminous layer	Crust to be provided	Strain on sub grade	Strain below bottom of bituminous layer																																																																																							
1. Widening and strengthening of Panchkoshi Parikrama Road (36.559 to 40.559)/ (CD-B, Varanasi)	28-03-18	20-06-18	4	1.58	960.06E-06	538.58E-06	DBM 50 mm, BC 25mm, WMM 205mm, Existing GSB 285 mm	Conventional Method - not computed by the division		DBM 50 mm, BC 25mm, WMM stab 75mm, Existing GSB 285 mm	878.80E-06	224.90E-06																																																																																							
<table border="1"> <thead> <tr> <th>Name of work</th> <th>Name of item</th> <th>No</th> <th>L</th> <th>B</th> <th>H</th> <th>Quantity (Cum)</th> <th>Rate (₹)</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Widening and strengthening of Panchkoshi Parikrama road (36.559 to 40.559)</td> <td>Laying of WMM</td> <td>1</td> <td>4080</td> <td>7</td> <td>0.205</td> <td>5,854.8</td> <td>2,540</td> <td>1,48,71,192.00</td> </tr> <tr> <td>Laying of stabilised WMM (as per audit)</td> <td>1</td> <td>4080</td> <td>7</td> <td>0.075</td> <td>2,142</td> <td>4,720</td> <td>(-)1,01,10,240.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Total</td> <td>47,60,952.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Above 2.52%</td> <td>1,19,975.99</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Excess Expenditure</td> <td>48,80,928.00</td> </tr> </tbody> </table>													Name of work	Name of item	No	L	B	H	Quantity (Cum)	Rate (₹)	Amount (₹)	Widening and strengthening of Panchkoshi Parikrama road (36.559 to 40.559)	Laying of WMM	1	4080	7	0.205	5,854.8	2,540	1,48,71,192.00	Laying of stabilised WMM (as per audit)	1	4080	7	0.075	2,142	4,720	(-)1,01,10,240.00							Total	47,60,952.00								Above 2.52%	1,19,975.99								Excess Expenditure	48,80,928.00																																			
Name of work	Name of item	No	L	B	H	Quantity (Cum)	Rate (₹)	Amount (₹)																																																																																											
Widening and strengthening of Panchkoshi Parikrama road (36.559 to 40.559)	Laying of WMM	1	4080	7	0.205	5,854.8	2,540	1,48,71,192.00																																																																																											
	Laying of stabilised WMM (as per audit)	1	4080	7	0.075	2,142	4,720	(-)1,01,10,240.00																																																																																											
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							Excess Expenditure	48,80,928.00																																																																																											
Widening and strengthening of Panchkoshi Parikrama road (40.959 to 45.459) & (46.959 to 48.459) (CD-B, Varanasi)	28-03-18	20-06-18	4	1.55	960.06E-06	538.58E-06	DBM 50 mm, BC 25mm, WMM 160mm, GSB-100 Existing GSB 230 mm	Conventional Method	Conventional Method	DBM 50 mm, BC 25mm, stab WMM 75 mm, GSB-100 Existing GSB 230 mm	720.20E-06	219.60E-06																																																																																							
<table border="1"> <thead> <tr> <th>Name of item</th> <th>No</th> <th>L</th> <th>B</th> <th>H</th> <th>Quantity (Cum)</th> <th>Rate (₹)</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Widening and strengthening of Panchkoshi Parikrama road Km 40.959 to 45.459</td> <td>Laying of WMM</td> <td>1</td> <td>4310</td> <td>7</td> <td>0.16</td> <td>4,827.2</td> <td>2,540</td> <td>1,22,61,088.00</td> </tr> <tr> <td>Laying of stabilised WMM (as per audit)</td> <td>1</td> <td>4310</td> <td>7</td> <td>0.075</td> <td>2,262.75</td> <td>4,720</td> <td>(-)1,06,80,180.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>D1</td> <td>15,80,908.00</td> </tr> <tr> <td rowspan="2">Widening and strengthening of Panchkoshi Parikrama road Km 46.959 to 48.459</td> <td>Laying of WMM</td> <td>1</td> <td>1300</td> <td>7</td> <td>0.16</td> <td>1,456</td> <td>2,540</td> <td>36,98,240.00</td> </tr> <tr> <td>Laying of stabilised WMM (as per audit)</td> <td>1</td> <td>1300</td> <td>7</td> <td>0.075</td> <td>682.5</td> <td>4,720</td> <td>(-)32,21,400.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>D2</td> <td>4,76,840.00</td> </tr> <tr> <td colspan="7">G. Total (D1+D2)</td> <td></td> <td>20,57,748.00</td> </tr> <tr> <td colspan="7">Above 2.52%</td> <td></td> <td>51,855.25</td> </tr> <tr> <td colspan="7">Excess Expenditure</td> <td></td> <td>21,09,603.25</td> </tr> </tbody> </table>													Name of item	No	L	B	H	Quantity (Cum)	Rate (₹)	Amount (₹)	Widening and strengthening of Panchkoshi Parikrama road Km 40.959 to 45.459	Laying of WMM	1	4310	7	0.16	4,827.2	2,540	1,22,61,088.00	Laying of stabilised WMM (as per audit)	1	4310	7	0.075	2,262.75	4,720	(-)1,06,80,180.00								D1	15,80,908.00	Widening and strengthening of Panchkoshi Parikrama road Km 46.959 to 48.459	Laying of WMM	1	1300	7	0.16	1,456	2,540	36,98,240.00	Laying of stabilised WMM (as per audit)	1	1300	7	0.075	682.5	4,720	(-)32,21,400.00								D2	4,76,840.00	G. Total (D1+D2)								20,57,748.00	Above 2.52%								51,855.25	Excess Expenditure								21,09,603.25
Name of item	No	L	B	H	Quantity (Cum)	Rate (₹)	Amount (₹)																																																																																												
Widening and strengthening of Panchkoshi Parikrama road Km 40.959 to 45.459	Laying of WMM	1	4310	7	0.16	4,827.2	2,540	1,22,61,088.00																																																																																											
	Laying of stabilised WMM (as per audit)	1	4310	7	0.075	2,262.75	4,720	(-)1,06,80,180.00																																																																																											
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Widening and strengthening of Panchkoshi Parikrama road Km 46.959 to 48.459	Laying of WMM	1	1300	7	0.16	1,456	2,540	36,98,240.00																																																																																											
	Laying of stabilised WMM (as per audit)	1	1300	7	0.075	682.5	4,720	(-)32,21,400.00																																																																																											
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Above 2.52%								51,855.25																																																																																											
Excess Expenditure								21,09,603.25																																																																																											

2.	Widening and strengthening of Jwalagarh to Rardhana, Maumin, Faridpurf, through Khera up to Rardana Bridge (ODR)/(CD-B, Meerut)	20-12-17	08-01-18	5	2	960.07E-06	538.58E-06	DBM 50 mm, BC 25mm, WMM 200mm, Existing GSB-240mm	Conventional Method	Conventional Method	DBM 50 mm, BC 25mm, stab WMM 75mm, Existing GSB-240mm	853.20E-06	218.50E-06
Name of work		Name of item		No	Qty (Cum)	Rate (₹)		Amount (₹)					
Widening and strengthening of Jwalagarh to Rardhana, Maumin, Faridpurf, through Khera up to Rardana Bridge (ODR) (chainage 9.250-13.250, 16.700-18.700, 18.985-19725, 20.200-23.750 and 23.750-23.915)		Laying of WMM (200 mm)		1	*12,939.695	3,060		3,95,95,466.70					
		Laying of Stablised WMM (75 mm)		1	4,852.385	5,252		(-)2,54,84,726.02					
						**Excess Expenditure		1,41,10,740.68					
*As per running bill no 3, Up to 9 th May 2018, 1754.880 cum WMM works has been executed, and 1791.56 cum was related to chainage km 13.250 to 15.700, however as per Running bill no 9, 16486.135 cum WMM works has been executed. After 9 th May remaining 12939.695 cum (16486.135-1791.56-1754.880) should be executed with stabilised WMM using IIT Pave Software. ** Contract was at par													
Excess Expenditure =(₹4880928+₹2109603.25)+(₹14110740.68)= ₹ 21101271.93													
3.	Ashapur to Musiam Road widening, interlocking, drainage, surface dressing work etc. (ODR)(Km 0.0 to 2.1) (PD Varanasi)	05-03-18	03-05-18	4.13	7.77	712.0E-06	380.0E-06	DBM 50 mm, BC 30 mm, Stab WMM 75 mm, Exist granular 405 mm	547.0E-06	310.0E-06	DBM 75 mm, BC 50 mm, Existing granular 405 mm	647.6E-6	376.6E-06
Ashapur to Musiam Road widening, interlocking, drainage, surface dressing work etc. (ODR) (Km 0.0 to 2.1)	Sl. No.	Name of item		No	L	B	H	Qty (Cum)	Rate (₹)		Amount (₹)		
	As per estimate/voucher	Laying of Stablised WMM		2	*1,319.48	3.75	0.075	742.210	4,900		36,36,829.00		
		Laying of DBM		1	1,319.48	17	0.05	1,121.558	7,700		86,35,996.60		
		Laying BC		1	1,319.48	17	0.03	672.935	8,400		56,52,654.00		
									T1		1,79,25,479.60		
	As per audit	Laying of DBM (widening portion in place of Stab WMM)		2	1,319.48	3.75	0.075	742.210	7,700		57,15,017.00		
		Laying BC		1	1,319.48	17	0.05	1121.558	8,400		94,21,087.20		
									T2		151,36,104.20		
									7,700		27,89,375.40		
									Below 6.33%		1,76,567.46		
							Excess Expenditure		26,12,807.94				
*As per 5 th running bill of March 2019, 742.21 Cum Stab WMM work was executed against provision of 900 Cum of stab WMM for the length of road 1,600 Meter. On the basis of executed quantity of stab WMM length for laying DBM and BC of objected portion of the road is calculated 1,319.48 Meter.													

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4. Widening and strengthening of BhojubirSindhora Road Bhojubir to ring road (Nagar Nigam portion, Km 0.000 to 2.055)/(PD Varanasi)	05-03-18	03-05-18	4.14	6.32	749.9E-06	400.7E-06	DBM 60 mm, BC 30mm, Stab WMM 90mm, Existing GSB 300 mm	686.4E-06	408.9E-06	DBM 50 mm, BC 30mm, Stab WMM 90mm, Existing GSB 300 mm	727.5E-06	204.2E-06	
Name of work	Name of item						No	L	B	H	Quantity (Cum)	Rate (₹)	Amount (₹)
Widening and strengthening of BhojubirSindhora Road Bhojubir to ring road (Nagar Nigam portion Km0.000 to 2.055)	Excess Laying of DBM						1	830	13	0.01	107.9	7,750	8,36,225.00
							1	1,000	13	0.01	130	7,750	10,07,500.00
							1	55	13	0.01	7.15	7,750	55,412.50
											245.05	Total	18,99,137.50
											Below 10%	1,89,913.75	
											Excess Expenditure	17,09,223.75	
Excess Expenditure= ₹26,12,807.94 +₹17,09,223.75=₹43,22,031.69													
Total Excess Expenditure=((₹48,80,928+₹21,09,603.25)+(₹1,41,10,740.68))+ (₹26,12,807.94 +₹17,09,223.75) = ₹ 2,54,23,303.62													

Appendix-3.2.2

Delay in accord of technical sanction by more than 15 days stipulated timelines

(Reference: Paragraph 3.2.6)

District	Division	Test checked works		Delayed TS by CEs			Delayed TS by SEs			Delayed TS by EEs		
		No. of works	Cost of works (₹ in lakh)	No. of works	Cost of works (AA) (₹ in lakh)	Delay in days	No. of works	Cost of works (AA) (₹ in lakh)	Delay in days	No. of works	Cost of works (AA) (₹ in lakh)	Delay in days
Azamgarh	Construction Division	9	2,747.72	1	187.84	92	4	576.63	28-200	0	0	0
Azamgarh	Construction Division-2	10	12,663.53	3	7,704.44	111 to 242	0	0	0	0	0	0
Azamgarh	Construction Division-5	10	3,832.70	4	1,644.95	23 to 189	1	92.29	38	0	0	0
Azamgarh	Provincial Division	10	12,250.57	5	8,947.38	63 to 320	0	0	0	0	0	0
Banda	Construction Division-1	9	7,436.17	1	3,184.08	149	0	0	0	0	0	0
Banda	Construction Division-2	10	9,784.47	4	4,359.09	30 to 161	0	0	0	0	0	0
Banda	Provincial Division	8	10,386.33	4	2,337.76	24 to 30	0	0	0	0	0	0
Barabanki	Construction Division-1	9	1,536.64	1	263.63	36	0	0	0	1	249.14	23
Barabanki	Construction Division-3	9	6,986.85	2	1,648.63	51 to 157	0	0	0	0	0	0
Barabanki	Provincial Division	10	3,556.86	1	1,478.82	29	0	0	0	0	0	0
Bijnore	Construction Division-2	10	2,296.10	2	326.32	70 to 506	0	0	0	0	0	0
Bijnore	Provincial Division	10	6,804.48	3	1,270.16	19 to 37	0	0	0	0	0	0
Meerut	Construction Division (B)	10	6,876.41	0	0	0	1	164.86	19	0	0	0
Meerut	Provincial Division	10	6,456.42	0	0	0	0	0	0	0	0	0
Moradabad	Construction Division-1	10	6,934.07	0	0	0	0	0	0	0	0	0
Moradabad	Provincial Division	8	10,004.15	0	0	0	0	0	0	0	0	0
Pratapgarh	Construction Division-1	10	15,474.04	4	12,457.35	42 to 594	0	0	0	2	801.75	18 to 33
Pratapgarh	Construction Division-2	10	4,160.97	4	2,391.22	17 to 126	1	141.98	41	0	0	0
Pratapgarh	Provincial Division	10	1,692.91	0	0	0	3	272.27	29 to 62	2	644.53	18 to 33
Varanasi	Construction Division-1	10	1,109.22	0	0	0	1	112.78	64	0	0	0
Varanasi	Construction Division (B)	10	14,711.56	4	13,834.34	20-172	0	0	0	0	0	0
Varanasi	Provincial Division	10	7,204.06	2	3,018.59	20-32	0	0	0	0	0	0
Total		212	1,54,906.23	45	6,5054.6	17 to 594	11	1,360.81	19 to 200	5	1,695.42	18 to 33
Total cases of Delayed TS: 61 works of ₹68,110.83 lakh say ₹ 681.11crore												

Appendix-3.2.3

Invitation of tender prior to Administrative/Technical Approval

(Reference: Paragraph 3.2.7.1)

District	Division	Test checked works		Tenders invited before AA/FS			Tenders invited before TS		
		No. of works	Cost of works (AA) (₹ in lakh)	No. of works	Cost of works (AA) (₹ in lakh)	Days ranging	No. of works	Cost of works (AA) (₹ in lakh)	Days ranging
Azamgarh	Construction Division	9	2,747.72	2	2,144.48	5 to 45	6	2,550.10	51 to 160
Azamgarh	Construction Division-2	10	12,663.53	4	2,117.89	21 to 79	9	1,23,78.89	16 to 136
Azamgarh	Construction Division-5	10	3,832.70	2	1,489.86	1 to 49	10	3,832.70	10 to 219
Azamgarh	Provincial Division	10	12,250.57	3	2,092.30	5 to 26	9	12,111.05	19 to 219
Banda	Construction Division-1	9	7,436.17	6	3,624.21	8 to 165	6	5,634.26	33 to 165
Banda	Construction Division-2	10	9,784.47	3	614.52	48 to 135	10	9,784.47	16 to 182
Banda	Provincial Division	8	10,386.33	6	9,579.56	7 to 83	8	10,386.33	54 to 97
Barabanki	Construction Division-1	9	1,536.64	5	958.54	18 to 233	8	1,480.58	17 to 278
Barabanki	Construction Division-3	9	6,986.85	0	0	0	3	880.19	2 to 95
Barabanki	Provincial Division	10	3,556.86	6	1,548.15	19 to 41	9	3,374.90	6 to 70
Bijnore	Construction Division-2	10	2,296.10	2	475.47	7 to 11	8	1,995.21	1 to 69
Bijnore	Provincial Division	10	6,804.48	2	589.87	7 to 46	7	2,396.77	14 to 61
Meerut	Construction Division (B)	10	6,876.41	7	6400.4	16 to 278	10	6,876.41	5 to 280
Meerut	Provincial Division	10	6,456.42	8	6,020.69	2 to 73	9	6,237.32	4 to 98
Moradabad	Construction Division-1	10	6,934.07	4	3,440.15	4 to 121	7	4,195.21	5 to 150
Moradabad	Provincial Division	8	10,004.15	5	6,005.51	30 to 148	5	6,005.51	45 to 158
Pratapgarh	Construction Division-1	10	15,474.04	4	2,096.63	20 to 144	9	15,046.90	8 to 177
Pratapgarh	Construction Division-2	10	4,160.97	4	1,522.72	8 to 39	7	2,263.00	6 to 110
Pratapgarh	Provincial Division	10	1,692.91	2	287.20	1 to 9	7	1,159.50	13 to 86
Varanasi	Construction Division-1	10	1,109.22	3	189.35	5 to 8	6	996.44	7 to 44
Varanasi	Construction Division (B)	10	14,711.56	1	110.49	20	7	4,819.42	2 to 194
Varanasi	Provincial Division	10	7,204.06	2	737.86	8 to 14	9	6,929.05	16 to 275
Total		212	1,54,906.23	81	52,045.85	1 to 278	169	1,21,334.21	1 to 280

Appendix-3.2.4
Opening of financial bids before TS
(Reference: Paragraph 3.2.7.1)

District	Division	No. of contracts	Cost of contract Bond (CB) (₹ in lakh)	Financial bids opened before Technical Sanction (in days)	
				From	To
Azamgarh	Construction Division	5	1,737.98	12	148
Azamgarh	Construction Division-2	6	8,952.08	5	62
Azamgarh	Construction Division-5	7	2,196.41	10	133
Azamgarh	Provincial Division	8	7,464.60	5	139
Banda	Construction Division-1	5	4,187.41	3	101
Banda	Construction Division-2	8	4,499.81	2	137
Banda	Provincial Division	6	5,744.73	3	66
Barabanki	Construction Division-1	5	429.02	2	240
Barabanki	Construction Division-3	2	486.89	15	44
Barabanki	Provincial Division	3	1,699.79	5	7
Bijnore	Construction Division-2	3	930.57	3	8
Bijnore	Provincial Division	3	649.96	7	9
Meerut	Construction Division (B)	2	605.74	21	149
Meerut	Provincial Division	2	2,278.22	3	5
Moradabad	Construction Division-1	6	5,000.16	3	291
Moradabad	Provincial Division	5	5,607.31	10	111
Pratapgarh	Construction Division-1	7	8,258.15	12	130
Pratapgarh	Construction Division-2	4	1,449.43	2	60
Pratapgarh	Provincial Division	2	130.77	6	12
Varanasi	Construction Division-1	2	528.94	8	11
Varanasi	Construction Division (B)	1	1,498.88		163
Varanasi	Provincial Division	7	3,244.35	2	252
Total		99	67,581.20	2 to 291days	

Appendix-3.2.5

Short term tenders

(Reference: Paragraph 3.2.7.2)

District	Division	Test checked works		Tender invited for 4 to 7 days' notice		Tender invited for 8 to 14 days' notice		Tenders invited for 15 to 21 days' notice		Contracts executed 2 months after NIT	
		No. of works	Cost of works (AA) (₹ in lakh)	No. of works	Cost of works (AA) (₹ in lakh)	No. of works	Cost of works (AA) (₹ in lakh)	No. of works	Cost of works (AA) (₹ in lakh)	No. of works	Cost of works (AA) (₹ in lakh)
Azamgarh	Construction Division	9	2,747.72	0	0	1	39.04	3	301.19	4	340.23
Azamgarh	Construction Division-2	10	12,663.53	1	183.11	1	238.74	5	4,537.24	1	1,125.69
Azamgarh	Construction Division-5	10	3,832.70	1	389.16	3	620.01	5	1,783.73	5	1,797.35
Azamgarh	Provincial Division	10	12,250.57	2	434.73	0	0	5	3,478.65	5	2,594.43
Banda	Construction Division-1	9	7,436.17	0	0	1	1,174.03	2	3,397.56	3	4,571.59
Banda	Construction Division-2	10	9,784.47	0	0	4	5,053.11	4	4,018.32	3	3,907.84
Banda	Provincial Division	8	10,386.33	0	0	0	0	5	1,495.38	4	1,300.57
Barabanki	Construction Division-1	9	1,536.64	0	0	1	251.88	6	965.07	4	694.91
Barabanki	Construction Division-3	9	6,986.85	1	266.29	1	258.39	1	395.36	1	258.39
Barabanki	Provincial Division	10	3,556.86	0	0	8	1,899.87	0	0	5	1,128.68
Bijnore	Construction Division-2	10	2,296.10	2	629.98	2	347.75	2	464.91	2	246.73
Bijnore	Provincial Division	10	6,804.48	0	0	4	1,750.55	1	275.59	4	1,584.44
Meerut	Construction Division (B)	10	6,876.41	0	0	1	166.60	1	164.86	1	164.86
Meerut	Provincial Division	10	6,456.42	0	0	2	548.10	0	0	0	0
Moradabad	Construction Division-1	10	6,934.07	0	0	1	295.44	1	415.93	0	0
Moradabad	Provincial Division	8	10,004.15	0	0	0	0	1	491.14	0	0
Pratapgarh	Construction Division-1	10	15,474.04	0	0	1	1,904.16	6	5,191.06	6	6,689.09
Pratapgarh	Construction Division-2	10	4,160.97	0	0	1	1,168.29	3	740.28	3	740.28
Pratapgarh	Provincial Division	10	1,692.91	0	0	4	712.59	3	435.09	2	287.20
Varanasi	Construction Division-1	10	1,109.22	0	0	3	301.24	4	611.49	4	402.31
Varanasi	Construction Division (B)	10	14,711.56	0	0	3	1,2800.90	5	1,047.29	3	3,598.82
Varanasi	Provincial Division	10	7,204.06	0	0	2	553.68	5	5,954.25	4	5,628.85
Total		212	1,54,906.23	7	1,903.27	44	30,084.37	68	36,164.39	64	37,062.26

Appendix-3.2.6
Restrictive conditions in NIT
(Reference: Paragraph 3.2.7.3)

District	Division	Ownership of Plant/ Machinery		Pre-installed HMP within 50 km of work site	
		No. of works	Cost of works (AA) (₹ in lakh)	No. of works	Cost of works (AA) (₹ in lakh)
Azamgarh	Construction Division	1	1,785.63	0	0
Azamgarh	Construction Division-5	1	1,039.80	0	0
Azamgarh	Provincial Division	1	,247.58	0	0
Banda	Construction Division-1	3	1,270.44	0	0
Banda	Provincial Division	4	1,148.82	0	0
Barabanki	Construction Division-1	0	0.00	1	251.88
Pratapgarh	Construction Division-1	1	4,921.04	1	4,921.04
Pratapgarh	Provincial Division	1	148.38	0	0
Varanasi	Provincial Division	3	1010.90	2	553.68
Total		15	11,572.59	4	5,726.60

Appendix-3.2.7
Revision of bill of quantity
(Reference: Paragraph 3.2.7.4)

District	Division	Contracts in which BOQ revised		Contracts in which bid invited before technical sanction	
		No. of Contract Bond (CB)	Cost of CB (₹ in lakh)	No. of CB	Cost of CB (₹ in lakh)
Azamgarh	Construction Division	9	1,797.50	6	1,762.63
Azamgarh	Construction Division-2	10	10,830.38	9	10,721.25
Azamgarh	Construction Division-5	6	2,230.45	6	2,230.45
Azamgarh	Provincial Division	5	5,784.81	5	5,784.81
Banda	Construction Division-1	5	4,994.35	4	4,102.00
Banda	Construction Division-2	8	4,499.81	8	4,499.81
Banda	Provincial Division	5	4,571.58	5	4,571.58
Barabanki	Construction Division-1	6	422.48	6	422.48
Barabanki	Construction Division-3	4	885.11	2	486.89
Barabanki	Provincial Division	7	2,434.60	7	2,434.60
Bijnore	Construction Division-2	3	785.43	3	785.43
Bijnore	Provincial Division	9	5,354.91	7	1,704.78
Meerut	Construction Division (B)	10	5,705.76	10	5,705.76
Meerut	Provincial Division	10	5,476.46	9	5,308.44
Moradabad	Construction Division-1	5	3,638.55	3	1,629.21
Pratapgarh	Construction Division-1	9	1,1352.3	9	1,1352.3
Pratapgarh	Construction Division-2	5	2,334.17	4	1,449.43
Pratapgarh	Provincial Division	6	880.23	4	675.06
Varanasi	Construction Division-1	6	735.68	6	735.68
Varanasi	Construction Division (B)	8	9,649.19	6	2,331.41
Varanasi	Provincial Division	8	4,064.52	8	4,064.52
Grand Total		144	88,428.27	127	72,758.52

Appendix-3.2.8

Contractor deprived from bids due to revision of BOQ after bid opening

(Reference: Paragraph 3.2.7.4)

Sl. No.	District	Division	Name of works	Year of sanction	Sanct-ioned Cost (₹ in lakh)	NIT Date	Cost of work in NIT (₹ in lakh)	Original BOQ (₹ in lakh)	Revised BOQ (₹ in lakh)	Contractors eligible as per NIT/ original BOQ	Contractor eligible as per revised BOQ	Was revised tender invited
1.	Azamgarh	Construction Division	New construction work from Tiyanusuchitbasti to Durgapur pitch Road 2016-17	2016-17	88.89	03-11-16	80.00	80.2	73.85	A B	A B C	No
2.	Azamgarh	Construction Division-2	Renewal work in Azamgarh Asut Mirzapurmahu; belwai road	2018-19	284.64	06-04-18	208.00	281.96	92.48	A	A B	No
3.	Azamgarh	Construction Division-5	Construction of approach road on chhilka bridge on Mangai River in MuswaGaon	2016-17	92.29	03-11-16	82.25	52.75	62.51	A, B	A, B, C	No
4.	Azamgarh	Provincial Division	Repair of Chitauni Edilpur Devdih Marg	2014-15	247.58	30-04-14	225.00	78.65	76.85	A	A, B	No
5.	Banda	Construction Division-2	Renewal of km 320 to 324(500) of Banda TindwariFatehpur link road	2017-18	221.25	01-04-17	202.00	201.83	179.50	A	A B	No
6.	Banda	Construction Division-2	Repair and renewal of TindwariPaprendraPailaniJaspuraSumerpur road (MDR 40 B) from km 109, 11012	2018-19	171.70	15-11-18	149.00	153.85	8.49	A, B	A B C D	No
7.	Banda	Provincial Division	Repair work in TurediTindwariPahraha Km 1 to 7	2016-17	147.24	20-09-16	136.00	135.90	60.88	A, B	A B C	No
8.	Barabanki	Construction Division-3	Construction of link Road BarabankiAtwaSaddipursihaliFatehpur via Kanodia	2014-15	214.69	28-12-15	250.00	250.00	198.33	A	A, B	No
9.	Pratapgarh	Construction Division-2	Link Road from Km 24 to P J L to DerwaSampark Marg	2016-17	141.98	09-09-16	90.00	80.19	53.11	A, B	A, B, C	No
10.	Pratapgarh	Provincial Division	Construction of link road from Redigarapurpatkholi to usrauli	2015-16	98.26	04-08-15	83.50	69.29	67.80	A, B	A, B, C	No
Total					1,708.52							

Appendix-3.2.9
Deficient technical evaluation
(Reference: Paragraph 3.2.7.5)

District	Division	works in which bidder was a firm		Cases in which solvency certificate was submitted in name of partners	
		No. of works	Cost of works (₹ in lakh)	No. of works	Cost of works (₹ in lakh)
Azamgarh	Construction Division	1	187.84	1	187.84
Azamgarh	Provincial Division	1	314.98	1	314.98
Banda	Construction Division-2	1	154.8	1	154.80
Barabanki	Construction Division-1	1	251.88	1	251.88
Barabanki	Construction Division-3	1	266.29	1	266.29
Meerut	Construction Division (B)	5	2,721.75	1	1,844.86
Meerut	Provincial Division	1	492.21	1	492.21
Pratapgarh	Construction Division-1	3	4,911.80	2	2,310.29
Pratapgarh	Provincial Division	3	308.74	2	162.82
Varanasi	Construction Division-1	1	257.65	1	257.65
Varanasi	Construction Division (B)	2	3,455.35	2	3,455.35
Varanasi	Provincial Division	1	421.42	1	421.42
Total		21	13,744.71	15	10,120.39

Appendix-3.2.10
Negotiation with bidders
(Reference: Paragraph 3.2.7.6)

District	Division	No. of contracts	Cost of CB (₹ in lakh)	Minimum Difference (in per cent)	Maximum Difference (in per cent)
Azamgarh	Construction Division	2	23.06	0.25	0.25
Azamgarh	Construction Division-2	8	10,561.78	2.15	26.10
Azamgarh	Construction Division-5	8	2,341.08	0.30	16.95
Azamgarh	Provincial Division	5	6,494.58	4.73	13.00
Banda	Construction Division-1	6	5,631.39	6.50	37.00
Banda	Construction Division-2	6	6,133.48	0.65	25.02
Banda	Provincial Division	5	7,432.31	8.00	22.90
Barabanki	Construction Division-1	5	538.62	1.00	4.00
Barabanki	Construction Division-3	2	511.42	0.52	4.00
Barabanki	Provincial Division	6	2,252.17	4.90	0.48
Bijnore	Construction Division-2	5	1,288.27	2.00	14.30
Bijnore	Provincial Division	7	2,156.62	4.28	9.75
Meerut	Construction Division (B)	5	2,368.36	2.00	9.60
Meerut	Provincial Division	6	4,502.52	2.66	9.30
Moradabad	Construction Division-1	2	1,560.50	0.80	9.00
Moradabad	Provincial Division	5	7,903.30	1.25	11.10
Pratapgarh	Construction Division-1	8	10,936.14	0.16	6.00
Pratapgarh	Construction Division-2	5	1,451.55	0.10	9.50
Pratapgarh	Provincial Division	6	987.38	5.50	21.00
Varanasi	Construction Division (B)	3	2,000.79	2.15	15.00
Grand Total		105	77,075.32	0.10	37.00

Appendix-3.2.11
e-Tendering and manual submission of documents
(Reference: Paragraph 3.2.7.7)

District	Division	Total contracts through E-tendering			NITs after September 2017		
		No. of CBs	Cost of CB (₹ in lakh)	No. of CBs in which documents submitted manually	No. of CBs	Cost of CBs (₹ in lakh)	No. of CBs in which documents submitted manually
Azamgarh	Construction Division	8	1,745.70	8	2	84.27	2
Azamgarh	Construction Division-2	10	10,830.38	10	2	573.67	2
Azamgarh	Construction Division-5	4	1,274.08	4	1	87.32	1
Azamgarh	Provincial Division	6	2,984.21	6	1	67.74	1
Banda	Construction Division-1	2	562.38	2	0	0	0
Banda	Provincial Division	3	562.87	3	1	325.07	1
Barabanki	Construction Division-1	5	590.56	4	1	185.79	0
Barabanki	Construction Division-3	3	838.71	3	0	0	0
Barabanki	Provincial Division	7	1,414.79	7	2	412.07	2
Bijnore	Construction Division-2	9	1,820.30	9	3	446.59	3
Bijnore	Provincial Division	7	2,080.10	7	2	879.98	2
Meerut	Construction Division (B)	10	5,705.76	10	5	2,125.49	5
Meerut	Provincial Division	10	5,495.68	10	2	513.61	2
Moradabad	Construction Division-1	4	1,023.74	4	2	508.26	2
Moradabad	Provincial Division	3	1,705.01	3	1	634.84	1
Pratapgarh	Construction Division-1	3	3,574.51	3	0	0	0
Pratapgarh	Construction Division-2	4	1,457.65	0	4	1,457.65	0
Pratapgarh	Provincial Division	3	652.14	3	0	0	0
Varanasi	Construction Division-1	9	847.87	2	4	284.50	0
Varanasi	Construction Division (B)	10	9,814.58	2	7	9,215.34	0
Varanasi	Provincial Division	10	4,373.47	2	8	4,064.52	1
Total		130	59,354.49	102	48	21,866.71	25

Appendix-3.2.12
Delay in execution of contracts
(Reference: Paragraph 3.2.7.8)

District	Division	Delay up to 30 days		Delay 31-90 days		More than 90 days		
		No. of contracts	Cost of contracts (₹ in lakh)	No. of contracts	Cost of contracts (₹ in lakh)	No. of contracts	Cost of contracts (₹ in lakh)	Delay ranged up to (days)
Azamgarh	Construction Division	3	1578.24	3	34.87	2	111.32	120
Azamgarh	Construction Division-2	0	0	5	7,967.19	0	0	0
Azamgarh	Construction Division-5	2	140.02	2	1,067.18	2	1,020.63	248
Azamgarh	Provincial Division	4	5,485.61	2	366.94	1	1,535.20	164
Banda	Construction Division-1	3	3,864.71	3	1,375.12	1	476.97	106
Banda	Construction Division-2	3	3,918.56	0	0	2	293.14	127
Banda	Provincial Division	2	5,326.41	5	2,660.64	0	0	0
Barabanki	Construction Division-1	1	185.79	5	164.12	2	175.95	268
Barabanki	Construction Division-3	1	316.27	1	159.60	0	0	0
Barabanki	Provincial Division	0	0.00	5	2,064.14	1	182.11	8
Bijnore	Construction Division-2	1	58.18	1	111.83	1	107.75	161
Bijnore	Provincial Division	0	0.00	2	504.67	2	508.17	4
Meerut	Construction Division (B)	5	2,182.43	0	0	1	464.96	133
Meerut	Provincial Division	3	681.63	5	4,324.57	0	0	0
Moradabad	Construction Division-1	2	590.36	1	77.96	2	2,402.33	47
Moradabad	Provincial Division	0	0.00	4	3,998.75	2	3,361.17	70
Pratapgarh	Construction Division-1	2	1,189.55	3	5,129.31	2	1,939.29	176
Pratapgarh	Construction Division-2	4	1,189.25	2	237.09	1	299.06	93
Pratapgarh	Provincial Division	1	108.68	2	259.86	0	0	0
Varanasi	Construction Division-1	5	420.92	1	21.22	0	0	0
Varanasi	Construction Division B	2	268.76	3	2,041.26	0	0	0
Varanasi	Provincial Division	4	3317.45	1	233.55	1	250.73	148
Total		48	30,822.82	56	32,799.87	23	13,128.78	268 days

Appendix-3.2.13
Advances to contractor without proof of utilisation
(Reference: Paragraph 3.2.7.9)

Division	No of contracts	Cost of CB (₹ in lakh)	Equipment Advance (in ₹)	No. of works in which invoice obtained	Sum of Invoice in ₹
Azamgarh, Provincial Division	4	4,084.73	40,026,000	2	1,43,60,000
Banda, Provincial Division	1	1,268.54	12,685,000	0	0
Barabanki, Construction Division-3	3	4,510.09	43,880,000	0	0
Pratapgarh, Construction Division-1	4	8,363.18	53,904,800	0	0
Pratapgarh, Construction Division-2	1	913.28	9,130,000	0	0
Varanasi, Construction Division (B)	1	7,177.92	6,40,00,000	1	16,72,000
Grand Total	14	26,317.74	22,36,25,800	3	1,60,32,000

Appendix-3.2.14
Secured advance
(Reference: Paragraph 3.2.7.9)

Sl. No.	District	Division	Head of work	Name of work	Contractor	CB No.	CB Date	Secured Advance (in ₹)
1	Bijnore	Provincial Division	5054	Widening and Strengthening of Bijnore Kotwali Road	M/s Mathiyan const. Pvt. Ltd	02 SE	31-05-11	2,07,77,333.00
2	Moradabad	Provincial Division	3054	Strengthening of Moradabad TandaThadiyal Road Km 14.85 to 25.00	M/s RCC Developers ltd	07 SE	14-05-11	90,14,000.00
3	Moradabad	Provincial Division	3054	Strengthening of DalpatpurAliganj ODR Km 14 to 42.30	M/s RH Const	12 SE	13-09-11	90,20,910.00
4	Varanasi	Construction Division (B)	5054	Strength and widening of PanchkoshiParikrama Marg	M/s Ganga Sagar Singh	42 SE	13-07-18	9,35,27,214.80
5	Varanasi	Construction Division (B)	5054	Widening and strengthening of Varanasi Adalpura Km 1-5.500	M/s Raj Associates	53 SE	04-08-18	1,03,79,379.00
6	Varanasi	Construction Division (B)	5054	Construction of CC road and drain in Susuwahi Road	M/s Om Enterprises	24 SE	05-06-18	26,48,220.00
Total								14,53,67,056.80

Appendix-3.2.15
Retention money not deducted from bills
(Reference: Paragraph 3.2.7.9)

Sl. No.	District	Division	No. of CBs	Cost of CBs (₹ in lakh)	Voucher Amount (as per last bill) (₹ in lakh)	Retention money not deducted (₹ in lakh)
1.	Azamgarh	Construction Division	5	173.14	84.79	4.23
2.	Azamgarh	Construction Division-2	1	159.68	73.18	3.69
3.	Azamgarh	Construction Division-5	8	1,511.61	143.33	7.17
4.	Azamgarh	Provincial Division	4	1,773.20	46.45	2.32
5.	Banda	Construction Division-1	6	5,634.26	739.51	36.98
6.	Banda	Construction Division-2	5	952.18	201.36	10.07
7.	Banda	Provincial Division	3	1,015.49	42.20	2.11
8.	Barabanki	Construction Division-1	4	444.97	32.92	1.65
9.	Barabanki	Construction Division-3	3	2,896.45	27.54	1.38
10.	Barabanki	Provincial Division	1	156.51	7.32	0.37
11.	Bijnore	Construction Division-2	5	674.98	135.95	6.80
12.	Bijnore	Provincial Division	1	242.12	24.64	1.23
13.	Meerut	Construction Division (B)	2	323.97	58.97	2.95
14.	Meerut	Provincial Division	2	369.44	87.38	4.37
15.	Pratapgarh	Construction Division-1	3	1,097.19	146.22	7.31
16.	Pratapgarh	Construction Division-2	5	1415.6	364.51	18.23
17.	Pratapgarh	Provincial Division	10	1,364.54	366.43	18.32
18.	Varanasi	Construction Division-1	4	195.32	48.75	2.44
19.	Varanasi	Construction Division (B)	3	682.24	21.45	1.07
Total			75	21,082.89	2,652.9	132.69

Appendix-3.2.16
Labour cess not deducted from contractor's bill
(Reference: Paragraph 3.2.7.9)

District	Division	Labour cess not deducted from contractor's bills				Labour cess added in bills	
		No. of CBs	Cost of CBs (₹in lakh)	Voucher amount paid (₹)	Labour cess of one per cent not deducted (₹)	No. of CBs	Labour cess added in bill (₹)
Azamgarh	Construction Division	7	1,774.46	1,16,31,644	1,16,316	0	0
Azamgarh	Construction Division-2	8	9,525.75	5,66,25,447	5,66,255	0	0
Azamgarh	Construction Division-5	10	2,503.41	1,54,06,126	1,54,062	0	0
Azamgarh	Provincial Division	10	8,477.04	4,58,51,895	4,58,519	0	0
Banda	Construction Division-1	0	0	0	0	7	7,62,894
Banda	Construction Division-2	0	0	0	0	1	31,991
Barabanki	Construction Division-1	7	580.72	51,93,714	51,937	0	0
Barabanki	Construction Division-3	2	1,790.19	1,86,375	1,864	4	8,21,998
Barabanki	Provincial Division	5	1,882.70	1,18,83,223	1,18,832	0	0
Bijnore	Construction Division-2	5	866.89	1,29,38,366	1,29,384	0	0
Bijnore	Provincial Division	4	3,791.19	1,36,91,619	1,36,916	0	0
Moradabad	Provincial Division	2	3,476.12	1,02,92,710	1,02,927	0	0
Pratapgarh	Construction Division-1	0	0	0	0	1	5,04,750
Pratapgarh	Provincial Division	0	0	0	0	1	83,298
Varanasi	Construction Division (B)	10	9,814.58	2,26,40,748	2,26,407	0	0
Varanasi	Provincial Division	5	3,351.12	3,80,75,140	3,80,751	0	0
Total		75	47,834.17	24,44,17,007	24,44,170	14	22,04,931

Appendix-3.2.17
Irregular extra item
(Reference: Paragraph 3.2.7.9)

Sl. No.	District	Division	Extra Item for which Provision made in the estimates			Performance security not obtained for extra Item in ₹
			No. of CBs	Cost of CBs (₹ in lakh)	Extra Item paid in ₹	
1.	Azamgarh	Construction Division-5	3	167.36	64,46,856	3,22,342
2.	Azamgarh	Provincial Division	4	1,775.09	35,68,118	1,78,405
3.	Banda	Construction Division-1	2	99.14	15,80,882	79,044
4.	Banda	Construction Division-2	6	1,107.90	2,69,75,817	13,48,790
5.	Banda	Provincial Division	1	59.66	40,36,230	2,01,811
6.	Barabanki	Construction Division-1	4	293.99	56,07,909	2,33,010
7.	Barabanki	Construction Division-3	3	1,694.95	20,62,107	70,951*
8.	Bijnore	Construction Division-2	1	299.66	4,47,861	22,393
9.	Bijnore	Provincial Division	1	256.06	1,99,920	9,996
10.	Meerut	Construction Division (B)	1	1,527.80	67,63,357	3,38,168
11.	Meerut	Provincial Division	1	1,941.81	72,70,913	3,63,546
12.	Pratapgarh	Construction Division-1	5	3,568.74	3,83,43,648	19,17,182
Total			32	12,792.16	10,33,03,618	50,85,638

*Performance security for execution of extra item of ₹ 643080 was deducted from the bill paid against CB No. 182 SE dated 24.12.2016.

Appendix-3.2.18
Non-adjustment of GST from bills
(Reference: Paragraph 3.2.7.9)

District	Division	GST Adjustment Required			GST Adjustment not made		
		No. of CBs	Cost of CBs (₹ in lakh)	Amount Paid (in ₹)	No. of CBs	Cost of CBs in lakh	Amount Paid (in ₹)
Azamgarh	Construction Division-5	4	1,207.20	27,86,000	4	1,207.20	27,86,000
Azamgarh	Provincial Division	3	2,547.64	1,47,86,326	3	2,547.64	1,47,86,326
Banda	Construction Division-1	1	892.35	20,47,466	1	892.35	20,47,466
Banda	Construction Division-2	2	610.83	88,29,984	2	610.83	88,29,984
Barabanki	Construction Division-1	1	42.10	8,91,585	0	0	0
Barabanki	Construction Division-3	3	1,749.82	32,67,509	3	1,749.82	32,67,509
Barabanki	Provincial Division	1	182.11	15,85,903	1	182.11	15,85,903
Bijnore	Construction Division-2	3	720.21	1,39,85,792	3	720.21	1,39,85,792
Moradabad	Provincial Division	1	435.33	13,85,363	1	435.33	13,85,363
Pratapgarh	Construction Division-1	4	4,259.96	4,23,73,326	4	4,259.96	4,23,73,326
Pratapgarh	Construction Division-2	2	966.34	1,11,66,286	2	966.34	1,11,66,286
Pratapgarh	Provincial Division	6	1,071.40	2,64,28,497	6	1071.4	2,64,28,497
Varanasi	Provincial Division	1	249.34	54,00,000	1	249.34	54,00,000
Total		32	14,934.63	13,49,34,037	31	14,892.53	13,40,42,452

Appendix-3.2.19
Short performance security against contracts
(Reference: Paragraph 3.2.7.9)

District	Division	No. of contracts	Cost of CB (₹ in lakh)	Short security (in ₹)
Azamgarh	Construction Division	2	1,601.30	2,22,716
Azamgarh	Construction Division-2	2	591.33	6,12,085
Azamgarh	Construction Division-5	2	172.02	3,16,404
Azamgarh	Provincial Division	4	1,398.69	14,21,212
Banda	Construction Division-1	3	878.37	31,69,000
Banda	Construction Division-2	7	4,415.66	1,18,21,000
Banda	Provincial Division	2	384.73	13,84,000
Barabanki	Construction Division-1	5	268.58	24,69,259
Barabanki	Construction Division-3	1	159.60	26,569
Barabanki	Provincial Division	1	188.35	93,932
Bijnore	Construction Division-2	2	411.49	8,87,000
Bijnore	Provincial Division	5	4,475.13	2,95,668
Meerut	Construction Division (B)	2	1,688.81	8,35,433
Meerut	Provincial Division	4	3,407.88	3,44,374
Moradabad	Provincial Division	2	1,269.68	63,45,939
Pratapgarh	Construction Division-1	1	804.17	3,72,920
Pratapgarh	Construction Division-2	2	1,337.98	28,01,100
Pratapgarh	Provincial Division	2	351.80	56,567
Total		49	23,805.57	3,34,75,178
Say				₹ 3.35 crore

Appendix-3.2.20
Insurance cover not provided by contractors
(Reference: Paragraph 3.2.7.9)

District	Division	No. of contracts	Cost of contracts (₹ in lakh)
Azamgarh	Construction Division	4	1,726.07
Azamgarh	Construction Division-2	10	10,830.38
Azamgarh	Construction Division-5	10	2,503.41
Azamgarh	Provincial Division	10	8,477.04
Banda	Construction Division-1	7	5,716.80
Banda	Construction Division-2	9	6,621.75
Banda	Provincial Division	8	8,165.19
Barabanki	Construction Division-1	6	756.05
Barabanki	Construction Division-3	9	5,925.94
Barabanki	Provincial Division	10	3,002.85
Bijnore	Construction Division-2	9	1,820.30
Bijnore	Provincial Division	10	5,615.22
Meerut	Construction Division (B)	10	5,705.76
Meerut	Provincial Division	10	5,495.68
Moradabad	Construction Division-1	10	5,582.07
Moradabad	Provincial Division	7	9,172.99
Pratapgarh	Construction Division-1	10	11,766.67
Pratapgarh	Construction Division-2	10	3,109.04
Pratapgarh	Provincial Division	10	1,364.54
Varanasi	Construction Division-1	6	762.64
Varanasi	Construction Division (B)	10	9,814.58
Total		185	1,13,934.97

Appendix-3.2.21
Delay in completion of works and sanction of time extension
(Reference: Paragraph 3.2.7.10)

District	Division	Works completed with delay			Work in progress after scheduled date of completion			Time extension not sanctioned in completed works	Time extension not sanctioned in works under progress
		No. of CBs	Cost of CBs (₹ in lakh)	Duration of Delay in days	No. of CBs	Cost of CBs (₹ in lakh)	Duration of Delay in days		
Azamgarh	Construction Division	3	88.26	8-241	2	1,601.30	213-1808	3	2
Azamgarh	Construction Division-2	8	10,307.26	158-899	0	0	0	0	0
Azamgarh	Construction Division-5	5	1,192.85	51-414	2	1,038.65	653-1419	1	2
Azamgarh	Provincial Division	7	3,774.09	14-663	2	3,900.08	225-1735	1	1
Banda	Construction Division-1	3	1,614.80	445-1561	3	3,546.53	1682-3175	1	3
Banda	Construction Division-2	2	3,409.21	87-1524	2	132.36	118-177	1	2
Banda	Provincial Division	0	0	0	4	1,882.95	239-2973	0	4
Barabanki	Construction Division-1	8	541.53	16-488	1	10.46	1044	6	1
Barabanki	Construction Division-3	5	5,051.85	283-1254	1	203.07	249	2	1
Barabanki	Provincial Division	5	2,056.38	2-693	3	601.62	140-834	0	0
Bijnore	Construction Division-2	4	703.56	7-96	4	501.10	321-947	3	3
Bijnore	Provincial Division	6	4,299.36	27-802	3	1,041.77	103-741	0	1
Meerut	Construction Division (B)	5	3,347.74	35-576	0	0	0	1	0
Meerut	Provincial Division	6	3,935.77	5-544	0	0	0	0	0
Moradabad	Provincial Division	6	8,338.63	118-1121	1	634.84	352	0	0
Pratapgarh	Construction Division-1	7	6,935.69	216-428	2	3,189.13	319-378	3	0
Pratapgarh	Construction Division-2	2	966.33	9-84	3	1,011.99	820-1771	1	1
Pratapgarh	Provincial Division	8	1,151.56	4-654	1	63.31	132	2	0
Varanasi	Construction Division-1	5	513.74	8-78	0	0	0	2	0
Varanasi	Construction Division (B)	3	599.24	274-791	3	7,399.33	49-147	1	0
Varanasi	Provincial Division	1	250.73	449	7	3,909.73	62-154	0	0
Total		99	59,078.58	2-1561	44	30,668.22	49-3175	28	21

Appendix-3.2.22
Payment of bituminous items without obtaining CRC
(Reference: Paragraph 3.2.8.2)

Sl. No.	District	Division	No. of Contracts	Cost of CBs (₹ in lakh)	Cost of DBM in ₹	Cost of BC in ₹	Cost of BM in ₹	Cost of SDBC in ₹	Cost of Prime Coat in ₹	Cost of Tack Coat in ₹	Cost of PC coat in ₹	Cost of Seal Coat in ₹
1	Azamgarh	Construction Division	2	1,614.75	6,47,53,662	0	0	0	7,63,213	20,84,657	11,76,000	4,11,600
2	Azamgarh	Construction Division-2	10	10,830.38	14,42,49,059	3,63,74,162	10,73,20,923	3,80,65,229	1,34,58,043	74,68,511	2,10,39,704	71,83,406
3	Azamgarh	Construction Division-5	3	242.74	0	0	0	0	3,24,066	1,83,902	20,08,681	7,00,235
4	Azamgarh	Provincial Division	6	7,984.81	15,83,52,577	6,21,69,735	3,94,47,194	2,58,19,967	1,01,63,837	1,43,62,196	0	0
5	Banda	Construction Division-1	7	5,950.25	0	0	8,27,37,869	11,92,27,544	2,65,45,200	1,37,60,112	0	0
6	Banda	Construction Division-2	9	4,548.02	0	6,88,44,725	5,43,37,563	1,59,36,255	12,02,569	83,63,838	74,81,255	29,91,980
7	Banda	Provincial Division	5	5,515.06	0	0	9,55,38,389	10,15,32,809	1,70,12,930	1,03,88,584	14,25,600	24,35,400
8	Barabanki	Construction Division-1	1	113.82	0	0	0	0	0	7,53,461	1,06,37,100	0
9	Barabanki	Construction Division-3	3	1,851.62	2,29,77,378	1,17,27,283	2,52,87,952	2,63,86,500	17,41,732	45,87,795	2,30,22,535	74,43,631
10	Bijnore	Construction Division-2	6	1,354.85	0	4,89,55,260	68,82,810	2,95,39,535	5,15,043	26,67,789	4,56,096	23,37,411
11	Meerut	Construction Division (B)	9	4234.90	9,16,72,705	8,40,66,858	1,40,17,390	3,15,36,220	61,27,905	1,00,59,575	62,59,411	24,59,054
12	Meerut	Provincial Division	8	4,158.49	79,70,400	3,20,74,380	9,09,48,451	5,17,89,079	60,76,733	70,36,062	3,11,914	12,28,054
13	Moradabad	Provincial Division	6	9,172.98	7,65,55,711	18,20,76,710	26,01,23,257	10,61,40,697	99,21,431	1,97,03,623	4,37,904	0
14	Pratapgarh	Construction Division-1	4	1,420.16	28,88,923	7,26,24,254	0	2,73,02,044	1,69,799	47,36,941	0	0
15	Pratapgarh	Construction Division-2	5	1,373.28	88,31,897	0	0	0	6,09,157	14,35,127	1,35,98,780	42,71,518
16	Pratapgarh	Provincial Division	7	749.40	0	0	0	0	11,92,788	5,25,006	3,54,90,859	1,05,03,990
17	Varanasi	Construction Division-1	9	857.17	19,78,813	4,90,66,246	0	0	94,182	24,04,601	63,74,803	15,67,423
18	Varanasi	Construction Division (B)	5	800.96	0	68,86,531	63,23,118	12,40,352	4,78,886	7,28,115	27,63,995	9,36,041
19	Varanasi	Provincial Division	6	2,615.49	8,66,75,399	2,95,29,315	0	0	12,49,334	20,62,529	0	0
Total			111	65,389.13	66,69,06,524	68,43,95,459	78,29,64,916	57,45,16,231	9,76,46,848	11,33,12,424	13,24,84,637	4,44,69,743
Payment for bituminous items = ₹ 66,69,06,524 + ₹ 68,43,95,459 + ₹ 78,29,64,916 + ₹ 57,45,16,231 + ₹ 9,76,46,848 + ₹ 11,33,12,424 + ₹ 13,24,84,637 + ₹ 44,469,743 = ₹ 3,09,66,96,782 Say ₹ 309.67crore												

Appendix-3.3.1
Department /agency-wise activities
(Reference: Paragraph 3.3.1)

Sl. No.	Name of Department	Name of office	Details of activities
1	Urban Development Department	Kumbh Mela Adhikari, Prayagraj Mela Authority Prayagraj	Overall in-charge of <i>Kumbh Mela</i> , development and allotment of land in the <i>Kumbh Mela (KM)</i> area, arrangement of tin, tentage and barricading work
		Prayagraj Nagar Nigam, Prayagraj	Maintenance of city roads, drains and other civic amenities including sanitation works in the city area of Prayagraj
		Nagar Panchayat Jhunsi, Prayagraj	Maintenance of roads, drains, culvert and other related works in the area of Nagar Panchayat Jhunsi (in the vicinity of KM area)
		Prayagraj Development Authority, Prayagraj	Construction and renovation of city roads, restoration & beautification of crossing in the city area
		Office of Uttar Pradesh Jal Nigam	Sewerage and water supply works in KM and city areas,
		Office of Ganga Pollution Control unit	Bioremediation of drains, treatment of toilet waste and sludge
2	Home Department	Deputy Inspector General / Senior Superintendent of Police, <i>Kumbh Mela</i>	Law and Order
		District Commandant, Home guards	Crowd control
3	Department of Medical Health and Family Welfare	Additional Director, Medical Health & Family Welfare, Prayagraj	Erection of temporary toilets, urinals in the KM area, round the clock sweeping in the KM area, Health services in the KM area
4	Department of Medical Education and Training	Principal Moti Lal Nehru Medical College, Allahabad	Health services
5	AYUSH Department	Principal Lal Bahadur Shastri Homeopathic Medical College, Allahabad	Health services
		Regional Ayurvedic and Unani Officer, Prayagraj	Health services
6	Irrigation and Water Resources Department	Executive Engineer, Flood works division, Prayagraj	River training and bathing arrangements for the pilgrims
7	Public Works Department	Divisions of Public Works Department	Widening, strengthening and renovation of roads in the city and other connected areas, construction of temporary pontoon bridges and chequered plate roads in the <i>KM</i> area
		Office of Uttar Pradesh Bridge Corporation	Construction of ROBs in the city and other connected areas
8	Information & Public Relations Department	Director Information & Public Relations, Uttar Pradesh, Lucknow	Promotion of KM and providing facilities for media

Sl. No.	Name of Department	Name of office	Details of activities
9	Department of Horticulture and Food Processing	Deputy Director, Horticulture and District Horticulture Officer	Flower exhibition, Amrit <i>mela</i> / Exhibition, land scapping, plantation and arrangement of pots, etc
10	Food & Civil Supplies Department	Joint Commissioner (Food) and District Supply Officer, Prayagraj	Operation of fair price shops in KM area
11	Energy Department	Office of Uttar Pradesh Power Corporation Ltd.	Electricity arrangements in both KM and city area
12	Transport Department	Office of Uttar Pradesh Rajya Sadak Parivahan Nigam Ltd.	Public transport facility for the pilgrims
13	Uttar Pradesh Tourism	Office of Tourism Department	Creation of facilities for tourists in KM (tent city etc.) and city areas, publicity of KM through Laser Light shows, exhibitions etc.
14	Dairy Development Department	Office of Dairy Development Department	Establishment of milk booths in KM area and other related works
15	Environment, Forest and Climate Change Department	Office of Forest Department	Supply of fire wood in the KM area
16	Culture Department	Office of Culture Department	Cultural activities in KM and city area

(Source: Information collected from KMA)

Appendix-3.3.2
Works selected for detailed audit examination
(Reference: paragraph 3.3.1.1)

Sl. No.	Name of Office	Total no. of works / activities executed	No. of works / activities test checked	Basis of selection
1	Additional Director, Medical Health and Family welfare, Prayagraj	9	8 ¹	On the basis of highest expenditure
2	Prayagraj Nagar Nigam, Prayagraj	176	35	On the basis of highest expenditure
3	Director, Information & Public Relations, Uttar Pradesh, Lucknow	17	3	On the basis of highest expenditure
4	Deputy Inspector General / Senior Superintendent of Police, <i>Kumbh Mela</i>	35	7	On the basis of highest expenditure
5	Divisions of Public Works Department, Prayagraj	120	24	On the basis of highest expenditure

(Source: Information collected from different offices/ local bodies)

¹28 tenders were invited, out of these eight tenders were test checked on the basis of highest expenditure.

Appendix-3.3.3
Records/information not submitted to Audit
(Reference: paragraph 3.3.1.2)

Sl. No.	Name of Department/office	Details of records/information not made available to Audit	Details of requisitions/reminders issued by Audit
1.	Urban Development Department (Kumbh Mela Adhikari (KMA), Prayagraj Mela Authority, Prayagraj)	<p>(i) Reports of Third Party Inspection Agency (TPIA) regarding approval of concrete mix design of the pucca works carried out by Irrigation Department, Home (Police) Department and KMA;</p> <p>(ii) Records related to inspection carried out by TPIA, of contractors' labs;</p> <p>(iii) Records related to labs, established by TPIA and quality control register;</p> <p>(iv) Stock book of KMA related to issue and receipt of furniture items to the organizations during KM;</p> <p>(v) Reports related to verification/validation carried out by verification committee and TPIA, of the contractors' bills (related to supply of tin, tent, furniture);</p> <p>(vi) KMA did not provide records related to allotment of land and facilities to various religious organizations/Government Department for organization of KM in the KM area. Due to this, audit could not verify the allotments of land as per the criteria, stipulated by PMA; and</p> <p>(vii) Details of payments related to barricading works carried out by KMA.</p> <p>(viii) Apart from release of funds out of budgetary provisions under dedicated budget accounts for KM related works, the departments also released funds out of their budget provisions for regular functioning of the departments. Due to this, holistic picture of the funds released and expenditure incurred for KM works was not ascertainable. However, the overall provision of funds and expenditure thereagainst for KM was not made available.</p>	<p>(i) Letter nos. SS-3 Control/Kumbh Mela/24 dated 08.08.2019 to Kumbh Mela Adhikari, Prayagraj Mela Authority, Prayagraj and SS-3 Control/Kumbh Mela/49 & 50, dated 02-12-2019, PAG (G&SSA) Kumbh Mela/31, dated 19-12-2020, PAG (G&SSA) Kumbh Mela/34, dated 02-01-2020, PAG (G&SSA) Kumbh Mela/58, dated 29-01-2020, AMG-3 Control/Kumbh Mela/22, dated 26-05-2020 and AMG-3 Control/Kumbh Mela/61, dated 19-06-2020 to the Principal Secretary, Urban Development Department, Uttar Pradesh</p> <p>(ii) Audit Memos issued to KMA on the dates- 08-04-2019, 09-04-2019, 22-04-2019, 27-05-2019, 03-06-2019, 07-08-2019 and 12-11-2020</p>
2.	Public Works Department	<p>(i). Work-wise details of final payment of the works, sanctioned by UDD; and</p> <p>(ii). Details of work-wise penalty imposed on the contractors due to deficiencies noticed by Third Party Inspection Agency (TPIA)</p>	<p>(i) Letter no.- GS (C)/Kumbh 2019/576-579 dated 03.12.2019, GS (C)/Kumbh 2019/608-611 dated 27.12.2019, issued to Executive Engineers of the PWD, divisions, Prayagraj;</p>

Sl. No.	Name of Department/office	Details of records/information not made available to Audit	Details of requisitions/reminders issued by Audit
			<p>(ii) Letter no.- GS (C)/<i>Kumbh</i> 2019/624 dated 06.01.2020 issued to Superintending Engineer, Prayagraj Circle, Prayagraj</p> <p>(iii) Letter no.- GS (C)/<i>Kumbh</i> 2019/625 dated 06.01.2020 issued to Chief Engineer, Prayagraj Zone, Prayagraj</p> <p>(iv) Letter no.- GS (C)/<i>Kumbh</i> 2019/622 dated 06.01.2020 issued to E-in-C, PWD, UP, Lucknow</p> <p>(v) Letter no.- GS (C)/<i>Kumbh</i> 2019/621 dated 06.01.2020, PAG (G&SSA) / <i>Kumbh Mela</i> / 59 dated 29.01.2020 issued to Principal Secretary, Public works Department, Uttar Pradesh</p> <p>(vi) Letter no.- PAG (G&SSA) / <i>Kumbh Mela</i> / 58 dated 29.01.2020 issued to the Principal Secretary, Urban Development Department, Uttar Pradesh</p>
3.	Home (Police) Department	<p>(i) Records related to erection of temporary structures in KM area and</p> <p>(ii) Details of payments related to barricading works, carried out by Home (Police) Department.</p>	<p>(i) Letter no.- GS (C)/<i>Kumbh</i> 2019/365 dated 23.07.2019 and GS (C)/<i>Kumbh</i> 2019/595 dated 12.12.2019, issued to Deputy Inspector General/Senior Superintendent of Police, <i>Kumbh</i></p> <p>(ii) Letter no.- PAG (G&SSA) / <i>Kumbh Mela</i> / 58 dated 29.01.2020 issued to the Principal Secretary, Urban Development Department, Uttar Pradesh</p> <p>(iii) Letter no.- PAG (G&SSA) / <i>Kumbh Mela</i> / 60 dated 29.01.2020 issued to the Principal Secretary, Home (Police) Department, Uttar Pradesh.</p>

Appendix-3.3.4
Department/agency-wise allotment and expenditure as of July 2019
(Reference: paragraph 3.3.2)

(₹ In crore)

Sl. No.	Name of Department	Name of the offices	Sanctioned cost	Allotment	Released by KMA	Expenditure
1	Urban Development Department	Kumbh Mela Adhikari, Prayagraj Mela Authority, Prayagraj	170.95	137.74	82.82	82.82
		Prayagraj Nagar Nigam, Prayagraj	179.74	165.64	153.21	149.37
		Nagar Panchayat Jhunsi, Prayagraj	8.82	11.13	8.82	7.55
		Prayagraj Development Authority, Prayagraj	266.66	234.82	225.67	211.02
		Office of Uttar Pradesh Jal Nigam	259.89	241.28	196.57	194.63
		Office of Ganga Pollution Control unit	7.25	3.69	2.68	2.68
2	Home Department	Deputy Inspector General/ Senior Superintendent of Police, Kumbh Mela	57.54	61.02	54.41	53.60
		District Commandant, Homeguard	10.55	8.54	0.00	0.00
3	Department of Medical Health and Family Welfare	Additional Director, Medical Health & Family Welfare Prayagraj	220.44	177.22	166.98	166.49
4	Department of Medical Education and Training	Principal Moti Lal Nehru Medical College, Allahabad	68.91	55.67	53.41	52.61
5	AYUSH Department	Principal Lal Bahadur Shastri Homeopathic Medical College, Allahabad	1.11	1.11	1.11	1.11
		Regional Ayurvedic and Unani Officer, Prayagraj	1.42	1.42	1.39	1.39
6	Irrigation and Water Resources Department	Executive Engineer, Flood works division, Prayagraj	70.05	55.46	43.46	41.24
7	Public Works Department	Divisions of Public Works Department	790.24	807.38	662.41	656.85
		Uttar Pradesh Bridge Corporation	185.46	102.93	102.93	102.93
8	Information & Public Relations Department	Director Information & Public Relations, Uttar Pradesh, Lucknow	70.00	70.00	27.49	26.94
9	Department of Horticulture and Food Processing	Deputy Director, Horticulture and District Horticulture Officer, Prayagraj	3.20	3.20	2.06	2.06
10	Food & Civil Supplies Department	Joint Commissioner (Food) and District Supplies Officer, Prayagraj	44.07	35.48	35.48	16.62
11	Energy Department	Uttar Pradesh Power corporation Ltd.	204.54	155.00	231.08	227.68
12	Transport Department	Uttar Pradesh Rajya Sadak Parivahan Nigam Ltd.	23.48	22.39	22.06	21.83
13	Uttar Pradesh Tourism	Office of Tourism Department	56.75	49.95	48.80	39.48
14	Dairy Development Department	Office of Dairy Development Department	5.99	7.08	5.36	5.36
15	Environment, Forest and Climate Change Department	Office of Forest Department	4.41	5.15	4.05	3.92
16	Culture Department	Office of Culture Department	32.14	45.02	43.80	43.41
Total			2,743.60	2,458.32	2,176.05	2,111.59

Note-Allotments are inclusive of unspent/surrender during financial years 2017-18 to 2019-20 (upto July 2019)

(Source: Information collected from KMA)

Appendix-3.3.5
Department/agency-wise allotment and expenditure of the offices covered
in audit as of July 2019
(Reference: paragraph 3.3.2)

(₹ In crore)

Sl No.	Name of Department	Name of the offices	Sanctioned cost	Allotment	Released by KMA	Expenditure ²
1	Urban Development Department	Kumbh Mela Adhikari, Prayagraj Mela Authority Prayagraj	170.95	137.74	82.82	82.82
		Prayagraj Nagar Nigam, Prayagraj	179.74	165.64	153.21	149.37
		Nagar Panchayat Jhunsi, Prayagraj	8.82	11.13	8.82	7.55
2	Home Department	Deputy Inspector General/ Senior Superintendent of Police, Kumbh Mela	57.54	61.02	54.41	53.60
		District Commandant, Homeguard	10.55	8.54	0.00	0.00
3	Department of Medical Health and Family Welfare	Additional Director, Medical Health & Family Welfare Prayagraj	220.44	177.22	166.98	166.49
4	Department of Medical Education and Training	Principal Moti Lal Nehru Medical College, Allahabad	68.91	55.67	53.41	52.61
5	AYUSH Department	Principal Lal Bahadur Shastri Homeopathic Medical College, Allahabad	1.11	1.11	1.11	1.11
		Regional Ayurvedic and Unani Officer, Prayagraj	1.42	1.42	1.39	1.39
6	Irrigation and Water Resources Department	Executive Engineer, Flood works division, Prayagraj	70.05	55.46	43.46	41.24
7	Public Works Department	Divisions of Public Works Department	790.24	807.38	662.41	656.85
8	Information & Public Relations Department	Director Information & Public Relations, Uttar Pradesh, Lucknow	70.00	70.00	27.49	26.94
9	Department of Horticulture and Food Processing	Deputy Director, Horticulture and District Horticulture Officer Prayagraj	3.20	3.20	2.06	2.06
10	Food & Civil Supplies Department	Joint Commissioner (Food) and District Supplies Officer, Prayagraj	44.07	35.48	35.48	16.62
Total			1,697.03	1,591.01	1,293.05	1,258.65

Note-Allotments are inclusive of unspent/surrender during financial years 2017-18 to 2019-20 (upto July 2019)

²As of July, 2019.

Appendix-3.3.6
Detail of delayed/non-execution of works
(Reference: paragraph 3.3.3)

Sl. No.	Work ID	Name of the work	Progress of work in per cent as on February 2019		Sanctioned cost (₹ in lakh)
			Completed	Remaining work	
Permanent Works					
1	PWD-29	W/S of Kareli Gaus School to Chakiya Moin Abbas home	96	4	595.08
2	PWD-90	Construction of culvert and approach road on drain situated in the east of GT Jawahar Road.	96	4	59.35
3	PWD-12	W/S of Dhoomanganj-Peepalgaon-Asrawal Road	95	5	3,755.78
4	PWD-87	Widening of Nibi Chatnag Road	95	5	63.15
5	PWD-98	Widening of Rambagh Crossing to Kotha Parcha Dot bridge (Old GT)	95	5	589.42
6	PWD-100	Construction of two lane road for civil airport	95	5	174.47
7	PWD-104	Bakshi bandh railway crossing to Allapur road	95	5	56.33
8	PWD-109	Nawal Kishore Rai road	95	5	86.67
9	PWD-110	Maujgiri ashram CC road	95	5	27.48
10	PWD-81	GT road to Katwarupur via Jamanipur road	93	7	241.43
11	PWD-94	Widening of GT road km. 187 main Ponhatpul	92	8	45.15
12	PWD-83	Construction of two lane service road at left side of Chaufatka overbridge	90	10	493.92
13	PWD-99	Jhunsi Kakra Durwasa Leelapur Km.-2 Narayan das Ka Purwa to Kanihar Dalapur	90	10	762.86
14	PWD-101	Four cement concrete helipad construction	90	10	51.86
15	PWD-103	Shastri bridge to GT road via Nagvasuki road	90	10	585.20
16	PWD-91	GT road to triveni Hanuman Mandir road	86	14	76.72
17	PWD-107	Shastri bridge to Alopibagh flyover interlocking	86	14	223.52
18	PWD-102	Signage work in approach road of Mela area	70	30	1,000.00
19	PWD-59	GT road to Kali pontoon bridge approach road	55	45	10.32
20	PWD-56	GT road to triveni pantoon bridge approach road	50	50	19.81
21	PWD-106	Repair and widening of Qila wall of army	35	65	76.78
22	PWD-112	Akchyawat and Saraswati Koop road of army	30	70	242.44
23	PWD-93	Half ring road at Kali road foot over bridge	0	100	37.00
24	PWD-96	Temporary steel pile girder and 200 approach road	0	100	132.73
25	PWD-113	Heliport in Prayagraj	0	100	494.65
26	AMC-153	Construction and rebore of mini tubewell at Durga pooja park	96	4	280.00
27	AMC-155	Construction and rebore of mini tubewell at H.No. 106	96	4	
28	AMC-151	Construction and rebore of mini tubewell at Gadhikala	95	5	
29	AMC-150	Construction and rebore of mini tubewell Sabji mandi	92	8	
30	AMC-152	Construction and rebore of mini tubewell at Kareli no.4	92	8	
31	AMC-141	Construction of Sri Panch Nirmohi Akhada Daraganj	95	5	131.36
32	AMC-167	Electric pole & transformer shifting at Tulsipur	95	5	207.37
33	AMC-173	Construction of Atal Akhara Bakshikurd Daraganj	95	5	95.20
34	AMC-05	Repairing of road at Allapur 80 feet road	90	10	4.34
35	AMC-135	Construction of Nirvani Akhara Ganga Bhawan Daraganj	88	12	199.00

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Sl. No.	Work ID	Name of the work	Progress of work in per cent as on February 2019		Sanctioned cost (₹ in lakh)
			Completed	Remaining work	
36	AMC-072	Improvement of road & drain at Muthiganj	80	20	7.66
37	AMC-078	Improvement of road at Panch koshi	80	20	49.48
38	AMC-085	Improvement of road at Chandrashekhar road at Allapur	80	20	19.97
39	AMC-102	Improvement of road at Kali badi mandir	80	20	7.66
40	AMC-079	Improvement of Bakshi Bandh road at Daraganj	75	25	35.29
41	AMC-077	Improvement of road at Kydganj Manohar Lal Bhargav	70	30	13.74
42	AMC-174	Construction of Saccha Ashram Arail Naini	70	30	147.69
43	AMC-038	Construction of railway under pass at Kundan guest house	65	35	912.59
44	AMC-039	Construction of railway under pass at Daraganj	60	40	286.69
45	AMC-040	Construction of railway under pass at Shivkuti	60	40	809.57
46	AMC-158	Lightning arrangement of Naini kharkauni	57	43	12.60
47	AMC-159	Lightning arrangement of Naini Jahangirabad	57	43	20.50
48	AMC-160	Lightning arrangement of Bangar Dharamshala	57	43	39.33
49	AMC-161	Lightning arrangement of Indian oil GT road	57	43	21.21
50	AMC-162	Lightning arrangement of Khuldabad chauraha	57	43	35.00
51	AMC-175	Construction of Alopoibagh Brahmivas Sri Shankara-Charya	55	45	159.89
52	AMC-165	Improvement of road patri J.L.N road to GT road	46	54	165.10
53	AMC-176	Construction of Alopoibagh mandir renovation work	45	55	148.17
54	AMC-177	Construction of Benimadhav mandir Daraganj	20	80	99.93
55	AMC-179	Construction of Prabhutt Brahmachari ashram Jhunsi	20	80	90.49
56	AMC-178	Construction of Panch Digambari Akhara Jhusni	15	85	130.97
57	AMC-138	Construction of drain (Chachar nala)	0	100	208.92
58	Police	Painting of <i>Thana</i> building	50	50	242.42
Total					14,484.26
Temporary Works					
1	PWD-105	Parking in Jhunsi/Naini/Phaphamau area	93	7	525.27
2	PWD-45	Construction of Phaphamau side two pontoon bridge	70	30	9,914.08
3	AMC-156	Construction of temporary stand post	90	10	25.00
4	AMC-164	Construction of temporary parking	50	50	261.74
5	AMC-163	Purchase of equipment and material for controlling of stray animals in Kumbh mela	0	100	5.00
6	AMC-168	Supply of L.E.D. fitting & G.I. pipe clamp	0	100	74.34
7	AMC-169	Supply of cable & L.E.D. bulb	0	100	30.00
8	AMC-170	Supply of rain coat, gum boot & tools	0	100	3.00
9	AMC-171	Supply of 04 pickup van	0	100	26.00
10	AMC-172	Supply of 05 no. sound proof generator 15 kva.	0	100	27.50
11	Mela Authority	Peswai ways work of Akhara	0	100	101.31
Total					10,993.24

(Source: Information collected from KMA)

Appendix-3.3.7
Over estimation of overhead charges
(Reference: paragraph no. 3.3.4.1)

(In ₹)

Sl. No.	Name of work	Date of Technical sanction	GSB	WMM	DBM	BC	Total overhead charge	Overhead charges to be provisioned @2.5%	Excess provision of overhead charge	Excess overhead as per executed quantity
			@ 6%	@ 6 %	@ 6%	@ 6 %				
1.	Widening of Allahabad Gorakhpur road to Patel Nagar via Bariyari-Phaphamau Hanumanganj Road	28.03.18	2,79,471	6,88,444	6,43,555	3,48,448	19,59,918	8,16,633	11,43,286	1,00,111.07
2.	Widening of Sikandra Bahria Dandupur approach road	31.01.18	14,29,584	22,80,381	26,05,115	14,09,585	77,24,665	32,18,610	45,06,054	43,41,792.57
3.	Widening of Garapur to Sikandra road	06.02.18	6,54,181	9,58,718	13,89,423	7,52,551	37,54,873	15,64,530	21,90,342	16,36,528.42
4.	Widening and surface dressing of Jhansi Garapur road	05.02.18	5,95,058	9,43,976	13,62,634	7,38,862	36,40,530	15,16,888	21,23,643	24,66,891.03
5.	Widening of Phaphamau-Sahnsa-Hanumanganj road	06.02.18	16,81,095	23,46,326	14,94,347	8,09,693	63,31,461	26,38,109	36,93,352	37,15,788.15
6.	Widening of Jhansi Kakra Durvasa Lilapur road (Pt. Tikaram Tripathi)	06.04.18	9,52,718	12,21,138	6,46,862	16,35,121	44,55,840	18,56,600	25,99,240	28,83,969.79
7.	Widening of Gumti no. 40 to Kamla nagar road	31.01.18	6,14,894	10,19,184	13,20,250	7,15,216	36,69,543	15,28,976	21,40,567	20,84,298.51
8.	Widening of Hanumanganj Chandoha bagai and Jalalpur Sahson approach road	23.03.18	5,51,151	0	0	0	5,51,151	2,29,646	3,21,504	8,01,571.36
9.	Widening and Strengthening (W/S) of Pratappur to Ugrasenpur road (Diversion work of Phoolpur <i>abadi</i>)	20.03.18	3,86,620	0	0	0	3,86,620	1,61,092	2,25,528	7,82,577.81
10.	Widening and surface dressing of Utraula Faizabad road to CRPF border.	31.01.18	4,02,205	0	0	0	4,02,205	1,67,585	2,34,619	11,37,198.33
11.	Widening and improvement of surface of Allahabad -Gorakhpur Road (Sahnsa) to Ramnagar via Gulalpur hetapatti approach road	31.01.18	5,30,587	0	0	0	5,30,587	2,21,078	3,09,509	11,90,519.65
12.	Widening and surface dressing of Allahabad Gorakhpur old road	31.01.18	3,18,726	0	0	0	3,18,726	1,32,802	1,85,923	9,06,658.60
13.	Construction of two lane road for Civil Air port	03.02.18	2,70,171	3,77,004	2,49,757	1,35,251	10,32,182	4,30,076	6,02,106	11,29,130.63
14.	Widening of road from Begam Bazar (at GT road) (km 186 (800)) to Chaufataka	06.04.18	11,18,166	10,99,443	6,20,580	3,35,648	31,73,837	13,22,432	18,51,405	17,56,005.48
15.	W/S of Kareli Gaus school to Chakiya Moin Abbas housse	15.03.18	1,75,480	3,31,825	3,56,936	1,93,117	10,57,357	4,40,566	6,16,792	3,74,251.15
16.	Widening of Rambagh crossing to Kotha Parcha dot bridge	04.09.18	1,68,056	2,98,490	2,04,133	2,20,774	8,91,452	3,71,439	5,20,014	2,40,910.94
17.	Two lane service road on left side of Chaufataka over bridge	08.08.18	82,294	1,28,087	1,14,637	41,405	3,66,423	1,52,676	2,13,747	2,27,380.70
18.	W/S of Chheoki gate to Karama Kaundhiyara approach road	25.01.18	7,94,639	15,41,057	10,67,848	5,79,122	39,82,666	16,59,444	23,23,222	23,23,761.13
19.	W/S of Jhansi Allahabad Mirzapur road to Chak Imam Ali road	25.01.18	3,50,453	5,53,576	4,72,091	2,56,116	16,32,236	6,80,099	9,52,138	9,42,680.52
Total									2,67,53,005	

(Source: Information collected from Public Works Divisions)

Appendix-3.3.8
Excess expenditure on laying of bituminous layers in roads
(Reference: paragraph no. 3.3.4.1)

(In ₹)

Sl. No.	Name of work	Date of AA/FS	Sanctioned cost	Executed Qty of BM (MT)	Rate of BM as per SOR 2016 (Per MT)	Executed Qty of SDBC (MT)	Rate of SDBC as per SOR 2016 (Per MT)	Tender below (percent)	Effective rate of BM (Per MT)	Rate of BM as per SOR 2018 (Per MT)	Difference (Per MT) (col. 10 – 11)	Effective rate of SDBC (Per MT)	Rate of SDBC as per SOR 2018 (Per MT)	Difference (Rs Per MT) (col. 13 – 14)	Excess payment of BM (col. 5 x col. 12)	Excess payment of SDBC (col. 7 x col. 15)	Excess payment of BM+SDBC (col. 16 + col. 17)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	Maintenance of road and <i>pattri</i> on Katju road connecting old GT road to crossing in front of Allahabad railway station	23.05.18	135.04	1,127.51	3308	527.34	4,100	3.4	3,195.53	3129	66.53	3,960.60	3,804	156.6	75,010.99	82,581.44	1,57,592.40
2	Maintenance of road connecting Subedarganj railway station to GT road	23.05.18	24.77	316.24	3308	211.49	4,100	1.5	3,258.38	3129	129.38	4,038.50	3,804	234.5	40,915.13	49,594.41	90,509.54
3	Maintenance of road and drain from Bharti Bhawan <i>chauraha</i> to Tilak road	23.05.18	49.00	480.04	3308	238.37	4,100	0.2	3,301.38	3129	172.38	4,091.80	3,804	287.8	82,751.22	68,602.89	1,51,354.10
4	Construction of road at Meerapur from Shaukat Ali road to Kakaraha ghat and Bargad ghat	23.05.18	102.56	448.87	3308	614.47	4,100	3.33	3,197.84	3129	68.84	3,963.47	3,804	159.47	30,901.83	97,989.53	1,28,891.36
5	Maintenance of road in South Malaka from Dot <i>pul</i> to Nagar Nigam school and internal road	23.05.18	33.50	515.92	3308	270.52	4,100	4.99	3,142.93	3129	13.93	3,895.41	3,804	91.41	7,187.18	24,728.23	31,915.41
6	Reconstruction of road from Anand Bhawan to Arya Samaj road	23.05.18	46.16	491.26	3308	258.255	4,100	3.21	3,201.81	3129	72.81	3,968.39	3,804	164.39	35,770.21	42,454.54	78,224.75
7	Maintenance of road from Daraganj old GT road to Bakshi Bandh Phoolvariya	23.05.18	39.54	678.855	3308	298.71	4,100	3.79	3,182.62	3129	53.63	3,944.61	3,804	140.61	36,404.82	42,001.61	78,406.43
8	Maintenance of road at Allapur from Baghambari road, GT road to 80 feet	23.05.18	68.00	1049.06	3308	545.86	4,100	2.79	3,215.71	3129	86.71	3,985.61	3,804	181.61	90,960.64	99,133.63	1,90,094.27

Sl. No.	Name of work	Date of AA/FS	Sanctioned cost	Executed Qty of BM (MT)	Rate of BM as per SOR 2016 (Per MT)	Executed Qty of SDBC (MT)	Rate of SDBC as per SOR 2016 (Per MT)	Tender below (percent)	Effective rate of BM (Per MT)	Rate of BM as per SOR 2018 (Per MT)	Difference (Per MT) (col. 10 – 11)	Effective rate of SDBC (Per MT)	Rate of SDBC as per SOR 2018 (Per MT)	Difference (Rs Per MT) (col. 13 – 14)	Excess payment of BM (col. 5 x col. 12)	Excess payment of SDBC (col. 7 x col. 15)	Excess payment of BM+SDBC (col. 16 + col. 17)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
9	Maintenance of road at Allapur Kidwai Nagar to Baghambari road to <i>sabzi mandi</i> to labour <i>chauraha</i> , registry office SBI ATM	23.05.18	48.72	739.655	3308	425.589	4,100	3.79	3,182.62	3129	53.63	3,944.61	3,804	140.61	39,665.33	59,842.07	99,507.40
10	Construction of road, drain and divider in Naini from <i>sabzi mandi</i> road to Mirzapur road to zonal office.	23.05.18	89.75	600.34	3308	321.25	4,100	2.79	3,215.70	3129	86.71	3,985.61	3,804	181.61	52,053.56	58,342.21	1,10,395.77
Total			637.04	6,447.75		3,711.854											11,16,891.43

(Source: Information collected from Nagar Nigam Prayagraj)

Appendix-3.3.9
Excess expenditure due to laying of extra offset in road works
(Reference: paragraph no. 3.3.4.2)

Sl. No.	Name of road	GSB						WMM				Excess expenditure (In ₹)
		Actual	As per norm	Excess offset width	Excess Quantity	Excess (CuM)	Cost	Actual	As per norm	Excess (CuM)	Cost	
1	2	3	3	4	4	5	6	7	8	9	10	11
1	Widening and Strengthening (W/S) of Jhunsi, Kakra, Durwasa, Lilapur road (Pt. Sita Ram Tripathi)	0.45x2 = 0.90m	0.235x 2 =0.47m	0.43m	20,400x0.43x0.235 =2,061.42	2,061.42 @1720.60/ M ³	35,46,879.25					35,46,879.25
2	Widening and surface dressing of Utraula Faizabad road to CRPF border.	0.235mx2=0.47m	0.12 x 2 = 0.24m	0.23m	6,510x0.23 x0.120 =179.68	179.68 @1700/ M ³	3,05,442.40					3,05,442.40
3	Widening and improvement of surface of Allahabad - Gorakhpur Road (Sahnso) to Ramnagar via Gulalpur hetapatti approach road	I Layer 0.465mx2=0.93m II Layer- 0.345 x 2 =0.69	0.12 x 2 = 0.24m 0.115 x 2 = 0.23m	0.69m (288 %) 0.46m	7,800x 0.69 x0.115 =618.93 7,800 x 0.46 x0.115= 412.62	618.93 @1,680/M ³ 412.62 @1,680 M ³	10,39,802.40 6,93,201.60	0.23x2= 0.46	0.115x2 =0.23	7,800x0.23x 0.115 = 206.31 M ³ @ 2728.70	5,62,958.00	22,95,962.00
4	Improvement of old Allahabad-Gorakhpur road	0.465mx2=0.93m 0.345mx2=0.69m	0.24m 0.24m	0.69m 0.45m	4,380x 0.69 x0.120 =362.66 4,380x0.45 x0.120 =236.52	599.18 @1,635/ M ³	9,79,659.30	0.225mx2= 0.45m	0.23m	4,380x0.22x0.115= =110.81 @2,860/ M ³	3,16,916.60	12,96,575.90
5	Widening of Hanumanganj Chandoha Bagai and Jalalpur Sahson approach road	0.15mx2=0.30m	0.20m	0.10m	13,700x 0.10 x0.100 = 137M ³	137M ³ @1,768.00	2,42,216.00					2,42,216.00
6	Widening and Strengthening of Sandwa road	0.15mx2=0.30m	0.21m	0.09m (43 %)	8,000x0.09x0.105	75.60 @1500	1,13,400.00					1,13,400.00
7	W/S of Kareli Gaus School to Chakiya Moin Abbas house	0.40m	0.25m	0.15m (one side widening)	3,000 x 0.15 x 0.25	112.50 @1,683.40	1,89,382.50					1,89,382.50
8	Widening of road from Begam Bazar (at GT road) (km 186 (800)) to Chaufataka and work relating to drain and interlocking (along with electric work)	0.46mx2=0.92m	0.255mx 2= 0.51m	0.41m	8,200 x 0.41 x 0.255	857.31 @1,725	14,78,859.75					14,78,859.75
9	Construction of two lane service road at left side of Chauftka overbridge	1.0m	0.51m	0.49m	500 x 0.49 x 0.255	62.48 @1,705	1,06,528.40					1,06,528.40
											95,75,246.20	
											Say ₹95.75 lakh	

(Source: Information collected from Public Works Divisions)

Appendix-3.3.10
Short deposit of Performance Security
(Reference: paragraph no. 3.3.5.1)

(₹ in lakh)

Sl. No.	Name of work	Sanctioned cost	Bonded cost	Executed Cost of work	Performance Security as per bond	Performance Security required as per executed civil work ³	Less Performance Security
1	Widening and Strengthening (W/S) of Chheoki Railway gate to Karma Kaundhiyara road	1,496.02	346.18	1,024.31	24.50	53.22	28.72
2	W/S of Rampur to Pipraon Chandi Audhogik Kshetra approach road	323.10	129.07	262.93	6.55	15.15	8.60
3	Widening of road from Begam Bazar (at GT road) (km 186 (800)) to Chaufataka and work relating to drain and interlocking (along with electric work)	2,815.94	731.03	1,000.64	38.58	52.03	13.45
4	W/S of Kareli Gauss school to Chakiya Moin Abbas house (60 feet road) in district Allahabad	595.08	18.07	423.84	1.00	23.19	22.19
5	W/S of Sandwa road	418.05	265.73	276.02	13.29	15.80	2.51
6	Widening of Gumti no. 40 to Kamla Nagar road	1,085.25	459.36	782.75	23.02	41.14	18.12
7	Widening of Jhunsu Kakra Durvasa Lilapur road (Pt. Tikaram Tripathi)	1,609.26	470.22	1,259.95	25.00	65.00	40.00
8	Widening of Sikandra- Bahria-Dandupur approach road	2,368.87	801.66	1,864.68	42.00	95.23	53.23
9	Widening of Hanumanganj Chandoha bagai and Jalalpur sahson approach road	728.73	319.34	456.50	15.97	24.83	8.86
10	W/s of Soraon, Phoolpur, Handia (MDR) Road	3,644.41	1,981.57	2,656.10	100.00	134.81	34.81
11	Widening and improvement of surface of Allahabad -Gorakhpur marg (Sahnso) to Ramnagar via Gulalpur hetapatti approach road	684.98	300.30	540.85	20.00	29.04	9.04
Total							239.53

(Source: Information collected from Public Works Divisions)

³ Ten percent for 40.00 lakh and five percent of the balance cost of work.

Appendix-3.3.11
Non-verification of royalty passes
(Reference: paragraph no. 3.3.5.2)

Sl. No.	Name of road/work	Quantity executed in cum													
		GSB		WMM		DBM		BC		WBM		PC		Seal coat	
		Compacted	Loose	Compacted	Loose	Compacted	Loose	Compacted	Loose	Compacted	Loose	Compacted	Loose	Compacted	Loose
Works executed by CD 1															
1.	Construction of two lane road for civil airport	3,795	4,847	4,240	5,597	1,302	1,913	1,266	1,881	0	0	0	0	0	0
2.	Widening of road from Begam Bazar (at GT road) (km 186 (800)) to Chufatataka	9,628	12,298	7,695	10,157	1,733	2,546	770	1,144	0	0	0	0	0	0
3.	Widening and Strengthening (W/S) of Dhoomanganj-Peepalgaon-Asrawal road	24,969	31,893	18,021	23,788	5,525	8,117	2,916	4,333	0	0	0	0	0	0
4.	Construction of two lane road on left side of Chufatkaover bridge	1,103	1,409	1,005	1,327	298	438	99	147	0	0	0	0	0	0
5.	Widening and surface dressing of Rambagh crossing to Kotha Parcha dot bridge	940	1,201	931	1,229	294	432	188	279	0	0	0	0	0	0
6.	W/S of KareliGaus school to ChakiyaMoin Abbas house	3,616	4,619	67	88	809	1,189	404	600	0	0	0	0	0	0
Total		44,051	56,266	31,959	42,186	9,961	14,635	5,643	8,384	0	0	0	0	0	0
Works executed by PD															
7.	Widening of Madauka-Mohabatganj Sanai ka pura-Dabhav approach road km 1 to 7	2,749	3,511	0	0	0	0	0	0	2,325	2,813	35,750	965	35,750	322
8.	W/S of Sadwa Marg	3,176	4,057	0	0	0	0	0	0	5,745	6,951	52,703	1,423	52,703	474
9.	W/S of Chheoki Railway gate to Karma Kaundhiyara road	11,196	14,301	11,543	15,237	2,698	3,964	1,349	2,004	0	0	0	0	0	0
10.	W/S of Rampur to Pipraon-Chandi-Audhogik-Kshetra approach road	3,193	4,078	2,042	2,695	0	0	0	0	0	0	29,948	809	29,948	270
11.	W/S of Jhansi Allahabad Mirzapur Marg to Chak Imam Ali approach road	4,583	5,854	4,197	5,540	1,073	1,576	735	1,092	0	0	0	0	0	0
12.	Widening of Karchhana Jari Marg in Allahabad	11,300	14,433	0	0	0	0	0	0	9,282	11,231	61,880	1,671	61,880	557
Total		36,197	46,234	17,782	23,472	3,771	5,540	2,084	3,096	17,352	20,996	1,80,281	4,868	1,80,281	1,623
Works executed by CD-4															
13.	W/S of Soraon, Phoolpur, Handia (MDR) Road	27,889	35,623	24,208	31,955	5,258	7,725	9,929	14,753	0	0	0	0	0	0
14.	W/S of Old Allahabad-Gorakhpur Road	4,118	5,260	3,425	4,521	685	1,006	1,105	1,642	0	0	0	0	0	0

Sl. No.	Name of road/work	Quantity executed in cum													
		GSB		WMM		DBM		BC		WBM		PC		Seal coat	
		Compacted	Loose	Compacted	Loose	Compacted	Loose	Compacted	Loose	Compacted	Loose	Compacted	Loose	Compacted	Loose
15.	W/S of Jhunki, Kakra, Durwasa, Lilapuram (Pt. Sita Ram Tripathi)	13,231	16,900	10,575	13,959	1,761	2,587	4,106	6,101	0	0	0	0	0	0
16.	Widening of Jhunki Garapur road	8,413	10,746	8,479	11,192	3,735	5,487	1,868	2,775	0	0	0	0	0	0
17.	Widening of Allahabad Gorakhpur marg to Patel nagar-Bariyari-Phaphamau Hanumanganj road	3,310	4,228	2,575	3,399	1,455	2,138	722	1,073	0	0	0	0	0	0
18.	Widening of Garapur se Sikandra road	5,883	7,514	6,159	8,130	3,000	4,408	578	859	0	0	0	0	0	0
19.	Widening of Gumti no. 40 se Kamla Nagar road	6,654	8,499	6,972	9,203	2,996	4,402	1,005	1,493	0	0	0	0	0	0
20.	Widening and surface dressing of Utraula Faizabad road to CRPF border.	4,974	6,353	4,443	5,865	1,097	1,612	1,041	1,547	0	0	0	0	0	0
21.	Widening of Sikandra- Bahria-Dandupur approach road	15,141	19,340	15,221	20,092	5,859	8,608	2,914	4,330	0	0	0	0	0	0
22.	Widening of Hanumanganj ChandohaBagai and JalalpurSahson approach road	5,378	6,869	0	0	0	0	0	0	6,152	7,444	41,092	1,109	41,092	370
23.	Widening of Phaphamau Sahnso Hanumanganj road	19,615	25,054	17,430	23,008	3,740	5,495	2,853	4,239	0	0	0	0	0	0
24.	W/S of Tiwaripur, Ram Padarath Shukla road to Sarai Chandi	10,280	13,131	0	0	0	0	0	0	5,969	7,222	0	0	0	0
Total		1,24,886	1,59,517	99,487	1,31,323	29,586	43,468	26,121	38,811	12,121	14,666	41,092	1,109	41,092	370
Works executed by CD-3															
25.	W/S of Pratappur to Ugrasenpur road (Diversion work of Phoolpurabadi)	4,008	5,119	2,504	3,305	435	639	1,011	1,502	0	0	0	0	0	0
Total		4,008	5,119	2,504	3,305	435	639	1,011	1,502	0	0	0	0	0	0
Grand Total		2,09,142	2,67,137	1,51,732	2,00,286	43,753	64,282	34,859	51,793	29,473	35,662	2,21,373	5,977	2,21,373	1,992
	Stone ballast														
	GSB + WMM + WBM	5,03,085													
	Royalty @ ₹ 110/cum	5,53,39,350													
	Stone grit	1,24,045													
	Roylty @ ₹ 160/cum	1,98,47,200													
	Total royalty (in Rs.)	7,51,86,550													
	Total royalty (in Crore)	7.52													

(Source: Information collected from Public Works Divisions)

Appendix-3.3.12
Excess expenditure on barricading work
(Reference: paragraph no. 3.3.7.2)

Payment to be made to the contractor as per PWD rate				
Particulars	KMA		Police	
	2 Row barricading	3 Row barricading	2 Row barricading	3 Row barricading
1	2	3	4	5
Quantity (in feet)	33,418	69,988	1,18,486	42,812
Rate (in ₹) (including GST)	46	46	46 ⁴	46
Amount (in ₹)	₹ 15,37,228	₹ 32,19,448	₹54,50,356	₹19,69,352
Total Quantity (in feet)	1,03,406		1,61,298	
Amount (in ₹)	₹ 47,56,676		₹ 74,19,708	
Amount	₹ 0.48 crore		₹ 0.74 crore	
Payment to be made to the contractor as per KMA rate				
Particulars	KMA		Police	
	2 Row barricading	3 Row barricading	2 Row barricading	3 Row barricading
Quantity (in feet)	33,418	69,988	1,18,486	42,812
Rate (in ₹) (including GST)	₹160	₹180	₹160	₹180
Amount (in ₹)	₹ 53,46,880	₹ 12,59,7840	₹ 1,89,57,760	₹ 77,06,160
Total Quantity (in feet)	1,03,406		1,61,298	
Amount (in ₹)	₹ 1,79,44,720		₹ 2,66,63,920	
Amount	₹ 1.79 crore		₹ 2.67 crore	
Cost of work as per KMA rate	₹ 4.46 crore			
Cost of work as per PWD rate	₹ 1.22 crore			
Excess cost of work	₹ 3.24 crore			

(Source: Information collected from KMA and Home Department (police))

⁴ It is assumed that the rate of two row barricading in any case would not be more than ₹ 46 per running feet allowed by PWD for three row barricading.

Appendix-3.3.13
Details of tests carried out by Third Party Inspection Agency
(Reference: paragraph no. 3.3.10.2)

Sl. No.	Name of the work	Total Test required	No. of test conducted	No. of test not conducted	Test not conducted (in per cent)
1	W/s of Soraon-Phoolpur-Handia Road	49	8	41	84
2	40 No Gomti to Kamla Nagar Link Road	49	10	39	80
3	A.G. Road to Patel Nagar Bariyari via PH Road	49	8	41	84
4	W/s of Chheeki Railway gate to Karma Kaundhiyara road	49	3	46	94
5	Widening and strengthening of Dhoomanganj Peepal Gaon Asraval road.	49	4	45	92
6	Widening and surface dressing of Rambag crossing to Kothaparcha dot bridge.	49	2	47	96
7	W/S of Karelli Gous School to Chakiya Moin Abbas house.	49	2	47	96
8	Construction of two lane service road on left side of chaufataka over bridge	49	2	47	96
9	W/S of Sandwa marg	41	0	41	100
10	Widening of Madauka Mohabatganj Sanai ka pura Dabhav sampark marg km 1 to 7	41	0	41	100
11	W/S of Rampur to piprao Chandi Audhoyogik kshetra approach road	41	0	41	100
12	Widening of Karchhana Jari Marg in Allahabad	41	0	41	100
13	W/S of Jhansi-Allahabad-Mirzapur marg to Chak Imam Ali	49	4	45	92
14	Construction of Bitumen and CC road at Chakiya Kasari Masari road from Kaushambi road to Sansadawas house no 4/1	46	2	44	96
15	Maintenance of road and Patri on Katju road connecting old GT road to crossing in front of Allahabad railway station	46	2	44	96
16	Maintenance of road connecting Subedarganj railway station to GT road	46	6	40	87
17	Construction of road at Meerapur from Shaukat Ali road to Kakhara ghat and Bargad ghat	46	6	40	87
18	Maintenance of road and drain of S C Basu road from chameli bai dharmashala to dumping ground at GT road	46	2	44	96
19	Maintenance of Tilak road from Sulaki chauraha to Baluaghat and Baradari road	46	3	43	93
20	Maintenance of road in South Malaka from Dot pul to Nagar Nigam school and internal road	46	2	44	96
21	Maintenance of road and drain in Kashiraj nagar	46	6	40	87
22	Maintenance of road and drain from Ram Bhawan chauraha to back of Chandralok cinema	46	2	44	96
23	Reconstruction of road from Anand Bhawan to Arya Samaj road	46	2	44	96
24	Maintenance of Triveni road from Lowther road to ADC crossing	46	3	43	93
25	Maintenance of road at Allahapur from Baghambari road, GT road to 80 feet	46	6	40	87
26	Maintenance of road at Allahapur Kidwai Nagar to Baghambari road to Sabzimandi to labour chauraha registry office SBI ATM	46	6	40	87
27	Maintenance of road from Alopi bagh Bismil road to MG road to Ramleela park	46	6	40	87
28	Maintenance of road in Naini bajar chak Raghunth	46	6	40	87
29	Construction of road, drain and divider in Naini from sabzi mandi road to Mirzapur road to zonal office	46	6	40	87

(Source: Information collected from PWD & Nagar Nigam Prayagraj)

Appendix-3.3.14
Non-submission of Consignee Receipt Certificates (CRCs)

(Reference: paragraph no. 3.3.10.3)

Sl. No.	Name of Work	DBM		BC		PC		Seal coat		Rate of bitumen (in ₹)	Total bitumen used (MT)	Cost of bitumen as per estimate (in ₹)	Bond executed (% above or below)	Cost of bitumen as per bond (in ₹)
		Compacted	Bitumen	Compacted	Bitumen	Compacted	Bitumen	Compacted	Bitumen					
1	Construction of two lane road for civil airport	1,301.60	135.11	1,265.51	160.97	0	0.00	0	0.00	29,329.30	296.08	86,83,788.407	3.70%	90,07,857.76
2	Widening of road from Begam Bazar (at GT road) (km 186 (800)) to Chaufataka	1,733.42	179.93	769.95	97.94	0	0.00	0	0.00	28,889.30	277.87	80,27,372.607	-2.85%	78,01,493.50
3	Widening and Strengthening (W/S) of Dhoomanganj Peepalgaon Asrawal road	5,525.48	573.54	2,916.40	370.97	0	0.00	0	0.00	25,469.30	944.51	2,40,56,031.57	0.30%	2,41,36,606.65
4	Construction of two lane road on the left side of chuftka overbridge	298.29	30.96	98.95	12.59	0	0.00	0	0.00	29,719.27	43.55	12,94,242.766	-11.70%	11,43,368.97
5	Widening and surface dressing of Rambagh crossing to KothaParcha dot bridge	293.80	30.50	188.00	23.91	0	0.00	0	0.00	32,629.30	54.41	17,75,361.518	-10.78%	15,84,558.62
6	W/S of Kareli Gaus school to Chakiya Moin Abbas house	808.50	83.92	404.25	51.42	0	0.00	0	0.00	29,019.30	135.34	39,27,556.218	-0.50%	39,09,278.41
7	Widening of Madauka Mohabatganj Sanai ka pura Dabhav approach road km 1 to 7	0	0.00	0.00	0.00	35,750.00	52.20	35,750.00	23.24	27,409.00	75.43	20,67,529.393	-11.11%	18,37,765.97
8	W/S of Sadwa Marg	0	0.00	0.00	0.00	52,702.65	76.95	52,702.65	34.26	27,409.00	111.20	30,47,951.83	-18.66%	24,79,146.24
9	W/S of Chheoki Railway gate to Karma Kaundhiyara road	2,697.74	280.03	1,348.87	171.58	0	0.00	0	0.00	29,779.00	451.60	1,34,48,246.31	7%	1,43,94,668.31
10	W/S of Rampur to Pipraon Chhandi Audhogik Kshetra approach road	0	0.00	0.00	0.00	29,947.50	43.72	29,947.50	19.47	27,409.00	63.19	17,31,953.468	0.25%	17,36,304.65
11	W/s of Jhansi Allahabad Mirzapur Marg to Chak Imam Ali approach road	1,072.50	111.33	735.03	93.50	0	0.00	0	0.00	29,779.00	204.82	60,99,373.969	-10%	54,91,277.38
12	Widening of Karchhana Jari Marg in Allahabad	0	0.00	0.00	0.00	61,879.99	90.34	61,879.99	40.22	30,639.00	130.57	40,00,435.539	5%	42,00,560.94
13	Faizabad- Allahabad road (Chainage 148.600 to 149.400, Teliarganj chungi to MNNIT Gate)	712.53	73.96	717.22	91.23	0	0.00	0	0.00	28,894.91	165.19	47,73,179.02	-3.30%	46,17,033.30

Sl. No.	Name of Work	DBM		BC		PC		Seal coat		Rate of bitumen (in ₹)	Total bitumen used (MT)	Cost of bitumen as per estimate (in ₹)	Bond executed (% above or below)	Cost of bitumen as per bond (in ₹)
		Compacted	Bitumen	Compacted	Bitumen	Compacted	Bitumen	Compacted	Bitumen					
14	W/S of Phaphamau, Sahso, Hanumanganj Marg	3,739.94	388.21	2,053.15	261.16	0	0.00	0	0.00	29,329.30	649.37	1,90,45,463.48	0	1,90,52,039.41
15	Widening of Allahabad - Gorakhpur marg se patelnagar-bariyari-phaphamau hanumanganj marg	1,454.77	151.01	721.75	91.81	0	0.00	0	0.00	28,889.30	242.81	70,14,660.796	-12.50%	61,39,806.82
16	Widening of Garapur se Sikandramarg	2,999.50	311.35	577.50	73.46	0	0.00	0	0.00	29,329.30	384.81	1,12,86,093.55	3.80%	1,17,19,621.53
17	Widening of Gumti no. 40 se Kamlanagar marg	2,996.25	311.01	1,505.00	191.44	0	0.00	0	0.00	29,779.30	502.45	1,49,62,512.5	-0.50%	1,48,92,833.41
18	Widening and surface dressing of Utraula Faizabad road to CRPF border.	1,097.47	113.92	1,041.32	132.46	0	0.00	0	0.00	29,779.30	246.37	73,36,824.115	-12.02%	64,56,950.57
19	Widening of Sikandra-bahria-dandupur sampark marg	5,856.90	607.95	2,913.75	370.63	0	0.00	0	0.00	29,779.30	978.58	2,91,41,285.05	4.80%	3,05,50,788.28
20	W/S of Jhunsi, Kakra, Durwasa, Lilapur marg (Pt. Tika Ram Tripathi)	1,760.94	182.79	4,105.88	522.27	0	0.00	0	0.00	28,889.30	705.05	2,03,68,502.31	4.15%	2,12,19,345.18
21	W/S of Tiwaripur, Ram Padarath Shukla Marg to Sarai Chandi road	0	0.00	0	0.00	74,195.00	108.32	74,195.00	48.23	28,529.27	156.55	44,66,298.586	1.20%	27,84,667.86
22	W/S of Jhunsi Garapur road	3,734.84	387.68	1,867.42	237.54	0	0.00	0	0.00	29,779.30	625.21	1,86,18,382.14	2.30%	1,90,53,239.55
23	Widening and satahsudhar of Allahabad -Gorakhpur marg (Sahnso)se Ramnagar-Gulalpurhote hue hetaptti	1,004.59	104.28	1,059.23	134.73	0	0.00	0	0.00	29,779.30	239.01	71,17,565.323	6.80%	76,03,770.22
24	Widening of Purana Allahabad Gorakhpur road	685.24	71.13	1,104.63	140.51	0	0.00	0	0.00	29,779.30	211.64	63,02,397.188	-9.20%	57,23,743.45
25	W/S of Phoolpur abadi se diversion	434.75	45.13	1,010.72	128.56	0	0.00	0	0.00	28,889.27	173.69	50,17,795.622	-9.99%	45,16,569.76
26	Widening of Hanumanganj Chandohabagai and Jalalpur sahnson sampark marg		0.00		0.00	39,500.00	57.67	39,500.00	25.68	28,089.30	83.35	23,41,102.709	4.30%	15,04,701.10
Grand Total											8,152.64	23,59,51,906		23,35,57,997.80

(Source: Information collected from Public Works Divisions)

Conversion formula

Sl. No.	Name of item	Compacted quantity (output as per analysis of rate)	Weight of item (in MT)	Percent of bitumen in mix	Used bitumen (in MT)
1.	Dense Graded Bituminous Macadam	195 Cum	450	4.5 %	20.25
2.	Bituminous Concrete	191 Cum	450	5.4 %	24.30
3.	PC	10,000 SqM	--	--	14.6
4.	Seal Coat	10,000 SqM	--	--	6.5

Appendix-3.4.1
Affiliation status of sampled GITIs
(Reference: paragraph no. 3.4.2)

Sl. No.	Name of the GITIs	Year of selection	NCVT affiliation (at the time of selection)	Status of building (at the time of selection)	Year of establishment	Current status of building	Current status of NCVT
1	World Bank (W) Aliganj, Lucknow	2008-09	Partially affiliated	Own	1994		Affiliated
2	Charbagh, Lucknow	2007-08	Partially affiliated	Own	1965		Affiliated
3	Charbagh (W), Lucknow	2011-12	Affiliated	Own	1965		Affiliated
4	Nanpara, Bahraich	2011-12	Not affiliated	Under construction	2006	Building work complete	Partially affiliated
5	RehwaMansoorMahsi, Bahraich	2011-12	Not affiliated	Under construction	2006	Building work complete	Partially affiliated
6	Bijnore	2008-09	Affiliated	Own	1964		Affiliated
7	Dhampur, Bijnore	2011-12	Not affiliated	Own	2006		Affiliated
8	Najibabad, Bijnore	2011-12	Not affiliated	Under construction	1998	Building work complete	Affiliated
9	Atrauli, Aligarh	2008-09	Partially affiliated	Own	1992		Affiliated
10	Koil, Aligarh	2011-12	Not affiliated	Own	2006		Partially affiliated
11	Mahoba	2007-08	Partially affiliated	Own	1977		Affiliated
12	Charkhari, Mahoba	2009-10	Partially affiliated	Own	1950		Affiliated
13	Railway Colony, Gorakhpur	2008-09	Affiliated	Own	1909		Affiliated
14	World Bank (W) , Gorakhpur	2009-10	Partially affiliated	Own	1993		Partially affiliated
15	Khajani, Gorakhpur	2009-10	Partially affiliated	Own	1987		Partially affiliated
16	Campierganj, Gorakhpur	2009-10	Not affiliated	Own	1986		Partially affiliated
17	Barhalganj, Gorakhpur	2011-12	Not affiliated	Under construction	2006	Under construction	Not affiliated
18	Rasara, Ballia	2009-10	Partially affiliated	Own	1985		Partially affiliated
19	Ibrahimabad, Ballia	2010-11	Partially affiliated	Own	1988		Affiliated

(Source: Test-checked GITIs)

Appendix 3.4.2
Component wise expenditure by GITIs as against approved Institute Development Plan under PPP Scheme
(Reference: paragraph no. 3.4.4.2)

SI No.	Name of GITI	Details	Components of approved Institute Development Plan (IDP) of GITIs (Amount in ₹ lakh)						
			Civil work	Equipment	Furniture	Book learning Resources and Software etc	Additional manpower	Consumables	Miscellaneous exp
1	World Bank (W) Aliganj, Lucknow	Provision as per IDP	76.96	112.04	17.59	24.02	18.77	13.33	40.74
		Expenditure	70.33	41.41	22.57	96.23	17.90	17.86	4.64
		Difference	6.63	70.63	(-)4.98	(-)72.21	0.87	(-) 4.53	36.10
2	Charbagh, Lucknow	Provision as per IDP	100.00	108.00	13.50	7.00	17.84	17.33	11.65
		Expenditure	107.46	138.82	11.65	3.46	24.18	7.67	9.21
		Difference	(-) 7.46	(-) 30.82	1.85	3.54	(-) 6.34	9.66	2.44
3	Charbagh (W), Lucknow	Provision as per IDP	100.00	100.00	5.00	4.58	13.00	15.00	17.00
		Expenditure	140.91	84.92	1.79	0.61	13.91	5.05	2.23
		Difference	(-) 40.91	15.08	3.21	3.97	(-) 0.91	9.95	14.77
4	Nanpara, Bahraich	Provision as per IDP	7.26	155.24	26.09	7.39	36.40	5.23	6.20
		Expenditure	7.26	155.24	26.09	7.39	38.83	5.23	7.54
		Difference	0.00	0.00	0.00	0.00	(-) 2.43	0.00	(-) 1.34
5	Rehwa Mansoor Mahasi, Bahraich	Provision as per IDP	18.90	102.23	21.77	7.53	45.25	5.99	5.68
		Expenditure	18.90	92.23	21.71	7.03	37.66	4.89	5.75
		Difference	0.00	10.00	0.06	0.50	7.59	1.10	(-) 0.07
6	Bijnore	Provision as per IDP	50.00	185.23	16.20	0.04	0.00	6.16	2.93
		Expenditure	50.00	180.57	16.20	0.04	0.00	3.54	5.22
		Difference	0.00	4.66	0.00	0.00	0.00	2.62	(-) 2.29
7	Najibabad, Bijnore	Provision as per IDP	9.61	169.60	24.41	4.90	32.60	3.53	17.09
		Expenditure	9.61	169.51	22.58	4.60	18.30	3.71	19.42
		Difference	0.00	0.09	1.83	0.30	14.30	(-) 0.18	-2.33
8	Dhampur, Bijnore	Provision as per IDP	11.00	163.56	21.54	6.00	25.66	3.61	10.70
		Expenditure	4.00	178.08	18.35	0.00	24.96	8.08	2.45
		Difference	7.00	(-) 14.52	3.19	6.00	0.70	(-) 4.47	8.25
9	Atrauli, Aligarh	Provision as per IDP	89.06	90.62	20.70	9.72	49.94	11.94	11.02
		Expenditure	89.72	90.62	20.70	8.70	49.05	11.71	10.12
		Difference	(-) 0.66	0.00	0.00	1.02	0.89	0.23	0.90
10	Koil, Aligarh	Provision as per IDP	32.00	138.00	32.50	5.50	42.00	5.50	5.18
		Expenditure	30.25	127.80	14.33	0.00	41.70	3.75	4.83
		Difference	1.75	10.20	18.17	5.50	0.30	1.75	0.35

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SI No.	Name of GITI	Details	Components of approved Institute Development Plan (IDP) of GITIs (Amount in ₹ lakh)						
			Civil work	Equipment	Furniture	Book learning Resources and Software etc	Additional manpower	Consumables	Miscellaneous exp
11	Mahoba	Provision as per IDP	43.79	151.36	8.56	1.50	34.08	5.19	15.16
		Expenditure	43.79	131.82	14.22	0.00	18.81	2.86	48.97
		Difference	0.00	19.54	(-) 5.66	1.50	15.27	2.33	(-) 33.81
12	Charkhari, Mahoba	Provision as per IDP	66.90	145.28	16.51	4.39	23.76	7.07	5.29
		Expenditure	69.24	147.73	22.17	2.39	28.18	8.80	5.56
		Difference	(-) 2.34	(-) 2.45	(-) 5.66	2.00	(-) 4.42	(-) 1.73	(-) 0.27
13	Railway Colony Gorakhpur	Provision as per IDP	59.50	146.83	13.87	9.50	11.31	25.96	18.89
		Expenditure	58.44	145.95	13.41	8.04	11.30	25.08	18.79
		Difference	1.06	0.88	0.46	1.46	0.01	0.88	0.10
14	World Bank (W) Gorakhpur	Provision as per IDP	35.00	133.28	22.46	14.58	33.91	19.48	27.81
		Expenditure	35.00	133.20	22.21	14.16	32.53	18.98	25.43
		Difference	0.00	0.08	0.25	0.42	1.38	0.50	2.38
15	Khajani, Gorakhpur	Provision as per IDP	70.68	126.92	15.00	0.74	23.00	13.00	16.00
		Expenditure	62.95	105.99	48.16	1.99	28.83	1.09	3.61
		Difference	7.73	20.93	(-) 33.16	(-) 1.25	(-) 5.83	11.91	12.39
16	Campierganj Gorakhpur	Provision as per IDP	69.00	129.46	10.78	2.00	15.00	3.48	10.55
		Expenditure	70.87	138.44	11.29	4.62	11.80	2.38	10.35
		Difference	(-) 1.87	(-) 8.98	(-) 0.51	(-) 2.62	3.20	1.10	0.20
17	Barhalganj Gorakhpur	Provision as per IDP	94.32	113.33	3.55	7.17	23.49	1.50	6.10
		Expenditure	62.35	58.72	2.75	3.67	3.50	0.66	3.56
		Difference	31.97	54.61	0.80	3.50	19.99	0.84	2.54
18	Rasra Ballia	Provision as per IDP	18.96	177.33	23.09	3.25	25.03	6.74	18.94
		Expenditure	10.96	162.33	18.09	3.25	20.03	5.22	13.44
		Difference	8.00	15.00	5.00	0.00	5.00	1.52	5.50
19	Ibrahimabad, Ballia	Provision as per IDP	65.00	91.12	13.00	5.00	1.46	15.00	6.98
		Expenditure	90.12	91.12	14.48	0.20	3.65	0.03	1.14
		Difference	(-) 25.12	0.00	(-) 1.48	4.80	(-) 2.19	14.97	5.84

(Source: Test-checked GITIs)

Appendix 3.4.3
Human resources in sampled GITIs
(Reference: paragraph no. 3.4.5.2)

Sl. No.	Name of the GITI	Year	Sanctioned strength	Persons-in-position	Shortfall	shortfall (in per cent)
1	World Bank (W), Aliganj, Lucknow	2014-15	6	6	0	0
		2015-16	6	6	0	0
		2016-17	6	6	0	0
		2017-18	6	6	0	0
		2018-19	6	6	0	0
2	Charbagh , Lucknow	2014-15	26	20	6	23
		2015-16	26	20	6	23
		2016-17	26	20	6	23
		2017-18	26	20	6	23
		2018-19	26	19	7	27
3	Charbagh (W), Lucknow	2014-15	10	8	2	20
		2015-16	10	8	2	20
		2016-17	10	7	3	30
		2017-18	10	7	3	30
		2018-19	10	7	3	30
4	Nanpara, Bahraich	2014-15	24	0	24	100
		2015-16	24	1	23	96
		2016-17	24	0	24	100
		2017-18	24	8	16	67
		2018-19	24	6	18	75
5	RehwaMansoorMahsi, Bahraich	2014-15	8	1	7	88
		2015-16	24	0	24	100
		2016-17	24	0	24	100
		2017-18	24	10	14	58
		2018-19	24	7	17	71
6	Bijnore	2014-15	41	27	14	34
		2015-16	41	28	13	32
		2016-17	41	32	9	22
		2017-18	41	30	11	27
		2018-19	41	30	11	27
7	Dhampur, Bijnore	2014-15	14	9	5	36
		2015-16	28	9	19	68
		2016-17	28	6	22	79
		2017-18	28	10	18	64
		2018-19	28	8	20	71
8	Najibabad, Bijnore	2014-15	19	4	15	79
		2015-16	31	4	27	87
		2016-17	31	12	19	61
		2017-18	31	12	19	61
		2018-19	31	12	19	61
9	Atrauli, Aligarh	2014-15	5	2	3	60
		2015-16	8	2	6	75
		2016-17	8	2	6	75
		2017-18	8	2	6	75
		2018-19	16	3	13	81
10	Koil, Aligarh	2014-15	28	7	21	75
		2015-16	28	14	14	50
		2016-17	28	13	15	54

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Sl. No.	Name of the GITI	Year	Sanctioned strength	Persons-in-position	Shortfall	shortfall (in per cent)
		2017-18	28	12	16	57
		2018-19	28	12	16	57
11	Mahoba	2014-15	11	9	2	18
		2015-16	9	4	5	56
		2016-17	21	3	18	86
		2017-18	21	3	18	86
		2018-19	21	3	18	86
12	Charkhari, Mahoba	2014-15	6	2	4	67
		2015-16	6	1	5	83
		2016-17	21	8	13	62
		2017-18	21	8	13	62
		2018-19	21	7	14	67
13	Railway Colony, Gorakhpur	2014-15	7	7	0	0
		2015-16	7	6	1	14
		2016-17	7	6	1	14
		2017-18	7	7	0	0
		2018-19	7	6	1	14
14	World Bank (W) , Gorakhpur	2014-15	6	4	2	33
		2015-16	6	4	2	33
		2016-17	6	5	1	17
		2017-18	6	6	0	0
		2018-19	6	4	2	33
15	Khajani, Gorakhpur	2014-15	7	5	2	29
		2015-16	7	5	2	29
		2016-17	7	6	1	14
		2017-18	7	6	1	14
		2018-19	7	6	1	14
16	Campierganj, Gorakhpur	2014-15	9	3	6	67
		2015-16	9	3	6	67
		2016-17	9	4	5	56
		2017-18	9	5	4	44
		2018-19	9	5	4	44
17	Barhalganj, Gorakhpur	2014-15	5	2	3	60
		2015-16	5	1	4	80
		2016-17	5	2	3	60
		2017-18	5	3	2	40
		2018-19	5	2	3	60
18	Rasara, Ballia	2014-15	7	3	4	57
		2015-16	7	3	4	57
		2016-17	7	3	4	57
		2017-18	7	2	5	71
		2018-19	7	2	5	71
19	Ibrahimabad, Ballia	2014-15	6	2	4	66
		2015-16	6	2	4	66
		2016-17	6	2	4	66
		2017-18	6	2	4	66
		2018-19	6	2	4	66

(Source: Test-checked GITIs)

Appendix 3.4.4
Scheme objectives pursued by IMCs
(Reference: paragraph no. 3.4.6)

Sl. No.	Scheme Objectives to be pursued by IMCs	Status of Action taken
1.	To manage the affairs of the ITI, according to the terms and conditions set out in a Memorandum of Agreement to be signed among the Central Government, State Government and Industry Partner. The representative of the Industry Partner shall sign this Memorandum of Agreement on behalf of the Society also as its chairman.	Action taken
2	To develop an Institute Development Plan for the ITI.	Action taken
3	To assess emerging skill requirements in the region and suggest changes in the training courses being run in the ITI.	No action taken
4	To obtain short term, medium term and long term requirement of skilled work force and take steps to produce graduates in the ITI accordingly.	No action taken
5	To identify short-term training courses, which can be offered in the ITI, develop infrastructure for the same, organize and run the courses and charge suitable fees for the same.	No action taken
6	To review training needs of instructors and administrative/office staff of the ITI and arrange for their training programme.	No action taken
7	To plan & establish such production/service centres in the ITI which help the trainees develop/learn their skills and also generate funds for the Society to be used in the task of upgradation.	No action taken
8	To adopt innovative measures like providing consultancy/ advisory services to the industry so as to generate revenue which can be utilized for development of training activities in the ITI.	No action taken
9	To appoint contract faculty as per need and as per rules and regulations of the Society.	Partial action taken
10	To assess the requirement of funds for the ITI and make recommendations to the State Government on the funds provided by it to the ITI out of its Annual Budget.	No action taken
11	To make expenditure out of the funds of the Society, including interest free loan received from the Central Government under the Scheme as per the prescribed terms and conditions.	Action taken
12	To set up Placement Cell in the ITI to guide/help the graduates in employment/self-employment.	Partial Action taken
13	To network, interact, establish and maintain working relations with other institutes within and outside Vocational Training System and participate in related activities so as to increase awareness in trainees and trainers in the area of Vocational training.	No action taken
14	To network and interact with local industry chambers, other industry associations, employment exchanges, lead banks, other Government departments and undertake measures, like job fairs, so as to increase the employability of ITI graduates.	No action taken
15	To undertake measures to achieve target Key Performance Indicators set out in the Tripartite Memorandum of Agreement.	Partial Action taken
16	To organize skill competitions in the ITI, take part in other skill competitions including State/National/World Skill competitions.	No action taken
17	To undertake publicity and other measures, like organizing seminars in schools for potential candidates for ITIs, to increase awareness about vocational training and also to create a better image of vocational training courses.	No action taken
18	To promote measures so as to increase the capacity of ITI by organizing second & third shift in the ITI.	No action taken
19	To determine admissions in the ITI to the extent provided in the Memorandum of Agreement.	Partial Action taken

(Source: Test-checked GITIs)

Appendix-3.5
Recoverable amount of penalty
(Reference: Paragraph 3.9)

(₹ in lakh)

Sl. No.	Name of Unit	Number of purchase orders with delay in excess of 60 days	Amount of purchase order	Recoverable amount of penalty
2015-16				
1	CMO Meerut	63	82.18	16.44
2	CMO Mirzapur	80	27.38	5.48
3	CMO Varanasi	49	53.36	10.67
4	CMO Balrampur	263	859.31	171.86
5	CMO Bareilly	78	42.00	8.40
6	CMO Gonda	130	61.44	12.29
7	CMO Bhadohi	NIL	NIL	NIL
8	CMO Kushinagar	24	33.22	6.64
9	CMO Siddharthanagar	NIL	NIL	NIL
10	CMS, District Hospital, Faizabad	50	38.01	7.6
11	CMS, District Joint Hospital, Chakia, Chandauli	48	11.52	2.3
Sub total		785	1208.42	241.68
2016-17				
1	CMO Meerut	49	53.05	7.96
2	CMO Mirzapur	33	31.04	4.65
3	CMO Varanasi	48	49.95	7.49
4	CMO Balrampur	45	44.28	6.64
5	CMO Bareilly	85	54.50	8.17
6	CMO Gonda	56	71.85	10.78
7	CMO Bhadohi	113	106.34	15.95
8	CMO Kushinagar	30	73.33	11
9	CMO Siddharthanagar	71	38.93	5.84
10	CMS, District Hospital, Faizabad	26	19.3	2.9
11	CMS, District Joint Hospital, Chakia, Chandauli	87	23.24	3.49
Sub total		643	565.81	84.87
2017-18				
1	CMO Meerut	149	165.58	24.84
2	CMO Mirzapur	23	39.51	5.93
3	CMO Varanasi	27	16.51	2.48
4	CMO Balrampur	234	203	30.45
5	CMO Bareilly	25	49.42	7.41
6	CMO Gonda	181	341.39	51.21
7	CMO Bhadohi	226	242.46	36.37
8	CMO Kushinagar	12	4.51	0.68
9	CMO Siddharthanagar	29	28.3	4.24
10	CMS, District Hospital, Faizabad	123	89.66	13.45
11	CMS, District Joint Hospital, Chakia, Chandauli	17	2.91	0.44
Sub-total		1046	1183.25	177.5
2018-19				
1	CMO Meerut	36	46.32	6.95
2	CMO Mirzapur	59	38.27	5.74
3	CMO Gonda	159	210.55	31.58
4	CMO Balrampur	61	32.37	4.86
5	CMO Bareilly	Nil	Nil	Nil
6	CMO Bhadohi	205	242.6	36.39
7	CMO Varanasi	8	3.74	0.56
8	CMO Kushinagar	34	43.52	6.53
9	CMO Siddharthanagar	50	32.97	4.95
10	CMS, District Hospital, Faizabad	127	64.41	9.66
11	CMS, District Joint Hospital, Chakia, Chandauli	126	65.23	9.78
Sub-total		865	779.98	117
Grand Total		3,339	3,737.46	621.05

Appendix-3.6
Year-wise detail of liquor shops running in the rural areas and license fee recoverable
(Reference Paragraph 3.11)

District: Agra

Country liquor shops			
Year	No. of shops	License fee per shop	License Fee recoverable
2011-12	115	5,000	5,75,000
2012-13	117	5,000	5,85,000
2013-14	127	5,000	6,35,000
2014-15	136	5,000	6,80,000
2015-16	160	5,000	8,00,000
2016-17	175	5,000	8,75,000
2017-18	177	5,000	8,85,000
Total (A)			50,35,000
Foreign liquor shops			
Year	No. of shops	License fee per shop	License Fee recoverable
2011-12	56	6,000	3,36,000
2012-13	66	6,000	3,96,000
2013-14	80	6,000	4,80,000
2014-15	88	6,000	5,28,000
2015-16	96	6,000	5,76,000
2016-17	106	6,000	6,36,000
2017-18	101	6,000	6,06,000
Total (B)			35,58,000
Total licence fee due (C) = (A+B)			85,93,000
Amount deposited (2018-19) (D)			1,64,000
License fee recoverable (E) = (C-D)			84,29,000

District: Gonda

Country liquor shops			
year	No. of shops	License fee per shop	License Fee recoverable
2011-12	144	1,500	2,16,000
2012-13	152	1,500	2,28,000
⁵ 2013-14 (April 2013 to Sep. 2013)	149	1,500	1,11,750
*2013-14 (Oct. 2013 to March 2014)	149	1,725	1,28,512
2014-15	159	1,725	2,74,275
2015-16	158	1,725	2,72,550
2016-17	158	1,725	2,72,550
2017-18	159	1,725	2,74,275
Total (F)			17,77,912
Foreign liquor shops			
Year	No. of shops	License fee per shop	License Fee recoverable
2011-12	63	1,500	94,500
2012-13	67	1,500	1,00,500
*2013-14 (April 2013 to Sep. 2013)	67	1,500	50,250
*2013-14 (Oct. 2013 to March 2014)	67	1,725	57,787
2014-15	76	1,725	1,31,100
2015-16	74	1,725	1,27,650
2016-17	74	1,725	1,27,650
2017-18	70	1,725	1,20,750
Total (G)			8,10,187
Total licence fee due (H) = (F+G)			25,88,099
Amount deposited (2017-18) (I)			85,200
License fee recoverable (J) = (H-I)			25,02,899
Grand total of license fee recoverable in ZPs Agra and Gonda, (E+J)			₹ 1,09,31,899

[ZP Gonda informed (May 2019) that 48 liquor shops deposited license fee and demand notices were issued to 111 liquor shops for the year 2017-18. Thus, the ZP did not issue demand notice to 70 liquor shops during 2017-18.]

(Source: The number of shops mentioned in the Table is based on information provided by the Excise Department)

⁵ *Rate of licence fee was changed w.e.f. 14.09.2013, hence calculation has been bifurcated into two parts i.e. w.e.f. 01.04.2013 to 30.09.2013 and 01.10.2013 to 31.03.2014 accordingly.

Appendix-3.7

List of common invoices submitted by the Contractor to Construction Division-2, Lucknow and Provincial Division, Etah/Provincial Division, Kasganj for two different road works
(Reference: Paragraph 3.15)

Sl. No.	Invoice No.	Date of invoice	Description of Machine	Cost of machine (in ₹)
1.	9410100819	21.02.15	Wet mix plant	35,21,309.00
2.	1161000719	30.01.15	JCB	18,83,499.85
3.	1161000720	30.01.15	JCB	18,83,499.85
4.	1161000723	30.01.15	JCB	18,83,499.85
5.	1161000722	30.01.15	JCB	18,83,499.85
6.	001430782	30.09.15	Tipper	20,25,000.00
7.	001438758	29.09.15	Tipper	20,25,000.00
8.	001438756	29.09.15	Tipper	20,25,000.00
9.	001438757	29.09.15	Tipper	20,25,000.00
10.	001438803	17.11.15	Tipper	20,25,000.00
11.	001438805	17.11.15	Tipper	20,25,000.00
12.	001438808	17.11.15	Tipper	20,25,000.00
13.	001438786	31.10.15	Tipper	20,25,000.00
14.	001438783	31.10.15	Tipper	20,25,000.00
15.	001438787	31.10.15	Tipper	20,25,000.00
16.	001438784	31.10.15	Tipper	20,25,000.00
17.	001438781	30.09.15	Tipper	20,25,000.00
18.	14151019	30.11.14	Roller	25,31,385.00
19.	9051300213	07.07.14	Motor Grader	1,02,50,000.00
20.	9051300214	07.07.14	Motor Grader	1,02,50,000.00
21.	08/15/41292	31.08.15	Hydraulic excavator	54,56,709.00
22.	9051300366	30.03.15	Motor Grader	1,11,07,756.00
23.	15160180	30.04.15	Roller	26,39,250.00
24.	15160174	29.04.15	Roller	22,37,625.00
Total				7,98,28,033.40
Say				₹ 7.98 crore

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