

NEWS ITEMS ON CAG/ AUDIT REPORTS (29.03.2023)

1. CAG asks defence ministry to carry out a study on disability pensions ([hindustantimes.com](https://www.hindustantimes.com)) 29 March, 2023

The Comptroller and Auditor General (CAG) has asked the Union defence ministry to carry out an analysis of the reasons of disability among soldiers on the back of its finding that almost 40% of officers, and 18% of personnel below officer rank (PBOR) who retire every year are drawing disability pensions.

These details emerged after the national auditor examined disability pensions disbursed to army personnel who were discharged from service between 2015-16 and 2019-20.

“The percentage of personnel retiring with disability to the total retirees ranged between 36% and 40% in case of officers, and between 15% and 18% in case of PBORs,” the CAG said in a report tabled in Parliament on Monday.

A medical downgrade following a disability entitles a soldier to better retirement benefits. On an average, for the same rank, a disability pension can be 20% to 50% more than a normal one, plus the income tax exemption.

The CAG report said that among the army officers who were granted disability pensions, the percentage of those from the medical wing was significantly higher. It also flagged concerns about disability pensions being awarded on account of lifestyle diseases such as diabetes and hypertension.

“Further, 22% and 13% of the disability pensions granted to officers and PBORs, respectively, were exclusively on the grounds of lifestyle diseases. The ministry may ensure that complete database with all relevant information is maintained to carry out an analysis of the main reasons of disability, including lifestyle diseases among the defence forces, for possible corrective action,” the report added.

In December 2014, the military’s senior-most doctor said officers nearing retirement were abusing disability benefits for higher and tax-free pensions, warning about the “alarming trend” of absolutely fit officers exploiting the welfare measure by getting themselves placed in the lower medical category.

“I would like to apprise you of an alarming trend evolving in the services with regard to claims for disability pension being preferred by senior officers of the rank

of lieutenant general and major general, and their equivalent,” Lieutenant General BK Chopra, then director general of Armed Forces Medical Services, said in a letter to the defence secretary.

“These senior officers, who have stayed in Shape-1 medical category throughout their careers, suddenly present (themselves) with diseases...at the fag end of their service,” said the communication dated December 16, 2014.

Officials then said the claims for disability pensions shot up significantly in the years following the implementation of the sixth pay commission report in 2006 that enhanced benefits.

“A detailed scrutiny of records showed that before 2006, hardly any top officers claimed disability pensions. But by 2015, about 21% of them were claiming it. If someone has a disability, they should declare it earlier in service and not a few months before retirement,” Chopra had earlier said.
<https://www.hindustantimes.com/india-news/cag-asks-defence-ministry-to-carry-out-a-study-on-disability-pensions-101680059155733.html>

2. No 'Atmanirbharta' this, few takers for India's rifles, pistols ([theweek.in](https://www.theweek.in)) 29 March, 2023

With the government pursuing a stated policy of 'atmanirbharta' or instilling self reliance, especially in the military sector, one would have expected 'Made in India' small arms like rifles and pistols to be selling like hotcakes. But they aren't.

A recent report by the Comptroller and Auditor General (CAG) that assessed the overall performance of Ordnance Factory Boards (OFBs) that has been placed in Parliament says: "Production of small arms by OFs was meant for meeting the needs of the Armed forces, mainly Army. However, the factories have witnessed either no demand or very less demand from the Armed Forces during 2015-16 to 2019-20 for their principal items of production such as 5.56 mm INSAS Rifle, 5.56 mm LMG, 9 mm auto pistol etc."

From about 100,000 rifles a year, the top customer, the Army's order quantity has come down to zero. "As a result, the factories were mostly dependent on the orders of the MHA (Ministry of Home Affairs). However, the orders of MHA were not found sufficient to utilize the production capacity of the small arms."

In the audit period, MHA, which also buys for the paramilitary forces, bought 28 per cent of the weapons, states and Union Territories picked up 24 per cent and private buyers bought 22 per cent with the Army accounting for only 10 per cent of the buys.

Explaining its position in April 2022, the Army said the mainstay weapon 5.56 mm INSAS Rifle were already in surplus. But, more significantly, the Army said that "there was a shift in the philosophy of small arms in 2015-16 from 5.56 mm caliber to 7.62 mm since 7.62 mm weapon was found to be more lethal as well as suitable for operational tasks."

On the contrary, with the OFBs failing to develop new and modern small arms, "the Army had to resort to importing small weapons like the 7.62X51 mm Assault/Sniper/LMG to meet their operational requirements."

What accentuated matters was non-receipt or late receipt of payments by state police organisations which also led to accumulation of raw material and semi-finished and even finished small weapons.

As on March 31, 2020, the three OFs that make these weapons—the Rifle Factory Ishapore (RFI), Small Arms Factory Kanpur (SAF) and Ordnance Factory Trichy (OFT)—held an inventory of Rs 641 crore or 72 per cent of the total cost of production of the three factories.

What makes the scenario even dismal is the fact that many of the weapons had to be returned for rectification with the percentage ranging between 11- 41 per cent for four types of small weapons. Significantly, during 2015-16 to 2019-20, the Army reported 269 accidents with these four types of small arms.

Post the audit period, the OFB had been dissolved and 41 OFs were converted into seven Defence Public Sector Undertakings (DPSUs) which started functioning from October 1, 2021. Production of small weapons has been mandated with the Kanpur-headquartered Advanced Weapons and Equipment India Limited.
<https://www.theweek.in/news/india/2023/03/29/no-atmanirbharta-this-few-takers-for-indias-rifles-pistols.html>

3. Loophole Allows Indian Army Officers to Claim Disability Pensions; CAG Questions Defence Ministry And Army HQ ([swarajyamag.com](https://www.swarajyamag.com))
29 March, 2023

Comptroller and Auditor General (CAG) has questioned the Ministry of Defence (MoD) and the Army HQ as to how over 35 to 40 per cent of officers are able to take disability pensions compared to 15-18 per cent jawans, after retirement.

Moreover, more than 22 per cent officers and 13 per cent Personnel Below Other Ranks (PBOR) are taking disability pensions for lifestyle diseases like hypertension and diabetes.

In addition, a ‘significantly higher’, 44 to 58 percent of the medical officers retired with disability pensions.

According to a TOI report, a disability pension, on an average, is more than 20 to 50 per cent of the normal pension.

CAG asked the MoD and the Army HQ “to assess the reasons for such a high percentage of officers, especially medical officers being granted ‘the disability element’ on being discharged from service.”

“The ministry may ensure the complete database with all the relevant information is maintained to carry out an analysis of the main reasons for disability, including lifestyle diseases among the defence forces, for possible corrective action,” CAG asked the MoD.

The CAG report was based on the data released in the parliament which stated that about 2,446 officers of the total 6,388 and 48,311 PBORs out of the total 2.98 lakh, took disability pension in the period between 2015-16 to 2019-20.

Additionally, 345 medical officers out of 683 also claimed disability pensions.

The CAG asked the MoD whether it has conducted any analysis of the higher percentage of officers and medical officers taking disability pensions and whether any mitigating measures have been taken to address the issue.

The MoD, according to the report, has not replied to the CAG till January 2023.

The Army HQ, however, has acknowledged that the officers are utilising a loophole in the process. Some top officers, just days before retirement, are able to get disability certificates to get higher pensions.

However, some veteran officers have criticised the CAG for raising the wrong questions.

The veterans according to the report said that officers have a higher chance of getting a disease since “they retire in their mid-50 while soldiers retire in their 30s.” <https://swarajyamag.com/defence/loophole-allows-indian-army-officers-to-claim-disability-pensions-cag-questions-defence-ministry-and-army-hq>

4. India's Artillery Modernisation Plan Stalled Despite Made-In-India Options, CAG Says Only 8 Per Cent Guns Acquired (swarajyamag.com) 29 March, 2023

The Comptroller and Auditor General (CAG) has heavily criticised the Indian Army and the Ministry of Defence (MoD) for only acquiring eight per cent of the total 2,800 guns for the Indian Army artillery regiments, reported The Tribune.

The Indian Army’s ‘Field Artillery Rationalisation Plan’ or FARP was formulated in 1999 to acquire 2,800 155mm artillery guns by 2027.

The 2,800 guns under FARP included the acquisition of 1,580 towed guns, 814 mounted guns, 180 self-propelled wheeled, 100 self-propelled tracked, and 145 ultra-light Howitzer guns.

“The replacement of the existing artillery guns with the state-of-the-art guns has been progressing at a slow pace for over the last two decades,” CAG said to the MoD and the Army HQ, according to The Tribune report.

“Of the six proposals for the acquisition and upgrade of artillery guns, only three turned into contracts, making way for only 17 percent of the guns planned for acquisition”.

CAG highlighted the need for MoD and the Army HQ to make ‘realistic qualitative requirements’ for the guns, to avoid further delays.

In addition, the CAG report also flagged the dropping of the proposal to acquire ‘self-propelled guns’ without identifying a suitable substitute.

The delays in the modernisation programme are even more concerning given that India has domestically developed state-of-the-art design and production facilities for artillery guns.

The Defence Research and Development Organisation (DRDO) had developed the Advanced Towed Artillery Guns System (ATAGS), which was ready for production for some time.

However, the production factories remained idle due to the lack of orders. Only early this month (16 March), the Ministry of Defence (MoD) approved the proposal to buy 307 ATAGS artillery guns.

Moreover, the CAG report said that despite undergoing various stages of trials and procurement, two proposals comprising 77 per cent of the total 2,800 guns had not been signed as of March 2022. <https://swarajyamag.com/defence/indias-artillery-modernisation-plan-stalled-despite-made-in-india-options-cag-says-only-8-per-cent-guns-acquired>

5. CAG raps Army for slow modernisation (financialexpress.com) 28 March, 2023

In a scathing report, the Comptroller and Auditor General (CAG) has criticized the slow progress of the Indian Army’s artillery gun modernisation programme. As of March 2022, the CAG noted that only 8 percent of the initially envisaged guns had been delivered to the Army.

The Army’s artillery modernisation plan was formulated in 1999, with the Field Artillery Rationalisation Plan aiming to acquire 2,800 guns by 2027. However, the CAG report highlights that progress has been sluggish, with the replacement of existing guns with state-of-the-art models taking over two decades.

Of the six proposals for acquisition and upgrade of artillery guns, only three turned into contracts, leading to just 17 percent of the proposed acquisitions. The procurement process has been hampered by delays at various stages.

The report emphasizes the need for the Ministry of Defence (MoD) and Army Headquarters to ensure that qualitative requirements are realistic, given the

significant delays. The Army's current artillery guns consist of a range of systems inducted since 1965, with the acquisition of self-propelled guns dropped from the modernisation plan without identifying a suitable substitute.

Despite undergoing various stages of procurement, two major proposals for the procurement of towed guns and a number of mounted gun systems, accounting for 77 percent of the proposed acquisitions, could not fructify till March 2022, further underscoring the need for swift action.

Financial Express Online has reported last year that in 2019 the Indian Army had inked a deal to buy 114 Dhanush 155mm/45 calibre towed howitzers and these guns have a strike range of 38kms and 18 guns have already been inducted in the service. And another regiment of the same gun is expected to be inducted in the army soon, sources in the defence and security establishment had said.

K-9 Vajra

Army has also deployed the K9-Vajra self-propelled howitzer which weighs around 50 tonnes in eastern Ladakh and at a high altitude this gun helps the Army further strengthen its position against the enemy.

DAC has already given approval for procurement of additional 100 K9 Vajra. <https://www.financialexpress.com/business/defence-cag-raps-army-for-slow-modernisation-3025065/>

6. 40% Army officers retire with disability pension (timesofindia.indiatimes.com) 29 March, 2023

As many as 36%-40% of officers who retire every year get disability pension, which is much higher than the normal one, while only 15%-18% of the jawans get it. Moreover, the percentage of medical officers (mainly doctors) retiring with disability pension is “significantly higher” at 44-58% as compared to other officers in the 12- lakh strong Army.

Citing these statistics in its latest report tabled in Parliament, the has asked the defence ministry and the Army HQ “to assess the reasons” for such a high percentage of officers, especially medical officers, being granted “the disability element” on being discharged from service.

“Further, 22% and 13% of the disability pension cases granted to the officers and PBORs (personnel below officer rank), respectively, were exclusively on the

ground of lifestyle diseases (primary hypertension and Type-2 diabetes),” the CAG said.

“The ministry may ensure the complete database with all the relevant information is maintained to carry out an analysis of the main reasons of disability, including lifestyle diseases among the defence forces, for possible corrective action,” it added.

After examining the records from 2015-16 to 2019-20, the audit watchdog said 2,446 officers (53 invalidated out, 2,393 discharged on retirement) of the 6,388 total retirees in the timeframe were granted disability pension. For PBORs, the corresponding number stood at 48,311 (18,412 of them were invalidated out) out of the total 2.98 lakh. Similarly, the number of medical officers retiring with disability was 345 out of 683.

The CAG had sought a reply from the MoD whether it had carried out any study or “root cause analysis” regarding the higher percentage of officers and medical officers being granted “the disability element” and whether any measures had been taken to address the issues. “The response was awaited as of January 2023,” it said.

Many soldiers do suffer injuries, undergo tremendous stress and strain while serving in high-altitude areas and relentless counter-insurgency operations among other deployments in far-flung areas away from their families.

But the Army headquarters in 2019 had also acknowledged the disability pension provision was being misused by some, with a few top officers even getting disability certificates just days before their retirement to get higher pensions.

“On average, the disability pension is 20% to 50% higher than a normal one. A proper analysis and corrective action should be done to prevent the misuse of the system by some personnel. Most cases are genuine and should not be penalized,” a senior officer said.

The 7th Central Pay Commission, incidentally, had also questioned the jump in disability pension cases, especially in senior ranks, after the previous pay panel had substantially hiked the pay-out for them.

Some veterans, however, slammed the CAG report for raising the wrong questions. “Officers retire in their mid-50s, while soldiers in their 30s. Consequently, officers are more prone to aggravated medical problems and lifestyle diseases due to the

high stress and strain as well as hard postings in service life,” a retired officer said.
<https://timesofindia.indiatimes.com/india/40-army-officers-retire-with-disability-pension/articleshow/99074281.cms>

7. सेना के 40% अधिकारी ज्यादा पेंशन के साथ रिटायर क्यों होते हैं? CAG रिपोर्ट में सवाल (navbharattimes.indiatimes.com) 29 March, 2023

सेना में हर साल रिटायर होने वाले 36% -40% अधिकारियों को विकलांगता पेंशन मिलती है। यह पेंशन सामान्य से बहुत अधिक है। सेना में जवानों को सिर्फ 15% -18% जवानों को ही मिलती है। इसके अलावा, 12 लाख की संख्या वाली सेना में अन्य अधिकारियों की तुलना में विकलांगता पेंशन के साथ रिटायर्ड होने वाले मेडिकल ऑफिसर्स (मुख्य रूप से डॉक्टर) का प्रतिशत 44-58% 'काफी अधिक' है। सीएजी ने संसद में पेश की गई अपनी इस रिपोर्ट में आंकड़ों के आधार पर सवाल उठाया है।

रक्षा मंत्रालय से पूछा सवाल

सीएजी ने रक्षा मंत्रालय (MoD) और सेना मुख्यालय से अधिकारियों के इतनी अधिक संख्या में, विशेष रूप से मेडिकल अधिकारियों को, रिटायर होने पर 'विकलांग होने' के 'कारणों का पता लगाने' के लिए कहा है। सीएजी ने अपनी रिपोर्ट में आगे कहा है कि 22% और 13% विकलांगता पेंशन अधिकारियों और पीबीओआर (अधिकारी रैंक से नीचे के कर्मियों) को दिए गए। इनमें विशेष रूप से लाइफस्टाइल से जुड़ी बीमारियों (प्राथमिक उच्च रक्तचाप और टाइप - 2 मधुमेह) के आधार पर थे।

विकलांगता के कारणों का पता लगाएं

इसमें आगे कहा गया कि मंत्रालय यह सुनिश्चित कर सकता है कि संभावित सुधारात्मक कार्रवाई के लिए रक्षा बलों के बीच लाइफस्टाइल की बीमारियों सहित विकलांगता के मुख्य कारणों का विश्लेषण करने के लिए सभी प्रासंगिक सूचनाओं के साथ पूरा डेटाबेस बनाए रखा जाए। साल 2015-16 से 2019-20 तक के रिकॉर्ड की जांच बाद सीएजी कुल 6,388 रिटायर हुए लोगों में से 2,446 अधिकारियों को विकलांगता पेंशन दी गई। अधिकारी रैंक से नीचे के कर्मियों में कुल 2.98 लाख रिटायर हुए लोगों में से 48,311 को विकलांगता पेंशन दी गई। इसी प्रकार 683 मेडिकल अधिकारियों में से 345 विकलांगता पेंशन के साथ रिटायर हुए।

मामले को हल करने के लिए क्या उपाय किए

CAG ने रक्षा मंत्रालय से जवाब मांगा था कि क्या उसने अधिकारियों और मेडिकल अधिकारियों को विकलांगता पेंशन दिए जाने के अधिक प्रतिशत के संबंध में कोई स्टडी या "मूल कारण विश्लेषण" किया था। साथ ही क्या इस मामले को हल करने के लिए कोई उपाय किए गए

थे। इसके जवाब का जनवरी 2023 तक इंतजार किया गया। रिपोर्ट में कहा गया कि कई सैनिकों को चोट लगती है, अत्यधिक ऊंचाई वाले क्षेत्रों में सेवा करते समय जबरदस्त तनाव और तनाव से गुजरना पड़ता है। वे लोग अपने परिवारों से दूर अन्य क्षेत्रों में अन्य तैनाती के बीच लगातार उग्रवाद विरोधी अभियान चलाते हैं।

सेना ने स्वीकार की थी दुरुपयोग की बात

साल 2019 में सेना मुख्यालय ने भी स्वीकार किया था कि विकलांगता पेंशन प्रावधान का कुछ लोगों द्वारा दुरुपयोग किया जा रहा था। यहां तक कि कुछ टॉप ऑफिसर्स भी अधिक पेंशन पाने के लिए अपने रिटायरमेंट से कुछ दिन पहले विकलांगता प्रमाण पत्र हासिल किया था। एक वरिष्ठ अधिकारी ने कहा कि औसतन, विकलांगता पेंशन 20% से 50% है जो सामान्य से अधिक है। कुछ कर्मियों द्वारा सिस्टम के दुरुपयोग को रोकने के लिए उचित विश्लेषण और सुधारात्मक कार्रवाई की जानी चाहिए। ज्यादातर मामले वास्तविक होते हैं और उन्हें दंडित नहीं किया जाना चाहिए।

7वें वेतन आयोग ने भी उठाया था सवाल

संयोग से 7वें केंद्रीय वेतन आयोग ने विकलांगता पेंशन मामलों में उद्घाल पर भी सवाल उठाया था। खासकर सीनियर रैंक में। पे कमिशन की सिफारिशें लागू होने के बाद विकलांगता पेंशन में भी बढ़ोतरी हुई है। एक रिटायर्ड अधिकारी ने कहा कि ऑफिसर्स अपने 50 के दशक के मध्य में रिटायर्ड होते हैं, जबकि सैनिक अपने 30 के दशक में। नतीजतन, अधिकारियों को हाइपरटेंशन और स्ट्रेस के साथ-साथ सर्विस पीरियड में कठिन पोस्टिंग के कारण गंभीर मेडिकल समस्याओं और लाइफस्टाइल की बीमारियों का खतरा होता है।

<https://navbharattimes.indiatimes.com/india/indian-army-40-per-cent-officers-retire-with-disability-pension-more-than-jawan-cag-ask-question-in-report/articleshow/99078990.cms>

8. सेना में डिजेबिलिटी पेंशन के साथ रिटायर होने वाले अधिकारियों का औसत जवानों से बहुत ज्यादा, कैग ने उठाए सवाल (navbharattimes.indiatimes.com) 29 March, 2023

सेना के जितने अफसर हर साल रिटायर होते हैं, उनमें 30 से 40 प्रतिशत विकलांगता पेंशन (Disability Pension) उठाते हैं। लेकिन जवानों के मामले में यह आंकड़ा 15 से 18 प्रतिशत तक सीमित है। इतना ही नहीं, रिटायरमेंट के बाद डिजेबिलिटी पेंशन लेने वाले अफसरों में भी 44 से 58 प्रतिशत हिस्सेदारी अकेले मेडिकल अफसरों (मुख्य रूप से डॉक्टरों) की है। कंट्रोलर एंड ऑडिटर जनरल (CAG) ने अपनी ताजा रिपोर्ट में ये आंकड़े दिखाते हुए रक्षा मंत्रालय और

थल सेना मुख्यालय (Army HQ) से इसकी वजह का पता लगाने को कहा है। कैग की रिपोर्ट संसद में पेश की गई है।

कैग ने रक्षा मंत्रालय, आर्मी हेडक्वार्टर को किया सचेत

कैग ने डिफेंस मिनिस्ट्री और आर्मी हेडक्वार्टर से इस बात का पता लगाने को कहा है कि आखिर रिटायरमेंट के बाद डिजेबिलिटी पेंशन लेने वाले अफसरों और खासकर मेडिकल अफसरों की इतनी बड़ी तादाद होने के पीछे क्या कारण हैं? रिपोर्ट कहती है, 'रिटायरमेंट के बाद डिजेबिलिटी पेंशन लेनेवाले 22 प्रतिशत अफसरों और अधिकारियों की श्रेणी से नीचे वाले 13 प्रतिशत कर्मियों को तो जीवनशैली से जुड़ी समस्याओं (Lifestyle Diseases) मसलन हाइपरटेंशन, टाइप-2 डायबिटीज आदि के आधार पर फायदा दिया जा रहा है।' कैग ने कहा, 'मंत्रालय डिफेंस फोर्स में लाइफस्टाइल से संबंधित बीमारियों सहित डिजेबिलिटी के प्रमुख कारणों का सही विश्लेषण करने के लिए सभी जरूरी सूचनाओं का एक कंप्लीट डेटाबेस तैयार करे ताकि जरूरत पड़ने पर संभावित सुधार के कदम उठाए जा सकें।'

आंकड़े दिखाकर कैग ने दिया जांच का आदेश

कैग ने 2015-16 से 2019-20 के रिकॉर्ड्स खंगालने के बाद कहा कि रिटायर हुए कुल 6,388 अफसरों में 2,446 अफसरों को डिजेबिलिटी पेंशन का हकदार माना गया। इस दौरान ऑफिसर रैंक से निचले दर्जे के (PBORs) कुल 2.98 लाख कर्मी रिटायर हुए। इनमें 48,311 कर्मियों की ही डिजेबिलिटी पेंशन स्वीकृत हुई। उधर, 683 रिटायर्ड मेडिकल अफसरों में 345 के लिए यह पेंशन पास हो गई। कैग ने इस आधार पर रक्षा मंत्रालय से पूछा है कि क्या उसने कभी यह जानने की कोशिश की है कि आखिर इतनी भारी संख्या में रिटायर अफसरों के अपाहिज होने के दावे कैसे स्वीकार किए जा रहे हैं और क्या उसने इस मुद्दे के सामाधान का कोई रास्ता निकाला है।

डिजेबिलिटी सर्टिफिकेट में हो रही गड़बड़ी?

कई सैनिक काफी ऊंचाई पर झूटी के दौरान जखमी होते हैं और उन्हें बेहद तनाव गुजरना पड़ता है। यह भी सच है कि उग्रवादियों के खिलाफ अभियानों का लगातार हिस्सा बनने वाले और जिनकी परिवार से दूर किसी दूर-दराज के इलाकों में झूटी लगती है, उन्हें तरह-तरह की शारीरिक और मानसिक समस्याओं का सामना करना पड़ता है। लेकिन आर्मी हेडक्वार्टर ने वर्ष 2019 में माना था कि कुछ लोग डिजेबिलिटी पेंशन के प्रावधानों का दुरुपयोग कर रहे हैं। कुछ टॉप ऑफिसर तो ज्यादा पेंशन पाने के लिए रिटायरमेंट के कुछ दिनों बाद ही डिजेबिलिटी सर्टिफिकेट बनवा लेते हैं। एक सीनियर ऑफिसर ने कहा, 'डिजेबिलिटी सर्टिफिकेट पर औसतन 20 से 50 प्रतिशत ज्यादा पेंशन मिलती है। कुछ लोगों द्वारा डिजेबिलिटी पेंशन के सिस्टम का दुरुपयोग होने से रोकने के लिए उचित आकलन और सही समाधान निकालना होगा।'

7वें वेतन आयोग ने भी उठाया था सवाल

हालांकि, ज्यादातर डिजेबिलिटी सर्टिफिकेट्स सही होते हैं, इसलिए उनपर कोई आंच नहीं आनी चाहिए।' ध्यान रहे कि 7वें वेतन आयोग ने भी डिजेबिलिटी पेंशन की दावेदारी में बड़ी उछाल पर सवाल खड़ा किया था, खासकर सीनियर रैंक्स में। लेकिन कुछ रिटायर्ड आर्मी अफसर कैग रिपोर्ट की आलोचना की है। उनका कहना है कि कैग बेकार में उंगली उठा रहा है। एक रिटायर्ड अफसर ने कहा, 'ऑफिसर अपने उम्र के पांचवें दशक में रिटायर करते हैं जबकि सैनिक तीसरे दशक में। साफ है कि जवानों के मुकाबले ज्यादा उम्र होने की वजह से अफसर अधिक समस्याओं के भी शिकार होंगे। जवानों के मुकाबले ज्यादा समय तक ड्यूटी में रहने के कारण भी उनके चोटिल होने, तनाव से गुजरने की आशंका बढ़ जाती है।' देश की थल सेना (Indian Army) में कुल 12 लाख जवान और अफसर हैं। <https://navbharattimes.indiatimes.com/india/very-high-percentage-of-retired-army-officers-getting-disability-pension-question-raised-in-cag-report/articleshow/99087232.cms>

9. CAG: मंजूरी के बगैर 3.3 लाख मालगाड़ी डिब्बे चलाने पर उठे सवाल, कैग ने कही यह बड़ी बात (amarujala.com) 28 March, 2023

नियंत्रक एवं महालेखा परीक्षक (CAG) ने देश में तटस्थ नियंत्रण कार्यालय (एनसीओ) की मंजूरी के बिना मरम्मत किए गए 3.30 लाख से अधिक मालगाड़ियों के डिब्बों को परिचालन में रखे जाने को लेकर चिंता जताई है। कैग का कहना है कि यह सुरक्षा के साथ समझौता है। कार्यशालाओं और यार्ड में तटस्थ नियंत्रण कार्यालय का काम मरम्मत वाले या समय-समय पर दुरुस्त होने के लिए आए मालगाड़ियों के डिब्बों को परिचालन के लिए भेजने से पहले उसकी स्वतंत्र रूप से जांच करना है।

एनसीओ की मंजूरी महत्वपूर्ण है। कार्यशालाओं में मरम्मत किए गए मालगाड़ियों के डिब्बे (वैगन) की जांच तटस्थ ट्रेन परीक्षक (एनटीएक्सआर) करते हैं। जिस वैगन को फिट होने का प्रमाण मिलता है, उन्हें ही सेवा में शामिल किया जा सकता है। जिन डिब्बों में खामियां पाई जाती हैं, परीक्षक उस पर ध्यान देने के लिए उसे अपने नियंत्रण में रखते हैं।

कैग ने अपनी रिपोर्ट में कहा है कि कार्यशालाओं और टर्मिनल में मरम्मत के बाद बिना एनसीओ मंजूरी के 3.30 लाख वैगन को मंजूरी दी गई। यह सुरक्षा के साथ समझौता है। इसने यह भी कहा कि माल परिचालन सूचना प्रणाली (एफओआईएस) 2016-17 से 2020-21 के आंकड़ों के विश्लेषण से पता चला है कि रुकने का समय कुल यात्रा समय के आधे के करीब था और इसलिए औसत गति भी आधे के करीब थी। <https://www.amarujala.com/business/business->

10. कैग ने मंजूरी के बगैर 3.3 लाख मालगाड़ी डिब्बे चलाने पर उठाये सवाल
(hindi.theprint.in) 28 March, 2023

नियंत्रक एवं महालेखा परीक्षक ने देश में तटस्थ नियंत्रण कार्यालय (एनसीओ) की मंजूरी के बिना मरम्मत किये गये 3.30 लाख से अधिक मालगाड़ियों के डिब्बों को परिचालन में रखे जाने को लेकर चिंता जताई है। कैग का कहना है कि यह सुरक्षा के साथ समझौता है।

कार्यशालाओं/यार्ड में तटस्थ नियंत्रण कार्यालय का काम मरम्मत वाले या समय-समय पर दुरुस्त होने के लिये आये मालगाड़ियों के डिब्बों को परिचालन के लिये भेजने से पहले उसकी स्वतंत्र रूप से जांच करना है।

एनसीओ की मंजूरी महत्वपूर्ण है। कार्यशालाओं में मरम्मत किये गये मालगाड़ियों के डिब्बे (वैगन) की जांच तटस्थ ट्रेन परीक्षक (एनटीएक्सआर) करते हैं। जिस वैगन को 'फिट' होने का प्रमाण मिलता है, उन्हें ही सेवा में शामिल किया जा सकता है। जिन डिब्बों में खामियां पाई जाती हैं, परीक्षक उस पर ध्यान देने के लिये उसे अपने नियंत्रण में रखते हैं।

कैग ने अपनी रिपोर्ट में कहा है, “कार्यशालाओं/टर्मिनल में मरम्मत के बाद बिना एनसीओ मंजूरी के 3.30 लाख वैगन को मंजूरी दी गयी। यह सुरक्षा के साथ समझौता है।”

इसने यह भी कहा कि माल परिचालन सूचना प्रणाली (एफओआईएस) 2016-17 से 2020-21 के आंकड़ों के विश्लेषण से पता चला है कि रुकने का समय कुल यात्रा समय के आधे के करीब था और इसलिए औसत गति भी आधे के करीब थी।

रिपोर्ट में यह भी कहा गया है कि रेलवे जोन ने वैगन आवश्यकता के आकलन में भाग नहीं लिया या रेलवे बोर्ड को उनके अधिग्रहण के लिये प्रस्ताव या कारण नहीं भेजे। यह नियमों का उल्लंघन है।

इसमें कहा गया है, “रेलवे के विभिन्न जोन से कोई सूचना नहीं मिलने से रेलवे बोर्ड वैगन की जरूरतों को लेकर बदलाव करता रहा...”
<https://hindi.theprint.in/india/economy/cag-raised-questions-on-running-3-3-lakh-goods-train-coaches-without-approval-2/505964/>

11. Goods trains compromising with railway safety: CAG report
([thestatesman.com](https://www.thestatesman.com)) 28 March, 2023

The Comptroller and Auditor General of India (CAG) has accused the Railways of compromising on safety while running goods trains. Zonal Railways did not take an approval before running the broken-down wagons (coaches) which amounts to playing with rail security.

In its report tabled in Parliament on Tuesday, the CAG said that more than 3.30 lakh wagons were passed without approval after repairs in workshops and terminal yards compromising with rail safety. According to railway data from 2016-17 to 2020-21, the average speed of goods trains has halved due to excessive unnecessary stoppages at loading-unloading points.

At present, the average speed of goods trains is 25-30 km per hour which was reduced to 13 to 15 kilometers per hour. Due to this, the goods trains reach their destination late. The Railways had to bear loss of revenue on account the delay.

The CAG has questioned the procurement and utilization of wagons in the Indian Railways due to a lack of coordination between the Railway Board and Zonal Railways. The CAG in its report noted that Zonal Railways did not participate in estimating the requirement of wagons.

Proposals for the acquisition of wagons were not sent to the Railway Board. In the absence of proposal input from Zonal Railways, the Board kept on changing the requirement of wagons. Due to this, there was a huge gap between the supply and demand for the allocation of wagons. And there was also a delay in the supply of wagons. Many wagon makers canceled the contracts. This has adversely affected the revenue target of the Railways.

<https://www.thestatesman.com/india/goods-trains-compromising-with-railway-safety-cag-report-1503167156.html>

12. CAG raises safety concerns over 3.3 L wagons being operated without NCO nod ([dailypioneer.com](https://www.dailypioneer.com)) 29 March, 2023

More than 3.30 lakh repaired wagons were operated without NCO approval and this has compromised safety, according to a new report by the Comptroller and Auditor General of India.

Neutral Control Office in workshops/yards are meant for independent examination of repaired wagons or those that go undergo periodic overhauls before their actual handing over to open line for operations.

An NCO approval is vital as wagons repaired in workshops are subjected for a check by the Neutral Train Examiner (NTXR). Only those certified fit can be inducted into service. Those found defective by NTRX are detained for further attention.

"More than 3.30 lakh wagons constituting 41 per cent of total were passed locally (without NCO approval) after being repaired at workshops/terminal yards, compromising safety," the CAG report said.

It also said that an analysis of the FOIS (Freight Operations Information System) data for 2016-17 to 2020-21 revealed that the halt time was close to half of the total travel time and hence the average speed was also close to half of the average speed without halt time.

The report also said that in violation of the codal provisions, Zonal Railways did not participate in the assessment of wagon requirement or send proposals or justification for their acquisition to the Railway Board.

"In absence of any input from the zones, RB kept on changing requirement of wagons. Available wagon holding was more than the wagon requirement, as assessed in audit on the basis of wagon utilisation norm (NTKM), throughout the review period.

"Supply of wagons by wagon manufacturers was not commensurate with allotment of wagons made by the Railway Board and there were huge delays in supply.

Rakes were cancelled by parties due to non-supply by the Railway administration resulting in loss of potential earnings," it said.

The report also highlighted that there were instances of detention of rakes in the selected loading and unloading points/terminal yards which resulted in loss of wagon days and their earning capacity.
<https://www.dailypioneer.com/2023/business/cag-raises-safety-concerns-over-3-3-l-wagons-being-operated-without-nco-nod.html>

13. CAG raises safety concerns over 3.3 lakh wagons being operated without NCO approval (economictimes.indiatimes.com) 29 March, 2023

More than 3.30 lakh repaired wagons were operated without NCO approval and this has compromised safety, according to a new report by the Comptroller and Auditor General of India. Neutral Control Office in workshops/yards are meant for independent examination of repaired wagons or those that go undergo periodic overhauls before their actual handing over to open line for operations.

An NCO approval is vital as wagons repaired in workshops are subjected for a check by the Neutral Train Examiner (NTXR). Only those certified fit can be inducted into service. Those found defective by NTXR are detained for further attention.

"More than 3.30 lakh wagons constituting 41 per cent of total were passed locally (without NCO approval) after being repaired at workshops/terminal yards, compromising safety," the CAG report said.

It also said that an analysis of the FOIS (Freight Operations Information System) data for 2016-17 to 2020-21 revealed that the halt time was close to half of the total travel time and hence the average speed was also close to half of the average speed without halt time.

The report also said that in violation of the codal provisions, Zonal Railways did not participate in the assessment of wagon requirement or send proposals or justification for their acquisition to the Railway Board.

"In absence of any input from the zones, RB kept on changing requirement of wagons. Available wagon holding was more than the wagon requirement, as assessed in audit on the basis of wagon utilisation norm (NTKM), throughout the review period.

"Supply of wagons by wagon manufacturers was not commensurate with allotment of wagons made by the Railway Board and there were huge delays in supply. Rakes were cancelled by parties due to non-supply by the Railway administration resulting in loss of potential earnings," it said.

The report also highlighted that there were instances of detention of rakes in the selected loading and unloading points/terminal yards which resulted in loss of wagon days and their earning capacity.

"In around 69 per cent wagons abnormal delay was noted in connecting the unconnected wagons resulting in loss of earning capacity of wagons for the time taken for connecting those wagons. Moreover, assistance of FOIS was not taken in all zones for connecting those unconnected wagons," it said.

The CAG also raised concerns over six tenders finalized by the Railway Board during the period from 2016-17 to 2020- 21, in which cost of wheels and axles consumed and destroyed in testing was included in the total supplies made to the Railways instead of supplying free of charge by the manufactures.

"This was in contravention to the provisions of the standard specifications of RDSO and led to loss to the tune of Rs 5.88 crore. In another case, placing orders for a specification of the axle other than requirement of the end user resulted in procurement of additional 3,400 units of axles resulting into avoidable expenditure of Rs 18.01 crore," it said.

<https://infra.economictimes.indiatimes.com/news/railways/cag-raises-safety-concerns-over-3-3-lakh-wagons-being-operated-without-nco-approval/99075329>

14. Ensure adequate competition and minimise vendor lock-in, says CAG report ([business-standard.com](https://www.business-standard.com)) 28 March, 2023

A total of 12 prospective bidders purchased the RFP, but only one bidder participated in the bidding process for the selection of implementation agency for the development and maintenance of CBICs indirect tax application (GST and ACES) and provision of training and helpdesk Services, according to a CAG audit report.

The CAG report said that in future, the department should ensure adequate competition and minimise vendor lock-in by ensuring that more bidders participate in the bidding for tendering for the next contract.

"This may be done by devising appropriate procedures to ensure a more level-playing field between the prospective bidders and the existing system integrator (SI). Also, this tender may be initiated well in time so that in the event of receipt of

only one bid, the department has sufficient time to retender, if felt necessary," said the audit report.

The report of the Comptroller and Auditor General of India on 'IT Audit of CBIC ACES-GST Application' on Goods and Services Tax, Central Excise and Service Tax was presented in the Parliament on Tuesday.

The report said that instances of deemed approval of registrations without mandatory physical verification (PV) of business premises where taxpayers did not authenticate their Aadhaar were observed in the audit.

The department should conduct post-physical verification of the premises for the cases where Aadhaar has not been authenticated. The CBIC ACES-GST system should have provision to not allow grant of registration without mandatory physical verification of taxpayers with unverified Aadhaar status.

The department should make provision for generating exception reports for cases where Aadhaar verification and mandatory physical verification status of a taxpayer is flagged as 'N' for monitoring and taking appropriate action, the report said.

The CAG report noted that registrations were approved even in cases where the PV reports sought rejections of the registration applications. The department should develop an alert by which the CPC officer can identify the adverse/negative remarks. It should also consider developing an MIS report of such cases, it said.

As per the CAG report, suspension functionality in cases of application for cancellation of registration or suo-moto cancellation by the tax officer was not implemented. The department should ensure that the suspension functionality is implemented in the CBIC ACES-GST application in line with the CGST rules, it said. https://www.business-standard.com/india-news/ensure-adequate-competition-and-minimise-vendor-lock-in-says-cag-report-123032800851_1.html

15. CAG: Rs 11 lakh crore I-T arrears till '17-18, 98% of them 'difficult to recover' (timesofindia.indiatimes.com) 29 March, 2023

NEW DELHI: The income tax department has Rs 11.1 lakh crore in tax arrears till 2017-18, 98% of which the department has termed difficult to recover. A lot of this has been due to the failure of the department to back up with attachment of

properties of the accused, the Comptroller and Auditor General has observed in a report tabled in Parliament on Tuesday.

The CAG audit of direct taxes revealed that the time gap from the date of income tax searches to the date of its initial order of attachment of properties ranged between 208 days and 1,220 days in the absence of a prescribed time limit for issuing order of provisional attachment.

"Provisional attachment of properties, prior to the completion of assessment, is a critical tool with the income tax department to facilitate recovery of tax demands from those assesseees who attempt to evade tax and to prevent accumulation of arrears," the CAG has said. It noted that such lax practices have an inherent risk of the assessee alienating properties.

There has been a steady increase (Rs 5,75,340 crore in 2013-14 to Rs 11,14,182 crore in 2017-18) in the accumulation of arrears of tax demand, and the percentage of tax termed 'difficult to recover' (categorised by the department) over total arrears continued to be abnormally high ranging from 96% in 2013-14 to more than 98% in 2017-18, the auditor said.

The CAG has recommended to the to formulate a comprehensive SOP to be followed in case of attachment of properties so that the provisions in the I-T Act are not arbitrarily used by assessing officers.

"Audit also noticed deficiencies in respect of the list of assets provided in the appraisal report, which resulted in incorrect attachment of properties. The process of identification of assets was found to be deficient, thereby reducing its effectiveness," the CAG said.

The report found that the validity period of several orders under Section 281B (attachment of properties) lapsed either before the tax demands raised were fully recovered or even before completion of assessments, which was in violation of the prescribed provisions. The audit could not ascertain whether the concerned assessee had disposed of the attached property in the intervening period when there was no provisional attachment, it said.

It also said that assessing officers did not comply with the CBDT's instructions of ascertaining details of all assets in the possession of assesseees that could be considered for provisional attachment.

<https://timesofindia.indiatimes.com/india/cag-rs-11-lakh-crore-i-t-arrears-till-17-18-98-of-them-difficult-to-recover/articleshow/99074143.cms?from=mdr>

16. No prescribed format for issuing provisional attachment orders: CAG report (greaterkashmir.com) 29 March, 2023

A CAG audit on 'Attachment of property of an assessee by ITD under Section 281B' observed that there is no prescribed format for issuing provisional attachment orders resulting in missing essential information such as estimated tax liability, validity period and not providing assessee with the option of furnishing bank guarantee in lieu of the attached property etc. from the provisional attachment orders which are not in conformity with the provisions or rules.

The audit report observed that the assessing officer (AOs) is not adequately establishing and documenting the basis and grounds for invoking these provisions and in the absence of documentation, audit could not draw assurance whether the applicability of the provisions is justified in those cases.

A notification of provisional attachment orders to registering authorities was found to be inadequate, which eventually defeated the purpose of such notification in a few cases.

The report also noted that as per available records, the AOs did not comply with the Board's instructions of ascertaining details of all assets in the possession of assessee that could be considered for provisional attachment. In the majority of the cases for which records were made available, the list of assets prepared by the investigation wing as reflected in the appraisal report was not shared with audit. Therefore, audit could not verify the role of the investigation wing in supplementing the efforts of the AO in selection of appropriate property for provisional attachment.

CAG's subject specific compliance audit on 'Attachment of property of an assessee by ITD under Section 281B' on direct taxes was presented in the Parliament on Tuesday.

As per the report, the audit also noticed deficiencies in respect of list of assets provided in the appraisal report, which resulted in incorrect attachment of a property. The process of identification of assets was found to be deficient, thereby reducing the effectiveness of the provisional attachment.

The audit observed that the time gap from the date of search to the date of initial order under Section 281B ranged between 208 days and 1,220 days. Absence of a prescribed time limit for issuing order of provisional attachment has an inherent risk of the assessee alienating property(ies), which are being considered for attachment, in the intervening period in case of abnormal delay in issuance of orders under Section 281B, it said.

The audit also noticed certain cases wherein the assessee was able to dispose of the attached property inspite of notification of the order under Section 281B to the concerned registering authority.

The CAG audit recommended that the CBDT may prescribe a format for the order under Section 281B to include all the elements of essential information required for provisional attachment to ensure consistency and legal sustainability.

The CBDT may frame specific criteria for opinion formation, perhaps with illustrative examples, and clarify 'exceptional circumstances' to facilitate the AOs in initiating provisional attachment proceedings in an effective, transparent and legally sustainable manner, it recommended.
<https://www.greaterkashmir.com/national-2/no-prescribed-format-for-issuing-provisional-attachment-orders-cag-report>

17. अनंतिम कुर्की आदेश जारी करने के लिए कोई निर्धारित प्रारूप नहीं: कैग रिपोर्ट
(bhaskarhindi.com, newsnationtv.com) 29 March, 2023

धारा 281बी के तहत आईटीडी द्वारा निर्धारिती की संपत्ति की कुर्की पर कैग ऑडिट में पाया गया कि अनंतिम कुर्की आदेश जारी करने के लिए कोई निर्धारित प्रारूप नहीं है, जिसके परिणामस्वरूप अनुमानित कर देनदारी, वैधता अवधि जैसी आवश्यक जानकारी गायब है और अनंतिम कुर्की आदेशों से संलग्न संपत्ति आदि के बदले में निर्धारिती को बैंक गारंटी प्रस्तुत करने का विकल्प प्रदान नहीं करना जो प्रावधानों या नियमों के अनुरूप नहीं हैं।

लेखापरीक्षा रिपोर्ट में पाया गया कि निर्धारण अधिकारी (एओ) इन प्रावधानों को लागू करने के लिए आधार/आधारों को पर्याप्त रूप से स्थापित और प्रलेखित नहीं कर रहा है और दस्तावेजीकरण के अभाव में, लेखापरीक्षा यह आश्वासन नहीं दे सका कि उन मामलों में प्रावधानों की प्रयोज्यता उचित है या नहीं।

पंजीकरण प्राधिकारियों को अनंतिम कुर्की आदेशों की एक अधिसूचना अपर्याप्त पाई गई, जिसने अंततः कुछ मामलों में ऐसी अधिसूचना के उद्देश्य को विफल कर दिया। रिपोर्ट में यह भी कहा

गया है कि उपलब्ध रिकॉर्ड के अनुसार, एओ ने निर्धारितियों के कब्जे में सभी संपत्तियों के विवरण का पता लगाने के बोर्ड के निर्देशों का पालन नहीं किया, जिन पर अनंतिम कुर्की के लिए विचार किया जा सकता था। अधिकांश मामलों में जिनके लिए अभिलेख उपलब्ध कराए गए थे, मूल्यांकन रिपोर्ट में दर्शाई गई जांच शाखा द्वारा तैयार की गई संपत्तियों की सूची लेखापरीक्षा के साथ साझा नहीं की गई थी। इसलिए, लेखापरीक्षा अनंतिम कुर्की के लिए उपयुक्त संपत्ति के चयन में एओ के प्रयासों को पूरा करने में जांच विंग की भूमिका को सत्यापित नहीं कर सका।

प्रत्यक्ष करों पर धारा 281बी के तहत आईटीडी द्वारा निर्धारिती की संपत्ति की कुर्की पर कैग का विषय विशिष्ट अनुपालन ऑडिट मंगलवार को संसद में पेश किया गया। रिपोर्ट के अनुसार, लेखापरीक्षा ने मूल्यांकन रिपोर्ट में प्रदान की गई संपत्तियों की सूची के संबंध में भी कमियां देखीं, जिसके परिणामस्वरूप संपत्ति की गलत कुर्की हुई। परिसंपत्तियों की पहचान की प्रक्रिया में कमी पाई गई, जिससे अनंतिम कुर्की की प्रभावशीलता कम हो गई।

ऑडिट में पाया गया कि धारा 281बी के तहत खोज की तारीख से प्रारंभिक आदेश की तारीख तक का समय अंतराल 208 दिनों और 1,220 दिनों के बीच था। धारा 281बी के तहत आदेश जारी करने में असामान्य देरी के मामले में अंतरिम कुर्की के आदेश को जारी करने के लिए निर्धारित समय सीमा के अभाव में निर्धारिती को संपत्तियों को अलग करने का एक अंतर्निहित जोखिम है, जिसे कुर्की के लिए विचार किया जा रहा है। लेखापरीक्षा में कुछ मामले देखे गए जिनमें भी संबंधित पंजीकरण प्राधिकारी को धारा 281बी के तहत आदेश की अधिसूचना के बावजूद निर्धारिती संलग्न संपत्ति का निपटान करने में सक्षम था।

सीएजी ऑडिट ने सिफारिश की कि सीबीडीटी धारा 281बी के तहत आदेश के लिए एक प्रारूप निर्धारित कर सकता है जिसमें स्थिरता और कानूनी स्थिरता सुनिश्चित करने के लिए अनंतिम अनुलग्नक के लिए आवश्यक जानकारी के सभी तत्व शामिल हों। सीबीडीटी राय बनाने के लिए विशिष्ट मानदंड तैयार कर सकता है, शायद उदाहरणों के साथ, और एक प्रभावी, पारदर्शी और कानूनी रूप से स्थायी तरीके से अनंतिम कुर्की कार्यवाही शुरू करने में एओ की सुविधा के लिए असाधारण परिस्थितियों को स्पष्ट कर सकता है।
<https://www.bhaskarhindi.com/city/news/no-prescribed-format-for-issuing-provisional-attachment-orders-cag-report-469532>

18. CAG रिपोर्ट में हुआ खुलासा, अनंतिम कुर्की आदेश जारी करने के लिए कोई निर्धारित प्रारूप नहीं! (samacharnama.com) 29 March, 2023

धारा 281बी के तहत आईटीडी द्वारा निर्धारिती की संपत्ति की कुर्की पर कैग ऑडिट में पाया गया कि अनंतिम कुर्की आदेश जारी करने के लिए कोई निर्धारित प्रारूप नहीं है, जिसके परिणामस्वरूप अनुमानित कर देनदारी, वैधता अवधि जैसी आवश्यक जानकारी गायब है और अनंतिम कुर्की आदेशों से संलग्न संपत्ति आदि के बदले में निर्धारिती को बैंक गारंटी प्रस्तुत करने का विकल्प प्रदान नहीं करना जो प्रावधानों या नियमों के अनुरूप नहीं हैं। लेखापरीक्षा रिपोर्ट में पाया गया कि निर्धारण अधिकारी (एओ) इन प्रावधानों को लागू करने के लिए आधार/आधारों को पर्याप्त रूप से स्थापित और प्रलेखित नहीं कर रहा है और दस्तावेजीकरण के अभाव में, लेखापरीक्षा यह आश्वासन नहीं दे सका कि उन मामलों में प्रावधानों की प्रयोज्यता उचित है या नहीं।

पंजीकरण प्राधिकारियों को अनंतिम कुर्की आदेशों की एक अधिसूचना अपर्याप्त पाई गई, जिसने अंततः कुछ मामलों में ऐसी अधिसूचना के उद्देश्य को विफल कर दिया। रिपोर्ट में यह भी कहा गया है कि उपलब्ध रिकॉर्ड के अनुसार, एओ ने निर्धारितियों के कब्जे में सभी संपत्तियों के विवरण का पता लगाने के बोर्ड के निर्देशों का पालन नहीं किया, जिन पर अनंतिम कुर्की के लिए विचार किया जा सकता था। अधिकांश मामलों में जिनके लिए अभिलेख उपलब्ध कराए गए थे, मूल्यांकन रिपोर्ट में दर्शाई गई जांच शाखा द्वारा तैयार की गई संपत्तियों की सूची लेखापरीक्षा के साथ साझा नहीं की गई थी। इसलिए, लेखापरीक्षा अनंतिम कुर्की के लिए उपयुक्त संपत्ति के चयन में एओ के प्रयासों को पूरा करने में जांच विंग की भूमिका को सत्यापित नहीं कर सका।

प्रत्यक्ष करों पर धारा 281बी के तहत आईटीडी द्वारा निर्धारिती की संपत्ति की कुर्की पर कैग का विषय विशिष्ट अनुपालन ऑडिट मंगलवार को संसद में पेश किया गया। रिपोर्ट के अनुसार, लेखापरीक्षा ने मूल्यांकन रिपोर्ट में प्रदान की गई संपत्तियों की सूची के संबंध में भी कमियां देखीं, जिसके परिणामस्वरूप संपत्ति की गलत कुर्की हुई। परिसंपत्तियों की पहचान की प्रक्रिया में कमी पाई गई, जिससे अनंतिम कुर्की की प्रभावशीलता कम हो गई। ऑडिट में पाया गया कि धारा 281बी के तहत खोज की तारीख से प्रारंभिक आदेश की तारीख तक का समय अंतराल 208 दिनों और 1,220 दिनों के बीच था। धारा 281बी के तहत आदेश जारी करने में असामान्य देरी के मामले में अंतरिम कुर्की के आदेश को जारी करने के लिए निर्धारित समय सीमा के अभाव में निर्धारिती को संपत्तियों को अलग करने का एक अंतर्निहित जोखिम है, जिसे कुर्की के लिए विचार किया जा रहा है। लेखापरीक्षा में कुछ मामले देखे गए जिनमें भी संबंधित

पंजीकरण प्राधिकारी को धारा 281बी के तहत आदेश की अधिसूचना के बावजूद निर्धारिती संलग्न संपत्ति का निपटान करने में सक्षम था।

सीएजी ऑडिट ने सिफारिश की कि सीबीडीटी धारा 281बी के तहत आदेश के लिए एक प्रारूप निर्धारित कर सकता है जिसमें स्थिरता और कानूनी स्थिरता सुनिश्चित करने के लिए अनंतिम अनुलग्नक के लिए आवश्यक जानकारी के सभी तत्व शामिल हों। सीबीडीटी राय बनाने के लिए विशिष्ट मानदंड तैयार कर सकता है, शायद उदाहरणों के साथ, और एक प्रभावी, पारदर्शी और कानूनी रूप से स्थायी तरीके से अनंतिम कुर्की कार्यवाही शुरू करने में एओ की सुविधा के लिए असाधारण परिस्थितियों को स्पष्ट कर सकता है।
<https://samacharnama.com/states/delhi-news/cag-report-revealed-there-is-no-prescribed-format-for/cid10414619.htm>

19. Only 26 of 98 textile parks sanctioned by govt since 2005 completed, all targets unmet: CAG report (theprint.in) 28 March, 2023

Of the 98 integrated textile parks sanctioned by the government since 2005, only 26 have been completed, with 30 parks still under construction and 42 having been cancelled, the Comptroller and Auditor General (CAG) of India has found.

A CAG report tabled in Parliament Monday, disclosed that the government released grants totalling Rs 1,593 crore for these 98 parks. It pointed out that the parks — envisaged to be attractive destinations for investment and job creation — have fallen well short of all of their targets.

“Out of the 98 sanctioned parks, only 26 parks (26.53 per cent) had been considered as ‘completed’ as of February 2022,” it said. “Of the remaining 72, 30 parks (30.61 per cent) were ongoing while 42 parks (42.86 per cent) had been cancelled.”

Of the Rs 1,593 crore released, Rs 688.03 crore were released for parks that still haven’t been completed or that were outright cancelled.

“During the 10th Plan period (2005-07), it was envisaged to complete 25 parks in around 18 months,” the report said. “The scheduled time for completion for parks sanctioned during the 11th Plan period (2007-12) was kept as 24 months from the first release of grants by the Government of India. Further, during the 12th Plan period (2012-17), the completion period for the parks was estimated to be three years.”

Of the 30 parks where work is ongoing, five were commissioned between 2005 and 2007, which means they are at least 25 years past their deadlines. Ten of the currently-ongoing projects were sanctioned during the 11th Plan, putting them about nine years past their deadlines. By this calculation, the 15 ongoing projects sanctioned in the 12th Plan are at least three years overdue.

The CAG said that the major reasons for delay in completion of parks were delays in obtaining statutory clearances, issues related to land allotment for the parks and the weak financial strength of the Special Purpose Vehicles created for the parks.

As a result of the delays and the cancellations of projects, the various targets set for the projects in terms of employment generation, investments and the setting up of textile units all remained unmet by a substantial degree.

“There was a huge shortfall in achievement of targets by the parks sanctioned under the Scheme,” the CAG said. “Even after a lapse of 16 years from the inception of the Scheme, the actual achievement of the 56 completed/ongoing parks (audited by the CAG) was 30 per cent in terms of employment generation, 50 per cent in terms of investments and 37 per cent in terms of setting-up of textile units, as against the targets set in the detailed project reports of the parks,” it pointed out. <https://theprint.in/india/only-26-of-98-textile-parks-sanctioned-by-govt-since-2005-completed-all-targets-unmet-cag-report/1479191/>

20. CAG report notices deficiencies in recapitalisation of PSBs (moneylife.in) Mar 28, 2023

A compliance audit report of the CAG has observed deficiencies in the recapitalisation of public sector banks (PSBs).

The Department of Financial Services (DFS) has recapitalised PSBs for credit growth, meeting the requirement for regulatory capital, equipping better performing PSBs placed under Reserve Bank of India's prompt corrective action framework to come out of it and meet capital requirement on account of amalgamation of PSBs.

The CAG report observed that DFS infused Rs 8,800 crore into SBI in 2017-18 for credit growth considering it as the largest PSB in the country even though there was no demand. The DFS did not conduct assessment of the capital requirement as per its own standard practice before recapitalisation.

The CAG report also observed that DFS considered cushion over and above the norms prescribed by the RBI while recapitalising the PSBs. The RBI had already prescribed enhanced capital requirement of additional 1 per cent on banks in India. This resulted in excess infusion of Rs 7,785.81 crore.

The audit also observed that DFS infused Rs 831 crore into the Bank of Maharashtra in 2019-20 against the bank's demand of Rs 798 crore to avoid surrender of funds amounting to Rs 33 crore.

The compliance audit report No. 1 of 2023 of the Comptroller and Auditor General of India on Union government (economic and service ministries - civil) for the year ended March 2021 was presented in the Parliament on Monday. <https://www.moneylife.in/article/cag-report-notice-deficiencies-in-recapitalisation-of-psbs/70275.html>

21. कैग रिपोर्ट: पीएसबी के पुनर्पूजीकरण में कमियां देखी गईं ([bhaskarhindi.com](https://www.bhaskarhindi.com)) Mar 29, 2023

कैग की एक अनुपालन ऑडिट रिपोर्ट में सार्वजनिक क्षेत्र के बैंकों (पीएसबी) के पुनर्पूजीकरण में कमियां पाई गई हैं। वित्तीय सेवा विभाग (डीएफएस) ने ऋण वृद्धि के लिए पीएसबी का पुनर्पूजीकरण किया है, नियामक पूंजी की आवश्यकता को पूरा किया है, भारतीय रिजर्व बैंक के त्वरित सुधारात्मक कार्रवाई ढांचे के तहत रखे गए बेहतर प्रदर्शन करने वाले पीएसबी को इससे बाहर आने और समामेलन के कारण पूंजी की आवश्यकता को पूरा करने के लिए सुसज्जित किया है।

कैग की रिपोर्ट में पाया गया कि डीएफएस ने 2017-18 में एसबीआई में क्रेडिट ग्रोथ के लिए 8,800 करोड़ रुपये का निवेश किया, इसे देश का सबसे बड़ा पीएसबी माना, जबकि कोई मांग नहीं थी। डीएफएस ने पुनर्पूजीकरण से पहले अपने स्वयं के मानक अभ्यास के अनुसार पूंजी आवश्यकता का आकलन नहीं किया।

कैग की रिपोर्ट में यह भी पाया गया कि पीएसबी का पुनर्पूजीकरण करते समय डीएफएस ने आरबीआई द्वारा निर्धारित मानदंडों के ऊपर और ऊपर कुशन पर विचार किया। आरबीआई ने पहले ही भारत में बैंकों पर अतिरिक्त 1 प्रतिशत की बढ़ी हुई पूंजी आवश्यकता निर्धारित की थी। इसके परिणामस्वरूप 7,785.81 करोड़ रुपये का अतिरिक्त प्रवाह हुआ।

ऑडिट में यह भी पाया गया कि डीएफएस ने 2019-20 में बैंक ऑफ महाराष्ट्र में 831 करोड़ रुपये डाले, जबकि बैंक ने 798 करोड़ रुपये की मांग की थी, ताकि 33 करोड़ रुपये की राशि के

सरेंडर से बचा जा सके। मार्च 2021 को समाप्त वर्ष के लिए केंद्र सरकार (आर्थिक और सेवा मंत्रालय - सिविल) पर भारत के नियंत्रक और महालेखा परीक्षक की 2023 की अनुपालन ऑडिट रिपोर्ट संख्या 1 सोमवार को संसद में पेश की गई।
<https://www.bhaskarhindi.com/business/news/deficiencies-noticed-in-recapitalization-of-psbs-cag-report-469156>

STATES NEWS ITEMS

22. J&K revenue falls short of Budget estimates: CAG (dailypioneer.com) Mar 29, 2023

Presenting the Union Territories Finances Audit Report for the year ending March 31, 2022 in Parliament, the Comptroller and Auditor General (CAG) said the revenue receipts of Jammu and Kashmir in 2021-22 increased by 13 per cent as compared to the previous year but it still fell short of the budget estimates by 39 per cent.

Besides, there are outstanding borrowings amounting to `2,122.77 crore of Jammu and Kashmir Infrastructure Development Finance Corporation (JKIDFC) and `10,321.83 crore of J&K Power Corporation Limited.

“During 2021-22, revenue receipts increased by 13 per cent with respect to last year, but it fell short of budget estimates by 39 per cent. The UT’s own tax revenue increased by 32 per cent and non-tax revenue increased by 19 per cent with respect to previous year,” the CAG stated.

It said there was an increase in revenue receipts by `6,742 crore and increase in revenue expenditure by `6,635 crore with respect to previous year which resulted in reduction of revenue deficit to `31 crore from `138 crore the year before. “The increase in capital expenditure by `589 crore was major contributor in increase of fiscal deficit. <https://www.dailypioneer.com/2023/india/j-k-revenue-falls-short-of-budget-estimates--cag.html>

23. CAG Red Flags J&K Govt’s Poor Loan Recovery (kashmirobservers.net) Mar 28, 2023

The revenue receipts of Jammu and Kashmir in 2021-22 increased by 13 per cent as compared to the previous year but it still fell short of the budget estimates by 39 per cent, the Comptroller and Auditor General (CAG) said on Tuesday.

Presenting the Union Territories Finances Audit Report for the year ending March 31, 2022 in Parliament, the federal auditor said the Government of Jammu and Kashmir had an outstanding liability of Rs 29,335.41 crore.

Besides, there are outstanding borrowings amounting to Rs 2,122.77 crore of Jammu and Kashmir Infrastructure Development Finance Corporation (JKIDFC) and Rs 10,321.83 crore of J&K Power Corporation Limited.

“During 2021-22, revenue receipts increased by 13 per cent with respect to last year, but it fell short of budget estimates by 39 per cent. The UT’s own tax revenue increased by 32 per cent and non-tax revenue increased by 19 per cent with respect to previous year,” the CAG stated.

It said there was an increase in revenue receipts by Rs 6,742 crore and increase in revenue expenditure by Rs 6,635 crore with respect to previous year which resulted in reduction of revenue deficit to Rs 31 crore from Rs 138 crore the year before.

“The increase in capital expenditure by Rs 589 crore was major contributor in increase of fiscal deficit. The government could not keep its fiscal deficit and primary deficit within the projections estimated in the budget. Against projection of revenue surplus of Rs 28,337 crore in budget there was revenue deficit of Rs 31 crore during 2021-22,” the report stated.

It said Rs 42,690.77 crore grants-in-aid from the central government constituted 72.07 per cent of the total revenue receipts of Rs 59,238.50 crore for 2021-22.

The total committed expenditure accounted for 75.93 per cent of revenue expenditure during 2021-22, the report said.

It said there was revenue deficit of Rs 30.83 crore in the accounts of Jammu and Kashmir for the year 2021-22 which was understated by Rs 200.29 crore due to misclassification of revenue expenditure as capital expenditure, non-payment of interest on state compensatory afforestation fund and deposit.

“There was fiscal deficit of Rs 11,150.61 crore during 2021-22 which was understated by Rs 41.53 crore due to non-payment of interest on state compensatory afforestation fund and state compensatory afforestation deposit,” it said.

Red flagging poor loan recovery, the CAG said that during 2021-22, the Jammu and Kashmir government disbursed loans and advances of Rs 73.77 crore and recovered loans and advances amounting to Rs 1.03 crore.

“Out of total loans disbursed during 2021-22, loans amounting Rs 40 crore was disbursed to J&K Road Transport Corporation (JKRTC) Limited which already had outstanding loans of Rs 439.23 crore ending 31 March, 2021 (Rs 383.73 crore received from erstwhile State and Rs 55.50 crore from UT of J&K),” it said.

According to the last audited accounts for the year 2018-19, the report said JKRTC booked losses of Rs 117.62 crore.

The report said the total accumulated balance of J&K at the end of 31 March 2022 in reserve funds was Rs 920.13 crore.

“There is cumulative aggregate balance in these funds at the end of 30 October 2019 amounting Rs 2,806 crore of erstwhile State of Jammu and Kashmir which is yet to be bifurcated between two successor UTs (J&K and Ladakh),” it said.

On budgetary management, the report stated that an amount of Rs 21,646.17 crore was incurred under 33 schemes/subheads in 10 grants without budgetary provisions during 2021-22.

“During 2021-22, a sum of Rs 158.76 crore of revenue expenditure was disbursed under Capital Major Heads of expenditure, thereby, resulting in overstatement of Capital Expenditure and understatement of Revenue Expenditure and Revenue deficit to the extent of Rs 158.76 crore,” it said.

The report said supplementary provisions aggregating Rs 3,919.78 crore obtained in 22 cases, involving Rs 50 lakh or more in each case during the year proved unnecessary as the expenditure did not come up to the level of the original provisions.

The CAG said there were huge savings of Rs 100 crore and above by the departments under Capital Section in 22 grants amounting to Rs 18,723.63 crore.

The report said 3,089 number of Utilisation Certificates (UC) for grants paid up to 30 October 2019 amounting to Rs 8,158.32 crore by the erstwhile state and 770 number of UCs for grants paid by the UT of Jammu and Kashmir amounting to Rs 3,137.11 crore were outstanding up to 31 March last year.

<https://kashmirobservers.net/2023/03/28/cag-red-flags-jk-govts-poor-loan-recovery/>

24. J&K Revenue Receipts Rose in 2021-22 But Fell Short Of Budget Estimates: CAG (theweek.in, dailyexcelsior.com, thenorthlines.com, statetimes.in) Mar 29, 2023

The revenue receipts of Jammu and Kashmir in 2021-22 increased by 13 per cent as compared to the previous year but it still fell short of the budget estimates by 39 per cent, the Comptroller and Auditor General (CAG) said on Tuesday.

Presenting the Union Territories Finances Audit Report for the year ending March 31, 2022 in Parliament, the federal auditor said the Government of Jammu and Kashmir had an outstanding liability of Rs 29,335.41 crore.

Besides, there are outstanding borrowings amounting to Rs 2,122.77 crore of Jammu and Kashmir Infrastructure Development Finance Corporation (JKIDFC) and Rs 10,321.83 crore of J&K Power Corporation Limited.

“During 2021-22, revenue receipts increased by 13 per cent with respect to last year, but it fell short of budget estimates by 39 per cent. The UT’s own tax revenue increased by 32 per cent and non-tax revenue increased by 19 per cent with respect to previous year,” the CAG stated.

It said there was an increase in revenue receipts by Rs 6,742 crore and increase in revenue expenditure by Rs 6,635 crore with respect to previous year which resulted in reduction of revenue deficit to Rs 31 crore from Rs 138 crore the year before.

“The increase in capital expenditure by Rs 589 crore was major contributor in increase of fiscal deficit. The government could not keep its fiscal deficit and primary deficit within the projections estimated in the budget. Against projection of revenue surplus of Rs 28,337 crore in budget there was revenue deficit of Rs 31 crore during 2021-22,” the report stated.

It said Rs 42,690.77 crore grants-in-aid from the central government constituted 72.07 per cent of the total revenue receipts of Rs 59,238.50 crore for 2021-22.

The total committed expenditure accounted for 75.93 per cent of revenue expenditure during 2021-22, the report said.

It said there was revenue deficit of Rs 30.83 crore in the accounts of Jammu and Kashmir for the year 2021-22 which was understated by Rs 200.29 crore due to misclassification of revenue expenditure as capital expenditure, non-payment of interest on state compensatory afforestation fund and deposit.

“There was fiscal deficit of Rs 11,150.61 crore during 2021-22 which was understated by Rs 41.53 crore due to non-payment of interest on state compensatory afforestation fund and state compensatory afforestation deposit,” it said. Red flagging poor loan recovery, the CAG said that during 2021-22, the Jammu and Kashmir government disbursed loans and advances of Rs 73.77 crore and recovered loans and advances amounting to Rs 1.03 crore.

“Out of total loans disbursed during 2021-22, loans amounting Rs 40 crore was disbursed to J&K Road Transport Corporation (JKRTC) Limited which already had outstanding loans of Rs 439.23 crore ending 31 March, 2021 (Rs 383.73 crore received from erstwhile State and Rs 55.50 crore from UT of J&K),” it said.

According to the last audited accounts for the year 2018-19, the report said JKRTC booked losses of Rs 117.62 crore.

The report said the total accumulated balance of J&K at the end of 31 March 2022 in reserve funds was Rs 920.13 crore.

“There is cumulative aggregate balance in these funds at the end of 30 October 2019 amounting Rs 2,806 crore of erstwhile State of Jammu and Kashmir which is yet to be bifurcated between two successor UTs (J&K and Ladakh),” it said.

On budgetary management, the report stated that an amount of Rs 21,646.17 crore was incurred under 33 schemes/subheads in 10 grants without budgetary provisions during 2021-22.

“During 2021-22, a sum of Rs 158.76 crore of revenue expenditure was disbursed under Capital Major Heads of expenditure, thereby, resulting in overstatement of Capital Expenditure and understatement of Revenue Expenditure and Revenue deficit to the extent of Rs 158.76 crore,” it said.

The report said supplementary provisions aggregating Rs 3,919.78 crore obtained in 22 cases, involving Rs 50 lakh or more in each case during the year proved unnecessary as the expenditure did not come up to the level of the original provisions.

The CAG said there were huge savings of Rs 100 crore and above by the departments under Capital Section in 22 grants amounting to Rs 18,723.63 crore.

The report said 3,089 number of Utilisation Certificates (UC) for grants paid up to 30 October 2019 amounting to Rs 8,158.32 crore by the erstwhile state and 770 number of UCs for grants paid by the UT of Jammu and Kashmir amounting to Rs 3,137.11 crore were outstanding up to 31 March last year.
<https://www.theweek.in/wire-updates/business/2023/03/28/des48-cag-jk-finance.html>

25. CAG Report 2021-22 marks financial indiscipline in J&K
(thenorthlines.com) Mar 29, 2023

The revenue receipts of Jammu and Kashmir in 2021-22 increased by 13 per cent as compared to the previous year but it still fell short of the budget estimates by 39 per cent, the Comptroller and Auditor General (CAG) said on Tuesday.

Presenting the Union Territories Finances Audit Report for the year ending March 31, 2022 in Parliament, the federal auditor said the Government of Jammu and Kashmir had an outstanding liability of Rs 29,335.41 crore.

Besides, there are outstanding borrowings amounting to Rs 2,122.77 crore of Jammu and Kashmir Infrastructure Development Finance Corporation (JKIDFC) and Rs 10,321.83 crore of J&K Power Corporation Limited.

“During 2021-22, revenue receipts increased by 13 per cent with respect to last year, but it fell short of budget estimates by 39 per cent. The UT's own tax revenue increased by 32 per cent and non-tax revenue increased by 19 per cent with respect to previous year,” the CAG stated.

It said there was an increase in revenue receipts by Rs 6,742 crore and increase in revenue expenditure by Rs 6,635 crore with respect to previous year which resulted in reduction of revenue deficit to Rs 31 crore from Rs 138 crore the year before.

“The increase in capital expenditure by Rs 589 crore was major contributor in increase of fiscal deficit. The government could not keep its fiscal deficit and primary deficit within the projections estimated in the budget. Against projection of revenue surplus of Rs 28,337 crore in budget there was revenue deficit of Rs 31 crore during 2021-22,” the report stated.

It said Rs 42,690.77 crore grants-in-aid from the central government constituted 72.07 per cent of the total revenue receipts of Rs 59,238.50 crore for 2021-22.

The total committed expenditure accounted for 75.93 per cent of revenue expenditure during 2021-22, the report said.

It said there was revenue deficit of Rs 30.83 crore in the accounts of Jammu and Kashmir for the year 2021-22 which was understated by Rs 200.29 crore due to misclassification of revenue expenditure as capital expenditure, non-payment of interest on state compensatory afforestation fund and deposit.

“There was fiscal deficit of Rs 11,150.61 crore during 2021-22 which was understated by Rs 41.53 crore due to non-payment of interest on state compensatory afforestation fund and state compensatory afforestation deposit,” it said.

Red flagging poor loan recovery, the CAG said that during 2021-22, the Jammu and Kashmir government disbursed loans and advances of Rs 73.77 crore and recovered loans and advances amounting to Rs 1.03 crore.

“Out of total loans disbursed during 2021-22, loans amounting Rs 40 crore was disbursed to J&K Road Transport Corporation (JKRTC) Limited which already had outstanding loans of Rs 439.23 crore ending 31 March, 2021 (Rs 383.73 crore received from erstwhile State and Rs 55.50 crore from UT of J&K),” it said.

According to the last audited accounts for the year 2018-19, the report said JKRTC booked losses of Rs 117.62 crore.

The report said the total accumulated balance of J&K at the end of 31 March 2022 in reserve funds was Rs 920.13 crore.

“There is cumulative aggregate balance in these funds at the end of 30 October 2019 amounting Rs 2,806 crore of erstwhile State of Jammu and Kashmir which is yet to be bifurcated between two successor UTs (J&K and Ladakh),” it said.

On budgetary management, the report stated that an amount of Rs 21,646.17 crore was incurred under 33 schemes/subheads in 10 grants without budgetary provisions during 2021-22.

“During 2021-22, a sum of Rs 158.76 crore of revenue expenditure was disbursed under Capital Major Heads of expenditure, thereby, resulting in overstatement of Capital Expenditure and understatement of Revenue Expenditure and Revenue deficit to the extent of Rs 158.76 crore,” it said.

The report said supplementary provisions aggregating Rs 3,919.78 crore obtained in 22 cases, involving Rs 50 lakh or more in each case during the year proved unnecessary as the expenditure did not come up to the level of the original provisions.

The CAG said there were huge savings of Rs 100 crore and above by the departments under Capital Section in 22 grants amounting to Rs 18,723.63 crore.

The report said 3,089 number of Utilisation Certificates (UC) for grants paid up to 30 October 2019 amounting to Rs 8,158.32 crore by the erstwhile state and 770 number of UCs for grants paid by the UT of Jammu and Kashmir amounting to Rs 3,137.11 crore were outstanding up to 31 March last year.
<https://thenorthlines.com/cag-report-2021-22-marks-financial-indiscipline-in-j/>

26. CAG Questions J&K Govt Over Lack Of Adequate Response Of Govt Depts To Audit (crosstownnews.in) Mar 29, 2023

Comptroller and Auditor General of India has highlighted lack of adequate response of the government departments to audit. “Principal Accountant General (Audit), Jammu & Kashmir, conducts audit of Government Departments to check for compliance to rules and regulations in transactions and to verify the regularity in maintenance of important accounting and other records as per the prescribed rules and procedures,” the CAG said in its latest report, as reported by GNS.

The CAG has also recommended holding at least one meeting of each Audit Committee every quarter. <https://www.crosstownnews.in/post/87873/cag-questions-jak-govt-over-lack-of-adequate-response-of-government-departments-to-audit-.html>

27. Varsity created posts on its own: CAG (tribuneindia.com) Mar 29, 2023

The Comptroller and Auditor General (CAG) today presented an audit report in Parliament on J&K, pointing out multiple errors in fiscal management. Talking about the financial year 2020-21, the CAG said J&K raised Rs 12,953.37 crore via

revenue receipts and this formed 24.68% of the total revenue. The balance 75.32% was received from the Centre as grants-in-aid.

The revenue receipts of J&K in 2021-22 increased by 13% as compared to the previous year but it still fell short of the Budget estimates by 39%.

Referring to the human resources management in Sher-e-Kashmir University of Agricultural Sciences and Technology, the CAG stated that it repeatedly violated instructions for creation, up-gradation and conversion of posts. Availability of vacant posts facilitated re-designation of posts to accommodate irregular appointments, attachments and adjustment of staff appointed in excess of sanctioned strength, the CAG stated.

The CAG did an audit of 40 PSUs in J&K, including six inactive government companies with delay in accounts ranging between four years to 31 years.

“Only three government companies submitted their accounts for the financial year 2020-21 for audit by CAG on or before November 30, 2021,” the report said. CAG looked at promised power generation capacity of 1,725.53 MW and noted that only 10 projects with capacity of 79.75 MW had been commissioned with time overrun ranging between four months and over seven years. No action was taken for 225 sites after their identification.

The Jammu & Kashmir Bank Limited purchased land valuing Rs 184.92 crore during 2016-21, out of which land valuing Rs 140.22 crore could not be utilised.

Audit of GST and Swachh Bharat Mission was also done.

Outstanding liability Rs 29K crore

-Presenting Finance Audit Report for the year ending March 31 in Parliament, CAG says J&K's outstanding liability is Rs 29,335.41 crore.

-Besides, there are outstanding borrowings amounting to Rs 2,122.77 crore of J&K Infrastructure Development Finance Corporation.
<https://www.tribuneindia.com/news/j-k/varsity-created-posts-on-its-own-cag-492157>

28. J-K CAG red flags HR functioning of SKUAST recommends adoption of UGC regulations in toto (theweek.in) Mar 29, 2023

Highlighting shortcomings in manpower planning, appointments, career advancement and entitlements in the twin agriculture universities in Jammu and Kashmir, the CAG has called for immediate review of sanctioned strength to weed out redundant posts and adoption of UGC regulations in toto.

The Comptroller and Auditor General also recommended the introduction of the Subordinate Accounts Course (SAC) part-I and II to ensure efficiency and quality in the accounts wing of both the Jammu and Kashmir chapter of the Sher-e-Kashmir University of Agricultural Sciences and Technology (SKUAST).

"The HR function of the universities was far from satisfactory and was plagued by irregular appointments, favoritism and inadmissible financial up-gradations. Relaxing the minimum standards for appointments and promotions of teachers compromised the quality of teaching and research in the universities," the CAG said in its latest report on compliance audit for the year ended March 31, 2021.

It said the audit, conducted to ascertain the effectiveness of human resource management in the two universities, found deficiencies in manpower planning, appointments, career advancements and entitlements.

"The Universities violated UGC norms for direct appointment of teachers and filled these posts through lateral entry. The mandatory criteria for appointment and career advancement of teachers was diluted," the report said.

"Pre-mature promotions, inadmissible benefit of Career Advancement Scheme, incorrect pay fixations, inadmissible allowances and entitlements, resulted in extra financial burden to the Government exchequer," it added.

The report, which was tabled in Parliament on Tuesday, said the lateral entry to teaching positions from lower technical positions deprived the university of availing the benefits of recruiting meritorious teachers through open advertisements.

"Extension of undue benefits due to excess drawl of pay, allowances and entitlements led to financial strain on the state coffers," it said.

The SKUAST was established on April 1, 1982 by an Act of the Jammu and Kashmir state legislature with the objective of catering to the requirement of agricultural research, education and extension education.

Following an amendment in the Act in 1999, the farm university was bifurcated into two universities namely SKUAST-Jammu and SKUAST-Kashmir.

The report said a compliance audit on human resources management covering the period 2016-17 to 2020-21 was conducted to assess whether the Agriculture Universities had complied with guidelines of the University Grants Commission (UGC), Indian Council of Agriculture Research (ICAR) and statutes of the agriculture universities regarding recruitment of employees, in service career advancements, pension payments and entitlements.

"The audit covering the period 2016-17 to 2020-21 was conducted between August 2021 and February 2022, by a test check of records at the offices of Registrar, deans of various faculties and Comptroller of SKUAST-J and SKUAST-K," CAG said.

Service records of 7391 personnel (30 per cent) of the total persons-in-position (2,462), as on March 2021, were selected on the basis of simple random sampling without replacement, for detailed scrutiny," it added.

In SKUAST-J, the shortfall ranged between 26 and 33 per cent under the teaching category and 19 and 26 per cent under the non-teaching category during the period, it said, adding similarly, the shortage of manpower in SKUAST-K ranged between 22 and 33 per cent under the teaching category and 29 and 32 per cent under non-teaching category during 2016-21.

Whereas SKUAST-J made only seven appointments in respect of the teaching cadre and 59 for the non-teaching cadre, SKUAST-K made 173 and 193 appointments in teaching and non-teaching cadres respectively during the period 2016-21, it said.

The report said the audit noticed that the agriculture universities had neither reviewed recruitment rules since their creation, nor put in place any mechanism for periodic assessment of vacancies, review of sanctioned strength and fixing of time frame within which vacant posts were to be filled which paved way for appointments in excess of sanctioned strength, ad hocism in governance and misutilisation of vacant posts.

As of March 2022, the agriculture universities had not implemented the reservation policy for direct appointment of teachers from reserved categories in accordance with the UGC guidelines of August 2006, it said.

The Universities had also not carried out restructuring of the non-teaching cadre which resulted in avoidable litigations and the continuation of redundant posts. In violation of UGC regulations which stipulated the appointment of Assistant Professors only through direct recruitment, the Agriculture Universities notified (1994, 2012 and 2018) Career Advancement Scheme (CAS) for technical posts stipulating the promotion of non-teaching technical employees to teaching positions.

Accordingly, the CAG said the universities irregularly upgraded (between July 1994 and December 2013) 10 senior technical assistants in SKUAST-J and 45 STAs in SKUAST-K, to entry-level UGC pay scales of assistant professors.

In its recommendations to the universities, the CAG called for an urgent review of sanctioned strength to weed out redundant posts and a process for filling up management positions through direct recruitment

"The universities should adopt UGC regulations in toto and avoid lateral entry of technical cadres to teaching positions to maintain the minimum standards prescribed for appointment of teachers," it said.

"The CAG also urged revisiting the career advancement scheme of teaching positions in consonance with UGC regulations and also suggested the immediate introduction of SAC Part-I and II for ensuring efficiency and quality in the accounts wing," the report added. <https://www.theweek.in/wire-updates/national/2023/03/29/des10-cag-jk-skuast.html>

29. SKUAST Jammu and Kashmir plagued by irregular appointments, favoritism: CAG (*freepresskashmir.news*) Mar 29, 2023

Srinagar: The Comptroller and Auditor General of India has taken the lid off brazen illegalities and irregularities in recruitment, promotions and allowances in Jammu and Kashmir's two prestigious agricultural varsities- SKUAST (Kashmir) and SKUAST (Jammu).

In its report, which was tabled in the Parliament on Tuesday, the CAG has exposed wrongdoings by the SKUAST authorities in appointments, promotions and

entitlements over the years, raising serious questions over silence on JK's successive regimes over their affairs.

In the report, the auditor pointed out that both universities violated UGC norms for the direct appointment of teachers and filled these posts through lateral entry.

“The mandatory criteria for appointment and career advancement of teachers was diluted. Pre-mature promotions, the inadmissible benefit of career advancement scheme, incorrect pay fixations, inadmissible allowances and entitlements, resulted in an extra financial burden to the government exchequer,” reads the report.

The CAG has said that the human resource function of the universities was far from satisfactory and was plagued by irregular appointments, favoritism and inadmissible financial up-gradations.

“Relaxing the minimum standards for appointments and promotions of teachers compromised the quality of teaching and research in the universities. Lateral entry to teaching positions from lower technical positions deprived the university of availing the benefits of recruiting meritorious teachers through open advertisements. Extension of undue benefits due to excess drawl of pay, allowances and entitlements led to financial strain on the state coffers,” the report states.

SKUAST was established in 1982 under a law enacted by the legislature of Jammu and Kashmir for catering to the requirement of agricultural research, education and extension education.

It was bifurcated into two universities- Sher-e-Kashmir University of Agricultural Sciences and Technology, Kashmir (SKUAST- K) and Sher-e-Kashmir University of Agriculture Sciences (SKUAST-J)- by virtue of an amendment in the Sher-e-Kashmir University of Agricultural Sciences and Technology Act in 1999.

The CAG noticed cases of appointments without adoption of mandatory academic performance indicators, appointments without mandatory NET qualification, appointments by counting inadmissible periods in teaching experience and appointments through lateral entry by irregular up-gradation of technical posts.

The auditor said that though the Agriculture Universities had adopted (July 2009) the revised University Grant Commission pay scales, they notified a diluted

version of the performance-based appraisal system (PBAS) for the appointment and career advancement of teachers after a gap of over six years in July 2017.

The UGC regulations 2010 prescribed a Performance Based Appraisal System (PBAS) with specific Academic Performance Indicators (API) for the appointment and promotion of teachers. “During the intervening period between January 2011 (due date of implementation of UGC regulations) and July 2017, SKUAST-J appointed 31 assistant professors, 14 associate professors and seven professors on the basis of a self-devised format with respective weightage of 30 percent, 40 percent and 50 percent given to interview up to 2014 and 30 percent thereafter against the prescribed weightage of only 20 percent. In a similar manner, SKUAST-K appointed 68 assistant professors, four associate professors and two professors on the basis, during the period between January 2011 to July 2017,” the report states.

The auditor has remarked that in absence of PBAS, the teaching, learning, professional development, research and academic contribution of the candidates remained un-assessed.

Pointing out more illegalities in appointments, the CAG report states that out of the 31 assistant professors/junior scientists appointed between the year 2011 and 2017, seven did not possess the minimum eligibility of NET- which is necessary for these posts as per University Grants Commission and Indian Council for Agriculture Research (ICAR).

“In SKUAST-J, 31 assistant professors/ junior Scientists and 13 SMSs were appointed between the years 2011 and 2017. Out of the 31 assistant professors/ junior scientists, seven did not possess the minimum eligibility of NET. The selection committee had recommended these cases subject to obtaining certificates from the candidates that their PhD degree was as per UGC regulations, 2009. The requisite certificates, though called for, were neither produced to audit nor available on record. In eight out of 44 appointments, the representative from the state government was not present in the meeting of the selection committee. Thus, the oversight mechanism of government was not availed by SKUAST-J in respect of these appointments,” reads the report.

The audit further noticed that the Agriculture Universities had not specified any norm regarding the minimum number of applications required for holding an interview.

“Records showed that in 29 cases, interviews were conducted when applications received were less than three and in eight cases interviews were conducted when there was only one candidate,” the report states.

The audit noticed that in respect of six associate professors (SKUAST-J: 04, SKUASTK: 02) appointed between January 2004 and November 2015, time spent on acquiring PhD, service rendered as guest lecturer, adhoc/ consolidated service and as visiting scientist was included in teaching experience of seven/ eight years required for the appointment of associate professors.

The UGC regulations and University statutes stipulate that previous regular service as an assistant professor or in an equivalent post should be counted for direct recruitment to the post of associate professor and time spent on acquiring PhD and as guest lecturer shall not qualify for being counted as teaching experience.

The auditor has found that the appointment of teaching posts through lateral entry caused a financial burden of Rs 10.16 crore to state exchequer.

“In violation of UGC regulations which stipulated appointment of assistant professors only through direct recruitment, the Agriculture Universities notified (1994, 2012 and 2018) Career Advancement Scheme (CAS) for technical posts stipulating promotion of non-teaching technical employees to teaching positions. While notification of 1994 specified placement of senior technical assistants (STAs) borne on University establishment as assistant professors after successful completion of two years of probation, notifications of September 2012 and July 2018 extended the benefit of the scheme to technical posts of programme assistants/ TAs borne on ICAR strength,” the report lays bare.

The report states that Agriculture Universities irregularly upgraded 10 senior technical assistants in SKUAST-J and 45 STAs in SKUAST-K, to entry-level UGC pay scales of assistant professors.

“Even the requirement of two years of service arbitrarily fixed by the Universities for up-gradation was not followed as one STA of SKUAST-K was prematurely designated (February 1998) as an assistant professor after completing only four months of service as STA which led to further future up-gradations and resulted in excess payment of ₹ 0.30 crore. Further, one STA in SKUAST-K was placed in the next higher pay scale before the successful completion of probation with the result he was prematurely designated as assistant professor leading to further placement

in higher scales under CAS. This had resulted in excess payment of Rs 0.26 crore,” the report further states.

The CAG has observed that by upgrading non-teaching staff to teaching positions, the Agriculture Universities had restricted competition and denied opportunities to aspiring meritorious candidates to apply for teaching posts, and compromised quality of teaching in such cases as minimum standards prescribed for appointment of teachers had not been maintained.

The audit also noticed that the Universities had compromised the standards for assessment of research achievements of candidates claiming promotion to the post of professors by diluting the criteria of quality and number of research publications.

“Against the requirement of five publications for professors, the Universities stipulated a requirement of only three publications. Submission of publications for assessment of eminent experts before the interview was also not ensured by the Universities. The Universities had thus avoided the methodology prescribed in the UGC regulations for CAS, which defeated the purpose of PBAS,” the report states.

It further says the move rendered the promotion of 122 associate professors (62 in SKUAST-J and 60 in SKUAST-K) to professors in the Universities irregular.

The audit noticed cases of premature placements in next higher grade pay without completion of prescribed residency periods. “Against the minimum residency period of five years required for placement in next higher Grade pay of ₹ 8,000, 17 assistant professors (SKUAST-J: 05; SKUAST-K: 12) were placed (between August 2010 and July 2017) in the higher grade and designated as associate professors prematurely after completing service ranging between two years and four years eight months only,” the report states.

Audit scrutiny of service records of 557 non-teaching employees out of a total of 1,794 revealed cases of recruitments through regularisation of adhoc/ contractual employees, appointments without qualifying mandatory tests, direct recruitments to posts required to be filled through promotion, lateral entry to posts prescribed to be filled through direct recruitment etc.

“Audit noticed that out of 557 cases checked in audit, 112 (SKUAST J: 31; SKUAST-K: 81) personnel were initially engaged (between March 1992 and November 2010) either on adhoc or contractual basis for a period of 89 days. The

period of their engagement was extended from time to time. These adhoc/ contractual employees were regularised (2015) without advertising the post,” the report states.

The auditor has also pointed towards the dearth of manpower, both teaching and non-teaching, in Agriculture Universities of J&K.

“In SKUAST-J, the shortfall ranged between 26 and 33 per cent under the teaching category and 19 and 26 per cent under the non-teaching category during the period. Similarly, shortage of manpower in SKUAST-K ranged between 22 and 33 percent under teaching category and 29 and 32 per cent under non-teaching category during 2016-21,” the report states.
<https://freepresskashmir.news/2023/03/29/skuast-jammu-and-kashmir-plagued-by-irregular-appointments-favoritism-cag/>

30. CAG reports massive illegalities, irregularities in SKUAST J-K recruitment, promotions (thedispatch.in) Mar 29, 2023

Comptroller and Auditor General of India has taken the lid off brazen illegalities and irregularities in recruitment, promotions and allowances in Jammu & Kashmir’s two prestigious agricultural varsities- SKUAST (Kashmir) and SKUAST (Jammu).

In its report, which was tabled in the Parliament on Tuesday the CAG has exposed wrongdoings by the SKUAST authorities in appointments, promotions and entitlements over the years, raising serious questions over silence on J&K’s successive regimes over their affairs.

In the report, the auditor pointed out that both universities violated UGC norms for the direct appointment of teachers and filled these posts through lateral entry.

“The mandatory criteria for appointment and career advancement of teachers was diluted. Pre-mature promotions, inadmissible benefit of career advancement scheme, incorrect pay fixations, inadmissible allowances and entitlements, resulted in an extra financial burden to the government exchequer,” reads the report.

The CAG has said that the human resource function of the universities was far from satisfactory and was plagued by irregular appointments, favoritism and inadmissible financial up-gradations.

“Relaxing the minimum standards for appointments and promotions of teachers compromised the quality of teaching and research in the universities. Lateral entry to teaching positions from lower technical positions deprived the university of availing the benefits of recruiting meritorious teachers through open advertisements. Extension of undue benefits due to excess drawl of pay, allowances and entitlements led to financial strain on the state coffers,” the report states.

SKUAST was established in 1982 under a law enacted by the legislature of Jammu & Kashmir for catering to the requirement of agricultural research, education and extension education.

It was bifurcated into two universities- Sher-e-Kashmir University of Agricultural Sciences and Technology, Kashmir (SKUAST- K) and Sher-e-Kashmir University of Agriculture Sciences (SKUAST-J)- by virtue of an amendment in the Sher-e-Kashmir University of Agricultural Sciences and Technology Act in 1999.

Illegalsities in appointments

The CAG noticed cases of appointments without adoption of mandatory academic performance indicators, appointments without mandatory NET qualification, appointments by counting inadmissible periods in teaching experience and appointments through lateral entry by irregular up-gradation of technical posts.

The auditor said that though the Agriculture Universities had adopted (July 2009) the revised University Grant Commission pay scales, they notified a diluted version of the performance-based appraisal system (PBAS) for the appointment and career advancement of teachers after a gap of over six years in July 2017.

The UGC regulations 2010 prescribed a Performance Based Appraisal System (PBAS) with specific Academic Performance Indicators (API) for the appointment and promotion of teachers. “During the intervening period between January 2011 (due date of implementation of UGC regulations) and July 2017, SKUAST-J appointed 31 assistant professors, 14 associate professors and seven professors on the basis of a self-devised format with respective weightage of 30 percent, 40 percent and 50 percent given to interview up to 2014 and 30 percent thereafter against the prescribed weightage of only 20 percent. In a similar manner, SKUAST-K appointed 68 assistant professors, four associate professors and two professors on the basis, during the period between January 2011 to July 2017,” the report states.

The auditor has remarked that in absence of PBAS, the teaching, learning, professional development, research and academic contribution of the candidates remained un-assessed.

Pointing out to more illegalities in appointments, the CAG report states that out of the 31 assistant professors/junior scientists appointed between the year 2011 and 2017, seven did not possess the minimum eligibility of NET-something which is necessary for these posts as per University Grants Commission and Indian Council for Agriculture Research (ICAR).

“In SKUAST-J, 31 assistant professors/ junior Scientists and 13 SMSs were appointed between the years 2011 and 2017. Out of the 31 assistant professors/ junior scientists, seven did not possess the minimum eligibility of NET. The selection committee had recommended these cases subject to obtaining certificates from the candidates that their PhD degree was as per UGC regulations, 2009. The requisite certificates, though called for, were neither produced to audit nor available on record. In eight out of 44 appointments, the representative from the state government was not present in the meeting of the selection committee. Thus, the oversight mechanism of government was not availed by SKUAST-J in respect of these appointments,” reads the report.

Audit further noticed that the Agriculture Universities had not specified any norm regarding the minimum number of applications required for holding an interview.

“Records showed that in 29 cases, interviews were conducted when applications received were less than three and in eight cases interviews were conducted when there was only one candidate,” the report states.

The audit noticed that in respect of six associate professors (SKUAST-J: 04, SKUASTK: 02) appointed between January 2004 and November 2015, time spent on acquiring PhD, service rendered as guest lecturer, adhoc/ consolidated service and as visiting scientist was included in teaching experience of seven/ eight years required for appointment of associate professors.

The UGC regulations and University statutes stipulate that previous regular service as assistant professor or in an equivalent post should be counted for direct recruitment to the post of associate professor and time spent on acquiring PhD and as guest lecturer shall not qualify for being counted as teaching experience.

The auditor has found that the appointment of teaching posts through lateral entry caused a financial burden of Rs 10.16 crore to state exchequer.

“In violation of UGC regulations which stipulated appointment of assistant professors only through direct recruitment, the Agriculture Universities notified (1994, 2012 and 2018) Career Advancement Scheme (CAS) for technical posts stipulating promotion of non-teaching technical employees to teaching positions. While notification of 1994 specified placement of senior technical assistants (STAs) borne on University establishment as assistant professors after successful completion of two years of probation, notifications of September 2012 and July 2018 extended the benefit of scheme to technical posts of programme assistants/TAs borne on ICAR strength,” the report lays bare.

The report states that Agriculture Universities irregularly upgraded 10 senior technical assistants in SKUAST-J and 45 STAs in SKUAST-K, to entry level UGC pay scales of assistant professors.

“Even requirement of two years of service arbitrarily fixed by the Universities for up-gradation was not followed as one STA of SKUAST-K was prematurely designated (February 1998) as assistant professor after completing only four months of service as STA which led to further future up-gradations and resulted in excess payment of ₹ 0.30 crore. Further, one STA in SKUAST-K was placed in the next higher pay scale before successful completion of probation with the result he was prematurely designated as assistant professor leading to further placement in higher scales under CAS. This had resulted in excess payment of Rs 0.26 crore,” the report further states.

The CAG has observed that by upgrading non-teaching staff to teaching positions, the Agriculture Universities had restricted competition and denied opportunities to aspiring meritorious candidates to apply for teaching posts, and compromised quality of teaching in such cases as minimum standards prescribed for appointment of teachers had not been maintained.

The audit also noticed that the Universities had compromised the standards for assessment of research achievements of candidates claiming promotion to the post of professors by diluting the criteria of quality and number of research publications.

“Against the requirement of five publications for professors, the Universities stipulated a requirement of only three publications. Submission of publications for

assessment of eminent experts before interview was also not ensured by the Universities. The Universities had thus avoided the methodology prescribed in the UGC regulations for CAS, which defeated the purpose of PBAS,” the report states.

It further says the move rendered promotion of 122 associate professors (62 in SKUAST-J and 60 in SKUAST-K) to professors in the Universities irregular.

The audit noticed cases of premature placements in next higher grade pay without completion of prescribed residency periods. “Against the minimum residency period of five years required for placement in next higher Grade pay of ₹ 8,000, 17 assistant professors (SKUAST-J: 05; SKUAST-K: 12) were placed (between August 2010 and July 2017) in the higher grade and designated as associate professors prematurely after completing service ranging between two years and four years eight months only,” the report states.

Audit scrutiny of service records of 557 non-teaching employees out of a total of 1,794 revealed cases of recruitments through regularisation of adhoc/ contractual employees, appointments without qualifying mandatory tests, direct recruitments to posts required to be filled through promotion, lateral entry to posts prescribed to be filled through direct recruitment etc.

“Audit noticed that out of 557 cases checked in audit, 112 (SKUAST J: 31; SKUAST-K: 81) personnel were initially engaged (between March 1992 and November 2010) either on adhoc or contractual basis for a period of 89 days. Their period of their engagement was extended from time to time. These adhoc/ contractual employees were regularised (2015) without advertising the post,” the report states.

The auditor has also pointed towards the dearth of manpower, both teaching and non-teaching, in Agriculture Universities of J&K.

“In SKUAST-J, the shortfall ranged between 26 and 33 per cent under the teaching category and 19 and 26 per cent under the non-teaching category during the period. Similarly, shortage of manpower in SKUAST-K ranged between 22 and 33 percent under teaching category and 29 and 32 per cent under non-teaching category during 2016-21,” the report states. <https://www.thedispatch.in/cag-reports-massive-illegalities-irregularities-in-skuast-j-k-recruitment-promotions/>

31. Massive irregularities in SKUAST promotions and recruitment: CAG
(thekashmiriyat.co.uk) 29 Mar, 2023

The Comptroller and Auditor General of India has taken the lid off brazen illegalities and irregularities in recruitment, promotions and allowances in Jammu & Kashmir's two prestigious agricultural varsities- SKUAST (Kashmir) and SKUAST (Jammu).

In its report, which was tabled in the Parliament on Tuesday as per news agency—Kashmir News Observer (KNO), the CAG has exposed wrongdoings by the SKUAST authorities in appointments, promotions and entitlements over the years, raising serious questions over silence on J&K's successive regimes over their affairs.

In the report, the auditor pointed out that both universities violated UGC norms for the direct appointment of teachers and filled these posts through lateral entry.

“The mandatory criteria for appointment and career advancement of teachers was diluted. Pre-mature promotions, inadmissible benefit of career advancement scheme, incorrect pay fixations, inadmissible allowances and entitlements, resulted in an extra financial burden to the government exchequer,” reads the report.

The CAG has said that the human resource function of the universities was far from satisfactory and was plagued by irregular appointments, favoritism and inadmissible financial up-gradations.

“Relaxing the minimum standards for appointments and promotions of teachers compromised the quality of teaching and research in the universities. Lateral entry to teaching positions from lower technical positions deprived the university of availing the benefits of recruiting meritorious teachers through open advertisements. Extension of undue benefits due to excess drawl of pay, allowances and entitlements led to financial strain on the state coffers,” the report states.

SKUAST was established in 1982 under a law enacted by the legislature of Jammu & Kashmir for catering to the requirement of agricultural research, education and extension education.

It was bifurcated into two universities- Sher-e-Kashmir University of Agricultural Sciences and Technology, Kashmir (SKUAST- K) and Sher-e-Kashmir University

of Agriculture Sciences (SKUAST-J)- by virtue of an amendment in the Sher-e-Kashmir University of Agricultural Sciences and Technology Act in 1999.

Illegalities in appointments

The CAG noticed cases of appointments without adoption of mandatory academic performance indicators, appointments without mandatory NET qualification, appointments by counting inadmissible periods in teaching experience and appointments through lateral entry by irregular up-gradation of technical posts.

The auditor said that though the Agriculture Universities had adopted (July 2009) the revised University Grant Commission pay scales, they notified a diluted version of the performance-based appraisal system (PBAS) for the appointment and career advancement of teachers after a gap of over six years in July 2017.

The UGC regulations 2010 prescribed a Performance Based Appraisal System (PBAS) with specific Academic Performance Indicators (API) for the appointment and promotion of teachers. “During the intervening period between January 2011 (due date of implementation of UGC regulations) and July 2017, SKUAST-J appointed 31 assistant professors, 14 associate professors and seven professors on the basis of a self-devised format with respective weightage of 30 percent, 40 percent and 50 percent given to interview up to 2014 and 30 percent thereafter against the prescribed weightage of only 20 percent. In a similar manner, SKUAST-K appointed 68 assistant professors, four associate professors and two professors on the basis, during the period between January 2011 to July 2017,” the report states.

The auditor has remarked that in absence of PBAS, the teaching, learning, professional development, research and academic contribution of the candidates remained un-assessed.

Pointing out to more illegalities in appointments, the CAG report states that out of the 31 assistant professors/junior scientists appointed between the year 2011 and 2017, seven did not possess the minimum eligibility of NET-something which is necessary for these posts as per University Grants Commission and Indian Council for Agriculture Research (ICAR).

“In SKUAST-J, 31 assistant professors/ junior Scientists and 13 SMSs were appointed between the years 2011 and 2017. Out of the 31 assistant professors/ junior scientists, seven did not possess the minimum eligibility of NET. The

selection committee had recommended these cases subject to obtaining certificates from the candidates that their PhD degree was as per UGC regulations, 2009. The requisite certificates, though called for, were neither produced to audit nor available on record. In eight out of 44 appointments, the representative from the state government was not present in the meeting of the selection committee. Thus, the oversight mechanism of government was not availed by SKUAST-J in respect of these appointments,” reads the report.

Audit further noticed that the Agriculture Universities had not specified any norm regarding the minimum number of applications required for holding an interview.

“Records showed that in 29 cases, interviews were conducted when applications received were less than three and in eight cases interviews were conducted when there was only one candidate,” the report states.

The audit noticed that in respect of six associate professors (SKUAST-J: 04, SKUASTK: 02) appointed between January 2004 and November 2015, time spent on acquiring PhD, service rendered as guest lecturer, adhoc/ consolidated service and as visiting scientist was included in teaching experience of seven/ eight years required for appointment of associate professors.

The UGC regulations and University statutes stipulate that previous regular service as assistant professor or in an equivalent post should be counted for direct recruitment to the post of associate professor and time spent on acquiring PhD and as guest lecturer shall not qualify for being counted as teaching experience.

The auditor has found that the appointment of teaching posts through lateral entry caused a financial burden of Rs 10.16 crore to state exchequer.

“In violation of UGC regulations which stipulated appointment of assistant professors only through direct recruitment, the Agriculture Universities notified (1994, 2012 and 2018) Career Advancement Scheme (CAS) for technical posts stipulating promotion of non-teaching technical employees to teaching positions. While notification of 1994 specified placement of senior technical assistants (STAs) borne on University establishment as assistant professors after successful completion of two years of probation, notifications of September 2012 and July 2018 extended the benefit of scheme to technical posts of programme assistants/ TAs borne on ICAR strength,” the report lays bare.

The report states that Agriculture Universities irregularly upgraded 10 senior technical assistants in SKUAST-J and 45 STAs in SKUAST-K, to entry level UGC pay scales of assistant professors.

“Even requirement of two years of service arbitrarily fixed by the Universities for up-gradation was not followed as one STA of SKUAST-K was prematurely designated (February 1998) as assistant professor after completing only four months of service as STA which led to further future up-gradations and resulted in excess payment of ₹ 0.30 crore. Further, one STA in SKUAST-K was placed in the next higher pay scale before successful completion of probation with the result he was prematurely designated as assistant professor leading to further placement in higher scales under CAS. This had resulted in excess payment of Rs 0.26 crore,” the report further states.

The CAG has observed that by upgrading non-teaching staff to teaching positions, the Agriculture Universities had restricted competition and denied opportunities to aspiring meritorious candidates to apply for teaching posts, and compromised quality of teaching in such cases as minimum standards prescribed for appointment of teachers had not been maintained.

The audit also noticed that the Universities had compromised the standards for assessment of research achievements of candidates claiming promotion to the post of professors by diluting the criteria of quality and number of research publications.

“Against the requirement of five publications for professors, the Universities stipulated a requirement of only three publications. Submission of publications for assessment of eminent experts before interview was also not ensured by the Universities. The Universities had thus avoided the methodology prescribed in the UGC regulations for CAS, which defeated the purpose of PBAS,” the report states.

It further says the move rendered promotion of 122 associate professors (62 in SKUAST-J and 60 in SKUAST-K) to professors in the Universities irregular.

The audit noticed cases of premature placements in next higher grade pay without completion of prescribed residency periods. “Against the minimum residency period of five years required for placement in next higher Grade pay of ₹ 8,000, 17 assistant professors (SKUAST-J: 05; SKUAST-K: 12) were placed (between August 2010 and July 2017) in the higher grade and designated as associate

professors prematurely after completing service ranging between two years and four years eight months only,” the report states.

Audit scrutiny of service records of 557 non-teaching employees out of a total of 1,794 revealed cases of recruitments through regularisation of adhoc/ contractual employees, appointments without qualifying mandatory tests, direct recruitments to posts required to be filled through promotion, lateral entry to posts prescribed to be filled through direct recruitment etc.

“Audit noticed that out of 557 cases checked in audit, 112 (SKUAST J: 31; SKUAST-K: 81) personnel were initially engaged (between March 1992 and November 2010) either on adhoc or contractual basis for a period of 89 days. Their period of their engagement was extended from time to time. These adhoc/ contractual employees were regularised (2015) without advertising the post,” the report states.

The auditor has also pointed towards the dearth of manpower, both teaching and non-teaching, in Agriculture Universities of J&K.

“In SKUAST-J, the shortfall ranged between 26 and 33 per cent under the teaching category and 19 and 26 per cent under the non-teaching category during the period. Similarly, shortage of manpower in SKUAST-K ranged between 22 and 33 percent under teaching category and 29 and 32 per cent under non-teaching category during 2016-21,” the report states. <https://thekashmiriyat.co.uk/massive-irregularities-in-skuast-promotions-and-recruitment-cag/>

32. CAG highlights 'lack of adequate response' of government departments to audit in J&K (greaterkashmir.com) 29 Mar, 2023

Comptroller and Auditor General (CAG) of India has highlighted lack of adequate response of the government departments to audit.

“Principal Accountant General (Audit), Jammu & Kashmir, conducts audit of Government Departments to check for compliance to rules and regulations in transactions and to verify the regularity in maintenance of important accounting and other records as per the prescribed rules and procedures,” the CAG said in its latest report, as reported by GNS.

After these audits, the CAG said, Inspection Reports (IRs) are issued to the Heads of Offices inspected with copies to the next higher authorities.

“Important irregularities and other points detected during inspection, which are not settled on the spot, find place in IRs. Serious irregularities are brought to the notice of the Government by the Office of the PAG (Principal Accountant General),” the audit body said.

For speedy settlement of audit observations and inspection reports, the Jammu & Kashmir Budget manual provides for prompt response by the Executive to IRs issued by the Principal Accountant General (Audit) to ensure remedial and rectification action.

The auditee offices and their controlling Administrative Departments are required to comply with the observations contained in the IRs and rectify the defects and report their compliance to the Principal Accountant General (Audit).

“The pendency of large number of paragraphs indicates lack of adequate response of the Government Departments to Audit,” the CAG said, adding, “The Government may look into this matter and revamp the system to ensure proper response to the audit observations from the Departments in a time-bound manner.”

Three Audit Committee Meetings (ACMs) were held in Revenue Sector settling six Inspection Reports and 83 outstanding paragraphs with a money value of Rs 6.60 crore. Similarly, during the period 2020-21, four Audit Committee meetings were held in Social, General and Economic Sectors in which 101 Audit paras were settled.

“It is recommended that Government should ensure that a procedure is put in place for action against officials failing to send replies to IRs/ paragraphs as per the prescribed time schedule and recovery of losses/ outstanding advances/ overpayments, etc., in a time-bound manner” The CAG has also recommended holding at least one meeting of each Audit Committee every quarter.
<https://www.greaterkashmir.com/kashmir/cag-highlights-lack-of-adequate-response-of-government-departments-to-audit-in-jk>

33. CAG Pulls Up JK Bank for Hiring Broadway Hotel for Its Operations (kashmirilife.net) Mar 29, 2023

SRINAGAR: The Comptroller and Auditor General of India has pulled up the Jammu & Kashmir Bank for incurring a wasteful expenditure of Rs 5.28 crore by hiring hotel Broadway in Srinagar, which was not used at all for its operations.

In its report tabled in the Parliament on Tuesday, the CAG said that the Bank entered into a lease agreement with the M/s Broad Way Enterprises Private Limited (firm) in December 2017 and March 2019 for hiring of space in Hotel Broadway for the opening of High Net worth Individual (HNI) Branch and housing its International Banking Division (IBD), respectively, at a monthly rent of Rs 150 per square feet.

Follow Kashmir Life on Whatsapp - Join Now

It hired the space for housing its International Banking Division (IBD) citing space constraints at the existing premises at Air Cargo Complex, Srinagar. The Bank also placed a work order at a cost of Rs two crore for development of the hired premises in February 2019.

According to the CAG report, the Bank, however, in January 2020 decided to de-hire the premises due to a host of reasons. “The Bank, however, decided (January 2020) to de-hire the premises on the ground that shifting of IBD would not translate into phenomenal growth of foreign exchange business as the forex business in Srinagar was limited. Further, the yearly rental outflow was considered very high vis-à-vis the business opportunities in the opening of HNI branch due to prevailing situation in Kashmir region,” the report states.

“By the time the Bank de-hired (June 2020) premises, it had incurred expenditure of Rs 3.78 crore towards rent and Rs 2.43 crore on the development of the premises. Out of Rs 2.43 crore, an amount of Rs 1.47 crore was spent on civil interior, furniture items that either could not be dismantled or were dismantled with substantial/ major damages. The dismantlement work was carried out (August 2020) at a cost of Rs 2.99 lakh,” it further states.

The CAG has questioned why the Bank hired space in the hotel despite the fact that it had hired already premises for the opening of it at Barzulla, Srinagar and was operating IBD at Air Cargo Complex, Srinagar having sufficient space at the monthly rate of ₹ 75 per sq. ft. and ₹ 85 per sq. ft., respectively.

“Moreover, the decision to open HNI branch and shift IBD at Hotel Broadway may be viewed in light of the fact that the Bank sanctioned (September 2016) a term loan of Rs 48.98 crore in favour of the lessor for renovation of existing hotel building and construction of new building and the term loan was eventually classified (January 2020) as Non-Performing Asset as the lessor could not service the account,” the report further states.

In its reply, the management of the Jammu & Kashmir Bank stated in March 2022, owing to sluggish market patterns and slow growth in overall banking sector, it decided to implement various measures to bring down the cost to income ratio and one of the measure was to vacate the premises in order to cut the costs on account of rental.

“However, the fact remains that the Bank hired the premises without taking cognizance of the fact that the decision to open HNI branch at Barzulla, Srinagar was already taken by the Management. Further, the limited business opportunity with regard to forex business in Srinagar was in the knowledge of the Bank as most of the customers were already dealing with it,” the CAG pointed out. <https://kashmirilife.net/cag-pulls-up-jk-bank-for-hiring-broadway-hotel-for-its-operations-313907/>

34. J&K Bank’s decision to hire Broadway hotel led to wasteful expenditure of Rs 5.28 Cr: CAG (thedispatch.in) Mar 29, 2023

The Comptroller and Auditor General of India has pulled up the Jammu & Kashmir Bank for incurring a wasteful expenditure of Rs 5.28 crore by hiring hotel Broadway in Srinagar, which was not used at all for its operations.

In its report tabled in the Parliament on Tuesday, the CAG said that the Bank entered into a lease agreement with the M/s Broad Way Enterprises Private Limited (firm) in December 2017 and March 2019 for hiring of space in Hotel Broadway for the opening of High Net worth Individual (HNI) Branch and housing its International Banking Division (IBD), respectively, at a monthly rent of Rs 150 per square feet.

It hired the space for housing its International Banking Division (IBD) citing space constraints at the existing premises at Air Cargo Complex, Srinagar. The Bank also placed a work order at a cost of Rs two crore for development of the hired premises in February 2019.

According to the CAG report, the Bank, however, in January 2020 decided to de-hire the premises due to a host of reasons. “The Bank, however, decided (January 2020) to de-hire the premises on the ground that shifting of IBD would not translate into phenomenal growth of foreign exchange business as the forex business in Srinagar was limited. Further, the yearly rental outflow was considered very high vis-à-vis the business opportunities in the opening of HNI branch due to prevailing situation in Kashmir region,” the report states.

“By the time the Bank de-hired (June 2020) premises, it had incurred expenditure of Rs 3.78 crore towards rent and Rs 2.43 crore on the development of the premises. Out of Rs 2.43 crore, an amount of Rs 1.47 crore was spent on civil interior, furniture items that either could not be dismantled or were dismantled with substantial/ major damages. The dismantlement work was carried out (August 2020) at a cost of Rs 2.99 lakh,” it further states.

The CAG has questioned why the Bank hired space in the hotel despite the fact that it had hired already premises for the opening of it at Barzulla, Srinagar and was operating IBD at Air Cargo Complex, Srinagar having sufficient space at the monthly rate of ₹ 75 per sq. ft. and ₹ 85 per sq. ft., respectively.

“Moreover, the decision to open HNI branch and shift IBD at Hotel Broadway may be viewed in light of the fact that the Bank sanctioned (September 2016) a term loan of Rs 48.98 crore in favour of the lessor for renovation of existing hotel building and construction of new building and the term loan was eventually classified (January 2020) as Non-Performing Asset as the lessor could not service the account,” the report further states.

In its reply, the management of the Jammu & Kashmir Bank stated in March 2022, owing to sluggish market patterns and slow growth in overall banking sector, it decided to implement various measures to bring down the cost to income ratio and one of the measure was to vacate the premises in order to cut the costs on account of rental.

“However, the fact remains that the Bank hired the premises without taking cognizance of the fact that the decision to open HNI branch at Barzulla, Srinagar was already taken by the Management. Further, the limited business opportunity with regard to forex business in Srinagar was in the knowledge of the Bank as most of the customers were already dealing with it,” the CAG pointed out. <https://www.thedispatch.in/jk-banks-decision-to-hire-broadway-hotel-led-to-wasteful-expenditure-of-rs-5-28-cr-cag/>

35. CAG report points to cost escalation for Rs 529-crore ROB ([indianexpress.com](https://www.indianexpress.com)) Mar 29, 2023

A report by the Comptroller and Auditor General (CAG), which audited the expenditure incurred by the BMC between November 2019 and December 2022, has pointed out possibilities of a cost escalation for the proposed Rs 529-crore railway over bridge (ROB) at Mahalaxmi.

The ROB is supposed to be a cable-stayed bridge that would extend above the railway tracks and connect Dr E Moses road in the west to Keshav Rao Khade Marg in the east.

The CAG report stated that while the estimated cost of the project was around Rs 507 crore, the work order was issued at Rs 529 crore – at a higher cost of 4.25 per cent. While the BMC had issued the work order in January 2020, the project was set to be completed in 36 months (excluding monsoon).

According to the BMC data mentioned in the CAG report, at least 50 per cent of the overall works, worth Rs 275 crore, was supposed to be completed by March 2022. However, the report maintained that till October 2022, only 10 per cent of the overall work had been completed and Rs 12.74 crore spent, which was just 2.31 per cent of the total fund earmarked for the ROB.

“Chief engineer from the bridges department stated that during the execution of work, various hurdles had been encountered, such as the Covid-19 outbreak, relocating and restructuring underground utilities like arch drains, water lines, storm water drains and electrical high-tension wires,” the report said.

It added that the chief engineer had pointed out other factors like changes in the design of the bridge that led to the delay. “The change in the design for such substantive design issues indicates insufficient planning and lack of due diligence before taking up the project by BMC,” the report said.

The report also said the BMC is yet to hand over land to the contractor for constructing the bridge. <https://indianexpress.com/article/cities/mumbai/cag-report-points-to-cost-escalation-for-rs-529-crore-rob-8524608/>

36. CAG slams govt departments for failing to notify services (timesofindia.indiatimes.com) Mar 29, 2023

PUNE: A total of 373 of 642 services were not notified under the Maharashtra Right to Public Services (MRTPS) Act, an audit by the Comptroller and Auditor General (CAG) observed.

According to the report tabled in the Assembly last week, only four of 15 departments had notified all the services included in the master list. Citizens can avail the services only if the concerned department notifies them and by not doing so, the department can remain outside the ambit of the law.

The report observed that even though it is mandatory for all government departments to prepare a master list and notify services, it was not being even eight years after the MRTPS came into force.

Departments like agriculture, tribal, cooperation marketing and textile, and water supply and sanitation have not notified many services despite having a very high number of services on the master list. The CAG report stated that the reasons given by the department for not notifying the services were not satisfactory.

The report also pointed out that the agriculture department had listed 33 services under central/state schemes and their delivery was dependent upon availability of grants. Same was the case with the marketing department, the CAG observed.

Senior revenue department officials said the findings in the CAG report have been noted and a follow-up with all departments concerned would be held. "We have repeatedly held meetings with department heads. The delay is on their part," a senior revenue official said.

Former principal secretary of the general administration department of the state government, Mahesh Zagade told TOI that in 2018, much before the CAG report pointed the laxity of the implementation of the Right to Services Act, all secretaries were advised to hold monthly reviews in their departments to ensure that it was being implemented effectively. "It was observed that the secretaries were not reviewing the disposal of applications in a timely manner. Appropriate and strict action should be taken against the erring officials," he said.

Zagade said that in addition to the CAG report, RTS Commissioner Dilip Shinde must undertake a social audit of the Act and seek feedback from people.

"Many citizens have said that there has been no significant improvement in the government's service delivery system," he said and added that citizens will only benefit only if all the services are notified and responses are made systemgenerated. Activist Vihar Durve said that unless all the services are notified, the Act will only be restricted to papers.
<https://timesofindia.indiatimes.com/city/pune/cag-slams-govt-departments-for-failing-to-notify-services/articleshow/99074396.cms>

37. Mumbai unit of BJP seeks SIT inquiry into CAG findings
(timesofindia.indiatimes.com) Mar 29, 2023

MUMBAI: The Mumbai unit of BJP has sought a probe by a special investigation team (SIT) into the financial misappropriations in BMC brought to the fore by CAG in its recent findings and wants people involved to be punished.

"The report submitted by the Comptroller and Auditor General of India into the works executed by BMC has revealed many shocking facts and exposed corruption to the tune of Rs 8,485 crore. And hence, it is important to disclose the masterminds behind this. All these works must be thoroughly investigated under criminal sections through the SIT," Mumbai BJP president and legislator Ashish Shelar said at a press conference on Tuesday.

Shelar put forth the demand for probe to chief minister Eknath Shinde.
<https://timesofindia.indiatimes.com/city/mumbai/mumbai-unit-of-bjp-seeks-sit-inquiry-into-cag-findings/articleshow/99074893.cms?from=mdr>

38. Meghalaya: CAG report pulls up six depts on utilization certificate
(nenow.in) March 29, 2023

SHILLONG: In a latest report of Comptroller and Auditor General (CAG) revealed that six defaulting departments of Meghalaya have not submitted their utilization certificates for a total of Rs 2,275.33 crore received as grants-in-aid.

These departments are Community and Rural Development (Rs 1,137.40 crore, which is 47.92 per cent of the amount received), Planning (Rs 457.58 crore, 19.28 per cent), Health and Family Welfare (Rs 272.22 crore, 11.47 per cent), Social Welfare (Rs 198.99 crore, 8.38 per cent), Education and Human Resource (Rs 171.78 crore, 7.24 per cent) and Border Areas Development (Rs 37.36 crore, 1.57 per cent).

The report said in the absence of the utilization certificates, it could not be ascertained whether or not the recipients had utilized the grants for the purposes for which these were disbursed.

The CAG stated in its report that the non-submission of the utilization certificates means that the authorities have not explained how funds were spent over the years.

It also added there is also no assurance that the intended objectives of providing these funds have been achieved.

This assumes greater importance if such UCs are pending against grants-in-aid meant for capital expenditure, the report pointed out.

The report also stated that persistent delay in the finalization of accounts is fraught with the risk of fraud and leakage of public money going undetected.

The report further directed the Meghalaya state government to advise the ADCs to finalize the arrear accounts and submit them to the Principal Accountant General (Audit). <https://nenow.in/north-east-news/meghalaya/meghalaya-cag-report-pulls-up-six-depts-on-utilization-certificate.html>

39. CAG detects financial irregularities in departments (nagalandpost.com) March 29, 2023

Comptroller and Auditor General (CAG) report, which was tabled on the last day of the first session of the 14th Nagaland Legislative Assembly (NLA), detected financial anomalies in departments including fraudulent/excess drawal of money in finance department (treasuries & accounts), evasion of Nagaland Value Added Tax in finance (taxation) department, loss of revenue due to non-renewal of licence in finance department (Nagaland state lotteries) and default in payment of motor vehicle taxes in the Motor Vehicles Department.

Finance department (treasuries & accounts): CAG report stated that failure of the drawing and disbursing officers and treasury officers to exercise prescribed checks resulted in fraudulent/double/ excess drawals amounting to Rs2.78 crore. It pointed out that test check of pay bill vouches of various departments by Audit revealed that 28 DDOs of 17 departments had misappropriated Rs.2.78 crore by fraudulently drawing pay and allowances. The money was withdrawn by inflating the net total of pay bills, double drawal of pay and allowances, arrears, etc in violation of the prescribed Financial Rules.

In this regard, CAG has recommended that the state government probe all such matter of all the departments. It also recommended initiating disciplinary action against the erring officers responsible for the fraudulent drawls.

Motor vehicles department: CAG found out that the department failed to invoke the provisions of Nagaland Motor Vehicles Taxation Act, 1967 and Nagaland

Passengers and Goods Taxation Act, 1967 to recover the outstanding motor vehicles tax from vehicle owners resulting in shortfall of tax collection to the tune of Rs.9.37 crore.

According to the report, the Public Accounts Committee (PAC) had recommended the department to take action against the defaulting vehicle owners. However, despite the recommendation, CAG detected that during scrutiny (September 2021) of VAHAN portal in respect of Nagaland, out of the 1,33,377 vehicles registered under eight regional/district transport offices during 2016-21, 12,050 vehicles defaulted in payment of Motor Vehicle Tax and Goods/Passengers Tax.

Default in payment of Motor Vehicle Tax and Goods/Passengers Tax by 12,050 vehicles amounted to Rs.9.37 crore as on March 31, 2021, the report stated.

CAG recommended that the department make effective use of the VAHAN software for detection of tax defaulters and invoke the relevant provisions of the Acts/Rules and recover the tax dues from the defaulters.

Finance (Taxation) Department: CAG detected that 21 dealers evaded Nagaland Value Added tax of Rs.4.59 crore by utilising invalid/obsolete C Forms. In addition, an amount of Rs.7.90 crore was also payable by them as penal interest, the report stated.

CAG recommended the government to instruct the department to realise the amount and initiate action against the officials whose negligence led to short realisation of revenue.

Further CAG found out that three dealers defaulted payment of tax amounting to Rs.2.23 crore and were also liable to pay interest of Rs.1.62 crore. CAG recommended that assessing authorities exercise due diligence while assessing the self-assessed returns submitted by the dealers to avoid evasion of tax. It also suggested initiating time bound recovery of the tax and penalty in those and monitoring at higher levels.

Finance department (Nagaland State Lotteries): CAG detected that the State lotteries sustained revenue loss of Rs.2 crore due to flaws in implementation of the Nagaland Prohibition of Gambling and Promotion and Regularisation of Online Games of Skill Rules, 2016.

The report stated that royalty receivable by the state government also remained un-assessed as the active licensees neither maintained the designated accounts nor the department had any technical expertise to monitor and analyse the gross revenue of the licensees.

CAG recommended the state government to take legal steps in any Court of Law to stop the illegal operation of online games without renewing the licences. It also asked the government to ensure that the licensees maintain designated accounts to resist the drainage of State revenue.

Further, CAG recommended recovering the licence fee and penalty from defaulting license holders and also ensure that the department utilised the latest technology and technical expertise to analyse the gross revenue of the licensees earned from the online games of skill. <https://nagalandpost.com/index.php/cag-detects-financial-irregularities-in-departments/>

40. CAG raps six departments over missing UCs for Rs 2,275 crore (theshillongtimes.com) Mar 29, 2023

Six defaulting departments have not submitted their utilisation certificates for a total of Rs 2,275.33 crore received as grants-in-aid, the latest report of the Comptroller and Auditor General (CAG) has revealed.

These departments are Community and Rural Development (Rs 1,137.40 crore, which is 47.92% of the amount received), Planning (Rs 457.58 crore, 19.28%), Health and Family Welfare (Rs 272.22 crore, 11.47%), Social Welfare (Rs 198.99 crore, 8.38%), Education and Human Resource (Rs 171.78 crore, 7.24%) and Border Areas Development (Rs 37.36 crore, 1.57%).

The report said in the absence of the UCs, it could not be ascertained whether or not the recipients had utilised the grants for the purposes for which these were disbursed.

“Further, it is likely that the funds received were not spent and were being held in the bank accounts of the respective departments. In the absence of the UCs being submitted by the departments, it is impossible to gauge the implementation status of the scheme for which funds have been received,” the report said.

Since huge pendency in the submission of the UCs is fraught with the risk of fraud and misappropriation of funds, the CAG said it is imperative for the state

government to monitor this aspect closely and not only hold the persons concerned accountable for the submission of the UCs in a timely manner to the Finance Department and the Principal Accountant General (A&E) but also review the disbursement of further grants to the defaulting departments.

The CAG said that the non-submission of the UCs means that the authorities have not explained how funds were spent over the years, adding there is also no assurance that the intended objectives of providing these funds have been achieved. This assumes greater importance if such UCs are pending against grants-in-aid meant for capital expenditure, its report pointed out.

According to the report, at the close of March 2022, 307 UCs amounting to Rs 2,373.51 crore remained outstanding in the books of the PAG (A&E), Meghalaya.

In addition, the CAG report revealed that the autonomous district councils in Meghalaya have not been able to submit the UCs for a majority of the grants from the Centre.

Out of Rs 385.71 crore received as a Central grant during 2017-22, the ADCs could submit UCs for only Rs 129.63 crore (34% of the amount) of the total fund allotted, the report said.

The United Khasi and Jaintia Hills District Council was set up in June 1952 under Article 244(2) read with the Sixth Schedule of the Constitution of India. The council was bifurcated in 1967 and the Jowai District Council was carved out of it.

In 1973, the United Khasi and Jaintia Hills District Council and the Jowai District Council were renamed as Khasi Hills Autonomous District Council (KHADC) and Jaintia Hills Autonomous District Council (JHADC) respectively. The Garo Hills Autonomous District Council (GHADC) was set up in June 1952 under Article 244(2) read with the Sixth Schedule. The report stated: “As per the Fund Rules of JHADC and GHADC, the annual accounts were to be submitted to the PAG (Audit) by June 30 of each year but no prescribed date was mentioned in the Fund Rules of the KHADC.”

The annual accounts of the ADCs were in arrears for two to six years, it said.

The report also stated that persistent delay in the finalisation of accounts is fraught with the risk of fraud and leakage of public money going undetected.

“The state government may advise the ADCs to finalise the arrear accounts and submit them to the Principal Accountant General (Audit),” the report said. <https://theshillongtimes.com/2023/03/29/cag-raps-six-departments-over-missing-ucs-for-rs-2275-crore/>

41. ‘SMB too lenient with bus, parking lot operators’
(theshillongtimes.com) March 29, 2023

Shillong: The Comptroller and Auditor General of India (CAG), in its report, has pointed out that the Shillong Municipal Board (SMB) is too lenient with the private bus operators and even lessees operating parking lots in the city.

As per the report, the Shillong Municipal Board (SMB) entered into agreements with various private operators for operation of public transport vehicles in a bid to provide efficient and low-cost public transport in order to extend social service for the people of Shillong and its suburbs.

As per contract agreement, “in the event of any sums whatsoever are due and owing to SMB from the operators/transferees under the agreements, the Board shall have the sole and absolute right to recover the same by appropriating such dues from performance security and in case of delayed payments the parties shall be paid along with interest at rate of SBI Prime Lending Rate plus two per cent on the delayed amount for the delayed time.”

In the process, SMB leased out a total of 100 vehicles to eight operators during the period covered by audit (2017-18).

As per the report, against the contract value of Rs 105.64 lakh per year, the operators deposited an amount of Rs 62.61 lakh resulting in a shortfall of 43.03 lakh.

Further, it was seen that the shortfall in deposit of revenue ranged from 11 per cent in the case of the lowest amount of shortfall, to as much as 100 per cent in the case of the highest amount of shortfall.

“Thus, due to the default of the operators in depositing the agreed amount, the SMB lost revenue of 43.03 lakh,” the report said.

In reply, the CEO of SMB stated (in December 2018), that the operators of the SPTS buses have requested for reduction in the revenue and the matter is still pending with the higher authority.

“The reply is untenable as no action has been taken against the defaulters by forfeiting the performance security money and charging of delay payment charges SBI Prime Lending Rate + two per cent as stipulated in the contract agreement,” the report said.

With regard to municipal parking lots, the report said that SMB leased out its parking lots to different lessees for a fixed or contract price tendered by the lessees.

During audit, it was seen that 12 lessees defaulted in payment of revenue amounting to 66.71 lakh.

The report stated that against due amount of Rs 170.04 lakh, the lessee deposited Rs 102.80 lakh resulting in short deposit of Rs 67.23 lakh. Hence, due to the default of the lessee in depositing the due amount, the SMB lost revenue of Rs 67.23 lakh.

As per the agreement, in case of non-payment of lease money, the SMB will have the right to make alternative arrangement for collection of parking fees from the lessee and initiate legal action against them.

“There was, however, nothing on record to indicate that the SMB has initiated any action against the defaulting lessees,” the report added.

Short release of AMRUT funds

Owing to non-utilisation of available funds and failure to meet the service-level benchmark by the SMB, there was a short release of the central share of Rs 35.62 crore for 2015-17 under Atal Mission for Rejuvenation and Urban Transformation (AMRUT), the CAG report revealed.

In Meghalaya, Shillong was the only city selected under AMRUT and as per the Mission Guidelines of AMRUT, funds would be released in three installments in the ratio of 20:40:40.

The first installment would be released immediately after approval of the State Annual Action Plan (SAAP) by the Apex Committee. The second and third

installments would be released on receipt of 75 per cent utilisation certificates and meeting service-level benchmark as mentioned in SAAP.

The CAG audit observed that the total approved SAAP for Shillong under AMRUT for 2015-16 and 2016-17 was Rs 49.48 crore (90% central share Rs 44.53 crore and 10% state share Rs 4.95 crore) for implementation of ‘Sewerage System & Treatment Plants, Septage Managements and Green Spaces & Parks’.

Out of its share, the Union government, however, released 20 per cent of its share i.e. Rs 8.91 crore (Rs 4.11 crore for 2015-16 and Rs 4.80 crore for 2016-17).

The balance of Rs 35.62 crore was not released to the state till the date of Audit (November 2019).

According to report, the SMB had incurred expenditure of Rs 6.80 lakh only on advertisement for calling of tenders. However, no work has been commenced and no further expenditure has been incurred under the scheme till the year 2018-19.

The allotted fund has been invested in the bank under Fixed Deposits. Although no reason was stated for non-release of the allotted fund to the state by the Union government, it was, however, evident that the central government had not released the central share due to non-utilisation of available funds and failure to meet the service-level benchmark by the municipality.
<https://theshillongtimes.com/2023/03/29/smb-too-lenient-with-bus-parking-lot-operators/>

42. Meghalaya revenue surplus state first time since 2018 (themeghalayan.com) March 29, 2023

Analysis of the state of finances of the government of Meghalaya, in terms of its total receipts and expenditure for the financial year 2021–22 shows that the state turned into a revenue surplus state, from being a revenue deficit state during financial year 2018–19 to 2020–21.

As per the state finances audit report of the Comptroller and Auditor General of India (CAG) for the year ended March 31, 2022, the state’s own share of revenue has grown by about 20 per cent over the past five years, central tax transfers and grants-in-aid continued to be the main source of revenue receipts for the state of Meghalaya, as for the other North-Eastern states.

The substantial increase in revenue expenditure was due to increased interest payments, medical and public health expenditure, family welfare expenditure and assistance to the power sector.

Revenue expenditure as a proportion of total expenditure remained above 80 per cent indicating that the lion's share of government spending was on current expenditure on payment of wages and salaries, pension, rent and rates and payment of interest on outstanding debt.

As on March 31, 2022, there were 124 incomplete projects which had over-shot their schedules by one to more than 10 years. The expenditures incurred on these 124 incomplete projects was Rs 796.15 crore.

In its recommendations, the CAG stated that the state government needs to make sincere efforts to augment its own resources and reduce its over-dependence on government of India funds.

The CAG further recommended that the state government should take corrective action for quick completion of incomplete projects in order to avoid time and cost overrun besides blockade of funds and stringent actions should be taken against defaulting contractors in the form of levying penalty clauses and blacklisting of the contractors. <https://themeghalayan.com/meghalaya-revenue-surplus-state-first-time-since-2018/>

43. कैग रिपोर्ट: हरियाणा सरकार ने मौजूदा ऋण में नहीं दिखाई 850 करोड़ रुपए की उधारी (haryana.punjabkesari.in) Updated: 29 Mar, 2023

नियंत्रक एवं महालेखापरीक्षक (सीएजी) या कैग की नई रिपोर्ट ने सत्ताधारी बीजेपी- जेजेपी के खिलाफ आलोचना के एक नया मौका दे दिया है। बताया जाता है कि हरियाणा पर तकरीबन 3 लाख करोड़ रुपये का कर्जा है। ऐसे में कैग की नई रिपोर्ट सामने आई है, जिसके अनुसार राज्य पर 3 लाख करोड़ के अलावा 850 करोड़ रुपये का अतिरिक्त ऋण और है। जिसे प्रदेश सरकार ने मौजूदा ऋण में जोड़ कर नहीं दिखाया है।

एचपीएचसीएल ने लिए दो लोन

कैग की रिपोर्ट के अनुसार, हरियाणा सरकार के वित्त विभाग की गारंटी पर वर्ष 2015 और 2018 हरियाणा पुलिस आवास निगम लिमिटेड (एचपीएचसीएल) ने दो ऋण लिए थे। हालांकि इस उधारी को प्रदेश सरकार की तरफ से राज्य के ऋण में जोड़ा नहीं गया था। अभी तक ये उधारी अनअकाउंटेड थी जिसकी जानकारी कैग ने सार्वजनिक की है।

क्या कहता है एफबीआरएम एक्ट

कैग ने राजकोषीय उत्तरदायित्व और बजट प्रबंधन अधिनियम 2005 (एफबीआरएम) हवाला देते हुए बताया कि जब भी कोई राज्य सरकार किसी अलग कानूनी इकाई की मूल राशि (प्रिंसिपल अमाउंट) और / या ब्याज चुकाने का उपक्रम करती है, तो संबंधित राशि को राज्य की उधारी के रूप में दर्शाया जाना चाहिए। लेकिन मौजूदा दो लोन के मामले में ऐसा प्रदेश सरकार ने नहीं किया है। इन दोनों लोन की रकम 850 करोड़ रुपये है।

वित्त विभाग ने दिखाई लोन भुगतान की प्रतिबद्धता

एचपीएचसीएल ने वर्ष अक्टूबर 2015 और जनवरी 2011 आवास और शहरी विकास निगम लिमिटेड (एचयूडीसीओ) से क्रमशः 500 और 300 करोड़ रुपये लोन लिया था। इसके लिए गृह विभाग ने वित्त विभाग की सहमति से ऋण गारंटी की स्वीकृति दे दी थी। ऋण की शर्तों के अनुसार, मूलधन और ब्याज की अदायगी ऋण समझौते के अनुसार की जाएगी। वित्त विभाग ने एचपीएचसीएल को उसके लोन के पुनर्भुगतान के लिए प्रतिबद्धता भी दिखाई है।

<https://haryana.punjabkesari.in/haryana/news/cag-report-haryana-government-did-not-show-borrowing-rs-850-crore-existing-loan-1793068>

SELECTED NEWS ITEMS/ARTICLES FOR READING

44. Odisha govt has spent only 68 per cent OMBADC funds in four years (newindianexpress.com) Mar 29, 2023

BHUBANESWAR: The state government has utilised 68 per cent of the fund sanctioned from Odisha Mineral Bearing Areas Development Corporation (OMBADC) for tribal welfare and area development works in mining-affected districts in the last four years.

The OMBADC Board had sanctioned Rs 17,318 crore for 54 projects of 18 departments and had released Rs 9,181 crore since April 2019. An amount of Rs 6227.97 crore which is 68 per cent of the fund released has been utilised till date.

Chief secretary and chairman of the OMBADC board of directors Pradeep Jena on Tuesday reviewed the progress of projects sanctioned at a meeting here attended by secretaries of major departments. Reporting the status of different projects, chief executive officer of OMBADC G Rajesh said two out of 30 mega pipe water supply projects sanctioned for four districts of Keonjhar, Sundargarh, Mayurbhanj, Jajpur and Pallahada block of Angul have been commissioned.

Of the total approved projects worth Rs 8,909 crore for drinking water supply, Rs 4,674.89 crore was released to the Panchayati Raj and Drinking Water department which reported to have utilised 78 per cent of the fund.

The allocation for education and health sectors during this period was Rs 3539.30 crore and Rs 2942.91 crore respectively. However, the progress report is silent on the use of allocated fund and infrastructure developed in the two crucial sectors.

The progress is not satisfactory in rural connectivity and water conservation for which the corporation had so far sanctioned Rs 700 crore each, sanctioned to construct 249 all-weather roads and 25 bridges to connect habitations with the panchayat headquarters.

The meeting was informed that construction of 11 indoor stadiums in different ULBs and NACs is in final stage. The chief secretary asked department concerned to expedite the works to avoid cost over-run.
<https://www.newindianexpress.com/states/odisha/2023/mar/29/odisha-govt-has-spent-only-68-per-centombadc-funds-in-four-years-2560621.html>

45. MMRC spent Rs 3.8 crore in Aarey car depot legal row: RTI
(timesofindia.indiatimes.com) Mar 29, 2023

MUMBAI: In the last seven years, the Mumbai Metro Rail Corporation (MMRC) has spent more than Rs 3.8 crore in legal expenses incurred on litigations over the proposed Aarey Colony car depot for the 32.5km Colaba-Bandra-Seepz underground project and other Metro works, the agency said in its reply to a Right to Information (RTI) query.

After environmentalists had objected to building a car depot in Aarey Colony, saying it would lead to a loss of tree cover and endanger the ecology, the MMRC had to battle the issue in the National Green Tribunal, the Bombay high court and even the Supreme Court.

"Between December 30, 2015 and January 9, 2023, the MMRC has spent a total of Rs 3.82 crore as litigation costs," said activist Anil Galgali, who had sought information with regards to names of counsel, court expenses, legal expenses, counsel fees, etc.

"Former advocate general of Maharashtra Ashutosh Kumbhakoni was paid Rs 1.13 crore, advocate Aspi Chinoy Rs 83.19 lakh and advocate Kiran Bhaglia Rs 77.33 lakh for representing the MMRC," said Galgali.

He added that among the other advocates who had received payments were Tushar Mehta Rs 26.4 lakh, Maninder Singh Rs 21.23 lakh, Rukmini Bobde Rs 7 lakh, Chitale and Chitale Rs 6.99 lakh, Shardul Singh Rs 5.81 lakh, Atul Chitale Rs 3.30 lakh and G W Mattos Rs 1.77 lakh.

Galgali had earlier sought the information from the MMRC on November 22, 2022, but it had refused to share the details on the grounds that "it is privileged information between the client and the advocate and it is exempted from disclosure under the RTI Act". Galgali went into an appeal after which the agency furnished the information.

In 2015, NGO Vanashakti moved the HC to stop the felling of trees in Aarey for the proposed car depot. In October 4, 2019, the HC dismissed the petitions to declare Aarey as a forest and refused to stop felling of more than 2,500 trees. On the same day, 2,141 trees were cut down.

On October 7, 2019, the SC restrained the authorities from cutting any more trees in Aarey, but in 2022, it allowed the MMRC to approach BMC's tree authority to axe 84 more trees.

Activist moves HC against 'illegal tree removal nod'

With the BMC's tree authority, on March 15, having sanctioned removal of 177 trees at Aarey Colony for the Mumbai Metro car shed project, activist Zoru Bhathena on Tuesday petitioned the Bombay high court once again.

Bhathena filed a fresh public interest litigation (PIL) to challenge the "unlawful tree removal permission". His plea was mentioned before the bench of Acting Chief Justice S V Gangapurwala and Justice S V Marne who posted it for hearing on Friday. The Tree Authority had given permission to fell trees in Aarey Colony for the proposed Metro-III car shed. The activist is seeking urgent stay on the permission.

On March 9, the bench had disposed of an earlier PIL filed by Bhathena, seeking to set aside a notice issued by the tree authority, inviting suggestions and objections, for felling more than 170 trees in Aarey. Last month, the Mumbai Metro Rail

Corporation, while opposing his earlier PIL, had said each day's delay in the project led to cost escalation and daily loss of almost Rs 6 crore to the public exchequer. <https://timesofindia.indiatimes.com/city/mumbai/mmrc-spent-rs-3-8-crore-in-aarey-car-depot-legal-row-rti/articleshow/99075045.cms>