

Immediate Release



PRESS BRIEF



**REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL OF INDIA
ON
GENERAL AND SOCIAL SECTORS
FOR THE YEAR ENDED 31 MARCH 2018
GOVERNMENT OF MADHYA PRADESH
REPORT NO. 3 OF THE YEAR 2019**

Press Brief

Immediate Release



C&AG's Audit Report on General and Social Sectors, Government of Madhya Pradesh, for the year ended 31 March 2018

This Report of the Comptroller and Auditor General of India on General and Social Sectors, Government of Madhya Pradesh for the year ended 31 March 2018 prepared under Article 151(2) of the Constitution of India was presented to the Madhya Pradesh State Legislature on **21st September 2020**.

The Report contains one Performance Audit on Water Supply Management in Bhopal and Indore Municipal Corporations and 12 Audit Paragraphs. Summary of the important findings is given in the Press Brief:

Performance Audit on Water Supply Management in Bhopal and Indore Municipal Corporations

The area of Madhya Pradesh (MP) is 3.08 lakh Sq. km., which is 9.37 *per cent* of the area of India (32.88 lakh Sq. km). The population of the State is 8.23 crore (6.16 *per cent* of India's population). In MP, the average surface water availability is 78 litre per capita daily (lpcd) against 135 lpcd as per MoUD norms. Thus, there is a gap of 57 lpcd between demand and supply of water in the state. Bhopal Municipal Corporation (BMC) and Indore Municipal Corporation (IMC), the largest MCs of the State- were selected for Performance Audit to assess the status of water supply management in Madhya Pradesh. The period of coverage of the PA was from April 2013 to March 2018.

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The important findings of performance audit are given below:

Huge difference between quantity of water received and distributed due to water losses

- There were differences in quantity of water received from source (filtration plant) and water distributed to consumers through Over Head Tanks/ Reservoirs ranging from 30 to 70 *per cent* in both MCs due to non-existence of leakage detection cell to monitor water loss, valves operation system and non-installation of flow meters in distribution system.

[Details are in paragraph 2.1.6.3 (page number 11-13) of the Report]

No leakage control programme in existence

- Leakage cases were attended with the delays ranging from 22 to 182 days as tenders for repair works were invited separately for each case at zone/ ward level by Asst. Engineer/Sub-Engineer instead of opting for an annual rate contract at ward/zone or corporation level.

[Details are in paragraph 2.1.6.4 (page number 13-15) of the Report]

Huge gap between targeted demand and actual supply of water

- There were differences between water supply achievement as shown by MCs and actual water supplied to the extent of nine to 20 lpcd and 36 to 62 lpcd in BMC and IMC respectively. The difference was due to the fact that the MCs calculated the per capita demand of water by taking into account the water available at filter plants instead of water available in Over Head Tanks.

[Details are in paragraph 2.1.6.5 (page number 15-16) of the Report]

Improper Zoning was done for equal distribution of water

- Due to improper zoning, non-existence of pressure gauge and non-maintenance of valve operation schedule, un-equal and less than required pressure of water was supplied on alternate days for 30 to 60 minutes by both MCs and in only five zones in Bhopal Municipal Corporation and four zones in Indore Municipal Corporation water was provided daily. However, in SLB *gazette* notification, duration of water supply indicated by BMC and IMC were two to four hours and 30 minutes to one hour daily.

[Details are in paragraph 2.1.6.6 (page number 16-17) of the Report]



Households without water connections

- Authorised water connections were provided only in 5.30 lakh households (56.32 per cent) out of 9.41 lakh households.

[Details are in paragraph 2.1.6.9 (page number 18-19) of the Report]

Quality of supplied water not ensured and adverse water samples found in independent water quality testing

- During the period 2013-18 total 4,481 water samples (physical, chemical and bacteriological) were adverse (below BIS 10500 standard) in both MCs, but it could not be ascertained from records what action has been taken by MCs. Independent water sample testing was conducted jointly and it revealed that out of 54 water samples, 10 water samples were found adverse having turbidity and faecal coliform. As a result, 8.95 lakh residents (3.62 lakh in BMC and 5.33 lakh in IMC) were supplied contaminated water. The Public Health department also reported 5.45 lakh cases of water borne diseases during the above period.

[Details are in paragraph 2.1.7.1 & 2.1.7.3 (page number 21-22 & 24-25) of the Report]

Regular Cleaning of Over Head Tanks/Reservoirs' not done

- Out of 45 test checked Over Head Tanks/reservoirs in 23 cases, neither the Over Head Tanks/reservoirs were cleaned at regular interval nor any biological test of the silt of the OHT were conducted which was mandatory to ensure quality of water supplied. In both MCs the sub-engineer responsible for cleaning failed to discharge his duty while the higher technical officer (Assistant Engineer or Executive Engineer) never monitored this work at their level.

[Details are in paragraph 2.1.7.4 (page number 25-26) of the Report]

Supply of Bore well water without testing

- Indore Municipal Corporation was supplying bore well water without any testing. Out of the 20 bore well water samples jointly collected and tested, all the samples were either having Iron, Nitrate, Calcium, Conductivity or Faecal Coliform more than the prescribed BIS 10500 norms which can lead to liver, heart, pancreatic damage, diabetes, diarrhoea, vomiting, stomach pain, digestive problems, jaundice, typhoid and kidney stones.

[Details are in paragraph 2.1.7.5 (page number 26-28) of the Report]

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Very low recovery efficiency of water charges

- As per SLB guidelines, 90 per cent recovery efficiency of water charges is to be done. Audit noticed that an amount of ₹ 470.00 crore was outstanding towards water charges in both MCs.

[Details are in paragraph 2.1.8.2 (page number 29-30) of the Report]

Monitoring on progress of water supply scheme was not conducted

- No monitoring mechanism was developed for water supply at State level as well as MCs level.

[Details are in paragraph 2.1.10.1 (page number 34) of the Report]

Water Audit not conducted

- Water audit was not conducted by MCs and therefore estimation of losses in water supply system could not be ascertained.

[Details are in paragraph 2.1.10.2 (page number 35) of the Report]

Management Information System (MIS) was not developed

- There was no comprehensive Management Information System (MIS) at State as well as at MCs level for management control and to evaluate the outcomes of water supply system.

[Details are in paragraph 2.1.10.3 (page number 35) of the Report]

Audit Paragraphs

Irregular expenditure

- Twenty illegal appointments to the posts of Assistant Grade-3 and Peon were made by Collector, Morena and Sheopur which resulted in irregular expenditure of ₹ 76.12 lakh on account of pay and allowances.

[Details are in paragraph 3.2 (page number 39-40) of the Report]

Fraudulent drawals and deposits in unauthorized accounts

- Failure of internal control system at treasury level and lapses on the part of BCO/Directorate led to fraudulent drawal of honorarium for ₹ 4.24 crore by DPO/POs which were meant for Anganwadi Workers (AWs)/Anganwadi Helpers (AHs) under Integrated Child Development Services (ICDS) programme and the same were deposited into accounts of unauthorised persons.

[Details are in paragraph 3.11 (page number 50-54) of the Report]

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Fraudulent payment into unrelated bank accounts

- Fraudulent payments of ₹ 4 crore were made under various heads of ICDS into unrelated bank accounts.

[Details are in paragraph 3.12 (page number 54-57) of the Report]

Irregular procurement and extra expenditure

- Failure on the part of Chief Electoral Officer, Madhya Pradesh to ensure procurement of Voting Compartments as stipulated by Election Commission of India and at competitive rates resulted in irregular procurement of ₹ 5.77 crore and avoidable extra expenditure of ₹ 5.06 crore.

[Details are in paragraph 3.1 (page number 37-38) of the Report]

Embezzlement by manipulation in issue vouchers of stock

- Non-observance of provisions and departmental instructions for store management in office of the Chief Medical and Health Officer, Chhatarpur and fraudulent manipulation by storekeeper in office copies of issue vouchers of material/medicines supplied to sub-ordinate units facilitated the embezzlement of ₹ 12.71 lakh.

[Details are in paragraph 3.3 (page number 40-41) of the Report]

Avoidable expenditure

- Failure of Municipal Corporation, Jabalpur and Municipal Council, Badwani in maintaining the power factor at prescribed level on High Tension (HT) connections led to avoidable expenditure of ₹ 1.10 crore towards payment of penalty imposed on them by Madhya Pradesh Vidyut Vitaran Companies.

[Details are in paragraph 3.8 (page number 47-48) of the Report]

Avoidable excess payment

- Avoidable excess payment of ₹ 2.32 crore was made by District Programme Officers of Dhar, Khargone and Umaria districts to Self Help Groups under Supplementary Nutrition Programme (SNP).

[Details are in paragraph 3.10 (page number 49-50) of the Report]

Excess payment of supervision charges

- Excess payment amounting to ₹ 1.06 crore was made to Madhya Pradesh Vidyut Vitran Company Limited as supervision charges and service tax thereon by Assistant Commissioner, Tribal Welfare, Burhanpur and Chhindwara and District Organiser, Tribal Welfare, Katni, Mandsaur, Dewas and Ujjain.

[Details are in paragraph 3.7 (page number 46-47) of the Report]

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