

Overview

This Report of the Comptroller and Auditor General of India on General and Social (Non-PSUs) Sectors, Government of Madhya Pradesh for the year ended 31 March 2014 includes six performance audits/long paragraphs and 11 paragraphs dealing with the results of performance audit of selected programmes and departments as well as audit of the financial transactions of the Government departments/ autonomous bodies, societies, etc. A summary of the important findings is given below:

1. Performance Audits

Performance audit is undertaken to ensure whether the Government programmes/schemes/ departments have achieved the desired objectives at the minimum cost and given the intended benefits.

1.1 Working of Madhya Pradesh Pollution Control Board

For prevention and control of water and air pollution, the Parliament enacted the Water Act, 1974 and the Air Act, 1981. To regulate management of wastes viz. bio-medical waste, hazardous waste and municipal solid waste, relevant rules were framed under the Environment (Protection) Act, 1986. Madhya Pradesh Pollution Control Board (MPPCB) was constituted in 1974, which is responsible for implementation of the Environmental Acts and Rules in the State. We observed deficiencies in working of the MPPCB during 2009-14.

- While preparing the five-year plan for 2012-17, MPPCB did not obtain inputs from lower level functionaries. Besides, no survey was conducted to identify the polluting industries, health care establishments, rivers, etc. to assess their level of pollution.

(Paragraph 2.1.7)

- There were significant delays in granting consent/authorisation to industries and health care establishments. In test-checked Regional Offices 2190 industries, 280 local bodies and 28 building projects were functioning either without obtaining consent or without renewal of consent. Out of 625 industries, 76 industries were functioning without renewal of authorisation under Hazardous Waste Rules. This may impact the environment adversely.

(Paragraphs 2.1.8.1 to 2.1.8.3., 2.1.8.5, 2.1.11.1 and 2.1.11.6)

- Compared to the norms prescribed by MPPCB for collection and testing of samples of waste water from industries, there were shortfalls in fixation of targets ranging from 23 to 55 *per cent*. In 32 districts, there was no sewage treatment plant for treatment of domestic effluents/sewage. River water quality deteriorated at 19 monitoring locations and improved at eight monitoring locations.

(Paragraphs 2.1.9.2 to 2.1.9.4)

- Monitoring of air pollution was not adequate. Fourteen ambient air quality monitoring stations were not functional. In the functional stations, shortfalls in testing of samples ranged between 34 and 95 per cent.

(Paragraph 2.1.10.1)

- Cement plants were emitting excess pollutants and were thus causing air pollution.

(Paragraph 2.1.10.5)

- No norm was prescribed for inspection of industries and health care establishments by the MPPCB. Besides, the Apex Committee on BMW constituted in January 2011 never met except once in 2011. Thus, monitoring of abatement of pollution was not adequate.

(Paragraphs 2.1.12 and 2.1.11.3)

1.2 Public Distribution System in Madhya Pradesh

Public Distribution System (PDS) is an instrument for ensuring availability of foodgrains to the public at affordable prices as well as for enhancing food security to the poor. While overall responsibility of management of foodgrains in the country vested with the Government of India (GoI), the State Government is responsible for distribution of foodgrains in the State through the PDS. In Madhya Pradesh, the PDS was implemented by Food, Civil Supplies and Consumer Protection Department. During the period 2009-14, expenditure of ₹ 2055 crore was incurred towards subsidy of foodgrains under PDS. A review of implementation of 'Public Distribution System' during the period 2009-14 revealed the following:

- There was significant under-utilisation of funds during 2013-14, which affected the PDS activities like recoupment of losses to fair price shops and lead societies on operation of PDS, construction of godowns and distribution of iodised salt.

(Paragraph 2.2.6.1)

- Number of BPL and AAY ration cards issued were more than the number of such families, indicating circulation of bogus cards. Government took initiatives for detection and elimination of bogus ration cards. But, the Department did not reconcile the BPL/AAY ration cards with BPL families shown in the BPL survey list. Computerisation of PDS was not done within the time line.

(Paragraphs 2.2.7.1 to 2.2.7.3)

- The Department did not distribute 12.44 lakh MT wheat and 1.61 lakh MT rice during the period 2009-14. APL quota wheat of 6.84 lakh MT was diverted for BPL card holders causing additional financial burden.

(Paragraphs 2.2.8.1 and 2.2.8.2)

- Large quantity of PDS commodities remaining undistributed with FPS may lead to illegal diversion.

(Paragraph 2.2.8.4)

- The distribution of kerosene was done without ensuring the entitlement of cardholders possessing single and double LPG cylinders.

(Paragraph 2.2.8.7)

- There was significant shortage of fair price shops in rural areas.

(Paragraph 2.2.9)

- There was shortfall in conduct of monthly review of lifting and supply of PDS commodities to FPSs by the District Collectors. The Vigilance committee meetings for review of allotment, distribution of foodgrains were not held regularly.

(Paragraphs 2.2.10.2 and 2.2.10.3)

1.3 Total Sanitation Campaign/Nirmal Bharat Abhiyan

Government of India (GoI) introduced the Central Rural Sanitation Programme (CRSP) in 1986 with the objective of improving proper sanitation facilities and to provide privacy and dignity to women in rural areas. In 1999 GoI renamed the programme as Total Sanitation Campaign (TSC) and again renamed it as *Nirmal Bharat Abhiyan* (NBA) with effect from 01 April 2012. NBA guidelines envisage covering the entire community for saturated outcome with a view to create *Nirmal* Gram Panchayats.

- Annual Implementation Plans were prepared by the State Mission without adopting bottom up approach and community saturation approach. Holding of meetings of the State level and district level Missions was not adequate.

(Paragraph 2.3.7.2)

- There were significant delays up to 81 days in release of State share of Scheme funds by SWSM to the DWSMs. TSC funds were lying idle in bank accounts of Janpad Panchayats and not transferred to NBA funds.

(Paragraphs 2.3.6.2 and 2.3.6.3)

- Number of GPs targeted for saturation and making them open defecation free were not commensurate with achieving the vision of *Nirmal Bharat* by 2022. Only 13 *per cent* of the GPs targeted for saturation were completed during 2012-14.

(Paragraph 2.3.8.3)

- Targets under various components of the Scheme were not achieved. Shortfalls in achieving the targets were 11 to 69 *per cent* in construction of Individual Household Latrines and between 66 and 90 *per cent* in Community Sanitary Complexes.

(Paragraph 2.3.8.1)

- Information, Education and Communication (IEC) activities did not continue throughout the year and no funds were provided to the Gram Panchayats for IEC activities.

(Paragraph 2.3.9.1)

- *Swachhta Diwas* and *Gram Swachhata Sabha (GSS)* were not convened in the test checked GPs, impacting the social audit of the scheme.

(Paragraphs 2.3.10.2 and 2.3.10.3)

1.4 Implementation of Schemes for Welfare and Empowerment of Girl Child

For empowerment of girls through self-development and generating awareness about health and nutrition, the State Government implemented *Kishori Shakti Yojana (KSY)* and *Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA)* (in 15 districts). *Kanya Saksharta Protsahan Yojana (KSPY)* has been implemented for increasing female literacy and to continue study up to higher secondary level among SC and ST girl students.

- Under the KSY, identification of girls for providing training and health check-up was done without conducting a separate survey though envisaged in the guidelines. However, survey was conducted under *SABLA*, in the districts where *SABLA* has been implemented. The eligibility of the selected girls was not got scrutinised through Gram Sabha.

(Paragraphs 2.4.7.1 and 2.4.8.2)

- Vocational training was not imparted to girls under KSY. There were shortfalls in providing guidance and counseling on nutrition and health education, family welfare and life skill education under *SABLA*.

(Paragraphs 2.4.7.2 and 2.4.8.4)

- Health check-up of girls was not done at all under KSY. Under *SABLA*, health check-up was not done in 79 AWCs and Iron Folic Acid (IFA) supplementation was not provided in 68 AWCs out of 160 AWCs test checked, mainly because convergence with the schemes/programmes of other departments was not done.

(Paragraphs 2.4.7.3, 2.4.8.6 and 2.4.8.8)

- Monitoring and supervision of KSY and *SABLA* was not adequate since there was significant shortfalls in holding required number of meetings of monitoring committees at district and project levels, which affected achievement of Scheme objectives.

(Paragraphs 2.4.7.4 and 2.4.8.10)

- Under KSPY, incentives on enrolment of SC and ST girl students in schools were provided without ensuring the eligibility criteria. Further, there were delays up to 18 months in distribution of benefits in eligible cases. The objective of encouraging the SC and ST girls to continue study up to higher secondary level was not fully achieved. There was no monitoring of the Scheme at any level.

(Paragraphs 2.4.9.2, 2.4.9.3, 2.4.9.5 and 2.4.9.6)

1.5 Implementation of Health Schemes in Tribal Districts

With a view of reducing the incidences of non-communicable diseases and to address health related problem of elderly people National Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Disease and Stroke (NPCDCS) and National Programme for Health Care of the Elderly (NPHCE) were launched by GoI in 2008 and 2010 respectively. The programmes were implemented in five tribal districts.

Annual Action Plan for NPCDCS and NPHCE programmes and database on physical, financial and epidemiological profile was not prepared at State and district levels. Information, Education and Communication for general awareness of the non-communicable diseases were not carried out at State and district levels. There were shortages of geriatric wards, clinics, essential drugs, machinery and equipment in NCD clinics mainly due to under-utilisation of funds. Due to non-deployment of medical and para-medical staff, health care services could not be provided efficiently under the programmes.

(Paragraph 2.5)

1.6 Implementation of Tribal Sub-Plan under Education Sector

The Sarva Shiksha Abhiyaan (SSA) and National Programme of Mid Day Meal (NPMDM) was introduced to promote Universal Elementary Education (UEE), nutritional support to children and increasing attendance of children in the age group 06-14 years in the schools. The Rashtriya Madhyamik Shiksha Abhiyaan (RMSA) was introduced to ensure Universal Secondary Education for the children in the age group of 14-18. These programmes were implemented in 21 tribal districts of the State.

Optimum utilisation of funds was not ensured and persistent savings during the period 2011-14 was observed in SSA, RMSA and NPMDM. Preparation of Annual Work Plan and Budget of NPMDM and submission to GoI for approval was delayed affecting timely release of Central funds. Despite implementation of SSA, 0.20 lakh 'out of school' children could not be brought into mainstream during the year 2013-14. In the test-checked schools drop out rate of ST children was higher than that of the total children of all categories. Availability of basic amenities and infrastructure such as drinking water, girl toilets, utensils, furniture in schools was inadequate under SSA and NPMDM. Under RMSA, 13 *per cent* habitations were not covered with high schools within the radius of five kilometres as of March 2014.

(Paragraph 2.6)

2. Audit of transactions

Audit has reported on several significant deficiencies in critical areas which impact the effective functioning of the Government departments/organisations. These are broadly categorised and grouped as:

- Non-compliance with rules, orders, procedures etc.
- Failure of oversight/administrative control

2.1 Non-compliance with rules, orders, procedures etc.

For sound financial administration and financial control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This not only prevents irregularities, misappropriation and frauds, but helps in maintaining good financial discipline. This report contains instances of non-compliance with rules involving ₹ 5.86 crore. Some significant audit findings are as under:

- Quality of medicines procured from the suppliers was not ascertained by the Public Health and Family Welfare Department before distribution. Medicines worth ₹ 65.95 lakh procured were found 'not-of-standard quality' during tests conducted by Food and Drug Administration.

(Paragraph 3.1.1)

- Penalty amounting to ₹ 2.37 crore was not levied by the Chief Medical and Health Officers and Civil Surgeons against non-supply of medicine/material from the suppliers in violation of contract clause.

(Paragraph 3.1.2)

- Government was deprived of revenue of ₹ 1.02 crore due to short levy of stamp duty and non-registration of lease deeds executed by Rogi Kalyan Samities.

(Paragraph 3.1.3)

- In Public Health and Family Welfare Department financial assistance amounting to ₹ 1.01 crore was provided to ineligible beneficiaries under Rajya Bimari Sahayata Nidhi¹ Scheme for treatment of Below Poverty Line (BPL) patients.

(Paragraph 3.1.4)

- In Women and Child Development Department irregular payment of transportation charges amounting to ₹ 80.46 lakh was made by three District Programme Officers for providing supplementary nutritional food.

(Paragraph 3.1.5)

2.2 Failure of oversight/administrative control

The Government has an obligation to improve the quality of life of the people through fulfillment of certain goals in the area of health, education, development and upgradation of infrastructure and public service. However, Audit scrutiny revealed instances wherein the funds released by the Government for creating public assets for the benefit of the community remained unutilised/blocked and/or proved unfruitful/unproductive due to indecisiveness, lack of administrative oversight and concerted action at various levels. Some significant cases involving ₹ 18.33 crore have been discussed below:

¹ State Illness Assistance Fund

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- The Madhya Pradesh Housing and Infrastructure Development Board incurred an extra expenditure of ₹ 1.07 crore towards re-award of an incomplete work of a housing project. Due to deficiency in agreement with the contractor, only ₹ 48.73 lakh could be recovered from the defaulting contractor.

(Paragraph 3.2.1)

- Due to execution of an agreement for higher contract demand and non-maintenance of average monthly power factor, Bundelkhand Medical College, Sagar incurred avoidable expenditure of ₹ 1.04 crore on electricity charges.

(Paragraph 3.2.2)

- Workers Welfare cess amounting to ₹ 3.84 crore collected by Panchayat and Rural Development Department was not remitted to the Madhya Pradesh Building and other Construction Workers Welfare Board.

(Paragraph 3.2.3)

- Rogi Kalyan Samiti unauthorisedly used Government land for construction of shopping complex and leased out the same to private persons and retained ₹ 4.35 crore outside Consolidated Fund of the State.

(Paragraph 3.2.4)

- Trauma Care Centres established in Madhya Pradesh were not fully functional due to non-procurement/idling of equipment (₹ 1.05 crore), utilisation of funds for inadmissible items (₹ 0.71 crore), non-operation of ambulances and lack of manpower.

(Paragraph 3.2.5)

- Expenditure of ₹ 6.26 crore was incurred by Chief Medical and Health Officers on pay and allowances on staff deployed at Training Centres which were not functioning for 3 to 12 years. Besides, the objective of providing trained Multipurpose Health Workers (Male) (MPHW) was not achieved.

(Paragraph 3.2.6)