

***CHAPTER-II***

**SOCIAL SECTOR**

## CHAPTER-II

### SOCIAL SECTOR

#### 2.1 Introduction

This Chapter of the Audit report for the year ended 31 March 2014 deals with the findings on audit of the State Government under Social Sector.

The names of the State Government Departments and the total budget allocation *vis-a-vis* expenditure incurred under Social Sector during the year 2013-14 are given in the following Table:

**Table-2.1.1**

(₹ in crore)

Sl. No.	Name of the Departments	Total Budget Allocation	Expenditure
1.	School Education	730.61	677.57
2.	Higher and Technical Education	235.31	225.55
3.	Sports and Youth Services	28.98	2.89
4.	Art and Culture	9.26	8.78
5.	Medical and Public Health Services	265.87	251.13
6.	Water Supply and Sanitation	190.21	187.59
7.	Information and Public Relations	12.52	11.76
8.	Labour and Employment	8.66	7.80
9.	Social Welfare	149.53	140.75
10.	Disaster Management and Rehabilitation	22.98	16.99
11.	Local Administration Department	72.52	34.78
12.	Personnel & Administrative Reforms	2.47	2.39
13.	Urban Development and Poverty Alleviation	245.76	130.05
<b>Total</b>		<b>1974.68</b>	<b>1698.03</b>

Source: Appropriation Accounts, Government of Mizoram, 2013-14

Besides the above, the Central Government has been transferring a sizeable amount of funds directly to the implementing agencies under the Social Sector to different Departments of the State Government. The major transfers for implementation of flagship programmes of the Central Government are detailed below:

**Table-2.1.2**

(₹ in crore)

Name of the Departments	Name of the Schemes/ Programmes	Implementing Agency(s)	Amount of funds transferred during the year
1	2	3	4
Medical and Public Health Services	National Rural Health Mission (NRHM)	Health Services	77.35
School Education	Sarva Shiksha Abhiyan	State Project Office	106.58
Medical and Public Health Services	Forward linkages to NRHM New initiatives in NE	Health Society	5.00

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1	2	3	4
Medical and Public Health Services	Human Resources for Health	Health Society	3.35
School Education	Rashtriya Madhyamik Shiksha Abhiyan (RMSA)	Mizoram Education Mission Society	39.45
Water Supply and Sanitation	National Rural Drinking Water Programme	State Water & Sanitary Mission	44.89
Medical and Public Health Services	National Blindness Control Programme (NBCP)	Mizoram State Health Society	0.10
Higher and Technical Education	Skill Development	Mizoram Council for Vocational Training	5.88
Health & Family Welfare	State Medicinal Plants Board, Mizoram	National Medicinal Plants Board	1.75
Social Welfare	Multi Sectoral Development Programme for Minorities in Selected Minority Concentration Districts	Mizoram Government	10.31
Higher and Technical Education	Post-Matric Scholarship Schemes Minorities	Mizoram Government	1.52
School Education	Pre-Matric Scholarship Schemes Minorities	Mizoram Government	23.00
School Education	Pre-Matric Scholarship for ST Students	Mizoram Government	1.23
Higher and Technical Education	Scholarship to the Students of ST for Studies Abroad	Mizoram Government	45.08
School Education	Strengthening of Teachers Training Institutions	Mizoram Government	15.53
School Education	Scheme of PMS, Book Banks and Upgradation of Merit of ST Students	Mizoram Government	8.86
Sports and Youth Services	North Eastern Areas	Mizoram State Sports Council	1.01
Sports and Youth Services	Panchayat Yuva Krida and Khel Abhiyan (PYKKA)	Mizoram State Sports Council	4.91
Sports and Youth Services	Urban Sports Infrastructure Scheme	Mizoram State Sports Council	6.30
Social Welfare t	Scheme of Hostels for ST Girls and Boys	Mizoram University	22.89
Higher and Technical Education	Strategic Assistance for State Higher Education - Rashtriya Uchchar Shiksha Abhiyan (RUSA)	National Institute Of Technology Mizoram	2.73
Social Welfare	National AIDS Control Programme III	State AIDS Control Programme III	13.65
Water Supply and Sanitation	Central Rural Sanitation Programme	SWSM Mizoram Aizawl	8.06
Urban Development and Poverty Alleviation	JNNURM-BSUP Jawaharlal Nehru Urban Renewal Mission	Urban Development and Poverty Alleviation	22.41
Urban Development and Poverty Alleviation	Swarnajyanti Shahri Swarojgar Yojana (SJSRY)	State Urban Development Agency	4.37
<b>Total</b>			<b>476.21</b>

Source: Finance Accounts, Government of Mizoram, 2013-14

## 2.2 Planning and conduct of Audit

Audit process starts with the assessment of risks faced by various Departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls *etc.*

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the heads of the Departments. The Departments are requested to furnish replies to the audit findings within one month of receipt of the Inspection Reports. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these Inspection reports are processed for inclusion in the Audit Report, which is submitted to the Governor of State under Article 151 of the Constitution of India.

The audits were conducted during 2013-14 involving expenditure of ₹ 85.11 crore out of the total expenditure of ₹ 1698.03 crore of the State Government under the Social Sector. This chapter contains two Performance Audits *viz.* on 'Total Sanitation Campaign/Nirmal Bharat Abhiyan' and on 'Disaster Management & Rehabilitation'.

The major observations made in audit during 2013-14 are discussed in the succeeding paragraphs.

### PERFORMANCE AUDIT

#### PUBLIC HEALTH ENGINEERING DEPARTMENT

## 2.3 Total Sanitation Campaign (TSC)/Nirmal Bharat Abhiyan (NBA)

### *Highlights*

Central Rural Sanitation Programme (CRSP) was launched by the Ministry of Drinking Water, Government of India (GoI) with the objective of improving the quality of life of the rural people. In 1999 CRSP was renamed as Total Sanitation Campaign (TSC) to increase awareness among the rural people and generation of demand for sanitary facilities. The GoI also launched (October 2003) the Nirmal Gram Puraskar (NGP) to recognise the achievements and efforts made by Panchayati Raj Institutions (PRIs) and Institutions in ensuring full sanitation coverage in their areas of operation. Encouraged by the success of NGP, the TSC has been renamed (April 2012) as Nirmal Bharat Abhiyan (NBA) with the objective of accelerating the sanitation coverage in the rural areas so as to comprehensively cover the rural community through renewed strategies and saturation approach to achieve and sustain the vision of Nirmal Bharat by 2022 in all PRIs in the attainment of Nirmal status. A Performance Audit of the implementation of the TSC/NBA programme in Mizoram was carried out covering the period from 2009-10 to 2013-14 involving test check of records of ten blocks in five Districts. The performance audit of TSC/NBA programme brought out the following significant findings:

**The State Government did not release State share of ₹ 41.61 lakh and ₹ 96.11 lakh during 2009-10 and 2010-11 respectively. Also, the State Level Water & Sanitation Mission transferred the Central share to the District Water & Sanitation Committee after inordinate delays, which was high as 393 days in some cases.**

**(Paragraph-2.3.10.3 and 2.3.10.4.1)**

**The five District Water & Sanitary Committees (Champhai, Lunglei, Mamit, Kolasib and Serchhip) irregularly implemented the TSC/NBA projects in urban areas out of Central and State share and incurred an irregular expenditure of ₹ 270.90 lakh.**

**(Paragraph-2.3.11.2.2)**

**The Department procured Squatting Plates with P-Traps valued at ₹ 496.47 lakh without obtaining recommendations from the State Purchase Advisory Board and approval of the Government. Besides, an excess payment of ₹ 49 lakh towards CST was also made to the supplier.**

**(Paragraph-2.3.12.1)**

**Since the project cost of IHHL was not revised in keeping with the national policy, the BPL households were deprived of the benefit of enhanced financial assistance to the tune of ₹ 2.14 crore.**

**(Paragraph-2.3.13.1.1)**

**With the intention of inclusion of private/SSA schools in the State Annual Implementation Plan, the number of school toilets in five Districts was inflated, which in turn increased the total allocation for the project by ₹ 223.30 lakh.**

**(Paragraph-2.3.13.3.1.1)**

**Out of 846 villages only 89 villages obtained the NGP award upto March 2014 thus putting the State far behind the goal of attainment of Nirmal Status by 2022.**

**(Paragraph-2.3.17)**

### **2.3.1 Introduction**

The Central Rural Sanitation Programme (CRSP) was launched in 1986 by Government of India (GoI) primarily with the objective of improving the quality of life with the rural people and also to provide privacy and dignity to women. With a broader concept of sanitation which includes personal hygiene, home sanitation, safe water, garbage disposal, excreta disposal and waste water disposal, the CRSP in 1999 moved towards a “demand driven” approach namely Total Sanitation Campaign (TSC). The revised approach emphasized more on Information, Education and Communication (IEC), Human Resource Development (HRD), Capacity Development Activities (CDA) to increase awareness among the rural people and generation of demand for sanitary facilities.

The GoI also launched (October 2003) the Nirmal Gram Puraskar (NGP) to recognise the achievements and efforts made by the Panchayati Raj Institutions (PRIs) and the Institutions in ensuring full sanitation coverage in their areas of operation. Encouraged by the success of NGP, the TSC has been renamed (April 2012) as Nirmal Bharat Abhiyan (NBA) with the objective to accelerate the sanitation coverage in the rural areas so as to comprehensively cover the rural community through renewed strategies and saturation approach to achieve and sustain the vision of Nirmal Bharat by 2022 in all PRIs in the attaining of Nirmal status.

### 2.3.2 Organisational structure

In pursuance of National Rural Drinking Water Programme under Ministry of Rural Development and on approval of the State Government, a society namely, State Water and Sanitation Mission was formed (May 2009) in the State as per the Mizoram Societies Registration Act, 2005.

#### 2.3.2.1 Delivery Structure of the Mission

##### A. State Level

In Mizoram, the Public Health Engineering Department (PHED) headed by the Principal Secretary is the Administrative Department responsible for implementation of the TSC/NBA. The State Level Water and Sanitation Mission (SLW&SM) under the Chairmanship of the Principal Secretary, PHED with one Member Secretary and nine other Members from the Line Departments<sup>1</sup> is responsible for formulation of policy guidelines, management of project funds, implementation of the projects and monitoring of the TSC/NBA programme. The Engineer-in-Chief, PHED is the Member Secretary of the SLW&SM, who is in charge for overall implementation of the TSC/NBA projects. The SLW&SM has an Executive Committee headed by the Chairman with one Member Secretary and 12 other Members from PHED. The Executive Committee under SLW&SM is responsible for formulation of policy guidelines and implementation of the projects under TSC-NBA. It is also responsible for receipts and management of project funds, accounts and audits, liaison and coordination with the State Government besides, monitoring and evaluation of implementation of the Projects. Under the SLW&SM there are State Water and Sanitation Support Organisation (SWSSO) headed by the Chairman with one Member Secretary and six other members from PHED besides State Scheme Sanctioning Committee (SSSC) headed by the Chairman with one Member Secretary, four members from PHED and three other members from Line Departments<sup>2</sup>. The SSSC is responsible for approval of the District Programme Implementation Plan before sending the proposal to the National

<sup>1</sup> i) Planning & Programme Implementation, ii) Finance, iii) Rural Development, iv) School Education, v) Health & Family Welfare, vi) Information & Public Relations, vii) Local Administration, viii) Ministry of Rural Development, Government of India and ix) Public Health & Engineering

<sup>2</sup> i) School Education, ii) Urban Development & Poverty Alleviation and iii) Health & Family Welfare

Scheme Sanctioning Committee (NSSC) by the State whereas WSSO under SLW&SM is to deal with IEC, HRD, Monitoring and Evaluation at the State Level

### **B. District Level**

The Deputy Commissioners of the eight Districts of the State are designated as Chairman of the constituted District Water and Sanitation Committee (DWSC) with one Member Secretary (Executive Engineer, PHED) and three Members from Line Departments<sup>3</sup> and three members from different NGO Groups. The Executive Engineers, PHED, Rural Water and Sanitation Division of the eight Districts are responsible for project implementation and over all supervision of TSC/NBA programme. The DWSC is responsible for formation of Village Water and Sanitation Committee (VWSM) at each village and acts as liaison between them.

### **C. Block Level**

The task for implementation of TSC/NBA was not entrusted to any of the functionaries of the 26 Rural Development Blocks within the State.

### **D. Village Level**

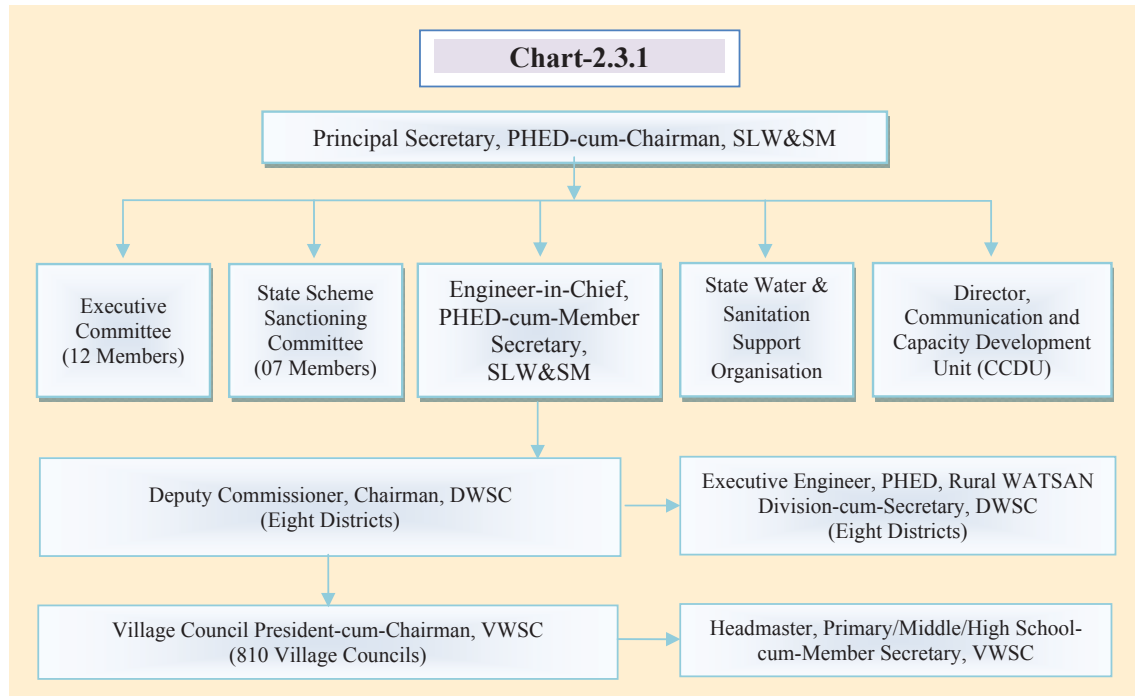
The Gram Panchayat is the pivotal body for implementation of the Scheme at the village level. However, in the case of Mizoram, since the State is exempted under Article 243M of the Constitution of India from the application of the 73<sup>rd</sup> & 74<sup>th</sup> Amendment to the Constitution, the Panchayati Raj Institution (PRI) as embodied in the constitutional amendments are not in place in the State of Mizoram. Instead, the existing traditional Village Councils (VCs) have been mandated and invested with the corresponding responsibility to function as PRIs.

In Mizoram, 846 villages in the eight Districts are headed by 810 Village Council Presidents (VCPs). The VCP is the Chairman of the constituted Village Water and Sanitation Committee (VWSC) with Headmaster of Primary/Middle/High School as Member Secretary and one Member from elected Village Council Members (VCM), three members from different NGO Groups and three prominent Citizens. The VWSC is responsible for ensuring community participation and decision making in all activities under TSC/NBA, arranging community contribution, signing various agreements on behalf of the community with the DWSC besides supervision of construction activities. The VWSC is also responsible for operation and maintenance of assets created under the TSC/NBA programme.

A Chart showing delivery structure responsible for implementation of the TSC/NBA in the State is depicted below:

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<sup>3</sup> i) School Education, ii) Health & Family Welfare and iii) Social Welfare



### 2.3.3 Audit Objectives

The performance audit of the TSC/NBA was conducted with the objectives to assess as to whether:

- i. The planning of the implementation of the Scheme at different levels was adequate and effective and was aimed towards achievement of objectives of the Scheme;
- ii. Funds were released, accounted for and utilised in compliance with the guidelines issued under the TSC/NBA;
- iii. The targets set in terms of number of units under various components of the Scheme were sufficient to achieve and sustain the vision of Nirmal Bharat by 2022 with all VCs in the attaining Nirmal status;
- iv. Construction and upgradation of infrastructure under various components of the Scheme was in compliance of the financial and quality parameters set out in the scheme guidelines;
- v. The information, education and communication strategy under the Scheme was effective in generation of demand of TSC/NBA services through community mobilization;
- vi. The convergence of the TSC/NBA activities with other programmes/stakeholders as envisaged was effectively achieved; and
- vii. The mechanism in place for monitoring and evaluation of the outcomes of the programme was adequate and effective.



### 2.3.4 Audit Criteria

Audit findings are benchmarked against the criteria contained in the following sources:

- TSC guidelines 2007, 2010 and 2011 and NBA Guidelines 2012; notifications and circulars issued by Ministry of Drinking Water and Sanitation;
- Information Education and Communication (IEC) guidelines, 2010 issued by the Ministry of Rural Development;
- State Government orders relating to implementation of the TSC/NBA;
- Guidelines for engagement of Swachchhata Doot/Prerak issued by the Ministry of Drinking Water & Sanitation Central Rural Sanitation Programme;
- Guidelines for engagement of skilled and unskilled workers from MGNREGS issued by the Ministry of Rural Development;
- Guidelines for Nirmal Gram Puraskar;
- Provisions of General Financial Rules, 2005; and
- Physical and financial progress reported under Management Information System available on website of the Scheme ([www.tsc.gov.in](http://www.tsc.gov.in)).

### 2.3.5 Scope of Audit

Performance audit of TSC/NBA in the State covering the period 2009-14 was carried out between May and August 2014 through test check of the records in the Offices of the Administrative Department of PHED, Engineer-in-Chief, PHED-cum-Member Secretary, SLW&SM, Director, Communication and Capacity Development Unit (CCDU), Secretary, DWSC in five<sup>4</sup> Districts out of eight Districts and Chairman, VWSC of 69 village councils out of 284 VCs in ten selected blocks. The audit covered an expenditure of ₹ 12.66 crore (53 *per cent*) out of expenditure of ₹ 24.06 crore incurred by the Mission during 2009-14.

### 2.3.6 Sampling

Out of eight Districts in the State, five Districts (63 *per cent*) namely Champhai, Lunglei, Mamit, Kolasib and Serchhip were selected. In the five Districts, 10 blocks (67 *per cent*) out of 15 blocks were selected. Again, out of 284 Village Councils in the selected ten blocks, 69 Village Councils (25 *per cent* subject to maximum 10) were selected for detailed scrutiny within each selected village council, ten beneficiaries (maximum five from one village) were selected from the beneficiary (Household) list for physical verification and beneficiary survey. Details of the selected Districts, blocks and villages are given in **Appendix-2.3.1**.

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<sup>4</sup> i) Champhai, ii) Lunglei, iii) Mamit, iv) Kolasib and v) Serchhip

The sample Districts were selected using Probability Proportional to Size with Replacement (PPSWR). The sample Blocks, Village Councils and beneficiaries were selected using Systematic Random Sampling Without Replacement (SRSWOR) methods.

### 2.3.7 Methodology

The Performance Audit commenced with an Entry Conference held on 8 May 2014 with the Secretary, Government of Mizoram, PHED-cum-Chairman, SLW&SM, Member Secretary, SLW&SM and two other officers from the PHED wherein the Audit Objectives, Scopes and Criteria were discussed. The Audit Methodology involved examination and analysis of the records/documents of the SLW&SM and Secretary, DWSC coupled with field visits by the Audit team for scrutiny and analysis of the records of the selected five Districts during the period from 19 May 2014 to 31 August 2014.

The audit findings were discussed at length in the Exit Conference held on 05 December 2014 with the Secretary, PHED-cum-Chairman, SLW&SM and other departmental officers and their views have been incorporated at appropriate places in the Report.

#### 2.3.7.1 Impact Assessment

The following specific methodologies were adopted in audit for impact assessment of the Programme:

- Household Beneficiary Survey.
- Physical Verification of works executed under the TSC/NBA programme.

### 2.3.8 Acknowledgement

The Indian Audit & Accounts Department acknowledges and appreciates the co-operation rendered by the Administrative Department of the PHED, Member Secretary of the State Level Water and Sanitation Mission and the functionaries of the selected Districts and VCs during the course of this Performance Audit.

### Audit Findings

Significant audit findings noticed in course of Performance Audit are discussed in the succeeding paragraphs.

**Audit Objective: To assess whether the planning of the implementation of the Projects at different levels was adequate and effective and was aimed towards achievement of objectives of the Programme.**

### 2.3.9 Planning

Planning is an integral part of programme implementation.

As per TSC guidelines, Baseline Survey was conducted (2004) by the eight District Water and Sanitation Committees (DWSCs) to assess the status of sanitation and hygiene practice, people's attitude for improved sanitation *etc.* The status report was approved (September 2008) by the National Scheme Sanctioning Committee (NSSC). In order to ensure full coverage of sanitation in all the 846 villages re-survey was done during 2009 by the PHED and different NGO groups with the assistance of the VWSCs. The updated report was also approved (June 2010) by the NSSC.

Based on village-level survey data, the eight districts prepared Programme Implementation Plan (PIP) between January 2010 and February 2012 showing requirement of Individual Household Latrine (IHHL) for Above Poverty Line (APL) and Below Poverty Line (BPL) households, Community Sanitary Complex (CSC), Institutional Toilets and locations for Solid and Liquid Waste Disposal as well as funds required for the projects and submitted to the SLW&SM. At State-level, Districts PIP were consolidated as State Annual Implementation Plan for the five years (2009-14).

Audit noticed that the Chief Engineer (CE), Monitoring & Investigation submitted (January 2010 and 2011) the State AIP to the Ministry of Rural Development (MoRD) without obtaining approval of the SSSC. However, the consolidated District PIPs were again submitted to the NSSC in February 2012 after obtaining approval of the SSSC.

Further scrutiny disclosed that the DWSCs prepared District PIPs of TSC/NBA projects covering the beneficiaries both in rural and urban areas of the Districts, which were consolidated into State AIP for their onwards submission to the NSSC. The State AIP, which also included beneficiaries of urban areas, was approved by the NSSC.

While admitting the facts in the exit conference, the State Government stated (December 2014) that due to urgency the project proposal (2009-11) was sent by e-mail to NSSC without approval of the SSSC.

Further, the Government also stated that the urban areas which availed the TSC benefits did not have Municipal councils. However, the practice of giving benefits in urban areas has been discontinued.

**Audit Objective: To ascertain whether funds released were accounted for and utilised in compliance with the guidelines issued under TSC/NBA.**

### **2.3.10 Financial Management**

The Central assistance shall be released to the Implementing Agency in four installments (30, 30, 30, and 10). The first installment will be released immediately after approval of the project proposal by the National Scheme Sanctioning Committee subject to receipt of details of the Implementing Agency at District level and name of the bank, IFSC Code and Account No. *etc.*

All bank accounts shall be Saving Accounts. The release of further installments will be subject to the following conditions:

- i. Release of State Matching Share;
- ii. Household/Community contribution; and
- iii. Utilisation Certificate against 60 per cent (minimum) expenditure out of available funds under Central as well as State Share and interest.

Audit noticed that the GoI released the first instalment to the SLW&SM bank account after approval of the project proposal by the NSSC. During 2009-10 and 2013-14 second instalment was released by the GoI on fulfillment of the prescribed conditions and in three other years (2010-2013) only one instalment was released.

### 2.3.10.1 Funding Pattern

Funding of TSC/NBA programme was based on approved Project cost out of State AIP which is shared amongst the Union, the State and the beneficiary as per component-wise ratio stipulated in the guidelines. The funding pattern for implementation of various components of TSC/NBA projects is shown in **Appendix-2.3.2**.

### 2.3.10.2 Position of receipt and utilisation of fund

The year-wise position of receipt of central share from the GoI directly in SLW&SM bank account *vis-a-vis* corresponding release of State Matching Share and utilisation of funds by the SLW&SM during 2009-14 is given in Table-2.3.1 below:

**Table-2.3.1**

(₹ in lakh)

Year	Opening Balance	Central share released	State matching share	Interest earned	Total funds available	Amount utilised	Closing Balance (Percentage)
2009-10	176.47	446.03	96.00	7.37	725.87	468.43	257.44 (35)
2010-11	257.44	661.15	121.14	9.93	1049.66	364.91	684.75 (65)
2011-12	684.75	68.93	69.71	9.88	833.27	734.45	98.82 (12)
2012-13	98.82	497.48	150.00	9.03	755.33	323.21	432.12 (57)
2013-14	432.12	805.88	220.00	16.65	1474.65	515.28	959.37 (65)
<b>Total</b>		<b>2479.47</b>	<b>656.85</b>	<b>52.86</b>	<b>3365.65</b>	<b>2406.28</b>	<b>--</b>

Source: GoI release orders, GoM sanction orders and Expenditure Statement of DWSCs

Audit observed that against the available funds of ₹ 33.66 crore, the SLW&SM could utilise only an amount of ₹ 24.06 crore during 2009-14, which resulted in short utilisation of available fund of ₹ 9.59 crore.

In the exit conference (December 2014), the Government did not give any comments.

### **2.3.10.3 Short Release of State Share**

The position of release of Central and State Share for implementation of projects under TSC/NBA programme during 2009-14 is detailed in **Appendix-2.3.3**.

Audit observed that the short fall in release of State Matching Share was ₹ 41.61 lakh and ₹ 96.11 lakh during 2009-10 and 2010-11 respectively, and the overall share of the State not yet released during the period totals to ₹ 1.43 crore.

In the exit conference (December 2014), the Government did not give any comments.

### **2.3.10.4 Transfer of funds**

Para 12.2 of TSC/NBA guidelines read with the sanction orders issued by the GoI, MoRD envisage that the State shall release the central assistance received along with the State matching share to the District implementing agency (District Water and Sanitation Committee) within 15 days of receipt of Central assistance. Further, according to the sanction orders verification fees for Nirmal Gram Puraskar (NGP) is to be transferred to the DWSC bank account within 10 days of receipt of funds by the State for payment to the verification agencies.

#### **2.3.10.4.1 Delay in release of funds by the SLW&SM**

The year-wise release of funds by the GoI, the date of credit in State Water and Sanitation Mission (SW&SM) bank account and subsequent transfer of funds to the District Water and Sanitation Committees' (DWSC) bank accounts during 2009-14 for implementation of the projects is shown in **Appendix-2.3.4**.

Audit observed that during 2010-12 the SLW&SM transferred central assistance to the implementing DWSC bank accounts with an inordinate delay ranging between 9 and 393 days from the date of credit in SLW&SM bank account. Due to inordinate delay in transfer of funds, the DWSC could not take up construction of targeted schools and Anganwadi toilets (Table-2.3.5 of Para-2.3.11.2.1) during 2011-13. Reasons for delay in release of funds were not on records.

Thus, delay in transfer of funds in contravention of guidelines/release orders led to non-accrual of benefits to the targeted rural people within the time frame, thus, undermining the goal of the scheme.

#### **2.3.10.4.2 Financial outlay and expenditure in selected Districts**

The position of funds received and expenditure incurred by the Secretary, DWSC of five sample Districts during 2009-14 are given in Table-2.3.2 below:

Table-2.3.2

(₹ In lakh)

Name of the Districts	Opening balance	Funds received		Interest earned	Total funds available	Actual expenditure	Un-utilised funds as of 31 March 2014
		Central Share	State share				
Champhai	0.39	488.03	124.09	7.10	619.61	568.23	51.38
Lunglei	62.37	216.47	88.52	8.13	375.49	321.48	54.01
Kolasib	355.04	153.57	53.19	3.70	565.50	132.10	433.40
Mamit	19.18	152.59	78.58	4.77	255.12	183.05	72.07
Serchhip	1.33	55.13	24.80	2.39	83.65	61.09	22.56
<b>Total</b>	<b>438.31</b>	<b>1065.79</b>	<b>369.18</b>	<b>26.09</b>	<b>1899.37</b>	<b>1265.95</b>	<b>633.42</b>

Source: DWSCs' records and Annual Statement of Accounts

From the above Table, Audit analysed that out of available funds of ₹ 1,899.37 lakh during 2009-14 an amount of ₹ 1,265.95 lakh was spent by the five DWSCs for creation of assets under TSC/NBA programme leaving a balance of ₹ 633.42 lakh as of 31 March 2014.

Thus, non-utilisation of available funds in time bound manner resulted in non-completion of the projects within the targeted period.

In the exit conference (December 2014), the Government did not give any comments.

#### 2.3.10.5 Administrative Charges

As envisaged in TSC/NBA guidelines, Administrative Charges include *viz.* expenses on training, salary of temporary staff deployed during project period, support services, fuel charges, vehicle hire charges, stationery, monitoring and evaluation of the projects under TSC/NBA. The expenses on administrative charges are limited to 5 *per cent* upto 2011-12 and thereafter 4 *per cent* of project cost under TSC/NBA.

The NSSC approved (September 2008) an amount of ₹ 148.57 lakh (Central Share: ₹ 118.86 lakh and State Share: ₹ 29.71 lakh) for incurring expenditure by eight DWSCs under administrative charges.

The position of expenditure towards administrative charges on admissible items by the selected five DWSCs as against permissible limit of expenditure as per guidelines during the period from 2009 to 2014 is shown in Table-2.3.3 below:

Table-2.3.3

(₹ in lakh)

District	Permissible expenditure on administrative charges	Actual expenditure	Excess expenditure
Champhai	25.28	31.01	5.73
Lunglei	13.52	21.37	7.85
Kolasib	5.40	12.32	6.92
Mamit	8.25	14.90	6.65
Serchhip	2.47	6.11	3.64
<b>Total</b>	<b>54.92</b>	<b>85.71</b>	<b>30.79</b>

Source: DWSCs records

Audit observed that the five DWSCs incurred an expenditure of ₹ 85.71 lakh during 2009-14 on administrative charges against the permissible limit of ₹ 54.92 lakh thereby incurring an excess expenditure of ₹ 30.79 lakh. Reasons for excess expenditure were not found on records.

In their reply, the Department stated (January 2015) that as per the NBA Guidelines, the administrative charges were calculated on four *per cent* of the project cost as approved by the 45<sup>th</sup> NSSC. But, the reply of the Department is not acceptable as the administrative charges were not approved by the 45<sup>th</sup> NSSC (March 2012), while approving the component-wise revised approval.

**Audit Objective: To assess whether the targets set in terms of number of units under various components of the TSC/NBA were sufficient to achieve and sustain the vision of Nirmal Bharat by 2022 in all the VCs in the attaining of Nirmal status.**

### 2.3.11 Implementation Structure

A Project Implementation Plan (PIP) emanates from a District through DWSC and is approved by the SSSC before submission to GoI, Ministry of Drinking Water & Sanitation as a State Plan. During 2009-14 the State Government submitted project proposals totaling ₹ 99.36 crore (January 2010: ₹ 29.90 crore, January 2011: ₹ 33.91 crore and February 2012: ₹ 35.55 crore) against which the National Scheme Sanctioning Committee (NSSC) approved projects totaling ₹ 26.99 crore (June 2010: ₹ 14.38 crore and March 2012: ₹ 12.61 crore) for implementation of TSC/NBA programme in the State. Details of approved projects during 2009-14 (including balance projects at the beginning of the year 2009-10) and status of achievements for the years 2009-14 are indicated in the Table-2.3.4 below:

**Table-2.3.4**

Components	Balance project as of 31 March 2009	Approved by NSSC		Total approved projects	Achievement during 2009-14 (Percentage)	Balance work as of 31 March 2014
		June 2010	March 2012			
IHHL (APL)	4182	2114	--	6296	6099 (97)	197
IHHL (BPL)	6891	30224	--	37115	31455 (85)	5660
School Toilet	--	--	2686	2686	603 (22)	2083
Anganwadi Toilet	--	631	87	718	483 (67)	235
Community Sanitary Complex	264	--	--	264	158 (60)	106

Source: Copy of Projects approval and DWSCs' records

As can be seen from the above Table, there has been a significant achievement of 85 and 97 *per cent* in construction of Individual Household Latrine (IHHL) under the categories of BPL and APL households respectively. Further, the achievements in construction of Anganwadi toilets and Sanitary Complex stood at 67 and 60 *per cent* respectively whereas, the achievement

in construction of school toilet was only 22 *per cent*. The reasons for under achievement in construction of school toilets were not on records.

In the exit conference (December 2014), the Government did not give any comments.

### 2.3.11.1 Physical Targets and Achievements

The year-wise targets set by the DWSCs for implementation of different Projects under TSC/NBA programme *vis-à-vis* achievements during 2009-14 are shown in **Appendix-2.3.5**.

Audit examination revealed that there was shortfall in achievement in the range between 3 and 100 *per cent* against the different project-wise targets set during 2009-14 for sanitation coverage in rural areas of eight Districts. Significant shortfall (19 to 100 *per cent*) during 2011-14 was noticed under projects, *viz.* construction of IHHL and Institutional (Schools and Anganwadi Centers) toilets, though funds were available in SLW&SM bank account during the year 2012-14 (Table-2.3.1).

In the exit conference (December 2014), the Government did not give any comments.

### 2.3.11.2 Implementation of the projects in selected Districts

#### 2.3.11.2.1 Incomplete Projects

Details of projects under TSC/NBA approved during 2009-14 by the NSSC for five selected Districts (including balance projects as of 31 March 2009) and achievements thereof during 2009-14 are shown in Table below:

**Table-2.3.5**

Components	Balance project as of 31 March 2009	Approved by NSSC		Total approved projects	Achievement during 2009-14	Balance work as of 31 March 2014 (Percentage)
		June 2010	March 2012			
1	2	3	4	5	6	7
IHHL (APL)	2138	1421	--	3559	3559	--
IHHL (BPL)	3639	13716	--	17355	16422	933 (5)
School Toilet	--	--	1738	1738	231	1507 (87)
Anganwadi Toilet	--	393	--	393	278	115 (29)
Community Sanitary Complex	200	--	--	200	143 (CSC) 62 (WSC)	57 (CSC) (29)

Source: Projects approval, progress reports through IMIS and DWSCs' records  
WSC – Women Sanitary Complex

It can be seen from the Table above that there was overall shortfall in achievements ranging from 5 to 87 *per cent*. Audit observed that the shortfall in achievements was significantly higher in construction of School toilets.

The reason for shortfall in achievement could be attributed to delay in release of funds by the SLW&SM to the DWSCs.



### **2.3.11.2.2 Irregular expenditure**

As envisaged in Para 2 of TSC/NBA guidelines, in order to improve the general quality of life in the rural areas, funds released by the GoI on the basis of approved project outlay of the State were to be utilised for creations of assets in the rural areas.

Scrutiny of the records of the five sample Districts (Champhai, Lunglei, Mamit, Kolasib and Serchhip) revealed that the DWSCs implemented the TSC/NBA projects both in rural and urban areas out of funds released by the Central and State Government and incurred an irregular expenditure of ₹ 270.90 lakh towards implementation of the projects in urban areas. The details are shown in **Appendix-2.3.6**.

While admitting the facts in the exit conference, the State Government stated (December 2014) that the urban areas which availed the TSC benefits did not have Municipal councils. However, the practice of giving benefits in urban areas has been discontinued.

## **2.3.12 Material Management**

### **2.3.12.1 Irregular purchase**

According to General Financial Rules, 2005 purchase of material shall be made after inviting quotations or tenders to avail the lowest and competitive market rates.

As per terms of reference of the reconstituted (May 2007) State Purchase Advisory Board (SPAB) and Departmental Purchase Advisory Board (DPAB), the DPAB and SPAB can recommend purchase proposals up to ₹ 50 lakh and above ₹ 50 lakh respectively. However, all purchase proposals, based on recommendations of DPAB/SPAB are required to be submitted to the Government for approval.

Scrutiny of the records of the SLW&SM revealed that without calling for quotations or tenders, the Chief Engineer (Monitoring and Investigation), PHED placed eight supply orders (July 2010) valued at ₹ 492.65 lakh on a Mumbai based supplier (M/s Nilkamal Limited) for purchase of 30,224 Squatting Plates with P-Traps (Sanitary materials) at the rate of ₹ 1,630 each (rate is inclusive of all taxes and Free on Transport, PHED Central Store, Zuangtui, Aizawl). The materials were purchased for use in construction of IHHL by BPL beneficiaries against the approved (June 2010) projects for BPL households in eight Districts. The DWSCs of the eight Districts paid (June 2011 to April 2013) ₹ 494.83 lakh to the supplier against receipt of 30,224 Squatting Plates with P-Traps.

Further, against another supply order (October 2012) issued to M/s Nilkamal Limited by the Engineer-in-Chief, PHED, for purchase of 1,500 Squatting Plates with P-Trap valued at ₹ 24.45 lakh (1,500 @ ₹ 1,630 each) for use in construction of IHHL (1,156 nos.) by BPL beneficiaries and Anganwadi toilets (344 nos.). Besides, the DWSC, Lunglei purchased 100 Squatting Plates with P-Traps at the cost of ₹ 1.64 lakh for construction of Anganwadi toilets.

Thus, procurement of Squatting Plates with P-Traps valued at ₹ 496.47 lakh in breach of the prescribed norms and purchase rules and without obtaining mandatory recommendations from the SPAB and approval of the Government, was irregular and was a departure from the purchase rules.

While accepting the facts, the SLW&SM confirmed (January 2015) that the difference of rates between the supply order and the payment made by the six DWSCs (Lunglei, Kolasib, Serchhip, Aizawl, Lawngtlai and Saiha) was due to the increase in Central Sales Tax (CST) from 12.5 per cent to 13.5 per cent.

The reply of the Department is not acceptable on the contrary CST was reduced from existing three per cent to two per cent with effect from 1 June 2008 on inter-State sales of goods as evident in the Notification dated 30 May 2008 of the Ministry of Finance (Department of Revenue), Government of India.

Thus, the Department made payments of ₹ 496.88 lakh, including CST of ₹ 57.60 lakh to the suppliers resulting in excess payment of ₹ 49 lakh for procurement of 30,224 Squatting Plates with P-Traps during 2011-13 as shown in the following Table:

Table-2.3.6

Name of DWSC	No. of Squatting Plates with P-Traps procured	Amount calculated				Actual amount to be paid				Excess amount paid (₹ in lakh)
		Basic Rate (in ₹)	CST (at 12.5 per cent)	Total (in ₹)	Amount paid (₹ in lakh)	Basic Rate (in ₹)	CST (at 2 per cent)	Total (in ₹)	Amount to be paid (In per cent)	
1	2	3	4	5=3+4	6=2X5	7	8	9=7+8	10=2X9	11=6-10
Champhai	6369	1448.89	181.11	1630.00	103.81	1448.89	28.98	1477.87	94.13	9.68
Mamit	1238	1448.89	181.11	1630.00	20.18	1448.89	28.98	1477.87	18.30	1.88
Kolasib	1226	1448.89	181.11	1630.00	19.98	1448.89	28.98	1477.87	18.12	1.86
Saiha	1840	1448.89	181.11	1630.00	29.99	1448.89	28.98	1477.87	27.19	2.80
<b>Sub-Total (A)</b>	<b>10673</b>	<b>1448.89</b>	<b>181.11</b>	<b>1630.00</b>	<b>173.96</b>	<b>1448.89</b>	<b>28.98</b>	<b>1477.87</b>	<b>157.74</b>	<b>16.22</b>
Lawngtlai	3056	1447.58	195.72	1643.30	50.22	1447.58	28.95	1476.53	45.12	5.10
Kolasib	1241	1447.58	195.72	1643.30	20.39	1447.58	28.95	1476.53	18.32	2.07
Serchhip	586	1447.58	195.72	1643.30	9.63	1447.58	28.95	1476.53	8.65	0.98
Aizawl	9123	1447.58	195.72	1643.30	149.92	1447.58	28.95	1476.53	134.70	15.22
Lunglei	5247	1447.58	195.72	1643.30	86.22	1447.58	28.95	1476.53	77.47	8.75
Saiha	398	1447.58	195.72	1643.30	6.54	1447.58	28.95	1476.53	5.88	0.66
<b>Sub-Total (B)</b>	<b>19551</b>	<b>1447.58</b>	<b>195.72</b>	<b>1643.30</b>	<b>322.92</b>	<b>1447.58</b>	<b>28.95</b>	<b>1476.53</b>	<b>290.14</b>	<b>32.78</b>
<b>Grand Total (A+B)</b>	<b>30224</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>496.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>447.88</b>	<b>49.00</b>

Source: Departmental records

**Audit Objective: To ascertain whether Construction and upgradation of infrastructure under various components of the Scheme was in compliance of the financial and quality parameters set out in the TSC/NBA guidelines.**

### 2.3.13 Programme components and activities for TSC/NBA

#### 2.3.13.1 Construction of Individual Household Latrines

As envisaged in the TSC/NBA guidelines, a duly completed household sanitary latrine shall comprise of a Basic toilet unit with a super structure. The programme for conversion of all existing bucket latrines in rural areas to sanitary latrines is aimed to cover all the rural families. The constructions of household toilets should be undertaken by the BPL household itself and on completion and use of the toilet by the BPL household, the cash incentive can be given to them in recognition of its achievement. The Above Poverty Line (APL) families, through motivation, will take up construction of the household latrines on their own.

The position of approved number of Individual Household Latrine (IHHL) for APL and BPL households during 2009-14 (including incomplete IHHL at the beginning of the 2009-10) is shown in Table below:

**Table-2.3.7**

Components	No. of incomplete IHHL as of March 2009	NSSC approval (June 2010)	Target during 2009-14	Achievement during 2009-14	No. of incomplete IHHL as of 31 March 2014 (percentage)
IHHL(APL)	4182	2114	6296	6099	197 (3)
IHHL(BPL)	6891	30224	37115	31455	5660 (15)

Source: NSSC approval and DWSCs' records

It can be seen from the Table-2.3.7 that shortfall in achievements in construction of IHHL under the category of APL households was only three *per cent* and shortfall under the BPL household category stood of 15 *per cent* as of 31 March 2014.

Construction of IHHL by BPL beneficiaries were surveyed during audit and found satisfactory in terms of utility. Some of the photographs taken during survey are depicted below:



*Individual Household Latrine  
(College Veng, Lunglei, Lunglei District)*



*Individual Household Latrine  
(Zokhawthar, Champhai District)*

### **2.3.13.1.1 Non-revision of allocation of project cost for construction of IHHL**

The NSSC approved (September 2008) 59,679 units of IHHL for BPL households under TSC for eight districts of Mizoram at a total project cost of ₹ 904.26 lakh (at the average cost of ₹ 1,515 per unit). The GoI, Ministry of Rural Development (MoRD) revised (April 2008) the unit cost of IHHL for BPL households from ₹ 1,500 to ₹ 3,000 for hilly and difficult areas with the funding pattern of Central Share ₹ 2,000, State Share ₹ 700 and Beneficiary Share ₹ 300.

Analysis of the records of the SLW&SM, however, revealed that the State Government did not seek for the revision of allocation for IHHL @ ₹ 3,000 per unit from the existing rate of ₹ 1,500 per unit from April 2008. As a result, during 2008-11, the DWSCs of eight Districts completed construction of 14,263 units (2008-09: 7,372, 2009-10: 5,407, 2010-11: 1,484) of IHHL through BPL households with a total cost of ₹ 213.95 lakh, against the admissible total cost of ₹ 427.89 lakh.

Thus, due to non-revision of project cost of IHHL, the BPL Households were deprived of enhanced financial assistance to the tune of ₹ 213.94 lakh (₹ 427.89 lakh - ₹ 213.95 lakh).

In the exit conference (December 2014), the State Government did not give any comments.

### **2.3.13.1.2 Construction of Individual Household Latrines in selected districts**

The position of approved number of Individual Household Latrine (IHHL) for APL and BPL households during 2009-14 (including incomplete IHHL as of 31 March 2009) in respect of five selected districts is shown in Table-2.3.8 below:

**Table-2.3.8**

Name of District	Components	No. of incomplete IHHL as of March 2009	NSSC approval of IHHL in June 2010	Total No. of incomplete IHHL	No. of IHHL constructed during 2009-14	No. of uncovered IHHL as of 31 March 2014 (percentage)
Champhai	IHHL(APL)	723	701	1424	1424	-
	IHHL(BPL)	-	6369	6369	6369	-
Lunglei	IHHL(APL)	665	-	665	665	-
	IHHL(BPL)	2100	3056	5156	4335	821 (16)
Mamit	IHHL(APL)	750	-	750	750	-
	IHHL(BPL)	-	1238	1238	1126	112
Kolasib	IHHL(APL)	-	720	720	720	-
	IHHL(BPL)	1224	2467	3691	3691	-
Serchhip	IHHL(APL)	-	-	-	-	-
	IHHL(BPL)	315	586	901	901	-
<b>Total</b>		<b>5777</b>	<b>15137</b>	<b>20914</b>	<b>19981</b>	<b>933</b>

Source: NSSC approval and DWSCs' records

It was noticed in Audit that out of 20,914 units of IHHL approved for construction by BPL households in five Districts, 19,981 units of IHHL were constructed during 2009-14 with balance of 933 IHHL (BPL) (Lunglei and Mamit) left uncovered as of 31 March 2014.

The DWSC Lunglei stated (July 2014) that the process of spot verification of construction of IHHL by BPL beneficiaries took time which debarred from completion of remaining IHHL.

In the exit conference (December 2014), the Stated Government did not offer any comments.

### 2.3.13.2 Community Sanitary Complex

As envisaged in the TSC/NBA guidelines Community Sanitary Complex (CSC) comprises of different components like toilet seats, bathing cubicles, washing platforms, wash basins etc. can be set up in the village acceptable to women/men/landless families and accessible. User families are to contribute a reasonable monthly user charge for cleaning and maintenance of CSC. Maximum unit cost for a community complex is up to ₹ two lakh, for which the detailed design and estimates are to be approved by the NSSC. The sharing pattern amongst GoI, State Government and the Community is in the ratio of 60: 30:10.

The NSSC approved (September 2008) construction of 560 CSC with an outlay of ₹ 654.20 lakh (Centre: ₹ 381.32 lakh, State: ₹ 194.80 lakh, and Beneficiary: ₹ 78.08 lakh) for seven Districts (except Saiha District). The average unit cost of approved CSC worked out to ₹ 1.17 lakh. However, as of 31 March 2009, 264 balance number of units of CSC yet to be achieved out of 560 approved CSC.

Construction of Community Sanitary Complexes were surveyed during audit and found satisfactory in terms of utility. Some of the photographs taken during survey are depicted below:



Community Sanitary Complex  
(Kahrawt Veng, Champhai, Champhai District)



Community Sanitary Complex  
(Kangmun South, Lunglei District)

### 2.3.13.2.1 Construction of Community Sanitary Complex in selected Districts

Scrutiny of the records of the five sample districts revealed that out of incomplete 200 units of CSC, the DWSCs constructed 143 units of CSC (Estimated cost ₹ 286 lakh) at an expenditure of ₹ 245.53 lakh during 2009-14. The DWSCs also constructed 62 units of Women Sanitary Complex (WSC) (Estimated cost ₹ 12.40 lakh) outside the approved State AIP and spent ₹ 10.38 lakh out of funds allotted for CSC. Details of expenditure incurred for construction of CSC and WSC are shown in Table-2.3.9 below:

Table-2.3.9

(₹ in lakh)

District	Balance CSC at the beginning of 2009-10	Total of Central and State share for balance works	Achievements during 2009-14		Expenditure	
			CSC	WSC	CSC	WSC
Champhai	54	93.02	41	52	71.04	8.78
Lunglei	50	35.29	36	10	70.73	1.60
Kolasib	20	35.08	18	0	28.80	0
Mamit	50	89.20	41	0	65.16	0
Serchhip	26	18.10	7	0	9.80	0
<b>Total</b>	<b>200</b>	<b>270.69</b>	<b>143</b>	<b>62</b>	<b>245.53</b>	<b>10.38</b>

Source: NSSC approval and DWSCs records

Audit observed that -

- The construction of WSC was neither included in the district PIP nor approved by the SSSC/NSSC.
- There was no water connection in the constructed WSCs.

The Secretary, DW&SC, Champhai stated (May 2014) that in response to demand from beneficiaries through VW&SCs, Women Sanitary Complex were constructed out of funds allotted for CSC by reducing the number of CSC to that extent.

In the exit conference (December 2014), the Stated Government did not give any comments.

### 2.3.13.3 Institutional Toilets

School sanitation forms an integral part of TSC/NBA project. Children are more receptive to new ideas and schools/Aganwadis are appropriate institution for changing the behavior and habits of children. The experience gained by children through use of toilets in school and sanitation education imparted by teachers would influence parents to adopt good sanitary habits.

#### 2.3.13.3.1 School Toilets

According to TSC/NBA guidelines in all types of Government schools (Primary, Upper Primary, Secondary and Higher Secondary) toilets should be constructed with an emphasis on separate toilets for girls in schools. Further, while approving the TSC/NBA projects, NSSC in its 44<sup>th</sup> meeting informed (June 2010) the States to ensure that revision in toilet units in schools is only proposed for those schools which existed prior to 2006-07 as SSA was providing funds for toilets from 2007 onwards.

The NSSC approved (September 2008) construction of 3,219 toilets in schools in eight Districts with an approved outlay of ₹ 643.80 lakh. The unit cost of each toilet was ₹ 20,000 (Central Share: ₹ 14,000 and State Share: ₹ 6,000). Construction of all these toilets was completed as of March 2009. Further, the State Government submitted Programme Implementation Plan (PIP) of eight Districts and accordingly the NSSC approved (March 2012) construction of 2,686 school toilets with an outlay of ₹ 1,034.11 lakh (GoI Share: ₹ 723.88 lakh and State Share: ₹ 310.23 lakh). The unit cost of toilet was ₹ 38,500 with the funding pattern in the ratio of 70:30 between Central and State. Details of approval for construction of school toilets and year-wise achievements thereof during 2012-13 and 2013-14 are shown in Table-2.3.10 below:

**Table-2.3.10**

(In Nos.)

No. of School toilets approved (March 2012)	Achievements during			Balance
	2012-13	2013-14	Total	
2686	106	638	744	1942

Source: NSSC approval, IMIS and DW&SC records

It can be seen from the above Table that out of 2,686 school toilets approved by the NSSC for the eight Districts, 744 school toilets were constructed by the five Districts (except Mamit, Serchhip and Saiha) during 2012-14. Further, out of 744 school toilets constructed by five Districts, the DWSCs of two test checked Districts completed construction of 340 school toilets (Champhai: 289 and Lunglei: 51) through the Secretary, VWSCs/School Education Department (SED) during 2012-14.

Construction of school toilets were surveyed during audit and found satisfactory in terms of utility. Some of the photographs taken during survey are depicted below:



School Toilet (N. Kawnpui (Government School), Kolasib District)

The other irregularities noticed in audit are spelt out below:

#### 2.3.13.3.1.1 Excess allocation of ₹ 223.30 lakh due to inflated AIP

Scrutiny of records of the five DWSCs (Champhai, Lunglei, Mamit, Kolasib, and Serchhip) revealed that the NSSC approved 1,738 school toilets in 1,357 schools as per details given below:

Table-2.3.11

Name of Districts	No. of Schools	No. of school toilets approved for			Total
		Government school	Private school	SSA school established after 2007	
Champhai	363	258	115	06	379
Lunglei	497	470	134	55	659
Mamit	267	236	99	47	382
Kolasib	70	68	50	0	118
Serchhip	160	126	74	0	200
<b>Total</b>	<b>1357</b>	<b>1158</b>	<b>472</b>	<b>108</b>	<b>1738</b>

Source: Baseline re-survey, 2009 and NSSC approval

Audit observed that out of approved 1,738 toilets –

- 472 toilets were to be constructed in private schools; and
- 108 toilets SSA schools established after 2007

though the TSC/NBA guidelines allow construction of toilets only in Government schools and NSSC approval (44<sup>th</sup> minutes) do not allow construction of toilets in those schools which existed prior to 2006-07 as SSA was providing funds for toilets from 2007 onwards.



Thus, irregular inclusion of 580 private/SSA run schools in the AIP resulted in inflated number of school toilets, which in turn increased the total allocation of the project by ₹ 223.30 lakh (₹ 38,500 X 580).

#### ***2.3.13.3.1.2 Irregular expenditure***

During 2012-14, the two DWSCs constructed 340 school toilets (Champhai: 289 and Lunglei: 51) through School Education Department.

Audit observed that-

- The DWSC Champhai constructed 289 school toilets in Government Schools, out of which 40 school toilets were outside the approved PIP of the District.
- The DWSC Lunglei constructed 51 school toilets in Government schools (50) and one in private school through SED, out of which 10 in Government schools and one in private school were outside of the approved PIP of the District.

Thus, construction of 51 school toilets by the two DWSCs beyond the approved plan, led to an irregular expenditure of ₹ 19.64 lakh (₹ 38,500 X 51).

While accepting the facts in the exit conference, the State Government stated (December 2014) that the private schools were included in the AIP due to demand and also stated that total sanitation could not be achieved without incorporating the private schools.

#### ***2.3.13.3.1.3 Quality parameters of the constructed toilets***

The Secretary, DWSC, Champhai released (May 2009) ₹ 68.32 lakh to the Secretaries of 68 VWSCs for construction of balance 488 school toilets (out of approval in September 2008) at the rate of ₹ 14,000 as against the approved estimated cost of ₹ 20,000 for each toilet.

Thus, due to the execution of works by the VWSCs with reduced cost the quality parameters of assets created could not be ensured.

#### **2.3.13.3.2 Anganwadi Toilets**

As envisaged in TSC/NBA guidelines in order to change the behavior of the children from very early stage in life, it is essential that Anganwadi centers are used as a platform of behavior change of the children. For this purpose, all the Anganwadis functioning in Government buildings should be provided with a baby friendly toilet out of TSC/NBA funds. The unit cost of each toilet was ₹ 10,000 with share between Central and State in the ratio 70 : 30. Against the State Government proposal for construction of toilets in 1,428 Anganwadi Centres (AWCs), the NSSC approved (June 2010: 629 and March 2012: 89) construction of 718 toilets in 718 centers with an outlay of ₹ 71.80 lakh (GoI: ₹ 50.26 lakh and State: ₹ 21.54 lakh). The owner of the private buildings from where Anganwadi are functioning must construct the toilet as per design and can charge enhanced rent for the building to recover the cost of construction.

The details of approval and achievements in construction of toilets in Anganwadi centers covering eight districts during 2009-14 are shown in Table-2.3.12 below:

Table-2.3.12

(₹ in lakh)

Approval of Anganwadi Toilets		Achievements during					Balance
Date	No.	2010-11	2011-12	2012-13	2013-14	Total	
02.06.2010	631	NIL	233	226	45	504	214
14.03.2012	87						
<b>Total</b>	<b>718</b>						

Source: NSSC approval and DWSC records

Audit observed that -

- Against the approval of 718 toilets in AWCs, the DWSCs of eight Districts completed construction of 504 toilets through the Social Welfare Department (SWD) at an expenditure of ₹ 50.40 lakh during 2011-14.

The Directorate of the SWD, however, stated (June 2014) that all the existing 1,980 Anganwadi centers (AWCs) functioning in Government buildings were already provided with toilets facilities and the Department utilised the funds of ₹ 50.40 lakh for repairing of the existing toilets in AWCs, which contradicted the claim of the Department that 504 toilets were constructed at ₹ 50.40 lakh during 2011-14.

This implied that provision for fresh construction of toilets in existing 1,980 AWCs was not at all required in the first place. However, against the incorrect data submitted to the GoI, the NSSC approved construction of 718 toilets for AWCs with an outlay of ₹ 71.80 lakh, which in turn facilitated an unauthorised expenditure of ₹ 50.40 lakh towards repairing of existing toilets.

- Out of 718 toilets approved by the NSSC for construction in Anganwadi centers, construction of 16 toilets in private buildings (Champhai: 5 and Lunglei: 11) was included in the State AIP which was not permissible out of TSC/NBA programme fund.
- Water connection was not provided to any of the toilets in Anganwadi Centre thus, undermining the very concept of sanitation and hygiene.

In the exit conference (December 2014), the State Government did not give any comments.

### 2.3.13.3.3 Rural Sanitary Marts and Production Centers

The Rural Sanitary Mart is an outlet dealing with the materials, hardware and Design required for the construction of sanitary latrine, soakage and composite pits and other sanitation and hygiene accessories required for individual families and the environment in the rural areas.

The programme is funded with central assistance (80 *per cent*) and state share (20 *per cent*). As against the State Government proposal the 41<sup>st</sup> NSSC approved (September 2008) for establishment of 20 Production Centers at a cost of ₹ 70 lakh (Central share ₹ 56 lakh and State share ₹ 14 lakh). The SLW&SM, however, did not establish the Production Centers till 31 March 2014 as projected in the AIP. In their reply (September 2014) the SLW&SM stated that on trial basis it was found that the production cost was too high and un-economical for establishment of the production centers in the State.

The SLW&SM, however, has not yet refunded the un-utilised central assistance of ₹ 56 lakh as of September 2014.

While admitting the facts in the exit conference, the Government stated (December 2014) that the GoI had approved for utilisation of money in other components.

#### **2.3.13.3.4 Provision of Revolving Fund in the District**

TSC/NBA guidelines stipulated that the State Government may create revolving fund in the District for providing low/zero interest finance to the members *viz.* Self-Help-Groups and Dairy Co-operative Societies for toilet construction. The revolving fund can be assessed by APL Households besides ICDS centers for construction of baby friendly toilets.

The State Government proposed provision for Revolving Fund through AIP and the NSSC approved (September 2008) an investment of ₹ 84.75 lakh (Central share: ₹ 67.80 lakh and State share: ₹ 16.95 lakh) for creation of Revolving Fund.

Audit observed that the SLW&SM did not take any action towards creation of Revolving Fund as projected in PIP by the Districts.

Thus, despite availability of funds, due to non-action of the SLW&SM, the eight DW&SCs could not render the support of cheap loan facilities to the needy APL households as well as ICDS centers for construction of toilets.

In the exit conference (December 2014), the State Government admitted the facts.

#### **2.3.13.3.5 Solid and Liquid Waste Management**

As per TSC/NBA guidelines, in order to bring improvement in general quality of life in rural areas, the Village Councils are required to put in place mechanism for garbage collection and disposal besides preventing water logging. Accordingly, under Solid and Liquid Waste Management (SLWM) the activities like common compost pits, low cost drainage, soakage channels/pits, reuse of waste water, system for collection, segregation and disposal of household garbage *etc.* may be taken up. SLWM projects should be approved by SSSC.

The NSSC approved (September 2008) an amount of ₹ 291.13 lakh (Central Share: ₹ 174.67 lakh, State Share: ₹ 58.23 lakh and Community Share ₹ 58.23 lakh) for execution of works under SLWM in eight Districts.

As against the approved outlay of ₹ 144.10 lakh (Central Share: ₹ 108.07 lakh and State Share: ₹ 36.06 lakh) for the five sample Districts, the activities under SLWM of five DWSCs during 2009-14 at a total expenditure of ₹ 124.70 lakh are shown in Table-2.3.13 below:

**Table-2.3.13**

District	Approved outlay (₹ in lakh)			Item of work	Expenditure (₹ in lakh)
	Central Share	State Share	Total		
Champhai	27.59	9.20	<b>36.79</b>	Construction of community bins, side drains, purchase and issue of plastic dust bins to VCs	28.09
Lunglei	36.00	12.00	<b>48.00</b>	Construction of community bins and soak pits, purchase and issue of plastic dust bins to VCs	46.37
Mamit	21.00	7.00	<b>28.00</b>	Construction of community bins, composite and soak pits, Purchase and issue of materials like Pipe, Brick and plastic dust bins to VCs	31.39
Kolasib	11.48	3.83	<b>15.31</b>	Construction of community bins, overhead community bins, Purchase and issue of materials like plastic dust bins to VCs	15.35
Serchhip	12.00	4.00	<b>16.00</b>	Purchase and issue of plastic dust bins to VCs	3.50
<b>Total</b>	<b>108.07</b>	<b>36.03</b>	<b>144.10</b>	--	<b>124.70</b>

Source: DWSCs records

Audit observed that:

- The NSSC approval (September 2008) did not contain the details of activities under SLWM to be taken up by the State Level Water & Sanitation Mission (SLW&SM). Further, the approval of the SSSC for the activities viz. construction of community bins, soak pits and purchase of plastic dust bins of the five sample DWSCs were not taken up by the SLW&SM.
- Master plan for SLWM was not prepared for the Districts.

In the exit conference (December 2014), the State Government did not give any comments.

### 2.3.13.3.6 Project completion

Para 24/23 of TSC/NBA guidelines envisage that when a project is completed fully in a District, the Implementing Agency at the District Level shall submit a completion Report along with Audit Certificate and Utilisation Certificate (UC) through the State Government to the Department of Drinking Water and Sanitation, Ministry of Rural Development/ Ministry of Drinking Water and Sanitation, GoI.

Examination of the records of the five test checked Districts revealed that without obtaining the actual completion certificates from the concerned executing agencies (VWSCs, SED and Child Development Project Officers), the five DWSCs, based on funds released to the executing agencies (time to time) prepared and submitted the project completion reports to SLW&SM along with Annual utilisation certificates, supported by audited statement of chartered accounts for its onwards submission to the GoI.

Thus, without ensuring actual utilisation of funds by the various executing agencies based on documentary evidence and records, on creation of durable assets, the five DWSCs more often than not resorted to submit completion reports to the SLW&SM for its onwards transmission to the GoI.

In the exit conference (December 2014), the State Government did not give any comments.

**Audit Objective: To assess whether the information, education and communication strategy under the Scheme was effective in generation of demand of TSC/NBA services through community mobilization.**

### 2.3.14 Information, Education and Communication activities

Information, Education and Communication (IEC) are the important components of the programme. These intend to create demand for sanitary facilities in the rural areas for households, Schools, Anganwadis, Balwadis and Community Sanitary Complexes. The activities carried out under these components should be area specific and should also involve all sections of the rural population, in a manner, where willingness of the people to construct latrines is generated. Community and culture specific plans may be necessary to achieve 100 *per cent* sanitation coverage. As part of the communication strategy motivators can be engaged at village level for demand creation and taking up behaviour change communication. The motivator can be given a suitable incentive from the funds, earmarked from the IEC.

Each district should prepare a detailed IEC Action Plan by February of the preceding financial year, with a defined strategy to reach all section of the community. The aim of such a communication plan is to motivate rural people to adopt hygiene behaviour as a way of life and thereby develop and maintain all facilities created under the programme.

Examination of records of the five selected districts (Champhai, Lunglei, Mamit, Kolasib and Serchhip) revealed the following activities under IEC programme with a total expenditure of ₹ 113.81 lakh during 2009-14 was undertaken as detailed below:

**Table-2.3.14**

Name of District	Activities on IEC	Expenditure (₹ in lakh)
Champhai	(i) Village Level Awareness campaign through Group Meetings and inter-personnel communication; (ii) Display Advertisement through banner, Hoardings, Wall Paintings; (iii) Documentary Film; (iv) Through All India Radio and Local cable network; (v) Leaflets; (vi) Training and (vii) Group meetings.	47.16
Lunglei	(i) Cable network; (ii) All India Radio broadcasting; (iii) Village Level Awareness Campaign; (iv) Documentary Film; (v) Magazine; (vi) Training and (vii) Souvenir.	19.80
Mamit	(i) Documentary Film (ii) Booklets and pamphlets (iii) Photograph (iv) Awareness campaign	11.24
Kolasib	(i) Awareness campaign through electronic media (ii) Silk screen sign board (iii) Photograph (iv) Advertisement for health tips/uniform (v) Display advertisement (vi) Souvenir (vi) Advertisement through daily local news paper (vii) Setting up of banner (viii) Training programme.	32.19
Serchhip	(i) Awareness campaign through electronic media (ii) Booklets and pamphlets.	3.42
<b>Total</b>		<b>113.81</b>

Source: DWSCs records

Further, examination of the records, related to implementation of IEC activities in five sampled districts revealed the following shortcomings:

#### 2.3.14.1 Shortfall in utilisation of IEC funds

In their 41<sup>st</sup> meeting held on 18 September 2008, the National Scheme Sanctioning Committee (NSSC) approved a total outlay of ₹ 33.18 crore (Central: ₹ 22.13 crore + State: ₹ 7.93 crore + beneficiary: ₹ 3.12 crore) for implementation of the TSC/ NBA in Mizoram. Out of this, an allocation of ₹ 2.64 crore (Central: ₹ 2.12 crore + State: ₹ 0.52 crore) was meant for IEC activities in five sample Districts of the State. The entire Central allocation of ₹ 22.13 crore, including ₹ 2.64 crore for IEC was released by the GoI for its utilisation during 2009-14.

The District-wise funds approved (September 2008) by the NSSC under IEC activities and actual expenditure incurred by the five sampled districts during 2009-14 are given in the following Table-2.3.15:

**Table-2.3.15**

Sl. No.	Name of District	Funds approved:			Expenditure (Percentage)	(+) Excess/ (-) Less
		Central	State	Total		
1.	Champhai	53.43	13.36	66.79	47.16 (71)	(-) 19.63
2.	Lunglei	74.42	18.60	93.02	19.80 (21)	(-) 73.22
3.	Mamit	42.30	10.57	52.87	11.24 (21)	(-) 41.63
4.	Kolasib	23.34	5.84	29.18	32.19	(+) 03.01
5.	Serchhip	18.10	4.53	22.63	3.42 (15)	(-) 19.21
<b>Total</b>		<b>211.59</b>	<b>52.90</b>	<b>264.49</b>	<b>113.81 (43)</b>	<b>(+) 150.68</b>

Source: Departmental records

- It could be seen from the above Table-2.3.15 that against the approved allocation of ₹ 264.49 lakh the five districts could utilise only an amount of ₹ 113.81 lakh constituting 43 per cent of the total allocation including an excess utilisation of grants to the tune of ₹ 3.01 lakh by Kolasib district. This resulted in short utilisation of a grant of ₹ 150.68 lakh.
- Against the utilised grants of ₹ 113.81 lakh, the shares between Central and State could not be ascertained in audit as it was not in records of the five districts.

While accepting the facts, the State Government stated (December 2014), that the CCDU was not given the charge of sanitation aspect. The reply of the Government is not acceptable as the provision of the Guidelines of TSC envisages for having CCDU.

#### 2.3.14.2 Inadequate planning

Though the scheme guidelines provides for preparation of a detailed IEC Action Plan every year, the five sample districts incurred an expenditure of ₹ 42.33 lakh during the first two years (2009-11) without having a detailed IEC Annual Action Plan. Against the balance funds

of ₹ 222.16 lakh (₹ 264.49 lakh - ₹ 42.33 lakh) the five districts, however, prepared detailed IEC Annual Action Plans for the remaining three years (2011-14) covering a financial target of ₹ 169.25 lakh against some IEC activities which resulted in short financial coverage of ₹ 52.91 lakh. It was also noticed that all the five sampled districts did not include any provision for engagement of communication strategy motivators in their detailed IEC Annual Action Plans for the three years (2011-14), as envisaged in the scheme guidelines.

While admitting the facts, the State Government stated (December 2014), that the CCDU was not given the charge of sanitation aspect. Further, the Government also stated that the financial incentive for engagement of communication strategy motivators is too less to employ an individual.

#### **2.3.14.3 Non-monitoring of IEC activities**

At State level, the Director, Community and Capacity Development Unit (CCDU) did not monitor the physical and financial progress of district-wise IEC activities during the last five years (2009-14) through monthly/quarterly/annual reports and returns. The five sampled districts also did not compile the component-wise and year-wise physical and financial progresses made under IEC activities during the last five years, as such component-wise progress made could not be ascertained in Audit.

While accepting the facts, the State Government stated (December 2014), that the CCDU has started functioning in regards to sanitation monitoring since April 2014.

**Audit Objective: To ascertain whether the convergence of the TSC/NBA activities with other programme/stakeholders as envisaged was effectively achieved.**

#### **2.3.15 Convergence of NBA projects with other schemes**

As envisaged in NBA Guidelines in order to implement the IHHL Project for rural households the SLW&SM should evolve a convergence mechanism with Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) to augment the availability of fund to rural households for construction of IHHL by themselves. Accordingly, the incentive of ₹ 5,100 (hilly and difficult area), earmarked for BPL beneficiaries under NBA programme could be increased by ₹ 4,500 taking into account the expenditure on skilled and un-skilled labour components of the work done under MGNREGS. Construction of institutional toilets (schools and anganwadi centers), CSC and S&LWM under the said programme could also be taken by using human resources under MGNREGS.

Scrutiny of the records revealed that the SLW&SM had not made any concerted efforts to evolve a convergence mechanism with the MGNREGS being implemented by the Rural Development Department during the period covered under performance audit.

While accepting the facts in the exit conference, the State Government stated (December 2014) that the GoI had already instructed to discontinue the convergence with MGNREGS.

**Audit Objective: To assess whether the mechanism in place for monitoring and evaluation of the outcomes of the programme was adequate and effective.**

### 2.3.16 Monitoring and evaluation

#### 2.3.16.1 Monitoring

The officers dealing with the programme at State and District level are required to conduct regular field visits to ascertain whether the programme is being implemented satisfactorily and whether the construction units/assets is in accordance with the prescribed procedures.

The SLW&SM and five DWSCs claimed that the regular field inspections were carried out by the various State and Districts level officers to verify the progress of implementation of the projects at grass root level. But, no copy of Inspection Reports/Notes, if any, submitted by the State/District level officers could be shown to audit.

Thus, in the absence of inspection notes the effective monitoring of the progress of works at State and District level could not be ascertained in audit.

In the exit conference, the state Government accepted (December 2014) the facts without offering any comments.

#### 2.3.16.2 Evaluation

As envisaged in the TSC/NBA guidelines the State should conduct periodical Evaluation Studies on the implementation of the TSC/NBA programme through reputed institution and organisation. Remedial action should be taken by the State on the basis of the observations made in these evaluation studies.

Audit observed that evaluation studies on the implementation of the projects/programme and their impact in the State was not conducted either by the State Government or by any reputed institution and organisation. Thus, effectiveness of the programme and their impact in the State was not assessed for taking required remedial measures, if any.

In the exit conference, the state Government accepted (December 2014) the facts without offering any comments.

### 2.3.17 Nirmal Gram Puraskar

To give a boost to the TSC, GoI launched (October 2003) the Nirmal Gram Puraskar (NGP) and gave away the first awards in 2005. NGP seeks to recognise and award the Village Councils and Institution which have contributed significantly towards ensuring full sanitation coverage



in their areas of operation. All Village Councils (VC) which fulfill the following criteria can apply for the NGP:

- The VC should have achieved objectives for all components in the TSC/NBA projects.
- All households in the VC area must have access to and all members should be using IHHL or CSC.
- All Government/private schools and Anganwadis must have functional clean toilets and urinals.
- Complete elimination of open defecation within the boundary of the VC.
- All public water sources to have proper platform and drainages around them.
- The VC must have mechanism for household garbage disposal and drainage system and cleanliness should be maintained in the inhabited areas.

The Department of Drinking Water Supply will conduct a detailed survey of all the VC level applications received online as uploaded by the State through various independent agencies for assessment before selection of the VC for the award. It was noticed in audit that 89 villages were awarded NGP as of 31 March 2014. Further, 75 applications from VCs were waiting for consideration of the award by the GoI.

In the exit conference, the state Government stated (December 2014) that the Inspection Team from GoI arrived in Mizoram for inspection during monsoon season, due to which more villages could not be covered for NGP.

### **2.3.18 Social Audit**

NBA guideline envisages that NBA will provide central role to 'social audits' as a means of continuous and comprehensive public vigilance. The VCs will have a 'Swachchhata Diwas' (Sanitation Day) every month with ample provision for proactive disclosure of information and thoughts. The objectives of Sanitation Day are as follows:

- To record achievements made under different projects.
- To identify individuals demanding sanitation facility and other works under NBA.
- To project monthly plan for construction of projects under NBA.
- To identify slip back cases under IHHL.
- To address the issue of making the communities open defecation free as a whole.
- To verify the expenditure made on various activities under NBA.

Further a Gram Sabha will be convened by the Secretary, Village Councils as Gram Swachchhata Sabha (Village Sanitation Assembly) every six months to undertake mandatory review of progress made under various Monthly Plans and proceedings of Swachchhata Diwas. This will be used as means of strengthen the elements of transparency, participation, consultation and consent, accountability and grievance redresses in the implementation of NBA.

Audit observed that Social Audit in the form of monthly Swachchhata Diwas and Gram Swachchhata Sabha in every six months were not held in five test checked Districts.

In the exit conference (December 2014), the state Government did not give any comments.

### 2.3.19 Impact assessment

#### 2.3.19.1 Individual Household Latrine beneficiary survey

In the course of Performance Audit, Individual Household Latrine (IHHL) beneficiary survey was conducted by audit jointly with the officers from PHED to access the impact of construction of IHHL by BPL and APL households. The beneficiary survey involved interaction with the BPL and APL beneficiaries to ascertain their satisfaction level on the implementation of the project.

The IHHL beneficiary survey was conducted in five selected Districts (Champhai, Lunglei, Mamit, Kolasib and Serchhip) covering 285 (BPL: 206, APL: 79) beneficiaries in 69 villages under 10 sample blocks.

Summary of the analysis out of responses gathered from 285 beneficiaries is given in the **Appendix-2.3.7**.

From the responses to the questionnaires as indicated in the **Appendix-2.3.7**, the following observations are made:

- ⇒ All the 285 beneficiaries had constructed and used their IHHLs and were safely disposing of child faces
- ⇒ Out of 285 beneficiaries, 231 beneficiaries disclosed that there was no provision for piped water supply in their IHHLs.
- ⇒ Out of 285 beneficiaries, 280 beneficiaries (except 05 beneficiaries in Mamit District) accepted that they have received incentive for construction of toilets without delay.

In the exit conference, the State Government stated (December 2014) that the position of non-receipt of incentives by the five beneficiaries in Mamit District will be checked. But, the position of checking with the audit observation and their outcomes is awaited (January 2015).

### 2.3.20 Conclusion

Survey Data on coverage of sanitation in the State under TSC/NBA programme were inclusive of beneficiaries both in the Rural and Urban areas although the programme was meant exclusively for Rural areas. Further, the data submitted for the State Annual Implementation Plan comprised of requirement of toilets in private and SSA schools which were not permissible as per guidelines. The State Annual Implementation Plan (AIP) formulated on these incorrect data for different projects was approved by the National Scheme Sanctioning Committee (NSSC), which in turn led to inadmissible expenditure for implementation of TSC/NBA projects in five test checked Districts (Champhai, Lunglei, Mamit, Kolasib and Serchhip). While there was significant coverage in construction of Individual Household Latrines, shortcomings were noticed in implementation of projects *viz.* school toilets and community sanitary complexes despite availability of funds. There were instances of regular short release of state share and delay in release of funds to the DWSCs for implementation of the projects. Due to non-revision of project cost of IHHL, the BPL households were deprived of the benefit of enhanced financial assistance to the tune of ₹ 2.14 crore. The four DWSCs (Champhai, Lunglei, Kolasib and Mamit), incurred an excess expenditure ₹ 29.60 lakh over the approved cost for construction of IHHL by BPL beneficiaries. The Social Welfare Department (SWD) incurred an expenditure of ₹ 50.40 lakh towards repair of 504 toilets in Anganwadi Centers (AWCs), though there was no provision for repair of toilets in AWCs. The Chief Engineer (Monitoring and Investigation), Public Health Engineering Department procured huge quantity of sanitary materials in breach of the purchase rules as well as mandatory recommendations from the State Purchase Advisory Board and approval of the Government, which in turn led to an excess expenditure of ₹ 49 lakh. Out of 846 villages in the State, only 89 (11 *per cent*) villages were awarded Nirmal Gram Puraskar between 2005 and 2013. The absence of Social Audit in the form of monthly Swachchhata Diwas (Sanitation Day) and Gram Swachchhata Sabha (Village Sanitation Assembly) by the Village Councils to strengthen the elements of transparency, participation, consultation and consent, accountability and grievances redressal in the implementation of the projects was noticed in audit.

### **2.3.21 Recommendations**

- State Level Water and Sanitation Mission (SLW&SM) should formulate State Annual Implementation Plan with authentic and precise survey data in respect of Rural areas only to provide a definite direction to the programme for creation of Nirmal Villages in rural habitation.
- State Government should ensure full release of state share and timely transfer of funds by the SLW&SM for implementation of the projects.
- SLW&SM should prevail upon the district and village level functionaries for expeditious completion of the balance projects out of available funds.
- Bulk purchase of stores should be resorted to only after following the prescribed financial rules and procedures.
- Social Audit in the form of Swachchhata Diwas (Sanitation Day and Gram Swachchhata Sabha (Village Sanitation Assembly) must be put in place to strengthen the elements of transparency, participation, consultation and consent of the beneficiaries, accountability and grievance redressal in the implementation of the programme.

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## DISASTER MANAGEMENT AND REHABILITATION DEPARTMENT

### 2.4 Disaster Management and Rehabilitation in Mizoram

#### *Highlights*

With a vision to build a safe and disaster resilient India, the Government of India took a defining step towards holistic disaster management by enacting the Disaster Management (DM) Act, 2005. Disaster Management is a continuous and integrated process of planning, organising, conducting and implementing necessary measures to deal with an event of disaster. Mizoram is vulnerable to natural calamities like landslide, earthquake, cyclone, flash flood and soil erosion. In fact the State is a multi-hazard prone area. In pursuance of the national roadmap for disaster management the Disaster Management and Rehabilitation Department, Mizoram is looking after the enhanced responsibilities for holistic disaster management in the State. A Performance Audit of the Disaster Management and Rehabilitation Department in Mizoram was carried out covering the period from 2009-14 involving test check of records of State and District level entities, which has come out with the following significant findings:

**The State Disaster Management Plan was published after a delay of more than six years by the State Disaster Management Authority.**

**(Paragraph 2.4.8.1)**

**It was noticed that the central share of SDRF of ₹ 1,677 lakh was released by the State Government in four instalments during March 2012 to March 2013 with delays ranging from three to nine months from the date of receipt of central shares.**

**(Paragraph 2.4.9.2)**

**Without investing in any of the prescribed investment accounts, a major portion of the central and state shares of CRF and SDRF in the range between ₹ 9.52 crore and ₹ 12.50 crore was retained in the deposit account of the State Government during 2009-14, which resulted in potential loss of interest of ₹ 1.84 crore.**

**(Paragraph 2.4.9.3)**

**Without surrendering the unspent fund to the Government of India, the Department diverted an amount of ₹ 45 lakh towards creation of assets which was not permitted under NCCF.**

**(Paragraph 2.4.9.5.1)**

**The Department incurred a doubtful expenditure of ₹ 45.33 lakh from SDRF showing it as spent for purchase of 6,322 nos. of silpaulins without maintaining the basic records.**

**(Paragraph 2.4.9.8.2)**

**During March 2010 to March 2014, the three Districts (Aizawl, Mamit and Lawngtlai) disbursed relief assistance of ₹ 12.08 lakh to 54 victims against their actual entitled financial assistance of ₹ 24.76 lakh, which resulted in short disbursement of relief assistance of ₹ 12.68 lakh.**

**(Paragraph 2.4.9.9.2)**

### **2.4.1 Introduction**

A disaster is an event or series of events, which gives rise to casualties and damage or loss of property, infrastructure, environment, essential services or means of livelihood on a scale that is beyond the normal coping capacity of the affected community.

Disasters disrupt progress and destroy the outcome of developmental efforts over several years, often pushing nations in quest for progress back by several decades. Thus, efficient reduction of disaster risks rather than mere response to their occurrence, has in recent times received increased attention both within India and abroad. With a vision to build a safe and disaster resilient India, the Government of India took a defining step towards holistic disaster management by enacting the Disaster Management (DM) Act, 2005.

The unique geo-climatic condition of Mizoram makes the state vulnerable to various natural disasters. The state forms a part of the most severe seismic zone in the country namely Zone V of Seismic Zoning Map of India that is referred as Very High Damage Risk Zone. The main hazard in the State is Earthquake and landslide that occur annually. High winds occur locally and some flash flood damage is caused during heavy rains.

In the State of Mizoram, the Disaster Management & Rehabilitation Department (DM&RD) is responsible for prevention, preparedness, mitigation, response, relief and rehabilitation work in case of any disaster.

### **2.4.2 Organisational Set up**

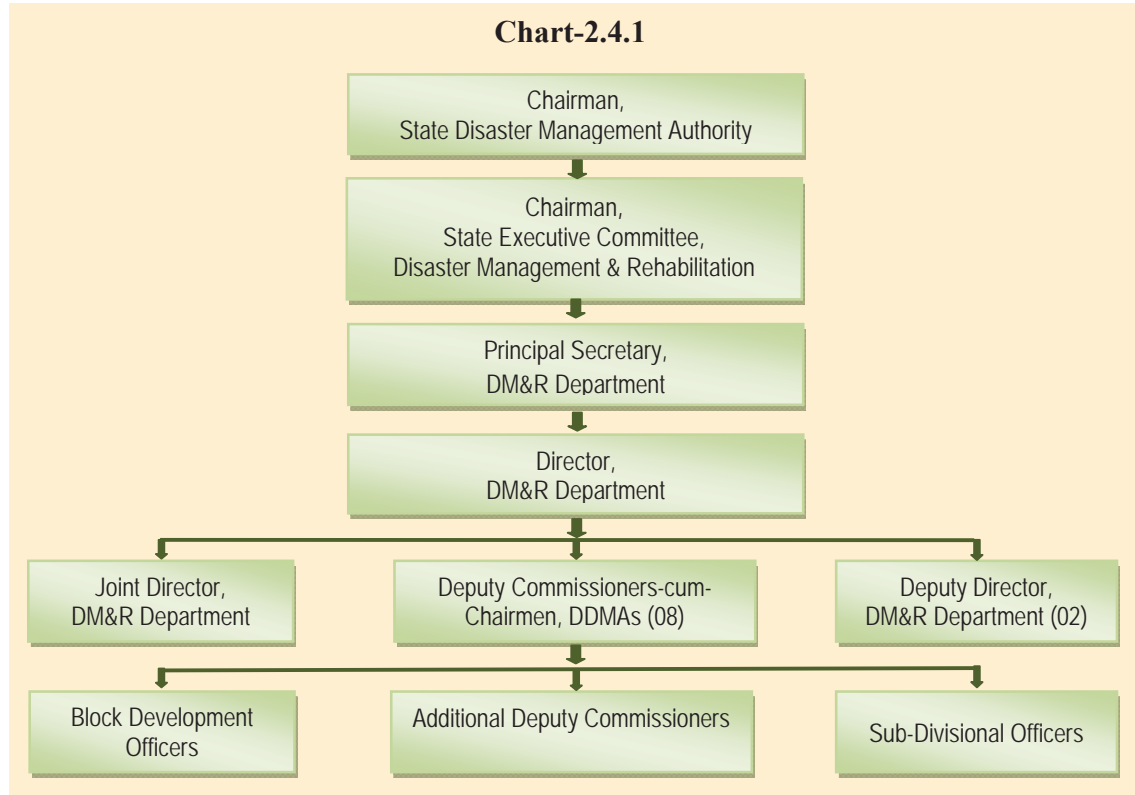
At State level the State Disaster Management Authority (SDMA) under the chairmanship of Chief Minister is responsible to lay down policies and plans for disaster management. The Principal Secretary is head of the Administrative Department of the Disaster Management & Rehabilitation Department. The Principal Secretary also functions as a Member Secretary of the State Executive Committee of the CRF and SDRF.

The Disaster Management & Rehabilitation Department (DM&RD) headed by one Director is responsible for disaster management activities in the State. He is assisted by one Joint Director and two Deputy Directors.

At the field level, the responsibility for disaster management activities, preparedness and relief work is vested in the Deputy Commissioners (DCs) of the eight districts in the State. The DCs also function as Chairman of the respective district level Disaster Management Authority

(DDMA). The Deputy Commissioners are assisted by the Additional Deputy Commissioners (ADCs), Sub-Divisional Officers (SDOs) and Block Development Officers (BDOs).

A chart showing organisational structure responsible for implementation of the Disaster Management & Rehabilitation in the State is depicted below:



### 2.4.3 Audit Objectives

Performance audit was undertaken to review:

- **Institutional mechanism:** Whether institutional and coordination mechanism had been set up and an integrated approach was being followed with regard to disaster management.
- **Planning for disaster preparedness:** Whether State disaster management strategy and actionable plans had been prepared and reviewed periodically at all levels to counter the threat of disaster and mitigate their consequences.
- **Resource utilisation and funding arrangement:** whether financial arrangements ensure timely availability of funds and their effective and economic utilisation.
- **Capacity building efforts:** Whether training and emergency exercises for disaster management had been conceived, disseminated and conducted at all levels.

- **Identification of disasters and early warning system:** Whether various types of disasters, their extent of damage and requisite mitigation efforts had been identified and whether efforts had been made to make urban areas/cities disaster resilient and early warning systems and mechanisms to predict the calamities are in place.

#### 2.4.4 Audit Criteria

The audit findings were benchmarked against the criteria contained in the following sources:

- Disaster Management Act, 2005;
- The guidelines of the Twelfth Finance Commission (TFC) regarding Calamity Relief Fund (CRF) and National Calamity Contingency Fund (NCCF);
- The guidelines of the Thirteenth Finance Commission regarding National Disaster Response Fund (NDRF), State Disaster Response Fund (SDRF) and Capacity Building;
- National disaster plan, guidelines and other instructions issued by the Ministry of Home Affairs and NDMA (National Disaster Management Authority);
- Scheme, guidelines and laws for preparedness of various types of disasters;
- Policies, plans and guidelines on disaster management issued by the State Government.

#### 2.4.5 Audit Coverage and Methodology

The Performance Audit of Disaster Management & Rehabilitation in Mizoram covering the period from 2009-10 to 2013-14 was conducted during May-July 2014 by test-check of records of the SDMA, SEC and Administrative Head of the Department of the DM&RD at State and the Directorate level. At field level out of eight districts in the State four districts (Aizawl, Mamit, Champhai and Lawngtlai) were selected on Simple Random Sampling basis for test-check.

The Performance Audit commenced with an Entry Conference with the Principal Secretary, the Government of Mizoram, DM&R Department and the Joint Director of the DM&RD on 09 May 2014 where audit objectives, audit criteria and scope of audit were explained and suggestion as well as perceptions relating to the strengths and weaknesses of the Department in implementing the Disaster Management were discussed. An Exit Conference with the Principal Secretary and the Director of the DM&RD was held on 04 December 2014 wherein audit findings were discussed and the replies of the Department have been incorporated suitably in the relevant paragraphs.

#### 2.4.6 Acknowledgement

The Indian Audit and Accounts Department acknowledges and appreciates the co-operation rendered by the concerned Administrative Department, the Director and officers



of the Directorate of the Disaster Management & Rehabilitation Department, District and Field level functionaries of the selected districts in the course of the Performance Audit.

## **AUDIT FINDINGS**

Significant audit findings noticed in course of Performance Audit are discussed in succeeding paragraphs.

**Audit Objective: To ascertain whether institutional, legal and co-ordination mechanism had been set up and an integrated approach was being followed with regard to disaster preparedness.**

### **2.4.7 Legislative and Institutional Framework**

#### ***2.4.7.1 State Disaster Management Authority***

As per DM Act, 2005 every State Government should establish a State Disaster Management Authority (SDMA) headed by the Chief Minister of the State. The main responsibilities of a State Authority was to lay down policies and plans for disaster management in the State, to approve the state plan in accordance with the guidelines laid down by NDMA, to coordinate implementation of the State plan and to recommend provision of funds for mitigation and preparedness measures.

The Government of Mizoram constituted and notified on 23 May 2006 the State Disaster Management Authority (SDMA) under the chairmanship of the Chief Minister. There are also eight Ministers amongst the members, along with the Chief Secretary who function as a Chief Executive Officer. This is the highest body for policy formulation and taking appropriate decision in regards to disaster risk reduction activities in the State.

The SDMA is supposed to meet quarterly and formulate the plan and policy for the state in matters related to Disaster Management. The body is also required to review the ongoing programme and ensure preparedness including mitigation for minimising the effect of disasters in State.

It is noted that SDMA met only two times during the last five years. This points to the low priority accorded to disaster management works which otherwise is one of the crucial concerns of this disaster prone State.

#### ***2.4.7.2 State Executive Committee***

As per Section 20 (1) of Disaster Management Act, 2005 every State Government shall constitute a State Executive Committee headed by the Chief Secretary to assist the State Authority in the performance of its functions. The State Executive Committee shall have the responsibility of implementing the National Plan and State Plan and act as the coordinating and monitoring body for management of disaster in the State.

The State Executive Committee (SEC) was constituted on 23 May 2006 with the Chief Secretary as the Chairman.

We noted that the SEC met on ten occasions during 2009-14 for assisting the State Authority in the performance of their functions.

#### 2.4.7.3 State Advisory Committee

As per DM Act, SDMA was to constitute a State Advisory Committee (SAC), consisting of experts having practical experience of disaster management to make recommendations on different aspects of disaster management.

It was, however, noted that SAC was not yet constituted in the State as of June 2014.

While accepting the fact, the Government stated (December 2014) that the State Government does not feel the need to have a State Advisory Committee at present. The reply of the State Government is not tenable as the benefit of the collective experience and technical knowledge of the members who would normally be as such a Committee was not available to the State.

#### 2.4.7.4 District Disaster Management Authority (DDMA)

As per the DM Act, there would be, at each district level, a District Disaster Management Authority headed by Deputy Commissioner (DC) with the elected representatives of local authority as the Co-chairperson. The DDMA's are to act as the planning, coordinating and implementing bodies for disaster management at the district level. It has to prepare the District Disaster Management Plan and monitor implementation of the policy and disaster management plans. The DDMA was set up in all the districts of the State as of March 2014.

The details of constitution of DDMA's and meetings held during the last five years in the four sample districts are shown in the following table:

**Table-2.4.1**

Sl. No.	Name of district	Date of constitution	DDMA headed by	No. of meetings held during last five years
1.	Aizawl	23 May 2006	Deputy Commissioner	3 occasions
2.	Lawngtlai	03 April 2012	Deputy Commissioner	1 occasion
3.	Mamit	26 April 2012	Deputy Commissioner	2 occasions
4.	Champhai	04 October 2013	Deputy Commissioner	6 occasions

Source: Departmental records

It may be seen from the above table that in all the three districts except Aizawl District the DDMA's were constituted only in the year 2012-13 after lapse of seven to eight years from the date of constitution of Disaster Management Act, 2005. Besides, DDMA Aizawl met only three times in the last five years though it was constituted timely. It was thus, evident that the District Administration handled the disaster preparedness without due guidance and monitoring by the DDMA's.

The Government stated (December 2014) that presently DDMA's are actively functioning in all the districts and they are instructed to convene meetings regularly.

#### **2.4.7.5 Constitution of District Advisory Committee**

Under Section 28(1) of DM Act, the District Authority may, as and when considered necessary, constitute one or more Advisory Committee for the efficient discharge of its functions. The Committee is to be headed by the District Collector with District Revenue Officer as Vice-chairman. The main function of the District Advisory Committee is to co-ordinate the activities of various Departments during the times of disaster related emergency in the District.

It was, however, noted that District Advisory Committee was not constituted in all the four sample Districts.

The Government stated (December 2014) that the constitution of District Advisory Committee is the discretion of the DDMA.

#### **2.4.7.6 Establishment of Emergency Operational Centre**

As per the scheme objective, a State level Emergency Operational Centre (EOC) and District level EOCs in all the eight Districts were to be constructed and equipped with tools and equipments to tackle disasters *e.g.* searchlights, life boats, life jackets, first-aid-kits *etc.* It was noticed that State level EOC was established in 2009 and district level EOCs in all four sampled Districts were established in 2012-13 with the delay of four years and seven to eight years respectively.

In their reply (December 2014), the Government did not offer any comment on delay in establishment of EOC and DEOCs.

**Audit Objective: To ascertain whether State disaster management strategy and actionable plans had been prepared and reviewed periodically at all levels to counter the threat of disaster and mitigate their consequences?**

#### **2.4.8 Planning for Disaster preparedness**

*Planning for disaster management is the first stage of the disaster management cycle, on which the effectiveness and success of the remaining components largely depends. Multi-level planning system has to be established for disaster management.*

Section 23 of the DM Act provides that there should be a Disaster Management Plan for every state. It also directs the Departments of the State Governments to draw up their own plans in accordance with State Plan. The State Plan was to be prepared by the State Executive Committee (SEC) in conformity with the guidelines to be issued on related matters by SDMA. The State Plan prepared by SEC was to be approved by the SDMA.

It was noted that National Disaster Management Authority (NDMA) had issued guidelines for preparation of the State Disaster Management Plan in July 2007. The SDMA, however, published its approved State Disaster Management Plan (SDMP) only in December 2013 after a delay of more than six years. It was thus, evident that disaster management activities in the State were handled by the State and district level authorities without any proper planning during the last five years.

While accepting the fact, the Government stated (December 2014) that the delay in publication of State Disaster Management Plan was due to the problems encountered by the Department in engagement/appointment of appropriate firms. Further, added that revision of SDMP during 2014-15 is also under process.

#### **2.4.8.1 Delay in preparation of District Disaster Management Plan**

As per DM Act 2005, the District Authority might prepare a disaster management plan including District response plan for the District which is to be approved by the State Authority. The District Plan should be reviewed and updated annually.

It was, however, noted that District Disaster Management Plans (DDMPs) in all four sampled Districts were prepared only in 2012-13, which, however, were not yet approved by the SDMA as of June 2014.

While accepting the fact, the Government stated (December 2014) that all the districts are revising and updating their DDMPs for approval of the SDMA.

#### **2.4.8.2 Demarcation of roles and responsibilities**

As per section 78 of the DM Act, the State Government was to make rules to carry out the provisions of the Act. Such rules may provide *inter alia* the following matters:

- (i) the composition and number of the members of the State Authority,
- (ii) the powers and functions of the Chairperson of the State Executive Committee and the procedure to be followed by the State Executive Committee,
- (iii) the composition and the number of members of the District Authority and the powers and functions to be exercised by the Chief Executive Committee of the District Authority, and
- (iv) any other matter which is to be, or may be, prescribed, or in respect of which provisions to be made by rules

We noted that the State Government has so far not framed and notified any such rules in compliance of the provisions contained in the DM Act to demarcate the various roles and responsibilities of the State and District level authority.

In the absence of proper demarcation of roles and responsibilities, disaster management works have been mainly carried out on the basis of contingencies. This was bound to have an adverse impact on the overall implementation and management of disaster.

The Government stated (December 2014) that the composition, powers and functions of SDMA, SEC & DDMA were clearly indicated/written in Chapter III and IV of the DM Act.

**Audit Objective: To ascertain whether financial arrangements ensure timely availability of funds and their effective and economic utilisation.**

#### **2.4.9 Resource and Funding Arrangements**

*Provision of timely and adequate funding is a vital aspect in disaster management. Even the most well designed mitigation or response program can fail to get results for want of sufficient funds. For emergency response, it is important that funding is available on time and swiftly reaches the affected people in times of disaster.*

The Ministry of Home Affairs (MHA) is the nodal Ministry responsible for providing financial assistance in the wake of natural calamity. Based on the recommendations of the Thirteenth Finance Commission, the scheme of the State Disaster Response Fund (SDRF) and National Disaster Response Fund (NDRF) were made operative for a five year period (01 April 2010 to 31 March 2015).

The guidelines for administration of the funds were issued by the MHA in September 2010. The guidelines prescribed that the SDRF and NDRF were to be used only for meeting expenditure for providing immediate relief to the victims of cyclone, earthquake, fire, flood, tsunami, hailstorm, landslide, avalanche, cloud burst and pest attack. The expenditure on disaster preparedness, restoration, reconstruction and mitigation were not to be met from NDRF. These were to be met from the plan funds of the States.

##### **2.4.9.1 State Disaster Response Fund**

The State Disaster Response Fund (SDRF) was constituted under Section 48 (1) (a) of the Disaster Management Act, 2005. It came into force from 2010-11 onwards. Till 2010, there was a Calamity Relief Fund (CRF), the balance of which was merged into the SDRF from 2010-11.

The amount of annual contribution to the SDRF of each state for each of the Financial Years from 2010-11 to 2013-14 were recommended by the Thirteenth Finance Commission. Accordingly, the Government of India (GoI) approved allocation of ₹ 36.86 crore to Mizoram under SDRF for the four years period, which included 90 *per cent* central share and 10 *per cent* State share. The year-wise allocation of funds under SDRF was as under:

Table-2.4.2

(₹ in crore)

Year	Central Share	State Share	Total
2010-11	7.70	0.85	8.55
2011-12	8.08	0.90	8.98
2012-13	8.49	0.94	9.43
2013-14	8.91	0.99	9.90
<b>Total</b>	<b>33.18</b>	<b>3.68</b>	<b>36.86</b>

Sources: Departmental records

The scheme provided for release of central share under SDRF in two equal instalments, in the month of June and December. The first instalment of central contribution to SDRF for 2010-11 was to be released unconditionally. The second instalment 2010-11 and subsequent instalments were to be released on receipt of confirmation of accounting procedure and compliance with other conditions of the guidelines.

The year-wise shares of CRF and SDRF released by the Central and the State Governments and the expenditure shown to be incurred by the Disaster Management & Rehabilitation Department during 2009-14 are given in Table-2.4.3:

Table-2.4.3

(₹ in crore)

Year	Released by GoI	OB	Released by State		Int.	Total	Expenditure by:			CB	UCs submitted to MHA
			CS	SS			DM&RD	Advance to eight DCs	Total		
<b>A. Calamity Relief Fund (CRF)</b>											
2009-10	5.55	9.39	5.55	1.85	0.11	16.90	6.25	0.89	7.14	9.76	7.40
<b>B. State Disaster Response Fund (SDRF)</b>											
2010-11	7.70	9.76	6.41	0.85	0.09	17.11	5.77	6.24	12.01	5.10	6.41
2011-12	4.04	5.10	1.29	0.90	0.05	7.34	0.18	0.23	0.41	6.93	3.04
2012-13	8.30	6.93	12.34	0.94	0.04	20.25	8.66	1.91	10.57	9.68	13.28
2013-14	13.14	9.68	8.69	0.99	0.04	19.40	2.70	3.53	6.23	13.17	9.68
<b>Total</b>	<b>33.18</b>	<b>9.76</b>	<b>28.73</b>	<b>3.68</b>	<b>0.22</b>	<b>42.39</b>	<b>17.30</b>	<b>11.92</b>	<b>29.22</b>	<b>13.17</b>	<b>32.41</b>

Source: Departmental records

### 2.4.9.2 Delay in release of central share by the State

As per para 7 of the guidelines on Constitution and Administration of State Disaster Response Fund (SDRF), the State Government is required to transfer the central share to SDRF along with their share immediately upon receipt of Government of India's share.

It was, however, noted that in the following cases the central shares of SDRF of ₹ 1,677 lakh were released by the State Government in four instalments during March 2012 to March 2013 with delays ranging from three to nine months from the date of receipt of central shares.

**Table-2.4.4**

Sl. No.	Details of release by GoI		Details of release by State		Period of delay
	Date	Amount (₹ in lakh)	Date	Amount (₹ in lakh)	
1	2	3	4	5	6
1.	30.06.2010	385.00	26.07.2010	213.75	26 days
			24.11.2010	171.25	4 months
2.	31.10.2010	385.00	24.11.2010	256.25	24 days
			12.03.2012	128.75	16 months
3.	19.03.2012	404.00	10.01.2013	404.00	10 months
4.	20.10.2012	404.00	08.03.2013	404.00	4 months
5.	19.02.2013	425.50	19.03.2013	425.50	1 month
6.	16.04.2013	423.50	14.08.2013	423.50	3 months
7.	11.10.2013	445.50	28.02.2014	445.50	4 months
8.	30.03.2014	445.50	Upto March 2014	Nil	---
<b>Total</b>		<b>3318.00</b>	<b>---</b>	<b>2872.50</b>	<b>---</b>

Source: Departmental records

Delay in release of funds undermines the very purpose of the fund which in fact has been constituted to give timely financial aid for emergency relief activity.

While accepting the fact, the Government stated (December 2014) that the delay was due to some financial formalities required to be observed by the State Government.

#### **2.4.9.3 Investment of balances available under CRF/SDRF**

As per the guidelines, the accretion to the State Disaster Response Fund/CRF together with the income earned on the investment of unspent amounts was to be invested in:

- ✓ Central Government Securities;
- ✓ Auctioned Treasury bills and
- ✓ Interest earning deposits and certificates of deposits with scheduled commercial bank.

Examination of the records of the Directorate of DM&RD revealed that as and when the State Government released the grants under Central and State shares of CRF and SDRF during 2009-14 the Directorate of DM&RD used to draw the entire sanctioned grants and deposit the same into the head of account “8121-General & Other Reserve Fund” against which no interest was earned so far. However, out of such deposit account a considerable amount was withdrawn time to time and kept in a saving account operated in SBI Aizawl branch. Against such partial investment of funds in saving account the Department earned an interest of ₹ 33 lakh during 2009-14.

However, a major portion of the central and state shares of CRF and SDRF was retained in the deposit account of the State Government under the head of account - ‘8121’ during 2009-14 against which no interest was earned. The unspent balances under the CRF and SDRF retained in the State Government deposit account was in the range between ₹ 9.52 crore and ₹ 12.50 crore during 2009-14 which had not been invested in any of the

prescribed investment accounts as mentioned in the guidelines. This resulted in a potential loss of interest of ₹ 1.84 crore which would have been contributed to increase SDRF. Details of loss of interest are shown in the following Table:

**Table-2.4.5**

(₹ in crore)

Period	Unspent balances	Interest loss (calculated at six per cent per annum)
2009-10	9.52	0.57
2010-11	4.15	0.25
2011-12	4.67	0.28
2012-13	9.15	0.55
2013-14	12.50	0.19 (upto June 2014)
<b>Total</b>	<b>39.99</b>	<b>1.84</b>

Source: Departmental records

In their reply (December 2014), the Government did not offer any comment on non-investment of unspent balances in any of the prescribed investment accounts.

#### 2.4.9.4 Inadmissible expenditure

Section 3 of the guidelines provides that the SDRF shall be used for meeting the expenditure required for providing immediate relief to the victims of cyclone, drought, earthquake, fire, flood, tsunami, hailstorm, landslide, avalanche, cloud burst and pest attack.

Analysis of records, however, revealed that the Directorate of DM&RD and four samples districts incurred an expenditure of ₹ 114.26 lakh on inadmissible components in violation of the guidelines of SDRF during 2009-14. The details of inadmissible expenditure by the sampled entities are shown in the following Table:

**Table-2.4.6**

Name of Office/ agency	Inadmissible amount (₹ in lakh)	Amount utilised for
Directorate DM&R	76.82	TA&DA, Stationery, POL, advertisement and OOE etc.
	15.00	Construction of kitchen-cum store room
Aizawl District	9.04	Stationery, POL, vehicle hire charges etc.
Mamit District	1.40	-do-
Champai District	9.67	Construction of drainage system
Lawngtlai District	2.33	-do-
<b>Total</b>	<b>114.26</b>	<b>--</b>

Source: Departmental records

The Government stated (December 2014) that the contingent expenditure was incurred from the SDRF with the approval of the State Executive Committee.

Reply of the Government is, however, not acceptable since the above mentioned contingent expenditure was not admissible from the SDRF as per guidelines.



#### 2.4.9.5 National Calamity Contingency Fund (NCCF)

The Twelfth Finance Commission recommended for continuance of the scheme National Calamity Contingency Fund (NCCF) with a core corpus fund of ₹ 500 crore for the whole country. The Central Government was to consider release of grant out of this fund to the States in case calamity is of rare severity.

Accordingly, based on a Memorandum submitted by the State Government, the Government of India, Ministry of Finance (Finance Commission Division) released (June 2008) a grant of ₹ 49.60 crore from the Natural Calamity Contingency Fund (NCCF) to the State Government towards relief necessitated by natural calamity of severe nature, which included flood/landslide and pest attack (bamboo flowering) which occurred in Mizoram during 2007-08. As the grant was released by the GoI out of the Twelfth Finance Commission's recommended core corpus fund under NCCF the same was to be spent by the State Government for the approved categories of calamities within the operation period (upto 2009-10) of Twelfth Finance Commission.

On receipt of NCCF grants from the GoI the State Government, DM&R Department accorded expenditure sanction of ₹ 49.60 crore. The Director, DM&R Department drew (July 2008) and disbursed ₹ 44.54 crore out of the sanctioned amount to the different line Departments for payment of assistance due to natural calamities and pest attack of 2007-08 and retained an amount of ₹ 5.06 crore at the end of March 2009 in the saving accounts operated by the Department without surrendering the unspent balances to the GoI.

Further examination of records of the Directorate of DM&RD revealed that on the basis of recommendations (July 2010) of the State Level Committee (SLC) the Director, DM&RD disbursed a grant of ₹ 4.83 crore (₹ 3.91 crore during 2009-10 and ₹ 0.92 crore during 2011-12) to the Deputy Commissioners of eight Districts out of the balance fund of ₹ 5.06 crore leaving a unspent balance of ₹ 0.23 crore at the end of March 2014.

The grant was released in supplement to the normal SDRF to the eight districts towards disbursement of assistance to the victims of natural calamities which occurred during 2009-10 and 2011-12 and included payment of ₹ 0.50 crore to the Bru<sup>5</sup> victims of fire outbreak in Mamit district during 2009-10. Besides, as per decisions taken by the SLC in July 2010 the concerned eight DCs required to submit statement of expenditure for NCCF in the prescribed format which was not submitted to the Directorate of DM&RD till June 2014. As such, the expenditure incurred by the eight DCs out of advance NCCF of ₹ 4.83 crore could not be ascertained in audit.

Thus, the Department without surrendering the unspent NCCF of ₹ 5.06 crore to the Government of India unauthorisedly utilised an amount of ₹ 4.83 crore towards meeting calamity relief which was not in severe nature and not covered in the Memorandum submitted by the State Government to the GoI.

<sup>5</sup> Bru (also known as Reangs) is recognised primitive tribal group in Mizoram having distinct culture, language and heritage

In their reply (December 2014), the Government offered no comment.

#### 2.4.9.5.1 Unauthorised diversion of NCCF

Out of total NCCF grant of ₹ 49.60 crore received (June 2008) from the Ministry of Finance, GoI an amount of ₹ 2.65 crore was released to the Deputy Commissioner, Aizawl District on 25 January 2009 against which an unspent balance of ₹ 45 lakh was refunded to the Director, DM&R by the Deputy Commissioner, Aizawl district on 16 November 2011.

Scrutiny of records disclosed that the State Executive Committee (SEC) in their meeting held on 17 February 2012 decided to consider the utilisation of entire utilisation of unspent balance of ₹ 45 lakh for creation of assets under Disaster Management & Rehabilitation Department (DM&RD).

Accordingly, the Director, DM&RD utilised the entire amount of ₹ 45 lakh for procurement/ construction of following items during 2011-12:

**Table-2.4.7**

Sl. No.	Name of assets created	Units	Amount (₹ in lakh)
1.	Extension of Directorate-cum-State EOC building	01	22.24
2.	Bolero LX 4WD vehicle	01	7.23
3.	Ricoh Copiers and accessories	01	0.75
4.	Xerox heavy duty copier & accessories	01	3.19
5.	Fax machine	01	0.34
6.	Computer sets with accessories	02	1.74
7.	Digital camera	01	0.63
8.	PA system with inverter & battery	01	2.31
9.	Office furniture & equipments (steel almirah, book case, table, sofa set, room cooler, spiral binding machines, etc.)	24	6.35
10.	Utensils & crockery items	15	0.22
<b>Total</b>			<b>45.00</b>

Source: Departmental records

Thus, the Department diverted an amount of ₹ 45 lakh towards items which were not permitted under NCCF guidelines.

In their reply (December 2014), the Government has accepted the facts.

#### 2.4.9.6 National Disaster Response Fund

National Disaster Response Fund (NDRF) was constituted in September 2010 under Section 46 of DM Act, 2005. The existing NCCF was merged with the NDRF and fresh guidelines for administration of the fund, issued by the MHA, came into force from 2010-11 onwards.

Natural calamities of cyclone, drought, earthquake, fire, flood, tsunami, hailstorm, landslide, avalanche, cloud burst and pest attack considered to be of severe nature by Government of India and requiring expenditure by State Government in excess of the balances available in its own SDRF, will qualify for immediate relief assistance from NDRF.

In order to seek central assistance in the event of a calamity of a “severe nature” the State Government is required to submit a memorandum indicating the sector-wise damage and requirement of funds.

The position of year-wise receipt of grants under NDRF and expenditure shown to have been incurred during the year 2011-13 are depicted in the following Table:

**Table-2.4.8**

(₹ in crore)

Year	Released by GoI	OB	Released by State	Int.	Total	Expenditure by:			CB	Reptd. exp. by eight DCs	UCs submitted to MHA
						DM&RD	Advance to eight DCs	Total			
2011-12	4.57	Nil	4.57	Nil	4.57	2.03	0.92	2.95	1.62	Nil	4.57
2012-13	Nil	1.62	Nil	Nil	1.62	0.17	1.45	1.62	Nil	Nil	-
<b>Total</b>	<b>4.57</b>	<b>Nil</b>	<b>4.57</b>	<b>Nil</b>	<b>6.19</b>	<b>2.20</b>	<b>2.37</b>	<b>4.57</b>	<b>Nil</b>	<b>Nil</b>	<b>4.57</b>

Source: Departmental records

It can be seen from the above table that the DM&R Department has indicated to have spent the entire available NDRF of ₹ 4.57 crore during 2011-13. It is noted that out of such reported expenditure of ₹ 4.57 crore a grant of ₹ 2.37 crore was released to the eight DCs as advance grants for implementation of the disaster management in their Districts during 2011-13. But, the actual year-wise expenditure incurred by the eight DCs against the advance grant of ₹ 2.37 crore was not available with the Directorate due to non-monitoring. Thus, the actual expenditure incurred by the concerned eight Districts under NDRF during 2011-13 could not be ascertained in audit.

While accepting the facts, the Government stated (December 2014) that the DCs/DDMAs will be instructed to reconcile the records available in the Directorate.

#### 2.4.9.7 Doubtful Expenditure

Scrutiny of records maintained by the four sampled districts revealed that out of four districts two districts (Lawngtlai and Champhai) disbursed CRF/SDRF/NCCF fund of ₹ 56.50 lakh to the different categories of victims of natural calamities during 2009-14 without maintaining the basic records, like calamity reports including spot verification reports by responsible officers and Actual Payee Receipts (APRs) of the beneficiaries concerned. The details of disbursement of such funds are spelt out below:

Table-2.4.9

Sl. No.	Name of Districts	Category of fund	Period of disbursement	Amount disbursed (₹ in lakh)
1.	Champhai	NCCF	2009-10	14.59
2.	Lawngtlai	CRF/NCCF	2009-10	41.91
<b>Total</b>				<b>56.50</b>

Source: Departmental records

Besides, the Deputy Commissioner, Mamit District incurred expenditure of ₹ 2.23 lakh and ₹ 17.22 lakh during 2009-11 towards vehicle hiring charges/refreshment and procurement of 1,149 bundles of G I sheets respectively for which no sanction orders, no stock and issue register and no APRs except, some payment vouchers were maintained. However, in respect of Aizawl district, all basic records were found well maintained.

In absence of such basic records the entire expenditure of ₹ 75.95 lakh (₹ 56.50 lakh + ₹ 2.23 lakh + ₹ 17.22 lakh) incurred by the three Deputy Commissioners (Champhai & Lawngtlai) is unaccountable.

While accepting the fact, the Government stated (December 2014) that the concerned districts will be instructed to reconcile and rectify their records accordingly.

#### 2.4.9.8 Procurement of Silpaulin and Poly-tarpaulin

Out of SDRF/NDRF the Director, DM&RD time to time purchased a huge quantity of Silpaulins and Poly-tarpaulins during 2009-14 from two Aizawl based suppliers<sup>6</sup> for its onwards distribution to the eight Deputy Commissioners in the State. The Silpaulins and Poly-tarpaulins were purchased mainly for distributing to the victims/potential victims of landslides. The year-wise position of procurement of Silpaulin (size: 18' x 24' at the rate ₹ 717 per unit) and Poly-tarpaulin (size: 18' x 24' at the rate ₹ 770 per unit) by the Directorate of DM&R during 2009-14 are given in the following Table:

Table-2.4.10

Year	A. Silpaulin (Size-18' x 24')		B. Poly-tarpaulin (Size-18' x 24')	
	Qty (in Nos.)	Amount (₹ in lakh)	Qty (in Nos.)	Amount (₹ in lakh)
2009-10	37600	269.59	Nil	Nil
2010-11	64000	458.88	Nil	Nil
2011-12	27000	193.59	13000	100.10
2012-13	55000	394.35	38000	292.60
2013-14	10000	71.70	7000	15.40
<b>Total</b>	<b>193600</b>	<b>1388.11</b>	<b>53000</b>	<b>408.10</b>

Source: Departmental records

Scrutiny of records revealed the following irregularities:

<sup>6</sup> i) M/s Floria Glamour, Aizawl and ii) M/s Hmingmawi Industry, Aizawl

#### **2.4.9.8.1 Procurement of huge quantity of Silpaulins and Poly-tarpaulins without assessing the actual requirement:**

As it could be seen from Table 2.11 the Department had procured a huge quantity of Silpaulin and Poly-tarpaulin valuing of ₹ 17.96 crore during 2009-14. The Department had never obtained the position of receipt of stock of Silpaulin and Poly-tarpaulin and its distribution to the beneficiaries with numbers of beneficiaries from the eight District authorities. The Department also had not obtained the year-wise requirement of Silpaulin and Poly-tarpaulin from eight District authorities during 2009-14 to assess the actual requirement for central procurement of the stores. As such, without ensuring year-wise actual utilisation of Silpaulin and Poly-tarpaulin with numbers of beneficiaries covered by eight Districts and without assessing the actual requirement of Silpaulin and Poly-tarpaulin.

It was noticed from the Minutes of the Meeting of the SEC/SLC that the year-wise requirement of Silpaulin and Poly-tarpaulin was never discussed except the *ex-post-facto* approval for the purchases already made.

While accepting the fact, the Government stated (December 2014) that year-wise requirement from the District Authorities were not always obtained. However, the requirement on need basis and current stock position were calculated from time to time and purchases were made with the approval of the SEC/SLC.

#### **2.4.9.8.2 Doubtful expenditure out of SDRF**

On 18 April 2011 the Deputy Director (Admn), DM&RD had disbursed an amount of ₹ 45.33 lakh to M/s Floria Glamour, Aizawl against their bill dated 03 March 2011 towards supply of 6,322 numbers of Silpaulin (@ ₹ 717 each for size: 18' x 24'). The payment was made to the firm on the ground that one Minister (Name and Department not mentioned) directly took 6,322 numbers of Silpaulin from the shop and distributed them to the beneficiaries. The payment was made to the firm without actual receipt of the stores in the central stock register. The Department, however, failed to furnish the name of the Minister. Further, the Department did not insist on the distribution list containing name of beneficiaries with addresses to whom the material was distributed.

As such, the Department had incurred a doubtful expenditure of ₹ 45.33 lakh from the SDRF without maintaining the basic records and also in violation of the norms of financial propriety.

In their reply (December 2014), the Government offered no comment.

#### **2.4.9.8.3 Irregular direct distribution of Silpaulin and Poly-tarpaulin by the DM&RD**

The SEC/SLC basically approved the procurement of Silpaulin and Poly-tarpaulin for its distribution to the affected beneficiaries by the concerned District level authorities after ascertaining the genuineness of the requirement. It was, however, noticed that out of the total

stock of 2,51,600 Silpaulin and Poly-tarpaulin the DM&RD distributed directly a quantity of 84,950 numbers (Silpaulin - 61,550 and Poly-tarpaulin – 23,400 valued at ₹ 4.41 crore and ₹ 1.80 crore respectively) to the MLAs, Government officials, NGOs and private individuals during the year 2009-14, and another a quantity of 1,25,131 numbers (Silpaulin – 95,921 and Poly-tarpaulin - 29,210) to the eight Districts leaving a balance of 41,519 numbers (Silpaulin – 36,129 and Poly-tarpaulin – 5,390) at the end of March 2014.

Thus, in violation of the recommendations of the SEC/SLC the Directorate had irregularly distributed a huge quantity of stores of 84,950 Silpaulin and Poly-tarpaulin during 2009-14 directly to the MLAs, Governmental officials, NGOs and private beneficiaries without conducting any verification regarding genuineness of the requirement of the materials by such beneficiaries. As such the scope of mis-utilisation of huge stores of Silpaulin and Poly-tarpaulin distributed directly without verifications could not be ruled out.

While accepting the fact, the Deputy Director, DM&RD stated (August 2014) that though the Department has no authority to distribute the Silpaulin and Poly-tarpaulin directly to the beneficiaries from the central stores they had distributed the same directly to beneficiaries following the instructions from the higher authority. But, the name and designation of the higher authority was not mentioned.

While accepting the fact, the Government stated (December 2014) that the stores were distributed on need basis and for immediate issue by certain authorities within their respective jurisdictions during emergencies.

#### **2.4.9.8.4 Irregular procurement of stores in exchange of big sizes into small sizes**

The Department has only one approved rate for the size 24' x 18' for both the Silpaulin and poly-tarpaulin. As such the SLC in their meeting held on 5 July 2010 decided that the Department should also obtain the rate for the size of 15' x 12' Silpaulin and poly-tarpaulin for its approval by the Government which will enable the choice of at least two sizes of the materials for distribution.

It was, however, noticed that despite the decision taken by the SLC the DM&RD did not make any efforts to obtain and get approval of the rate for the size of 15' x 12'. The Department issued time to time supply orders for procurement of Silpaulin and poly-tarpaulin during 2009-14 only for single size of 24' x 18' and accordingly, the payment to the suppliers was made. The receipt and issue of Silpaulin and poly-tarpaulin were recorded in the stock register only for the size of 24' x 18' without attesting the entries in the stock register by any responsible Gazetted Officer.

It was, however, noticed that against the supply orders issued for the size of 24' x 18' the Department irregularly procured the stores in two sizes, viz. 24' x 18' and 15'x12', which was stated to be procured in exchange of big sizes with the small sizes without any recorded documentation. In absence of detailed entries in the stock register the actual quantity of small

sizes of Silpaulin and poly-tarpaulin procured in exchange of big sizes during 2009-14 could not be ascertained in audit.

While accepting the facts, the Government stated (December 2014) that the smaller size of Silpaulins were procured in exchange of big sizes on need basis without causing any monetary loss to the Government since smaller sizes of Silaulins were preferred for specific purposes.

#### 2.4.9.8.5 Short receipt of stores by the districts authorities

As per records, the DM&RD distributed Silpaulin-74,451 and Poly-tarpaulin-23,260 of sizes only 24' x 18' to six Districts during 2009-14. Scrutiny of records in the six Districts, however, revealed that against the supply of big size of stores as claimed by the DM&RD, the six Districts received the stores in two different sizes viz. 24' x 18' and 15' x 12' during 2009-14. The position of stores issued by the DM&RD and their actual receipt and utilisation by the six Districts during 2009-14 are shown in the **Appendix-2.4.1 & 2.4.2**.

Out of the **Appendix-2.4.1 & 2.4.2** a compiled position is worked out along with the financial implication of short receipt of stores and given in the following Table:

**Table-2.4.11**

(₹ in lakh)

Name of materials	Stock issued from the Directorate			Actual receipt as reported by the districts with financial implication of short receipt					
	Sizes (Rate)	Qty (in nos.)	Amount	Sizes	Actual received	Big size if converted from small size	Total Big size	Short Receipt	
								Nos.	Amount
Silpaulin	18' x 24' (₹ 717)	74451	533.81	18'x24'	42114	-	47192	27259	195.45
				12'x15'	10155	5078			
Poly-tarpaulin	18' x 24' (₹ 770)	23260	179.10	18'x24'	14340	-	18517	4743	36.52
				12'x15'	8354	4177			
<b>Total</b>		<b>97711</b>	<b>712.91</b>	18'x24'	<b>56454</b>	-	<b>65709</b>	<b>32002</b>	<b>231.97</b>
				12'x15'	<b>18509</b>	<b>9255</b>			

Source: Departmental records

It may be seen from the above table that against the total supply of store of 97,711 numbers, the six Districts received only 74,963 numbers, of which 18,509 numbers were of small sizes (15' x 12')<sup>7</sup>. If the Department's claim of exchange of store of one big size into two small sizes is accepted, the actual stores received by the six Districts were 65,709 numbers against the total supply of 97,711 numbers by the DM&RD. Thus, the six Districts had received the stores in shortage of 32,002 numbers. The financial implication involved against such short receipt of stores was ₹ 2.32 crore. The entire matter requires proper investigation by the Government.

The Government stated (December 2014) that the Districts authorities will be instructed to reconcile the records.

<sup>7</sup> Departments claims two small sized ones converted to one big size

### 2.4.9.9 Other financial irregularities

In course of test-check of records of sampled DDMAAs the following irregularities were noticed:

#### 2.4.9.9.1 Delayed payment of relief assistance

As per the guidelines of State Disaster Response Fund (SDRF), relief assistance should be paid to the victims immediately as response time is the crucial factor determining the effectiveness of the relief being given.

Examination of the records of three sampled DDMAAs (Aizawl, Champhai and Lawngtlai Districts) revealed that relief assistance to the tune of ₹ 37.48 lakh given to the 61 disaster affected victims was delayed ranging by four to twenty four months from the date of calamities. The details of districts-wise position was shown in **Appendix-2.4.3**.

While accepting the fact, the three districts authorities stated (May-June 2014) that late submission of verification reports by the concerned BDOs/SDOs/VCPs and non-availability of funds were the main reasons for delayed payment of relief assistance to the beneficiaries.

The replies of the Districts Authorities are, however, not acceptable as the SDRF fund was always available with the District Authorities at the time of occurrence of the calamities.

The Government stated (December 2014) that the districts authorities will be instructed to reconcile the records. The reply indicates the casual approach of the State Government in providing relief to the disaster victims.

#### 2.4.9.9.2 Short disbursement of relief assistance

The norms of relief assistance from the State Disaster Response Fund (SDRF) and the National Disaster Response Fund (NDRF) for damaged houses approved by the Ministry of Home Affairs (MHA), the Government of India during the period covered under review are as follows:

**Table-2.4.12**

Items	Norms of assistance (₹/per house)		
	Upto 28 February 2013	From 01 March 2013	From 28 November 2013
<b>Fully damaged/destroyed houses</b>			
i) Pucca house	35,000	70,000	75,000
ii) Kutcha house	15,000	15,000	17,600

Sources: Norms of SDRF & NDRF

Scrutiny of the records of three (Aizawl, Mamit and Lawngtlai) sampled DDMAAs disclosed that in respect of damaged houses (pucca and kutcha houses) during March 2010 to March 2014 the three Districts authorities disbursed a relief assistance of ₹ 12.08 lakh to



54 victims against their actual entitled financial assistance of ₹ 24.76 lakh as per prescribed norms of GoI, which resulted in short disbursement of relief assistance of ₹ 12.68 lakh. The details of District-wise disbursement of relief assistance are shown in the **Appendix-2.4.4**.

Reasons for short disbursement of relief assistance to the beneficiaries were not on record.

The Government stated (December 2014) that the Deputy Commissioners of the districts would be instructed to give comments on the matter.

**Audit Objective: To ascertain whether training and emergency exercises for disaster management had been conceived, disseminated and conducted at all levels.**

#### **2.4.10 Capacity Building**

*Effective disaster management requires trained manpower to deal with complex situations effectively and rapidly to reduce the impact of disaster on human life and property. It is necessary to continuously undertake measures to build capacity amongst those who are handling disaster prevention, mitigation, preparedness, response, reconstruction and also create awareness amongst the people. In terms of the national policy 2009, the approach to capacity building includes awareness generation, education, training, research and development.*

Thirteenth Finance Commission (FC-XIII) had observed the need for trained manpower to deal with complex situations so that effective and speedy response reduces the impact of disaster on human life and property. Therefore, it was necessary to continuously undertake measures to build capacity amongst those responsible for disaster response and augmenting public awareness. Accordingly, FC-XIII had recommended a grant of ₹ 525 crore for the whole country for building capacity within the administrative machinery for better handling of disaster response and for preparation of district and state level disaster management plans as envisaged under the Disaster Management Act of 2005 (DM Act).

These plans would, *inter alia*, provide for training/capacity building of stakeholders and functionaries in States, preparation of Disaster Management plans based on hazard, risk and vulnerability analysis, and setting up/strengthening of Emergency Operation Centres (EOCs) in States.

Out of recommended grant of FC-XIII, the GoI released a grant of ₹ four crore to the State during 2010-14 against which the State Government had so far released a grant of ₹ three crore during 2011-14 to the DM&RD leaving a balance of ₹ one crore. The actual expenditure incurred by the Department during 2011-14 is depicted in the following Table:

Table-2.4.13

(₹ in crore)

Year	Released by GoI	OB	Released by State	Int.	Total	Expenditure by:			CB	Reptd. exp. by 08 DCs	UCs submitted to MHA
						DM&RD	Adv. to 08 DCs	Total			
2010-11	1.00	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2011-12	1.00	Nil	1.00	Nil	1.00	0.03	0.11	0.14	0.86	Nil	1.00
2012-13	1.00	0.86	1.00	0.01	1.87	0.99	Nil	0.99	0.88	Nil	1.00
2013-14	1.00	0.88	1.00	0.01	1.89	1.00	0.14	1.14	0.75	Nil	1.00
<b>Total</b>	<b>4.00</b>	<b>Nil</b>	<b>3.00</b>	<b>0.02</b>	<b>4.76</b>	<b>2.02</b>	<b>0.25</b>	<b>2.27</b>	<b>0.75</b>	<b>Nil</b>	<b>3.00</b>

Source: Departmental records

Scrutiny of the records revealed the following:

#### 2.4.10.1 Non-release of Central grant by the State

As can be seen from the above table that against the Central release of ₹ four crore the State Government had released only an amount of ₹ three crore during 2010-14. Thus, the implementation of the Capacity Building programme was badly affected due to short release of grant of ₹ one crore by the State Government.

While accepting the facts, the Government stated (December 2014) that against the balance of ₹ one crore, ₹ 0.50 crore was released by the State Government in September 2014.

#### 2.4.10.2 Submission of incorrect Utilisation Certificate to the Ministry

Despite the fact that the Department had spent only an amount of ₹ 2.27 crore out of the release of ₹ 4.00 crore, as mentioned in the table above, the State Government, DM&RD irregularly submitted Utilisation Certificates (UCs) to the Ministry of Home Affairs, Government of India claiming that the Department had already utilised an amount of ₹ 3.00 crore during 2010-13 under the programme. The date-wise submissions of UCs to the Ministry are as under:

- (i) On 11 March 2011 = ₹ 100 lakh for the year 2010-11
- (ii) On 06 February 2013 = ₹ 100 lakh for the year 2011-12
- (iii) On 13 June 2013 = ₹ 100 lakh for the year 2012-13

Reasons for incorrect submission of UCs to the Ministry were not on record.

While accepting the facts, the Government stated (December 2014) that it was done due to avoid the delay in release of next instalment by the Government of India.

#### 2.4.10.3 Physical and financial progress

As per Cashbook maintained under the programme the Department spent an amount of ₹ 101.39 lakh during 2010-14 in respect of which no proper records was maintained in support of expenditure incurred. The details showing break-up expenditure with the purposes for which it was spent are given in the following Table:

**Table-2.4.14**

Sl. No.	Amount (₹ in lakh)	Purposes
1	2	3
1.	7.20	Strengthening of State EOC
2.	1.00	Strengthening of SDMA
3.	19.00	8 DCs for Strengthening of district EOCs/IEC materials
4.	4.00	8 DCs for Strengthening of DDMA
5.	2.50	DC Lunglei for mock drill
6.	1.50	For mock drill
7.	36.50	Director, ATI, Aizawl and Faculty Members of ATI as honorarium for training
8.	1.00	Development Crisis Management
9.	2.36	Various local NGOs/Associations/Magazine for IEC purposes
10.	0.24	TA/DA for training of trainers at Shillong
11.	7.25	Printing of IEC materials
12.	7.27	Study Tours, outside the State
13.	6.00	Paid to Er. Lalbiakzuala for training purposes
14.	1.00	Paid to Zothansanga Hmar, District Organiser for training purposes
15.	3.75	Updation of DM Plans
16.	0.82	Scientist/Geologist/JD for training purposes
<b>Total</b>	<b>101.39</b>	<b>--</b>

Source: Departmental records

The following lapses/short comings were noticed:

- (i) The physical progress report against every item of expenditure was not on record, as a result of which actual physical achievement attained by the Department with expenditure of ₹ 101.39 lakh could not be ascertained in audit.
- (ii) As per information furnished by the Head Faculty, Disaster Management Centre, Administrative Training Institute (DMC-ATI), Aizawl the following different training programmes under the Disaster Management were conducted by the DMC-ATI during 2009-14:

**Table-2.4.15**

Year	No. of training programme/Courses	Duration	No. of participants attended
2009-10	28 different programmes/courses	105 days	1114 nos.
2010-11	31 different programmes/courses	104 days	1432 nos.
2011-12	25 different programmes/courses	101 days	690 nos.
2012-13	22 different programmes/courses	85 days	1393 nos.
2013-14	21 different programmes/courses	71 days	623 nos.
<b>Total</b>	<b>127 different programmes/ courses</b>	<b>466 days</b>	<b>5252 nos.</b>

Source: Departmental records

However, total grants received from the DM&RD for conduct of above mentioned training programmes and its actual utilisation during 2009-14 was not furnished by the DMC-ATI.

The Government in their reply (December 2014) stated as under:

- (i) Activities against each item of expenditure were completed. But, in support of their claim the Government has not furnished the physical progress report against each item of expenditure, and
- (ii) The actual utilisation of fund of ₹ 36.50 lakh by the ATI (DM cell) was being called for.

#### 2.4.10.4 Training

Further, the following shortcomings were also noticed:

- Comprehensive annual training program to impart training to officials and sections of society in the State was not prepared by the Directorate of Disaster Management and Rehabilitation in Mizoram.
- Other lead agencies like Home Guards, National Cadet Corps (NCC), National Services Scheme (NSS) and Nehru Yuva Kendra Sangathan (NYKS) were not imparted any such training at the State or District level.
- Training was not conducted for vulnerable sections of society like patients, students and farmers in any of the four sampled Districts.
- It was also noticed that master trainers were not available in three sampled Districts to impart training to the staff at the District, Block and Village levels engaged in the prevention and mitigation of disaster management.



*A view of Mock Drill*



*SDRF engaged in search and rescue operation*

The Government in their reply (December 2014) stated as under:

- (i) Annual training programmes under Capacity Building Funds were prepared.

- (ii) Training of volunteers of the Young Mizo Association (YMA), the leading and most widely spread community based agency were conducted at various places, and
- (iii) Master Trainers were available in all districts as District Organizers, Police personnel, Fire fighters, Medical personnel, NGOs, *etc.* However, list of such Trainers were yet to be documented properly.

The reply of the Government is an attempt to sidestep the fact that no proper training was imparted to personnel of lead agencies like Home Guards, NCC, NSS and NYKS as envisaged under programme. Further, the reply is silent about the training to be imparted for vulnerable section of the society like patients, students *etc.* In the absence of documentary proof, as admitted, the veracity of the claim of the Government cannot be vouched.

#### **2.4.11 National School Safety Programme**

The “National School Safety Programme (NSSP) - A Demonstrative Project” approved by the Government of India in June 2011 with a total cost of ₹ 48.47 crore as a 100 *per cent* Centrally Sponsored Demonstrative Project was to be implemented by National Disaster Management Authority (NDMA) in collaboration with the Ministry of Human Resource Development (MHRD) and in partnership with the State/UT Governments. The targeted duration for completion of the project is 24 months from the date of approval of the project. The project is to be completed by June 2013.

The NSSP is a holistic project to promote the culture of Safety in Schools covering 200 schools in each of the selected 43 Districts of 22 States/UTs of the country falling in seismic Zone-IV & V.

In Mizoram two Districts (Aizawl and Serchhip) were selected under the programme covering 400 schools (Aizawl: 250 schools and Serchhip: 150 schools). The programme is being implemented by the Disaster Management and Rehabilitation Department (DM&RD) with appointment (18 April 2012) of the Joint Director, DM&RD as State level Nodal Officer. At District level, the District level committees on NSSP were constituted under the chairmanship of the Deputy Commissioners of the concerned Districts and members from the Education Department. The District level committees for Aizawl and Serchhip Districts were constituted in September 2012.

##### **2.4.11.1 Financial Management**

The position of grants released under the project by the National Disaster Management Authority (NDMA) and its actual utilisation by the State as of September 2014 is given in the following Table:

Table-2.4.16

(₹ in lakh)					
Date of release	Amount released	Interest earned	Grand total	Expenditure upto September 2014	Unspent balance
06.07.2012	3.75	4.63	183.06	111.80	71.26
23.07.2012	22.79				
20.10.2012	151.89				
<b>Total</b>	<b>178.43</b>	<b>4.63</b>	<b>183.06</b>	<b>111.80</b>	<b>71.26</b>

Source: Departmental records

As per programme guidelines the project was to be completed by the end of June 2013 but, it may be seen from the above table that till the end of September 2014 the Department incurred only an amount of ₹ 111.80 lakh which constituted 61 *per cent* of the total available fund. Reason for short achievement was not on record.

While accepting the facts, the Government stated (December 2014) that the NSSP was not fully implemented in many States due to time constraints, *etc.* for which in a review meeting of the NDMA held on 06 January 2014 it was suggested that the implementation period of the NSSP be extended upto December 2015.

#### 2.4.11.2 Component-wise Physical and Financial Achievement

Against the prescribed six components under the project the Department was to implement only five components (Component-II to VI). The component-wise physical and financial targets set for by the NDMA and their achievement made by the State Government as of March 2014 are shown in the **Appendix-2.4.5**.

Scrutiny of the records pertaining to the physical and financial achievement as mentioned in **Appendix-2.4.5** revealed the following:

- As per programme guidelines the Department was to release a grant of ₹ 23 lakh to the State Education Department for organising various district level events, like painting competitions for school children, essay, quiz *etc.* But, the Department did not release any grant to the Education Department till September 2014. As a result no district level events was organised by the Education Department, though the NSSP project was to be completed by the end of June 2013.
- As per programme guidelines the key activities under Non-structural Measures would be: (a) carrying out of Rapid Visual Survey (RVS) of 400 schools in two Districts for which an amount of ₹ 22 lakh was allocated and (b) based on the assessment reports of RVS, Non-structural Mitigation measures would be taken up in these schools for which an amount of ₹ 37 lakh was allocated. It was however observed that the RVS and Non-structural Mitigation measures in the two districts were not completed as of September 2014. Against the total allocation of ₹ 59 lakh under this component only an amount of ₹ 34.99 lakh was incurred as of September 2014.

- As provided in the programme guidelines one school in each of the targeted State was required to be selected for Structural Retrofitting. The structural safety of the school building identified by the District Administration would be assessed by trained engineers from the district Public Works Department (PWD) or hazard safety cell based on the assessment report the Structural Retrofitting requirements would be carried out. This retrofitted school could also be used as a relief shelter by the district Administration in a post disaster situation. It was seen in audit that till the end of September 2014 the Department failed to complete the Structural Retrofitting as a result against the allotted fund of ₹ 25.09 lakh an amount of ₹ 19.32 lakh remains un-utilised.

While accepting the facts, the Government stated (December 2014) that the fund had been released to the Deputy Commissioners/District Education Committees for conducting Capacity Building, IEC, Non-structural measures and were being implemented under monitoring by the DDMAAs.

**Audit Objective: To assess whether efforts had been made to make urban areas/cities disaster resilient and early warning systems and mechanisms to predict the calamities are in place?**

#### **2.4.12 Response System for Disasters**

*The efficacy of the Government's role in disaster management is judged largely by the quality of 'response' and its effectiveness in minimizing loss of life and property of affected people. The response to disasters also tests the level of preparedness and provides valuable lessons for future planning.*

##### **2.4.12.1 State Disaster Response Forces**

National Policy on Disaster Management 2009 provided that the primary responsibility for disaster management rested with the States. Under the policy, the States were encouraged to create response capabilities from within their existing resources. To begin with, each state was to aim at equipping and training one battalion equivalent force known as State Disaster Response Forces (SDRF). National Disaster Response Forces (NDRF) battalions and their training institutes were to assist the states in this effort. The States were also encouraged to include disaster management training in their respective Police Training Colleges.

In accordance with the policy, the Central Government had provided assistance for training of trainers. The State Governments were advised to utilise five *per cent* of their State Disaster Response Fund and Capacity Building grants for procurement of search and rescue equipments and training of the Response Forces.

It was, however, noted that constitution of State Disaster Response Forces (SDRF) was under process as of July 2014 which implies that the Disaster Management works were being done in the State in an *ad hoc* manner undermining the response capabilities.

While accepting the facts, the Government stated (December 2014) that SDRF was now formally constituted under Government Notification dated 25 August 2014. It was also stated by the Government that even before SDRF was formally notified by the Home Department the SDRF were already activated in seven Armed Battalions of the State Police in pursuance of the decision (20 June 2011) of SDMA.

#### **2.4.12.2 Medical preparedness**

Medical preparedness for disasters aims to create an institutional mechanism and systems that would result in the coordinated working of emergency responders, hospital managers and local and regional officials. Hospitals are prone to seismic hazard. Thus, alternative modalities must be in place for prompt and effective disaster response. One such modality is Mobile Hospital. Further, NDMA guidelines provide for an Emergency Casualty Management Plan which would address post disaster disease surveillance, networking with hospitals, referral institutions and facilities such as availabilities of ambulances and blood banks.

Scrutiny of records revealed that:

- Emergency Casualty Management Plans were not prepared and procedures for treatment of casualties by private hospitals during disasters had not been laid down in all four sampled Districts.
- Doctors and other medical personnel were not trained in hospital preparedness for emergencies or in mass casualties in three sampled Districts during last five years.

Thus, disaster management set-up is in a precarious condition with the prevailing little or no medical-preparedness in the State in the event of a disaster of big proportions causing mass casualties.

While accepting the facts, the Government stated (December 2014) that a trauma centre was already established in Aizawl Civil Hospital and other audit observations are for future course of action for the State Government.

#### **2.4.12.3 Major landslide at Laipuitlang, Aizawl**

In the early hours of 11 May 2013 a major landslide occurred at Laipuitlang, Aizawl which caused loss of lives and many individual properties and 17 people have lost their lives and many people sustained physical injuries.

##### **2.4.12.3.1 Cause of landslide**

The Deputy Commissioner, Aizawl district conducted a Magisterial Inquiry and as per the Magisterial Inquiry Report (20 May 2013) the incident occurred due to the following reasons:

On 11 October 2012 cracks had developed on the approach road to the PHE main reservoir besides PWD Mechanical Sub-Division. The PWD officials inspected the site on



12 October 2012 and issued work order for demolition of the building on 09 April 2013 with much delay. But, unfortunately, before the actual demolition of the building the major landslide occurred on 11 May 2013.

In Magisterial Inquiry Report it was concluded that many precious lives and properties could have been saved had the PWD Department demolished the building in time.

#### **2.4.12.3.2 Action taken by the DDMA, Aizawl**

The DDMA, Aizawl deployed three battalions of SDRF with around one hundred personnel from 1<sup>st</sup> and 3<sup>rd</sup> Battalions of Mizoram Armed Police (MAP) and 5<sup>th</sup> Battalion of Indian Reserve Battalion (IRB) for evacuation, search and rescue operation continuously for four days from 6 AM of 11 May 2013. The DDMA, Aizawl, however, did not arrange any immediate relief in the form of food, drinking water, medicine, alternative shelters, clothing *etc.* for the victims and rescue operations as the same were stated to be managed by various local NGOs, student unions and local people by collecting donations from general public.

The details of financial assistance provided by the DDMA Aizawl are given in the following Table:

**Table-2.4.17**

Sl. No.	Particulars	No. of victims	Assistance released (₹ in lakh)	Remarks
1.	Deceased persons	17 nos.	25.50	Including ₹ 16.50 lakh disbursed by Lunglei & Champhai Districts
2.	Injured persons	22 nos.	3.47	--
3.	Reported property damage:			
	(i) No. of victims	31 nos.	-	Including one Church and PWD office
	(ii) Value of damage (movable/immovable) properties: ₹ 8.11 crore	-	4.25	To 25 victims only

*Source: Departmental records*

To assess the impact of actual receipt of compensation by the dependants of the deceased victims of landslides in Aizawl during July 2012 to May 2013, the audit conducted (January 2015) direct interactions with the dependants of 09 deceased persons in the presence of Departmental Officer and found that all the dependants had timely received the compensation @ ₹ 1.50 lakh each from the DDMA, Aizawl.

Photographs taken before and after the landslide are given below:



#### **2.4.12.4 Status of unsafe buildings**

Aizawl Municipal Council (AMC) was responsible to survey the dilapidated buildings and to take necessary action if required.

During 2009-14, AMC surveyed the unsafe buildings and issued demolishing notices to 57 buildings, out of which only one building was demolished and action taken against the remaining 56 (57 - 1) buildings was not informed to audit as of February 2015.

#### **2.4.13 Programme Implementation**

The DM&RD was responsible for taking measures to reduce the risk, impact and effects of disasters and ensure the effective execution of relief works. Scrutiny of records revealed the following:

##### **2.4.13.1 Preparation for management of disasters**

Disaster preparedness activities like operation of control rooms; arrangement for food grains, polythene sheets, boats, first-aid kits, medicines, mobile medical teams and veterinary camps; identification of places for relief camps with water supply *etc.* were to be taken up. However, scrutiny of records of all four sampled Districts revealed that such disaster preparedness activities were not ensured except availability of some Silpaulins/Poly-tarpaulins during last five years.

While accepting the facts, the Government stated (December 2014) that district EOCs were already established in all the districts and they were being equipped and manned.

##### **2.4.13.2 Programme to minimise the effects of earthquakes**

As a part of the overall disaster management framework, the construction of buildings in seismic zones was to be done according to the code of the bureau of Indian Standards. The Public Works Department (PWD) was to constitute Hazard Safety Cells to impart training to engineers, architects, masons *etc.* for proper implementation of the building codes in the

construction of Government buildings. Surveys of lifeline buildings like hospitals, schools, multi-storied buildings and Government offices *etc.* were to be done for necessary retrofitting. It was, however, noticed that none of the above programmes were taken up by the PWD or else in any of the sampled Districts.

The Government stated (December 2014) that a Hazard Safety Cell was already established under the State PWD and which has completed Rapid Visual Screening (RVS) of 211 critical infrastructure including Government Offices, Church buildings, Hospitals, Schools, YMA halls, *etc.*

#### **2.4.13.3 Community preparedness and training**

In order to minimise loss of life and property, it was essential that the task of community preparedness to deal with any disaster should be taken up on priority basis. It was, however, noticed that no awareness and preparedness campaign regarding floods, earthquake, landslide *etc.* were taken up in any of the sampled District during 2009-14.

While accepting the facts, the Government stated (December 2014) that a number of awareness programmes were conducted but, its complete documentation was not readily available.

#### **2.4.14 Monitoring**

As per the Act, the responsibility for disaster management and monitoring of such activities at the State level was vested with the SDMA and at the District level with the DDMA. Since the Department was the nodal Department for disaster management in the State, it was important for it to ensure monitoring of the implementation of Actions Plans and policies decided at the State level. The District and Block level monitoring committees under the DCs and BDOs/COs respectively were responsible for monitoring at the block/circle level.

It was found that monitoring by the Department to ensure proper co-ordination with line Departments and the concerned DCs was not in place.

In their reply (December 2014), the Government offered no comment.

#### 2.4.15 Conclusion

As the State is facing natural calamities though not of large scale regularly, the State Disaster Management Authority (SDMA) and the District level District Disaster Management Authorities (DDMAs) need to be more active to build a safe and disaster resilient Mizoram. The institutional frameworks mandated to give overall guidance and monitoring of disaster management in the State and Districts were mostly non-functional and ineffective as evident from the fact the SDMA and the three sampled DDMAs (Aizawl, Mamit and Lawngtlai) met only in few occasions in the last five years. The SDMA also published the State Disaster Management Plan with a delay of more than six years.

There were instances of short release and delay in release of grants by the State Government during 2009-14. Besides, an unauthorised diversion ₹ 45 lakh of NCCF for inadmissible purpose was noticed. The shortfall in utilisation of central assistance and incorrect submission of utilisation reports to the Government of India were a regular feature.

While there were some positive areas in the preparedness measures taken by the Department towards disaster management, we noted that there were several omissions, serious shortcomings and lapses on the part of program managers towards procurement, distribution and utilisation of a huge quantity of silpaulins and poly-tarpaulins during 2009-14. The capacity building measures was not up to the mark.

#### 2.4.16 Recommendations

- The SDMA and DDMAs at State and District level should meet regularly to give overall guidance and monitoring of disaster management.
- The Central and State assistances should be released timely by the State Government.
- The Department needs to take effective measures for timely disbursement of relief assistance to the affected victims.
- The Department should properly assess the requirement of silpaulins and poly-tarpaulins of various sizes and oversee its distribution to the beneficiaries. A proper accounting of distribution of relief materials need to be maintained.
- Capacity building measures should be strengthened. Annual training programmes encompassing mock-drills and training to lead agencies, vulnerable sections of the society to deal with complex situations effectively to reduce the impact on human life and property should be prepared and trainings conducted.

## FOLLOW UP OF AUDIT OBSERVATIONS

### 2.5 Non-submission of *suo moto* Action Taken Notes (ATNs)

With a view to ensuring accountability of the Executive in respect of all the issues dealt with in various Audit Reports, the Public Accounts Committee (PAC), issued (May 2000) instructions for submission of *suo moto* ATNs on all paragraphs and reviews featured in the Audit Report within three months of its presentation to the Legislature. For submission of the Action Taken Notes (ATNs) on its recommendations, the PAC provided six months time.

A review of follow up action on submission of *suo moto* ATNs disclosed that the various Departments of the State Government had submitted *suo moto* replies in respect of all paragraphs/reviews that had featured in the Audit Reports up to the year 2010-11 with certain delays. The Audit Report for the year 2012-13 was laid on the table of the State legislative assembly on 09 July 2014. The *suo moto* replies in respect of three paragraphs/reviews in respect of Social Sector that had appeared in the Audit Report were due by the end of October 2014. However, no replies in respect of the paragraphs/reviews that have been included in the Reports of the Comptroller and Auditor General of India were received as of February 2015, even after a delay of about four months as mentioned below:

Table-2.5.1

Year of Audit Report	Date of presentation of the Audit Report to the Legislature	Number of paragraphs/reviews included in the Audit Report (excluding standard paragraphs)	Total number of paragraphs and reviews for which <i>suo moto</i> explanatory notes are awaited	Number of Departments
2012-13	09.07.2014	3	3	2

Source: Legislative Assembly Secretariat

Thus, due to the failure of the respective Departments to comply with the instructions of the PAC, the objective of accountability was not ensured.

### 2.6 Response to audit observations and compliance thereof by the Executive

Accountant General (Audit) conducts periodical inspections of Government Departments to test-check the transactions and verify the maintenance of significant accounting and other records as per the prescribed rules and procedures. These inspections are followed by Inspection Reports (IRs) issued to the Heads of Offices inspected, with a copy to the next higher authorities. Rules/orders of the Government provide for prompt response by the Executive to the IRs issued by the Accountant General to ensure corrective action in complying with the prescribed rules and procedures and accountability for the deficiencies, lapses, *etc.*, noticed during the inspection. The Heads of Offices and next higher authorities are required to comply with the observations contained in the IRs and rectify the defects and omissions promptly and

report their compliance to the Accountant General. Serious irregularities are also brought to the notice of the Head of the Department by the Office of the Accountant General.

As of March 2014, a review of the outstanding IRs issued during 2008-14 revealed that 373 paragraphs relating to 82 IRs remained outstanding as shown in the following Table:

**Table-2.6.1**

Name of the Sector	Opening Balance (upto 2012-13)		Addition during the year 2013-14		Disposal during the year 2013-14		Closing Balance	
	IR	Paras	IR	Paras	IR	Paras	IR	Paras
Social	46	233	51	215	15	75	82	373

## 2.7 Audit Committee Meetings

State Government had notified (04 September 2013) for constitution of an Audit Committee to consider and take measures for timely response and speedy settlement of outstanding paragraphs of Inspection Reports lying in different Departments.

During 2013-14, no audit committee meeting was held in respect of Social Sector Departments.