

## EXECUTIVE SUMMARY

This Report has been prepared in three chapters. Chapters I and II deal with Social and General Sectors and Chapter III deals with Follow-up of Audit Observations. The Report contains two Performance Audits on 'Relief and Disaster Management Department' and 'Implementation of Border Area Development Programme', five Compliance Audit paragraphs and one Follow-Up Audit of 'Youth Affairs and Sports Department'.

According to existing arrangements, copies of the performance audits and paragraphs were sent to the Administrative Heads of the concerned departments with a request to furnish replies within six weeks. Replies from the State Government wherever received have been incorporated in the Report.

## CHAPTER I SOCIAL SECTOR

During 2016-17, against a total budget provision of ₹ 4,740.05 crore under Social Sector, a total expenditure of ₹ 3,375.68 crore was incurred by 17 departments.

Audits were conducted during 2016-17 involving expenditure of ₹ 11,585.09 crore including expenditure of ₹ 11,085.80 crore of previous years of the State Government under Social Sector.

This chapter contains one Performance Audit viz., "*Performance Audit of Relief and Disaster Management Department*", four Compliance Audit paragraphs and one Follow-Up Audit of "*Youth Affairs and Sports Department*".

## PERFORMANCE AUDIT

### Relief and Disaster Management Department

State Disaster Management Policy was not prepared by State Disaster Management Authority and District Disaster Management Plans and Departmental Disaster Management plan with budgetary provisions were not in place. There were no guidelines or plan for coordination among the line departments in preparedness, mitigation and response to disaster. Operationalisation of Mitigation Fund at both State and District level, functioning of Emergency Operation Centres, vulnerability assessment of various parts of the State, establishment of stockpile of relief and rescue materials are some of the urgent issues which have not been addressed as on date of audit.

The national guidelines developed by NDMA were not adopted and applied by the State Government and the SDMA did not take effective measures to ensure the application of its Guidelines.

Efforts to mitigate the effects of various disasters were not satisfactory because of gaps in implementation and financial irregularities resulting in leakage of funds and denial of benefits to the victims. Huge unspent balances in each of the years covered by this audit and also withholding of Central and State share by the Government curtailed fund flow thereby resulting in delays in relief and rehabilitation efforts. Monitoring mechanism was not operationalised due to lack of requisite manpower and irregularities in hiring of Disaster Management Professionals. In the absence of coordinated efforts of trained and equipped teams of local community and emergency logistic support, efforts towards rescue, relief and rehabilitation of the major earthquake of January 2016 was hampered. Capacity building (training and equipment) of specialized force and other stakeholders at the community level towards awareness and preparedness on seismic safety measures was not taken up as envisaged in the guidelines.

*(Paragraph 1.2)*

### COMPLIANCE AUDIT

**Education Department:** Diversion of ₹ 14.02 crore and its subsequent non-recoupment resulted in not less than 644 Kitchen-cum-Stores not being constructed under the Mid-Day Meal Scheme.

*(Paragraph 1.3)*

**Medical, Health and Family Welfare Department:** Medical equipment costing ₹ 3.68 crore was lying idle even after two years of their procurement.

*(Paragraph 1.4)*

**Minorities, Other Backward Classes and Schedule Caste Department:** Blockage of ₹ 1.34 crore due to inordinate delay in completion of hostel for OBC Boys and Girls.

*(Paragraph 1.5)*

**Rural Development and Panchayati Raj Department:** BRGF scheme fund amounting to ₹ 9.02 crore was transferred to a new bank account in total disregard of Government's instruction to refund the unutilized fund to the Ministry.

*(Paragraph 1.6)*

### FOLLOW-UP AUDIT

#### Follow-up Audit of "Youth Affairs and Sports Department"

The audit recommendations were yet to be fully implemented. Perspective and Annual Plans was yet to be drawn up. Control mechanism exercised by the newly re-designated "Internal Finance Division" with regards to financial management was not effective. The Department failed to expedite the construction works taken up to create better infrastructure. No training was

imparted for the staff of the Department. There was shortage of staff in the Department.

*(Paragraph 1.7)*

## CHAPTER II GENERAL SECTOR

During 2016-17, against budget provision of ₹ 3,520.47 crore, expenditure of ₹ 2,855.03 crore was incurred by 15 departments under the General Sector.

Audits were conducted during 2016-17 involving expenditure of ₹ 23,925.22 crore (including expenditure of ₹ 23,730.21 crore of previous years) of the State Government under General Sector.

This chapter contains one Performance Audit viz., “Implementation of Border Area Development Programme” and one Compliance Audit paragraph.

### PERFORMANCE AUDIT

#### Planning Department

#### Implementation of Border Area Development Programme

Works under Border Area Development Programme scheme were implemented without updating the baseline survey conducted during 2011-12. No long term perspective plan was prepared for saturation of villages with basic infrastructure. There was delay in transfer of funds to implementing agencies for implementation of the programme. Creation of durable assets and capacity building of the youths in the border areas were affected due to financial irregularities like payment without supporting documents, unauthorized execution of substitute items of work, etc. Transparency and improvement in quality of works could not be ensured as system of inspection and monitoring was not put in place. In spite of implementation of Border Area Development Programme in the State since 1997-98, saturation of villages within 0-10 km belt of the international border was not achieved.

*(Paragraph 2.2)*

### COMPLIANCE AUDIT

**Planning Department:** Manipur Development Society gave undue benefit of ₹ 1.67 crore to the contractors on account of non-deduction of applicable security deposit and payment in excess of work order thereby leaving the works without any construction guarantee.

*(Paragraph 2.3)*

**CHAPTER III**  
**FOLLOW-UP OF AUDIT OBSERVATIONS**

As of March 2017, 2,525 Inspection Reports issued from 2003-04 onwards were outstanding for settlement. Even the initial replies, which were required to be received from the Heads of Offices of the Government Departments within four weeks from the date of issue of the Inspection Report were not received.

*(Paragraph 3.4)*