



# **Overview**



## Overview

This Report of the Comptroller and Auditor General of India on General and Social Sectors, Government of Madhya Pradesh for the year ended 31 March 2016 includes three Performance Audits, three Compliance Audits, one Follow up Audit and 18 audit paragraphs dealing with the results of performance audit of selected programmes and Departments as well as audit of the financial transactions of the Government departments/autonomous bodies, societies, etc. A summary of the important findings is given below:

### 1. Performance Audits

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

#### 1.1 Performance Audit on National Rural Health Mission

National Rural Health Mission (NRHM) was launched (April 2005) to provide accessible, affordable and quality health care to the rural population, especially the vulnerable sections. It aimed to reduce rate of infant mortality, maternal mortality and total fertility and prevent and reduce mortality and morbidity from diseases. During the years 2011-12 to 2015-16, expenditure of ₹ 5,588.76 crore was incurred against approved outlay of ₹ 6,247.01 crore for Reproductive and Child Health (RCH), immunization programme and Mission flexi pool.

A Performance Audit to assess the impact of NRHM on improving Reproductive and Child Health in the State for the period 2011-12 to 2015-16 revealed the following:

State could not attain the goals for Infant and Maternal Mortality Rates and it lagged far behind the achievements of other States. The IMR of the State was 51 per 1,000 live births as against the National average of 40 per 1,000 live births. Similarly, MMR of the State was 221 per 1,00,000 live births, which was way below the National average of 178 per 1,00,000 live births. The shortfalls in providing maternal, child and reproductive health care services resulted in failure of State in achieving targets for IMR, MMR and Total Fertility Rate (TFR).

*(Paragraph 2.1.6)*

Out of 93.72 lakh pregnant women registered for Antenatal Care (ANC) during 2011-16, only 52.51 lakh (56 *per cent*) were registered within 1<sup>st</sup> trimester of pregnancies. As a result well being and the progress of foetal growth could not be ascertained in such cases. Further, 19.44 lakh (21 *per cent*) pregnant women did not undergo three ANC check-ups as envisaged in the RMNCH+A guidelines. Complications during pregnancy such as preeclampsia, miscarriage, low amniotic fluid etc. could not be ruled out.

*(Paragraph 2.1.7.1)*

Forty-eight hours stay at health centres was to be promoted in view of more likelihood of obstetric complications and maternal deaths during delivery and within 48 hours after child birth. However, 28 *per cent* women were discharged within 48 hours of delivery in public institutions. Further, only 35.21 lakh (55 *per cent*) mothers received postpartum check-up between 48 hours to 14 days after delivery due to apathetic attitude of service providers (Staff Nurse and Auxiliary Nurse Mid-Wife (ANMs)) and lack of referral transports.

**(Paragraph 2.1.7.2)**

During 2011-16, ANC registered pregnant women in the State was 93.72 lakh. However, the deliveries recorded in the State during the period were 69.83 lakh only. The case of missing deliveries may have an impact on skewed sex ratio of 52:48 at birth in the State.

**(Paragraph 2.1.7.4)**

Targets set for child immunisation against seven vaccine-preventable diseases could not be achieved during 2011-16 and the range of shortfall was 16 to 21 *per cent* due to lack of awareness among parents and failure to mobilise women/children by ASHAs. Out of 69.25 lakh live births, only 39.30 lakh (57 *per cent*) infants were provided 'Hepatitis B Zero' due to unavailability of storage facility of vaccine at health centres and failure to provide the dose in case of home deliveries.

**(Paragraph 2.1.8.2)**

The State did not achieve the targeted TFR due to under performance in family planning programme. Against 3.03 lakh male sterilisations planned during the period 2011-16, only 0.83 lakh (27 *per cent*) were performed. The achievement of female sterilization was 43 and 22 *per cent* of the planned sterilisations (minilap and post-partum). There was shortfall in distribution of contraceptive oral pills (42 *per cent*) and condoms (49 *per cent*).

**(Paragraph 2.1.9.2)**

During the year 2011-16, GoI approved Programme Implementation Plan (PIP) for ₹ 6,247.01 crore against which only ₹ 5,269.70 crore was made available for implementation of NRHM in the State due to delayed submission of PIPs and utilisation certificates. As a result, the Government could not provide sufficient funds for implementation of the scheme, despite the dismal performance of State on health indicators.

**(Paragraph 2.1.10.4)**

The State failed to create sufficient rural health centres due to lack of manpower, inadequate funds allocated by GoMP to rural health infrastructure. There was shortfall of 2588 Sub-Centres (SCs) (22 *per cent*), 828 PHCs (41 *per cent*) and 153 CHCs (31 *per cent*) as against the population norms under NRHM. During test-check, the Audit noticed lack of infrastructure in rural health centres in terms of wards, labour rooms, operation theatres, electric supply and toilets, etc.

**(Paragraph 2.1.11)**

Out of 1,172 PHCs in the State, 503 PHCs were functioning without doctors as of April 2016. Laboratory Technicians and Pharmacists were not posted in

525 and 312 PHCs respectively. In 96 CHCs of sampled districts, only 13 specialists were available against sanctioned 346 specialists. Further, 58,730 Accredited Social Health Activists (ASHAs) were engaged in the State as of April 2016 against the requirement of 62,206 ASHAs.

*(Paragraph 2.1.12)*

Under *Madhya Pradesh Swasthya Seva Guarantee Yojana*, Government was committed to provide minimum essential drugs and laboratory services for all types of health facility centres. However, none of the test-checked health facilities had all the listed drugs and laboratory services categorised under *Madhya Pradesh Swasthya Seva Guarantee Yojana*.

*(Paragraphs 2.1.13 and 2.1.15)*

State quality assurance committee and district quality assurance committees did not meet at prescribed intervals. Patient satisfaction survey was not conducted in 10 out of 13 test checked District Hospitals (DHs). Quality assurance programme was not implemented at CHC and PHC levels.

*(Paragraph 2.1.18)*

## **1.2 Modernisation of Madhya Pradesh Police Force**

'Police' is a State subject and it is primarily the responsibility of the State to modernise and adequately equip the police forces. The Modernisation of Police Forces (MPF) scheme was launched by Ministry of Home Affairs (MHA), Government of India (GoI) to effectively face the emerging challenges to internal security. A Performance Audit of 'Modernisation of Madhya Pradesh Police Force' for the period 2011-12 to 2015-16 revealed the following:

As on March 2016, there was 35 *per cent* shortage of police building, 68 *per cent* shortage of police houses in the State as the budget for construction activities was low. More than two thirds of subordinate police personnel could not be provided government accommodation, as there was a shortfall of 69,978 houses for them. Due to inadequate housing in selected 13 districts, police personnel occupied 683 condemned and 582 dilapidated houses. Basic amenities such as toilet and rest rooms for women personnel were lacking in Police Stations/Outposts.

*(Paragraph 2.2.10)*

There was large shortage of vehicles, especially motorcycle, in the Department. In selected 39 Police Stations (PSs)/Outposts (OPs), there were no motorcycle in six PSs and two OPs. Further, 102 cars valuing ₹ 5.88 crore were procured, which were prohibited for procurement under MPF. Audit noticed that there was shortage of 23,955 modern weapons as of December 2016. Thus, the department was dependent on old weapons affecting the striking capacity of police force.

*(Paragraphs 2.2.11 and 2.2.12)*

There was overall vacancy of 16,751 personnel in police force as of June 2016. Posts of Scientific Officers and Lab Technician were lying vacant in Forensic Science Laboratories (FSLs) leading to large pendency in forensic

examinations. Training of police personnel was affected due to short availability of trained teachers.

*(Paragraphs 2.2.13.1 and 2.2.17)*

The progress of expenditure against available funds was slow and improved largely during 2015-16 in which ₹ 163.65 crore (52 per cent of total ₹ 316.47 crore) was incurred. Slow progress of expenditure led to short release of ₹ 92.79 crore of Central share for implementation of MPF in the State. For the period 2015-16, Central share of ₹ 23.42 crore released by MHA to GoMP as well as the State Share of ₹ 17.87 crore was not released to the Department even till the end of March 2016.

*(Paragraph 2.2.8)*

### **1.3 Performance Audit on Supplementary Nutrition Programme under Integrated Child Development Services**

Supplementary Nutrition Programme (SNP) under ICDS is primarily designed to bridge the gap between the recommendatory dietary allowance and average daily intake. Every beneficiary of SNP is provided Supplementary Nutrition for 300 days in a year, which is supplied by the Anganwadi Centres (AWCs) in the form of cooked meals and Take Home Ration. In Madhya Pradesh, ₹ 5012.17 crore was incurred on implementation of SNP during 2011-12 to 2015-16. A performance audit of the implementation of ICDS (Supplementary Nutrition Programme) in Madhya Pradesh during the period 2011-16 revealed the following:

As per population norms laid down by Government of India, there was shortage of 18604 AWCs and 3400 Mini-AWCs in the State as of March 2016. Out of 61,755 villages in the State, 11156 villages covering a population of 53.84 lakh were without AWCs.

State Government did not open 4305 AWCs, though these were sanctioned by GoI in November 2014.

*(Paragraph 2.3.10)*

During 2011-16, 20.94 lakh registered children in the age group of six months to three years, 57.02 lakh registered children in age group of three years to six years and 7.99 lakh registered pregnant and lactating mothers did not avail Supplementary Nutrition due to inadequate infrastructure at AWCs, preparation of less quantity of Supplementary Nutrition or at times no supply of Supplementary Nutrition and long distances of AWCs, which acted as disincentives to enrolled beneficiaries affecting their attendance at AWCs.

*(Paragraph 2.3.7.2)*

As per National Family Health Survey (2015-16), there were 9.2 per cent of severely malnourished children in the State. Thus, the State could not achieve target for reducing severely malnourished children from 12.6 per cent to 5 per cent.

*(Paragraph 2.3.11)*

In 14 test checked Project Offices, Supplementary Nutrition was not supplied during different months (ranged from one day to 120 days) during 2011-12 to 2015-16 in 983 AWCs having 37079 registered beneficiaries.

While distributing wheat and rice to Self Help Groups by the District Programme Officers, there was a shortage of 24432.05 MT wheat and 3592.06 MT rice. This affected the distribution of cooked meal to beneficiaries.

*(Paragraphs 2.3.9.1 and 2.3.9.2)*

Meeting of State Level Monitoring and Review Committee was not held. Monitoring and Review Committee was not constituted at District and Block level for proper monitoring and supervision.

*(Paragraphs 2.3.12.3 and 2.3.12.4)*

## **2. Compliance Audit**

Audit has reported on several significant deficiencies in critical areas which impact the effective functioning of the Government departments/organisations.

### **2.1 Audit of 'Establishment of Madhya Pradesh Professional Examination Board and Monitoring of its functioning**

Government of Madhya Pradesh established 'Professional Examination Board' (*Vyavsayik Pariksha Mandal*), commonly known as 'VYAPAM' in the year 1982 for conducting entrance tests for admissions in the Medical, Engineering, Agriculture and Poly-technique colleges of the State. In April 2003, the Board was entrusted the responsibilities to conduct recruitment to those State level posts (except for posts of Police and Law Departments), which were not filled by the Madhya Pradesh Public Service Commission.

Madhya Pradesh State Legislature in August 2007 passed *Madhya Pradesh Vyavsayik Pariksha Mandal Adhiniyam, 2007* (MPPEB Act 2007) with a view of conducting examinations in professional courses and matters connected therewith. The significant findings are as follows.

#### ***Duality in Government approach on status of Board***

The Board was constituted with confusion over its status, as the State Government declared that it would not be responsible for any act of commission or omission by VYAPAM. However, the status of Board as a Government Department was accepted during various inter-departmental deliberations thereafter, which was also confirmed by legal opinions of its Law Department and Judicial pronouncements. State Government was also in full control of the Board for all practical purposes as the posts of Chairman, Director and Controller in the Board were filled by transfer of State Government officers. Despite this, Government did not frame any rules/regulations regarding conduct of business of Board, conduct of examination, collection and deposit of fees, financial procedures to be followed, systems to be put in place for conduct of examinations and auxiliary activities in a free and fair manner, ensuring transparency and accountability and prevention of malpractices.

The confusion over the status of VYAPAM was allowed to continue and the arrangement between State Government and Board remained flexible. State Government ostensibly distanced itself from the activities of Board, while still maintaining administrative control over the apex management. This shadowy control, without well laid out processes for verification and assessment of the functions of the Board was a clear case of exercise of power without assumption of responsibility. This eventually led to a situation where there was severe erosion in credibility of examinations conducted by Board, which led to widespread public dissatisfaction as reported in the media and as acknowledged by the Department as well as investigation of irregularities by ED/CBI/EOW and setting aside of the candidature of MBBS students by the APEX Court.

*(Paragraph 3.1.2)*

#### ***Delay in constitution of Statutory Board***

Government established the statutory Board under this Act only in March 2016, i.e., with a delay of more than eight years. The delay in establishment of statutory Board defeated the purpose to provide greater authority and more credibility to the Professional Examination Board in Madhya Pradesh.

*(Paragraph 3.1.3)*

#### ***Transfer of recruitment function to Board***

The recruitment examinations for State level posts were transferred to the Board in April 2003 without corresponding increase in its manpower that affected the conduct of examination by Board. The necessity for entrusting recruitment process to VYAPAM bypassing Staff Selection Commission was without any stated objectives/advantages to the Government and was a departure from the well-established procedure all around the country.

Government did also not ensure development of robust selection procedure/rules for conduct of recruitment examination by the Board to achieve impartiality, objectivity and suitability. Thus, a primary function of the Government to ensure free and fair recruitment to its own services, which was till now being conducted by Public Service Commission/Government Departments, was jettisoned in favour of an institution which was neither statutory nor independent, nor functioned under well laid out regulations.

*(Paragraph 3.1.4)*

#### ***Appointments by State Government in the Board***

The appointments of Director and Controller in the Board were made by systemic subversion of rules resulting into undue favour to officers. Dr. Yogesh Uprit and Dr. Pankaj Trivedi were appointed Director and Controller respectively directly on orders of the then Minister in contraventions to rules. Dr. Pankaj Trivedi was subsequently posted as Director alongwith his posting as Controller. Similarly, Shri Ajay Sen, Senior System Analyst and Shri Nitin Mohindra, System Analyst were given undue favour by upgrading their pay scales without approval of Board or

Government. These officers were later suspected to be involved in the alleged irregularities in examinations conducted by the Board.

*(Paragraph 3.1.5)*

### ***Oversight of the Board by State Government***

The State Government did not take any remedial measures by framing rules/regulations to prevent the irregularities even after VYAPAM reported some cases of irregularities in conduct of examination. There was no evidence that the State Government ensured the integrity of IT based system used in the examination conducted by the Board.

*(Paragraph 3.1.7)*

### ***Financial accountability of the Board***

The fund of Board was kept outside Government Account and it was not subjected to budgetary control of State Legislature, which led to dilution in its financial accountability. The Board as well as State Government misutilised Board fund as per their convenience and transferred ₹ 13.75 crore of Board Fund to other organisations for activities not connected with VYAPAM.

*(Paragraph 3.1.6)*

## **2.2 Audit of Madhya Pradesh Building and Other Construction Workers' Welfare Board**

State Government constituted (10 April 2003) the Madhya Pradesh Building and Other Construction Workers' Welfare Board (Board) to undertake welfare measures for the benefit of the building and other construction workers. The Board registered 24.82 lakh building workers up to March 2016 and 22 welfare schemes are being operated by the Board for providing the benefits to the registered building workers. Audit of Board in the State for the period 2011-16 revealed the following:

In six Urban Local Bodies (ULBs), 2,922 buildings construction permissions were issued during 2011-16. However, establishments related to 2,881 building permissions were not registered with respective Registering Officers (ROs). Cess amounting to ₹ 1.83 crore was not deducted from 35,679 MGNREGS construction works pertaining to period 2011-16. Collected cess amounting to ₹ 3.13 crore was not transferred to the Board by ULBs, PRIs and other construction agencies.

*(Paragraphs 3.2.2.1, 3.2.2.2 (b) and 3.2.2.3)*

The District Labour Offices (DLOs) had 1,121 cases for assessment of cess pertaining to the period 2011-16 (excluding the cases of last six months). However, assessment of cess was done only in 539 cases due to shortage of staff.

*(Paragraph 3.2.2.5 (i))*

Annual statement of Accounts for the financial year 2012-13, 2013-14, 2014-15 and 2015-16 were not prepared. The cheques or drafts for depositing the

cess amounting to ₹ 12.93 crore were returned to the drawers and which remained unrealised due to lack of monitoring by the Board.

*(Paragraphs 3.2.3.3 and 3.2.3.4)*

The Board had neither established field offices nor recruited against the sanctioned 310 field staffs for the efficient discharge of Board's functions.

*(Paragraph 3.2.4.2)*

The Board fixed financial targets for the 22 schemes, but there was a shortfall in implementation of schemes ranging from 16 to 100 *per cent* during 2011-16 due to shortage of staff.

*(Paragraph 3.2.4.3)*

### **2.3 Audit on '108 Ambulance Services'**

Emergency Medical Service (EMS) is an essential part of the overall healthcare system as it saves lives by providing emergency care immediately. For this purpose, Public Health and Family Welfare Department, Government of Madhya Pradesh entered into a Memorandum of Understanding (MoU) with Emergency Management & Research Institute (EMRI) to develop and operationalise emergency response units in the State. An audit of '108 Ambulance Services' conducted covering the period 2007-08 to 2015-16 revealed the following:

Due to poor planning and delay in procurement process, project could not be extended across the entire State within the prescribed period. As a result, 17 *per cent* of the population remained uncovered by ambulance facility. Less number of '108 Ambulances' were deployed in many districts against the prescribed norms despite excessive response time in these districts.

*(Paragraphs 3.3.2 and 3.3.4.3)*

Funds were released to the GVK EMRI on ad-hoc basis without assessing the actual requirement. The savings on salary amounting to ₹ 23.42 crore was utilised on meeting excess expenditure on other activities/components viz. fuel cost, repair and maintenance etc. under Operational Expenditure (Opex). Further, per ambulance Opex was more than the prescribed limit of ₹ 0.98 lakh resulting in excess payment of ₹ 5.02 crore to the operating agency during 2012-13 to 2014-15.

*(Paragraphs 3.3.3.1 and 3.3.3.2)*

Response time of '108 Ambulances' was found to be unsatisfactory in many districts. Ambulances in many districts could not achieve the prescribed norms attending to emergencies. However, proportionate deduction of ₹ 58.14 lakh against this shortfall was not made from payments to the operating agency.

*(Paragraphs 3.3.5.2 and 3.3.5.4)*

Against the required posts, the shortfall in deployment by EMRI ranged from four to 11 *per cent* as on July 2015. At call centre, 50 *per cent* shortage was seen in Emergency Response Centre Physician (ERCP)-care. Due to this, line

of ERCP was found mostly busy and beneficiaries were deprived of getting ERCP advices during the emergency transportation.

*(Paragraph 3.3.5.5)*

The MoU provided to constitute a District Level Committee under the chairmanship of District Collector to coordinate actions required for efficient implementation and operation of '108 Ambulance Services'. However, the District Level Committee was not constituted in any district.

*(Paragraph 3.3.6.2)*

## **2.4 Follow up audit of the Performance Audit on “Mahatma Gandhi National Rural Employment Guarantee Scheme”**

The implementation of the Scheme in the State was last reviewed covering the period 2007-12 and the findings were included in Para No. 2.2 of the Audit Report on General and Social (Non-PSUs) Sectors for the Year ended 31 March 2012. In the course of follow up audit, audit assessed the action taken by the Government on the accepted recommendations included in Para No. 2.2 of Audit Report on General and Social (Non-PSUs) Sectors for the Year ended 31 March 2012 (Report No 4 of 2013). The follow up audit revealed the following:

Out of six accepted recommendations, three recommendations relating to issue of job cards, convergence of MGNREGS funds with other schemes for generation of additional employment and strengthening of grievance redressal mechanism were only partially implemented by the Department, while following three recommendations were not implemented by the Department:

Conducting regular meetings of General Body of State Employment Guarantee Council (SEGC) and its Empowered Committee.

Obtaining application for work and issue of dated receipt to beneficiaries to enable them to get unemployment allowance in case of not getting the employment within 15 days.

Ensuring maintenance of essential records of employment generation and asset creation.

*(Paragraph 3.4)*

### **Audit Paragraphs**

M.Y. Hospital Indore and J. A. Group of Hospitals, Gwalior made irregular payment of ₹ 79.50 lakh to private printers by using fake bill verification letters, certification seal and signature of Government printing press.

*(Paragraph 3.8)*

Six Divisions of Rural Engineering Services short levied compensation of ₹ 1.26 crore on contractors for delays in construction of rural road works under Mukhya Mantri Gram Sadak Yojana.

*(Paragraph 3.9)*

J.P. Hospital, Bhopal made fraudulent excess payment of ₹ 48.67 lakh to Laundry Services for washing of linen clothes on the basis of incorrect

verification of Secretary, *Rogi Kalyan Samiti* without actually verifying the details of linen clothes issued for washing by the concerned wards.

**(Paragraph 3.11)**

Codal provisions for preparation of bills, receipt, verification and issue of stock were not followed/ensured by Civil Surgeon-cum-Hospital Superintendent, Betul which facilitated payment of ₹ 7.69 lakh on fake/fraudulently fabricated bills for supply of LPG cylinders.

**(Paragraph 3.12)**

Unauthorised expenditure of ₹ 1.39 crore was incurred by Civil Surgeon-cum-Hospital Superintendents Barwani and Sagar and Civil Surgeon, Jai Prakash Hospital, Bhopal on outsourcing of excess cleaning staff in violation of prescribed norms.

**(Paragraph 3.14)**

The minimum time limit prescribed for submission of tenders through e-tenders was not adhered to by office of Executive Engineer, Public Health Engineering, Shivpuri, in awarding departmental works of estimated cost of ₹ 2.61 crore which led to undue favour to participating contractors.

**(Paragraph 3.15)**

District Project Co-ordinator, *Zila Shiksha Kendra*, Vidisha released subsequent instalments for construction works in schools under *Sarva Shiksha Abhiyan*, without ensuring evaluation of work done by previous installment which led to irregular retention of ₹ 1.59 crore by construction agencies.

**(Paragraph 3.16)**

Fraudulent double payment amounting to ₹ 2.25 lakh was made to Vocational Training Providers for the same training courses by the Chief Executive Officer, Madhya Pradesh Council for Vocational Education and Training, Bhopal.

**(Paragraph 3.17)**

Government Polytechnic College, Hoshangabad incurred unwarranted expenditure of ₹ 92.42 lakh on construction of a new girls' hostel building though the existing 50-seated girls' hostel was vacant since the completion of its construction at a cost of ₹ 91.74 lakh in April 2008.

**(Paragraph 3.18)**

Due to abnormal delay in execution of works of core components, the project "Abatement of Pollution and Environmental Improvement of Sagar lake", had been abandoned and an amount of ₹ 7.70 crore remained blocked for more than nine years.

**(Paragraph 3.21)**