

## OVERVIEW

This Report contains four performance audits viz. on (i) Implementation of Sarva Shiksha Abhiyan, (ii) Information Technology Audit of Integrated Financial Management System, (iii) National Rural Health Mission-Reproductive and Child Health and (iv) Punjab State Sports Council and 20 paragraphs involving money value of ₹ 226.23 crore.

The total expenditure of the State Government increased by 69.73 per cent from ₹ 34,820 crore in 2011-12 to ₹ 59,101 crore in 2015-16. The revenue expenditure increased by 51.53 per cent from ₹ 33,045 crore to ₹ 50,073 crore. The non-plan revenue expenditure increased by 44.20 per cent from ₹ 31,041 crore to ₹ 44,762 crore and capital expenditure increased by 91.43 per cent from ₹ 1,598 crore to ₹ 3,059 crore during the period 2011-16.

## PERFORMANCE AUDIT

### 1. Implementation of Sarva Shiksha Abhiyan

Sarva Shiksha Abhiyan (SSA) is the primary vehicle for implementing the Right of Children to Free and Compulsory Education Act, 2009 (RTE Act) and to provide useful and relevant education to all children in the age group of 6-14 years by 2010. A performance audit of the implementation of Sarva Shiksha Abhiyan for the period 2011-16 brought out lack of planning and deficiencies in both financial management and execution of the programme which undermined achievement of its objectives. The implementation of the SSA in the State commenced late due to delay in notification of the Right to Education Rules and was hampered by delayed or short release of funds which adversely impacted the implementation of the programme as reflected in shortfalls in infrastructure required in the schools. Inadequate planning and implementation was also evidenced by lack of mapping of neighbourhood schools and data relating to children belonging to the weaker sections and disadvantaged groups. Finally, there were discrepancies in the distribution of uniforms and books with excess expenditure of ₹ 14.76 crore on their purchases. Some of the significant findings are summarized below:

Perspective Plan was not prepared at State and district level for the period covered under audit.

*(Paragraph 2.1.6.1)*

Sarva Shiksha Abhiyan funds were released short by ₹ 1,362.76 crore during 2011-16. Government of Punjab did not release central share of ₹ 48.48 crore during 2014-16.

*(Paragraphs 2.1.7.1 and 2.1.7.1 (iii))*

Deployment of resource teachers was not related to the number of Children with Special Needs and the nature of their disability. No norms were fixed by the State for deployment of resource teachers. No resource teacher was

appointed in the State in cases of multiple disabilities, cerebral palsy, learning disability and autism spectrum disabilities resulting in deprival of resource support to 18,214 children suffering from these disabilities.

*(Paragraph 2.1.8.5 (iii) (a & b))*

Only one set of uniform was provided against required two sets of uniforms to the students during the years 2011-16.

*(Paragraph 2.1.8.6 (ii))*

Excess expenditure of ₹ 6.76 crore was incurred on purchase of books against the norms fixed by the Ministry of Human Resources and Development.

*(Paragraph 2.1.8.7 (v))*

1,170 primary schools were running with single teacher and 572 upper primary schools with less than three teachers.

*(Paragraph 2.1.9.1)*

## **2. Information Technology Audit of 'Integrated Financial Management System'**

In October 2009, the Government of Punjab initiated the Integrated Financial Management System to bring transparency and responsiveness in public financial management by establishing a network between all stakeholders. An information technology audit of the 'Integrated Financial Management System' brought out shortcomings/deficiencies such as non-implementation of some of the modules, non-mapping of Punjab Treasury Rules for monitoring of Abstract/Detailed contingent bills and absence of various validation checks, system controls and third party audit in the implementation of the project. Some of the significant audit findings are summarised below:

Instead of availing services of Punjab State e-Governance Society, a designated agency of the State Government at no extra cost, services of Punjab Infotech were taken at four *per cent* of the project cost for implementation of the project resulting in avoidable expenditure of ₹ 1.59 crore.

*(Paragraph 2.2.6.1)*

Treasury operations and pension (management and monitoring) modules were not fully implemented.

*(Paragraph 2.2.6.3)*

Punjab Treasury Rules in respect of monitoring of Abstract/Detailed Contingent bills were not adequately mapped as a result of which the system was not depicting correct status of pending Abstract Contingent bills. Data analysis showed that 49,277 Abstract Contingent bills amounting to ₹ 7,400.91 crore were pending for adjustment against the actual pendency of only 976 Abstract Contingent bills amounting to ₹ 2,044.97 crore as of March 2016.

*(Paragraph 2.2.7.2)*

The requisite validation checks for processing of bills and unauthorised operation of heads of accounts by Drawing and Disbursing Officers were not available in the System to ensure adherence to the extant rules. There were 54 dummy active DDO codes in the database.

*(Paragraphs 2.2.7.3 and 2.2.7.4)*

Non-application of various controls and non-conducting of third party audit at the prescribed time indicated weak system control mechanism in the Integrated Financial Management System.

*(Paragraph 2.2.8)*

### **3. National Rural Health Mission - Reproductive and Child Health**

Government of India launched the National Rural Health Mission (NRHM) in April 2005 with a view to providing accessible and affordable healthcare facilities in rural areas and to bridge gaps in healthcare facilities. The programme had been earlier reviewed in the Report (Civil) of the Comptroller and Auditor General relating to the Government of Punjab for the year ended 31 March 2010 which had highlighted shortcomings in infrastructure, manpower and implementation of various components of the programme. For the current Report, audit reviewed one of the components of NRHM viz. Reproductive and Child Health (RCH) programme which aims to reduce maternal mortality rate, infant mortality rate and total fertility rate. The performance audit covering the period 2011-16 brings out that many of the shortcomings that had been highlighted in the previous Report continued to persist despite recommendations of the Public Accounts Committee and assurances given by the Government to bring about improvements. Audit observed that though the facility survey at health centres had been conducted, a perspective roadmap to bridge gaps in infrastructure and manpower was yet to be prepared which impaired the planning process of the Mission. There were continuing shortages of Sub-Centres and Public Health Centres with reference to the stipulated norms as well as of essential infrastructural facilities like ultrasound, blood storage, safe abortion and prescribed drugs as well as of medical and paramedical staff while funds remained unutilized. Targets fixed for reproductive and child healthcare and with regard to maternal mortality rate could not be achieved though the targets for infant mortality rate and total fertility rate were largely achieved. Some of the significant findings are summarized below:

Twenty three *per cent* of the allocated funds under Reproductive and Child Health Programme were not utilized during 2011-16.

*(Paragraph 2.3.7.1)*

Shortage of Sub-Centres and Public Health Centres remained up to 15 and 26 *per cent* respectively during 2011-16. Seventeen to 92 *per cent* of the test-checked Community Health Centres and Public Health Centres were not equipped with essential infrastructural facilities like ultrasound, blood storage, safe abortion and prescribed drugs.

*(Paragraphs 2.3.8.1 and 2.3.8.2)*

There was an overall shortage up to 62 *per cent* of medical and paramedical staff against sanctioned strength as well as 100 *per cent* shortage in some cadres with reference to the Indian Public Health Standards as of March 2016.

*(Paragraph 2.3.9.1)*

Eleven to 21 *per cent* of pregnant women could not be covered for providing essential healthcare *viz.* ante-natal check-ups, iron and folic acid tablets and tetanus toxoid immunization. Domestic deliveries as against institutional deliveries continued to persist in the range of 8 and 22 *per cent* though the position had improved during 2011-16.

*(Paragraphs 2.3.10.1 and 2.3.10.2)*

There was shortfall in achievement of targets in administering doses of Vitamin 'A' (13 and 58 *per cent*) and family planning methods (15 and 82 *per cent*) during 2011-16.

*(Paragraphs 2.3.10.4 and 2.3.10.5)*

The State could not achieve the targeted maternal mortality rate. However, the target in respect of infant mortality rate was nearly achieved while that of total fertility rate was fully achieved during 2011-13.

*(Paragraph 2.3.10.6)*

#### **4. Punjab State Sports Council**

The Punjab State Sports Council was established in December 1971 as an autonomous body for development of sports in Punjab. A performance Audit of the Council for the period 2011-16 brought out that perspective and annual plans were not prepared and financial management was poor as evidenced by instances of unplanned expenditure and irregular release of grants. Implementation of the Panchayat Yuva Krida Khel Abhiyan was deficient as some village panchayats could not spend the available funds whereas expenditure incurred by some block panchayats was rendered unfruitful. Instances of payments against bogus bills were noticed during the World Cup Kabaddi Tournament. Some of the significant findings are summarised below:

No perspective and annual plans were prepared by the Punjab State Sports Council during the years 2011-16 to achieve its objectives and to provide direction to the promotion of sports in the State.

*(Paragraph 2.4.6)*

The Council suffered a loss of ₹ 1.50 crore due to non/short collection of membership fee and ground booking fee.

*(Paragraph 2.4.7.4)*

Expenditure of ₹ 1.78 crore was made during World Cup Kabaddi Tournament in contravention of the Financial Rules and ₹ 0.02 crore was disbursed on bogus bills for transport services during the tournament.

*(Paragraph 2.4.12)*

## COMPLIANCE AUDIT

The Punjab State Agricultural Marketing Board suffered from weak financial management and failed to fully exploit opportunities for earning income through leasing out of surplus space. The Board had not evolved any mechanism to assess the exact recoverable amount on account of market contribution from Market Committees and recovery of ₹ 110.94 crore on account of sale of plots and loan of ₹ 6.05 crore was outstanding against the Committees. Further, undertaking works without a proper demand survey or ensuring all prior clearances from concerned authorities resulted in expenditure totaling ₹ 69.35 crore being rendered unfruitful and projects lying incomplete.

*(Paragraph 3.1)*

The functioning of the de-addiction centres and rehabilitative efforts of the State Government was hampered by failure to avail of central assistance of ₹ 0.36 crore due to non-submission of utilization certificates and shortages of manpower ranging between 25 and 100 *per cent* in the test-checked districts. Thirty five Drug De-addiction and Rehabilitation Centres were functioning without licenses while five Drug De-addiction and Rehabilitation Centres set up at a cost of ₹ 6.93 crore were not functional for want of staff and essential equipment. Excess expenditure of ₹ 2.40 crore was incurred on purchase of medicines.

*(Paragraph 3.2)*

The Home Affairs and Justice Department could not complete 78 *per cent* of works planned during 2013-16 due to lack of coordination and synchronization between availability of land, release of funds and commencement of works. While funds amounting to ₹ 27.95 crore were not released by the State Government, an amount of ₹ 32.42 crore was spent on works not covered under the Scheme. Further, failure to ensure encumbrance free site before award and commencement of work resulted in additional expenditure of ₹ 1.64 crore as well as work remaining incomplete for over six years from the initial allotment while poor site selection resulted in expenditure of ₹ 0.32 crore being rendered unfruitful. Non-adherence to provisions of agreement resulted in short recovery of ₹ 0.39 crore on account of quality control charges.

*(Paragraph 3.5)*

Commercially viable land was transferred to the Punjab Small Industries and Export Corporation Limited at rates lower than that determined by the Deputy

Commissioner resulting in loss of ₹ 21 crore that could have been used to upgrade jail infrastructure in the State.

*(Paragraph 3.6)*

Delayed declaration of award for land acquisition led to avoidable payment of appreciation price of ₹ 11.23 crore by the Housing and Urban Development Department.

*(Paragraph 3.7)*

An audit of the implementation of the Accelerated Irrigation Benefits Programme by the Irrigation Department for the period 2011-16 brought out creation of undue interest liability of ₹ 62.09 crore due to non-implementation of two projects despite availability of funds, loss of central assistance of ₹ 74.76 crore due to non-completion of work in time and short release of State share. Delay of 43 and 60 months in awarding works led to cost overrun of ₹ 1.81 crore while material worth ₹ 4.53 crore was procured more than seven years before requirement.

*(Paragraph 3.8)*

Inability of the Public Works Department to ensure adherence to contractual terms relating to payments for bitumen while working out dues payable to a contractor as well as to ensure availability of encumbrance free site and availability of financial resources before commencement of works resulted in additional expenditure of ₹ 7.73 crore.

*(Paragraphs 3.11, 3.13 and 3.14)*

Delay in initiating land acquisition process and thereafter delay in fixing market value of land and announcement of award beyond the stipulated period by the Revenue, Rehabilitation and Disaster Management Department resulted in an avoidable burden of ₹ 13.25 crore on the State Exchequer.

*(Paragraph 3.17)*

Institutional mechanisms to monitor and enforce compliance with Environmental Clearance Conditions were either lacking or weak and the Punjab Pollution Control Board failed to effectively monitor compliance of the conditions. Provisions relating to renewal of Consent to Operate/Consent to Establish/Environmental Clearance were not strictly enforced with the result that some projects were operating without valid environmental clearances. Statutory permissions for drawing ground water and disposal of hazardous waste were not obtained from the Central Ground Water Board and the Punjab Pollution Control Board respectively. Inadequacies were noticed in the implementation of activities falling under ambit of Corporate Social Responsibility. Green belts were not developed as required under environment clearance condition while fly ash was not being utilised as per Fly Ash notification.

*(Paragraph 3.18)*

The Technical Education and Industrial Training Department could not utilize available funds for creation and augmenting required infrastructure in Industrial Training Institutes (ITIs) and execution and completion of works were delayed leading to retention of funds in banks adversely affecting the upgradation of existing trades and starting of new trades. Only ₹ 32.25 crore were utilised out of ₹ 47.50 crore released to 19 test checked ITIs during 2008-11. Though all the ITIs except Nabha achieved the Key Performance Indicator of pass percentage, none of the ITIs achieved the employability target of 70 *per cent*.

*(Paragraph 3.20)*