



Overview

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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 2018 includes one Performance Audit and 12 audit paragraphs dealing with the results of performance audit of selected programme and Department 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 Audit

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 Water Supply Management in Bhopal and Indore Municipal Corporations

Water Supply is one of the functions in the list of 18 functions entrusted to Urban Local Bodies (ULBs), under the 74th Constitutional Amendment. Under the Municipal Corporation Act, 1956, ULBs are provided power for supplying proper and sufficient water for public and private purposes. In MP, the average surface water availability is 78 litre per capita daily (lpcd) against 135 lpcd as per MoUD norms. Thus, there is a gap of 57 lpcd between demand and supply of water in the state. Bhopal Municipal Corporation (BMC) and Indore Municipal Corporation (IMC), the largest MCs of the State- were selected for Performance Audit to assess the status of water supply management in Madhya Pradesh.

- There were differences in quantity of water received from source (filtration plant) and water distributed to consumers through Over Head Tanks/Reservoirs ranging from 30 to 70 *per cent* in both MCs due to non-existence of leakage detection cell to monitor water loss, valves operation system and non-installation of flow meters in distribution system.

(Paragraph 2.1.6.3)

- Leakage cases were attended with the delays ranging from 22 to 182 days as tenders for repair works were invited separately for each case at zone/ward level by Asst. Engineer/Sub-Engineer instead of opting for an annual rate contract at ward/zone or corporation level.

(Paragraph 2.1.6.4)

- There were differences between water supply achievement as shown by MCs and actual water supplied to the extent of nine to 20 lpcd and 36 to 62 lpcd in BMC and IMC respectively. The difference was due to the fact that the MCs calculated the per capita demand of water by taking into account the water available at filter plants instead of water available in Over Head Tanks.

(Paragraph 2.1.6.5)

- Due to improper zoning, non-existence of pressure gauge and non-maintenance of valve operation schedule, un-equal and less than required pressure of water was supplied on alternate days for 30 to 60 minutes by both

MCs and in only five zones in Bhopal Municipal Corporation and four zones in Indore Municipal Corporation water was provided daily. However, in SLB *gazette* notification, duration of water supply indicated by BMC and IMC were two to four hours and 30 minutes to one hour daily.

(Paragraph 2.1.6.6)

- Authorised water connections were provided only in 5.30 lakh households (56.32 *per cent*) out of 9.41 lakh households.

(Paragraph 2.1.6.9)

- During the period 2013-18 4,481 water samples (physical, chemical and bacteriological) were adverse (below BIS 10500 standard) in both MCs, but it could not be ascertained from records what action has been taken by MCs. Independent water sample testing was conducted jointly and it revealed that out of 54 water samples, 10 water samples were found adverse having turbidity and faecal coliform. As a result 8.95 lakh residents (3.62 lakh in BMC and 5.33 lakh in IMC) were supplied contaminated water. The Public health department also reported 5.45 lakh cases of water borne diseases during the above period.

(Paragraphs 2.1.7.1 & 2.1.7.3)

- Out of 45 test checked Over Head Tanks/reservoirs in 23 cases, neither the Over Head Tanks/reservoirs were cleaned at regular interval nor any biological test of the silt of the OHT were conducted which was mandatory to ensure quality of water supplied. In both MCs the sub-engineer responsible for cleaning failed to discharge his duty while the higher technical officer (Assistant Engineer or Executive Engineer) never monitored this work at their level.

(Paragraph 2.1.7.4)

- Indore Municipal Corporation was supplying bore water without any testing. Out of the 20 bore water samples jointly collected and tested, all the samples were either having Iron, Nitrate, Calcium, Conductivity or Faecal Coliform more than the prescribed BIS 10500 norms which can lead to liver, heart, pancreatic damage, diabetes, diarrhoea, vomiting, stomach pain, digestive problems, jaundice, typhoid and kidney stones.

(Paragraph 2.1.7.5)

- As per SLB guidelines, 90 *per cent* recovery efficiency of water charges is to be done. Audit noticed that an amount of ₹ 470.00 crore was outstanding towards water charges in both MCs.

(Paragraph 2.1.8.2)

- Water audit was not conducted by MCs and therefore estimation of losses in water supply system could not be ascertained.

(Paragraph 2.1.10.2)

- There was no comprehensive Management Information System (MIS) at State as well as at MCs level for management control and to evaluate the outcomes of water supply system.

(Paragraph 2.1.10.3)

2. Compliance Audit

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

Audit Paragraphs

Illegal appointments to the posts of Assistant Grade-3 and Peon by Collector, Morena and Sheopur resulted in irregular expenditure of ₹ 76.12 lakh on account of pay and allowances.

(Paragraph 3.2)

Non-observance of provisions and departmental instructions for store management in office of the CM&HO, Chhatarpur and fraudulent manipulation by storekeeper in office copies of issue vouchers of material/medicines supplied to sub-ordinate units facilitated the embezzlement of ₹ 12.71 lakh.

(Paragraph 3.3)

Non-compliance of conditions of purchase order for deduction of testing charges for quality testing of medicines as required under New Drug Policy resulted in non-recovery of expenses of ₹ 2.36 crore from the respective suppliers.

(Paragraph 3.4)

Excess payment to Madhya Pradesh Vidyut Vitran Company Limited as supervision charges and service tax thereon amounting to ₹ 1.06 crore.

(Paragraph 3.7)

Failure of Municipal Corporation/Municipal Council in maintaining the power factor at prescribed level on High Tension (HT) connections led to avoidable expenditure of ₹ 1.10 crore towards payment of penalty imposed on them by Madhya Pradesh Vidyut Vitaran Companies.

(Paragraph 3.8)

Avoidable excess payment of ₹ 2.32 crore of nutritional food was made by District Programme Officers to Self Help Groups under supplementary nutrition food programme (SNP).

(Paragraph 3.10)

Failure of internal control system at treasury level and lapses on the part of BCO/Directorate led to fraudulent drawal of honorarium for ₹ 4.24 crore by DPO/POs which were meant for AWs/AHs under ICDS programme and the same were deposited into accounts of unauthorised persons.

(Paragraph 3.11)

