

CHAPTER-II: PERFORMANCE AUDIT

Panchayat and Rural Development Department

2.1 Pradhan Mantri Awaas Yojana- Gramin (PMAY-G)

2.1.1 Introduction

Pradhan Mantri Awaas Yojana- Gramin (erstwhile Indira Awaas Yojana) was launched with effect from 1st April 2016 to provide by the year 2022, *pucca* houses with basic amenities to all houseless rural households, and those households living in *kutcha* and dilapidated houses in rural areas. To achieve the objective of “Housing for all”, 2.95 crore houses were targeted to be constructed by the year 2022 in the country. The immediate objective was to cover one crore households in rural areas in three years from 2016-17 to 2018-19. For the State of Chhattisgarh, the target was construction of 7.88 lakh houses during the three years.

Key Features of PMAY-G

The key features of the scheme are as follows.

- Identification and selection of beneficiaries based on housing deficiencies and other social deprivation parameters in the Socio-Economic and Caste Census (SECC), 2011 data and verified by the Gram Sabha,
- Unit assistance of ₹ 1.20 lakh in plain area and ₹ 1.30 lakh in hilly areas and tribal and backward districts (Integrated Action Plan districts) in three¹ instalments for construction of houses. The cost of unit (house) assistance is to be shared between Central and State Governments in the ratio of 60:40.
- Focus on construction of quality houses by the beneficiaries using local material and trained mason,
- Provision for 90/95 person days of unskilled labour wage under MNREGS for construction of houses over and above the unit assistance,
- Convergence with other Government schemes for provision of basic amenities *viz.* drinking water, LPG and electricity connection and toilet facilities etc.,
- All payments to the beneficiaries are to be made electronically to their Bank/ Post office accounts that are linked to Aadhaar Card,

Further, under PMAY-G, programme implementation and monitoring was being done through the IT enabled e-governance platform “AwaasSoft”. AwaasSoft is a work flow-enabled, web-based electronic service delivery platform through which all critical functions of the programme, right from identification of beneficiaries, fixing of targets,

¹ Four instalments from 2018-19.

sanction of houses, verification of progress in construction and release of construction linked assistance (through public funds) were managed.

2.1.2 Organizational Setup

The Panchayat and Rural Development Department (PRDD) is responsible for implementation of PMAY-G scheme in the State. The Department is headed by the Principal Secretary, who is assisted by Director (PMAY-G). At the district level, Chief Executive Officer (CEO), Zila Panchayat (ZP) is responsible for monitoring and supervision of implementation of the scheme. The implementation of scheme is carried out by Janpad Panchayats (JP), and Gram Panchayats (GP) at village level. Fund Transfer Order is generated at Janpad Panchayat/block level initially after sanction and geo-tagging of the house and thereafter at different stages of construction of houses.

2.1.3 Audit objectives

Performance Audit of PMAY-G (2016-19) was carried out with the objectives of assessing the:

- Effectiveness in implementation of the scheme with respect to planning, identification and selection of beneficiaries and achievement of targets;
- Efficiency in financial management with respect to devolution of funds;
- Extent of convergence of PMAY-G with other schemes.

2.1.4 Audit criteria

Audit findings were benchmarked against the criteria sourced from the following:

- Framework for Implementation of the PMAY-G issued by the Ministry of Rural Development, Government of India (November 2016);
- Instructions, circulars, orders issued by GoI and the State Government from time to time.

2.1.5 Scope and Methodology of Audit

Performance Audit of PMAY-G was conducted during June to December 2019 and covered the period of 2016-19. Audit methodology involved examination of the relevant records in the office of Director PMAY-G at state level, Zila Panchayats (ZP) at district level, Janpad Panchayats (JP) at block level, and Gram Panchayats (GP) at village level. The districts were stratified on the geographical contiguity of the State *viz.*, Northern Hills, Chhattisgarh Plains, and Bastar Plateau. From each stratum 25 *per cent* of the districts were selected by probability proportional to size without replacement (PPSWOR) method with size measure as total PMAY-G beneficiaries during the last three years. Out of 27 districts, nine² districts were selected through PPSWOR method, and from each

² Raipur, Kawardha, Mungeli, Bastar, Kanker, Balarampur, Jashpur, Mahasamund and Janjgir-Champa.

sampled district, two blocks³ and 165 Gram Panchayats were selected for audit. Audit covered 1440 beneficiaries in 165 Gram Panchayats (GPs) in 18 blocks of nine selected districts for physical verification.

Audit methodology included collection and analysis of data/information, examination of records, issuing questionnaires and conducting joint physical inspection of houses. Photographic evidence was obtained where necessary to substantiate audit findings.

The Audit commenced with an entry conference held in June 2019 with the Director of PMAY-G, wherein the audit objectives, scope, and methodology were discussed. The draft Report was issued to the Principal Secretary of Panchayat and Rural Development Department (P&RDD) in May 2020. The responses of the Government have been suitably incorporated in the report. Exit conference was not held considering the pandemic (Covid-19) situation in the State.

Audit Findings

2.1.6 Planning for implementation of Scheme

As per Para 3.6.2 of the Framework for Implementation (Guidelines) of PMAY-G, the States should prepare a comprehensive Annual Action Plan (AAP), which should *inter-alia* include the road map for time bound completion of houses sanctioned and ensure convergence with other schemes. The AAP of the State should contain district wise plans, highlighting the strategy, to be adopted for saturating priority households, mason training, source for construction of material, facilitation of loan to beneficiaries etc.

Scrutiny of records in Office of the Director PMAY-G (June 2019) and nine test checked districts (July to December 2019) revealed that AAPs were prepared showing total targets and status of construction of houses without incorporating district- wise plans for the period 2016-19 highlighting strategy for saturating priority households and components like mason training, availability of loan facility, development of house typologies and convergence with different schemes.

In reply, Government stated (October 2020) that the State level AAPs, were prepared and presented online to Union Ministry of Rural Development (MoRD), in the prescribed format.

Reply is not acceptable as although for the sake of uniformity across the State, the complete details may not have been provided in the online format, the framework for implementation of scheme makes it clear that AAP including district level plans and strategy for saturation of priority households should be prepared.

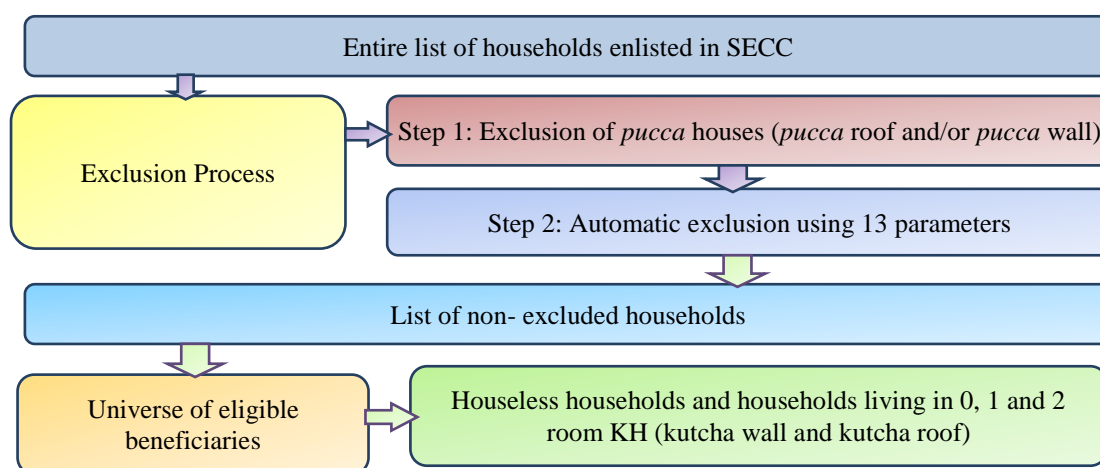
³ Raipur (Arang and Abhanpur), Kawardha (Bodla and Pandariya), Mungeli (Mungeli and Lormi), Kanker (Charama and Kanker), Bastar (Bastar and Bakawand), Balarampur (Ramchandrapur and Wadrafanagar), Jashpur (Patthalgaon and Kunkuri), Mahasamund (Saraipali and Pithora) and Janjgir-Champa (Dabhara and Malkharoda).

2.1.6.1 Identification and selection of beneficiaries

2.1.6.1(i) Preparation and updation of Permanent Wait List (PWL)

Paragraph 4 of the guidelines of PMAY-G provided for identification and prioritization of the beneficiaries on the basis of housing deprivation parameters in the SECC-2011 data. Universe of eligible beneficiaries includes all houseless, and households living in zero, one or two room *kutcha* house subject to exclusion criteria prescribed. In the exclusion process, the beneficiaries satisfying any one of the 13⁴ parameters as envisaged in the guidelines, would be excluded.

Chart 2.1.1 - Procedure of selection of beneficiaries



From the list of beneficiaries after exclusion process, GP wise list of beneficiaries of each category of SC, ST, Minorities and others⁵ are segregated. Within each category, the beneficiaries who fall in any one of the five⁶ categories designated for compulsory inclusion will be elevated to the topmost position in their respective category. Further, priority of beneficiaries will be assigned on the basis of five⁷ housing deprivation parameters and deprivation scores will be allotted to each beneficiary in each category of SC, ST, Minorities and others. Households with higher deprivation scores will be ranked higher within each category. The list thus prepared after the above process was entered in

⁴ 1- Motorised two/three/four wheeler, 2- Mechanised three/four wheeler agricultural equipment, 3-Kisan credit card, with credit limit ₹50000 above 4- Households with any member as Government employee, 5-Households with non agricultural enterprises registered with the Government, 6- Any member of the family earning more than ₹ 10000 per month, 7- Paying income tax, 8- Paying professional tax, 9- Owns a refrigerator, 10- Owns landline phone, 11- Owns 2.5 acres or more of irrigated land with atleast one irrigation equipment, 12- Five acres or more of irrigated land for two or more crop seasons, 13- Owning atleast 7.5 acres of land or more with atleast one irrigation equipment.

⁵ Others include all other communities except SC/ST and minority.

⁶ 1. Household without shelter, 2. Destitute/living on alms, 3. Manual scavengers, 4. Primitive tribal groups, 5. Legally released bonded labourers.

⁷ 1-No adult member between the ages of 16 and 59 year of age, 2-Female headed households with no adult male member between 16 and 59, 3-Households with disabled member and no able bodied adult member, 4-Households with no literate adult above 25 years, 5-Landless households deriving a major part of their income from manual casual labour.

the AwaasSoft at the district level. This system generated list would be circulated to each Gram Panchayat for verification by the respective Gram Sabha.

As per Paragraph 4.5 of the guidelines, the list verified by the Gram Sabha should be entered in AwaasSoft for further publicity. After this, a window period of 15 days would be provided for submission of complaint to district level Appellate Committee constituted at the district level headed by District Collector regarding wrongful deletion from the list.

As per Paragraph 4.5.4 of guidelines, after disposal of all cases by the Appellate Committee, the Gram Panchayat wise final Permanent Wait List for each category will be published on the notice board of GP and will be entered on website of the PMAY-G.

A list of 25,15,030 beneficiaries was generated (2016-17) from the SECC 2011 State data out of which, 6,54,623 beneficiaries were proposed for deletion after following housing deprivation parameters, exclusion criteria and verification of data by the Gram Sabha. A PWL following the above procedure duly approved by Gram Sabha of 18,60,407 beneficiaries was uploaded in AwaasSoft (April 2017).

Audit scrutiny of records revealed that 91,735 eligible beneficiaries of Raipur (32,133) and Janjgir-Champa (59,602) districts having two room *Kutcha* houses were deleted from AwaasSoft erroneously during preparation of PWL (August 2016).

Paragraph 4.4.4 of the guidelines requires that *Gram Sabha* also record a separate list for households which were otherwise eligible, but not included in the system generated priority list. MoRD, GoI (January 2018) laid down procedure for inclusion and identification of additional beneficiaries who were eligible for assistance under the scheme but were not included in the final PWL prepared and uploaded on AwaasSoft. MoRD fixed the deadline for completing this process as on 31 March 2018 which was subsequently extended to 07 March 2019.

The Department identified (March 2019) 10.26 lakh additional beneficiaries (35 *per cent*) in the State for inclusion in PWL and the details of these beneficiaries were uploaded in AwaasPlus⁸. However, these beneficiaries were not included in final PWL awaiting the approval of GoI. Thus, the scheme covered only 65 *per cent* of eligible beneficiaries under the scheme.

Similarly in nine test checked districts 6,79,649 beneficiaries were included in the PWL prepared in 2016 and 4,36,686 additional beneficiaries (39 *per cent*) identified as eligible were yet to be included in the PWL.

Government stated (October 2020) that in 2018, districts were directed to include beneficiaries in AwaasPlus and that, a letter has been written to the GoI requesting permission to include the beneficiaries in PWL. It was further stated that details of excluded beneficiaries would be entered into the AwaasSoft after approval from GoI.

⁸ A separate module named AwaasPlus was developed in AwaasSoft to facilitate geo-tagging, and specifically for data entry.

2.1.6.1(ii) Sanction of houses to permanent migrants and beneficiaries under IAY

As per Paragraph 4.4.1 of the guidelines of PMAY-G, beneficiaries who had benefited from any other scheme or those who have permanently migrated should be deleted from the priority list. This exercise was to be done during preparation of PWL after recommendation of Gram Sabha.

Scrutiny of records in nine test checked districts revealed that 67 households already benefited under IAY and 40 beneficiaries who migrated permanently from their villages during 2016-19, were sanctioned houses and a total assistance of ₹ 66.16 lakh was paid to these beneficiaries under PMAY-G.

Government stated (October 2020) that recovery was in the process from beneficiaries who were benefited earlier in IAY scheme. It was further stated that labourers did not migrate permanently from their respective villages but rather temporarily. They returned to their villages during June to December for agricultural purposes and therefore benefit of the scheme was extended to them. It was stated that in the case of permanent migration, recovery has been initiated after cancelling sanction of houses to them.

Reply is not acceptable, as these beneficiaries had migrated permanently as per the records of Gram Sabha and ₹ 44.10 lakh were recovered from these beneficiaries. Recovery of balance amount of ₹ 22.06 lakh was pending.

2.1.6.1(iii) Sanction of houses in Achanakmar Tiger Reserve

Scrutiny of records relating to allotment of PMAY-G houses in Mungeli district revealed that 593 beneficiaries of 19⁹ villages under JP Lormi (2016-19) were sanctioned houses for construction in core forest area without the permission of National Wild Life Board (NWLB). These 19 villages of JP Lormi come under the restricted forest areas of Achanakmar Tiger Reserve (ATR) and were to be relocated by the State Government away from the forest area as part of the policy and advice of National Tiger Conservation Authority.

Audit noticed that out of the 593 beneficiaries to whom houses were sanctioned, 277 beneficiaries were disbursed assistance of ₹3.14 crore. 256 houses were completed and 21 houses were at various stages of completion as of December 2019. Release of assistance to the remaining 316 beneficiaries was suspended after release of first/second installment aggregating ₹ 1.57 crore, consequent to order of the Hon'ble High Court. The Court ordered (27.08.2018) that out of 593 houses sanctioned, only 277 houses shall be completed. It further stated that construction of houses in the core area of ATR is not in any manner any assurance of any right being created in their favour to stay in the core area beyond the time for which the relocation plans are being worked out. Thus, the beneficiaries eligible for a *pucca* house were deprived of the benefit of the scheme due to

⁹ Tilaidabara, Birarpani, Chhirhatta, Achanakmar, Sarasdol, Bindaval, Chhparava, Lamni, Atariya, Ranjaki, Katami, Bamhani, Surhi, Atariya (GP Surhi), Jakadbandha, Rajak, Mahamai, Nivasakhar and Danganiya.

ab-initio sanction for construction in core forest area, delay in relocation and providing alternate land by the Government.

Government stated (October 2020) that in the State Level Committee held in August 2017, it was decided that beneficiaries under 19 GPs of the Lormi block will be relocated and initially houses were not sanctioned due to the proposed relocation. No permission was sought from the NWLB before starting the construction in ATR. Since construction was taken up under the direction of the State Government, department is seeking guidance regarding the above cases.

2.1.6.1(iv) Construction of houses in forest areas without forest right

In Chaura GP (Kawardha district), houses were sanctioned to 12 Baiga Adivasis in Bhoramdeo reserve forest area Range Rajanawagaon, and an assistance of ₹ 14.30 lakh was paid to 11 beneficiaries as detailed in **Appendix 2.1.1**. Audit noticed that nine out of the above 12 beneficiaries had applied for forest rights and occupation in forest land for dwelling purposes, but were declared (September 2016) ineligible by the Assistant Range Officer (Rajanawagaon) as they had occupied the forest land only after December 2005. Hence, these nine beneficiaries being landless should have been allotted land by the Government for construction of PMAY-G houses.

Government stated that PMAY-G beneficiaries of Gram Panchayat Chaura were residing there for many years and the houses were constructed on the land allotted under Forest Right Act 2006.

Reply is not acceptable as beneficiaries were declared ineligible for forest rights (September 2016) by the Assistant Range Officer (Rajanawagaon) in accordance with Forest Right Act 2006.

2.1.6.2 Targets and Achievement

Paragraph 3.2.2 of framework for implementation provides that the annual allocation of funds and physical targets of houses to the States shall be based on the Annual Action Plan (AAP) approved by the Empowered Committee of the Union Ministry of Rural Development. The State may propose the annual target within the overall number of houses that have to be completed in three years as communicated by the Ministry and after receipt of such communication, the State was to finalize district wise and category wise targets and upload the same on the AwaasSoft.

The year wise position of targeted, sanctioned and completed houses as of September 2020 is shown in **Table 2.1.1**.

Table 2.1.1: Targets fixed and houses sanctioned under PMAY-G in Chhattisgarh State

Year	No. of houses targeted	Sanctioned	No. of houses completed	No. of incomplete houses	Percentage of houses completed
2016-17	232903	232903	226079	6824	97.07
2017-18	206372	206372	200393	5979	97.10
2018-19	348960	348960	317012	31948	90.84
Total	788235	788235	743484	44751	94.32

(Source: PMAY-G AwaasSoft)

It can be seen from the above table that against the 7,88,235 sanctioned houses, 7,43,484 (94.32 per cent) houses were completed and 44,751(5.67 per cent) houses remained incomplete as on September 2020. The percentage of houses completed declined from 97.07 per cent during 2016-17 to 90.84 per cent in 2018-19. The number of incomplete houses vis-à-vis targets was the highest (9.16 per cent) during 2018-19. Reasons for non-completion were due to lack of interest shown by the beneficiaries, death of beneficiaries, delay in release of funds, migration and land related issues etc. as discussed in succeeding paragraphs.

Chhattisgarh ranked first (2017-18) and second (2018-19) in performance index cumulative ranking for implementation of scheme. The State has completed construction of 7,43,484 houses (94 per cent) against the target of 7,88,235 during 2016-19.

2.1.6.2 (i) Assistance of ₹ 52.27 crore not released for completed houses

Audit observed in nine test checked districts that 43,930 (15.19 per cent) beneficiaries were not paid full amount of assistance despite geo-tagging and completion of houses in AwaasSoft, as shown in the **Table 2.1.2**.

Table 2.1.2: Full amount of assistance not released for completed houses

(₹ in crore)

Year	Beneficiaries received only 1 st Installment			Beneficiaries received 1 st and 2 nd Installment			Beneficiaries received 1 st ,2 nd and 3 rd Installment		
	Numbers	Amount Paid	Pending Amount	Numbers	Amount Paid	Pending Amount	Numbers	Amount Paid	Pending Amount
2016-17	111	0.57	0.85	662	6.71	1.71	0	0	0
2017-18	93	0.45	0.74	493	4.74	1.46	0	0	0
2018-19	149	0.61	1.28	1061	8.49	4.87	41361	480.88	41.36
Total	353	1.63	2.87	2216	19.94	8.04	41361	480.88	41.36
Total Number of beneficiaries-(43,930)									
Total Amount paid-₹ 501.85 crore and Total Amount Pending-₹ 52.27 crore									

(Source: As per information provided by the Department)

Government stated (October 2020) that last installments were not released due to non-availability of funds in the State Nodal Account (SNA) and that payments were made to the beneficiaries as soon as there was availability of funds in the SNA.

2.1.6.2(ii) Incomplete Houses

Framework for Implementation of PMAY-G specifies that construction of a house should be completed within 12 months from the date of sanction and consequently State has to closely monitor the construction of houses and may incentivize early and timely completion of construction by beneficiaries.

Scrutiny of nine test checked districts revealed that during 2016-19, against 3,08,748 sanctioned houses, 19,659 (6.37 per cent) houses were incomplete as on date of audit (July to December 2019) as detailed in **Table 2.1.3**.

Table 2.1.3: Statement of incomplete houses in nine test checked districts

(₹ in Lakh)

Year	Number of sanctioned houses	Number of houses completed	Number of incomplete houses (per cent)	Assistance paid in respect of incomplete houses
2016-17	93783	91427	2356(2.51)	1492.34
2017-18	83264	80990	2274(2.73)	1501.36
2018-19	131701	116672	15029(11.41)	10400.56
Total	308748	289089	19659 (6.37)	13394.26

(Source: PMAY-G AwaasSoft)

Out of 19,659 incomplete houses, 7,369 houses involving ₹ 29.21 crore were at sanction level (1st instalment released), 8,049 houses involving ₹ 61.64 crore were at plinth level (two installments released), 790 houses involving ₹ 7.33 crore were at lintel level, and 3,451 houses involving ₹ 35.76 crore were at roof cast level.

Instances of incomplete houses which came to notice during the audit are mentioned below:

- Construction of 267 houses sanctioned, could not be completed due to land ownership dispute as detailed in **Appendix 2.1.2**.
- 316 houses sanctioned (District Mungeli) could not be completed due to sanction of houses in restricted forest area of ATR without the permission of the National Wildlife Board (NWL B).
- In 644 out of 656 cases of deceased beneficiaries, houses sanctioned were incomplete as the funds could not be released to the family members of the beneficiaries in the absence of nominee details as detailed in **Appendix 2.1.3**.
- In Janjgir-Champa district, 409 houses sanctioned during 2016-19 were incomplete due to migration of beneficiaries and in 169 cases, the construction was not started even after release of first instalment.
- In 2,777 cases, the houses were incomplete due to reasons like utilization of assistance for other purposes and lack of interest of beneficiaries.

In reply, Government stated (October 2020) that after allotment of targets to the districts, registration, geo-tagging and sanction to the eligible beneficiaries were done as per class-wise availability of beneficiaries in the PWL and after receiving necessary documents from the eligible beneficiaries. After that, the first installment of assistance was sent directly to the beneficiary account through Fund Transfer Order (FTO). Many beneficiaries misused the assistance paid under PMAY-G or were not interested in construction of houses. Action was taken against such beneficiaries as per the guidelines of the GoI. Installment was released to the beneficiaries after geo-tagging at each level of house construction.

2.1.6.3 Results of Physical verification

Audit conducted Joint physical verification of 1,440 houses in 165 Gram Panchayats in nine test checked districts and observed the following:

(i) In 37 cases (2.6 per cent) incomplete houses up to foundation/plinth level (3 cases)/ lintel level (11 cases)/ without flooring, plastering and painting (23 cases) were shown as completed by geo-tagging other completed houses, as detailed in **Appendix 2.1.4.**

Case study- (i)

In GP Mayurnacha (JP Patthalgaon), house of a beneficiary (ID CH2258815) was shown completed in AwaasSoft as per MIS (29.03.2019), whereas house was still incomplete seen during the joint physical verification (13.11.2019).



Case study-(ii)

Joint physical verification (13.11.2019) in GP, Surangpani (JP Patthalgaon) revealed that the house of beneficiary (ID CH2234689) was shown completed on AwaasSoft as per MIS (04.07.2019) whereas house was still incomplete as shown below:



(ii) In Two cases of Jashpur district, houses constructed under PMAY-G for residential purpose were being used for commercial purposes.

Case study-(iii)

In Kunkuri Block, GP-Bhandari, house of one beneficiary (CH1931144) was shown as completed in AwaasSoft (MIS 17.3.2018) with rear view image of house. During joint physical verification it was found that three shops (front view of house) were constructed.



Case study–(iv)

In another case JP-Kunkuri, GP-Ranikhumbhoo, sanctioned house of a beneficiary (CH1860004) was shown as completed in MIS (17.3.18) with geo-tagging of residential house but during joint physical verification, a Hero Honda showroom was found operating.



Government stated (October 2020) that residents of JP Kunkuri, Jashpur have been instructed by the competent authorities to reside in their houses and if they don't reside in their houses, financial assistance provided to them would be recovered.

The construction of house sanctioned under PMAY-G for commercial purposes indicates lack of monitoring by the block officials during various stages of construction.

2.1.6.4 Good Practices-Construction of colony

As per para 8.1(h) of the guidelines of the scheme, States through convergence with MGNREGS should develop group/individual amenities like development of house sites, bio-fencing, paved pathways, approach roads etc. for the beneficiaries of PMAY-G.

During the joint physical verification, it was observed that 84 landless beneficiaries of GP Patsendri, Mahasamund district and 24 beneficiaries of GP Chatakpur, Jashpur district were allotted houses in well-planned colonies with all the basic amenities like roads, drains, electricity connections, plantations, solar street panels *etc.*



Gram Panchayat Chatakpur, Jashpur

Gram Panchayat Patsendri, Mahasamund

2.1.7 Financial Management

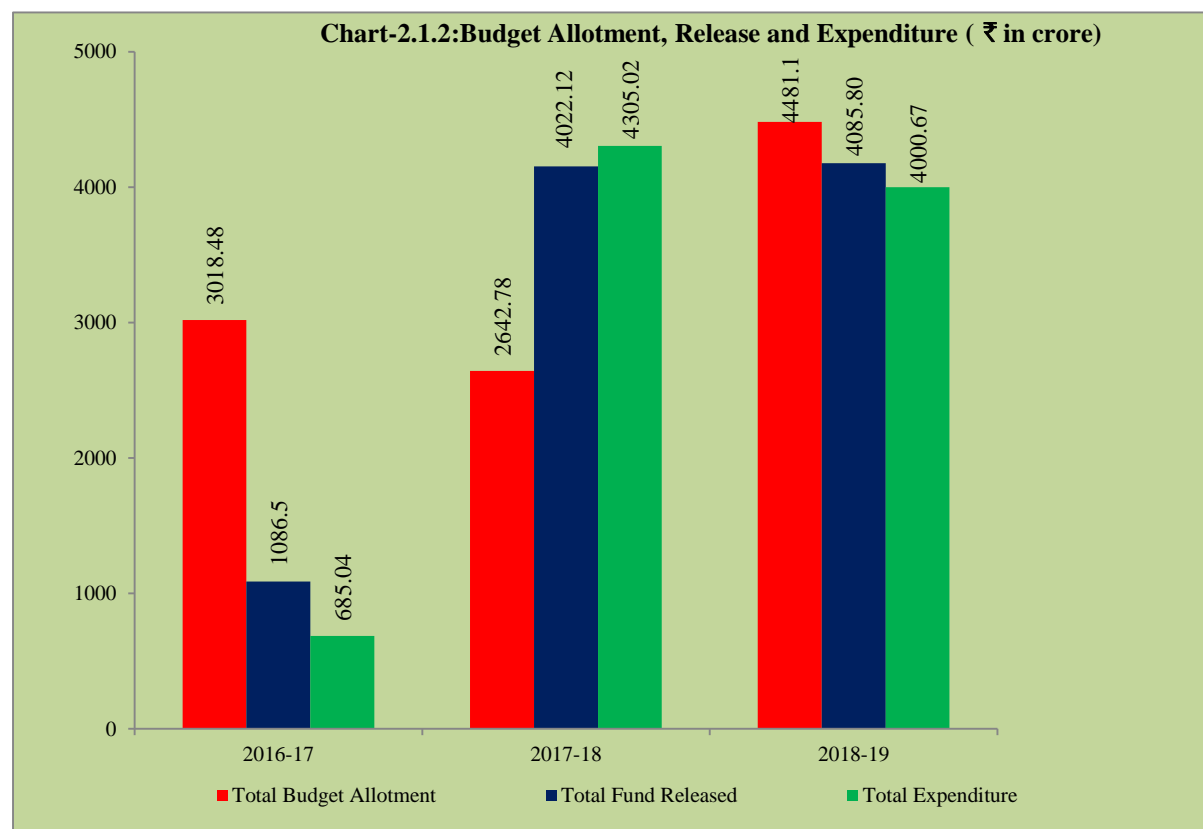
The cost of the construction of houses under the PMAY-G scheme was to be shared between the GoI and State Government in the ratio of 60:40. The central allocation was to be released in two equal installments to the State which along with the matching State's share, is required to be deposited in State Nodal Account (SNA). The details of Budget allotment, release of funds and expenditure incurred on the scheme are depicted in **Table 2.1.4 below:**

Table 2.1.4: Details of funds released and expenditure incurred

(₹ in Crore)

Year	Budget		Total Funds Released		Programme fund		Administrative Fund	
	Central	State	Central	State	Released	Expenditure	Released	Expenditure
2016-17	1811.09	1207.39	651.90	434.60	1044.72	682.32	41.78	2.72
2017-18	1585.67	1057.11	2744.85	1277.27	3890.58	4204.43	131.54	100.59
2018-19	2688.66	1792.44	2636.95	1448.85	3955.23	3909.61	130.57	91.06
Total	6085.42	4056.94	6033.71	3160.72	8890.53	8796.36	303.89	194.37

(Source: Information provided by the department)



As can be seen from the above graph and table that:

- A total of ₹ 8,990.73 crore was expended (98 per cent) against the total amount of ₹ 9194.42 crore released during the period 2016-19.
- An amount of ₹ 8,796.36 crore (98.94 per cent) was released as assistance to beneficiaries against the available programme fund of ₹ 8,890.53 crore during the period 2016-19.

- Under the Administrative fund, an expenditure of ₹ 194.37 crore (64 per cent) was incurred. The underutilization of administrative fund indicates that necessary expenditure on some of the permitted items like social audit was not incurred.

2.1.7.1(i) Operation of State Nodal Accounts

As per Paragraph 10.1(a) of guidelines of PMAY-G, the State shall maintain a single savings bank account in a scheduled commercial bank at the State level as State Nodal Account (SNA).

Scrutiny of records in the office of the Director PMAY-G revealed that scheme funds were kept in three different accounts (SNA), viz. State Bank of India (SBI) (2016-17), Industrial Credit and Investment Corporation of India (ICICI) (2017-18) Bank, and in Bank of Maharashtra (BoM) during 2018-19. Balances of ₹ 4.96 crore (SBI), ₹ 1,34,542 (ICICI) and ₹ 513.17 crore (BoM) were lying in the three SNA accounts at the end of March 2019. Maintaining three banks accounts is against the principle of a single SNA prescribed under the guidelines of PMAY-G.

Government confirmed (October 2020) that initially in the year 2016-17, SNA was opened in the SBI and later in ICICI bank in the year 2017-18 and in Bank of Maharashtra in 2018-19 primarily due to the problem of false credit¹⁰ during 2016-19. It was further stated that, SBI account has now been closed, false credit problem relating to ICICI bank was under process and the account would be closed after resolving the issue.

2.1.7.1(ii) Delay in transfer of funds to SNA

Para 10.7 of framework for implementation of PMAY-G stipulates that central allocation of funds including administrative funds sent to the State Consolidated fund should be transferred to the State Nodal Account within 15 days from the date of receipt of funds in the State Consolidated fund.

Audit observed that there were delays in the transfer of Central share along with the State share to SNA during the period 2016-19, with the delay ranging from 6 days to 225 days. The funds received against the central share were kept in the State Consolidated Fund. Funds of ₹ 896.22 crore were short released by the State Government during the three year period 2016-19.

Government stated (October 2020) that during 2016-18 the release of Central share in SNA was delayed due to delay in obtaining approval from Finance Department after receiving Central share and that, during 2018-19, loan was obtained from public sector bank for State share with approval of Finance Department, which resulted in delayed transfer of Central share to SNA.

2.1.7.1(iii) Release of advance to beneficiaries out of administrative fund

State Panchayat and Rural Development Department directed (May 2017) to release advance assistance of ₹ 10,000 from the administrative fund available in Zila Panchayat

¹⁰ It is a condition in which funds are shown as transferred as per PFMS but in reality funds are not credited to the beneficiaries' account.

to those beneficiaries who could not get the first installment after the sanction of houses and recover the same after the release of first installment.

Scrutiny of records revealed that in three districts viz. Jashpur, Kawardha, and Kanker, an amount of ₹ 72.90 lakh was disbursed as advance to 729 beneficiaries from the administrative fund. However, this amount was not recovered from the beneficiaries despite the release of first installment.

Government (October 2020) stated that during year 2016-17 and 2017-18, advance of ₹ 10,000 was given to the beneficiaries for timely completion of the houses and an amount of ₹ 44.70 lakh has been recovered against a total due of ₹ 72.90 lakh till date. It was further stated that recovery of the remaining amount was under process and no further advances were being given from the administrative fund.

2.1.7.1 (iv) Delay in release of assistance

As per Para 5.4.1 of the guidelines of PMAY-G, release of first installment to the beneficiary electronically to the registered Bank Account of the beneficiary should be within a week (seven working days) from the date of issue of sanction order. Other installments were to be released as per prescribed construction stages.

Audit Scrutiny revealed that release of first installment to 384 beneficiaries was delayed by one to 812 days after sanction due to delay in generation of order sheet. Even after generation of order sheet, the payment of first installment was delayed from one to 244 days. The delay in payment of second installment to 316 beneficiaries from the date of order sheet generation, ranged from one to 377 days. Delay in release of third installment to 202 beneficiaries from the date of order sheet generation to payment, ranged from 3 to 165 days.

Government in reply stated (October 2020) that last installments were not released due to non-availability of funds in the State Nodal Account and that payments were made to the beneficiaries as soon as there was availability of funds in the SNA.

Thus, delay in transfer of Central share and short release of funds under State share resulted in delayed release of installments to beneficiaries which in turn delayed the completion of houses.

2.1.7.2 Irregularities in disbursement of assistance to beneficiaries

Paragraph 10.1(h), of the guidelines of PMAY-G stipulates that transfer of assistance to the beneficiaries shall be done through digitally signed FTOs to the bank account/banking enabled post office account of the beneficiary frozen in the AwaasSoft. Para 13.4.2(e) further provided that all the frozen beneficiary bank accounts would be verified by PFMS and re-verified by the block officials who will ascertain that the name of the account holder matches with the name of the beneficiary as entered in AwaasSoft. The beneficiary bank accounts which had been verified by PFMS and subsequently by block officials would appear in the order sheet for payment.

Audit scrutiny of records revealed the following irregularities in disbursement of assistances to beneficiaries under the scheme.

2.1.7.2 (i) Assistance paid through cheques instead of DBT

In 409 cases, payment of ₹ 1.92 crore was made to beneficiaries through cheques instead of Direct Benefit Transfer (DBT) as detailed in **Appendix 2.1.5**. Out of 409 beneficiaries, 345 beneficiaries were paid through cheques due to discrepancies in registration of bank accounts and in the remaining 64 cases, for other reasons like payment to nominee, assistance to GP etc.

- In the case of 345 beneficiaries of test checked districts, payment of ₹ 1.63 crore was made through cheques from the administrative account of PMAY-G in 10 Janpad Panchayats.
- In the case of 30 beneficiaries of Mungeli, Bastar and Raipur districts involving ₹14.66 lakh, assistance was paid through cheques as per instruction issued by the Zila Panchayats.
- In the nine test checked districts, payment of assistance amounting to ₹ 11.75 lakh was made to the nominees of the 29 deceased beneficiaries through cheques.

Government stated (October 2020) that during the year 2016-17, the payment credited to wrong account by mistake, has been taken back into the account of the Janpad Panchayat. In the year 2016-17, there was no provision for initiating FTO again for an installment, therefore, payment was made through cheque.

Clearly, block official responsible for verification and authentication of bank accounts, have not carried out their responsibilities diligently.

2.1.7.2 (ii) FTOs rejected by bank

During the period 2016-19, 237 FTOs generated through different order sheets were rejected by banks. Scrutiny of rejected FTOs revealed that, FTOs were rejected due to discrepancies in bank account details and other technical problems like credit limit, account closed due to lack of transaction etc.

Government stated that the reasons for the rejection of FTOs were due to Jan-Dhan Accounts with maximum credit limit and accounts closed due to lack of transactions and that currently after rectification of accounts, payment of instalment is being made.

Reply is not acceptable as installments of ₹89.28 lakh to these 237 beneficiaries, were not yet paid (May 2020) despite the Government being aware of the problem related to Jan-Dhan accounts.

2.1.7.2 (iii) Payment of assistance to ineligible persons

In two blocks viz. Pathalgaon (District Jashpur) and Mahasamund (District Mahasamund), bank accounts details of other ineligible persons in four cases, were entered in the AwaasSoft instead of actual beneficiaries and assistance of ₹ 5.10 lakh was disbursed to ineligible beneficiaries as detailed in **Appendix 2.1.6**. The original beneficiaries were unaware about the sanctioning of the houses in their names. The status of houses was shown as completed in AwaasSoft as the AwaasMitra had geo-tagged completed houses of other person in whose accounts the money was transferred.

Government accepted the above observation and replied (October 2020) that under the PMAY-G scheme beneficiary account details and other documents were verified during the registration process. Registration of ineligible beneficiaries was fraudulently done by the AwaasMitra, and ₹ 3.90 lakh has been recovered and his services have been terminated.

2.1.7.2 (iv) Assistance paid to the ineligible nominee of a deceased beneficiary

As per Para 5.2.1 of the guidelines of PMAY-G, before issue of sanction order, the Block Development Officer or any block level official authorized by the State Government shall capture through mobile application ‘AwaasApp’, the geo-referenced photograph of the beneficiary in front of the land where the beneficiary proposed to construct the house and upload it in AwaasSoft.

Scrutiny of records in Mahasamund district at Zila Panchayat revealed that in one case, the house was sanctioned (11.01.2017) after the geo-tagging of proposed site(07.01.2017) without the photograph of the beneficiary in front of the house even though the beneficiary expired (03.01.2017) before geo-tagging the house. Further, two installments of ₹ 96000 were also released on 18.01.2017 and 24.05.2017.

Later, the son of the deceased was declared nominee (30.05.2017), and balance assistance was released to him for the construction of house. The house was completed on 07.10.2017. The nominee was also registered independently in PWL and was again sanctioned a house in April 2018 and two installments (₹ 80,000) were paid. Thus, two houses were allotted to a single person.

Further test check of details of 785 beneficiaries uploaded in AwaasSoft in the nine test checked districts revealed that 133 beneficiaries (17 per cent) were sanctioned houses without geo-referenced photograph of the beneficiary in front of the proposed site for construction of house.

Government stated (October 2020) that recovery of ₹ 72,000 was made from the son of the deceased beneficiary and action was initiated against the responsible officer, but regarding sanction of the beneficiary after death, Government stated that registration of the beneficiary was made after collection of documents when she was alive. Information regarding death of the beneficiary alongwith Gram Sabha *prastav* of nomination in favour of her son was reported to Janpad Panchayat after issue of two installments to deceased beneficiary.

Reply is not acceptable as geo-tagging of proposed site in GP Jhara block Mahasamund was done after the death of beneficiary and uploaded in the AwaasSoft without the photograph of the beneficiary in front of the proposed house site.

2.1.8 Convergence with other schemes

Para 8.1 of framework for implementation of PMAY-G specifies provision of some basic amenities in addition to the assistance for construction of house in convergence with other schemes viz. Mahatma Gandhi National Rural Employment Guarantee Scheme

(MGNREGS) for providing 90/95 days of wage employment, Swachh Bharat Mission (SBM) for toilets, Pradhan Mantri Ujjwala Yojana (PMUY) for Liquefied Petroleum Gas (LPG) (clean and efficient fuel), Deen Dayal Upadhyay Gramin Jyoti Yojana (DDUGJY/Saubhagya for electricity connection) and National Rural Drinking Water Programme (NRDWP) for piped water.

Various irregularities noticed in the convergence with other schemes are discussed in succeeding paragraphs:

2.1.8.1 (i) Convergence with MGNREGS

As per guidelines of PMAY-G, Para 8.1(b), it is mandatory to provide support of 90 person days (95 person days in hilly states, difficult areas and IAP districts) unskilled wage employment at the current rate to a PMAY-G beneficiary for construction of his/her house in convergence with MGNREGS.

During scrutiny of records of nine test checked districts, it was observed that some beneficiaries were not provided the benefit of wage employment of 90/95 mandays. However, some of the beneficiaries got additional benefit of such convergence as depicted in the **Table 2.1.5** below:

Table 2.1.5: Convergence with MGNREGS

Year	No. of beneficiaries provided less than 90/95 days	Shortfall in No. of mandays	No. of beneficiaries given additional advantage	Excess mandays paid
2016-17	16638	119785	4662	25048
2017-18	23243	142140	5057	29620
2018-19	22344	112502	1592	10281
Total	62,225	3,74,427	11,311	64919

(Source: PMAY-G AwaasSoft & MGNREGS MIS)

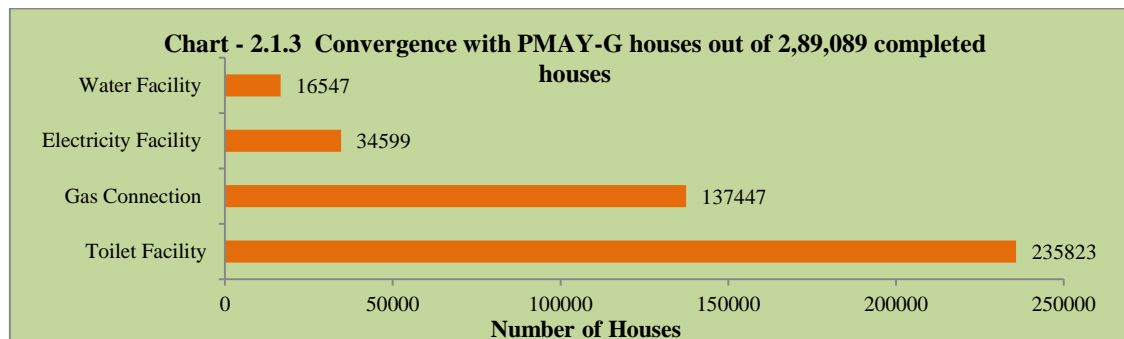
It could be seen that 62,225 beneficiaries were not provided mandatory support of employment for 90/95 mandays (provided days of employment ranged between one and 94 days) and there was shortfall of 3,74,427 mandays of employment. On the other hand, 11,311 beneficiaries received employment for 64,919 additional mandays over and above the 90/95 days.

Government accepted the audit observation and stated (October 2020) that due to lack of co-ordination between PMAY-G and MGNREGS MIS this situation arose.

2.1.8.1 (ii) Shortfall in providing toilet, electricity, water and gas connection

Para 8.1(c,d,e) of the guidelines of PMAY-G specifies that facilities like water, electricity and LPG connection should be provided to households in convergence with schemes like NRDWP, DDUGJY and PMUY. Para 8.1(a) of guidelines specifies that construction of a toilet has been made an integral part of the PMAY-G house and toilet shall be provided to beneficiaries through funding from Swachh Bharat Mission-Gramin (SBM-G), MGNREGS or any other dedicated financing source. The house shall be treated as complete only after the toilet has been constructed.

Scrutiny of records in nine test checked districts revealed shortfall in basic amenities such as toilet, electricity, water and gas connection. As per records, out of 2,89,089 completed houses in the test checked districts, toilets were constructed in 2,35,823 houses (81 *per cent*), water facilities were provided to 16,547 houses (5.7 *per cent*) under NRDWP scheme, electricity was given to 34,599 houses (11.96 *per cent*) under DDUGJY, and gas connection was provided to 1,37,447 houses (47.54 *per cent*) under PMUY scheme.



The status of various basic amenities found available in completed houses during joint physical verification is given in the **Table 2.1.6**.

Table 2.1.6: Status of various amenities/convergence in physical verification

District	No. of beneficiaries covered in joint physical verification	No. of houses without toilet	No. of houses without drinking water facility	No of houses without electric/Solar connection	No. of houses without LPG connection	No. of houses without waste management facility
Balrampur	193	139	173	36	23	193
Bastar	157	157	156	13	8	157
Janjgir Champa	174	150	170	45	27	173
Jashpur	169	157	168	62	32	169
Kanker	161	97	32	8	23	161
Kawardha	147	123	79	14	66	147
Mahasamund	152	118	121	22	60	141
Mungeli	157	157	149	22	14	157
Raipur	130	83	80	33	38	127
Total	1440	1181	1128	255	291	1425

During physical verification of newly constructed houses (1,440 beneficiaries) in the nine test checked districts, **it was noticed that 1128 (78 *per cent*) houses were not provided drinking water, 255 (17 *per cent*) houses were not provided with electricity, 291 (20 *per cent*) houses were not provided LPG connection, and 1,181 (82 *per cent*) newly constructed houses were found without toilets.**

There was thus, no correlation between the status of provision of amenities to the newly constructed houses as depicted in the records and as was visible on the ground. Clearly, convergence with other specified social sector schemes was not ensured to the envisaged extent to provide the requisite amenities in completed houses.

Government stated (October 2020) that under the scheme, assistance was provided only for the construction of the house. In the scheme, *pucca* houses were constructed on the existing *kutchha* houses; due to this reason, maximum beneficiaries already had electricity, water connections and toilets. If the house was constructed on the new site, electricity and water supply was provided by the Gram Panchayats and gas connection was provided by the Food, Civil Supplies department of Chhattisgarh.

Reply is not acceptable, as facilities like water, electricity and LPG connection should be provided to households in convergence with schemes like NRDWP, DDUGJY and PMUY in new houses under the supervision of committees at district and State level in accordance with the PMAY-G guidelines. However, records relating to working of committees both at State and district level were not found, and as per physical verification, shortfall in facilities provided in new houses were found as mentioned above.

2.1.9 Monitoring and grievance redressal

As per para 9.3.2 of the guidelines of PMAY-G, the officers at the block level should inspect as far as possible 10 *per cent* of the houses during construction and district level officers should inspect two *per cent* of the houses. During construction, every house sanctioned under PMAY-G was to be tagged to a village level functionary (AwaasMitra or Rojgar Sahayak). Monitoring of the physical progress of construction is done through geo-tagging by 'AwaasApp' along with ensuring the quality of construction.

Audit noticed that there was deficient monitoring of the quality of construction as visits of the block/district officials at the construction site were mostly for geo-tagging. The quality of construction was to be monitored by the Technical Assistants (TAs) but no documented inspection reports relating to quality of construction of houses were provided by any of the TAs in the nine test checked districts.

During joint physical verification of completed houses in Kunkuri and Wadrafnagar blocks, construction quality of houses was found to be unsatisfactory and broken windows ceiling, plastering, and flooring were noticed as depicted below:

Case Study-(v)

In Jashpur District, Bhandri GP house sanctioned to beneficiary (CH Id 2635233) found with broken windows ceiling, plastering and flooring were not completed but the house was shown as completed (20.04.2019) with plaster in the MIS.



2.1.10 Social Audit

As per paragraph 9.6 of the Framework for Implementation of PMAY-G, Social Audit is to be conducted in every Gram Panchayat at least once in a year, involving a mandatory review of all aspects with the basic objective to ensure achievement of public accountability in PMAY-G implementation.

During scrutiny of records it was observed that Social Audit was not conducted in any of the nine test checked districts.

2.1.11 Conclusion

Chhattisgarh Government completed the construction of 7,43,484 houses (94 per cent) against the target of 7,88,235 houses and 98 per cent of programme funds were utilised for disbursement of assistance to beneficiaries during the period 2016-19. Although the progress in construction of houses was good, there were issues of non-compliance with the scheme guidelines. State Government did not prepare State specific policy framework in line with strategic goals with housing security. The scheme covered only 65 per cent of eligible beneficiaries as 35 per cent of additional beneficiaries identified by the Department remained outside the Permanent Wait List (PWL) as of September 2020. Funds received from the GoI were transferred with delays (6 to 225 days) to the State Nodal Account and funds of ₹ 896.22 crore were short released by State Government during the three year period 2016-19. 43,930 beneficiaries (15.19 per cent) were not paid full amount of assistance despite completion of houses. There were instances of delay in release of first instalment to beneficiaries ranging up to 812 days after sanction of houses and transfer of assistance in wrong bank account. There were instances of constructed houses being used for commercial purposes and incomplete houses being shown as completed. Further, several completed houses were not provided with basic amenities due to lack of convergence with other social sector schemes. Lack of monitoring and inspection by the Departmental officials resulted in inability to identify/detect lacunae/deficiencies at ground level.

2.1.12 Recommendations

- *Comprehensive Annual Action Plan for the State should be prepared including district wise plan and strategy for saturation of priority household.*
- *Government should ensure adequate availability of funds in SNA for release of assistance to beneficiaries to complete the sanctioned house in a time bound manner.*
- *Government should provide constant handholding through SHGs/NGOs to motivate the beneficiaries to complete the construction of sanctioned house and also ensure allotment of land to landless beneficiaries.*
- *Government should ensure proper verification of bank accounts before freezing these in AwaasSoft, to ensure transfer of assistance to the account of only genuine beneficiaries.*

- *Government should ensure adequate and effective convergence with the specified social sector schemes as envisaged in the scheme guidelines to provide all the basic amenities in PMAY-G houses.*
- *Monitoring mechanism for quality of construction of houses under the PMAY-G should be strengthened and records of inspection/ periodic visit should be maintained for future follow-up.*

Public Works Department

2.2 Construction of State Highways and Major District Roads

2.2.1 Introduction

Chhattisgarh covers an area of 1,35,194 square kilometres, and has a population of about 2.55 crore as per Census 2011. The primary mode of transportation of goods and people in the State is roads, particularly in rural areas. The total length of road network in the State is 97845 km (as on 31 March 2017)¹¹, which includes National Highways (NH), State Highways (SH), Major District Roads (MDR), Village Roads (VR), and Other District Roads (ODR). As per road network data¹² (2016-17), road density in Chhattisgarh is 72.4 km per 100 square km, which is significantly below the national average of 179.41 km. Year-wise status of length of road network managed by the Public Works Department (PWD), Government of Chhattisgarh is given in **Table 2.2.1**. The remaining roads are managed by the Village Panchayats, Urban Local Bodies, Forest Department, Chhattisgarh Rural Road Development Agency under the Panchayat and Rural Development Department and National Highways Authority of India. All District headquarters in the State are connected through MDR/ODR/SH. However, 10 per cent¹³ village habitations (1,240 out of 12,178) are yet to be connected by all weather approach road as of March 2020.

Table-2.2.1: Length of different categories of roads

(In km)

Category of Road	Road length as of 31 March of					
	2014	2015	2016	2017	2018	2019
National Highways	2336	3073	3073	3169	3510	3526
State Highways	5058	4374	4462	4438	4176	4176
Major District Roads	11141	11111	11258	11184	11245	11501
Rural Roads & Other District Roads	13540	13674	14050	14385	13902	13729
Total	32075	32232	32843	33176	32833	32932

(Source: Data provided by Engineer-in-Chief and compiled by Audit)

While the overall length of road network in the State increased by 857 km during the five year period 2014-15 (32,075 km) to 2018-19(32,932 km), the total length shown under various categories varied during the period due to conversion of roads from one category to another.

2.2.2 Organisational Set-up

Public Works Department is headed by a Secretary at the Government level, while the Engineer-in-Chief is the head at the Department level. The Department (PWD) is divided into four Zones, seven Circles, and 37 Divisions for road works. The implementation of various road works in the Zones is carried out under the technical control of Chief Engineers (CE) who are assisted by Superintending Engineers (SE) at the Circle level,

¹¹ Basic road statistics of India 2016-17

¹² Report on MORTH website “Basic road statistics of India 2016-17”

¹³ As per the progress report of Pradhan Mantri Gram Sadak Yojana for the year 2019-20

and Executive Engineers (EE) at the Division level. Divisions are responsible for construction, repairs, and maintenance of roads.

Project Director (PD), Asian Development Bank Project, Raipur (ADB) stationed at Zonal level with four Divisional offices, is also engaged in execution of road projects financed by ADB in the State.

Chhattisgarh Road Development Corporation Limited (CGRDCL) was incorporated (2014) under the Companies Act 2013 as a wholly owned company of Government of Chhattisgarh under PWD, to promote core road network comprising primarily of State highways, and to promote and encourage private sector participation in highways in the State. It was also tasked with the development, upgradation and maintenance of important roads connecting State highways and those roads handed over from time to time by the State Government.

2.2.3 Audit Objectives

Performance Audit of construction of State highways and major district roads was taken up with the objectives of assessing whether -

- Planning for construction and maintenance of road works was comprehensive, based on laid down criteria;
- Adequate funds were provided and utilised optimally;
- Road works were executed as per the prescribed technical and financial standards with proper quality control and monitoring mechanisms.

2.2.4 Audit criteria

Audit findings were benchmarked against the criteria sourced from the following:

- The Chhattisgarh Works Department Manual 2006;
- Schedule of Rates, Indian Road Congress's specifications, MORTH specifications;
- Chhattisgarh Treasury Code;
- Rules, Instructions issued by Finance Department, GoCG;
- Orders and circulars issued by the Government/E-in-C from time to time.

2.2.5 Audit Scope and Methodology

The Performance Audit was conducted from June 2019 to February 2020, and covered the construction and upgradation of State highways (SH) and major district roads (MDR) during the five year period 2014-15 to 2018-19. Audit scope included works relating to upgradation and strengthening of SHs and MDRs under the jurisdiction of PWD, as well as under CGRDCL and ADB. Audit methodology involved examination of relevant records in the offices of Engineer-in-Chief (E-in-C); four Chief Engineers (CEs), seven Superintending Engineers (SEs) and 15 Divisions out of 37 road Divisions in the State. Divisions were selected on the basis of Simple Random Sampling Without Replacement

(SRSWR) method. CGRDCL and PD, ADB along with two Project Managers (PM, ADB), Balodabazar and Rajnandgaon were also selected for examination of records. Records relating to a total of 54 works (**Appendix 2.2.1**) of SH and MDR executed in the selected Divisions/Units during the period 2014-19 were examined in Audit.

Audit methodology also included collection and analysis of data, issuing questionnaires and conducting a joint physical inspection of 15 selected road works alongwith the departmental representatives. Photographic evidence was obtained where necessary, to substantiate audit findings.

An entry conference was held with Additional Chief Secretary (ACS), PWD in August 2019, wherein audit objectives, audit criteria, scope and methodology were discussed. Draft audit findings were issued to the Department in May 2020 and discussed with Government in an Exit conference in November 2020. The replies of the Government have been suitably incorporated in the Report.

Audit Findings

2.2.6 Planning

2.2.6.1 Road Policy

Government of Chhattisgarh formulated a Road Policy in 2002 with the objectives of ensuring good road connectivity in rural areas, promoting high-speed access corridors, strengthening of road network around industrial areas and growth centers, and converting national highways into two-lane and four-lane roads. It further emphasised the need to put in place a project prioritisation framework specifying the strategic and economic rationale for allotment of Government funds to various road projects. The strategies to be adopted according to Road Policy were *inter-alia* integrated road development and management, private sector participation, dedicated funding and capacity building of State institutions, and action plan to implement the strategies.

Audit observed that Road Policy was neither implemented nor adhered to during the period of audit. Although the State Government invested ₹6435 crore¹⁴ in the construction, upgradation and strengthening of road network during 2014-19, the major objectives of the policy like project prioritization framework, capacity building, connectivity of industrial areas etc. remained unachieved as discussed in succeeding paragraphs.

One of the objectives of establishment of CGRDCL (November 2014) was to promote private partnership. However, not a single road project was constructed on Public Private Partnership mode during 2014-19.

In reply, Government stated (November 2020) that the Road Policy was only outlined, and it was yet to be adopted.

¹⁴ PWD- ₹ 3234 crore, PD, ADB- ₹ 2145 crore and CGRDCL- ₹ 1056 crore.

2.2.6.2 Prioritisation and selection of road works

The Department prepared a Master Plan for development of road sector over a period of 10 years from 2003-12. The Master Plan was updated in February 2006 using the technical assistance of ADB for implementation during 2005-2016 for the purpose of funding of road projects through ADB loans.

Under ADB projects, 109 roads (5227.71 km. length) were surveyed and 30 road projects (9 road projects with 803 km length in phase-I and 21 roads with 1005 km length in phase-II) were prioritized for construction in a phased manner based on socio-economic parameters.

Audit scrutiny revealed that the Department sanctioned 14 roads for construction/upgradation during 2014-19 under ADB phase-II project. Of these 14 roads, seven roads (383.6 km length) were neither from the priority list nor from the list of roads surveyed for the Master Plan. Reasons for selection of non-prioritized roads were not found on record. Out of the 14 sanctioned roads under ADB project, seven priority roads (33 per cent) and seven non-priority roads were completed (total 851.44 km) during May 2018 to September 2019 under ADB phase-II project.

Audit observed that during the period 2014-19, Government sanctioned ₹ 4621 crore to PWD and incurred an expenditure of ₹ 3234 crore for execution of various road works. However, the status of construction of SHs and MDRs undertaken and completed by the PWD was not available due to non-maintenance of road database by the Department.

Government stated (November 2020) that the Master Plan was updated in February 2006 using ADB technical assistance to identify road sector development needs for the period 2005-2016. It was further stated (November 2020) that seven roads were included on demand of Public Representatives, and were of public importance.

While the demand of public representatives may be genuine, if action is not taken to implement the Master Plan and prioritization accorded to various works is not implemented in terms of sanctioning and funding of the works, the purpose of preparation of a Master Plan would not be served.

2.2.6.3 Non-Establishment of Road Management System (RMS)

RMS is a tool to assist the PWD in strategic planning, programming, project preparation and implementation. For establishment and functioning of RMS, data relating to roads is required to be collected and stored/documentated in the prescribed format for each sub-section of a road. PWD circulated (July 2008) the data collection formats to all its Divisions for collection, and compilation of initial data for road database. The details of road inventory, pavement composition, history of repairs, condition of roadway, details of road and rail crossings, road accident information, inventory and condition of cross drainages structure, and average daily traffic count were required to be collected. The data was to be gathered section-wise, subdivision-wise and division-wise.

Audit observed that no such road database was prepared by the Department and RMS was not established. In the absence of database and RMS, the expected assistance to PWD in

planning, prioritization, project preparation, and implementation did not materialise. Thus, the entire system of submission of road work proposals by Divisional Officers and sanction of works by the Department lacked objective planning and transparency.

Government accepted the observation, and stated that the point raised by audit would be considered in the future.

2.2.6.4 Road connectivity to Industrial Zones

Chhattisgarh State Industrial Development Corporation Limited (CSIDCL) is the nodal agency to facilitate and promote industrial development in the State. There are 22 industrial zones in the State. CSIDCL had been requesting (August 2015, August 2017, October 2017, and February 2018) PWD for providing proper approach roads to the nearest main roads for two industrial zones at Champa and Raigarh. As of March 2020, the PWD was yet to provide connectivity to these industrial zones.

Government stated that in the case of industrial zone Champa, for six roads, the budget provision was under process (September 2020), and in case of Raigarh the proposal for widening and strengthening of the existing village road was submitted to the SE (August 2020).

2.2.6.5 Selection of projects without prior forest clearance

(a) The Project Administration Manual of ADB provides that roads should be selected from the list of prioritized road network of Master Plan, and stipulates that as far as possible, the proposed roads should not pass through any designated wild life sanctuaries, national parks, and other sanctuaries. PD, ADB, prepared (June 2012) a Detailed Project Report (DPR) for Chilpi-Rengakhar-Salhewara (60.81 km MDR) with a total estimated project cost of ₹ 102.40 crore.

Audit scrutiny revealed that this road was not in the list of prioritized road network of Master Plan and 16.25 km of the road length was also passing through the Boramdev Wildlife Sanctuary (BWS) and 14.50 km of the road was under Eco Sensitive Zone of BWS, for which prior permission of National Board of Wild Life (NBWL) and Ministry of Environment and Forest (MoEF) was required. Due to delay in clearances from authorities, the project was not taken up by the PD, ADB and it was transferred to CGRDCL (December 2016).

CGRDCL again incurred an expenditure of ₹ 27 lakh on the DPR of the same road and work of a total length of 60.76 km, including forest area, was awarded to a contractor (June 2017) without obtaining the necessary clearances from the respective authorities. The work was to be completed in 18 months. However, the work was stopped under the orders of the Honourable High Court (August 2017) and after the final orders (February 2018), the contractor resumed the work on reduced scope (28.85 km length), limited to non-forest area alone. Further, due to slow progress of work, the contract was terminated (January 2020).

Thus, due to improper planning, the road remained incomplete even after the lapse of eight years since preparation of its DPR.

Government stated (November 2020) that the road was selected out of the list of prioritized road network of Master Plan as it was an important road connecting NH at one end and SH on the other. The time elapsed in obtaining wildlife clearance caused considerable delay and the project was handed over to CGRDL. The necessary corrections in the DPR were made as per the recommendation of NBWL. The agreement was terminated due to non-performance of contractor and that the tender for balance work was under progress.

Reply of the Government is not acceptable, as the project remained incomplete due to not seeking the prior approval of MoEF before initiating the project. Consequently, the road works remained incomplete for over eight years since the initiation of the project and the targeted population was deprived of the intended benefit of the road.

(b) The work of widening and strengthening of 16.40 km Chanti-Janakpur road was taken-up (May 2016) by EE, PWD, Manendragarh at a cost of ₹ 23.32 crore with a scheduled completion period of 24 months. The road passes through 5.83 hectare of forest land. The Division executed work upto Dense Bituminous Macadam (DBM) level on 16.40 km (as of December 2017), and incurred an expenditure of ₹ 20.68 crore. The work was stopped by the Forest Department (January 2018) due to encroachment of 5.83 hectare of forest land for widening of road without its permission. Department has applied (May 2018) to the forest Department for use of forest land for widening of road. The matter was pending with the Forest Department as of February 2020. Thus, not obtaining forest clearance for widening of road resulted in incomplete work up to DBM level remaining uncovered with the wearing course. Government stated that while it was true that the work of DBM was to be covered with wearing course, the road condition was good.

Reply is not acceptable as the work was partially executed due to non-obtaining of clearance from the Forest Department, and the crust of road without the wearing course makes the road susceptible to quick damage.

As brought out in the aforementioned paragraphs, planning for construction and upgradation of road network in the State was not based on a comprehensive policy, and identification of road projects to be taken up on priority lacked adequate due diligence due to non-establishment of RMS.

2.2.7 Fund Management

Fund Management in the context of Public works Department, involves timely availability of funds to fulfill contractual commitments, optimizing cost, allocating resources in a fair and transparent manner, ensuring funds are utilized for the intended purpose and proper record keeping. Audit observations with regard to management of funds in construction and upgradation of SH and MDR are discussed in succeeding paragraphs.

2.2.7.1 Budgetary Allocation and Expenditure

Government of Chhattisgarh provides funds for construction of SH and MDR from budgetary support, and loan taken from ADB. Expenditure on road is incurred by PWD under four scheme heads (4336-SH, State Plan, 3710-SH, Tribal Sub-Plan, 1513-MDR State Plan and 3539-MDR-Tribal Sub-Plan). In respect of CGRDCL, expenditure is incurred from the budget provision under EPC scheme head (7818). E-in-C is responsible for the control of expenditure under each Grant in the budget provided. Major capital expenditure for SH and MDR was incurred under ten heads of accounts (**Appendix 2.2.2**) in the State budget. Details of allotment, expenditure, and savings on projects of SH and MDR handled by PWD, ADB, and CGRDCL during the period 2014-19 are given in **Table 2.2.2**.

Table-2.2.2: Budget allotment and expenditure for SH and MDR during 2014-19

(₹ in crore)

Year	PWD			ADB			CGRDCL		
	Allotment	Exp.	Savings	Allotment	Exp.	Savings	Allotment	Exp.	Savings
2014-15	921	910	11	300	19	281	0	0	0
2015-16	1037	719	318	381	296	84	0	0	0
2016-17	1054	523	531	1100	706	394	115	125	-10
2017-18	927	550	377	900	665	235	732	407	325
2018-19	682	532	150	776	459	317	1157	524	633

(Source: Appropriation accounts of respective Financial Years)

As is evident from the above table, savings against the budget allotment during the period 2014-19, ranged from one *per cent* to 50 *per cent* in PWD projects. Similarly, savings under ADB projects ranged from 22 *per cent* to 94 *per cent*, and the savings under CGRDCL projects ranged from 44 *per cent* to 55 *per cent*.

Savings were due to delay in preparation of estimates, administrative approvals, tendering process and other departmental processes, besides slow progress of work/delays in execution of works.

Government attributed the savings to delay in starting construction works due to delay in preparation of estimates, tendering process, and other departmental processes. It was further added that in case of ADB projects, savings was mainly due to non-starting of works in time and due to lesser physical and financial progress than expected.

2.2.7.2 Works included in budget without Administrative Approval (AA)

Under clause 4.131, section -15 of Works Department (WD) Manual¹⁵, for construction of new roads or upgradation of existing roads, administrative approval (AA) is to be obtained from the Government. Thereafter a list of works showing in order of urgency alongwith amount of estimates, is to be submitted after due scrutiny, by the E-in-C to Government for inclusion in budget. Status of receipt of AA during the three year period 2016-19 along with the details of works included in budget are given in **Table 2.2.3**.

¹⁵ WD Manual is applicable to Water Resource Department, Public Works Department and Public Health Engineering Department.

Table-2.2.3: Details of works approved and included in budget during 2016-19

Year	No. of cases forwarded for AA to Government	AA accorded by Government	Works included in Budget
2016-17	257	70	413
2017-18	480	62	881
2018-19	482	195	1197

(Source: Information provided by Department and compiled by Audit)

As can be seen from the above table, during the period 2016-17 to 2018-19, works included in the budget of the Department ranged from 413 to 1197, whereas, the AAs accorded during the same period ranged from 62 to 195. Thus, there were gaps between the proposed and sanctioned works.

Government stated that new works were included in the budget in public interest from the proposals received from the Public Representatives on the basis of priority and financial resources. Detailed estimates of works were then prepared after scrutiny by EE, SE and CE. It was further stated that the whole procedure is a time taking process and therefore, AA for all the proposed works were not always received. It was further stated the entire process has been under continuous refinement through continuous monitoring.

It is evident from the reply that proposals were included in the budget without proper prior scrutiny at the department level as envisaged in the WD manual. This negates the concept of planning for coverage of the entire State through proper road network and providing access to inaccessible areas through a prioritized and phased construction of roads through adequate funding.

2.2.7.3 Misclassification in category of road under scheme head

The standard Major and Minor Heads of Account and their codes prescribed by Finance Department, GoCG for Works Department (WD) are used for preparing the budget estimates. As per para 3.1.2 of CPWA code read with Rule 29 of Government Accounting Rules, 1990 'the classification of transactions in Government account shall have closer reference to the function, programme and activity of the Government rather than the Department in which expenditure incurred'.

Audit observed that for construction of SH, two Accounting Heads viz. 24-5054-4336 (Construction of State Highway Roads in State-State Plan Scheme (SPS)) and 42-5054-3710 (State Highway for State - Tribal Sub Plan (TSP)) and for MDR 24-5054-1513 (SPS) and 42-5054-3539 (TSP) were allocated for PWD divisions.

Audit observed in two of the 15 sampled Divisions, that 10 village roads were constructed during the period 2014-19 at a cost of ₹ 46.22 crore from the funds provided under the Head of Account for MDR. Similarly, one MDR was constructed at a cost of ₹ 7.22 crore by PWD, Jagdalpur-I from the funds allotted for village roads. Further, in Korba district, expenditure of ₹ 26.06 crore on the work of Katghora Bye-pass road was incurred under Accounting Head of SH.

Thus, misclassification among the scheme heads resulted in mismatch between the physical and financial progress of specific category of roads.

Government stated that the Division had executed the works as per sanction granted by authority, and the subject of misclassification has been noted for future compliance.

2.2.8 Project Execution

During the five year period 2014-19, a total of 171¹⁶ road works related to construction and upgradation of SH and MDR were awarded by the three executing agencies viz. PWD, PD, ADB and CGRDCL. Out of these, 54 works were test checked in audit and 15 works were selected for physical verification. The overall status of target and achievement for construction and upgradation of SH and MDR and irregularities in execution of projects in sampled works/projects are discussed in the succeeding paragraphs.

2.2.8.1 Target and achievement

Audit noted that against the target of upgradation of 5,785 km of State Highways and District Roads by construction, strengthening, widening and renewal during the period 2015-19, 3,820 km (66 per cent) of roads were upgraded by the State Government. The year-wise achievement is as given in **Table 2.2.4**.

Table 2.2.4: Year-wise targets and achievement for upgradation of SH and MDR

Name of the scheme/programme	Year	Targets (in km)	Achievement (in km)
Construction of State Highways and District Roads including ADB and EPC (CGRDCL) projects	2015-16	1155	1153
	2016-17	1606	863
	2017-18	1388	870
	2018-19	1636	934

(Source: performance budget of the State Government)

As can be seen from the above table, while the State has achieved more or less the target for construction and upgradation of roads during 2015-16, there was a gap ranging from 518 km (37 per cent) to 743 km (46 per cent) during the three year period 2016-17 to 2018-19.

Status of achievement *vis-a-vis* target for upgradation of SH and MDR in the sampled road works is given in **Table 2.2.5**.

Table 2.2.5: Status of completion of test checked road works

Agency	No. of works/ projects test checked	Status of projects test checked (as of February 2020)			
		No. of works completed	No. of works completed within scheduled time	No. of works completed with delay	No. of incomplete works
PWD	39	32	16	16	07
ADB	07	07	0	07	00
CGRDCL	08	04	0	04	04

Against the target of upgradation of 1483 km road in 54 test checked works, 1176 km of roads were upgraded in 43 completed works during 2014-19.

¹⁶ Data compiled by audit from “Work Performance Budget” for the year 2015-2019 and Administrative Report of the Department.

It can be seen from the above table that, 16 works (30 per cent) were completed as per the scheduled date of completion, and 27 works (50 per cent) were completed with a delay ranging from one month to 60 months and 11 works remained incomplete as of February 2020.

Audit observed that the reasons attributed for delay in completion of works were change of scope, execution of extra quantity, rain, and delay in submission of design, shifting of utility, tree cutting and code of conduct for elections. It was noticed that time extension was approved by the competent authorities routinely which led to undue benefit to contractors as discussed in the succeeding **paragraph 2.2.8.3 (vi)**.

2.2.8.2 Tendering and contract management

2.2.8.2 (i) Delay in finalization of tender

As per the GoCG order dated August 2012, after the administrative approval, generally the work should be awarded within 45 days by completing the bid inviting process. In case of re-tendering, the maximum time for completion of tendering process was prescribed as 90 days.

Audit scrutiny of records in the office of PD, ADB revealed that Government accorded AA of ₹ 1785.42 crore for 14 road projects (855.59 km length) comprising six SHs and eight MDRs during August to October 2012. Tenders for these 14 road projects were invited in 18 packages during February 2014 to August 2015. As per the Notice Inviting Tenders (NITs) published, the tender validity period was six months. However, the tenders for all the 18 packages were finalised with delays ranging from eight to 14 months from the date of NIT (**Appendix 2.2.3**). Thus there was undue delay in inviting bids and award of works.

Government stated that the tendering process usually takes six to eight months from date of NITs to award of work, and that in some packages, tender was finalized on second or third call. Government further assured that efforts would be made to reduce procurement time.

2.2.8.2 (ii) Inviting tender in dual mode - Online and manual

Government of Chhattisgarh introduced e-procurement system in 2007 to increase transparency and efficiency in public procurement. As per GoCG order, all tenders valuing above ₹ 20 lakh were to be invited through online mode only with effect from 01 October 2005. As per procurement guidelines of ADB, borrowers may use electronic systems, which permit bidders to submit bids by electronic means, provided, ADB is satisfied with the adequacy of the system.

Audit scrutiny of records of PD, ADB, Raipur revealed that tenders for 14 road projects in 18 packages were invited from bidders online as well as manually during February 2014 to August 2015. Except for one, other 17 bidders submitted the tenders manually even when value of tender was more than ₹ 20 lakh in each case. Accepting manual tenders for works defeated the objective of increasing transparency in the tendering process.

Government stated that due to difficulty in uploading voluminous bidding documents, and drawings, a hybrid system of online and manual tendering was evolved which was reviewed and accepted by ADB.

Reply is not acceptable as the PWD and CGRDCL have been inviting online tenders of similar works of comparable volume after the launch of e-Procurement portal of State Government. Further, allowing manual system of tendering is contrary to Government's own order for adopting online tendering system to increase transparency and efficiency in public procurement.

2.2.8.2 (iii) Reimbursement of GST without necessary documents

As per agreement, the contract price was to be adjusted for any increase or decrease in cost resulting from a change in the laws of the Country, introduction of new laws and the repeal or modification of existing laws which affects the contractor in the performance of obligations under the contract. If the contractor incurs additional cost as a result of these changes in the laws, the Contractor shall give notice to the Engineer and shall be entitled to payment of any such cost which shall be included in the contract price. GoCG, PWD instructed (October 2018) that the reimbursement of GST would be payable after examining proof of submission of GST returns, vouchers, and difference of amount of tax after implementation of GST.

In two¹⁷ out of two selected Project Implementation Units (PIUs) of ADB projects, audit observed that, Project Managers of the PIUs, reimbursed the claim of ₹ 13.60 crore as interim payment, towards refund of GST on the basis of contractor's undertaking and calculation sheet, without obtaining proof of submission of GST returns, vouchers, and differences of amount of tax paid after implementation of GST.

Government stated that no advance GST has been paid to any contractor, and only difference in taxes has been paid to the contractors on the basis of detailed calculation of additional expenses incurred by contractors.

Reply is not acceptable as the GST was reimbursed to contractor on the basis of calculation which was not supported by the invoices for payment of GST and tax return.

2.2.8.3 Preparation of Estimates and execution of work

Preparation of detailed estimates and issue of sanctions have a direct bearing on the total project cost, quality of works executed, and timeliness of completion of road works. It is essential that laid down rules and standards are strictly adhered to in preparing detailed estimates and in according technical sanctions. For accurate preparation of detailed estimates of a road, work must be based on reliable information of traffic density of the existing road, soil strength of the area where the road is being constructed, and the status of the existing road in terms of the crust thickness. The works should be executed as per contract and specifications on which technical sanction was accorded by competent authority. Before making payment to the contractors all provisions of the contract should be strictly followed to protect Government interest.

¹⁷ Baloda Bazar and Rajnandgaon.

Audit scrutiny revealed deficiencies in preparation of detailed estimates, obtaining technical sanctions and execution of works as elaborated in succeeding paragraphs:

2.2.8.3 (i) Deviation in crust design from standard specifications

Indian Road Congress (IRC) 37-2001 Guidelines relating to the design of flexible pavements provides that Bitumen Macadam (BM) should be provided for traffic density up to three Million Standard Axles (MSA) irrespective of California Bearing Ratio (CBR) value of the soil and, Dense Bituminous Macadam (DBM) should be provided for more than three MSA of traffic density.

Audit noticed that, in six¹⁸ works, the MSA of traffic density was between 4 and 5, however, BM was provided instead of DBM contrary to the provisions of IRC, while according technical sanction for the roads. Thus, the above works were executed with inferior layer of base course in deviation from the standard IRC specifications.

Government stated that the works were executed as per TS and as per IRC 37-2001 (Para 4.2.3.1), the use of BM binder course as per IRC/MORTH specification may desirably be restricted only to roads designed where traffic less than five MSA whereas DBM binder course is recommended for roads designed where MSA is more than five.

Reply is not in consonance with the provisions of IRC specifications. BM is to be used upto three MSA, and where the MSA is more than three, DBM is to be used.

2.2.8.3 (ii) Unwarranted execution of Wet Mix Macadam (WMM)

As per MORTH specifications (5th edition 2013) for Road (clause 602.4 Sub-base), the cement concrete (CC) pavement shall be laid over the sub-base, and if the sub-base is found damaged at some places or it has cracks wider than 10 mm, it shall be repaired with fine cement concrete or bituminous concrete.

Audit observed in two¹⁹ out of 15 test checked divisions that in respect of five works, the estimates had provided for execution of Wet Mix Macadam (WMM) and Dry Lean Concrete (DLC) in between the Granular sub Base (GSB) and cement concrete pavement. Provision of WMM was unwarranted in view of the provisions of MORTH, which specifies laying of cement concrete pavement over the sub-base. However, these estimates were technically sanctioned by CE, overlooking the prescribed provisions. Even though DLC was provided and executed, the work of WMM was also executed over the GSB in the five works given in **Table 2.2.6**.

¹⁸ Balrampur-Chando-Samri Road, Bishunpur-Surajpur-Odgi Road, Sontarai-Mainpat Road, Kameshwarnagar -Ramchandrapur-Lurgi Road, Wadrafnagar-Janakpur-Balangi Road and Sakti-Tundri Road

¹⁹ EE, PWD, Vidhansabha and EE, PWD, Champa

Table 2.2.6: - Unwarranted execution of Wet Mix Macadam (WMM)

(₹ in lakh)

Sl. No.	Name of the Road	Name of PW Division	Qty of WMM (in cum)	Cost of WMM
1	Sakti-Tundri Road	Champa	4102.31	50.81
2	Sakti-Barpali Road	Champa	2505.00	24.85
3	Sakti-Barpali Road	Champa	150.00	1.46
4	Dhaneli-Giraudh-Tekari Road	VidhanSabha	594.38	6.12
5	Birgaon-Urla-Bendri Road	VidhanSabha	3922.82	41.94
Total				125.18

(Source: Information provided by Department and compiled by Audit)

Execution of WMM was not required as DLC was already being laid before laying CC pavement. Thus, there was unwarranted execution of WMM costing ₹ 1.25 crore.

Government stated that as per condition and specifications, the TS was accorded and work was executed as per figure of cross section provided in guidelines issued by the Department of PWD, GoCG.

Response of the Government was verified in audit and it was seen that Government has not followed its own guidelines in this regard as given in Clause a (4) under section G of the *Nirman Nirdeshika* of PWD.

2.2.8.3 (iii) Additional Performance Security

As per GoCG orders (June 2016), an Additional Performance Security (APS) should be deposited by the successful bidder at the time of signing the agreement when the bid amount is seriously unbalanced (less than the estimated cost by more than 20 per cent). The APS is to be deposited to the extent of difference of 90 per cent of Probable Amount of Contract (PAC), in the form of Guarantee, and should be released after successful completion of the work.

Audit noticed in two²⁰ test checked divisions that in five out of six MDR works, awarded during July 2018 to September 2018, the lowest bid was 20 per cent below the PAC however, the APS for unbalanced bid was not obtained from the Contractors as detailed in **Table 2.2.7**.

Table 2.2.7: Additional Performance Security not deposited for unbalanced bids in PWD

(₹ in lakh)

Sl. No.	Name of Division (EE, PWD)	Name of Road	PAC	Tender percentage	Amount of APS
1	Dantewada	Awarabhata to Hiriya para road	549.48	(-) 25.80	86.82
2	Dantewada	Dantewada Faraspal Pandemurga road	1932.76	(-) 21.60	224.20
3	Dantewada	Bacheli to Nakulnar road	1610.78	(-) 27.00	273.83
4	Dantewada	Sukma to Dantewada road	5452.07	(-) 20.20	556.11
5	Jagdalpur Dn. II	Lohandiguda Taragaon Garda Kodenar Road	1962.19	(-) 23.72	269.21
Total					1410.17

(Source: Information provided by Department and compiled by Audit)

²⁰ EE, PWD, Dantewada and EE, PWD, Jagdalpur Division II.

Government stated that as per clause of contract the amount of increased APS shall be decided by employer (SE). Accordingly the items of NIT of concerned contract was compared with PWD SOR (2015) and the contractor was instructed to deposit the APS where the contract price was more than 20 *per cent* below the PWD SOR.

Reply was not acceptable since the tenders were invited on the basis of PMGSY SOR (2018), comparison of rates with PWD SOR 2015 to determine the unbalanced bid was not correct.

2.2.8.3 (iv) Works were not insured as envisaged in agreement

As per contract of road works under Road Connectivity Project in Left Wing Extremist Area (RCPLWEA), the contractor at his cost should provide insurance cover from the start date to the date of completion for the events which are due to the contractor's risk such as loss or damage to the works, plant and materials, loss or damage to equipment; loss of or damage to property in connection with the contract. Further, the contractor at his cost should also provide, in the joint names of the Employer and the Contractor, insurance cover from the date of completion to the end of Defects Liability Period i.e., five years after intended completion date, for personal injury or death that are due to the contractor's risks. All such insurance policies or certificates for insurance shall be delivered by the contractor to the Engineer-in-Charge for approval before the completion date/start date.

Audit observed in three selected units (SE, PWD Kanker, EE, PWD Dantewada and Jagdalpur-II) that works of seven MDRs were awarded by PWD during 2018-19 under RCPLWEA, and insurance of the projects was essential to protect the Government interest as provided in the agreements. But, contractors started the works without submitting the insurance documents. Thus, besides extending undue benefit to the contractors, the projects were also put at risk due to non-covering of projects with insurance.

Government stated that in respect of the above works, the contractors have been asked to submit the insurance documents.

2.2.8.3 (v) Sanction of variations

Clause 2.005 of Works Department Manual stipulates that revised AA from the competent authority should be obtained when the expenditure on the work exceeds or is likely to exceed the amount already approved by more than 20 *per cent* if administrative approval was based on Stage-I estimate and 10 *per cent* if approval was based on Stage-II estimate. Further, as per agreement of respective works, the E-in-C reserves the right to increase or decrease, within the scope of work any item of the work during the currency of the contract and contractor will be bound to comply with the order. However, this is subject to the total limit of (+) 25 *per cent* of any item(s), but upto (+) 10 *per cent* of the contract value only after obtaining the approval of authority competent to accord Technical Sanction. The GoCG vide its circular (December 2010) reiterated that provisions of manual relating to revised approval of the work should be strictly followed.

Audit observed that in two test checked works under EE, PWD, Champa, the above provisions were not complied with. Items of works were executed with variations, exceeding the limit of 25 per cent, and overall expenditure incurred was in excess of 10 per cent of contract value as shown in **Table 2.2.8**.

Table 2.2.8: Details of works showing variations in execution of items of works

(₹ in Crore)

Name of road	No. of items of works with variations	Range of variation (%)	AA	Contract value	Amount of Supplementary Schedule
Sakti-Barpali	09	60 to 698	22.01	15.21	1.85
Sakti-Pota-Faguram-Kharsiya	03	231 to 1172	25.91	24.23	2.18
Total	12				4.03

(Source: Information compiled by Audit)

In respect of Sakti-Barpali Road, nine items were executed in excess (60-698 per cent) of 25 per cent of estimate, and the overall cost was also more than 10 per cent of contract amount. In respect of Sakti-Pota-Faguram-Kharsiya Road, three items were executed in excess (231-1172 per cent) over and above 25 per cent of estimate, but the overall cost did not exceed 10 per cent of contract amount. The excess quantities of works were to be executed only after obtaining the approval of authority competent to accord technical sanction. However, it was observed that proposal for approval was submitted after completion of both the works, which was not in order.

Government stated (November 2020) that the works were executed on the basis of verbal instruction of higher authority in anticipation of post facto sanction, and sanction is under process.

Reply is not acceptable as the works in excess of the prescribed quantity and execution of new items should have been executed only after obtaining approval from the competent authority.

2.2.8.3 (vi) Injudicious grant of Time Extension under non-penal clause

Under the provisions of contract for ADB projects, if a contractor fails to comply with the scheduled time of completion, he will be liable to pay delay damages @ 0.05 per cent of contract price per day, limited to 10 per cent of the final contract price.

The stipulated time for completion of road projects was inclusive of rainy season. However, in four²¹ out of seven test checked packages of ADB projects, 63 days of rainy season in each package were considered for Extension of Time (EoT) under non-penal clause. Apart from this, in three packages EoT of 60 to 98 days on account of increase in executed quantity/extra items, and an additional 30 to 54 days were considered for EoT under non-penal clause as change of scope. Thus, there were double consideration of 30 to 54 days under non-penal clause which unduly benefited the contractors.

²¹ Package 8,11,12 and 14.

In Package-2, delayed commencement of the bridge work (98 days) attributable to the contractor was considered under non-penal clause. Further, there was a delay of 103 days on the part of the department in providing the drawing of retaining wall and delay of 166 days on the part of the contractor in submission of working drawing. The employer considered EoT of 166 days in lieu of 103 days under non-penal clause. Thus, total inadmissible period of 161 days²², were injudiciously considered under non-penal clause.

Similarly, in respect of works under CGRDCL, the stipulated period provided for completion of work included rainy season. Audit, however, observed that in five out of eight test checked works, 122-181 days of rainy season were considered for EoT under non-penal clause.

Injudicious grant of EoT under non-penal clause led to extension of undue financial benefit to the contractor of ₹ 54.39 crore (**Appendix 2.2.4**) by the Government.

Government stated that the final payment certificate of Packages were yet to be processed. The EoT and delay damages as determined by Engineer will be reviewed and penalty if any, shall be imposed accordingly.

2.2.9 Monitoring, Maintenance, and Road Safety Audit

2.2.9.1 Non-maintenance of Renewal Diagram

Para 2.047 of Works Department Manual stipulates that a Renewal Diagram should be maintained for each road in a Sub-Division and Division, and these diagrams will be considered to determine how many kilometers should be renewed during the ensuing financial year. Further, as per para 2.048 of the manual, a Programme Diagram in the same form as the renewal diagram should be maintained by each EE to show the programme of collection of road data and renewal of roads for the current financial year, and the progress made thereon.

In 15 selected Divisions, the Department incurred an expenditure of ₹ 765.66 crore between 2014-15 and 2018-19 on the maintenance, renewal, and repair work of all categories of roads viz. SHs, MDRs, Village roads, and others. However, no renewal diagram or programme diagram was maintained in 15 test checked Divisions.

Government stated in the exit conference that road data was being prepared and instructions would be issued for taking up maintenance of roads as per the renewal diagram.

2.2.9.2 Non-preparation of Maintenance Manual of roads

The contract clause in ADB projects stipulates that prior to commencement of the tests on completion, the contractor shall submit to Engineer the “as-built” documents and operation and maintenance manuals in accordance with the specifications and in sufficient detail for the Employer to operate, maintain, dismantle, reassemble, adjust and

²² Delayed commencement of the bridge work (98 days) + (166-103=63 days).

repair that part of the works. It was observed that in respect of 18 completed works upto November 2019, the contractors had not submitted the maintenance manual.

It was further noticed that in the contracts executed by PWD and CGRDCL, the defect liability period for maintenance of roads was provided as three and four years respectively. However, in 18 works executed by ADB, only 365 days were provided as defects liability period.

Government stated that non-submission of manual is noted for future compliance although the road was maintained by contractor. Four years defect liability period has been provided in on-going third ADB loan project and shall be proposed in future projects also.

2.2.9.3 Roads under defects liability period

In the work of the widening of road Barsoor-Geedam-Dantewada-Kirandul-Jagargunda (PWD, Dantewada) planned under LWE Scheme, work order was issued in June 2011 at contract price of ₹ 100.58 crore with completion period of 36 months including rainy season. The work was completed in July 2019.

Division proposed (December 2018) the maintenance of road in year 2019-20 for stretches 4, 5, 6, 7, 12, 13, 14 and 15, totaling eight km on the grounds of damages caused to bituminous surface during the past five years. The renewal work was proposed to be carried out from the State budget although the work was under defect liability period and therefore, was to be maintained by the contractor.

Proposing maintenance work and requesting the funds from the Government during defect liability period before completion and handing over of work to Government was irregular.

Government stated in the exit conference that some portion of the road stretches were completed well before completion of balance portion. Since the old portion required maintenance, the same was repaired by Government budget. It was further stated that provision for issue of partial completion certificate would be considered in future.

Reply is not acceptable as the work was under the defect liability period, therefore the maintenance of road was the responsibility of the contractor.

2.2.9.4 Non-maintenance of basic records

CPWA Code states that Works Abstract should be prepared in the divisional office. It should be posted day by day from the Cash book, and the connected bills of contractors and suppliers. The code also stipulates that all the works abstract of a month, when finally completed in all respects, should be examined by the Divisional Officer. Similarly, CPWA Code states that a personal account should be opened in the ledger for every contractor (Contractors ledger), whether or not a formal contract has been entered into with him, unless the work or supply entrusted to him is not important. Form CPWA 43 is a separate folio reserved for all the transactions with each contractor for whom a personal account is maintained.

Audit observed that the Works Abstract and Contractors Ledger were not maintained during 2014-19 in any of the 15 test-checked Divisions. In the absence of these important records, it was very difficult to calculate the liability of Contractors, if any and status of works. Thus, the divisional officers failed to perform one of the major duties assigned to them.

Government stated that at present as all these records (contractor ledger, work abstract etc.) are well maintained in e-works software and can be downloaded any time for reference, hence there is no need to maintain these records manually.

Reply is not acceptable as no such report was available on e-works software and no document or evidence was provided in support of the reply.

2.2.9.5 Road Safety Audit (RSA)

According to “IRC: SP: 88: 2010-Manual on Road Safety Audit”, the Road Safety Audit (RSA) is to be carried out by specialists independently other than the agency involved in design process to take a fresh look at the project without the distraction of having been involved in design. Designers and clients need to consider audit recommendations objectively as brought out from the audit outcome.

2.2.9.5 (i) Road safety audit was not conducted by independent agency

The Supreme Court of India (SC) has also issued directions (November 2017) to the State Governments to carry out RSA at design, construction and operation stages of roads by auditors accredited by National Road Safety Audit Board or the Auditors trained by the State Government.

Audit observed that the CGRDCL and PD, ADB had planned to construct 22 and 18 roads during 2014-19 respectively. The RSA of these roads was conducted by supervision consultants, who were also engaged in designing the same roads. Thus, the RSA from independent auditor was not ensured by both the agencies.

Government stated that in respect of CGRDCL, the design submitted by the contractor for construction was approved by ‘safety consultant’ during the design period prior to approval of project management consultant and proof consultant. In respect of ADB the observations of Audit were noted for future compliance.

2.2.9.5 (ii) Non-achievement of target as fixed in Road Safety Action Plan

To reduce fatalities from road accidents, a road safety action plan was prepared (2016) by the GoCG. As per the action plan, the PWD was to conduct a road safety audit of all roads once a year, and prepare yearly audit report for each District roads.

- Audit observed that the Department selected 53 road works only out of 675 works related to SHs and MDRs upto 2018-19 for RSA. Out of these, RSA of 26 road works of CGRDCL, 14 works of ADB, and only eight works of PWD divisions were conducted. The RSA for the remaining road works were not planned by the department.

- Audit further observed that in 15 selected divisions of PWD, RSA of only eight works was conducted during the period 2014-19.

Government stated that the department took initiative for road safety audit, and accordingly the RSA were conducted. In future RSA would be conducted as per the requirement.

2.2.9.5(iii) Non-compliance of instructions of road safety audit report

Test check of records of PD, ADB, Raipur revealed that road safety audit of “Rehabilitation and Upgradation of Nandghat-Bhatapara-Baloda Bazar Road (SH-10)” was conducted during preparation of DPR (June 2012). The measures proposed in DPR and RSA were not considered in preparation of estimates and during construction of road as given below:

- Noise barriers and rumble strips was to be provided near the 11 schools, and five hospitals situated along the road. However, the provision for the same was not included in the detailed estimate, and in the technical sanction.
- Provision for construction of 24 bus shelters near 24 villages, was not included in the detailed estimates.

Government stated that items provided in the BOQ covered almost all major recommendations of the RSA as per site requirement and was executed accordingly. However, some minor items were not included in the estimate to remain within the budgetary cost, in spite of this intended outcome of road safety has been achieved considerably.

Reply is not acceptable as all the measures suggested by RSA should have been implemented in the interest of road safety.

2.2.10 Joint Physical Inspection of roads

Joint Physical Inspection (JPI) of 15 roads (**Appendix 2.2.5**) was conducted by Audit with the departmental officials. It was found that in four roads, the shoulder was damaged in many patches. In five roads, no sign boards were found in prominent places like schools, curves, etc. Further, in three roads, stone pitching work was not found done in many patches where canal was running alongside the road. In four roads, crash beam barriers as a safety measure on culverts were not found. It was also observed that other safety measures like road marking, putting milestones, fixing speed limit sign boards etc. were not seen as per the requirements. However, the riding surface and road furniture of two²³ roads were found in good condition.

2.2.11 Conclusion

The overall length of road network in the State increased by 857 km during the period 2014-19. Government of Chhattisgarh has upgraded 3,820 km of State highways and

²³ Komakhan - Narra- Khatti (PWD Mahasamund) and Bhanpuri- Mundagaon- Narayanpal (PWD Jagdalpur II)

major district roads (MDR) by construction, strengthening, widening and renewal during the period 2015-19. Although the Government outlined a PWD Road Policy of Chhattisgarh in 2002, it was not adopted as of the date of audit. The department lacked a transparent system of prioritization of roads for selection, funding and execution by various executing agencies. In the absence of a road database and non-establishment of Road Management System, comprehensive planning for under taking road works was yet to be established. Road works were awarded without prior clearance of the forest department and without obtaining permissions from required agencies in some cases. There were instances of misclassification of funds, and inclusion of works in the budget without obtaining administrative approval, irregularities in sanction of variation and grant of time extension. Deficiencies in the preparation of estimates, non-compliance with Indian Road Congress specifications and instances of undue favour to contractors were also noticed. Road Safety Audit was not got conducted by an Independent agency.

2.2.12 Recommendations

- *Government needs to take expeditious measures for adoption and implementation of the Road Policy scrupulously.*
- *Government should ensure a transparent system of prioritization of roads for selection, funding and execution of road works by the different agencies for optimum utilization of available resources.*
- *Government should maintain a database of roads as a part of a comprehensive road management system.*
- *Department needs to reduce the time gap between sanction and award of work by avoiding delays in preparation of estimates, obtaining approval, and tendering.*
- *Department should ensure that the works are executed as per standard specifications, in a timely and efficient manner.*
- *Road Safety Audit should be conducted by an independent body, and its recommendations implemented.*

WOMEN AND CHILD DEVELOPMENT DEPARTMENT

2.3 Integrated Child Development Services

2.3.1 Introduction

Integrated Child Development Services (ICDS), a Centrally Sponsored Scheme was launched in 1975. The scheme aimed at providing a package of services in an integrated manner to pre-school children, expectant and nursing mothers with a view to improving the nutritional and health status of children in the age group of 0-6 years and enhancing the capability of the mother for looking after the normal health and nutritional needs of the child through proper nutrition as well as health education. The package of services provided in the scheme *inter-alia* comprised (i) Supplementary Nutrition Programme (SNP) (ii) Immunisation, (iii) Health Check-up (iv) Referral Services, (v) Non-formal Pre-school Education (PSE) and (vi) Nutrition and Health Education. Three out of the six services *viz.*, Supplementary Nutrition, Pre-school Education, Nutrition and Health Education are delivered in an integrated manner through the Anganwadi Workers (AWWs) at Anganwadi Centres at village level. The other three services *viz.* Immunisation, Health Check-up and Referral services are delivered through ASHA (Accredited Social Health Activists (ASHAs)/ANM (Auxiliary Nurse Midwives) of Public Health System. With effect from November 2017, ICDS scheme has been renamed as Anganwadi services and is functioning as a sub-scheme under the Umbrella ICDS scheme.

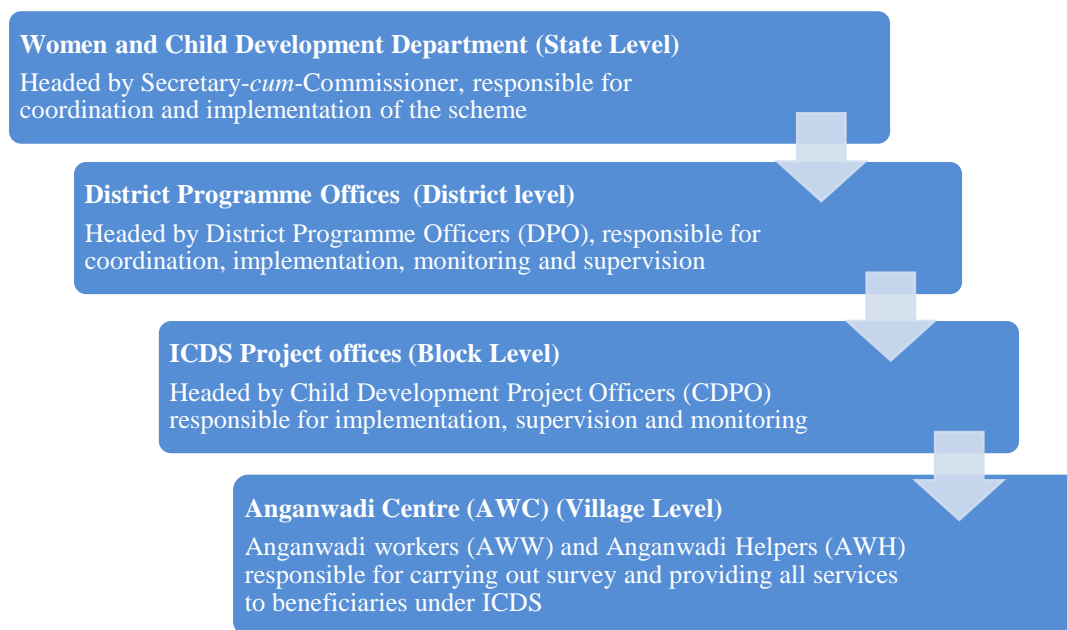
2.3.2 Objectives of the Scheme

The main objectives of the ICDS scheme are to improve nutritional and health status of the children up to 6 years, lay down the foundation for proper psychological, physical and social development of the child, reduce incidence of mortality, morbidity and malnutrition, enhance capacity of mothers to look after normal health and nutritional needs of their children, and achieve effective coordination among various departments to promote child development.

The achievement of these objectives was to be monitored through improvement in levels of Infant Mortality Rate, Maternal Mortality Rate and malnourishment status.

2.3.3 Organisational Setup

The Women and Child Development (WCD) Department of the Government of Chhattisgarh (GoCG) is responsible for implementation of ICDS Scheme in the State. Organogram of the Department for implementation of the scheme is given in **Chart 2.3.1**.

Chart 2.3.1: Organogram for implementation of ICDS Scheme in the State

2.3.4 Audit Objectives

Performance audit of ICDS scheme was carried out with the objective of assessing whether:

- planning for implementation of the scheme was oriented towards achievement of the scheme objectives;
- financial management was economical, efficient and effective;
- delivery of services at AWCs through AWWs were efficient and effective;
- availability of adequate infrastructure facilities and human resources was ensured;
- system for monitoring and evaluation of the programme was in place and effective.

2.3.5 Audit Scope and Methodology

Performance Audit of ICDS scheme was conducted from October 2018 to February 2019 and covered the period 2014-2019. Audit methodology involved test check of records of the Directorate, WCD Department, District Programme Offices (DPOs), Child Development Project Offices (CDPOs), and Anganwadi centres (AWCs). Out of 27 DPOs, eight DPOs were selected through Stratified Random Sampling without Replacement method. In each of the selected Districts, three CDPOs (total 24 CDPOs) and in each selected Project Office, 10 AWCs (total 240 AWCs) were selected through Simple Random Sampling method (detailed in **Appendix 2.3.1**). Audit methodology also included an analysis of data/information provided by the department, issue of questionnaires, and joint physical verification of selected AWCs along with the ICDS functionaries' i.e. CDPOs/Supervisors/AWWs. Photographic evidence was obtained wherever necessary, to substantiate audit findings.

An entry conference was held in January 2019 with the WCD Department, Government of Chhattisgarh (GoCG), wherein audit objectives, audit criteria, scope, and methodology of the Performance Audit were discussed. An exit conference was held with Secretary, WCD Department in October 2019, and the replies/views of the Government have been suitably included in the report.

2.3.6 Audit Criteria

Audit findings were benchmarked against the criteria sourced from the following:

- Scheme guidelines, circulars, and instructions issued by GoI and GoCG;
- National/State Food Security Act, 2013 (NFSA) and Rules made there under;
- Prescribed monitoring and evaluation mechanism of GoI and GoCG.

Audit Findings

2.3.7 Planning

2.3.7.1 Rationalisation of AWCs

Union Ministry of Women and Child Development directed (October 2016) the State Government to rationalize the requirement of ICDS Projects and AWCs on the basis of population norms, number of children actually attending the AWCs, availability of AWCs at habitation level and possibility of clubbing/relocating/surrendering the AWCs.

In order to assess the additional requirement of AWCs in the State as per population norms, proposals were called for (June 2017) from the districts and based on these proposals, shortfall of 24,318 AWCs/mini AWCs in 17 districts and excess of 4,178 AWCs in 10 districts was identified against the total 52,474 AWCs/mini AWCs sanctioned for the State. There was an overall shortfall of 20,140 AWCs in the State, which would result in inadequate coverage of children and pregnant and lactating women as discussed in **paragraph 2.3.9.1**. However, the process of rationalization of AWCs by clubbing/relocating/surrendering is yet to be completed by the State Government.

During the Exit conference, Government stated that rationalisation of AWCs would be done by their relocation as per future requirement.

2.3.8 Financial management

2.3.8.1 Financial Outlay and Expenditure

ICDS is a centrally sponsored scheme funded on cost sharing basis between Government of India (GoI), and State Government. Funds are allocated for implementation of the scheme under two components:

- (i) ICDS (General), for meeting operational costs under which, cost is shared between GoI and State Government in the ratio of 60:40 (90:10 upto 2014-15); and
- (ii) ICDS (Supplementary Nutrition Programme) under which, cost is shared in 50:50 ratio between GoI and State Government.

The details of funds released and expenditure incurred during 2014-19 are given in **Table 2.3.1**.

ICDS (General)

Table 2.3.1: Details of funds released and expenditure incurred under ICDS (General)

(₹ in crore)

Year	Funds approved as per APIP			Funds Released			Expenditure incurred			Excess/ Savings
	Central Share	State share	Total	Central Share	State share	Total	Central Share	State share	Total	
2014-15	617.90	68.66	686.56	347.65	43.17	390.82	349.64	43.17	392.81	(+) 1.99
2015-16	215.76	143.84	359.60	161.88	153.21	315.09	229.82	153.21	383.03	(+) 67.94
2016-17	223.44	148.96	372.40	169.21	153.72	322.93	230.57	153.72	384.29	(+)61.36
2017-18	255.00	179.80	434.79	283.45	156.48	439.93	234.73	156.48	391.21	(-)48.72
2018-19	239.43	257.42	496.85	287.36	229.74	517.10	231.70	229.74	461.44	(-) 55.66
Total	1551.53	798.68	2350.20	1249.55	736.32	1985.87	1276.46	736.32	2012.78	(+) 26.91

(Source: Statements of Expenditure of Department, and compiled by audit)

During the year 2014-19, total funds of ₹ 2,350.20 crore comprising Central share of ₹ 1,551.53 crore and State share of ₹ 798.68 crore have been approved in the Annual Programme Implementation Plans (APIP). There was short receipt of Central and State share by ₹ 301.98 crore and ₹ 62.36 crore respectively during the period 2014-19 against the approved APIP. Further, excess expenditure of ₹ 26.91 crore have been incurred against the funds released by the GoI as Central share, which needs to be regularized by obtaining funds.

Government accepted (June 2019) the audit observation and stated that grants have been obtained for excess expenditure under ICDS (General), and the funds have been received from the GoI.

ICDS (SNP)

Table 2.3.2: Details of funds released and expenditure incurred under ICDS (SNP)

(₹ in crore)

Year	Funds approved as per APIP			Funds Released			Expenditure incurred			(+)/Excess/ (-) Savings (percentage)
	Central Share	State share	Total	Central Share	State share	Total	Central Share	State share	Total	
2014-15	230.00	230.00	460.00	113.02	225.00	338.02	213.54	213.54	427.08	(+) 89.06 (26)
2015-16	151.03	151.03	302.06	328.80	225.00	553.80	210.54	210.54	421.08	(-) 132.72 (24)
2016-17	199.92	199.92	399.84	224.62	225.00	449.62	202.21	202.21	404.42	(-) 45.20 (10)
2017-18	227.00	227.00	454.00	227.00	224.95	451.95	198.80	198.80	397.60	(-) 54.35 (12)
2018-19	271.00	271.00	542.00	242.80	202.53	445.33	242.80	202.53	445.33	0.00
Total	1078.95	1078.95	2157.90	1136.24	1102.48	2238.72	1067.89	1027.62	2095.51	(-) 143.21

(Source: Statements of Expenditure of Department and compiled by audit)

It can be seen from the above table that against the total funds of ₹ 2,238.72 crore released during 2014-19, expenditure of ₹ 2,095.51 crore was incurred with overall saving of ₹ 143.21 crore. There was savings to the tune of 10 to 24 per cent during 2015-18 while excess expenditure (26 per cent) was incurred during 2014-2015 against the funds released.

Government stated (June 2019) that budget was based on estimation, and savings were low and that, expenditure was incurred on actual basis.

2.3.8.2 Non Submission of Utilisation Certificates by AWWs

As per standing instructions issued (September 2009) by Directorate, WCD, the compiled Utilization certificates (UCs) of the actual expenditure incurred by the AWWs were to be obtained quarterly by the CDPOs through Supervisors. Under ICDS scheme, flexi fund of ₹ 1000 and contingency fund of ₹ 500 was provided per annum to each AWC and mini AWC to meet operational exigencies, and day to day expenditure.

Test check of records of 24 selected projects revealed that in 23 projects, during the period 2014-19, an amount of ₹ 3.06 crore as Flexi and Contingency Fund were paid to the AWWs, but their UCs were not obtained by the CDPOs.

Thus, the system of reporting the actual expenditure incurred was not adhered to by the field level functionaries i.e. AWWs, in the absence of which, it could not be ascertained that the funds were utilised for the designated purposes.

Government accepted the audit observation and stated (October 2019) that CDPOs were responsible for obtaining UCs.

2.3.9 Supplementary Nutrition Programme (SNP)

Supplementary Nutrition Programme (SNP) is one of the crucial components of ICDS scheme. The objective of SNP is to bridge the protein-energy gap between the recommended dietary allowance, and average dietary intake of children, pregnant women, and lactating mothers. Every beneficiary under the programme is to be provided with supplementary nutrition for 300 days in a year. As per the SNP guidelines, all children in the age group of six months to six years of age, pregnant women, and lactating mothers are to be provided Supplementary Nutrition (SN). Audit scrutiny revealed the following deficiencies in implementation of SNP.

2.3.9.1 Coverage of beneficiaries under SNP

2.3.9.1 (i) Coverage of children in age group 0-6 years

As per Census 2011, the total number of children in the age group of 0-6 years in the State was 36.62 lakh (14.3 per cent share of total population). The details of total number of children who were surveyed and actually benefitted during the five-year period 2014-19 are shown in **Table 2.3.3**.

Table 2.3.3: Status of surveyed and benefitted children

(figures in lakh)

Year	Total surveyed children	Actual beneficiaries	Shortfall in No. of beneficiaries vis-à-vis surveyed (per cent)
2014-15	28.94	23.09	5.85 (20)
2015-16	27.86	23.45	4.41 (16)
2016-17	28.09	22.65	5.44(19)
2017-18	26.64	19.33	7.31 (27)
2018-19	23.89	16.18	7.71 (32)

(Source: MPR/information provided by Directorate and compiled by Audit)

From the above it is evident that the surveyed children decreased from 28.94 lakh to 23.89 lakh, and actual beneficiaries decreased from 23.09 lakh to 16.18 lakh during the five-year period 2014-19. The percentage of surveyed children to whom the benefit of ICDS scheme could not be extended, ranged from 16 *per cent* in 2015-16 to 32 *per cent* in 2018-19. This percentage ranged between five and 78 in the eight test checked districts during 2014-19. The main reasons for shortfall in surveyed and benefitted children were reluctance of parents due to distance of AWC from their habitation, poor infrastructure/facility in Anganwadis and opening of private nursery schools.

2.3.9.1 (ii) Coverage of Pregnant and lactating women

The details of surveyed and actually benefitted pregnant and lactating women (PW/LW) under SNP during 2014-19 indicated a declining trend as can be seen from the **Table 2.3.4**.

Table 2.3.4: Status of surveyed and benefitted PW/LW

(figures in lakh)

Year	Total surveyed	Total No of beneficiaries	Shortfall in No. of beneficiaries vis-à-vis surveyed (<i>per cent</i>)
2014-15	5.70	4.97	0.73 (13)
2015-16	5.54	5.03	0.51 (09)
2016-17	5.23	4.56	0.67 (13)
2017-18	5.09	4.01	1.08 (21)
2018-19	4.57	3.75	0.82 (18)

(Source: Information provided by Directorate and compiled by Audit)

During 2014-19, the surveyed PW/LW by the AWCs had decreased from 5.70 lakh to 4.57 lakh, while number of beneficiaries decreased from 4.97 lakh to 3.75 lakh. As such, nine to 21 *per cent* of the surveyed PW/LW were not provided supplementary nutrition during this period. The main reason for shortfall in surveyed and benefitted women was reluctance of women towards availing the services of ICDS due to distance of AWCs from their habitations.

The declining number of children and pregnant and lactating women surveyed and benefitted is indicative of deficient implementation of the scheme and inadequate coverage of targeted beneficiaries. The shortfall in number of AWCs would also result in less coverage of children and pregnant and lactating women under the scheme. Government should have explored various options and taken adequate measures to reach out to the intended beneficiaries in all the habitations.

Government accepted the audit observations relating to inadequate coverage of children and women and stated that it was due to difficult geographical conditions, scattered population, opening of private schools, and reluctance of parents. It was further stated that shortfall would be analysed and corrective action would be taken.

2.3.9.2 Non-distribution of Supplementary Nutrition

ICDS guidelines provide for distribution of supplementary nutrition to the beneficiaries for 300 days in a year. Supplementary Nutrition (SN) includes morning snacks followed by hot cooked meal/take home rations in the form of Ready to Eat (RTE) food. To ensure continuity in distribution of SN, State Government had engaged Self Help Groups (SHGs)/Non-Governmental Organisations (NGOs) for supply of RTE to AWCs for 300 days and at least 25 days in a month.

National Food Security Act (NFSA), 2013 and Supplementary Nutrition Rules, 2017 provide that in case of non-supply of food grains or meal to the beneficiaries, the State Government should pay Food Security Allowance (FSA) to such beneficiaries at the prescribed rates.

Audit noted that the reporting format for the project-wise monthly progress report for SNP provided details for distribution of SN for ‘less than 21 days’ and ‘more than 21 days’. As a result, the status of distribution of SN by AWCs for at least 25 days in a month could not be ascertained in audit. During the period 2014-19, distribution of SN in AWCs as available in the monthly progress report of March of the year for the State is detailed in **Table 2.3.5**.

Table 2.3.5: Status of distribution of supplementary nutrition in the State

In the month of March	No of reporting AWCs	No of AWCs that distributed supplementary nutrition for more than 21 days	No of AWCs that distributed supplementary nutrition for less than 21 days
2015	43519	43197	322
2016	43533	43244	289
2017	43570	43532	38
2018	48112	46081	2031
2019	41845	41670	175

(Source: MPRs of March in each year provided by Directorate and compiled by audit)

As can be seen from the above table, the number of AWCs that distributed supplementary nutrition for less than 21 days in the month of March during the period 2015-19 ranged between 38 in 2017 (0.08 *per cent*) and 2031 in 2018 (4.41 *per cent*). In the eight test checked districts, 2,076 AWCs (77.85 *per cent*) in Bilaspur (March 2015), 907 AWCs (49.05 *per cent*) in Bastar (March 2015) and 792 AWCs in Raipur (March 2018) provided SN to beneficiaries for less than 21 days as detailed in **Appendix 2.3.2**. However, in two test-checked districts (Jashpur and Raigarh), all the AWCs distributed SN for more than 21 days during 2014-15 to 2018-19.

Audit further noted that 76 out of 240 test-checked AWCs did not distribute SN for at least 25 days in 16 to 31 months during 2014-19. The main reasons of non-distribution of supplementary nutrition were delayed supply of food items/RTE by the SHGs and absence of AWWs. Moreover, no FSA was paid as compensation to the beneficiaries in lieu of non-distribution of supplementary nutrition for the prescribed number of days.

Government stated in exit meeting that distribution of FSA would not serve the objectives of ICDS and a robust mechanism has now been instituted for distribution of SN which includes reporting distribution of RTE for 25 days.

Reply of the Government that the distribution of FSA would not serve the objectives of ICDS is contrary to the NFSA provisions of providing FSA in cases where food grains or meals could not be supplied. Also, no action was taken against concerned SHGs/officials who failed to ensure provision of supplementary nutrition and payment of food security allowance as per norms. The Department needs to fix accountability on the officials responsible for failure in providing SN to beneficiaries.

2.3.9.3 Inadequate nutrition in RTE due to allowing tolerance limit

National Food Security Act, 2013 provides the nutritional standards of food to be provided to beneficiaries, and to conform to the nutritional values mentioned in Schedule II of the Act. As per instructions (April 2013) of the State Government regarding distribution of RTE, each 100 gm of RTE should contain a minimum of 11.21 gm protein and 381 calories energy as nutritional value. Accordingly, the quantity is decided for distribution/supply of RTE packets to various categories of beneficiaries.

Scrutiny of records revealed that the Department allowed (September 2015) a tolerance limit of 5 *per cent* in the nutritional content in RTE and accordingly 100 gm of RTE containing 10.65 gm of protein, and 362 calories was considered as standard.

During a scrutiny of the analysis reports of RTE food, audit noticed that out of 127 reports, protein content in 14 reports were found below the allowed tolerance limit of 10.65 gm, while in 95 reports, it was less than 11.21 gm. Thus, adherence to norms of nutritional values contained in RTE was not ensured, which resulted in provision of inadequate nutrition/below standard quality of RTE to the beneficiaries.

Government stated (June 2019) that tolerance limit in RTE did not mean that calorific and protein content was only negative and it might be positive also.

The reply is not acceptable as allowing negative tolerance limit in calories and proteins had compromised the nutritional value of the food as per the standard prescribed under the NFS Act, 2013.

2.3.9.4 Lack of effective quality control on supply of RTE to the beneficiaries

RTE containing wheat, gram, soyabean, groundnut and sugar as main ingredients was to be prepared in a powdered form by the SHGs. Directorate, WCD instructed (August 2009) that samples of RTE of 20 *per cent* SHGs were to be sent for testing by the DPOs every month. In the absence of laboratory in the State, the samples were required to be sent to the five authorized laboratories situated outside the State. The cost of sample analysis was fixed (October 2016) @ ₹ 315 per sample, which was to be shared between the SHG and the Department.

As per revised instructions (October 2016), samples of all the SHGs were to be sent every month. The labs were required to provide test results within 15 days of the receipt of samples. It is pertinent to mention that the expiry period of the RTE was three months.

As per the provisions of NFSA Act 2013, and Rules there under, the State Government should ensure the quality of supplementary nutrition, and DPOs are primarily responsible to ensure that meals meet the nutritional standards and quality. Analysis of samples sent to Laboratories indicated that some test reports of samples were found to be substandard. Details are given in **Table 2.3.6**.

Table 2.3.6: Details of samples sent and results of test reports of RTE

Year	No. of SHGs	No. of samples to be sent	No of samples sent by DPO	Non receipt of test reports	No of samples not as per standards
2014-15	617	1415	1353	862	72
2015-16	620	1388	1177	398	121
2016-17	655	3639	4184	1381	45
2017-18	656	7956	6603	1908	20
2018-19	659	6608	6463	3337	131
Total	3207	21006	19780	7886	389

(Source: Information provided by DPOs and compiled by the audit)

Audit scrutiny of records in the test checked districts in this regard revealed the following:

- **There were delays ranging from one to eight months in sending the samples for testing by the DPOs, whereas the expiry period of RTE itself was three months.**
- **The number of samples sent for testing during 2014-19 was below the number of samples required. Test reports of 7,886 samples (40 per cent) were not yet received as of March 2019.**
- 389 samples did not conform to the standards. Protein content was found lower at 9.70 gm (13 per cent less) against the norm of 11.21 gm per 100 gm of RTE, indicating distribution of sub-standard RTE with inadequate nutritional value to the beneficiaries. Though penalty was levied on the SHGs, the objective of providing desired level of nutritional values could not be achieved.

Thus, the Government failed to ensure that the quality of nutrition provided to the beneficiaries was of required standard, which may adversely affect the health of children and pregnant and lactating women and hamper the fulfilment of their nutritional requirements. Further, it had not taken any concrete actions to rectify the recurring deficiencies and deviations in testing of samples.

While accepting the audit observation, Government stated that lab for testing the samples of RTE would be established in the State.

2.3.9.5 Supply of milk without ensuring the quality and nutritional values

Mukhyamantri Amrit Doodh Yojana was launched (April 2016) by WCD, GoCG for providing 100 ml sweetened flavoured milk once a week to the children in the age group of 3 to 6 years at the AWCs. The agency supplying the milk was Chhattisgarh

Co-operative Milk Federation. Guidelines provide for the following nutritional norms for each 100 ml of milk:

Table 2.3.7: Nutritional norms for the milk

Nutrient	Value	Nutrient	Value
Protein	3 gm	Energy	97 Kcal
Fat	3 per cent	Carbohydrates	14 gm
Solid-Not-Fat (SNF)	8.5 per cent	Added Sugar	10 gm

The Supplier agency had to submit the analysis reports on above parameters of the processing and packaging plant with every monthly bill. Also, a District committee formed by the Collector with DPO as Member Secretary, and officers from other Departments were required to visit at least five AWCs every month to examine the quality of milk, and report to the Collector quarterly. Examination of the samples was also to be conducted at the District or State level through authorised laboratories on random basis.

Scrutiny of records in the test checked districts revealed that the nutritional values contained in milk *viz.* protein, energy and carbohydrates were not being analysed by the Supplier. Independent examination of samples on random basis at State or District levels through authorized laboratory was also not conducted. Further, Audit did not find any details regarding visits to AWCs and examination of quality of the milk by the district committee. In the absence of testing of samples by the Supplier, and the examination by designated committee, nutritional values in milk provided to the children could not be ascertained in Audit.

Government accepted the audit observation (October 2019) and stated that testing of the milk samples is now being done as per the provisions.

2.3.9.6 Non-monitoring of nutritional status of children

As the objective of ICDS scheme is to improve nutritional and health status of the children in the age group of 0-6 years, GoI adopted (August 2008) the WHO Child growth standards for monitoring the growth of children.

Audit scrutiny revealed that the Department was monitoring the nutritional status of children in the age group of 0-5 years through WHO growth chart, which is designed for children up to five years. The nutritional status of children in age group of 5 to 6 years was not being monitored as no standard was adopted/developed by the Department for these children.

During the exit conference, the State Government stated appropriate action would be taken in this regard to ensure the growth of children between 5 to 6 years of age is monitored.

2.3.9.7 Shortfall in Aadhaar authentication of beneficiaries

The Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 provides for use of Aadhaar as the identity document for delivery of services or

benefits to beneficiaries, and also aims to simplify the delivery processes to bring in transparency and efficiency.

MoWCD, GoI notification (February 2017) provides for Aadhaar based Direct Benefit Transfer (DBT) under SNP, and honorarium of AWW/AWHs at AWCs. As per instructions contained therein, the Aadhaar authentication of all beneficiaries and AWWs/AWHs was to be completed by March 2018. Accordingly, UIDAI approved (November 2017) WCD Department as UIDAI Registrar and Enrollment Agency for undertaking Aadhaar enrollment process for the beneficiaries of SNP and AWWs. Scrutiny of records revealed the following:

- In Chhattisgarh, Aadhaar linking of only 43 *per cent* children and 97 *per cent* of pregnant and lactating women was done as of December 2019. Further, test check of enrollment and attendance registers of selected 240 AWCs revealed that out of 11,085 enrolled children in these AWCs, 9,562 children (86 *per cent*) were attending the AWCs, and Aadhaar linking of only 5,844 children (61 *per cent*) was completed by the Department as of February 2020. Similarly, out of total enrolled 2,645 pregnant and lactating women, 2,491 (94 *per cent*) pregnant women and lactating women were availing services of AWCs and Aadhaar linking of 1,956 (79 *per cent*) was completed as of February 2020.
- GoI had sanctioned (December 2017) ₹ 9.90 crore for procurement of Aadhaar Enrollment Kits²⁴, and released its share of ₹ 5.94 crore. The Aadhaar Enrollment kits were, however, not procured, and the central share of ₹ 5.94 crore remained unutilized because sanction of GOCG for procurement of enrolment kit was awaited as of February 2020.

Aadhaar authentication for all the beneficiaries, particularly children, could not be completed by the target date due to non-procurement of Aadhaar kits by the Department. However, Aadhaar authentication of 98 *per cent* AWWs, and 96 *per cent* AWHs was completed by February 2020.

The implementation of DBT, and Aadhaar authentication of all the beneficiaries would have helped in tracking the delivery of the services to eligible beneficiaries in a transparent manner.

Department Stated (June 2019) that due to non-procurement of Aadhaar kits, registration could not be completed.

2.3.9.8 Status of IMR, MMR and Malnutrition in Chhattisgarh

The objective of the ICDS scheme was to reduce the incidence of mortality, and malnutrition as well as to improve the nutritional and health status of children under the age of six. The details of Infant Mortality Rate (IMR), Maternal Mortality Rate (MMR), and Under 5 Mortality Rate (U5MR) at National and State level are detailed in **Table 2.3.8**.

²⁴ one desktop computer, one laptop, one tablet along with scanner, printer, fingerprint scanner, Iris scanner and GPS device.

Table 2.3.8: Status of IMR, MMR and U5MR at National and State level

Year	IMR		MMR		U5MR	
	India	Chhattisgarh	India	Chhattisgarh	India	Chhattisgarh
2015	37	41	130	173	43	48
2016	34	39	130	173	39	49
2017	33	38	113	159	37	47
2018	32	41	113	159	36	45

(Source: Sample Registration System Bulletins, GoI)

As can be seen from the above table, during 2015-18, all three parameters - IMR, MMR and U5MR of the State were above the national indicators. While MMR and U5MR registered a declining trend in the State during the period 2015-18, IMR has increased from 38 in 2017 to 41 in 2018. The Department has not fixed any specific targets and time lines to reduce IMR, MMR, and U5MR.

Government stated (June 2019) that efforts had been made to reduce IMR, MMR, and U5MR.

2.3.10 Preschool Education/Early Childhood Care & Education

Early Childhood Care and Education (ECCE) is defined as holistic and integrated provision for children below 6 years, and refers to the informal early psycho-social stimulation for children below 3 years and planned non-formal Preschool Education (PSE) for children between 3 to 6 years. It aims at school readiness, development of cognitive processes, motor, and muscular skills of children.

2.3.10.1 Delay in implementation of ECCE curriculum

GoI guidelines (July 2014) for rolling out of annual curriculum of ECCE provided for *Gatavidhi Pustak (GP)*, and *Aaklan Patraaks (AP)* for children of age 3 to 6 years to be made available at every AWC within two months. As per the GOCG instruction (August 2001), all the government related printing and publication work would be done through Samvaad i.e. an agency of Public Relation Department, GOCG.

Audit noticed that GoCG accorded (January 2016) sanction for printing of ECCE material for ₹ 6.19 crore after a delay of one and a half years of rolling out the annual curriculum of ECCE by the GoI. The Directorate issued (September 2016) work order to *Samvaad* without any time frame for supply. The supply of books and child assessment cards was completed in April 2017.

Thus, the ECCE curriculum to be implemented from October 2014, was finally implemented with a delay of more than two years. Hence, 17.57 lakh²⁵ children in the age group of 3-6 years were deprived of the benefits of the ECCE curriculum during 2015-17.

2.3.10.2 Delay in supply of Pre-School Kit (PSE) to AWCs

PSE kits include puppets, soft toys, mirrors and props for play, pre number cards, shape cut out of fruits/vegetables/animals, pre reading/writing cards, story flash cards, building blocks and dolls etc. to educate the children through joyful learning at AWCs. The

²⁵ Actual beneficiaries (3-6 years) = 9.03 lakh in 2015-16 and 8.54 lakh in 2016-17.

approved cost norms for supply of PSE kits were ₹ 3,000 and ₹ 1,500 per annum for AWC and mini AWC respectively.

During 2015-16, Department released ₹ 14.11 crore for procurement of PSE kits for all the AWCs and mini AWCs. WCD (September 2015) decided that printing of discussion pictures, picture cards and puzzles would be done through *Samvaad* and other items of kits blocks, dolls and models of animals/vegetables were to be procured by the DPOs (District Project Officers). The printing order was placed by the Department in January 2016 and the items of PSE kits were supplied to AWCs in April 2017. Thus there was a delay of 18 months in supply of PSE kits items.

Government accepted the audit observations and stated that action would be taken to strengthen the mechanism to ensure timely procurement and distribution of appropriate PSE kits.

2.3.10.3 Non/short imposition of penalty in procurement of PSE kits

Rule 4.13 of Chhattisgarh Store Purchase Rules, 2002 provides that in the event of failure to supply within the stipulated time period, the competent authority shall impose penalty of two per cent per month.

Scrutiny of records in test checked districts for 2014-17 revealed that there was delay of one to 12 months in supply of PSE kits by 12 suppliers. However, no penalty was imposed by the DPOs, resulting in non/short-imposition of penalty of ₹ 42.70 lakh (**Appendix 2.3.3**) on suppliers. Thus, ECCE activities through the kits as envisaged could not be provided during the period of delay.

While accepting the audit observation, Government stated (June 2019) that instructions have been issued to the concerned officials in this regard.

2.3.11 Health Care and Referral Services

2.3.11.1 Procurement of Medicine kits for AWCs

As per ICDS guidelines, every AWC is to be provided a medicine kit containing basic medicines for common ailments like fever, cold, cough, worm infestation, etc. The cost (October 2012) per kit was ₹ 1,000 for AWC and ₹ 500 for mini AWC per annum, which was revised (November 2017) to ₹ 1,500 and ₹ 750 per kit in 2018-19.

Scrutiny of records revealed that Directorate issued (January 2014) work order valuing ₹ 4.70 crore to Chhattisgarh Medical Services Corporation (CGMSC) for supply of medicine kits at Project Offices by March 2014 and paid ₹ 93.36 lakh as advance. Further, the Directorate withdrew (March 2014) ₹ 3.77 crore and parked in Public Account (K-Deposits²⁶) in anticipation of payment. However, the kits were not supplied till the date of audit (October 2019) due to failure on part of CGMSC and the Directorate to resolve issues such as place of delivery, items/quantity of medicine in the kits etc.

²⁶ Fund not required for immediate disbursement may be drawn from treasury with prior approval of Finance Department, GoCG and can be kept in K-deposit account of DDOs.

Non-procurement of medicine kits during 2014-19 led to non utilisation of GoI's assistance of ₹ 17.31²⁷ crore approved in the AIPs 2014-19.

During physical verification of the sampled AWCs, audit noticed that in the absence of medicine kits, the AWWs had to utilise the flexi fund and contingency fund to meet immediate requirements of medicines during emergencies.

During the Exit conference, Government confirmed that for procurement of medicine kits, CGMSC was selected but the same could not be procured, and that, the Kits would be procured in 2019-20 in coordination with the Health department.

2.3.11.2 Referral of severely malnourished children to NRCs

During health check-up and growth monitoring, the sick and malnourished children were referred to Primary/Community Health Centre (PHC/CHC), while severely malnourished children were further referred to Nutrition Rehabilitation Centres (NRCs) in coordination with the Health Department. The nutritional status and overall health of severely malnourished children was monitored at NRCs by intensive treatment for 14 days through medication, dietary supplements and nutritional meals.

Scrutiny of records in selected districts revealed shortfall in referral and treatment of children at NRCs during 2016-19, as detailed in **Table 2.3.9**.

Table 2.3.9: Details of treatment of severely malnourished children at NRCs

Name of District	Total malnourished children	Severely malnourished children	
		Identified at CHCs/ PHCs (per cent)	Malnourished children not admitted in NRCs (per cent)
Rajnandgaon	27834	7467 (27)	5498 (74)
Bastar	97442	25562 (26)	21103 (83)
Jashpur	49781	17256 (35)	15613 (90)
Raigarh	5990	2117 (35)	503 (24)
Koriya	15047	2614 (17)	2475 (95)
Kondagaon	11677	8652 (74)	8220 (95)
Bilaspur	20919	4802 (23)	3447 (72)
Raipur	16643	7046 (42)	6351 (88)
	2,45,333	75,516	63,210 (84)

(Source: Information provided by DPOs and compiled by audit)

It is evident from the above table that in the eight test checked districts, out of the total 75,516 children identified as severely malnourished at CHCs/PHCs, only 12,306 (16 per cent) were admitted to NRC for intensive treatment during 2016-19. The shortfall in treatment of severely malnourished children at NRCs ranged from 24 to 95 per cent.

In the Exit conference, the State Government stated that the main reason was unwillingness of parents to take their children to NRCs due to distance and other reasons. It further stated that the concept of NRCs would be de-centralized to make it more effective.

²⁷GoI Assistance during 2014-19 = ₹ 4.20 crore + ₹ 2.82 crore + ₹ 3.00 crore + ₹ 3.00 crore + ₹ 4.29 crore = ₹ 17.31 crore.

2.3.11.3 Rehabilitation and treatment of Children with Special Needs

As per GoI directions (October 2012), the Department should facilitate integrated early childhood care and development services to all children with special needs (CWSN) through its AWCs. A provision of ₹ 2,000 per child has been made for various interventions viz., training and sensitization of AWWs/families for recognition of early symptoms of disability, and need for early action, providing assistive devices/special education activity/books to children, and referral of children to PHCs/NRCs etc. These were to be done in close convergence with Health, Education, and Social Welfare Departments.

Scrutiny of records revealed that Department had issued (February 2015) guidelines for identification of CWSN aged 0-6 years. However, no expenditure was incurred by the Department under these interventions despite approval of funds by the GoI in AIPs of 2014-17.

While accepting the audit observation, Government stated (June 2019) that action could not be taken as sufficient funds were not received from GoI. However, instructions would be given at all levels again in this regard.

Reply is not acceptable as children with special needs were deprived of the special care envisaged under the scheme.

2.3.12 Infrastructural arrangements

2.3.12.1 Availability of own AWC buildings

AWCs are the focal points for delivery of various services under ICDS. It was observed that the construction of all the sanctioned AWCs could not be completed despite availability of funds, as detailed below.

Audit noticed that as on October 2019, construction of 44,809 Anganwadi buildings was sanctioned, out of which, construction of 38,894 (87 *per cent*) buildings was completed and construction of 5,915 (13 *per cent*) was not completed (including 2,138 buildings not yet taken up for construction as of October 2019). Out of the 38,894 Anganwadis constructed, 37,407 buildings were utilized for functioning of the AWCs and the remaining 1,487 buildings were not being used either due to dilapidated condition or long distance of habitation from the constructed building.

As a result, the Government could not ensure that dedicated building for AWCs were available to provide quality services, and basic amenities, despite having funds (₹ 104.70 crore) for the purpose.

Government stated (October 2019) that efforts were being made to solve the issue for early completion of construction of AWCs.

2.3.12.2 Availability of basic facilities in AWCs

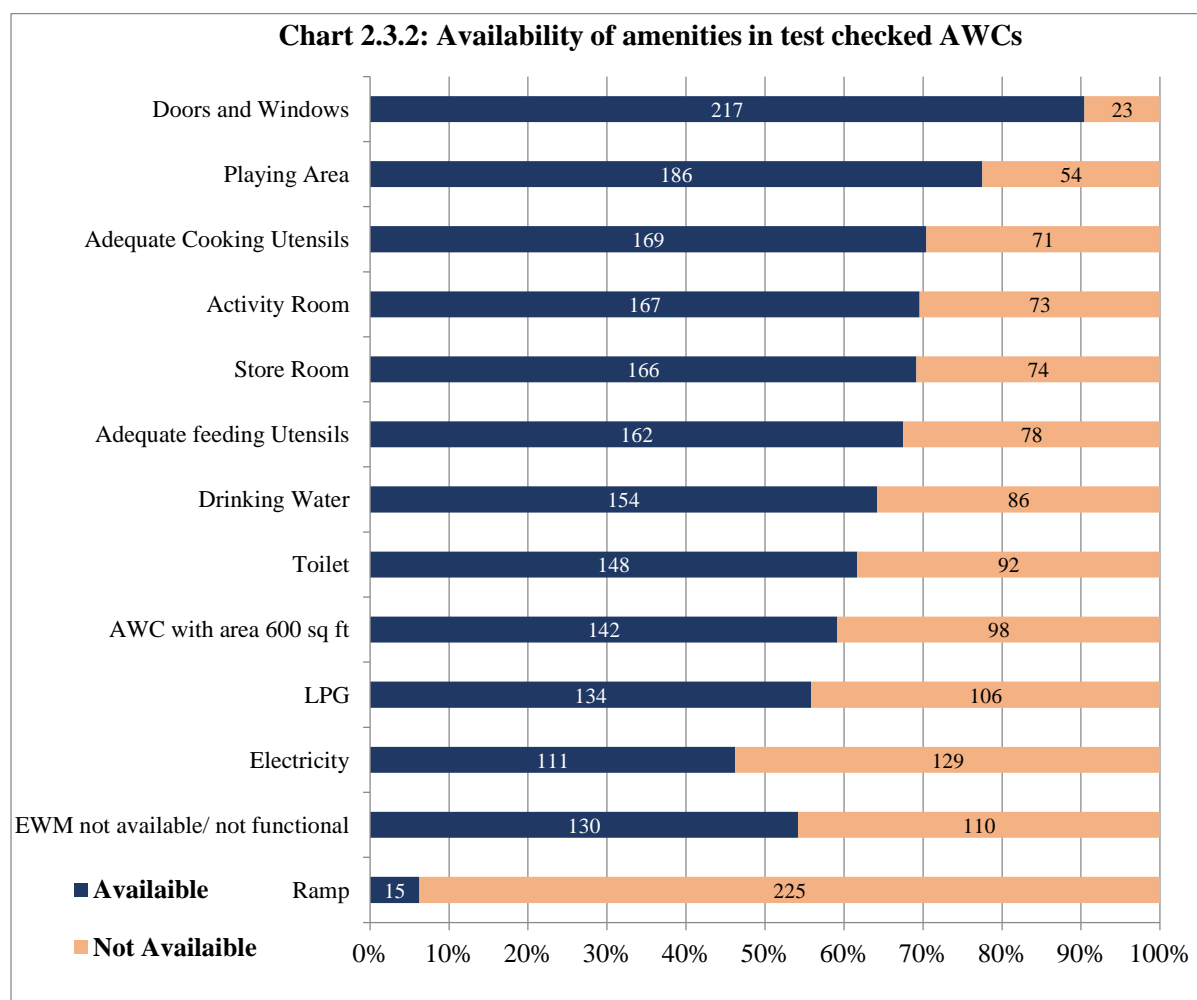
As per ICDS guidelines, the AWCs should preferably have built up space of at least 600 sq. feet with separate sitting room for children/women, separate kitchen, store room for

food items, child friendly toilets, electricity and playing area for children with all relevant infrastructure. Further, as per the provisions of NFSA 2013, every AWC should have facilities for cooking meals, drinking water and sanitation.

Audit observed that in eight test checked districts, out of 14,646 AWCs operating from their own buildings, 2,209 AWCs (15.08 per cent) did not have toilet facilities, 2,509 AWCs (17.13 per cent) were deprived of drinking water facility, 8,105 AWCs (55 per cent) did not have playing area for children, and 9,268 AWCs (63 per cent) were without electricity.

Lack of basic amenities in AWC premises expose the beneficiaries to unhealthy and unhygienic environment, which could hamper their psychological and physical development, besides impeding the process of vital behavioural changes in beneficiaries with regard to hygienic habits.

Test check of records of 240 AWCs covering 9,446 children beneficiaries, revealed that the prescribed room size, doors/windows, open space, ramp for disabled, store room, adequate cooking, and feeding utensils, drinking water, functional electronic weighing machines (EWMs), and LPG were not available in the AWCs, as detailed in the **Chart 2.3.2.**



Further, it was observed that 39 AWCs were functioning in rented buildings, of which 16 AWCs were operational in *kutchha* huts with very limited space. During physical inspection of the AWCs, audit noticed that the AWCs were operating from dilapidated buildings as depicted in Photo 2.3.12.2 (a) and 2.3.12.2 (b).



Photo 2.3.12.2 (a) - AWC Kolanpara (Gourella) operating in dilapidated building which poses safety hazard for children.



Photo 2.3.12.2 (b) - AWC Tendumunda (Gourella) dilapidated building (from inside) not being used and food was being cooked outside in open in temporary shelter

During the exit conference, Government stated (October 2019) that no provision for electricity was made in the estimates prior to 2012. It was assured that drinking water facility would be provided in every AWC and appropriate action would be taken on all the issues pointed out in audit.

2.3.12.3 Under-utilisation of electronic weighing machines

GoI guidelines provide for weighing scales at every AWC for monitoring the growth of children. Accordingly, the Department decided (January 2014) that each AWC was to be provided Electronic Weighing Machine (EWM) with integrated growth monitoring system and chargeable battery to monitor status of children. EWM had USB slot for extraction of data, and uploading the same on server for malnourishment analysis and assessment.

Scrutiny of records in test checked districts revealed that for extraction of data, pen-drives were not available with the AWCs, and data continued to be recorded and monitored manually. In AWCs without electricity, EWM could not be charged, necessitating charging from other places. Thus, the advanced features of EWM were not fully utilised as the data continued to be recorded and monitored manually.

In the test checked districts, out of 20,805 operational AWCs, 17,845 AWCs were provided with EWM, of which 13,513 machines (76 per cent) were operational while

4,332 EWMs (24 per cent) valuing ₹ 2.16²⁸ crore were non-operational (March 2019), even though funds were provided to the districts for repairing and maintenance of the EWMs.

In the exit conference, Government accepted (October 2019) the audit observation and stated that option of solar EWMs would be explored.

2.3.13 Human Resource Management

2.3.13.1 Shortfall in training

As per scheme guidelines, refresher training was to be imparted to the ICDS functionaries once in every two years. Accordingly, 50 per cent of the available strength of ICDS functionaries was to be trained every year.

Scrutiny of records revealed that targets of training for different functionaries under ICDS were not fixed as prescribed. During 2014-19, shortfall in fixation of targets was 42 to 100 per cent for CDPOs, 15 to 85 per cent for Supervisors and 40 to 65 per cent for AWWs/AWHs for refresher training. Further, the targets fixed were also not achieved and shortfall was 44 to 90 per cent for CDPOs, 25 to 51 per cent for Supervisors while 02 to 100 per cent for AWWs/AWHs as detailed in **Appendix 2.3.4**.

Government stated (June 2019) that refresher training courses for various cadres were organised as per the availability of eligible candidates and that, CDPOs were trained by NIPCCD batch-wise as per their programme.

Reply is not acceptable as targets were not fixed to ensure that the skills of all the ICDS functionaries are upgraded in at periodicity.

2.3.14 Monitoring

2.3.14.1 Monitoring and Review committees on ICDS

As per GoI circular (October 2010), monitoring and supervision was to be ensured for effective delivery of services at grass roots level. GoI issued (March 2011) further guidelines for setting up a 5-tier monitoring and review mechanism from national level to AWC level. In accordance with this, State Level Monitoring and Review Committee (SLMRC), District Level Monitoring and Review Committee (DLMRC), Block Level Monitoring Committee (BLMC), and Anganwadi Level Monitoring and Support Committee (ALMSC) on ICDS were to be set up in the State for ensuring effective monitoring/review of the performance of the ICDS scheme, while discharging designated roles.

The constitution of committees and details of their working during the period between 2014-15 and 2018-19 in the test checked Districts/Projects/AWCs is detailed in the **Table 2.3.10**.

²⁸ Number of non functional EWMs x Rate per EWM = 4332 x ₹ 4977 = ₹ 2.16 crore.

Table 2.3.10: Details of Committees and their working

Name of Committee	Constitution and frequency of meeting	Status of formation	No. of meetings held
State Level Monitoring and review committee (SLMRC)	SLMRC was to be constituted under the Chairmanship of Chief Secretary with 18 other members. SLMRC had to meet Bi-annually.	The SLMRC was formed in the State but was subsequently merged with the State Empowered Programme Committee (SEPC).	SEPC met only twice (April 2014 and March 2016) during the last five years.
District Level Monitoring and review committee (DLMRC)	DLMRCs were to be constituted under the Chairmanship of District Collector with 16 other members. DLMRC had to meet quarterly.	DLMRC was constituted in only four districts: Kondagaon, Koriya, Raigarh and Rajnandgaon	Kondagaon: 19 Koriya: No details available for the period 2014-19. Raigarh: Nil Rajnandgaon: Nil
Block Level Monitoring committee (BLMC)	BLMCs were to be constituted under the Chairmanship of Sub Divisional Magistrate with eight other members. BLMC had to meet quarterly.	Out of 24 test checked Projects, BLMCs were constituted in six projects.	Chirmiri: 10 Tilda: 30 Makdi: Nil Manendragarh, Kosir and Baikunthpur: No records of meetings available.
Anganwadi Level Monitoring and Support committee (ALMSC)	ALMSCs were to be constituted under the Chairmanship of Gram Panchayat/Ward Member (preferably woman member) with 6 other members. ALMSC had to meet monthly.	ALMSCs were constituted in all the test checked AWCs.	89 – No meetings 104 – 1 to 19 meetings 47 – 20 or more meetings (20 meetings or more in 5 years indicate that the committee was meeting at least once in a quarter)

It was noticed that the GoCG did not set up the required committees in five districts and 18 projects and there was a shortfall in conducting meetings at District/Project/AWC Level committees as brought out in the above table.

On this being pointed out, the Department stated that District and Block level committees were functioning.

Reply is not acceptable as these committees were not holding meetings as per prescribed norms.

2.3.14.2 Shortfall in Supervision by ICDS functionaries

Scrutiny of records in the 24 test checked Project offices revealed that only four²⁹ CDPOs had inspected the AWCs as per norms during 2014-19. It was noticed that records of inspection of the officials were not maintained in four³⁰ project offices during 2014-19.

The minimum requirements of official visits by Supervisors and CDPOs to AWCs are indicated in **Table 2.3.11**.

²⁹ Chirmiri, Bagicha -2, Kosir and Pussore.

³⁰ Badedongar, Bastar, Makdi and Manpur.

Table 2.3.11: Supervision of AWCs by CDPOs and Supervisors

Category of officials	Minimum requirement	Remarks	Shortfall against minimum requirement
Supervisors	A minimum of 50 per cent of AWCs under the Supervisor's jurisdiction every month.	Each AWC under a supervisor's jurisdiction should be visited at least six times in a year.	20 to 78 per cent in six project offices
CDPOs	At least 20 AWCs per month on a rotational basis and to ensure coverage of 100 per cent AWCs in a year.	Each AWC under a project should be visited by the concerned CDPO at least once in a year.	15 to 71 per cent in 19 project offices
Joint visit by CDPOs with Medical Officer	At least 5 AWCs per month and these can be part of the visits mentioned above.	-	22 to 98 per cent in 10 project offices

In the selected 240 AWCs, it was noticed that inspections were not conducted as per norms during 2014-19 by the respective Supervisors in 105 AWCs and CDPOs in 64 AWCs.

In the Exit conference, Government stated that action had been initiated for ensuring adequate supervision on delivery of services under ICDS Scheme.

2.3.15 Good Practices: Initiatives for Malnourished children

Good practices noticed during the course of audit in the test checked districts are detailed in Table 2.3.12.

Table 2.3.12: Details of new initiatives at Koriya and Kondagaon districts

Name of District	Initiatives	Target group	Salient features and achievements
Koriya	<i>Jagruk Mahtari Swastha Laika Karyakram</i> (January to April 2017)	Moderate and severely malnourished children	<ul style="list-style-type: none"> Medical examination, nourishment with additional nutritive items and counseling. Home visits by AWWs. <i>Poshan Anushravan Card</i> (records for parents of child) were maintained to monitor the nourishment. Out of the identified 14,758 moderately and severely malnourished children, 3959 children turned normal during this period.
Kondagaon	<i>Suposhan Kendra</i> (initiated in January 2018 and continuing)	Severely malnourished children	<ul style="list-style-type: none"> Treatment at <i>Suposhan Kendra</i>, nourishment and monitoring. Free transportation, distribution of medicines, and clothes to the children on discharge Information, Education and Communication (IEC). Total 1345 Severely malnourished children were treated under the scheme and 300 turned normal while 490 turned moderate.

In the Exit conference, Government stated that the initiatives taken by the District administration as pointed out by audit would be studied for implementation in other places in the State.

2.3.16 Conclusion

Performance audit of implementation of ICDS scheme revealed that supplementary nutrition was not provided to 30.72 lakh children (out of 135.42 lakh) of the age group of 0-6 years and 3.81 lakh pregnant and lactating mothers (out of 26.13 lakh) during the period 2014-15 to 2018-2019. There was a gradual decline in the actual number of beneficiaries of the scheme over the years during the audit period. Aadhaar seeding of both beneficiaries and Aganwadi workers/helpers was not yet fully achieved, despite sanction of funds by the GoI.

Department was not able to ensure quality of meals as envisaged in the scheme guidelines, due to delays in sending the samples or non-receipt of Ready to Eat (RTE) food's test reports from the laboratories, and deviation in the tolerance limits in nutritional value from National Food Security Act (NFSA) standards. Early Childhood Care and Education curriculum was implemented with delay of more than two years and medicine kits for Aganwadi Centres (AWCs) were not procured for the last one decade.

Availability of infrastructure and equipment in AWCs was deficient *vis-à-vis* norms and lack of basic facilities, such as drinking water, toilet, playing area, store room, ramp, electricity, cooking and feeding utensils, usable toilets, facility to wash hands, equipment for cooking, essential drugs and material for monitoring health severely constrained the functioning of the AWCs. Only 37,407 AWCs were operating from dedicated buildings with delays in completing the construction of buildings of 5,915 AWCs and non-use of 1,487 AWC buildings due to long distance from the habitations. Monitoring of AWCs was poor as was evident from acute shortfall in field visits by Child Development Project Officers and Supervisors.

2.3.17 Recommendations

- *Government should expedite the process of rationalisation of AWCs, and ensure that all the eligible beneficiaries are brought within the ambit of ICDS scheme.*
- *Government should ensure distribution of supplementary nutrition and make provision for food security allowance as per norms in case of failure as per the provisions of NFSA. Erring officials should be held accountable for non-provision of supplementary provision and payment of FSA in all cases.*
- *Considering the high percentage of IMR, MMR and U5MR in the State as compared to the national average, specific time bound targets for their reduction should be set by the State Government expeditiously and followed up vigorously for their achievement.*
- *Government should strengthen the quality control procedures relating to testing of food samples. It should establish a laboratory expeditiously with well equipped apparatus to enable testing of samples within the envisaged timeframe and ensure*

that RTE supplied to the beneficiaries conforms to the prescribed quality parameters.

- *Urgent steps should be taken by Government for treatment of severely malnourished and special children at NRCs/AWCs, and availability of medicine kits in AWCs should be ensured;*
- *Government should monitor the implementation of the scheme scrupulously to ensure that the envisaged benefits of the scheme reach the targeted beneficiaries.*