

**CHAPTER I**  
**SOCIAL SECTOR**



## CHAPTER I: SOCIAL SECTOR

### 1.1 Introduction

The financial profile of Government departments under Social Sector for the year ending 31 March 2023 is given in **Table 1.1.1**.

**Table 1.1.1: Budget provision and expenditure of major State Government departments under Social Sector during the year 2022-23**

(₹ in crore)

Sl. No.	Name of Department	Budget provision	Expenditure
1.	Education, Sports & Youth Affairs & Arts and Culture	3,008.61	3085.08
2.	Health & Family Welfare	1,813.06	1,486.69
3.	Public Health Engineering	710.19	710.37
4.	Urban Development	341.25	365.30
5.	Social Welfare	348.99	349.14
6.	Labour	176.14	140.90
7.	Housing	230.91	243.63
8.	Information and Publicity	42.74	42.66
9.	Secretariat Social Services	15.55	14.91
10.	Revenue & Disaster Management	70.22	47.87
	<b>Total</b>	<b>6,757.66</b>	<b>6,486.55</b>

Source: Detailed Appropriation Accounts and Appropriation Accounts 2022-23.

#### 1.1.1 Planning and conduct of Audit

The audit process starts with the risk assessment of various Government departments based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls, past audit record and media reports. During 2022-23, expenditure worth ₹ 6,851.70 crore (including expenditure pertaining to previous years audited during the year) was audited under Social Sector. The audit findings with monetary implications of ₹ 490.15 crore have been communicated to the departments concerned through 31 Inspection Reports (IRs) issued in 2023.

The chapter on Social Sector contains one Performance Audit and three Compliance Audit Paragraphs as discussed in the following paragraphs.

## PERFORMANCE AUDIT

### LABOUR DEPARTMENT

#### 1.2 Welfare of Building and Other Construction Workers

##### 1.2.1. Introduction

Government of India (GoI) enacted the Building and Other Construction Workers' (BOCW) Act in 1996 with the aim of providing safety, health, and welfare measures for the benefit of building and other construction workers through levy/collection of cess, and framed the Building and Other Construction Workers Welfare Cess Rules (Cess Rules) in 1998. The provisions of the Act are applicable to every establishment<sup>4</sup> which employs or had employed on any day of the preceding twelve months, ten or more building workers in any building or other construction works. Further, the Act provides that every building worker in the age group of 18 to 60 years who was not a member of any welfare fund established under any law and had completed a period of ninety days of service during the preceding twelve months as a construction worker in the State shall be eligible for registration as a beneficiary.

In pursuance of the provisions of the BOCW Act, 1996<sup>5</sup>, Government of Meghalaya (GoM) framed the Meghalaya Building and Other Construction Workers' (Regulation of employment and Conditions of Service) Rules, 2008 (Rules) for implementation of the Building and Other Construction Workers Welfare Cess Act in the State after a delay of 12 years from the enactment of the BOCW Act. Further, the State Government constituted (September 2009) the Meghalaya Building and Other Construction Workers Welfare Board (MBOCWW Board) to carry out welfare schemes for construction workers and imposed (April 2011) cess at the rate of one *per cent* in accordance with the requirements of the Cess Act.

In Meghalaya, 92,415 labourers were registered under the BOCW Act as of March 2023. MBOCWW Board manages the fund received as (i) cess collected from the Government entities/ contractors/ individual owners and (ii) fees and fines collected under the BOCW Act, 1996. During 2017-18 to 2021-22, ₹ 156.78 crore was received by the Board and an expenditure of ₹ 35.12 crore was incurred. An amount of ₹ 33.70 crore was expended for welfare schemes which were being implemented by the Board.

##### 1.2.2 Organisational Structure

The MBOCWW Board is headed by Principal Secretary, Labour Department and is responsible for administration of the fund and implementation of various welfare

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<sup>4</sup> Establishment means any establishment belonging to, or under the control of, the Government, anybody, corporate or firm, an individual or association or other body of individuals which or who employs building workers in any building or other construction work; and includes an establishment belonging to a contractor but does not include an individual who employs such workers in any building or construction work in relation to his own residence, the total cost of such construction not being more than ₹ 10 lakh (Section 2 (j) of the Act).

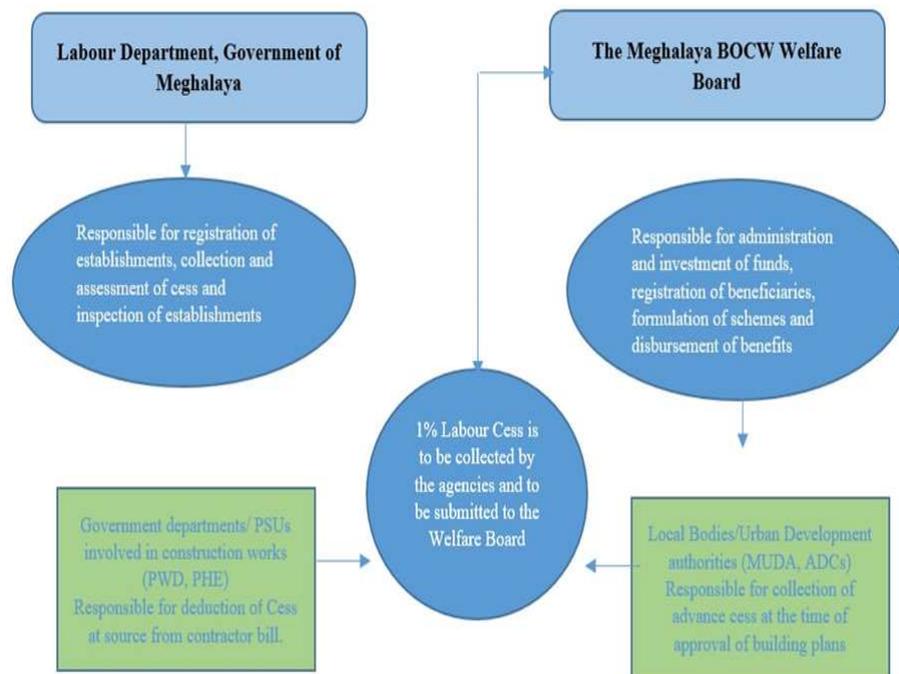
<sup>5</sup> With the enactment of the Occupational Safety, Health and Working Conditions Code, 2020, this Act was subsumed under the OSH Code, 2020 *w.e.f.* September 2020. This Code is yet to be enforced in the State of Meghalaya (31 March 2023).

schemes. The State Government constituted (02 September 2009) the State Advisory Committee for a term of three years which was subsequently re-constituted in March 2014, April 2017, April 2018 and November 2021 to advise the State Government on such matters arising out of the administration of the Act. The Labour Commissioner was designated as Chief Inspector and other officers of the Labour Department *viz.*, Chief Inspectors of Factories, Additional Director and Assistant Director, Industrial Safety and Health, all Joint Directors, Industrial Safety and Health, *etc.* were appointed as Inspectors, Registering Officers, Cess Collectors, Assessing Officers, *etc.* under the Act.

### 1.2.3 Agencies involved and their role

Collection and utilisation of Labour Cess and involvement of various agencies in implementation of the BOCW Act, 1996 and the Cess Act, 1996 is explained in Chart 1.2.1.

Chart 1.2.1: Agencies involved and their role



### 1.2.4 Audit Objectives

The objective of this audit was to determine the extent of compliance to the BOCW Act, Cess Act, 1996 and Meghalaya Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Rules, 2008, especially with regard to:

1. Regulatory framework
2. Efficiency of Registration Mechanism of all eligible establishments and beneficiaries under BOCW Act,
3. Efficiency of Financial Management including collection and deposit of Labour cess,
4. Effectiveness of labour welfare schemes funded from the Cess Fund, and

5. Effectiveness of oversight and monitoring by the Welfare Board.

**1.2.5 Scope and methodology of Audit**

The audit covered a period of five years from 2017-18 to 2021-22. The State offices of the Labour Department and the Board and District labour offices in four selected<sup>6</sup> districts of the State were audited.

The PA commenced with an Entry Conference (22 December 2022) with the Commissioner & Secretary to Government of Meghalaya, Labour Department and other State Government representatives wherein the Audit Objectives, Audit Scope and Audit Criteria to be adopted were discussed. Exit meeting with the Commissioner & Secretary to Government of Meghalaya, Labour Department and other State Government representatives was held on 15 September 2023, wherein the audit findings were discussed in detail and replies received have been suitably incorporated in the Report.

**1.2.6 Audit Criteria**

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

- (i) BOCW {Regulation of Employment and Conditions of Service (RECS)} Act, 1996;
- (ii) Meghalaya BOCW (RECS) Rules, 2008 as amended (2011, 2017 and 2018);
- (iii) BOCW Cess Act 1996 and Cess Rules, 1998;
- (iv) Meghalaya Financial Rules;
- (v) Resolutions passed by the Welfare Board;
- (vi) National Building Code of India, 2016 titled 'Construction Management, Practices and Safety';
- (vii) Indian Standard Safety Code for Scaffolds and Ladders Part I & II (IS: 3696);
- (viii) Inspection Policy notified by the Government of Meghalaya.
- (ix) Supreme Court orders with respect to BOCW (RECS) Act, 1996.

**1.2.7 Audit Sampling**

There are 12 districts in Meghalaya, out of which four districts were selected for detailed examination.

Out of the four selected districts, two districts *viz.*, East Khasi Hills District and West Jaintia Hills District having maximum expenditure on welfare schemes while two districts *viz.*, West Garo Hills District and Ri-Bhoi District having maximum collection of cess, were selected.

Scheme-wise benefit extended in Meghalaya during the period from 2017-18 to 2021-22 is shown in **Table 1.2.1**.

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<sup>6</sup> (i) East Khasi Hills District, (ii) West Jaintia Hills District, (iii) West Garo Hills District and (iv) Ri-Bhoi District.

Table 1.2.1: Scheme wise benefit extended in Meghalaya

Sl. No.	Name of the Welfare Scheme	Total Benefit given (₹ in lakh)	Number of beneficiaries provided benefit
1.	Educational Benefit	1,105.07	50,706
2.	Death Benefit	1,035.30	82
3.	Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)	45.03	26,328
4.	Welfare Pension	21.00	145
5.	Megha Health Insurance Scheme (MHIS)	13.24	1,656
6.	Personal Protective Equipment (PPE)	8.32	1,400
7.	Maternity Benefit	3.87	147
8.	Funeral Benefit	2.78	62
9.	Aam Aadmi Bima Yojana (AABY)	2.51	2,510
10.	Medical Benefit	1.35	50
11.	Disability Pension	0.78	2
12.	Marriage Benefit	0.05	1
13.	Cash Reward	0	0
14.	Family Pension	0	0
	<b>Total</b>	<b>2,239.30</b>	<b>83,089</b>

Source: Information furnished by the Meghalaya BOCW Welfare Board.

Out of the 14 schemes, the Board participated in Government schemes on behalf of the labourers for four schemes viz., Educational Benefit, PMJJBY, AABY and MHIS while the remaining 10 schemes were being implemented solely by the Board.

Total 10 welfare schemes were selected for detailed check based on Stratified Random Sampling. The schemes were classified into three strata, based on amount of assistance disbursed and accordingly, there were five schemes<sup>7</sup> with maximum amount of financial assistance, three schemes<sup>8</sup> with moderate amount of financial assistance and two schemes<sup>9</sup> having zero beneficiaries.

In Meghalaya, only Meghalaya Urban Development Authority and Shillong Cantonment Board have been notified for collection of labour cess as the building plan approval authorities. In addition, for the sixth schedule areas, Autonomous District Councils are the authority responsible for approval of building plan and for collection of labour cess.

The following authorities who are responsible for approval of building plans in the State of Meghalaya were selected and covered under the scope of the PA:

- (i) Meghalaya Urban Development Authority,
- (ii) Khasi Hills Autonomous District Council,
- (iii) Jaintia Hills Autonomous District Council,
- (iv) Garo Hills Autonomous District Council

<sup>7</sup> (i) Educational Benefit, (ii) Death Benefit, (iii) PMJJBY, (iv) Welfare Pension and (v) MHIS.

<sup>8</sup> (i) Maternity Benefit, (ii) PPE and (iii) AABY.

<sup>9</sup> (i) Cash Reward and (ii) Family Pension.

Further, (i) Shillong Building Division, Public Works Department (PWD) (Buildings) and (ii) Shillong South, PWD (Roads) in East Khasi Hills District; (i) Umsning, PHE and (ii) Umsning, PWD (Roads) in Ri-Bhoi District; (i) Rural Water Supply Division Jowai, Public Health Engineering (PHE) and (ii) Electrical Division Jowai, PHE in West Jaintia Hills District; and (i) Tura North, PWD (Roads) and (ii) Tura, PHE in West Garo Hills District were covered under the scope of the PA for checking whether the construction works are being registered as establishments, the contractors are being registered as employers, and applicable labour cess is being deducted from payments and is deposited timely into the Board's account.

Further, in three out of four test-checked districts, there was a drastic increase in the number of beneficiaries registered under the MBOCW Act during 2020-21, as seen in **Table 1.2.2**.

**Table 1.2.2: Beneficiaries registered during 2017-18 to 2021-22**

Sl. No.	Name of the District	Total Nos. of registered beneficiaries during the year				
		2017-18	2018-19	2019-20	2020-21	2021-22
1.	East Khasi Hills (EKH)	2,840	2,407	1,315	26,175	536
2.	Ri-Bhoi	1,451	548	252	4,222	1,224
3.	West Garo Hills (WGH)	Nil	1,502	508	258	543
4.	West Jaintia Hills (WJH)	634	1,198	1,050	13,493	139
<b>Total</b>		<b>4,925</b>	<b>5,655</b>	<b>3,152</b>	<b>44,148</b>	<b>2,442</b>

Source: Information furnished by the selected District Labour Offices.

In EKH, the number of beneficiaries registered during the year increased from 1,315 in 2019-20 to 26,175 (1,890 per cent), while in WJH, the increase was from 1,050 to 13,493 (1,185 per cent). In Ri-Bhoi the number of beneficiaries registered in 2020-21 was 4,222 which was 1,575 per cent higher than the number in the previous year.

### 1.2.8 Acknowledgement

The Office of the Principal Accountant General (Audit), Meghalaya acknowledges the cooperation extended by the Labour Department, MBOCW Welfare Board, Autonomous District Councils, MUDA, the sampled District Labour Offices and divisions of the Works Departments in the conduct of this Audit.

### Audit Findings

Significant findings of audit relating to Performance Audit on "Welfare of Building and Other Construction Workers" are discussed in succeeding paragraphs.

### 1.2.9 Regulatory Framework

The main objective of the Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Act, 1996 is to regulate wages, working conditions, safety, health, and welfare measures of the construction workers. The Act mandates the following:

Section of OSH 2020/ Code on Social Security 2020	Section BOCW Act, 1996	Details
2 (1)(v) (ii) OSH 2020	1 (4)	It applies to every establishment which employs, or had employed on any day of the preceding twelve months, ten or more building workers in any building or other construction work.
3 (1) OSH 2020	7 (1) (a)	Every employer shall register the establishment within 60 days of commencement of work.
106	12 (1)	Every building worker who has completed either eighteen years of age, but has not completed sixty years of age, and who has been engaged in any building or other construction work for not less than ninety days during the preceding twelve months shall be eligible for registration as a beneficiary under this Act.
-	13 (1)	The Board shall give to every beneficiary an identity card with his photograph duly affixed thereon and with enough space for entering the details of the building or other construction work done by him.
7 (6)	22	Functions of the Board related to assistances to be provided to the beneficiaries under different welfare schemes.
122 (5) & (6)	43	Power of Inspectors regarding enter, examine, seizure, <i>etc.</i> is mentioned.
5 (1) OSH 2020	46 (1)	An employer shall, at least thirty days before the commencement of any building or other construction work, send or cause to be sent to the Inspector having jurisdiction in the area where the proposed building or other construction work is to be executed.
-	48	Where an employer fails to give notice of the commencement of the building or other construction work under section 46, he shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to two thousand rupees, or with both.

### 1.2.10 Registration of Establishments and Beneficiaries

Section 7 of the BOCW Act provides that every employer would apply for registration with prescribed authority within sixty days of the commencement of the establishment. Further, as per Section 46 (1) of the BOCW Act 1996, an employer shall, at least thirty days before the commencement of any building or other construction work, send or cause to be sent to the Inspector having jurisdiction in the area where the proposed building or other construction work is to be executed, a written notice. In case a written notice has not been served, Section 48 envisages penalty for failure to give notice of the commencement of the building or other construction work, as stated below:

“Where an employer fails to give notice of the commencement of the building or other construction work under Section 46, he shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to two thousand rupees, or with both”.

Section 12 of the Act provides that every building worker who is in the range of eighteen to sixty years of age, and who has been engaged in any building or other construction work for not less than ninety days during the preceding twelve months shall be eligible for registration as a beneficiary under this Act and shall pay contribution until he attains the age of sixty years.

### 1.2.10.1 Unregistered Establishments and Beneficiaries

In Meghalaya, 92,415 labourers were registered under the BOCW Act as on 31 March 2023. However, the Deputy Secretary, Labour Department, Government of Meghalaya stated (April 2023) that there is no data for the total number of labourers available in Meghalaya.

District-wise break-up of the total number of registered beneficiaries is shown in **Table 1.2.3**.

**Table 1.2.3: District-wise break- up of the total number of registered beneficiaries**

Sl. No.	District	No. of Registered Beneficiaries as on March 2023
1.	East Khasi Hills	35,614
2.	West Khasi Hills	5,243
3.	South-West Khasi Hills	2,541
4.	Ri-Bhoi	8,693
5.	West Jaintia Hills	18,271
6.	East Jaintia Hills	2,414
7.	West Garo Hills	7,092
8.	South-West Garo Hills	4,550
9.	East Garo Hills	4,060
10.	North Garo Hills	1,449
11.	South Garo Hills	2,488
<b>Total</b>		<b>92,415</b>

The number of registered establishments/works and beneficiaries in the District Labour Offices in the selected districts<sup>10</sup> as of 31 March 2023 is given in **Table 1.2.4**.

**Table 1.2.4: Total number of registered establishments/works in four selected districts.**

Sl. No.	Name of the Office	No. of Registered Establishments/ Works	Total No. of Registered Beneficiaries
1.	District Labour Office, East Khasi Hills, Shillong	12,363	35,614
2.	District Labour Office, Ri-Bhoi, Nongpoh	1,747	8,693
3.	District Labour Office, West Garo Hills, Tura	22	7,092
4.	District Labour Office, West Jaintia Hills, Jowai	15	18,271
<b>Total</b>		<b>14,147</b>	<b>69,670</b>

Source: Information furnished by the selected District Labour offices.

Audit test-checked 63 works<sup>11</sup> in eight divisions of the four selected districts of the State Public Works Department to ascertain whether these Divisions ensured (i) registration of establishment, (ii) issue of notice of commencement of the work to the Labour Department, GoM and (iii) maintenance of Register of Labourers at work sites.

<sup>10</sup> East Khasi Hills, Ri-Bhoi, West Garo Hills, West Jaintia Hills.

<sup>11</sup> 16 works in PWD Shillong Building Division, 12 works in PWD Roads Shillong South Division, seven works in PWD Roads Umsning Division, six works in PHE Umsning Division, six works in PWD Roads Tura North Division, six works in PHE Tura Division, five works in PHE Jowai Electrical Division and five works PHE Jowai Rural Water Supply Division.

However, none of the eight divisions of the PW Department could furnish any of the above-mentioned documents for any of the selected works indicating that the provisions of the MBOCW Rules as well as the terms of contract agreements entered into with the selected contractors were not complied with *viz.* (i) the contractor shall furnish to the Engineer-in-charge fortnightly the distribution return of the number and description by the trades of work in which people are employed on the work, (ii) the contractor shall not employ labour or staff of doubtful integrity of the State, (iii) the contractor shall pay to the labourers employed by him adequate wages and shall be as per Rules and Regulations framed by the Department/ Government from time to time. The register of workmen and register of wage-cum-muster roll shall be maintained and kept at the work site, (iv) the contractor should furnish either a copy of applicable license/ registration or proof of applying for obtaining labour license, registration with EPFO, ESIC and BOCW registration and to register the labourers with the Meghalaya Building & Other Construction Workers Welfare Board.

As per the reply furnished by the Labour Department, GoM, the Department has taken following steps with regard to registration of Government establishments:

- (i) The Works Department was directed to make it mandatory for contractors to produce a Contract Labour license which is issued by the Deputy/ Assistant Labour Commissioner. On receipt of applications for contract labour license, the registering officers direct the applicant to also apply for registration under the BOCW Act. With the Cess Assessors having been notified, it is expected that all works operating with a contract labour license and a registration under BOCW Act, 1996 are pulled up and asked to do the needful before the resumption of work.
- (ii) All Acts implemented by the Labour Department require an establishment to maintain registers of workers and registers of wage cum master roll. However, in the interest of ease of doing business a lot of compliances have been done away with, including hard copies of registers of workmen and muster-roll. However, while conducting inspections under the minimum wages Act, 1948 and the payment of wages Act, 1936, the Inspectors on enquiry from the workmen ascertain the minimum wages paid and also that wages are paid on time. Taking into account the observations of the Audit, MBOCWWB through the office of the Labour Commissioner will direct the District Offices to be more detailed in their inspections to ensure no other anomalies are detected.
- (iii) Steps are being taken up by the Board to re-notify all the Government departments who are carrying out construction works to collect cess as per the guidelines.

Moreover, as per resolution of the 25<sup>th</sup> meeting (13 June 2017) of the Welfare Board, the Board issued a notification (05 July 2017) to the Government departments/ entities requesting to insert the clause of mandatory registration of establishment as a pre-tender condition.

Audit however, observed that the Government departments/ entities did not act upon the request made by the Board.

Further, from the records of the selected District Labour Office, Shillong, it was observed that registration of private establishments had not been initiated in any case (as of March 2023) despite the fact that 1,607 building plans, having estimated cost above ₹ 10 lakh in each case, were approved by MUDA/ KHADC. The status of registration of eligible private establishments in other District Labour Offices of the State was the same.

As per the reply furnished by the Labour Department, Government of Meghalaya, the Department has taken following steps in regard to registration of private establishments:

- (i) The district labour offices had been directed to conduct special drive to ensure registration of the private establishment within their jurisdiction (04 September 2023).
- (ii) The Board had written to the Labour Department for further communication to District Council Affairs Department for collection of cess from the Autonomous District Councils (10 February 2023).
- (iii) The Board requested MUDA to issue building permissions only on production of the registration under BOCW (RECS) Act, 1996 from the respective registering officers of the concerned districts having jurisdiction (22 September 2023).
- (iv) The Board directed the Deputy/ Assistant Labour Commissioners of the districts to conduct inspections on all private establishments with ongoing constructions and direct the Principal Employers to register under the Act so as to allow the Assessment Officers to compute the payable amount of cess (07 September 2023).

Joint Physical Verifications were conducted at 14 unregistered establishments in the four selected districts and 123 labourers were interviewed to ascertain their status of registration. Out of the 123 labourers, only one labourer was found to be registered with the Board. Out of the remaining 122 labourers, 116 labourers were not aware about the Board nor were they aware of the schemes being implemented for their welfare which points towards lack of Information, Education and Communication activities<sup>12</sup> to be undertaken by the Board.

#### **1.2.10.2 Registration of beneficiaries without evidence of working as labourers**

Section 14 of the BOCW Act, 1996 states that a building worker who has been registered as a beneficiary under this Act shall cease to be as such when he attains the age of sixty years or when he is not engaged in building or other construction work for not less than ninety days in a year. As per the prescribed format of the beneficiary registration form, the applications are to be countersigned by the employer.

During Beneficiary survey of the 337 registered labourers in four selected districts, Audit observed that none of the registered beneficiaries were able to produce any certificate/ documents which affirms that the beneficiary was engaged in building

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<sup>12</sup> As per Annual Account on Board, total expenditure incurred under Awareness Programme (District Office) during 2017-22 was of ₹ 3,92,500.

or other construction work for at least ninety days in the previous year. Further, no verification was done by the Labour Department, Government of Meghalaya or by the Board to confirm whether the labourers were engaged in building or other construction work for not less than ninety days in a year.

Therefore, the possibility of registration of beneficiaries who are not engaged as labourers under the BOCW Act could not be ruled out by Audit.

### 1.2.10.3 Deprivation of Benefit to the Migrant Labourers

The migrant labourers who are not registered with the welfare board of any other State and who are registered with the Welfare Boards of other State but want to transfer the account to the welfare board of Meghalaya are eligible for registration with the MBOCW Welfare Board.

GoM notified (15 September 2020) the Meghalaya Identification, Registration (Safety & Security) of Migrant Workers Act, 2020 (MIRSS Act) with a view to provide for the maintenance of public order and for the protection and safety of Migrant Workers in the State of Meghalaya, by identification and mandatory registration of all such workers in the State, to prevent the commission of offences of harassment, intimidation, discrimination and such other act or omission that may affect the safety and security of Migrant Workers and to further ensure the safety and security of all Migrant Workers during the course of employment within the State of Meghalaya and for matters connected therewith.

In the four selected district, 25,163 migrant labourers are registered under MIRSS Act, 2020 as of March 2023 is shown in **Table 1.2.5**.

**Table 1.2.5: Details of migrant labourers registered under MIRSS Act 2020**

Sl. No.	Name of the District	No. of Registered Labourers under MIRSS Act 2020
1.	East Khasi Hills	18,527
2.	Ri-Bhoi	3,692
3.	West Garo Hills	760
4.	West Jaintia Hills	2,184
	<b>Total</b>	<b>25,163</b>

*Source: List of Registered labourers furnished by the selected district labour offices.*

Audit observed that out of the 25,163 labourers, none of the migrant labourers were registered under the BOCW Act in the four selected districts. No documentary evidence was found in the district labour offices to ascertain whether the labourers were registered with any other welfare board. District labour offices could not furnish any evidence to ascertain that efforts were made to register migrant labourers who were already registered under MIRSS Act, under the BOCW Act.

In reply (October 2023), the Department stated that migrant labourers require to produce BOCWWB certificate from their home State BOCWWB to ascertain that they have not registered themselves under the State BOCWWB. On verification of this, the Board will be in a position to register them and extend benefits to them. However, no

migrant labourers have approached the Board on this or produced any sort of Certificate on demand and hence, in view of the above there are no pending registration on the migrant workers who have proper documentation with the Board.

However, the Department could not produce any supportive documents to indicate such criteria for registration of migrant labourers nor could they furnish details of any IEC activities to enhance awareness and register migrant labourers working in the State.

#### **1.2.10.4 Conclusion**

The preceding observations indicated that the Labour Board had been ineffective in ensuring registration of private establishments despite the availability of information regarding construction contracts and labour deployed from the building plan approval authorities in the State. Apart from non-inclusion of the clause of mandatory registration of establishment as a pre-tender condition (Board's notification dated 05 July 2017) by the Government departments/entities, there was meagre registration of establishments and labourers in the State.

This indicates poor implementation of the provisions of registration as mandated by the Act by the Board and the Labour Department, Government of Meghalaya.

#### **1.2.10.5 Recommendations**

Audit recommends that:

- i. All Departments may be instructed not to issue final work order without ensuring registration of contractors with the Labour Department, Government of Meghalaya.
- ii. Registration of all establishments engaged in construction work may be started immediately and authorities entrusted for issuing approvals/permissions for building such as MUDA, Autonomous District Councils may be asked to mandatorily collect such registration certificates under BOCW Act before issue of any fresh approvals.
- iii. State-wide survey of migrant labourers may be conducted to ascertain their status of registration with the welfare boards of any other State. Unregistered labourers may be encouraged to obtain registration.

#### **1.2.11 Financial management**

During 2017-18 to 2021-22, ₹ 107.07 crore was remitted under the BOCW Act, 1996 as cess, fees and fines from labour contractors, private establishments and Government departments concerned to the Board while expenditure of ₹ 35.12 crore (32.80 per cent) was incurred.

##### **➤ Income and expenditure of the Board**

Details of income and expenditure as well as administrative expenses are given in **Table 1.2.6**.

Table 1.2.6: Details of income and expenditure of MBOCWBB

(₹ in crore)

Year	Opening Balance including Fixed Deposit <sup>13</sup>	Cess Collected	Other receipts <sup>14</sup>	Interest Earned during the Year	Total available funds	Expenditure			Closing Balance	
						Schemes	Administrative			Total
							Salary	Others		
2017-18	121.65	21.35	0.12	7.72	150.84	0.82	0.07	0.28	1.17	149.67
2018-19	149.67	17.66	0.09	8.52	175.94	1.47	0.10	0.08	1.65	174.29
2019-20	174.29	23.12	0.11	13.20	210.72	3.64	0.12	0.18	3.94	206.78
2020-21	206.78	20.81	0.26	9.92	237.77	22.25	0.12	0.27	22.64	215.14
2021-22	215.14	24.13	0.19	9.56	249.02	5.52	0.13	0.07	5.72	<b>243.30</b>
<b>Total</b>		<b>107.07</b>	<b>0.77</b>	<b>48.92</b>		<b>33.70</b>	<b>0.54</b>	<b>0.88</b>	<b>35.12</b>	

Source: Information furnished by the MBOCWBB.

From **Table 1.2.6**, it can be seen that, against the receipts of ₹ 156.76 crore, an expenditure of ₹ 35.12 crore (22.40 per cent) was incurred during the period from 2017-18 to 2021-22. The total income of ₹ 156.76 crore includes ₹ 48.92 crore from interest earned from fixed deposit maintained in several banks.

Out of total expenditure of ₹ 35.12 crore incurred during the period 2017-18 to 2021-22, 64.46 per cent (₹ 22.64 crore) was spent during 2020-21 which was mainly due to compensation provided to the beneficiaries for loss of wages during the COVID pandemic.

Audit observations on financial and budgetary management by the Board are discussed in subsequent paragraphs.

### 1.2.11.1 Non-preparation of Budget Estimates

As per Section 25 of the BOCW Act 1996, the Board is required to prepare its budget for the next financial year, showing the estimated receipts and expenditure of the Board and forward the same to the State Government and the Central Government. Further, as per Rule 267 of the Meghalaya BOCW (RECS) (Amendment) Rules, 2011, the Board shall be responsible for submission of annual budget to the Government for sanction.

Audit observed that as of March 2023, the Board had not prepared the annual budget since inception (September 2009). As such, there was absence of prior planning on the estimated receipts and expenditure for each financial year which reflected poor policy and financial management.

On this being pointed out, while admitting the fact that no Budget has been prepared since inception, the Board apprised (October 2023) that budget for the year 2023-24 has been prepared and forwarded to the Government for approval.

<sup>13</sup> ₹ 118.32 crore in (2017-18), ₹ 146.97 crore (2018-19), ₹ 167.97 crore (2019-20), ₹ 195.68 crore (2020-21) and ₹ 204.39 crore (2021-22).

<sup>14</sup> Including beneficiaries' registration fee and monthly contribution, etc.

### 1.2.11.2 Excess Administrative Expenses

Section 24 of the BOCW Act, 1996 stipulates that no Board shall, in any financial year, incur expenses towards salaries, allowances and other remuneration to its members, officers and other employees and for meeting the other administrative expenses exceeding five *per cent* of its total expenses during that financial year.

The administrative expenses as percentage of the total expenses during 2017-18 to 2021-22 are shown in **Table 1.2.7**.

**Table 1.2.7: Percentage of administrative expenses as percentage of total expenses**

(₹ in crore)

Year	Total Expenditure	Admissible Administrative Expenses @ 5 %	Actual Administrative Expenses	Excess Expenditure
2017-18	1.17	0.06	0.35	0.29
2018-19	1.65	0.08	0.18	0.10
2019-20	3.94	0.20	0.30	0.10
2020-21	22.64	1.13	0.39	-
2021-22	5.72	0.29	0.20	-
<b>Total</b>				<b>0.49</b>

Source: Compilation of the Annual Accounts of the MBOCW Welfare Board.

It is evident from the Table above that the Board incurred excess administrative expenditure amounting to ₹ 0.49 crore in three financial years during the period from 2017-18 to 2021-22. The spurt in total expenditure of ₹ 22.64 crore during 2020-21 was solely due to Covid-19 related expenditure since the total expenditure fell to ₹ 5.72 crore in 2021-22.

Thus, the Board did not keep the administrative expenses within the prescribed limit of total expenditure prior to 2020-21.

The Board while accepting the audit observations, stated (October 2023) that earnest efforts are being taken to increase enrolment and to accelerate the implementation of welfare schemes so that salaries and other administrative expenses can be limited to five *per cent* of the total expenditure.

### 1.2.11.3 Collection of Cess by Local/ Designated Bodies/ Authorities and Government Departments

Rule 3 of the BOCW Cess Rules, 1998 specifies that for the purpose of levy of cess, cost of construction shall include all expenditure incurred by an employer in connection with the building or other construction work but shall not include cost of land and any compensation paid or payable to a worker or his kin under the Worker's Compensation Act, 1923.

Accordingly, Government of Meghalaya issued (30 March 2011) an order regarding collection of labour cess from the owners of private constructions. As per the order, all local authorities shall obtain estimated cost of the construction along with the building

plans which are submitted to them for approval by the concerned employers *i.e.* owners/ contractors, builders, *etc.* Such bodies shall collect up front an amount of one *per cent* of the estimated cost furnished along with building plans and remit the same to the Meghalaya Building and Other Construction Workers' Welfare Board within 30 days of its collection. While remitting the amount, details as per the prescribed affidavit were to be furnished to the Welfare Board. As per the format of the affidavit, the details of 11 types of works<sup>15</sup> are required to be provided while remitting the cess.

### **A. Meghalaya Urban Development Authority**

In terms of Meghalaya Building Bye-laws, 2011 and 2021, Meghalaya Urban Development Authority (MUDA) has been notified (March 2011) for collection of labour cess as the building plan approval authority for General Areas.

#### **(i) Adoption of Schedule of Rates 2015-16 of Public Works Department in contravention of GoM Order**

In contravention of GoM order dated 30 March 2011, MUDA did not obtain estimated cost of construction from the owners/ contractors, builders, *etc.* for the purpose of upfront collection of Cess. MUDA issued (July 2016) a notification for adoption of plinth area rate as appearing in Schedule of Rates (SoR) 2015-16 of PW (Building) Department for the purpose of arriving at the estimated cost by excluding 15 *per cent* contractors' profit, 13.5 *per cent* VAT and one *per cent* labour cess from the SoR. The notification issued by MUDA was in contravention of the order issued by GoM *ibid.* Further, there was nothing on record to suggest that MUDA had sought any clarification/ suggestion from the Labour Department/ the Board before deciding to adopt the SoR and discontinue declaration of estimated cost by the owners/ contractors, builders, *etc.* for the purpose of assessment of cess.

#### **(ii) Short-estimation of Value of Constructions led to short-collection of Cess**

While calculating the estimated cost of construction as per SoR 2015-16, MUDA included cost of construction/civil work/demolition work only and the cost of the remaining 10 items, included in the SoR as 'Additional rates and items'<sup>16</sup>, as per the affidavit referred above were not taken into cognisance for the purpose of arriving at the total cost of construction. Further, MUDA did not submit any affidavit to the Welfare Board since March 2011 as per the GoM Order dated 30 March 2011.

Due to non-compliance of the above-mentioned notification, and non-submission of the affidavit, labour cess was collected only on the plinth area without including the cost of necessary additional items *viz.*, flooring tiles/ marble, wooden doors

<sup>15</sup> (i) Cost of construction/ civil work/ demolition work, (ii) Cost of flooring, (iii) Cost of Woodwork and Wood Panelling Work, (iv) Cost of False Ceiling Work, (v) Cost of Central Air Conditioning Work, (vi) Cost incurred in Installation of Lift, (vii) Cost incurred on Boundary Wall and Gates, *etc.*, (viii) Cost of Swimming Pool, (ix) Cost of Electric Work including fittings and fixtures, (x) Cost of plumbing work and (xi) Cost of other developmental works including sewerage, external roads, approach roads, landscaping, firefighting, *etc.*

<sup>16</sup> Mentioned in Chapter-II of SoR 2015-16 and Chapter-III of SoR 2021-22 under the Heading 'Additional Items and Rates'.

and windows, internal and external electrification, plumbing, etc. leading to short collection of Cess.

**(iii) Short realisation of labour cess due to calculation on old schedule of rates**

In July 2021, Schedule of Rates (SoR) 2021-22 was released by the Public Works Department (Buildings), Government of Meghalaya.

However, the MUDA continued to calculate the estimated value of the buildings/constructions based on the SoR of the 2015-16 till the date of audit.

Between August 2021 and March 2022, cess for Welfare of Building and other Construction Workers amounting to ₹ 1.04 crore was collected from 130 owners/contractors. Out of the 130 approvals, Audit test-checked 46 approvals (35 per cent) and observed that an amount of ₹ 7.50 lakh<sup>17</sup> was short-realised due to calculation of the estimated cost of the building/ construction at lesser rate than the rate prescribed by the SoR 2021-22, as depicted in **Appendix 1.2.1**.

In reply (October 2023), the Labour Department stated that a letter (September 2023) had been written to the Secretary, MUDA to take necessary steps as pointed out in the Performance Audit Report.

**B. Autonomous District Councils**

Autonomous District Councils (ADCs) in Meghalaya (Garo, Khasi and Jaintia) were notified (01 February 2019<sup>18</sup> and 15 April 2021<sup>19</sup>) by Urban Affairs Department as the “Authority” for implementing the Meghalaya Building Bye-Laws, 2011 and 2021 in the specified areas<sup>20</sup>. As per information furnished (March 2023) by the District Council Affairs Department, GoM, the Autonomous District Councils are the Building Plan Approval Authorities in their area of jurisdiction.

**(i) Non-collection of cess by ADCs as building plan approving authority**

In terms of the notification issued by the Urban Affairs Department, Audit observed that:

- Despite being notified on 01 February 2019 and 15 April 2021 as building plan approving authorities, ADCs did not start approving building plans resulting in non-regulation of construction works undertaken in the districts under their jurisdiction. Further, there were no records to indicate that ADCs conducted awareness programmes, inspections and activities in this regard. There was no public notice issued to make the people aware of such provisions and no application was received by the ADCs for building plan approval.

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<sup>17</sup> Calculated on the bare plinth area rates published by PWD (Buildings) i.e., exclusive of additional items as per SoR.

<sup>18</sup> Under Meghalaya Building Bye Laws, 2011.

<sup>19</sup> Under Meghalaya Building Bye Laws, 2021.

<sup>20</sup> Khasi Hills Autonomous District Council (KHADC) for all districts in Khasi Hills; Jaintia Hills Autonomous District Council (JHADC) for all districts in Jaintia Hills and Garo Hills Autonomous District Councils (GHADC) for all districts in Garo Hills.

- KHADC took more than one year to issue a public notice (23 June 2022) to make people aware and encourage them to obtain approval for the constructions in the area of jurisdiction of KHADC.
- KHADC received 83 applications during September 2022 to February 2023. Against these applications, eight approvals were accorded by KHADC while the remaining applications were pending for approval. Further, the total estimated cost of the eight approved construction works was ₹ 17.23 crore and labour cess of ₹ 17.23 lakh was due to be collected from the owners/ contractors. However, KHADC did not realise ₹ 17.23 lakh as cess from the concerned owners/contractors/builders of private constructions till the date of audit.

In reply (October 2023), the Labour Department stated that steps had been taken to notify KHADC for collection of cess and the Board has written a letter (February 2023) to the State Government in this regard.

**(ii) Short-deduction of Cess by ADCs from works executed**

Scrutiny of the Annual Accounts of the ADCs in Meghalaya revealed that the ADCs incurred expenditure of ₹ 362.85 crore on capital outlay during 2017-18 to 2021-22 as indicated in **Table 1.2.8**.

**Table 1.2.8: Short deduction of cess by ADCs during 2017-18 to 2021-22**

(₹ in crore)

Sl. No.	Name of ADC	Capital Outlay on works	Total Labour Cess Deducted	Short-deduction of labour cess	Amount of Labour Cess transferred to Welfare Board
1	KHADC	176.91	Nil	1.77	Nil
2	JHADC	77.41	0.47	0.30	Nil
3	GHADC	108.53	Nil	1.09	Nil
<b>Total</b>		<b>362.85</b>	<b>0.47</b>	<b>3.16</b>	<b>Nil</b>

Source: Reply and Annual Accounts of the ADCs.

Autonomous District Councils (ADCs) were requested to furnish work-wise payment and cess collection details for the period from 2017-18 to 2021-22. However, none of the ADCs could furnish details of the work-wise payment made by the ADCs.

However, audit noticed that JHADC deducted ₹ 0.47 crore as labour cess and this was not deposited to the Welfare Board but remained idle in the bank account of JHADC (March 2023).

As per the reply (October 2023) by the Labour Department, the Board had written (February 2023) to the Labour Department, Government of Meghalaya requesting to take up the matter with District Council Affairs Department to direct the ADCs to collect one *per cent* cess for all individual residential plans with an estimated cost of more than ₹ 10 lakhs.

However, the reply did not mention, (i) whether any letter was sent to the District Council Affairs Department, and (ii) whether any communication was sent or was under process regarding collection of one *per cent* cess from the works executed by the ADCs.

### C. State Government Departments

Government of Meghalaya notified<sup>21</sup> that all Government Departments carrying out any building or other construction works, should in case the work is carried out through a contractor, deduct mandatory one *per cent* of the amount of cost approved as per the tender notification from the bills at the time of making payment to the contractors. Furthermore, as per judgement<sup>22</sup> of the Hon'ble Supreme Court of India, funds of the Welfare Board shall not be utilised by the State for any purpose other than for welfare of construction workers.

#### (i) Short-deduction of Cess by Government Departments

Test check of records by Audit showed that cess less than one *per cent* was deducted from the contractors' bills in the following works divisions of Government Departments as indicated in **Table 1.2.9** which has been detailed in **Appendix 1.2.2**.

**Table 1.2.9: Short collection of labour cess by the Government Department**

(Amount in ₹)

Sl. No.	Name of the Division of the Works Department	Short-Collection of Cess
1	PWD (Roads), Shillong South Division	7,58,220
2	Tura North Division, PWD (Roads)	6,78,660
3	Tura, PHED	1,73,453
	<b>Total</b>	<b>16,10,333</b>

Source: Vouchers of the selected divisions of the Works Departments.

It is, therefore observed that there was a loss of ₹ 16.10 lakh due to short collection of cess by the above mentioned Government departments.

On being pointed out, Department stated (October 2023) that letter (September 2023) had been sent to the works departments to take necessary action as recommended by audit.

#### (ii) Delay in Remittance of Labour Cess to the Meghalaya BOCW Welfare Board

Audit observed that the collected cess was not remitted within the prescribed time frame of 30 days from the date of collection. During 2017-18 to 2021-22, out of the eight units which had actually transferred labour cess to the Welfare Board, none had actually transferred it within 30 days. Whereas five units are remitting it on quarterly basis, the other units did not even maintain any fixed frequency to remit the same.

Audit calculated the average delay and maximum delay based on the last voucher of the period, which is shown in **Table 1.2.10**.

<sup>21</sup> Vide Notification No. LBG-125/96/Pt I/172 dated 30 March 2011.

<sup>22</sup> In Contempt Petition (C) Nos. 41-44/2011 in WP (C) No. 318/2006.

**Table 1.2.10: Details of delay in remittance of Labour cess to the Meghalaya Welfare Board**

Sl. No.	Name of Unit	Submission Frequency	Delay in Remittance (in Days)	
			Average Delay	Maximum Delay
1	Meghalaya Urban Development Authority	Irregular	239	643
2	PWD (Roads), Shillong South Division	Quarterly	67	213
3	Shillong Building Division, PWD (Buildings)	Irregular	82	313
4	PWD (Roads), Umsning Division	Quarterly	96	227
5	PHED, Umsning Division	Quarterly	137	501
6	PWD (Roads), Tura North Division	Quarterly	140	215
7	PHED, Jowai Division	Irregular	445	869
8	PHED (Electrical), Jowai Division	Quarterly	232	573

Source: Compilation of different documents of the MUDA and the selected divisions of the Works Departments.

On an average, the cess collecting authorities delayed remittance of Labour Cess for more than 100 days, with delay in specific cases being even more than two years.

On being pointed out, Department stated (October 2023) that letter (September 2023) had been sent to the departments concerned for necessary action.

**(iii) Non-transfer of Collected Cess to the Board**

Audit observed that out of the eight selected divisions<sup>23</sup> pertaining to Works Departments, three divisions did not transfer the cess collected to the Welfare Board but instead remitted the same to the State Government Account as per details indicated in **Table 1.2.11**.

**Table 1.2.11: Details of Government Department which did not transfer labour cess****(₹ in crore)**

Sl. No.	Name of the Division	Details of the Head of Account	Period of Collection of Cess	Amount
1	Tura North Division, PWD (Roads)	0230-800-03	April 2017 to November 2021	3.74
2	Tura, PHED	0230-800-03	-do-	0.89
		8443-108 (Public Works Deposits)	December 2021 to March 2022	0.17
3	Electrical Division Jowai, PHED	0230-800-03	December 2019	0.01
<b>Total</b>				<b>4.81</b>

Source: Information furnished by the selected divisions of the Works Departments.

Audit further observed that the State Government did not make provisions in the budget of respective years for ensuring transfer of Cess to the Board nor did they issue instructions for transfer of Cess so deposited in Civil Deposit, to the Board.

Thus, the State Government could not ensure transfer of Labour Cess amounting to ₹ 4.81 crore to the Board within 30 days of its collection, in violation of the notification

<sup>23</sup> (i) Shillong Building Division, PWD (Buildings), (ii) Shillong South Division, PWD (Roads), (iii) Umsning PHE Division, (iv) Umsning Division, PWD (Roads), (v) RWS Jowai Division, PHE (vi) Electrical Jowai Division, PHE, (vii) Tura North Division, PWD (Roads) and (viii) Tura PHE Division.

referred above. Further, the Cess was utilised by the State Government in violation of the judgement pronounced by the Hon'ble Supreme Court of India in WP (C) No. 318/2006.

On these being pointed out, the Board stated (October 2023) that the respective Divisions have been instructed to transfer the Cess so collected to the Board.

However, the reply remained silent on how the amount will be adjusted as accounts for the respective years have already been finalised.

The Audit observation is based on the issues noticed in the sampled districts, hence the State Government may look for such issues in all the districts of the State before taking corrective measures.

#### **1.2.11.4 Conclusion**

The financial management of the cess fund was marred with instances of non-utilisation and disbursement of fund without following due procedures. Keeping of significant funds idle only shows inefficiency of the Board. The Board did not prepare annual budget since its establishment in September 2009. As a result, prior planning on the estimated receipts and expenditure was absent and was indicative of poor policy and financial management.

In Meghalaya, only MUDA is collecting one *per cent* mandatory cess while approving of building plans. Majority of the areas in this regard actually fall under the Autonomous District Councils. As none of the ADCs collected any cess from the owners of private buildings, cess collection from building plan approval authorities remained limited to specific municipal/ urban/ scheme areas only. The ADCs executed a considerable amount of work every year, yet they have not remitted any cess to the Welfare Board of the State.

#### **1.2.11.5 Recommendations**

Audit recommends that:

- The Board may be directed to submit budget estimates for each financial year to the Government so that revenues can be realistically estimated and appropriate budget provision maybe made in the State budget for welfare schemes. Further, proposals may be called from the District Labour Offices to assess requirement of funds at the District Labour Offices.
- The Government may issue instructions to the Autonomous District Councils to collect and deposit the Cess as per the statutory requirements. Responsibility may be fixed for non-deduction of one *per cent* cess from the contractors' bills.
- The Government may make suitable budget provision for ensuring transfer of proceeds to the board.

#### **1.2.12 Implementation of Welfare Schemes**

In terms of MBOCW (RECS) Rules 2011, the Welfare Board is to implement schemes for the benefit of Construction Workers as detailed in **Table 1.2.12**.

**Table 1.2.12: Welfare Schemes under MBOCW (RECS) Rules implemented during 2017-18 to 2021-22**

Sl. No.	Name of the Welfare Scheme	Rule Reference in the MBOCW (RECS) Rules	No. of beneficiaries who availed the scheme benefits during audit period	Amount Involved (₹ in lakh)
1.	Educational Benefit	288	50,706	1105.08
2.	Death Benefit	284	82	1035.30
3.	Welfare Pension	278	145	21.00
4.	Personal Protective Equipment (PPE)	282 A	1,400	8.32
5.	Maternity Benefit	277	147	3.87
6.	Funeral Assistance	283	62	2.78
7.	Medical Benefit	287	50	1.35
8.	Disability Pension	281	2	0.78
9.	Marriage Benefit	289	1	0.05
10.	Cash Reward	285	0	0
11.	Family Pension	290	0	0

Source: Information furnished by the Meghalaya BOCW Welfare Board.

During test check of records of the Board, Audit observed the following:

#### **1.2.12.1 Doubtful Transfer of COVID-19 Compensation to the labourers**

In order to mitigate the distress faced by Building and other construction workers, and to compensate the wage loss on account of lockdown due to COVID-19, the Government of Meghalaya notified<sup>24</sup> the extension of a fixed monetary grant of ₹ 1,000 per beneficiary per week to beneficiary workers registered with the Board in accordance with certain terms and conditions.

As per the Notifications (March 2020) of the Labour Department, Government of Meghalaya, the following Terms and Conditions were to be followed regarding compensation for loss of wages during COVID-19:

1. A registered Building & Other Construction Worker who could not attend to his work on account of shutdown due to COVID-19 may make a claim to the Labour Inspector of Blocks concerned.
2. The registered Building & Other Construction Worker shall, along with his claim, submit photo-copy of the ID card, bank pass book and up-to-date contribution which is to be submitted to the Labour Inspector concerned.
3. The Labour Inspectors, on receipt of the claims, shall verify the same and forward to the Deputy/ Assistant Labour Commissioners of their respective Districts.
4. The Deputy/ Assistant Labour Commissioner, on receipt of the claims, shall certify and forward the same immediately to the Board Office for taking necessary actions.

<sup>24</sup> Labour Department, Government of Meghalaya notification No.LBG.73/12/Pt-1/359 dated 24 March 2020.

The list of the eligible beneficiaries was to be certified by the Deputy/ Assistant Labour Commissioners of the respective districts.

The Board had extended benefit of ₹ 12.88 crore to 25,764 beneficiaries as the compensation for loss of wages due to COVID-19 without any certification from the districts for the amount of ₹ 12.88 crore. District-wise number of beneficiaries and amount disbursed are given in **Table 1.2.13**.

**Table 1.2.13: District-wise number of beneficiaries and amount disbursed**

Sl. No.	District	No. of Beneficiaries	Amount in ₹
1.	East Khasi Hills	7,074	3,53,70,000
2.	South Garo Hills	429	21,45,000
3.	West Khasi Hills	2,051	1,02,55,000
4.	West Jaintia Hills	3,246	1,62,30,000
5.	South-West Khasi Hills	650	32,50,000
6.	West Garo Hills	4,200	2,10,00,000
7.	South-West Garo Hills	2,776	1,38,80,000
8.	East Garo Hills	1,744	87,20,000
9.	Ri-Bhoi	2,275	1,13,75,000
10.	North Garo Hills	543	27,15,000
11.	East Jaintia Hills	776	38,80,000
<b>Total</b>		<b>25,764</b>	<b>12,88,20,000</b>

The Board does not maintain any comprehensive database for the registered beneficiaries. Therefore, the list of the eligible beneficiaries was to be certified by the Deputy/ Assistant Labour Commissioners of the respective districts.

Audit observed that the certified list of 543 beneficiaries with a claim amount of ₹ 0.27 crore was submitted only by the Deputy Labour Commissioner, North Garo Hills District. The other district offices did not furnish any certified copies of the eligible beneficiaries who were granted compensation.

On being pointed out by audit, Department furnished a database of 25,764 beneficiaries (October 2023) stating that the list of the eligible beneficiaries were sent by the district offices (via e-mail) and upon receipt of all the list of claimants, the payments to the active beneficiaries were made by Direct Benefit Transfer<sup>25</sup>. Audit further analysed the database and observed the following.

➤ **Excess Payment of compensation to BOC Workers on account of job loss due to Covid-19 pandemic**

**There were cases of excess payment of compensation to BOC Workers on account of job loss due to Covid-19 pandemic. This showed that proper verification of beneficiary data before disbursement of incentives was not carried out.**

Audit analysed the data files provided (October 2023) relating to compensation disbursed by the Board across Meghalaya. Audit analysis revealed deviations from the Government notification leading to excess payment. Such excess payments were

<sup>25</sup> Directly remitting the amount to the respective beneficiaries; accounts.

noticed in all the districts in varying levels. As discussed above, the notification required disbursement through direct credit of ₹ 5,000 to each beneficiary's account as compensation to an account of job loss due to Covid-19 pandemic in single instalment.

Three kinds of errors in disbursements were noted after analysis:

Type-1	• Multiple credits of ₹ 5,000 to the bank accounts of beneficiary having same registration No.
Type-2	• Multiple credits of ₹ 5,000 to beneficiaries having same bank account.
Type-3	• Multiple credits of ₹ 5,000 each to beneficiaries having same name.

As per the data made available, there were four cases of Type-I error, 16 cases of Type-II error and 262 cases of Type-III error. In South Garo Hills District, payments were made twice to the beneficiaries having same registration number in four cases. Interestingly, the bank account numbers in which funds were stated to have been deposited, were in different banks. Further, out of the four sets of cases so detected, name of the beneficiary was same in one case whereas, in the remaining three set of cases, names were different having a financial implication of ₹ 20,000 as detailed in **Table 1.2.14**.

**Table1.2.14: Beneficiaries having same registration number**

Registration No.	District	Name	Bank Account No.	IFS Code
SGH-134	South Garo Hills	SanjillaD Sangma	XXXXXX24564	SBIN0RRMEGB
SGH-134	South Garo Hills	Trenitha Marak	XXXXXX 43085	SBIN0004885
SGH-352	South Garo Hills	Melbina R Marak	XXXXXX 42474	YESB0MCA008
SGH-352	South Garo Hills	Malbina R Marak	XXXXXX 29203	SBIN0RRMEGB
SGH-746	South Garo Hills	Onillush D Sangma	XXXXXX 61940	YESB0MCA008
SGH-746	South Garo Hills	Elly M Sangma	XXXXXX 84017	SBIN0004885
SGH-669	South Garo Hills	Silwin Sangma	XXXXXX 67523	SBIN0004885
SGH-669	South Garo Hills	Swina N Sangma	XXXXXX 60120	SBIN0004885

Further, payments were made twice to the beneficiaries having same bank account numbers in sixteen cases (32 entries). These cases pertained to South West Khasi Hills (12 entries), West Garo Hills (2 entries), North Garo Hills (2 entries), South West Garo Hills (8 entries), East Garo Hills (6 Entries) and West Khasi Hills (2 entries) and had a financial implication of ₹ 80,000 as detailed in **Appendix 1.2.3**.

In 469 cases, transfers were found to have been made in the bank account of beneficiaries having same names. In such cases, Audit noticed the following:

- Seven transfers were found to have been made to beneficiary having same name in one case.

- Six transfers were found to have been made to beneficiaries having same name in four cases.
- Five transfers were found to have been made to beneficiaries having same name in eight cases.
- Four transfers were found to have been made to beneficiaries having same name in 15 cases.
- Three transfers were found to have been made to beneficiaries having same name in 60 cases.
- Two transfers were found to have been made to beneficiaries having same name in 381 cases.
- In certain cases, bank accounts were in the same branches.

#### **1.2.12.2 Deprivation of Maternity Benefits to beneficiaries**

Rule 277 of the Meghalaya Building and other Construction Workers' (RE & CS) (Amendment) Rules 2011 states that a woman beneficiary of the fund shall be given ₹ 3,000 (Rupees Three Thousand) for each child limited to two children only, on an application made by her in the prescribed form with such other document as may be specified, the same shall be submitted for the benefit, provided that this benefit shall not be allowed more than twice.

During 2017-18 to 2021-22, 303 beneficiaries<sup>26</sup> were approved for the maternity benefit. In this regard, Audit observed that, maternity benefits of only 147 beneficiaries involving an amount of ₹ 4.41 lakh were credited in their respective bank accounts whereas benefits amounting to ₹ 4.68 lakhs for remaining 156 beneficiaries were not credited.

Reason for non-transfer of benefits to the eligible beneficiaries was requested. However, the Labour Department could not furnish any reply in this regard.

#### **1.2.12.3 Deprivation of death benefits to beneficiaries**

Rule 284 of MBOCW (RE & CS) (Amendment) Rules 2017 envisages that the Board may sanction an amount of ₹ 2 lakh to the nominees/dependents of a member towards death benefit, in case of death. If the death is due to an accident during the course of employment, the nominee/dependents of the member shall be given ₹ 5 lakh towards death benefit.

During scrutiny of records, Audit observed that the Board sanctioned death benefits in respect of 142 beneficiaries and the advice lists (for a total amounting to ₹ 2.91 crore<sup>27</sup>) were sent to the bank (5 August 2020 to 19 October 2022) by the Board. However, as per the report of the Board, death benefits were credited to only 82 beneficiaries amounting to ₹ 1.64 crore whereas death benefits amounting to ₹ 1.28 crore to the other 64 beneficiaries were not credited by the bank to the beneficiaries' account.

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<sup>26</sup> Out of the 300 beneficiaries, 279 were female applicants and 21 were male applicants.

<sup>27</sup> Including Funeral Benefit of ₹5,000 and refund of contribution.

On this being pointed out by Audit, the Welfare Board stated (October 2023) that the 64 beneficiaries did not have proper documents and that the claims will be reprocessed on receipt of the required documents. The reply of the Board indicated that proper verification of the documents was not conducted by the Board prior to sending the advice list of beneficiaries to the Bank. Therefore, the possibility of benefits being granted to undeserving applicants could not be ruled out.

#### 1.2.12.4 Implementation of the cash award scheme

Rule 285 of the Meghalaya BOCW Rules, 2008 (duly amended) states that the Board may every year award cash awards<sup>28</sup> to three male and three female children of beneficiaries **in each district** who scores highest mark in the Secondary School Leaving Certificate (SSLC) Examination.

Audit observed that the Board received only 12 applications (claims for the years 2018 & 2019) forwarded by the District Labour Office, East Khasi Hills District for grant of the cash award.

However, none of the applicants received any benefit under the scheme as the Secretary, MBOCWWB enquired whether the students secured highest marks in the State or not.

Audit query was issued requesting clarifications for the following:

1. 'Highest marks' in the above rule means,
  - i. Highest marks in the State.
  - ii. Highest marks in the District.
  - iii. Highest marks amongst the beneficiaries of the district.
2. District-wise IEC activities initiated/ organised to enhance awareness of the beneficiaries about the scheme.
3. In case of non-availability of sufficient applicants for one gender, whether the award will be extended to the next highest scorer of the other gender.

However, the Welfare Board could not furnish any reply regarding the above-mentioned queries.

In this regard, Audit observed the following:

- i. The Welfare Board did not formulate clear guidelines regarding eligibility of the applicants and as a result none of the applicants received any benefit under the scheme.
- ii. No IEC activity was conducted to make the registered labourers aware about the scheme.
- iii. In the absence of initiative from the Board and clear guidelines on criteria in implementing the scheme, cash rewards were not disbursed to the children of registered workers.

<sup>28</sup> ₹ 5,000 only shall be awarded for the highest marks (one male, one female), ₹ 2,500 only shall be awarded for the second highest marks (one male, one female), ₹ 1,000 only shall be awarded for the third highest marks (one male, one female).

As per the reply (October 2023) furnished by the Department, since its inception the Board has not extended any cash reward benefit to the children of the registered beneficiaries as very few applications were received. However, the matter had been noted and steps will be taken up by the Board with the District level offices to encourage more registered building workers to avail the benefit of the schemes.

However, the reply remained silent on the clarifications sought regarding 'highest marks' and the reason for not providing benefits to the applicants.

#### **1.2.12.5 Implementation of Family Pension Scheme**

Rule 290 of the Meghalaya BOCW (RE&CS) (Amendment) Rules 2011 states that in the event of death of pensioner, family pension shall be given to the surviving spouse. The amount of pension will be 50 *per cent* of the pension received by the pensioner or ₹ 100 whichever is higher. An application in Form No. XLVI shall be submitted with such documents as may be specified by the Board within three months from the date of death of the pensioner. Further, as per Rule No. 290 of the Meghalaya BOCW (RE&CS) (Amendment) Rules 2017, the minimum family pension was revised to ₹ 500.

Audit observed that:

- No application from the registered beneficiaries was found on records. In the absence of any application, it was evident that the scheme did not benefit the family of a deceased beneficiary.
- No action taken report was found on records of Welfare Board to track and make the eligible family members of deceased pensioners aware of the rules.

On this being pointed out by Audit, the Board stated (October 2023) that since no applications were received, no family pension could be disbursed.

It was therefore evident that there was no effective initiative on the part of the Board to make the family member of the deceased workers aware of the existence of the scheme.

#### **1.2.12.6 Benefits of Personal Protective Equipment**

Rule 282A of the Meghalaya BOCW Amendment Rules 2018 prescribes that one set of Personal Protective Equipment (PPE) is to be provided to the registered beneficiaries. A Building and other Construction Worker is not entitled for a second set. However, no clarification was available in the Rules regarding which equipment would be considered as protective equipment and how many types of equipment would be granted to the beneficiaries.

Audit observed that the Welfare Board extended benefit to 1,400 beneficiaries which was 1.5 *per cent* out of a total of 92,415 beneficiaries. Reasons for extending benefit to only 1.5 *per cent* of the total beneficiaries was called for from the Board but no reasons were furnished.

Audit further observed that the Board purchased only Cut Resistant Gloves and the same were considered as the only equipment which were provided to the beneficiaries under the scheme. In the absence of any assessment of required protective equipment

in the existing norms and rules, reason for not providing any other equipment could not be ascertained from records made available.

The Board in its reply (October 2023) stated that PPEs were provided only as a one-time benefit to all the 1,400 active registered workers. The reply is not tenable since Rule 282A of the Meghalaya BOCW Amendment Rules 2018 prescribes that one set of Personal Protective Equipment (PPE) is to be provided to the registered beneficiaries. Therefore, it was observed that the Board did not follow the prescribed rule thereby depriving 91,015 registered workers of their due benefit.

### 1.2.12.7 Delay in completion of construction of Transit Camps

In order to mitigate the hardships that a Building and other Construction Workers faces during the period of transit or until he finds work, the States were advised by the Ministry of Labour & Employment, Government of India, to take pro-active steps to facilitate transit accommodation/Labour shed cum night shelter facilities in the areas where Building and other Construction Workers would have a high concentration prior to finding work.

Based on the proposal (May 2020) of the Board for construction of the transit accommodation/ labour shed cum night shelter facility at three locations viz. Shillong, Jowai and Tura, GoM decided (04 September 2020) that the work be entrusted to the Engineering Cell of the Directorate of School Education and Literacy (DSEL), Education Department.

The DSEL issued work orders for construction of transit camps at Khasi Hills, Jaintia Hills and Garo Hills to the contractors on 08 January 2021 where value of the works were ₹ 3.34 crore, ₹ 3.40 crore and ₹ 3.44 crore respectively. The lands were handed over to the contractors for the sites in Shillong, Tura and Jowai on 15 January 2021, 15 May 2021 and 15 July 2021 respectively. The works were to be completed within 16 months from the date of issue of the work orders *i.e.* within May 2022.

The Board made payment for the land for the transit camp to the New Shillong Township Agency and advance payments to DSEL for construction of the transit camps as given in **Table 1.2.15**.

**Table 1.2.15: Details of payment to DSEL**

(₹ in lakh)				
Sl. No.	Payment made to	Date of Payment	Purpose of Payment	Amount
1.	Director of School Education & Literacy, Shillong	04 September 2020	Construction of transit camps	554.90
2.	New Shillong Township Agency	08 July 2021	Premium for land	11.50
3.	Director of School Education & Literacy, Shillong	02 November 2022	Construction of transit camps	443.92
<b>Total</b>				<b>1,010.32</b>

Source: Release orders of the Welfare Board.

Audit observed that:

- Though the due date of completion of the work was May 2022, the work in all the three sites were yet to be completed (October 2023).

- To monitor the work, the Board constituted a monitoring committee consisting of members from the PWD, Education Department and the Board in May 2022 *i.e.* on the due date of completion of the project.
- The monitoring committee which met on 17 October 2022 observed that quality of work needs to be certified by the PWD (Building) and noticed discrepancies in the actual progress of work.

Therefore, it was observed that due to absence of monitoring from January 2021 to May 2022, the completion of the work was delayed and is yet to be completed till date (October 2023) thereby depriving the construction workers of the benefit of a transit camp.

On this being pointed out by audit, the Board replied (October 2023) that due to some managerial obligations, it could not set up the monitoring committee to monitor the progress and quality of the construction of the transit accommodation. The reply indicated that there was absence of proper planning by the Board to execute the project.

#### **1.2.12.8 Conclusion**

The expenditure on welfare schemes for the labourers remained woefully low in four out of five years which were reviewed by Audit. There were cases of excess payment of compensation to BOC Workers on account of job loss due to Covid-19 pandemic which showed that proper verification of beneficiary data before disbursement of incentives was not carried. Audit also observed that the benefits extended under the welfare schemes were meagre on account of either less number of beneficiaries seeking to avail the same, or delay in release of compensation by the Board. Finally, the Board's performance was poor in extending benefits like provision of PPE kits to construction workers and construction of Transit Camps due to inaction, delay and absence of monitoring of works.

The inefficient and ineffective implementation of the welfare schemes, on one hand resulted in less expenditure on welfare schemes (23.7 *per cent* of the total fund corpus), and on the other hand resulted in the targeted beneficiary labourers losing out on the benefits of the various welfare schemes that could have accrued to them had the Board been more effective in its functioning.

#### **1.2.12.9 Recommendations**

Audit recommends that:

- i. Notifications/ Orders/ Guidelines of the welfare schemes should be made more transparent and inclusive.
- ii. Awareness activities should be conducted to make the eligible registered labourers aware about the available benefits.
- iii. Tracking of advice lists sent to banks should be done to detect the status of failed transactions.

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### **1.2.13 Inspection and Monitoring**

#### **1.2.13.1 Non-submission of returns regarding employment of labourers**

Rule 274 (2) of the Meghalaya Building and Other Construction Workers (Regulation of Employment and Conditions of Service) (Amendment) Rules 2011 provides that every employer shall submit to the authorised officer a consolidated return containing the particulars of the building workers entitled to be registered showing their basic wages, allowances and amount being spent for the free supply of food, if any. Every employer shall, before the fifteenth day of every month send to the Secretary or any other authorised by him in this behalf a return in Form No. XXXI showing the details of the workers entitled to be registered as well as those left the service during the preceding month.

Audit observed that none of the employers whether individual owners, contractors, private entities, Government Departments/ Agencies, had ever submitted any such returns. Audit further observed that no action was taken by the Welfare Board for non-submission of the returns.

In the absence of such information, the Board and the designated authorities remained unaware about existence of the unregistered establishments, commencement of work for a registered establishment, unregistered labourers and non-payment of cess.

On this being pointed out by Audit, the Board replied (October 2023) that notification on the subject matter has been issued in September 2023.

However, despite such positive assurance, the Board could not state any reason why the same was not issued in the first place and what were the hindrances to issue the same immediately after implementation of the Act in the State.

#### **1.2.13.2 Non-maintenance of Electronic Data of Registered Labourers and Claims**

Maintenance of updated database is crucial for the implementation of any scheme or project. Therefore, for the purpose of examining the implementation of the BOCW Act in Meghalaya, Audit requested for electronic data of registered labourers from the Welfare Board. However, the Welfare Board stated that electronic database is being developed (December 2022).

Detailed list of the registered labourers in electronic format could provide an overview of the registered labourers which further could have assisted the Board to monitor the district-wise registration and to make efficient policy decisions.

In the absence of any electronic database, the Board issued the advice lists based only on the inputs from the district labour offices. Therefore, verification of the payment requests at the level of the Board remained very limited.

#### **1.2.13.3 Status of Inspections conducted**

The Labour Commissioner, Government of Meghalaya was appointed as the Secretary of the Welfare Board. The Joint Labour Commissioner has been notified as the Assessing

Officers of the Board in April 2011. The Deputy Labour Commissioners/ Assistant Labour Commissioners (in-charge of the district labour offices) were appointed as Cess Assessors only on January 2023. The Deputy Labour Commissioners/ Assistant Labour Commissioners (in-charge of the district labour offices) have been notified as the Registering Officer under the Act. Inspectors to be appointed under the BOCW Act were given authorities and responsibilities under Section 43 of the Act and role of the inspectors is imperative in implementation of the Act.

No separate appointment of Inspectors was done for implementation of BOCW Act, BOCW Cess Act, BOCW Cess Rules and MBOCW Rules. Labour Inspectors of the Department have been delegated the duties and responsibilities of the Inspector under the BOCW Act 1996 on 16 July 2015.

During scrutiny of records of the selected District Labour Offices, Audit observed that 790 inspections were conducted under the BOCW Act but only 10 inspection reports were found on record as per details given in **Table 1.2.16**.

**Table 1.2.16: Details of inspection conducted and reports during 2017-22**

Sl. No.	Name of the District	Total Inspections conducted as per Monthly Reports	Inspection Reports found on records (by audit)
1.	East Khasi Hills	342	Nil
2.	Ri-Bhoi	Nil	Nil
3.	West Jaintia Hills	366	Nil
4.	West Garo Hills	82	10
<b>Total</b>		<b>790</b>	<b>10</b>

Source: Scrutiny of Records and Information furnished by the District Labour Offices.

Audit observed that:

- i. District Labour Office, Shillong, Jowai did not produce any inspection report to audit despite the fact that 708 inspections were conducted by these offices.
- ii. The District Labour Office, Nongpoh had not conducted any inspection and hence, there was no inspection report.
- iii. The District Labour Office, Tura conducted 82 inspections and 10 Inspection Reports were available to audit.
- iv. No observations were raised by the Labour Inspectors nor was any record of inspections *viz.*, details of the building/ construction/ establishment, date of inspection, observations, *etc.* available in records in all the cases where inspection reports were not available.

Therefore, it was observed that there are deficiencies in the manner in which inspections are conducted by the Labour Department under the BOCW Act 1996.

In reply (October 2023), the Labour Department stated that it has been noted and for all future reference it shall be made mandatory by the Board that all inspections conducted by the inspectors be filed and docketed in such manner that is easily accessible.

#### 1.2.13.4 Meetings of the Board

Rule 258 of the Meghalaya Building and other Construction Workers' (RE & CS) (Amendment) Rules 2011 envisaged that the Board shall ordinarily meet once in two months; provided that the Chairperson shall, within fifteen days of the receipt of a requisition in writing from not less than one third of the members of the Board, call a meeting thereof.

Audit observed that the Board meetings were never conducted as per the specified frequency of at least once in two months. Year-wise numbers of meetings conducted during 2017-18 to 2021-22 is given in **Table 1.2.17**.

**Table 1.2.17: Details of Board's meetings conducted**

Year	Nos. of Meetings Held	Meeting No. & Date of the meetings	Nos. of Members Present	Short-conducted of meetings against the prescribed Nos.
2017-18	4	25 <sup>th</sup> (13 June 2017) 26 <sup>th</sup> (08 September 2017) 27 <sup>th</sup> (08 November 2017) 28 <sup>th</sup> (06 February 2018)	20 13 15 11	2
2018-19	4	29 <sup>th</sup> (03 April 2018) 30 <sup>th</sup> (02 August 2018) 31 <sup>st</sup> (15 October 2018) 32 <sup>nd</sup> (11 February 2019)	13 13 18 9	2
2019-20	2	33 <sup>rd</sup> (05 August 2019) 34 <sup>th</sup> (31 January 2020)	13 18	4
2020-21	1	35 <sup>th</sup> (14 August 2020)	13	5
2021-22	1	36 <sup>th</sup> (29 March 2022)	14	5
<b>Total</b>	<b>12</b>	-	-	<b>18</b>

*Source: Compilation of the Minutes of the Meetings of the MBOCW Welfare Board.*

It was, therefore, observed that the Welfare Board conducted only 12 meetings during 2017-18 to 2021-22 instead of the required 30 meetings prescribed by the rules which led to a shortfall of 18 meetings during the period.

Absence of regular meetings indicated that the Board did not effectively perform its duties and responsibilities<sup>29</sup> to the desired extent, as pointed out in the previous paragraphs of this report.

The Board while accepting the audit observations stated (October 2023) that it will try to hold the Board meetings once every two months.

#### 1.2.13.5 Non-maintenance of Quarterly Progress Report

As per the directions of the Hon'ble Supreme Court of India in the Contempt Petition (C) Nos. 41-44/2-11 in WP (C) No. 318/2006, every Welfare Board shall, without fail, hold its meetings at least once in two months and submit its Minutes, as well as the action taken and progress reports in regard to the framing and implementation of the

<sup>29</sup> *E.g.* all matters connected with the administration of the fund, laying down policies for the deposits of the amount of the fund, submission of annual budget to Government of sanction, submission of annual report to Government on the activities of the Board, speedy settlement of claims and sanction of advances and other benefits, *etc.* (reference Rule 267 of the MBOCW (RE&CS) Amendment Rules 2011).

schemes and disbursement of funds to the eligible applicants, to the Secretary (Labour) of that Government quarterly.

In this regard, Audit observed that the Welfare Board submitted the quarterly progress report only up to September 2018, but stopped preparation and submission of quarterly progress reports/ returns after September 2018. No reason was found on records regarding reason for stoppage of preparation and submission of quarterly progress reports.

The absence of the quarterly report after September 2018 therefore indicated weakness in internal monitoring by the Welfare Board.

In reply, the Board stated that they have taken action as per the Audit observation and the Board had prepared the Quarterly Progress Report for the first quarter of 2023-24.

#### **1.2.13.6 Conclusion**

The efficient implementation of the BOCW Act, BOCW Cess Act and the corresponding Rules could only be achieved through engaging sufficient manpower and allocation of duties. Gaps in registration of establishments, registration of labourers and collection of cess could not be filled up as long as the conduct of inspections remain negligible. Necessary records *viz.*, detailed and updated database of registered workers, applications received from beneficiaries relating to the schemes being implemented, *etc.* were not maintained by the Board which would have facilitated them in taking efficient policy decisions. Further, effective monitoring of implementation of the schemes was not done by the Welfare Board.

#### **1.2.13.7 Recommendations**

Audit recommends that:

- i. District Labour Offices should be consulted regarding requirement of additional manpower for better implementation of the BOCW Act, BOCW Cess Act and the related Rules.
- ii. Labour Inspectors of Districts and Blocks should be informed regarding all the duties and responsibilities as mandated by the BOCW Act.
- iii. Inspection Reports should be recorded for each and every inspection done by the Labour Inspector. A common *proforma* in this regard may be given to all the District Labour Offices.
- iv. Labour Inspectors of the blocks may be asked to inspect establishments and take action as per the provisions of the Act.
- v. Block-wise target of inspections should be fixed to detect unregistered establishments and unregistered labourers.
- vi. Electronic database of registered beneficiaries should be created and maintained at all levels.
- vii. A user friendly IT application for registration of establishments engaged in construction activities, online submission of documents & deposit of labour cess, registration of workers, details of beneficiaries, *etc.* may be developed for better monitoring.

## COMPLIANCE AUDIT PARAGRAPHS

### REVENUE AND DISASTER MANAGEMENT DEPARTMENT

#### 1.3 Subject Specific Compliance Audit (SSCA) on ‘Management of State Disaster Response Fund’

##### 1.3.1 Introduction

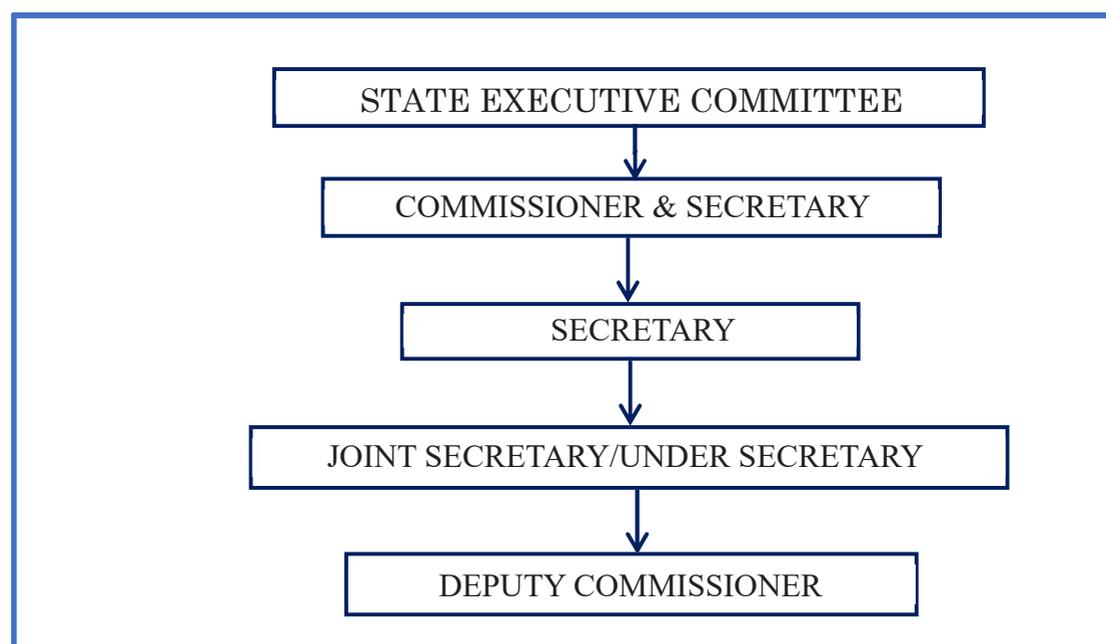
The State Disaster Response Fund (SDRF) is a fund constituted under section 48 (1)(a) of the Disaster Management Act, 2005 (53 of 2005). SDRF is designated exclusively for the purpose of financing immediate relief efforts for individuals affected by various natural calamities, including cyclones, droughts, earthquakes, fires, floods, tsunamis, hailstorms, landslides, avalanches, cloud bursts, pest attacks, and frost & cold waves as notified by the Central Government as well as State specific disasters, as notified by the State Governments. Besides, this fund is for specific issues pertaining to recovery & reconstruction, preparedness & capacity-building.

The amount of annual contribution to Meghalaya SDRF as recommended by the Finance Commissions was 90 *per cent*<sup>30</sup> as grant from Government of India (GoI) and remaining 10 *per cent* was to be contributed by Government of Meghalaya (GoM). SDRF is the primary fund available with State Governments for meeting disaster related expenditure as notified<sup>31</sup> by the State Government and guidelines issued by GoI.

##### 1.3.2 Organisation Set-up

Organisation chart for management of SDRF is given in **Chart 1.3.1**.

**Chart 1.3.1: Organisation chart for management of SDRF**



<sup>30</sup> North Eastern and Himalayan States earlier known as Special Category States as per Gadgil Formula.

<sup>31</sup> Government of Meghalaya has powers to notify ‘Lightning strike’ as a disaster.

When a natural disaster strikes, the Deputy Commissioner (DC) concerned, submits proposals for immediate relief under SDRF to the Revenue & Disaster Management Department. The Revenue & Disaster Management Department submits the proposals to the State Executive Committee<sup>32</sup> (SEC) for final approval and accordingly financial assistance is disbursed to the respective DCs.

### **1.3.3 Audit Objectives**

The overall aim of the Subject Specific Compliance Audit (SSCA) was to assess the following:

- 1) Whether release of SDRF funds was timely and as per Guidelines and maintenance of SDRF accounts and investment of SDRF funds were as per Guidelines.
- 2) Whether the allocation from SDRF was for specified purposes and whether norms for declaring State specific disaster have been put in place; and
- 3) Whether the expenditure out of SDRF was appropriately monitored.

### **1.3.4 Audit Criteria**

The following were used as the sources of Audit Criteria for the SSCA:

- Disaster Management Act, 2005;
- Guidelines on constitution and administration of State Disaster Response Fund as recommended by XIV Finance Commission and XV Finance Commission;
- Items and norms of assistance issued by Ministry of Home Affairs from time to time;
- Policies, plans and guidelines on Disaster Management issued by the State Government; and
- General Financial Rules, 2017.

### **1.3.5 Audit Scope, Sample Selection and Methodology**

SSCA on SDRF covering the period from 2017-18 to 2021-22 was conducted during October – December 2022. The samples selected for SSCA comprised the State Disaster Management Authority at the Government level and four districts<sup>33</sup> out of 12 districts in the State under the administrative control of the Deputy Commissioners designated as Chairman of the District Disaster Management Authorities (DDMAs). The sample selection was based on fund released to the districts and was done by using Probability Proportional to Size Sampling Without Replacement (PPSWOR) method.

SSCA commenced with an entry conference held on 17 October 2022 with the Secretary, Revenue & Disaster Management Department wherein audit objective, scope and criteria were discussed. The SSCA involved scrutiny of records in the office of Revenue and Disaster Management Department at the Government level and four

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<sup>32</sup> Composition of SEC includes Chief Secretary as Chairperson and four member's Ex-officio (Additional Chief Secretary/Principal Secretary in charge Revenue and Disaster Management Department, Principal Secretary PWD, Principal Secretary Home and Principal Secretary Finance).

<sup>33</sup> West Garo Hills, East Garo Hills, North Garo Hills & RiBhoi.

offices of the Deputy Commissioners at the district level. The draft SSCA Report was issued to the Government and an exit conference was held on 26 July 2023 with the Secretary, Revenue & Disaster Management Department. Replies and comments of the Department/State Government received along with audit rebuttals have suitably been incorporated at appropriate places in the draft SSCA Report.

### 1.3.6 Fund Position of SDRF

As per guidelines on Constitution and Administration of State Disaster Response Fund (SDRF) (September 2010), the SDRF Fund would be constituted in the Public Account under Reserve Fund bearing interest, under MH 8121 in the accounts of the State Government. The State Government shall take the amount as receipts in its budget and account under MH 1601-01-109. In order to enable transfer of the total amount of the contribution to the fund, including the State share, the State Government would make suitable budget provision on the expenditure side of the budget under MH 2245-05-101 (Relief on account of natural calamities). Immediately upon receipt of GoI share, the State would transfer the amount, along with its share to the Public Account head (MH 8121-122). The actual expenditure on relief works will be booked only under respective minor head under MH 2245 and the expenditure to be charged to the SDRF will be shown as a negative entry under MH 2245-05-901. Direct expenditure should not be made from the Public Account. The balance in the Fund would be invested as per provisions stipulated in the guidelines in Central Government dated securities, auctioned treasury bills and interest bearing deposits and certificates of deposit with scheduled commercial banks.

In Meghalaya, the operationalisation of the State Disaster Response Fund (SDRF) commenced on 16 June 2011, as officially communicated through Notification No. RDG.51/2010/25. For operation of the SDRF fund, the Revenue and Disaster Management Department, Government of Meghalaya opened a current account bearing No. XXX971 with the State Bank of India, Secretariat Branch, Shillong on 12 October 2012.

Details of funds position of SDRF during the period from 2017-18 to 2022-23 are placed in **Table 1.3.1**.

**Table 1.3.1: Details of fund receipts and expenditure thereof.**

Year	Opening balance	Funds received from			Interest earned Fixed Deposit	Amount transfer to Current Account	Fund available (2+5+6+7)	Fixed Deposit invested in Bank	Expenditure	Closing Balance (8-10)
		GoI	GoM	Total (3+4)						
1	2	3	4	5	6	7	8	9	10	11
2017-18	86.18 <sup>34</sup>	24.30	2.70	27.00	7.18	56.65	177.01	88.68	56.71	120.30
2018-19	120.30	12.60	1.40	14.00	3.61	44.35	182.26	61.93	44.45	137.81
2019-20	137.81	38.70	4.30	43.00	3.91	52.55	237.27	27.87	49.05	188.22
2020-21	188.22	49.52 <sup>35</sup>	3.66	53.18	1.60	54.85	297.85	9.46	101.04	196.81

<sup>34</sup> Opening Balance includes Current Account balance of ₹ 0.02 crore, investment from SDRF: ₹ 62.52 crore and investment from NDRF: ₹ 23.64 crore.

<sup>35</sup> Includes grants-in-aid under National Disaster Response Fund (NDRF) amounting to ₹ 16.52 crore received during the year but not transferred to Public Account MH 8121.

Year	Opening balance	Funds received from			Interest earned Fixed Deposit	Amount transfer to Current Account	Fund available (2+5+6+7)	Fixed Deposit invested in Bank	Expenditure	Closing Balance (8-10)
		GoI	GoM	Total (3+4)						
1	2	3	4	5	6	7	8	9	10	11
2021-22	196.81	85.80	9.52	95.32	0.54	46.69	339.36	22.16	58.93	280.43
2022-23	280.43	27.20	3.20	30.40	0.13	22.16	333.25	-	74.56	258.69
<b>Total</b>		<b>238.12</b>	<b>24.78</b>	<b>262.90</b>	<b>16.97</b>	<b>277.38</b>			<b>384.74</b>	

Source: Information furnished by the Department and Finance Accounts of respective years.

From the table above, the following are observed:

- Fund of ₹ 238.12 crore by GoI and ₹ 24.78 crore by GoM in the ratio 90:10 were released for SDRF during the period from 2017-18 to 2022-23.
- Five per cent of the annual allocation was to be released for capacity building. Thus, out of ₹ 262.90 crore released for SDRF, ₹ 13.15 crore was to be released for capacity building. However, the Department allocated and released only ₹ 4.20 crore<sup>36</sup> (32 per cent) during the period of review leaving a shortfall of ₹ 8.95 crore.

### Audit Findings

***Audit objective No 1: Whether release of SDRF funds was timely and as per provisions of Guidelines and maintenance of SDRF accounts and investment of SDRF funds were as per Guidelines?***

SDRF guidelines stipulate timely release of the annual allocated funds in two instalments in June and December of each financial year subject to fulfilment of criteria for their release. Proper accounting and investment of the funds released were to be carried out as per the norms prescribed in the guidelines. Audit examination however revealed non-adherence to the Guidelines in ensuring timely release of fund, deficiencies in investment and proper accounting of the SDRF funds which are discussed in subsequent paragraphs:

#### 1.3.7 Delay in transfer of GoI share of SDRF by the State Government

Para 7 of Guidelines on Constitution and Administration of SDRF stipulates that, immediately upon receipt of Government of India's share, the State would transfer the amount, along with their matching share, to the Public Account Head within 15 days of its receipt. Any delay will require the State Government to release the amount, with interest, at Bank rate of RBI, for the number of days of delay. The State Government is required to endorse the copy of the release order to the Department of Expenditure, Ministry of Finance and Ministry of Home Affairs.

Scrutiny of records of the Commissioner & Secretary, Revenue & Disaster Management Department revealed a deviation from the prescribed guidelines in the State Government's disbursement of its allocated shares. Audit observed significant delays in release of both the first and second instalments<sup>37</sup>. Consequently, interest amounting to ₹ 3.32 crore was

<sup>36</sup> 2017-18 - ₹ 1.35 crore; 2019-20 - ₹ 1.40 crore and 2020-21- ₹ 1.45 crore.

<sup>37</sup> Delay of 48 to 324 days in release of 1<sup>st</sup> Instalment and 65 to 155 days in release of 2<sup>nd</sup> instalment.

required to be paid in to the SDRF which had not yet been paid by the State Government as of March 2023 (details in **Appendix 1.3.1**).

Further, the outstanding interest liability of ₹ 3.32 crore as pointed out by Audit led to understatement of actual revenue expenditure and fiscal deficit and deferred liability of the State to that extent.

During the Exit Meeting (July 2023), the Department stated that, the delay happened as it had to follow procedures and get the concurrence of State Finance Department before transfer of funds to SDRF account. The Department stated that the matter would be taken up with the State Finance Department.

Reply of the Department confirms that there was delay on the part of State Government in releasing fund received under SDRF, this was despite clear instructions issued under SDRF guidelines.

### **1.3.8 Diversion of ₹ 2.15 crore from SDRF**

Para 18 of Guidelines stipulates that provision for disaster preparedness, restoration, reconstruction and mitigation should not be part of SDRF/NDRF. Further, any such expenditure is needed to be borne under the normal budgetary heads/State plan funds.

Para 3 (i) & (ii) of Guidelines provide that SDRF shall be used only for meeting the expenditure for providing immediate relief to the victims of cyclone, drought, earthquake, fire, flood, tsunami, hailstorm, landslide, avalanche, cloud burst, pest attack and frost & cold wave. State Government may use up to 10 *per cent* of the fund available for providing immediate relief to the victims of natural disasters that they consider to be 'disaster' within the local context in the State.

Para 13 (i) of the Guidelines provides that the State Executive Committee (SEC) will decide on all matters connected with the financing of the relief expenditure of immediate nature from SDRF. Further, Para 13 (iii) provides that the SEC shall ensure that (a) the money drawn from the SDRF is actually utilised for the purposes for which the SDRF has been set up, (b) expenditures are only on items of expenditure and as per the norms as in para 15, (c) timely remittance of State share into SDRF account, (d) amount is not retained under non-interest bearing public account, (e) fund is not diverted to inadmissible expenditure.

As per Sl. No. 4 (b) of items and norms of assistance from SDRF in the wake of COVID-19, cost of personal protection equipment for healthcare, municipal, police and fire authorities were allowed, limited to 10 *per cent* of the annual allocation of the SDRF.

- Test check of records of the Commissioner & Secretary, Revenue & Disaster Management Department revealed that SDRF amount of ₹ 2.00 crore was transferred to the Chief Minister's Relief Fund as detailed in **Table 1.3.2**.

**Table 1.3.2: Details of fund diverted from SDRF**

Sl. No.	Account Name	Cheque No & Date	Amount (in ₹)
1	Chief Minister Relief Fund A/c No. xxx8285	626843/ 24.08.2018	1,00,00,000
2	Chief Minister Relief Fund A/c No. xxx8285	626888/ 10.05.2019	1,00,00,000

Audit observed a diversion of ₹ 2.00 crore from the State Disaster Response Fund (SDRF) to the Chief Minister Relief Fund (₹ 1.00 crore as a loan), lacking the requisite approval from the State Executive Committee, as mandated under the guidelines. Moreover, within the funds allocated to the Chief Minister Relief Fund, ₹ 1.00 crore was designated for donation to the Chief Minister's Relief Fund of Kerala, and another ₹ 1.00 crore was released as relief funds for the victims of Cyclone 'FANI' in the State of Odisha. It is noteworthy that these disbursements deviate from the prescribed items of expenditure outlined in the guidelines.

The Department in their reply (October 2023) stated that it will have to clarify under which provision the fund was given to the Chief Minister's Relief Fund and the matter taken up with SEC for regularisation. The updated status of recoupment/regularisation has not been communicated by the Department (February 2024).

Further, Audit also observed that the Revenue & Disaster Management Department transferred (March 2020) an amount of ₹ 15.45 lakh from SDRF to the Deputy Secretary, Secretariat Administration Department (Accounts), Government of Meghalaya (Account No. xxx2365) for the purpose of sanitisation of public areas. The diversion of funds amounting to ₹ 15.45 lakh from SDRF was in contravention to the SDRF guidelines. The Department stated (October 2023) that the fund released was for sanitisation of the Secretariat.

Reply of the Department confirms that fund was diverted on in admissible items against the provision of SDRF.

### **1.3.9 Investment of SDRF**

As per para 4 of SDRF guidelines, the State Disaster Response Fund is to be constituted with the nomenclature "State Disaster Response Fund" in the Public Account under the Reserve Fund bearing interest in the Major Head: 8121- General and other Reserve Fund in the accounts of the State Governments concerned and the funds were to be invested in the following manner:

- Bank of India (having Banking Department) at the headquarters of the State, or a bank designated by RBI as per the approval of the State Executive Committee.
- The accretions to the SDRF together with the income earned are to be invested on (a) Central Government dated Securities; (b) Auctioned Treasury Bills and (c) Interest earning deposits and certificates of deposits with Scheduled Commercial Banks.
- The investments made to the local bankers should be based on instructions received from the State Executive Committee.
- On maturity of the securities, the proceeds are to be collected and credited to the account of the Government or re-invested on the basis of instructions received from the SEC.
- The receipt on account of maturity or sale of the securities would be credited to the "State Disaster Response Fund".

The Department constituted the Fund with the nomenclature “State Disaster Response Fund” under the Reserve Fund bearing interest (Major Head: 8121- General and other Reserve Fund) in the Public Account of the State Government. However, the following discrepancies were noticed:

**1.3.9.1** Audit scrutiny revealed that, in contravention to the guidelines, the Department during the Audit period had invested the funds directly in various public, private and local banks without obtaining the approval of the SEC.

**1.3.9.2** During the review period, ₹ 255.08 crore being the amount of matured and un-matured investments including interest of ₹ 16.35 crore was directly withdrawn and transferred to the current account of the Department.

**1.3.9.3** As per the State Finance Accounts, as on 01 April 2017, no investment was made by the Department. On verification of records of the Department, it was noticed that investment available was ₹ 86.16 crore (SDRF- ₹ 62.52 crore and NDRF - ₹ 23.64 crore) as on 01 April 2017. Similarly, as on 31 March 2022, Finance Accounts showed the amount invested in SDRF Investment Fund as ₹ 118 crore while as per departmental records (Bank Statement), the total invested amount was ₹ 22.16 crore as on 31 March 2022. The available invested amount of ₹ 22.16 crore along with interest of ₹ 12.81 lakh was transferred to the current account of the Revenue & Disaster Management on 16 April 2022, leaving nil balance of FD as on 31 March 2023.

Year-wise comparative details of investment as per Finance Accounts and details furnished by the Department are shown in **Table 1.3.3**.

**Table 1.3.3: Year-wise (as on 31 March) comparative details of investment as per Finance Accounts and details furnished by the Department**

(₹ in crore)			
Year	As per Finance Accounts	As per Department's figures	Difference
2017-18	-	86.16	86.16
2018-19	-	61.93	61.93
2019-20	14.00	27.87	13.87
2020-21	118.00	9.46	108.54
2021-22	118.00	22.16	95.84
2022-23	118.00	Nil	118.00

Thus, the Department did not provide correct account of the SDRF Investment Fund to Audit.

### **1.3.10 Booking of expenditure of SDRF**

**1.3.10.1** As per Para 8 on “Guidelines on Constitution and Administration of SDRF”, the actual expenditure on relief works should be booked under respective sub/minor heads within Major Head 2245 (*i.e.*, 01 for drought; 02 for flood, cyclones, *etc.*; 05 for “State Disaster Response Fund” and 80 for General). The expenditure to be charged to the SDRF will be shown as a negative entry under 2245-05-901- deduct amount met from SDRF for relief expenditure.

Audit observed that the State Government did not make provision for undertaking relief measures in the budget during the period from 2017-18 to 2021-22. Further, the

Department incurred an expenditure of ₹ 310.18 crore during the period 2017-18 to 2021-22 from the Current Account. Moreover, an expenditure of ₹ 244.35 crore was budgeted and booked under MH 2245 during the same period which included transfer of SDR funds to Public Account (MH 8121) and other expenditure not qualified to be charged to SDRF. Details are shown in **Table 1.3.4**.

**Table 1.3.4: Details of actual expenditure incurred through Current Account and expenditure booked under Finance Accounts**

(₹ in crore)

Year	Expenditure incurred on disaster relief qualified to be charged to SDRF as per cash book of the Department	Non-qualifying expenditure booked under MH 2245 (including transfers to MH 8121)
2017-18	56.71	28.91
2018-19	44.45	16.52
2019-20	49.05	44.71
2020-21	101.04	56.41
2021-22	58.93	97.80
<b>Total</b>	<b>310.18</b>	<b>244.35</b>

Source: Expenditure figure of Revenue & Disaster Management Department and Finance Accounts.

From **Table 1.3.4**, it was observed that expenditure of ₹ 310.18 crore was incurred on relief measures directly from the Current Account.

**1.3.10.2** Para 9 of the Guidelines on “Constitution and Administration of SDRF” suggest that direct expenditure should not be made from the Public Account. Even if for some administrative reasons, expenditure on immediate relief has been met under heads of account other than ‘Major Head 2245’, these should be finally booked under ‘Major Head 2245’ through inter-account transfers.

Audit observed that the Revenue & Disaster Management Department during the period from 2017-18 to 2021-22 transferred ₹ 232.50 crore to the Public Account -Major Head 8121 from the MH 2245. Out of ₹ 232.50 crore received in the Public Account Head 8121, amount of ₹ 228.17 crore was directly withdrawn and transferred to the current account of the Department for expenditure in violation of SDRF guidelines. Details are furnished in **Table 1.3.5**.

**Table 1.3.5: Details of fund transferred to Current Account and as per Finance Accounts**

(₹ in crore)

Year	Fund transferred to the current account of the Department	Finance Accounts		
		Fund transferred from Major Head 2245-05-101 to MH 8121-122	Opening balance of fund under Major Head 8121-122	Amount withdrawn/ expenditure incurred from Major Head 8121-122
2017-18	56.65	27.00	29.70	52.00
2018-19	44.35	14.00	4.70	14.00
2019-20	52.55	43.00	4.70	14.00
2020-21	54.85	53.18	151.70 <sup>38</sup>	82.18
2021-22	46.68	95.32	122.70	65.99
<b>Total</b>	<b>255.08</b>	<b>232.50</b>		<b>228.17</b>

Source: Compilation of information from Revenue & Disaster Management Department and State Finance Accounts.

<sup>38</sup> Includes Proforma adjustment of previous year’s investment of ₹ 104 crore (2015-16 - ₹ 24 crore; 2016-17 - ₹ 25 crore; 2017-18 - ₹ 27 crore and 2018-19 - ₹ 28 crore) and OB of ₹ 47.70 crore.

***Audit objective No 2: Whether the allocation from SDRF was for specified purposes and whether norms for declaring State specific disaster have been put in place?***

### **1.3.11 Inadmissible expenditure**

#### **1.3.11.1 Expenditure on items not covered under the Items & Norms of Assistance under SDRF: ₹ 5.08 crore**

Para 18 of Guidelines stipulates that provision for disaster preparedness, restoration, reconstruction and mitigation should not be part of SDRF/NDRF. Further, any such expenditure is needed to be borne under the normal budgetary heads/State plan funds.

Test check of records of the Commissioner & Secretary, Revenue & Disaster Management Department revealed that an amount of ₹ 5,07,73,500/- was sanctioned, as relief for flood which occurred during mid July 2016, vide RDG.215/2016/52 dated 31 July 2018 (SEC approval dated 23 May 2018) for items of works *viz.* (i) installation of 2,197 hand tube wells (ii) construction of 1,584 makeshift toilet (iii) procurement of 15,559.60 kg of chemicals and (iv) transportation and running mobile treatment plant and providing water supply through water tanker/pick-up van. Audit observed that sanction was made in July 2018 after two years of occurrence of the flood (July 2016). Thus, the objective of providing immediate relief for the said works for which sanction was accorded was not plausible and injudicious, being after a prolonged period of two years of occurrence of the natural calamity. The release of ₹ 5.08 crore by the Department was also injudicious as feasibility report based on which the fund was sanctioned and released was not found submitted. As per the items & norms of assistance, assistance for relief measures from SDRF should be made after approval of SEC on assessment of reliefs proposed and should be allowed on the items of assistance admissible. Further, no assessment of need/requirements was recommended by SEC. However, the Department released (August 2018) the amount of ₹ 5.08 crore to Executive Engineer, PHE, Tura North Division, which was utilised (upto November 2018) in violation of the SDRF norms. On further analysis of the items on which the expenditure of ₹ 5.08 crore was incurred, it was observed that against the admissible provision of supply of emergency drinking water for relief, expenditure of ₹ 4.24 crore was incurred on construction of hand tube wells which were not admissible. Expenditure of ₹ 53.06 lakh incurred on construction of makeshift toilets and expenditure of ₹ 14.43 lakh on bleaching powder were not admissible as these were not covered under the items to be assisted from SDRF funds.

The Department in their reply stated that due to emergency provision for supply of drinking water, 2,197 hand tube wells installation works, construction of 1,584 makeshift toilets, chemicals for clearance of debris in public areas and water supply through water tanker and pick-up vans, sanction and release of fund of ₹ 5.08 crore was made to the DC (July 2018).

Reply of the Department is not tenable as relief measures were undertaken in July 2018 *i.e.*, two years after the occurrence of flood, the expenditure cannot be termed as expenditure incurred for providing immediate relief to the affected population and as such, was inadmissible under SDRF.

**1.3.11.2 Expenditure relating to relief provided to victims of calamities which are not notified natural calamities: ₹ 8.10 crore**

As per Para 3 of Guidelines, the SDRF shall be used only for meeting the expenditure for providing immediate relief to victims of cyclone, drought, earthquake, fire, flood, tsunami, hailstorm, landslide, avalanche, cloud burst, pest attack, and frost & cold wave. Further, the State Government is allowed to use up to 10 *per cent* of SDRF for providing immediate relief to victims that are declared/notified as 'local disaster'. In the case of the State of Meghalaya, 'lightning strike' has been declared as 'local disaster' vide notification No. RDG.74/2014/41 dated 22 July 2015.

Test check of records of the Commissioner & Secretary, Revenue & Disaster Management Department revealed that expenditure of ₹ 8.10 crore from SDRF was incurred on immediate relief to victims of heavy rainfall, strong wind, speedy wind, thunder squall, hailstone, which were not notified as natural calamities (as detailed in **Appendix 1.3.2**). It is pertinent to mention here that the expenditure was sanctioned after 09 to more than 12 months after the actual occurrence of the un-notified disaster. It was further noticed that in 15 cases, booking of expenditure was not done as per the classification mentioned in the sanction order.

On being pointed out (November 2022) about expenditure incurred on natural calamities which were not notified natural calamities, the Department stated (October 2023) that it would take up the matter with the respective DC to rectify the nomenclature as notified in the Guidelines.

The audit findings indicate that the Department did not conduct a thorough examination to assess the admissibility and adherence to established guidelines prior to approving the relief funds. A meticulous due diligence process would have revealed discrepancies in the nomenclature assigned to the natural calamities, diverging from the prescribed guidelines.

**1.3.11.3 Ex-gratia payment to victims who died due to coal mining activities: ₹ 1.07 crore**

As per Sl. No. 1 (a) of Items & Norms of Assistance from SDRF, ex-gratia payment can be made to families of deceased persons at the rate of ₹ 4.00 lakh per deceased person including those involved in relief operations or associated in preparedness activities, subject to certification regarding cause of death from appropriate authority. Further, the National Green Tribunal (NGT), vide its directive dated 17 April 2014, had prohibited coal mining activities in Meghalaya.

Test check of records of the Commissioner & Secretary, Revenue & Disaster Management Department revealed that ex-gratia payment was made in July 2019 to 14 victims who died and five persons who suffered injury during the course of illegal coal mining activities at Mengkulgittim of Rongsa Awe Village under South Garo Hills. The total amount of ex gratia paid was ₹ 16,50,000. Further, it was noticed that ex gratia payment was made to 18 persons who died at Ksan coal mines at the rate of ₹ 5.00 lakh per person amounting to ₹ 90,00,000. Both the above payments were met from the funds available with SDRF totalling ₹ 1.07 crore. Consequently, extending relief to

37 individuals involved in illegal activities stands in stark contradiction to the SDRF guidelines.

Comments of the Department were called for (November 2022). The Department in their reply stated that the mishap happened because of flooding in the coal mines due to excessive rainfall and the matter would be placed before the SEC for regularisation.

The justification provided by the Department is not acceptable as incidents or accidents occurring within coal mines do not fall within the purview of notified natural calamities as outlined in the guidelines; and the SEC is not mandated to regularise an expenditure incurred for supporting any activity declared illegal by NGT.

#### 1.3.11.4 Excess expenditure relating to supply of household goods - ₹ 0.91 crore and irregular expenditure of ₹ 4.09 crore

In terms of Sl. 1(d) of Items and Norms of Assistance under SDRF, utensils/household goods for families whose houses have been washed away/fully damaged/severely inundated for more than two days due to a natural calamity are fixed at ₹ 2,000 per family, for loss of utensils/household goods.

Scrutiny of records showed that an FIR was lodged (14 July 2019) by Block Development Officer, Selsella C&RD Block, West Garo Hills regarding occurrence of flood on 13-14 July 2013. As per the FIR, the affected area was Selsella C&RD Block affecting 12,846 houses, Tikrikilla C&RD Block affecting 741 houses and in the case of Demdema C&RD Block no houses were affected by the flood.

Further scrutiny showed that the office of the Deputy Commissioner, Tura distributed (August-October 2019), as part of relief measures, utensils to each of the flood affected households falling under Demdema, Selsella and Tikrikilla blocks despite the fact that only Selsella and Tikrikilla blocks were affected by floods as per the FIR dated 14 and 16 July 2019 respectively. In addition, a set of plastic bucket and mug at the rate of ₹ 450 were also distributed to 31,790 affected households under the three blocks, as detailed in **Table 1.3.6**.

**Table 1.3.6: Details of Utensils supplied.**

(Amount in ₹)

Sl No	Indent No & date	Items supplied to each household (HH)	Rate of items supplied per HH (in ₹)	Amount admissible per HH under SDRF (in ₹)	No. of HH supplied	Total inadmissible amount {(4-5)*6}
1	2	3	4	5	6	7
1	DCS/SUP/94/2019/Relief/935 dated 10.08.2019 (Demdema Block)	1. Utensil set <sup>39</sup> 2. Bucket with mug	2450 <sup>40</sup>	0	14,755	4,08,86,105
2	-do-/936 dated 10.08.2019 (Selsella Block)			2,000	16,294	86,52,114
3	-do-/937 dated 10.08.2019 (Tikrikilla Block)				741	3,93,471

<sup>39</sup> (i) Steel rice plate (2 nos.), (ii) Steel bowl (2 nos.), (iii) Steel glass (2 nos.), (iv) Cooking spoon (2 nos.), (v) Steel spoon small size (1 no.), (vi) Aluminium degchi (1 no.), (vii) Aluminium sauce pan (1 no.), (viii) Aluminium kadai (1 no.), and (ix) Aluminium lid (1 no.).

<sup>40</sup> ₹ 2,000 (excluding 12 per cent GST) for utensils and ₹ 450 (excluding 18 per cent GST) for plastic bucket and mug.

From **Table 1.3.6**, it is evident that the supply of utensils was made to 17,035 HHs under Selsella and Tikrikilla Blocks @ ₹ 2,450 per HH, surpassing the prescribed threshold of ₹ 2,000, leading to an excess expenditure of ₹ 450 per household charged to SDRF, culminating in a total excess expenditure of ₹ 0.91 crore. Further, utensils were provided to 14,755 HHs of Demdema Block which was not affected by the flood which occurred on 13-14 July 2019, leading to an irregular expenditure of ₹ 4.09 crore.

The Department in their reply (October 2023) stated that the utensils including mug and bucket were supplied to the affected families on humanitarian ground.

Reply of the Department is not tenable as the guidelines had prescribed a monetary limit for supply of utensil/household items which the Department did not adhere to.

#### 1.3.11.5 Inadmissible expenditure relating to supply of clothing: ₹ 79.41 lakh

In terms of Sl. 1(d) of Items and Norms of Assistance under SDRF, clothing for families whose houses have been washed away/fully damaged/severely inundated for more than two days due to a natural calamity are fixed at ₹ 1,800 per family.

- A. Test check of records of the office of the Deputy Commissioner, Tura, revealed that items of clothing, *i.e.*, bed sheets and towels, were distributed to 2,816 number of flood affected households sheltered in relief camps under Demdema Block during the flood of July 2019. Scrutiny of FIR revealed that no houses were affected by the flood under Demdema C&RD Block. However, an expenditure of ₹ 73.10 lakhs was incurred on distribution of clothing to 2816 households as detailed in **Table 1.3.7**.

**Table 1.3.7: Details of clothing supplied to Demdema Block**

(Amount in ₹)					
Sl. No.	Indent No. & date	Items Supplied	Quantity supplied	Rate	Bill Amount
1.	DCS/SUP/94/2019/Relief/915 dated 19 July 2019	Bed Sheet	5,632	950.00	63,13,472.00
2.		Towel	5,632	150.00	9,96,864.00
<b>Total</b>					<b>73,10,336.00</b>

It can be seen that 5,632 bed sheets and 5,632 towels were allocated to 2,816 affected households, equating a provision of two bed sheets and two towels per household.

This led to an inadmissible and avoidable expenditure of ₹ 73.10 lakhs incurred on houses not affected by flood as per the FIR.

The Department in their reply (September 2023) stated that ground surveys conducted by Block Officials along with village leaders revealed that household belongings, clothing, and essential items had been swept away by the flood. Consequently, in response to appeals from villagers, local headmen, and other influential figures in the affected areas, the district administration provided bed sheets and towels to these individuals on humanitarian grounds.

The justification provided by the Department is not acceptable as the FIR report showed that no house was damaged. Thus, the expenditure incurred was inadmissible as per the SDRF Guidelines.

- B.** Relief materials in the form of blankets were supplied to households under Songsak Block affected by hailstorm that occurred on 30 March 2018 as detailed in **Table 1.3.8.**

**Table 1.3.8: Details of clothing supplied to Songsak Block**

(Amount in ₹)

Sl. No.	Indent No. & date	Affected households	Items Supplied	Quantity supplied	Rate	Bill Amount
1.	No. EGH/SUP.129/PT. I/2018/2 dt. 31.03.2018	3,340	Blankets	4,152	1,600.00	66,43,200.00

From the table above, it can be seen that a total of 4,152 blankets were provided to 3,340 affected households at the rate of ₹ 1,600 per piece incurring an expenditure of ₹ 66,43,200. This indicated that per household expenditure was incurred at the rate of ₹ 1,989<sup>41</sup>. This has led to exceeding of the permissible expenditure limit by ₹ 189 (₹ 1989-₹ 1800) per household, resulting in a cumulative excess expenditure of ₹ 6,31,200<sup>42</sup> from SDRF.

In reply to audit, the Department stated (July 2023) that blankets were distributed according to the number of family members (one for two members) and for households having more than two members of family extra blankets were provided.

However, the limit prescribed by the Items & Norms of Assistance is per family, not per number of family members.

#### **1.3.11.6 Inadmissible expenditure on repair and restoration works to the tune of ₹ 88.96 Lakh**

Para 18 of Guidelines stipulates that provisions for disaster preparedness, restoration, reconstruction and mitigation should not be a part of SDRF. Further, such expenditure should be built into the normal budgetary heads of the State plans.

Scrutiny of sanction orders under SDRF showed that an amount of ₹ 88.96 lakhs was released<sup>43</sup> by DC, West Garo Hills, to EE, PWD (Roads) Barengpara Division, West Garo Hills for repair and restoration of washed out SPT Br. No. 1/1 on Upper Mibonpara to Lower Mibonpara Road damaged due to occurrence of heavy rain and flash flood on 13 August 2017.

The expenditure incurred on the repair and restoration work of the SPT Br. No. 1/1 on Upper Mibonpara to Lower Mibonpara Road was in contravention to the SDRF Guidelines which prohibits expenditure on repair and restoration works from SDRF. Thus, the expenditure of ₹ 88.96 lakhs from SDRF was inadmissible.

<sup>41</sup> ₹ 66,43,200/3,340 = ₹ 1,989/-.

<sup>42</sup> ₹ 189 x 3,340 = ₹ 6,31,200.

<sup>43</sup> Vide No. TVR.115/NC/FLOOD/RA/SO/2014/Pt-I/101 Dt. 13/05/2019.

### **1.3.12 Variation in proposal list and disbursement list**

#### **1.3.12.1 Doubtful payment of relief assistance to beneficiaries not included in the proposal list: ₹ 8.65 lakh**

Test check of records of the Deputy Commissioner (Relief), Resubelpara revealed that the Block Development Officer, Bajengdoba released ₹ 66,70,500.00 vide Cheque No. 069821 dated 21 July 2020 to 348 beneficiaries whose houses were damaged due to Cyclone on 25 April 2018. Scrutiny of FIR showed that 346 houses were damaged.

In terms of its letter No. RDG.50/2018/4 dated 03 May 2018 the Revenue & Disaster Management directed the Deputy Commissioners to instruct all BDOs to obtain bank account numbers of beneficiaries at the time of assessment of damages. However, proposal list was prepared without mentioning the bank account numbers of the beneficiaries.

Cross examination of proposal and advice list of beneficiaries revealed that 26 beneficiaries received relief assistance of ₹ 8,65,300/- even though their names were not proposed at the time of submission of proposal for assistance. Moreover, double payment was seen to have been made in the case of one Sime Marak amounting to ₹ 1,97,000/- (₹ 95,100.00 and ₹ 1,01,900.00) as detailed in **Appendix 1.3.3**. It was also noticed that while 410 affected persons were identified based on the FIR of the incident, only 348 persons were included in the beneficiary list. This indicated that 88 identified beneficiaries<sup>44</sup> did not receive the allowed assistance.

The Department in their reply (September 2023) stated that there were spelling mistakes, nick names or names of family members entered during preparation of the proposal list.

The Department's response lacks merit. Although clerical errors were identified in both the proposal and beneficiary list, inclusion of instructed Account Numbers would have facilitated necessary verification during relief disbursement and during audit. This indicates the absence of adequate checks by the Department prior to disbursing relief amounts, suggesting a systemic oversight. Consequently, potential for omitting eligible families who were affected by the natural calamity remains a significant concern.

#### **1.3.12.2 Doubtful supply and distribution of relief materials to actual affected population**

Test check of records of the Deputy Commissioner (Relief), Resubelpara revealed that the First Information Report prepared by Deputy Commissioner & Chairman, District Disaster Management Authority, Resubelpara reported that a population of 1785 was affected and 595 houses were partially damaged due to the occurrence of cyclonic storm on 25 August 2018.

Relief materials were supplied to affected population from the SDRF by the DC through indent orders Nos. NGH/SUP/C-/2010/20 to 24 dated 27 August 2018.

<sup>44</sup> {410 - (348 - 26 = 322)}.

Scrutiny of records pertaining to distribution of Gratuity Relief to affected families prepared by the Office of the Deputy Commissioner (Supply), Resubelpara showed that 3,013 adults and 1,829 minors were supplied relief for a period of seven days at the rate of ₹ 36.1/- per adult and ₹ 30/- per minor per day. Total expenditure incurred on supply of materials was ₹ 11,45,483/- which was sanctioned *vide* order No. RDG.144/2019/154 dated 22 January 2021 and DC, Resubelpara released the amount *vide* NGH/REV/GR(C)-B/51/PT/2021/20 dated 06 January 2021.

Thus, audit observed that the affected population was inflated from 1,785 as per FIR to 4,842 resulting in additional 3,057 persons who were not affected by natural calamity but were provided relief materials which was inadmissible as per the guidelines.

The Department in their reply furnished a revised FIR dated 01 August 2023 (after five years) mentioning the affected population to be 4,842 as pointed out by audit.

The Department's response lacks credibility, as the submission of a revised FIR, five years after the initial incident undermines the integrity of the original filing and raises significant doubts about its authenticity.

### 1.3.13 Disbursement of cyclone relief amount to duplicate beneficiaries

A. Scrutiny of records related to relief payments disbursed to the beneficiaries in Samanda Block Development Office, East Garo Hills affected by cyclone revealed that four beneficiaries were paid relief amount twice, against the same release order of Deputy Commissioner, Williamnagar, East Garo Hills as detailed in **Table 1.3.9**.

**Table 1.3.9: Double payment of cyclone relief amount in Samanda Block**

(Amount in ₹)				
Cheque No.	Name of Beneficiary	DC sanction order no	BDO release order No.	Amount/ Account No.
"000558"	Somin Marak	No. EGH/REV.577/Pt-I/2020/208, 15/07/2021	No. SDB/RELIEF.10/2020/168 Date: 18.08.2021	95,100/ xxx2061
"000560"	Somin Marak		-do-191 Date :08.09.2021	95,100/ xxx2061
"000559"	Titers Marak		-do-153 Date :01.09.2021	1,01,900/ xxx8970
"000562"	Titers Marak		-do-195 Date:22.09.2021	1,01,900/ xxx8970
<b>Total</b>				<b>3,94,000.00</b>

In this regard, justification for release of double payment to the four beneficiaries were called for from the Deputy Commissioner, East Garo Hills. However, reply is still awaited (December 2023).

B. In another case of relief payments disbursed to the beneficiaries under Kharkutta Block Development Office, North Garo Hills, who were affected by cyclone (02 April 2017 to 04 April 2017), it was seen that ten beneficiaries were paid relief amount twice as detailed below in **Table 1.3.10**.

**Table 1.3.10: Double payment of cyclone relief amount in Kharkutta Block**

Sl No.	Name of Account holder	Name of village	Account No.	Amount (₹)	Cheque No	Cheque Date
1	Charlesh Sangma	Wageasi	XXX9591	4,100	232645	04-02-2019
	Charlesh Sangma	Upper Wageasi	XXX9591	4,100	910730 to 910743	11-12-2018
2	Gonilla Marak	Megam Akong	XXX2189	3,200	232645	04-02-2019
	Gonilla Marak	Megam Akong	XXX2189	95,100	910730 to 910743	11-12-2018
3	Keldalish Marak	Megam Akong	XXX2888	3,200	232645	04-02-2019
	Keldalish Marak	Megam Akong	XXX2888	95,100	910730 to 910743	11-12-2018
4	Laksitha Marak	Dangkong Garo	XXX9939	3,200	232645	04-02-2019
	Laksitha Marak	Dangkong Garo	XXX9939	3,200	910730 to 910743	11-12-2018
5	Lalitha Marak	Wageasi	XXX3496	95,100	910730 to 910743	11-12-2018
	Lallitha Marak	Wageasi	XXX3496	95,100	910730 to 910743	11-12-2018
6	Renitha A Sangma	Megam Akong	XXX2337	3,200	232645	04-02-2019
	Renitha Sangma	Megam Akong	XXX2337	95,100	910730 to 910743	11-12-2018
7	Rennilla Momin	Wageasi	XXX1997	4,100	910730 to 910743	11-12-2018
	Rennilla Momin	Wageasi	XXX1997	4,100	910730 to 910743	11-12-2018
8	Sengsang Marak	Imbanggi	XXX6955	95,100	910730 to 910743	11-12-2018
	Sengsang Marak	Upper Wageasi	XXX6955	5,200	910730 to 910743	11-12-2018
9	Sharmaji Marak	Wageasi	XXX6992	95,100	910730 to 910743	11-12-2018
	Sharmaji Marak	Wageasi	XXX6992	95,100	910730 to 910743	11-12-2018
10	Sujiritha Marak	Megam Akong	XXX2414	3,200	232645	04-02-2019
	Sujiritha Marak	Megam Akong	XXX2414	95,100	910730 to 910743	11-12-2018
<b>Total</b>				<b>8,96,700</b>		

Based on the aforementioned cases, it can be seen that a sum totalling to ₹ 12.91 lakh (₹ 3.94 lakh + ₹ 8.97 lakh) has been disbursed to beneficiaries without adequate oversight on the part of the Department. This lack of scrutiny has led to instances of duplicate payments of relief funds.

The Department in their reply (September 2023) stated that letter has been issued by the Block Development Officer to the concerned beneficiaries requesting for return of the excess amount paid to them.

***Audit objective no 3: Whether the expenditure out of SDRF was appropriately monitored?***

SDRF guidelines stipulate the establishment of the State Executive Committee (SEC) to oversee the allocation and utilisation of funds designated for disaster relief works. However, observations regarding the performance of the SEC in fulfilling its responsibilities have revealed instances where implementing units within the Department did not provide all the utilisation certificates, highlighting deficiencies in the monitoring process of the SDRF. Details of these observations are as follows:

### **1.3.14 Discrepancies in UCs submitted to GOI.**

#### **1.3.14.1 Variation in information as per UC and actual fund under SDRF**

As per para 11(iv) of the SDRF guidelines, one of the conditions for release of the share of GoI to the SDRF due in a year (in two instalments, June and December) was furnishing of Utilisation Certificate (UC) to the Ministry of Home Affairs and to the Ministry of Finance as per Attachment-II.

Details of UCs furnished by the Department to GOI are as summarised in **Table 1.3.11**.

**Table 1.3.11: Statement on UC submitted**

(₹ in crore)

Year	Opening Balance	Fund received (GOI & State)	Interest earned	Total Fund available	As per UCs			As per Finance Accounts	
					Opening balance	Fund utilised	Balance	Major Head 2245	Major Head 8121
2017-18	88.79 <sup>45</sup>	27	7.18	122.97	86.18	44.46	61.92	28.91	4.71
2018-19	91.26	14	3.61	108.87	88.68	49.05	30.77	16.52	4.71
2019-20	64.42	43	3.91	111.33	59.37	79.93	33.17	44.71	47.70
2020-21	62.28	53.18	1.60	117.06	30.77	57.03	23.05	56.41	122.70
2021-22	16.02	95.32	0.54	111.88	13.55	74.56	8.45	97.80	152.03
<b>Total</b>		<b>232.50</b>	<b>16.84</b>			<b>305.03</b>		<b>244.35</b>	

Source: Information from the Secretary, R&DM and Finance Accounts.

From **Table 1.3.11**, it can be seen that the opening balance of fund reported in the UCs did not match with the actual. The expenditure reported and balance fund also did not match with the State Finance Accounts figures of expenditure (Major Head 2245) and balance (Major Head 8121).

### 1.3.14.2 Outstanding UCs

Scrutiny of records of the Revenue & Disaster Management Department revealed that Utilisation certificates of fund released by the Department to the Deputy Commissioners for providing relief from the SDRF were pending for submission. A table depicting the fund released to the respective DCs during 2017-18 to 2021-22 and UCs furnished by the DCs (till October 2023) are as under:

**Table 1.3.12: Outstanding UCs**

(₹ in crore)

Period	Name of the district	Fund released to the DCs	UCs submitted	Outstanding UCs
2017-18 to 2021-22	West Jaintia Hills	9.34	5.65	3.69
2017-18 to 2021-22	East Jaintia Hills	5.32	1.83	3.49
2017-18 to 2021-22	North Garo Hills Williamnagar	16.06	1.25	14.81
2017-18 to 2021-22	East Garo Hills, Resubelpara	20.32	5.47	14.85
2017-18 to 2021-22	South Garo Hills Baghmara	25.73	0.56	25.17
2021-22 to 2021-22	East West Khasi Hills, Mairang	0.20	Nil	0.20
2017-18 to 2021-22	Ri-Bhoi	17.91	0.46	17.45
2017-18 to 2021-22	East Khasi Hills	28.89	2.97	25.92
2017-18 to 2021-22	South West Garo Hills, Ampati	8.99	8.25	0.74
2017-18 to 2021-22	West Garo Hills	138.48	0.80	137.68
	<b>Total:</b>	<b>271.24</b>	<b>27.24</b>	<b>244.00</b>

Source: Information from the Secretary, Revenue and Disaster Management.

Hence, out of the total fund of ₹ 271.24 crore, UCs amounting to only ₹ 27.24 crore (10 per cent) were submitted, leaving balance UCs for ₹ 244.00 crore yet to be submitted.

<sup>45</sup> Opening Balance includes Current Account balance of ₹ 2.63 lakh, investment from SDRF: ₹ 62.52 crore and investment from NDRF: ₹ 23.64 crore.

### **1.3.15 Functioning of State Executive Committee**

The State Government should constitute a State Executive Committee (SEC) as per Section 20 of the Disaster Management Act, 2005. The Chief Secretary to the State should be the ex-officio Chairperson of the Committee. The following responsibilities were to be entrusted to the SEC by the State Government for management of the fund released for SDRF:

- Decide on all matters connected with the financing of the relief expenditure of immediate nature from SDRF.
- Arrange to obtain the contribution from the concerned Government, administer the SDRF and invest the accretions to the SDRF as per the norms approved by GoI from time to time.
- Ensure that money drawn from the SDRF is actually utilised for the approved items for which the SDRF has been set up.
- The accretions to the SDRF together with the income earned on the investments of the SDRF are to be used by the SEC to meet items of expenditure covered under the approved norms as fixed by GoI.
- The SEC will assess the requirements of assistance from the SDRF for financing relief expenditure. The provision for expenditure on relief will be made in the budget of the State Government. The extent of relief expenditure to be financed from the SDRF as authorised by the SEC shall be withdrawn from the SDRF after liquidation of the investment holdings as per the norms fixed by GoI.

Audit observed that the State Government had notified constitution of the State Executive Committee on 26 June 2008 as per the Disaster Management Act, 2005 with the Chief Secretary as the ex-officio chairperson and four ex-officio members of the Committee.

Examination of records of the Department revealed that during the period covered by the review, 10 SEC meetings were held. On scrutiny of minutes of these SEC meetings it was observed that (i) no approval on investments to be made by the State Government as per the SDRF guidelines was obtained (ii) post-facto approvals were accorded on items of expenditure including those incurred during previous periods, which were not as per Items and Norms of Assistance from SDRF (iii) no sanction was found accorded for COVID-19 expenditure by the SEC.

Thus, the SEC was not effectively discharging its responsibilities as per the SDRF guidelines which indicates that there was deficiency in monitoring the fund released under SDRF.

### **1.3.16 Conclusion**

The SSCA revealed instances of non-compliance regarding fund release, investments and relief work expenditure, and non-maintenance of Accounts of SDRF as per the prescribed Guidelines on Constitution and Administration of SDRF and Items & Norms of Assistance. Major deficiencies observed were as under:

- (i) Fund of ₹ 2.15 crore was diverted from SDRF.
- (ii) Investment of fund released for SDRF was not carried out as per the SDRF guidelines. Fund of ₹ 118 crore was shown invested as per the Finance Accounts for 2021-22 whereas the entire amount was utilised by the Department.
- (iii) Actual expenditure incurred on relief works was not booked under appropriate minor heads within Major Head 2245 in the Finance Accounts. Vouchers for expenditure of ₹ 310.18 crore incurred by the Department were not routed through the Treasury and correctly incorporated in Government accounts.
- (iv) An amount of ₹ 228.17 crore was withdrawn from the public account head “8121” in violation of the scheme guidelines.
- (v) In the four test checked districts, expenditure of ₹ 20.16 crore was incurred from SDRF on inadmissible items and without adhering to the norms of assistance as per the guidelines.
- (vi) Against fund of ₹ 271.24 crore released to DCs of ten districts in the State during the review period (2017-18 to 2021-22), UCs for only ₹ 27.24 crore (10 *per cent* of the fund released) were submitted by the DCs.

### **1.3.17 Recommendations**

Audit recommends that:

- (i) Department may take steps to recoup the fund of ₹ 2.15 crore expended from SDRF.
- (ii) Investment of fund released for SDRF and expenditure incurred on relief works should be properly accounted for as per SDRF guidelines. Direct expenditure from public account head 8121 may not be made.
- (iii) Expenditure from SDRF should be incurred only on admissible items and as per the norms of assistance provided in SDRF guidelines.
- (iv) UCs should be obtained for fund released to the districts and un-utilised fund should be surrendered to the SDRF.

## Health & Family Welfare Department

### 1.4 SSCA on ‘Public Health Infrastructure and Management of Health Services’

#### 1.4.1 Introduction

Public health infrastructure provides communities, states, and the Nation the capacity to prevent disease, promote health, and prepare for and respond to both acute (emergency) threats and chronic (ongoing) challenges to health. Infrastructure is the foundation for planning, delivering, evaluating, and improving public health. All public health services depend on the presence of basic infrastructure. Every public health program such as immunisation, infectious disease monitoring, cancer and asthma prevention, drinking water quality, injury prevention, *etc.* requires health professionals who are competent in cross-cutting and technical skills, up-to-date information systems, and public health organisations with the capacity to assess and respond to community health needs.

In the recent past, a Performance Audit (PA) covering the areas of basic health infrastructure facilities in the State focused on selected District Hospitals which mainly cater to secondary health care services, had been completed. The findings were reported in the Comptroller and Auditor General’s Performance Audit Report on “Select District Hospitals in Meghalaya” for the year ended 31 March 2019.

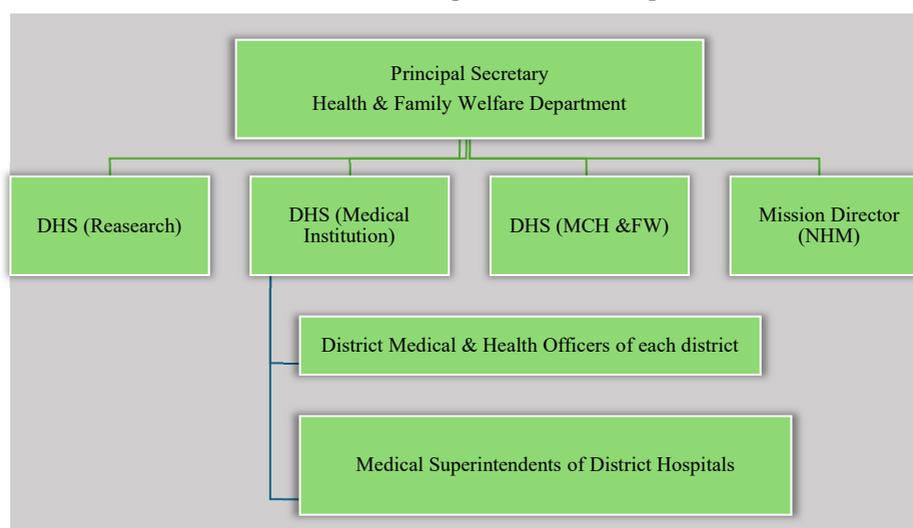
The present Subject Specific Compliance Audit (SSCA) covers health facilities at village and block levels which provide primary health care services. This SSCA also provides a holistic view of improvement of necessary infrastructure created for meeting emergencies related issues and service delivery by the sampled health institutions for the period 2016-17 to 2021-22.

#### 1.4.1.1 Organisational set-up

##### *I. Medical Health & Family Welfare Department*

Principal Secretary, Health & Family Welfare Department at the Government level, Directors of Health Services at the Directorate level and the District Medical & Health Officers at the district level are responsible for the overall Healthcare system in Meghalaya. The organisational set-up of the Department is shown in **Chart 1.4.1.**

Chart 1.4.1: Organisational set-up



The activities under NHM are carried out through the State Health Society (SHS). The Executive Committee of the SHS is headed by the Principal Secretary, Health & Family Welfare Department. The State Programme Management Unit (SPMU) of NHM assists SHS and is headed by the Mission Director.

#### 1.4.1.2 Overview of Primary Healthcare in Meghalaya

Meghalaya had a population of 29.66 lakh as per Census 2011. To cater to the healthcare services of its citizens at different levels, the State Government established 10 Civil/District Hospitals, two Maternal and Child Health Facilities (MCH)<sup>46</sup>, two specialised hospitals<sup>47</sup>, 30 Community Health Centres (CHC), 119 Primary Health Centres (PHC) and 467 Sub-Centres (SC). As of June 2023, no functional Medical Colleges or tertiary care hospitals were available under the State Government.

To ensure universal availability and accessibility of healthcare, Government of Meghalaya, Health and Family Welfare Department notified (June 2006) the following norms/ criteria for setting up healthcare facilities:

Table 1.4.1: Norms for creation of primary health facilities

Health facility	As per State's Norms
Sub-centre (SC)	One SC for every 3000 people
Primary Health Centre (PHC)	One PHC for every six SCs or for every 20,000 people
Community Health Centre (CHC)	One CHC for every four PHCs or for every 80,000 people

Benchmarking the above norms with population as per Census 2011, it was observed that there was an overall shortage in all categories of health facilities in the State. The required number of health facilities, availability and shortfall thereof against the three categories of healthcare infrastructure as of May 2023 is given in **Table 1.4.2**.

<sup>46</sup> Ganesh Das Govt. MCH Hospital, Shillong and District MCH, Tura.

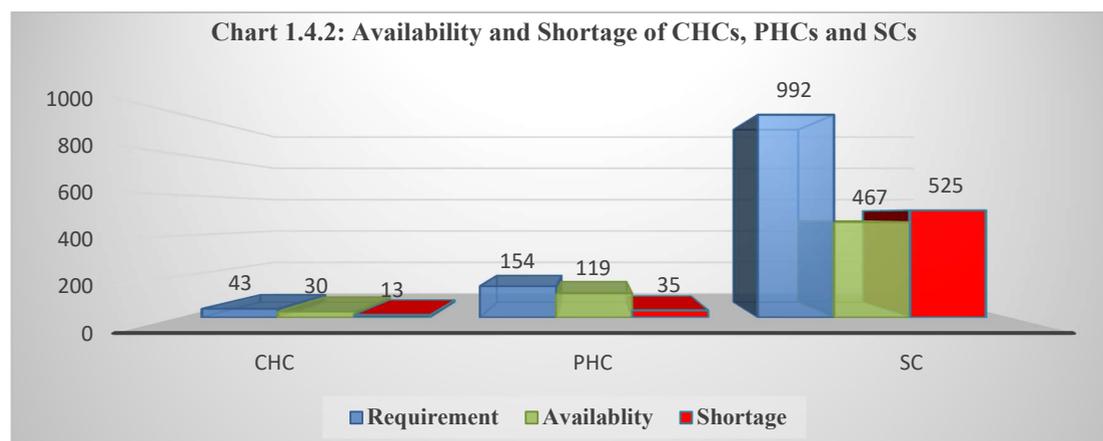
<sup>47</sup> MIMHANS, Shillong and Reid Provincial Chest Hospital, Shillong.

**Table 1.4.2: Requirement and Availability of CHCs, PHCs and SCs**

Name of the District	Requirement of CHC/PHC/SC as per State Norms			Availability of CHC/PHC/SC in the State		
	CHC	PHC	SC	CHC	PHC	SC
North Garo Hills	2	8	52	1	11	50
South Garo Hills	2	8	48	1	6	26
West Garo Hills	7	25	166	6	11	66
East Khasi Hills	11	42	276	8	28	77
West Jaintia Hills	4	14	91	4	11	46
East Jaintia Hills	2	7	41	1	6	36
South-West Khasi Hills	2	5	32	2	4	24
Eastern West Khasi Hills	2	7	44	1	11	20
West Khasi Hills	2	8	52	1	5	29
Ri-Bhoi	4	13	87	3	9	35
East Garo Hills	3	9	54	1	8	31
South-West Garo Hills	2	8	49	1	9	27
<b>Total</b>	<b>43</b>	<b>154</b>	<b>992</b>	<b>30</b>	<b>119</b>	<b>467</b>

Source: Information furnished by the respective DMHOs.

It is seen from the table above that there was shortage of 13 CHCs (30 per cent), 35 PHCs (23 per cent) and 525 SCs (53 per cent) in the State. The availability and shortage of CHCs, PHCs and SCs is shown in **Chart 1.4.2**.



**Availability of beds and OPD Services in the selected CHCs and PHCs**

Availability of beds and OPD Services in the selected CHCs and PHCs is shown in **Table 1.4.3**.

**Table 1.4.3: List of services available in the selected CHCs and PHCs**

Sl. No.	Name of the CHC/PHC	No. of Beds Available	List of OPD Services Available	OPD Services Not Available
<b>A. Availability of Services in CHCs</b>				
1	Mawiong CHC	30	General Medicine, Emergency	General Surgery, Obstetrics & Gynaecology, Paediatrics, Dental, AYUSH, Eye Specialist
2	Mawphlang CHC	42	Minor Surgery, Dental, AYUSH, Emergency	General Medicine, Obstetrics & Gynaecology, Paediatrics, Eye Specialist

Sl. No.	Name of the CHC/ PHC	No. of Beds Available	List of OPD Services Available	OPD Services Not Available
3	Umsning CHC	18	General Medicine, Dental, AYUSH, Emergency	Surgery, Obstetrics & Gynaecology, Paediatrics, Eye Specialist
4	Patharkhmah CHC	30	General Medicine, AYUSH, Emergency	Surgery, Obstetrics & Gynaecology, Paediatrics, Dental, Eye Specialist
5	Selsella CHC	30	General Medicine, Dental, AYUSH, Emergency	Surgery, Obstetrics & Gynaecology, Paediatrics, Eye Specialist
6	Allagre CHC	14	General Medicine, Obstetrics & Gynaecology, Paediatrics, Dental, Emergency	Surgery, AYUSH, Eye Specialist
7	Ummulong CHC	30	General Medicine, Dental, AYUSH, Emergency	Surgery, Obstetrics & Gynaecology, Paediatrics, Eye Specialist
8	Nongtalang CHC	43		Surgery, Obstetrics & Gynaecology, Paediatrics, Eye Specialist
<b>B. Availability of Services in PHCs</b>				
1	Mawroh PHC	10	OPD (General), AYUSH, Emergency	-
2	Weilyngkut PHC	10	OPD (General), Emergency	AYUSH
3	Marnagar PHC	9	OPD (General), AYUSH, Emergency	-
4	Umtra PHC	10		-
5	Jeldopara PHC	10		-
6	Kherapara PHC	11	OPD (General), Emergency	AYUSH
7	Khliehtyrshi PHC	10	OPD (General),	-
8	Jarain PHC	6	AYUSH, Emergency	-

As can be seen from **Table 1.4.3**, the actual available beds in the selected CHCs and PHCs varied from the sanctioned bed strength for a CHC and PHC *i.e.* 30 and 10 respectively. The Primary Health Care institutions also could not provide all the OPD services as shortage of manpower, equipment, drugs and diagnostic services were observed in all the Health Care Institutions (HCIs), which are discussed in subsequent paragraphs.

### 1.4.2 Audit Objective, Scope, and Methodology

The Compliance Audit (CA) on the Public Health Infrastructure and Management of Health Services (PHIMS) covering the period from 2016-2017 to 2021-2022 was conducted to assess:

- i. the adequacy of the funding for Healthcare;
- ii. the availability and management of healthcare infrastructure in CHCs and PHCs;
- iii. whether the State spending on health sector has improved the well-being of people as per SDG 3;

- iv. whether the issues relating to AYUSH are effectively implemented as per prescribed norms and regulations in the sampled units;
- v. whether the regulatory aspects (IPHS, Clinical Establishment Act, AYUSH regulations, National Health Policy, Drugs and Cosmetic Act, *etc.*) were present in the State; and
- vi. the utilisation of COVID Infrastructure created, procured and installed during Covid pandemic.

The audit involved scrutiny of records of the Director of Health Services (Medical Institutions and Maternal & Child Health and Family Welfare), NHM and Health Engineering Wing at the Directorate level and four selected Districts level offices. Two blocks in each of the sampled districts were selected based on Simple Random Sampling Without Replacement and one CHC and one PHC within the selected block were selected for audit with the number of patients. The selected districts and units are detailed in **Appendix 1.4.1**.

The Audit methodology includes scrutiny of files/records, gathering of evidence by issue of audit enquiries and conducting joint physical verification in sample units with departmental officials, wherever considered necessary. Field Audit was carried out from July 2022 to October 2022.

### 1.4.3 Budget allotment and expenditure

National Health Policy (NHP), 2002 envisaged the State Government to increase commitment to Health Sector up to eight *per cent* of their budget by 2010, while NHP 2017 envisaged raising Public Health Expenditure to more than eight *per cent* of the budget by 2020. The overall budgetary allotment and expenditure of the State Government and of the Health and Family Welfare Department during 2016-17 to 2021-22 was as shown in **Table 1.4.4**.

**Table 1.4.4: Budget allotment and expenditure of the State and the Department**

(₹ in crore)

Year	State		Health & Family Welfare Department		
	Budget Allotment	Expenditure	Budget Allotment (% of State budget)	Expenditure (% of State expenditure)	Savings (+)/ Excess (-)
(1)	(2)	(3)	(4)	(5)	(6)
2016-17	12,246.30	10,172.85	759.12 (6.20)	687.07 (6.75)	72.05
2017-18	13,621.72	9,858.37	744.04 (5.46)	702.48 (7.13)	41.56
2018-19	15,391.87	12,159.24	1,237.50 (8.04)	1,069.55 (8.80)	167.95
2019-20	16,970.70	10,967.33	1,148.91 (6.77)	866.29 (7.90)	282.62
2020-21	18,999.25	13,802.08	1,395.64 (7.35)	1,214.37 (8.80)	181.27
2021-22	20,390.23	18,873.56	1,753.24 (8.60)	1,682.40 (8.91)	70.84
<b>Total</b>	<b>97,620.07</b>	<b>75,833.43</b>	<b>7,038.45 (7.21)</b>	<b>6,222.16 (8.21)</b>	

Sources: Appropriation Accounts of respective years.

It is seen from the above table that budgetary outlay on health services in the State was less than eight *per cent* during 2016-18 and 2019-21. Only in 2018-19 and 2021-22, was the allotment for health sector more than eight *per cent* of its total budget.

### 1.4.4. Audit Findings

The audit findings are discussed in the succeeding paragraphs.

#### 1.4.4.1 Regulatory aspects present in the State

Keeping in view the fact that Health is a State subject, State Governments are expected to keep in place necessary rules and regulations which will ensure proper healthcare services to its citizens. Availability and adoption of various central regulatory provisions in the State of Meghalaya regarding Health and Family Welfare Department is shown in **Table 1.4.5**.

**Table 1.4.5: Acts and Rules applicable for Health & Family Welfare Department, Meghalaya**

Sl. No.	Act/ Rules	Whether adopted by H&FW Department, Meghalaya	Date of Adoption	Whether corresponding State Act/ Rules are available? If yes, mention the name
1	Indian Public Health Standards (IPHS), 2012	No	-	Yes, States norms for human resources are available.
2	Clinical Establishment Act, 2010	No	-	Yes, 'the Meghalaya Nursing Home (Licensing & Registration) Rules, 2015'
3	National Health Policy, 2017	No	-	Yes, 'the Meghalaya Health Policy 2021'
4	Drugs and Cosmetic Act, 1940	Yes	28.11.1970	-
5	MCI Act, 1956 (National Medical Commission Act, 2019)	Yes	-	-
6	AYUSH regulations	Yes	06.01.2016	No

*Source: Information furnished by the Health & Family Welfare Department, Meghalaya.*

Although the State Government had not adopted the IPHS norms, the State Government had submitted its proposal (Infrastructure, Equipment and Contractual staff) under NHM (State Programme Implementation Plan) as per IPHS norms and had received funds from GoI accordingly. Hence, IPHS norms had been utilised as a criterion to analyse the gaps in infrastructure, equipment and manpower.

#### 1.4.4.2 Implementation of the Meghalaya Nursing Homes (Licensing and Registration) Rules, 2015

##### *I. Registration of Private Health Facilities under the Rules*

The Meghalaya Nursing Homes (Licensing and Registration) Act, 1993<sup>48</sup> envisages that all private Nursing Homes, Diagnostic Laboratories, Radiological Facilities, Modern Diagnostic Facilities, Physiotherapy clinics/ centres, Rehabilitation Therapy Centres and Private Clinics operating in the State of Meghalaya, shall be required to obtain license and register under the Rules. Further as per Rule 4(5) of the Rules *ibid*, 'no Nursing Home shall be permitted to operate facilities/ services other than those allowed under the License. In case additional services/ facilities are required to be provided in the Nursing Home, the owner should apply to the Authority for grant of permission for all such facilities/ services and until the permission is granted, the owner cannot provide such services'.

<sup>48</sup> Notified on 14 April 2015.

The Rules further mandate that the Registration of Nursing Homes and Renewal thereof will be made for a period of three years only at a time. For renewal of registration, an application should be made to the Authority at least six months before expiry of Registration. In Meghalaya, DHS (MI) is the license issuing authority and health facilities can obtain a license by submitting an application to the Directorate.

As of September 2022, 30 nursing homes had been registered in Meghalaya. The district wise position is shown in **Table 1.4.6**.

**Table 1.4.6: District-wise position of registered private nursing home/private health facilities centres.**

Sl. No.	Name of the districts	No. of Private Hospitals/ Nursing Homes	No. of Diagnostic Laboratories	No. of Radiological facilities	No. of C.T. Scan, Ultrasound and other modern diagnostic facilities	No. of Physiotherapy Clinic/ Centre	No. of Rehabilitation Therapy Centres	No. of Private Clinics	Total
1	East Khasi Hills	6	5	Nil	1	Nil	Nil	8	20
2	Ri-Bhoi	1	Nil	Nil	Nil	Nil	Nil	1	2
3	Eastern West Khasi Hills	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4	West Khasi Hills	2	Nil	Nil	Nil	Nil	Nil	Nil	2
5	South West Khasi Hills	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6	East Jaintia Hills	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
7	West Jaintia Hills	3	1	Nil	Nil	Nil	Nil	Nil	4
8	East Garo Hills	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
9	West Garo Hills	2	Nil	Nil	Nil	Nil	Nil	Nil	2
10	North Garo Hills	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
11	South Garo Hills	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
12	South West Garo Hills	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>		<b>14</b>	<b>6</b>	<b>Nil</b>	<b>1</b>	<b>Nil</b>	<b>Nil</b>	<b>9</b>	<b>30</b>

Source: Information furnished by the DHS (MI), Meghalaya.

It is seen from the above table that during the period from April 2015 to September 2022 *i.e.* more than seven years, 30 nursing homes/private healthcare facilities centres got registered under the Meghalaya Nursing Homes (Licensing and Registration) Rules, 2015.

Joint Physical Verification was conducted by the Audit team along with the officers & staff of the DMHO offices at the sites of 22 private entities in the selected four districts. It was observed that 19 out of 22 entities were running without a valid license (details given in **Appendix 1.4.2**). Out of the 19 facilities, only Bethany Hospital, Ri-Bhoi had a license which expired in April 2022<sup>49</sup>. The other 18 private entities did not have a license from the competent authority. The district-wise position is given in **Table 1.4.7**.

<sup>49</sup> JPV was conducted on 08 September 2022.

**Table 1.4.7: District-wise position of institution without licence**

Sl. No.	District	No. of Institutions inspected	No. of institutions found with no licence	Date of JPV
1	East Khasi Hills	7	7	26.08.2022
2	Ri-bhoi	4	4	08.09.2022
3	West Garo Hills	5	5	20.09.2022
4	West Jaintia Hills	6	3	07.10.2022
	<b>Total</b>	<b>22</b>	<b>19</b>	

This clearly indicates absence of monitoring and faulty implementation of the Meghalaya Nursing Homes (Licensing and Registration) Rules, 2015, by the Department.

The DHS (MI) stated (February 2023) that all the District Medical & Health Officers had been requested to issue direction to all Nursing Homes/ Diagnostic Centre/ Laboratory and Private Clinics to apply for registration under the Meghalaya Nursing Home Licensing and Registration Authority. The reply of the DHS (MI) confirmed that no action was taken by the DHS (MI) with regard to the implementation of the Nursing Home (Licensing and Registration) Rules, which was notified in April 2015.

In the absence of a robust system to ensure mandatory registration of all private healthcare providers under the provisions of the Rules, registration of private healthcare providers remained almost negligible. The Government is not only depriving themselves of the revenue collected in terms of the Registration fee and renewal fee, but also permitting private healthcare facilities to operate without a valid license which also poses risk to quality care services and affects accountability.

Thus, DHS (MI) did not ensure the functioning of the Private Health Facilities in the State with proper registration nor were concerted efforts made to ease the registration process like delegating the power to district offices (DMHOs) or enabling registering through online/electronic means.

## ***II. Doctors employed in Government Hospitals found practising in Private Health Facilities***

As per Rule 2(f)(iii) of the Meghalaya Nursing Home (Licensing and Registration) Rules, 2015 engaging State Government Doctor(s), Nurse(s) and Paramedical(s) including those already engaged under Contract with any State Government agency for serving in a Nursing Home is considered as a major offence. Further Rule 3(4) of the Rules *ibid* stipulated that no nursing home, as defined shall engage any doctor(s) including specialist(s), nurse(s) and paramedic(s) engaged in State Government service including those under contract with any State Government agency or who are bound under Bond-cum-agreement executed with the State Government for the purposes of MBBS/BDS/Other courses.

During JPV, Audit noticed that doctors employed in Government Hospitals were practising in private entities. Details of the same are given in **Table 1.4.8**.

**Table 1.4.8: Details of Private Health Facilities where Government Doctors were engaged**

Sl. No.	Name of the District	Name of the Private Entity where Government Doctors were found to be practising	Total No. of Entities visited by Audit	Nos. of Government Doctors practising in Private Entity	Name of the Government Facility where the doctors are employed
1	East Khasi Hills	Brightwell Clinic, Barik	7	3	Shillong Civil Hospital
		Merida Diagnostic Lab		1	
2	Ri-Bhoi	Ri-Bhoi Pharmacy	4	5	Nongpoh Civil Hospital
		Syngkli Pharmacy		1	
3	West Jaintia Hills	Joda-el-clinic	6	3	Civil Hospital, Ialong
4	West Garo Hills	Tura Metro Pharmacy	5	2	Tura MCH
		City Medi Clinic & Laboratory		1	Tura Civil Hospital
		Geriatric Clinic		1	Williamnagar Civil Hospital

Source: Joint Physical Verification conducted at selected Districts during August-September 2022.

On this being pointed out by Audit, the Medical Superintendent, Nongpoh Civil Hospital stated (26 September 2022) that the doctors were practising in the clinic/ pharmacies outside the hospital campus during off-duty hours only as they were not receiving Non-Practising Allowance (NPA) from the Government. The reply is not tenable as engagement of State Government doctors, nurses and paramedical in the private health facilities is not authorised and no such exception is mentioned in the Meghalaya Nursing Home (Licensing and Registration) Rules, 2015. No reply was received from the remaining three hospitals.

The DHS (MI) further replied (February 2023) that it has requested all the District Medical & Health Officers to issue direction to all subordinate officers to avoid practising/attending duties in Private Health Care facilities which are in violation of Meghalaya Nursing Home Rules, 2015.

However, the reply is silent about the action taken in the districts to stop engaging State Government Doctor(s), Nurse(s) and Paramedical(s) including those already engaged under Contract with any State Government agency for serving in Private Nursing Homes.

#### **1.4.4.3 Appointment of Doctor without MCI Registration Certificate**

The Indian Medical Council (IMC) Act, 1956 mandated that registration certificate from IMC is required to practice as a medical practitioner in any part of India. Further, Sections 24, 25 and 26 of the Meghalaya Medical Council Act, 1987, provide that no person, other than a registered practitioner or other medical practitioners whose names are borne in the Indian Medical Register, shall practise allopathic system of medicine in Meghalaya. Any person who contravenes the provisions of Section 13 or 24 shall be punishable with fine which may extend to rupees one thousand or with imprisonment for a period of six months or with both for the first offence and for every subsequent offence with fine which may extend to rupees two thousand or imprisonment for a term which may extend to one year or with both.

Scrutiny of recruitment and appointment records of doctors of selected CHCs and PHCs revealed that one doctor was temporarily appointed for a period of four months in June 2004. MCI Registration Number/ Certificate was not collected at the time of appointment. The doctor continued to serve without submission of MCI Registration Certificate and only in February 2012, had DHS (MI) asked the doctor to submit the MCI registration. In March 2013, DMHO, West Jaintia Hills informed DHS (MI) that the doctor had not submitted the MCI registration. Despite repetitive reminders, (five reminders were issued between February 2012 and December 2019) the doctor had not furnished the MCI registration and continued her service for almost 18 years (May 2022).

The above indicates that the Department did not follow the provisions of the Indian Medical Council Act, 1956 and Meghalaya Medical Council Act, 1987 for appointment of the Doctor and allowed the Doctor to work under the Government of Meghalaya for almost 18 years.

The DHS (MI) stated that it had requested (26 November 2019) the District Medical & Health Officer, West Jaintia Hills, Jowai to instruct Dr. S. Suja to furnish her Permanent Registration Certificate from MCI. However, till date (February 2023) the concerned doctor has not submitted her registration certificate from the MCI and the Department has also not initiated any action against her.

The ineffective action by the Health & Family Welfare Department, GoM led to appointment of an unregistered doctor for more than 18 years in Government Health Facilities. No records were available to indicate that Department had made concerted efforts to cross verify the authenticity of registration with MCI nor had it discontinued the services of the doctor without registration. The practice of medicine without proper registration poses significant risks to patients and the healthcare system. Further, similar cases of medical professionals working in the State Government without having requisite qualification cannot be ruled out.

#### **1.4.5 Adequacy of Essential Resources in Selected CHCs & PHCs**

##### **1.4.5.1 Human Resources in the Selected CHCs and PHCs**

The Secretary, Health & Family Welfare Department stated (09 August 2022) that the State has its own norms<sup>50</sup> for human resources and does not adopt/ follow the IPHS norms. As per the State norms, 11 doctors, seven nursing staff and six paramedical staff are required for each CHC. Similarly, as per the State norms four doctors, three nursing staff and three paramedical staff are required at the PHC.

Audit however observed shortage of human resources in all the test checked CHCs and PHCs as detailed below:

##### **(A) Shortage of manpower in CHCs:**

A comparative analysis of required manpower (as per State norms) and available manpower in the selected CHCs is shown in **Table 1.4.9**.

<sup>50</sup> The State norms of human resources for hospitals, CHCs and PHCs was notified in August 2007.

**Table 1.4.9: Person-in-Position (PIP) in CHCs against State norms**

Sl. No.	Name of the District	Name of the CHC	Availability of Person-in-Position (PIP)					
			No. of Doctors		No. of Nursing Staff		No. of Paramedical Staff	
			Available	Shortage (%)	Available	Shortage (%)	Available	Shortage (%)
1	East Khasi Hills	Mawiong CHC	2	9 (82%)	5	2 (29%)	2	4 (67%)
2		Mawphlang CHC	6	5 (45%)	8	0	7	0
3	Ri-Bhoi	Umsning CHC	5	6 (55%)	9	0	4	2 (33%)
4		Patharkhmah CHC	4	7 (64%)	6	1 (14%)	2	4 (67%)
5	West Garo Hills	Selsella CHC	4	7 (64%)	6	1 (14%)	9	0
6		Allagre CHC	3	8 (73%)	8	0	2	4 (67%)
7	West Jaintia Hills	Ummulong CHC	6	5 (45%)	11	0	4	2 (33%)
8		Nongtalang CHC	5	6 (55%)	7	0	3	3 (43%)
<b>Total</b>			<b>35</b>	<b>53 (60%)</b>	<b>61</b>	<b>4 (7%)</b>	<b>33</b>	<b>19 (58%)</b>

Source: Joint Physical Verification conducted at selected CHCs during August-September 2022.

It is seen from **Table 1.4.9** that there was an overall shortage of 60 per cent of doctors, 7 per cent of nursing staff and 58 per cent of paramedical staff in the eight selected CHCs against the State norms. The shortfall of doctors in the selected CHCs ranged from 45 per cent (Mawphlang CHC) to 82 per cent (Mawiong CHC).

Further, the State norms mention seven specialists (Surgeon, Physician, Gynaecologist, Anaesthetist, Paediatrician, Ophthalmologist, Dental Surgeon) and four M&HOs in a CHC. However, in all the CHCs surgeon, physician, anaesthetist and ophthalmologist were not available. Gynaecologist and Paediatrician was available only in one (Allagre CHC) out of eight CHCs. In the absence of the specialists, the CHCs could not provide the relevant specialised services to the patients.

**(B) Shortage of manpower in PHCs:**

A comparative analysis of required manpower (as per State norms) and available manpower in the selected PHCs is shown in **Table 1.4.10**.

**Table 1.4.10: Person-in-Position (PIP) in PHCs against State norms**

Sl. No.	Name of the District	Name of the PHC	Availability of Person-in-Position (PIP)					
			Doctors		Nursing Staff		Paramedical Staff	
			Available	Shortage (%)	Available	Shortage (%)	Available	Shortage (%)
1	East Khasi Hills	Mawroh PHC	2	2 (50%)	3	0	3	0
2		Weilyngkut PHC	2	2 (50%)	3	0	3	0
3	Ri-Bhoi	Marmgar PHC	2	2 (50%)	5	0	3	0
4		Umtra PHC	2	2 (50%)	4	0	2	1
5	West Garo Hills	Jeldopara PHC	2	2 (50%)	5	0	4	0
6		Kherapara PHC	2	2 (50%)	4	0	3	0
7	West Jaintia Hills	Khliehtyrshi PHC	2	2 (50%)	4	0	4	0
8		Jarain PHC	2	2 (50%)	2	1	4	0
<b>Total</b>			<b>16</b>	<b>16 (50%)</b>	<b>30</b>	<b>1(4%)</b>	<b>26</b>	<b>1(4%)</b>

Source: Joint Physical Verification conducted at selected PHCs during August-September 2022.

It is seen from **Table 1.4.10** that there was an overall shortage of 50 *per cent* amongst doctors, 4 *per cent* amongst nursing staff and 4 *per cent* in terms of paramedical staff in the eight selected PHCs against the State norms.

#### 1.4.5.2 Availability of Equipment

##### I. Shortage of Equipment in the Selected CHCs

IPHS guidelines for CHCs, 2012 provide the list of equipment for a functional CHC. 14 categories of essential equipment are mentioned in the Guidelines as shown in **Table 1.4.11**.

**Table 1.4.11: Requirement of Equipment in CHCs as per IPHS norms**

Category No.	Particulars	Type of Equipment required as per IPHS norms
I.	Standard Surgical Set-I	32
II.	Standard Surgical Set-II	33
III.	IUD Insertion Kit	19
IV.	CHC Standard Surgical Set-III	17
V.	Normal Delivery Kit	12
VI.	Standard Surgical Set-IV	16
VII.	Standard Surgical Set-V	21
VIII.	Standard Surgical Set-VI	11
IX.	Equipment for Anaesthesia	17
X.	Equipment for Neo-natal Resuscitation	25
XI.	Materials Kit for Blood Transfusion	15
XII.	Equipment for OT	13
XIII.	Immunisation Equipment	19
XIV.	Equipment required for Non-Communicable Diseases	04

Audit observed that none of the selected CHCs had all kind of equipment as required by the IPHS. The shortage of equipment ranged from 16 *per cent* to 100 *per cent* (**Appendix 1.4.3**). Further, it was also observed that (i) none of the CHCs had any equipment for blood transfusion, (ii) only Mawphlang CHC had equipment for Anaesthesia but did not have 88 *per cent* of the required equipment while only Mawiong CHC had OT equipment but did not have 54 *per cent* of the required equipment.

##### II. Shortage of Equipment in the Selected PHCs

Indian Public Health Standards (IPHS) Guidelines for Primary Health Centres, 2012 provide the list of equipment for a functional PHC. Six categories of essential equipment are mentioned in the Guidelines as shown in **Table 1.4.12**.

**Table 1.4.12: Requirement of Equipment in PHCs as per IPHS norms**

Category No.	Particulars	Type of Equipment required as per IPHS norms
I.	Essential General Equipment	55
II.	Essential Equipment for Labour Room	10
III.	Equipment for Pap smear	11
IV.	Essential Equipment for Laboratory	22
V.	Essential Medical/ Surgical Items	19
VI.	Equipment for New-born corner in Labour Room/ OT	12

However, Audit observed that none of the selected PHCs had all the equipment as mentioned by IPHS norms. A comparative analysis of type of equipment required in the selected PHCs is shown in **Table 1.4.13**.

**Table 1.4.13: Shortage of Equipment in PHCs against IPHS norms**

Sl. No.	Name of the PHC	Shortage (%)					
		I	II	III	IV	V	VI
1	Mawroh PHC	28 (51%)	4 (40%)	2 (18%)	19 (86%)	4 (21%)	12 (100%)
2	Weilyngkut PHC	23 (42%)	3 (30%)	4 (36%)	12 (55%)	7 (37%)	5 (42%)
3	Marnagar PHC	45 (82%)	4 (40%)	11 (100%)	16 (73%)	19 (100%)	12 (100%)
4	Umtra PHC	20(18%)	3 (30%)	1 (9%)	3 (14%)	3 (16%)	1 (8%)
5	Jeldopara PHC	17 (31%)	0	1 (9%)	8 (36%)	4 (21%)	0
6	Kherapara PHC	26 (47%)	0	2 (18%)	9 (41%)	4 (21%)	0
7	Khliehtyrshi PHC	25 (45%)	3 (30%)	1 (9%)	8 (36%)	6 (32%)	12 (100%)
8	Jarain PHC	16 (29%)	2 (20%)	2 (18%)	10 (45%)	6 (32%)	12 (100%)
<b>Average</b>		<b>25(44%)</b>	<b>2 (20%)</b>	<b>3 (27%)</b>	<b>11 (50%)</b>	<b>7 (37%)</b>	<b>7 (58%)</b>

Source: Joint Physical Verification conducted at selected PHCs during August-September 2022.

It is seen from the table above, that the shortage of equipment in the selected PHCs ranged from 20 per cent to 58 per cent in respect of 6 categories of equipment. Further, it is also seen that new-born corner in labour room/ OT was not available in four PHCs viz. Mawroh PHC, Marnagar PHC, Khliehtyrshi PHC and Jarain PHC.

### 1.4.5.3 Availability of Drugs

#### I. Shortage of Drugs in the Selected CHCs

IPHS guidelines for CHCs, 2012 provides list of drugs for a functional CHC as shown in **Table 1.4.14**.

**Table 1.4.14: Requirement of Drugs in CHCs as per IPHS norms**

Category No.	Particulars	Requirement as per IPHS norms
I	Emergency Obstetric Care Drugs Kit for CHC/FRU	71
II	Drug Kit for Sick New-born & Child Care	25
III	Other Essential Drugs	80

Audit observed that none of the selected CHCs had all kinds of drugs as mentioned by IPHS norms. A comparative analysis of the type of drugs required in the selected CHCs and their availability is shown in **Table 1.4.15**.

**Table 1.4.15: Availability of Drugs in CHCs against IPHS norms**

Sl. No.	Name of the CHC	I		II		III	
		Available	Shortage	Available	Shortage	Available	Shortage
1	Mawiong CHC	36	35 (49%)	9	16 (64%)	34	46 (57%)
2	Mawphlang CHC	15	56 (79%)	6	19 (76%)	25	55 (69%)
3	Umsning CHC	38	33 (46%)	0	25 (100%)	26	54 (67%)
4	Patharkmah CHC	26	45 (63%)	0	25 (100%)	21	59 (74%)
5	Selsella CHC	31	40 (56%)	15	10 (40%)	20	60 (75%)
6	Allagre CHC	33	38 (54%)	14	11 (44%)	27	53 (66%)

Sl. No.	Name of the CHC	I		II		III	
		Available	Shortage	Available	Shortage	Available	Shortage
7	Ummulong CHC	5	66 (93%)	0	25 (100%)	11	69 (86%)
8	Nongtalang CHC	25	46 (65%)	0	25 (100%)	21	59 (74%)
<b>Average</b>		<b>26</b>	<b>45 (63%)</b>	<b>6</b>	<b>19 (76%)</b>	<b>23</b>	<b>57 (71%)</b>

Source: Joint Physical Verification conducted at selected CHCs during August-September 2022.

It is seen from the table above, that there was shortage of 63 to 76 per cent of essential drugs in the selected CHCs.

## II. Shortage of Drugs in the Selected PHCs

IPHS guidelines for PHCs, 2012 provides the list of drugs for a functional PHC as shown in Table 1.4.16.

Table 1.4.16: Requirement of Drugs in PHCs as per IPHS norms

Category No.	Particulars	Requirement as per IPHS norms
I.	General Drugs	118
II.	Essential Drugs & Logistics for Immunisation	16
III.	Emergency drug kit to manage Anaphylaxis and other AEFI	5
IV.	Essential Obstetric Care Drug Kit	30
V.	RTI/STI drugs under RCH Programme	10

Audit observed that none of the selected PHCs had all kind of drugs as required by IPHS. A comparative analysis of drugs requirement *vis-à-vis* availability in the selected PHCs is shown in Table 1.4.17.

Table 1.4.17: Availability of Drugs in PHCs against IPHS norms

Sl. No.	Name of the CHC	I		II		III		IV		V	
		Available	Shortage	Available	Shortage	Available	Shortage	Available	Shortage	Available	Shortage
1.	Mawroh PHC	50	68 (58%)	16	0	2	3 (60%)	12	18 (60%)	3	7 (70%)
2.	Weilyngkut PHC	55	63 (53%)	16	0	4	1 (20%)	17	13 (43%)	4	6 (60%)
3.	Marnagar PHC	58	60 (51%)	16	0	2	3 (60%)	18	12 (40%)	3	7 (70%)
4.	Umtra PHC	61	57 (48%)	15	1 (6%)	5	0	23	7 (23%)	6	4 (40%)
5.	Jeldopara PHC	40	78 (66%)	16	0	5	0	14	16 (53%)	3	7 (70%)
6.	Kherapara PHC	13	105 (89%)	16	0	2	3 (60%)	3	27 (90%)	2	8 (80%)
7.	Khlichtyrshi PHC	37	81 (69%)	9	7 (44%)	1	4 (80%)	12	18 (60%)	2	8 (80%)
8.	Jarain PHC	18	100 (85%)	3	13 (81%)	0	5 (100%)	4	26 (87%)	0	10 (100%)
<b>Average</b>		<b>41</b>	<b>77 (65%)</b>	<b>13</b>	<b>3 (19%)</b>	<b>3</b>	<b>2 (40%)</b>	<b>13</b>	<b>17 (57%)</b>	<b>3</b>	<b>7 (70%)</b>

Source: Joint Physical Verification conducted at selected PHCs during August-September 2022.

It is seen from the table above that there was shortage of all the five categories of drugs in all the PHCs. The shortage of drugs ranged from 19 per cent (Essential Drugs & Logistics for Immunisation) to 70 per cent (for RTI/STI drugs under RCH Programme).

#### 1.4.5.4 Shortage of State Essential Drugs List in the selected CHCs/PHCs

Government of Meghalaya did not have separate lists of essential drugs for each type of health facility. However, the health facilities were intimated (11 September 2019) a list of 1,329 essential drugs.

Availability of the essential drugs in the selected CHCs and PHCs and their shortage is depicted in **Table 1.4.18**.

**Table 1.4.18: Availability of Drugs in CHCs & PHCs against State norms**

Sl. No.	Name of the CHC/ PHC	Requirement as per State Essential Drugs List	Available	Shortage (%)
1	Mawiong CHC	1,329	123	1,206 (91%)
2	Mawphlang CHC		126	1,203 (91%)
3	Umsning CHC		139	1,190 (90%)
4	Patharkhmah CHC		132	1,197 (90%)
5	Selsella CHC		126	1,203 (91%)
6	Allagre CHC		90	1,239 (93%)
7	Ummulong CHC		75	1,254 (94%)
8	Nongtalang CHC		84	1,245 (94%)
9	Mawroh PHC		164	1,165 (88%)
10	Weilyngkut PHC		201	1,128 (85%)
11	Marngar PHC		154	1,175 (88%)
12	Umtraï PHC		134	1,195 (90%)
13	Jeldopara PHC		134	1,195 (90%)
14	Kherapara PHC		97	1,232 (93%)
15	Khliehtyrshi PHC		134	1,195 (90%)
16	Jarain PHC		121	1,208 (91%)
<b>Average</b>			<b>127</b>	<b>1,202 (90%)</b>

Source: Joint Physical Verification conducted at selected CHCs and PHCs (August-September 2022).

As can be seen from the table above, shortage of 90 per cent of essential drugs was observed in the selected CHCs and PHCs w.r.t 1,329 Nos. of drugs of the State Essential Drugs List.

Furthermore, availability of drugs in the selected CHCs (Average: 112 out of 1,329) was less than the availability of drugs in the selected PHCs (Average: 142 out of 1,329). This indicates the efficiency of the CHCs was no better than the efficiency of the PHCs; although the CHCs are required to have higher level facilities than PHCs and are mandated to provide more services than PHCs.

#### 1.4.5.5 Availability of Diagnostic Services

##### I. Diagnostic Services in the Selected CHCs

IPHS guidelines for CHCs, 2012 provide eight categories of diagnostic services for a functional CHC as shown in **Table 1.4.19**.

**Table 1.4.19: Requirement of Diagnostic Services in CHCs as per IPHS norms**

Category No.	Particulars	Type of Tests/ Services required as per IPHS norms
I.	Clinical Pathology	18
II.	Pathology	1
III.	Microbiology	2
IV.	Serology	3
V.	Biochemistry	5
VI.	Cardiac Investigations	1
VII.	Ophthalmology	3
VIII.	Radiology	3

Audit observed that none of the selected CHCs had all kinds of required diagnostic services. A comparative analysis of required diagnostic services *vis-à-vis* their availability in the selected CHCs is shown in **Table 1.4.20**.

**Table 1.4.20: Shortage of Diagnostic Services in CHCs against IPHS norms**

Sl. No.	Name of the CHC	Shortage (%)							
		Clinical Pathology	Pathology	Microbiology	Serology	Biochemistry	Cardiac Investigations	Ophthalmology	Radiology
1	Mawiong CHC	14 (78%)	1 (100%)	1 (50%)	2 (67%)	4 (80%)	1 (100%)	3 (100%)	3 (100%)
2	Mawphlang CHC	7 (39%)	0	2 (100%)	0	4 (80%)	0	2 (67%)	2 (67%)
3	Umsning CHC	14 (78%)	1 (100%)	2 (100%)	3 (100%)	5 (100%)	1 (100%)	3 (100%)	3 (100%)
4	Patharkmah CHC	14 (78%)	1 (100%)	1 (50%)	2 (67%)	4 (80%)	1 (100%)	3 (100%)	3 (100%)
5	Selsella CHC	11 (61%)	1 (100%)	1 (50%)	0	4 (80%)	0	3 (100%)	2 (67%)
6	Allagre CHC	12 (67%)	1 (100%)	0	1 (33%)	4 (80%)	1 (100%)	3 (100%)	3 (100%)
7	Ummulong CHC	13 (72%)	1 (100%)	0	0	4 (80%)	1 (100%)	3 (100%)	2 (67%)
8	Nongtalang CHC	13 (72%)	0	1 (50%)	0	4 (80%)	1 (100%)	3 (100%)	3 (100%)
<b>Average</b>		<b>12 (67%)</b>	<b>0.75 (75%)</b>	<b>1 (50%)</b>	<b>1 (33%)</b>	<b>4 (80%)</b>	<b>0.75 (75%)</b>	<b>3 (100%)</b>	<b>3 (100%)</b>

Source: Joint Physical Verification conducted at selected CHCs during August-September 2022.

It is seen from the table above that in none of the test checked CHC were all the essential diagnostic services available. Non availability of the essential diagnostic services in the selected CHCs ranged from 33 *per cent* (Serology) to 100 *per cent* (Ophthalmology).

## **II. Diagnostic Services in the Selected PHCs**

IPHS guidelines for PHCs, 2012 provide the list of 11 diagnostic services for a functional PHC.

Audit observed that none of the selected PHCs had all the diagnostic services available as mentioned by IPHS norms. A comparative analysis of the type of equipment required in the selected PHCs is shown in **Table 1.4.21**.

**Table 1.4.21: Availability of Diagnostic Services in PHCs against IPHS norms**

Sl. No.	Name of the PHC	Nos. of Tests/ Services required as per IPHS norms	Nos. of Tests/ Services Available	Shortage (%)
1	Mawroh PHC	11	8	3 (27%)
2	Weilyngkut PHC		7	4 (36%)
3	Marngar PHC		8	3 (27%)
4	Umtra PHC		7	4 (36%)
5	Jeldopara PHC		8	3 (27%)
6	Kherapara PHC		9	2 (18%)
7	Khliehtyrshi PHC		7	4 (36%)
8	Jarain PHC		8	3 (27%)
<b>Average</b>			<b>8</b>	<b>3 (27%)</b>

Source: Joint Physical Verification conducted at selected CHCs and PHCs (August-September 2022).

As can be seen from the table above, shortage of 27 per cent of essential diagnostic services was observed in the selected PHCs against 11 numbers of diagnostic services mentioned in the IPHS Guidelines.

#### 1.4.5.6 Availability of Blood Storage Facility

IPHS guidelines for CHCs, 2012 envisage blood storage facility in a functional CHC as an essential service/ facility. They also stipulate the following quantities of whole blood units to be available at a Blood Storage Unit, viz.

- i. 5 units each of A, B, O (Positive)
- ii. 2 units of AB (Positive)
- iii. 1 unit each of A, B & O (Negative)

Joint Physical Verification of the selected CHCs revealed that none of the CHCs had blood storage facility. In cases where requirement of blood was anticipated, patients were referred to other/ higher health facilities.

#### 1.4.5.7 Poor condition of labour room

As mentioned in **Table 1.4.13**, equipment for new-born corner in labour room/ OT was not available in four PHCs viz. Mawroh PHC, Marngar PHC, Khliehtyrshi PHC and Jarain PHC.

In Mawroh PHC and Khliehtyrshi PHC, audit observed that the labour room was very small and congested; and without sufficient equipment. In Khliehtyrshi PHC, inverter for the labour room was not working and no other power back-up was available. Furthermore, the doctor in-charge of the Khliehtyrshi PHC could not furnish MCI registration as mentioned in Paragraph 1.4.4.3. Due to non-availability of sufficient infrastructure, during the period from 2016-17 to 2021-22, only 1 (one) and 41 deliveries have been conducted in the Mawroh PHC and Khliehtyrshi PHC respectively.



Labour Room of Mawroh PHC

1. New born corner was non-functional
2. Labour room was very small



Labour Room of Khliehtyrshi PHC

1. Inverter for labour room was not working and no other power back up was available.
2. The labour room was very small.

#### 1.4.5.8 Impact of Insufficient Infrastructure at CHCs and PHCs

Non-availability of sufficient manpower, infrastructure and other services as outlined in the preceding paragraphs has an impact on the service delivery of the CHCs and PHCs in terms of number of patients treated and quality of treatment provided to the patients.

##### (A) CHCs

Number of patients under four categories of patients, average monthly delivery vis-à-vis shortage of manpower in the selected CHCs are shown in **Table 1.4.22**.

**Table 1.4.22: Number of Patients under 4 categories during the last five years period from 2017-18 to 2021-22**

CHCs	Number of Patients (%)				Shortage of Doctors (%)	Shortage of Nurses (%)	Monthly average delivery	No. of Beds
	OPD	IPD	Normal Delivery	Assisted Delivery				
Mawiong	41,045 (6)	139 (0.4)	19	0	82%	29%	0.32	30
Mawphlang	1,52,303 (23)	11,177 (29)	1962 (33)	0	45%	0	32.7	42
Umsning	2,34,613 (47)	8,508 (22)	1813 (31)	0	55%	0	30.22	18
Patharkhmah	78,659 (29)	5,367 (14)	208 (4)	0	64%	14%	3.47	30
Ummulong	84,435 (12)	4,421 (12)	51 (1)	0	45%	0	0.85	30
Nongtalang	27,798 (4)	6,207 (16)	538 (9)	0	55%	0	8.97	43
Selsella	65,442 (9)	2,076 (5)	1169 (20)	0	64%	14%	19.48	30
Allagre	10,875 (2)	406 (1)	161 (3)	0	73%	0	2.68	14
<b>Total</b>	<b>36,95,170</b>	<b>38,301</b>	<b>5,921</b>	<b>0</b>				

Source: Records of the DMHOs of the selected districts.

From **Table 1.4.22**, it is seen that:

- (i) During the last five years' period from 2017-18 to 2021-22, no assisted delivery was performed by any of the test checked CHCs;
- (ii) Out of the total 5,921 normal delivery cases, Mawiong CHC with 19 cases was the lowest and Mawphlang CHC with 1,962 cases was the highest. As per the

IPHS guidelines for PHCs, a Type-B PHC would have a delivery load of 20 or more per month. However, no similar provision was available for the CHC. This notwithstanding, by benchmarking against the 20 delivery load per month (for a Type-B PHC), the average delivery cases in six out of the eight test checked CHCs ranged from 0.32 cases (Mawiong CHC) to 19.48 cases (Selsella CHC) which did not match the expected delivery cases in a Type-B PHC. Only two CHCs viz., Mawphlang and Umsning CHC crossed the mark of 20 delivery load, with 32.7 and 30.22 delivery cases respectively. Audit observed that there was no shortage of nurses in these two CHCs.

- (iii) Out of the total 38,301 IPD patients, the Mawphlang CHC with 11,177 patients and Mawiong CHC with 139 patients were the highest and the lowest respectively.

**(B) PHCs**

Similarly, Number of patients under four categories of patients, average monthly delivery vis-à-vis shortage of manpower in the selected PHCs are shown in **Table 1.4.23**.

**Table 1.4.23: Number of Patients under 4 categories during the last five years period from 2017-18 to 2021-22**

CHCs	Number of Patients (%)				Shortage of Doctors (%)	Shortage of Nurses (%)	Monthly average delivery	No. of Beds
	OPD	IPD	Normal Delivery	Assisted Delivery				
Mawroh	67,586 (17)	0	1	0	50%	0	0.02	10
Weilyngkut	39,705 (10)	111 (1)	45 (2)	0	50%	0	0.75	10
Marnagar	67,482 (17)	4,665 (55)	701 (25)	0	50%	0	11.68	9
Umtraï	27,992 (7)	732 (9)	311 (11)	0	50%	0	5.18	10
Khiehtyrshi	40,790 (10)	76 (1)	40 (1)	0	50%	0	0.67	10
Jarain	39,396 (10)	99 (1)	65 (2)	0	50%	33%	1.08	6
Jeldupara	88,744 (23)	1738 (21)	1203 (43)	0	50%	0	20.05	10
Kherapara	18,789 (5)	1018 (12)	448 (16)	0	50%	0	7.47	11
<b>Total</b>	<b>3,90,484</b>	<b>8,439</b>	<b>2,814</b>	<b>0</b>				

Source: Records of the DMHOs of the selected districts.

As can be seen from **Table 1.4.23**,

- i. No assisted delivery was performed during 2017-18 to 2021-22 by the selected PHCs.
- ii. Only one delivery was performed and no IPD patient was treated in the Mawroh PHC.
- iii. Number of in-patients during 2017-18 to 2021-22 in Weilyngkut PHC, Khliehtyrshi PHC and Jarain PHC was only 111, 76 and 99 respectively.
- iv. Monthly delivery load was less than one in three out of eight test check PHCs. Only one PHC viz. Jeldupara PHC crossed the 20 load mark prescribed by IPHS. The monthly average delivery load in the remaining seven PHCs ranged between 0.02 and 11.68.
- v. Except in Jarain PHC, there was no shortage of nurses. However, in all the PHCs 50 per cent shortage of doctors had been observed.

**(C) Refer out of patients by the CHCs/PHCs**

Number of patients registered in the test checked CHCs and PHCs vis-à-vis number of referral cases during the period from 2017-18 to 2021-22 is shown in **Table 1.4.24**.

**Table 1.4.24: Number of registered patients referred out**

Sl. No.	Name of the CHC/ PHC	Total Number of Patients Registered (OPD+IPD)	No. of Patients Referred during 2017-22	% of Patients Referred during 2017-22	Common reasons for referral
1	Mawiong CHC	41,184	47	0.11	i. Non-availability of services ii. Further management and treatment iii. Non-functional health facility due to absence of sufficient infrastructure and security iv. Severe cases v. Requirement of tertiary care vi. Absence of OT vii. Lack of Specialist
2	Mawphlang CHC	1,63,480	2,709	1.66	
3	Umsning CHC	2,43,121	4,455	1.83	
4	Patharkmah CHC	84,026	1,580	1.88	
5	Selsella CHC	67,518	415	0.61	
6	Allagre CHC	11,281	139	1.23	
7	Ummulong CHC	88,856	216	0.24	
8	Nongtalang CHC	34,005	437	1.29	
9	Mawroh PHC	67,586	2,571	3.80	
10	Weilyngkut PHC	39,816	109	0.27	
11	Marngar PHC	72,147	462	0.64	
12	Umtra PHC	28,724	150	0.52	
13	Jeldopara PHC	90,482	90	0.10	
14	Kherapara PHC	19,807	194	0.98	
15	Khliehtyrshi PHC	40,866	113	0.28	
16	Jarain PHC	39,495	206	0.52	
<b>Total</b>		<b>11,32,394</b>	<b>13,893</b>		

Source: Reply furnished by the selected CHCs and PHCs.

It is seen from **Table 1.4.24** that 13,893 out of the total registered 11,32,394 patients had been referred out from the CHCs/PHCs.

As indicated in the table above, the common reasons for the referral cases were mainly shortage of manpower (doctors, nursing staff and paramedical staff), equipment, drugs, diagnostic services and absence of required treatment facilities, *etc.*

**1.4.6 Status of Sustainable Development Goals (SDGs) -3 Targets**

The Sustainable Development Goals (SDGs) are the most ambitious and unifying development agenda ever produced. They track progress in developed and developing countries against the same measures. They bring governments, private sector and civil society together in common pursuit. They provide an opportunity for all of us to join hands to improve the well-being of people and planet, everywhere.

Good health is essential to sustainable development and the 2030 Agenda reflects the complexity and inter connectedness of the two. It takes into account widening economic and social inequalities, rapid urbanisation, threats to the climate and the environment, the continuing burden of HIV and other infectious diseases, and emerging challenges such as non-communicable diseases. It calls for a renewed focus on mental health issues as well. Universal health coverage, including financial risk protection, access to

quality essential health care services and access to safe, effective, quality, and affordable medicines are integral to this goal.

To measure India's performance towards the Goal of Good Health and Well-Being, in the SDG India Index 2020-21, ten national level indicators have been identified, which capture eight out of the thirteen SDG targets for 2030 outlined under this Goal. These indicators have been selected based on the availability of data at the sub-national level and to ensure comparability across States and UTs.

Comparison between targets fixed, national achievement and achievement of Meghalaya for SDG-3 is shown in **Table 1.4.25**.

**Table 1.4.25: Status of SDG-3 as per SDG India Index 2020-21**

Status of	MMR (per 1 lakh live births)	Under 5 mortality rate (per 1000 live births)	% of children in the age group 9-11 months fully immunised	Total case notification rate of Tuberculosis per 1,00,000 population	HIV incidence per 1,000 uninfected population	Suicide rate (per 1,00,000 population)	Death rate due to road traffic accidents (per 1,00,000 population)	Percentage of institutional deliveries out of the total deliveries reported	per capita out-of-pocket expenditure on health as a share of Monthly Per capita Consumption Expenditure (MPCE)	Total physicians, nurses and midwives per 10,000 population
Target	70	25	100	242	0	3.5	5.81	100	7.83	45
India	113	36	91	177	0.05	10.4	11.56	94.40	13.00	37
Meghalaya	NA	NA	99	154	0.23	6.1	5.45	60.4	10.70	25

Source: SDG India Index 2020-21.

As per SDG India Index 2020-21, Meghalaya ranks 19<sup>th</sup> out of 37 States and UTs in SDG-3 Index score. SDG-3 index score of Meghalaya stands at 70, whereas the score of India is 74. However, the score was calculated based on the available information and information of Maternal Mortality Rate and Under-5 Mortality Rate was not available for the State of Meghalaya. Meghalaya is one of the best performers in India regarding immunisation of children in the age group of 9-11 months but poor performer in case of institutional deliveries.

#### 1.4.6.1 Status of SDG-3 Parameters in Meghalaya

Statistics of the four parameters viz. (i) Maternal Mortality Rate (MMR), (ii) Under-5 Mortality Rate, (iii) Percentage of full immunisation of Children (9-11 months old) and (iv) Institutional Delivery, regarding Maternal and Child Health in the State of Meghalaya is shown in **Table 1.4.26**.

**Table 1.4.26: Status of SDG-3 Parameters in Meghalaya**

Sl. No.	Particulars	Year-wise Figures					
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1.	P.W. registered for ANC	1,33,880	1,31,034	1,41,030	1,38,997	1,10,762	1,09,016
2.	Total Delivery	86,639	84,410	84,371	90,491	84,254	83,004
3.	% of delivery w.r.t PW registered	64.71	64.42	59.82	65.10	76.07	76.14
4.	% of Abortions w.r.t PW registered	3.17	3.18	3.04	3.07	3.49	3.15
5.	MMR* (per 1 lakh live births)	232	237	197	195	295	280
6.	Under 5 mortality rate (per 1000 live births)	35	38	31	35	43	33

Sl. No.	Particulars	Year-wise Figures					
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
7.	% of Full Immunisation of Children (9-11 months old)	78	57	44	84	91	84
8.	Institutional Delivery (% of Total Delivery)	54.82	56.18	57.79	59.68	59.40	57.24

Source: HMIS Data.

\* MMR for the State could not be calculated as the total number of live births in the State is less than one lakh. However, the State Government has calculated the MMR on pro-rata basis in HMIS.

From the above table, it is evident that:

- MMR of the State has not steadily improved in the last six years.
- As per the SDG India Index 2020-21, percentage of Institutional Delivery is lowest in Meghalaya among all the States and UTs of India.
- Percentage of children (9-11 months old) with full immunisation showed a decreasing trend from 2016-17 to 2018-19 and reduced from 78 to 44. In 2021-22, it had marginally increased to 84 when compared to 2016-17.
- Percentage of total number of deliveries and abortions was less than 80 per cent of Pregnant Women registered for ANC during 2016-17 to 2021-22, which indicates that around 20 per cent of deliveries remain unreported.

#### 1.4.6.2 Status of SDG-3 Parameters in the Selected Districts

##### I. MMR in the Selected Districts

The maternal mortality ratio is a key performance indicator for efforts to improve the health and safety of mothers before, during, and after childbirth per country worldwide. Target 3.1 in the SDG set by the United Nations in 2015 is to reduce the global MMR to less than 70/lakh live births by 2030.

Maternal Mortality Rate per one lakh live births<sup>51</sup> of the four selected districts during 2016-17 to 2021-22 is given in **Table 1.4.27**.

**Table 1.4.27: Status of MMR in Selected Districts**

Sl. No.	Name of the District	Year-wise Figures					
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1	East Khasi Hills	160	142	138	179	263	375
2	Ri-Bhoi	233	176	155	192	190	178
3	West Jaintia Hills	110	261	192	67	122	80
4	West Garo Hills	346	305	323	336	480	381

Source: HMIS Data.

It is seen from the table above that:

- MMR of the two districts viz. East Khasi Hills and West Garo Hills worsened in 2021-22 as compared to 2016-17 and remains significantly higher than the State figure (**Table 1.4.26**).
- Target of MMR of 70 as per SDG India Index is yet to be achieved in all the four selected districts.

<sup>51</sup> As per HMIS data, wherein the State Government has calculated MMR on pro-rata basis.

## II. Status of Under-5 Mortality Rate in the Selected Districts

Under-five mortality rate measures child survival. It also reflects the social, economic and environmental conditions in which children (and others in society) live, including their health care. Target 3.2.1 in the SDG set by the United Nations in 2015 is to reduce the global MMR to less than 25/thousand live births by 2030. Under-5 Mortality Rate per one thousand live births of the four selected districts during 2016-17 to 2021-22 is given in **Table 1.4.28**.

**Table 1.4.28: Status of Under-5 Mortality Rate in Selected Districts**

Sl. No.	Name of the District	Year-wise Figures					
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1	East Khasi Hills	46	47	41	40	47	46
2	Ri-Bhoi	30	31	21	27	36	32
3	West Jaintia Hills	33	46	34	35	40	32
4	West Garo Hills	32	25	26	29	43	26

Source: HMIS Data.

It is seen from the table above that the target of Under-5 Mortality Rate of 25 as per SDG India Index is yet to be achieved in all the four selected districts.

## III. Status of percentage of Institutional Delivery in the Selected Districts

Institutional Delivery means giving birth to a child in a medical institution under the overall supervision of trained and competent health personnel. As per SDG India Index, 100 per cent Institutional delivery by 2030 is targeted. Percentage of Institutional Delivery of the four selected districts during 2016-17 to 2021-22 is given in **Table 1.4.29**.

**Table 1.4.29: Status of Institutional Delivery in Selected Districts**

Sl. No.	Name of the District	Year-wise Figures					
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1	East Khasi Hills	77.94	78.27	78.43	77.96	74.36	70.10
2	Ri-Bhoi	38.21	43.96	46.90	49.47	49.58	47.47
3	West Jaintia Hills	55.71	59.59	62.19	59.49	61.24	58.44
4	West Garo Hills	53.12	52.61	54.00	57.83	57.68	57.60

Source: HMIS Data.

It is seen from the table above that Institutional delivery in the selected districts during 2016-17 to 2021-22 which ranged from 38.21 per cent (Ri-bhoi 2016-17) to 78.43 per cent (EKH: 2018-19) remains very low compared to National Target (100) as well as the National average (94.4) as per SDG India Index 2020-21.

In the Ri-Bhoi District, percentage of institutional delivery was persistently below 50 per cent and was lowest amongst the selected districts. Percentage of institutional delivery in Ri-Bhoi ranged between 38.21 per cent to 49.58 per cent during 2016-17 to 2021-22.

### 1.4.6.3 Utilisation of COVID Infrastructure created, procured and installed during Covid pandemic

Starting from late 2019, a novel coronavirus rapidly spread throughout the world, and the situation in India was no different. Several infrastructures like temporary hospitals, ventilators, ICUs, etc. were created for management of COVID-19.

Scrutiny of records of DHS (MI) pertaining to construction of infrastructure, procurement of various equipment/machines and their utilisation to manage/fight COVID-19 by the State Government revealed various irregularities as discussed in succeeding paragraphs.

#### 1.4.6.4 Setting up of 100 bedded prefabricated negative Pressured COVID-19 facilities at Shillong and Tura

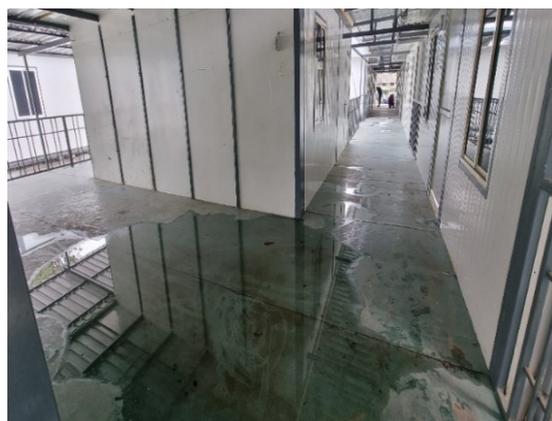
Two centres at Shillong and Tura, each with 100 bedded prefabricated centres were installed at a total cost of ₹ 5.18 crore in December 2021 and February 2022 respectively as detailed in **Table 1.4.30**.

**Table 1.4.30 Status of 100 bedded Pre-fabricated centres (as on October 2022)**

Location of the prefab	No. of beds	Date of commencement	Name of contractor	Date of installation of structure	Total Expenditure incurred (₹ in crore)	Controlling authority	No. of patients treated	Reason for non-functioning
Pasteur Institute, Shillong	100	11 May 2021	Shreeram Ravi, Chennai	December 2021	2.59	DHS (MI), Meghalaya, Shillong	Nil	Water Supply not available
Tura	100	13 May 2021		February 2022	2.59		Nil	Electrical Service connection and Water Supply not available
<b>Total</b>	<b>200</b>				<b>5.18</b>			

Source: Reply furnished by the DHS (MI), Meghalaya.

It is seen from **Table 1.4.30** that the 100 bedded prefab centre at Shillong and Tura completed in December 2021 and February 2022 respectively at a total cost of ₹ 5.18 crore remained unutilised due to non-availability of water supply in case of Shillong centre and absence of electricity connection & water supply connection in respect of Tura centre. DHS (MI) could not produce any records to indicate that any action was taken to make the units functional. Due to absence of the two basic services viz., electricity and water supply connection, both the centres have not been in use for the purpose for which they were created, resulting in unfruitful expenditure of ₹5.18 crore.



**Water logging in the prefab centre at Shillong**

A Joint Physical Verification was conducted at the 100 bedded prefabricated centre, Shillong on 17 May 2022 and following were observed:

- i. Parts of the facility were found in waterlogged condition.

- ii. Electricity connection was not available.
- iii. Water supply connection was not available.

The DHS (MI) stated (17 February 2023) that the status of Electricity and Water Supply is yet to be received from the Health Engineering Wing. The reply is silent on the action taken or the likely date to make the prefabricated centres operational.

#### 1.4.6.5 Non-completion of six bedded prefab structures under ECRP

Approval for construction of six bedded prefab structures at 59 PHCs and 82 SHCs at a total cost of ₹ 13.86 crore (unit cost of ₹ 9.83 lakhs) was accorded by Government of India on 13 August 2021 under Emergency Covid Response Plan (ECRP). All the civil works were to be completed within three months from the date of approval. Out of the 141 Nos. of six bedded prefab structures, 83 Nos. of structures were to be constructed in the four test checked districts.

Scrutiny revealed that the NHM had awarded (25 February 2022) work orders to M/s Debrique Creative Labs. Pvt. Ltd., Kanchipuram and to M/s Cloudfabs Pvt. Ltd., Chennai for setting up of six bedded prefab in 60 SHCs and 23 PHCs respectively. As per contract agreement, M/s Debrique Creative Labs. Pvt. Ltd., was to complete the work on 12 March 2022 and M/s Cloudfabs Pvt. Ltd., Chennai on 01 April 2022. Status of the 83 Nos. of six bedded prefab structures is shown in **Table 1.4.31**.

**Table 1.4.31: Status of 6 bedded Pre-fab centres**

Sl. No.	Selected district	Total No. of health facility	Total No. of structures installed/completed	Status as on date of Audit (October 2022)			
				Total No. of furniture items installed	Electricity connection completed	Water supply connection completed	Sewage connection completed
1	East Khasi Hills	23 (6 Nos. of PHCs & 17 Nos. of SCs)	19 (6 Nos. of PHCs & 13 Nos. of SCs)	8-completed 7- furniture delivered but yet to be installed	Nil	Nil	Nil
2	Ri-Bhoi	13 (2 Nos. of PHCs & 11 Nos. of SCs)	12 (2 Nos. of PHCs & 10 Nos. of SCs)	8	2	Nil	Nil
3	West Jaintia Hills	19 (9 Nos. of PHCs & 10 Nos. of SCs)	15 (5 Nos. of PHCs & 10 Nos. of SCs)	11	Nil	Nil	Nil
4	West Garo Hills	28 (6 Nos. of PHCs & 22 Nos. of SCs)	18 (6 Nos. of PHCs & 12 Nos. of SCs)	11	Nil	Nil	Nil

Source: Reply furnished by the DMHOs of the selected districts.

As can be seen from the table above, none of the six bedded prefab structures are in functional mode and in 19 units, even the structures are yet to be installed.

In West Garo Hills district, out of the 10 units where prefab structures are yet to be installed, relocation of the unit is required in five sub-centres, viz. Waribokgre SC, Belbari SC, Mangchim SC, Dabakgre SC and Rajabala SC. Similarly, in West Jaintia Hills district, out of the four units where prefab structures are yet to be installed, relocation

of the unit is required in three centres (Mynso PHC, Chutwakhu UHC and Shangpung PHC) due to non-availability of space/land.

The pre-fab structures were being installed under Emergency Covid Response Plan. Completion of the work and making the units functional within the stipulated timeline was necessary to make the units serve the purpose of their procurement. However, due to improper planning and lackadaisical approach, the NHM, Meghalaya could not install a single functional unit in the four test-checked districts within the stipulated timeframe which only indicates ineffective action by NHM, Meghalaya in handling matters of emergency services.

#### 1.4.6.6 Construction of Oxygen Generation Plants

Oxygen generation plants were installed for dealing with demand of oxygen during COVID pandemic. For installation/construction of 18 Nos. of oxygen generation plants at different Healthcare facility centres in the State, Government of Meghalaya, Health & Family Welfare Department had accorded sanction of ₹ 5.49 crore (between May 2021 and November 2021).

Audit observed that all the 18 Nos. of oxygen generation plants have been completed at a total cost of ₹ 3.53 crore. However, it was seen that 10 plants constructed at a total cost of ₹ 2.46 crore had not been utilised from the date of their completion. The details of these are given in **Table 1.4.32**.

**Table 1.4.32: Status of Oxygen Generation Plants (April 2020 to June 2022)**

Sl. No.	Name of the Oxygen Plant	Date of Completion	Utilisation status till 25 August 2022	Expenditure (₹ in lakhs)	Reason attributed by the DHS(MI) for non-functioning
1	PSA Oxygen Generation Plant at Sohra CHC	20-12-2021	Nil	12.50	Low transformer load
2	PSA Oxygen Generation Plant at Resubelpara CHC	07-12-2021	Nil	25.80	Transformer not available
3	PSA Oxygen Generation Plant at Khliehriat 100-Bedded Hospital	07-01-2022	Nil	15.00	Stabiliser not working and Pipe connection stolen
4	PSA Oxygen Generation Plant at Chockpot CHC	28-02-2022	Nil	25.78	Lack of power supply to run the plant
5	PSA Oxygen Generation Plant for 150 LMP at Baghmara Civil Hospital	25-10-2021	Nil	34.99	Multiple leakage on the oxygen supply pipes
6	PSA Oxygen Generation Plant for 150 LMP at Williamnagar Civil Hospital	23-10-2021	Nil	29.99	Non-availability of electric connection
7	PSA Oxygen Generation Plant at Jowai Civil Hospital	24-08-2021	Nil	27.00	Transformer not available
8	PSA Oxygen Generation Plant for 1000-1500 LMP at Tura (MCH)	19-02-2022	Nil	42.85	Not operational/ technical issues
9	PSA Oxygen Generation Plant at Pynursla CHC	21-02-2022	Nil	10.00	Pipeline connection not complete and Transformer not available
10	PSA Oxygen Generation Plant for 150 LMP at Ampati Civil Hospital	NA	Nil	22.31	Transformer not available
<b>Total</b>				<b>246.22</b>	

Source: Reply furnished by the DHS (MI), Meghalaya and Health Engineering Wing.

It is seen from the table above, that all the 10 Oxygen Generation Plants were lying non-functional mainly due to non-availability of Transformer or pipeline connection issues or low transformer load. No records showing action being taken up with MeECL by the DHS (MI) for installation of Transformers were available. This indicates lackadaisical approach of the DHS (MI) in making the plants functional and also reflects absence of effective coordination between the two departments, which had led to non-achievement of the objective of procurement of the plants and also resulted in unfruitful expenditure to the tune of ₹ 2.46 crore.

**1.4.6.7 Utilisation and Maintenance of non-medical equipment procured for utilisation in the Corona Care centres**

Joint Physical Verification was conducted on 15 July 2022 to check the status of Medical and non-medical equipment procured for utilisation in the Corona Care centres.

It was observed that non-medical items were lying idle at the stores of Jawaharlal Nehru Stadium, Polo ground and step down corona care centre, Umsawli. Number of medical and non-medical items that are lying idle at the said stores (July 2022) is given in **Table 1.4.33**.

**Table 1.4.33: List of items idle at Corona Care Centres**

Sl. No.	Name of Corona Care Centre	No. of Non-Medical Items
1	NIFT CCC	168
2	MATI CCC	57
3	IIM/NONGTHYMAI/MIIT CCC	270
4	Nongrim CCC	104
5	DETR CCC	156
<b>Total</b>		<b>755</b>

Source: Reply furnished by the NHM, Meghalaya.

The non-medical items were not only lying at the non-designated warehouses of the NHM, but were dumped in an improper way, as depicted in the photographs below:



**Non-medical items procured for COVID-19 dumped in non-designated store.**

The details of cost of procurement of the equipment lying idle at CHCs and PHCs have been called for from NHM, Meghalaya. However, NHM, Meghalaya did not furnish item-wise expenditure for the items lying idle. Thus, the quantum of expenditure involved in the procurement of these items could not be ascertained in Audit.

### 1.4.6.8 Revenue collection from Testing Centres for COVID

The Health and Family Welfare Department released the Policy for Testing on Payment Basis vide No. Health.99/2020/115 dated 06 October 2020. As per the policy, every entrant to Meghalaya, who has registered for testing shall pay ₹ 500 for testing at the entry point. Any person who desires to get tested with RTPCR/CBNAAT/TruNAT on their own without a medical advice shall make a payment of ₹ 3200 for the tests. Further, as per the Meghalaya Treasury Rule 7(1), all money received by or tendered to Government shall, without undue delay, be paid in full into a treasury and shall be included in the accounts of the State Government. Moneys received as aforesaid shall not be appropriated to meet departmental expenditure, nor otherwise kept apart from the accounts of the Government.

Scrutiny of records of NHM, Meghalaya, Shillong revealed that significant portion of revenue collected in the testing centres for COVID had been kept/deposited in the ICICI bank account No.xxx0303. Details of the financial position of the above-mentioned account is given in **Table 1.4.34**.

**Table 1.4.34: Financial Details regarding Revenue Collected from Testing Centres**

(Amount in ₹)

Sl. No.	Year	Opening Balance	Revenue collected	Interest received	Amount transferred to other A/c.	Closing Balance
1.	2020-21	0	4,80,01,545	3,72,067	30,11,982	4,53,61,630
2.	2021-22	4,53,61,630	9,36,96,647	10,56,037	8,41,62,612	5,59,51,702
3.	2022-23	5,59,51,702	13,71,227	5,00,962	0	<b>5,78,23,891</b>
<b>Total</b>			<b>14,30,69,419</b>	<b>19,29,066</b>	<b>8,71,74,594</b>	

Source: Information furnished by the NHM, Meghalaya.

It is seen from **Table 1.4.34** that during 2020-21 to 2022-23, the total collected revenue of ₹ 14.31 crore was not transmitted to the treasury. No approval from the State Government was obtained for non-remittance of the entire fund to the treasury. On the contrary, it was seen that an amount of ₹ 8.72 crore was diverted to other accounts (PLA and HDFC Accounts of NHM). In this regard too, the purpose/reason for such transfer was neither found on record nor was prior approval from the State Government obtained for effecting such a transfer of funds. The practice being followed by the NHM is not only in contravention of the laid down rules but also fraught with the risk of misappropriation of government money.

NHM, Meghalaya stated (24 July 2022) that, in January 2021 Government has authorised opening of PLA. The reply is not tenable since the approval for operating PLA was only for collection of fine for violation of Covid SOP and not for Covid testing.

### 1.4.6.9 Non-release/ delay in release of State Share for management of COVID under CSS

Details of the fund released by the Government of India and Government of Meghalaya for management of COVID, is given in **Table 1.4.35**.

**Table 1.4.35: Release of fund for Management of COVID under CSS**

(₹ in crore)

Sl. No.	Amount of Central Share Released	Date of Release by GoI	Date of Release of Central Share by GoM	Time taken by GoM to release the Central Share (days)	Stipulated Central and State Share Ratio	Amount of State Share Released	Short Release of State Share
1	5.94	25-03-2020	18-04-2020	24	90:10	0	0.66
2	5.94	06-04-2020	23-04-2020	17	100:0	0	0
3	4.91	05-08-2020	04-09-2020	30	100:0	0	0
4	2.36	26-03-2021	15-07-2021	111	100:0	0	0
5	0.45	12-01-2021	05-05-2021	111	100:0	0	0
6	1.61	30-12-2020	04-02-2021	35	100:0	0	0
7	0.6	31-03-2021	15-07-2021	104	100:0	0	0
8	0.79	16-02-2022	23-06-2022	127	100:0	0	0
9	12.41	22-07-2021	23-08-2021	32	90:10	9.19	2.38
10	28.96	18-08-2021	15-11-2021	89	90:10		
11	41.37	22-02-2022	23-06-2022	121	90:10		
12	21.38	26-03-2022	23-06-2022	89	90:10		
	<b>126.72</b>					<b>9.19</b>	<b>3.04</b>

Source: Information furnished by the NHM, Meghalaya.

As can be seen from **Table 1.4.35**, ₹ 3.04 crore is yet to be released by the Government of Meghalaya as matching State share. Besides, the State Government also defaulted in delay in release of GoI share to the extent of 127 days.

Further as per the Expenditure report submitted on 21 June 2022, the amount of ₹ 5.94 crore along with SHS interest component of ₹ 2.50 crore (total ₹ 8.44 crore) was spent on Human Resources. However, NHM, Meghalaya could not produce any payment voucher/ salary statement in support of the said expenditure. Thus, audit could not derive an assurance that the expenditure of ₹ 5.94 crore was incurred for the intended purposes.

#### **1.4.7 AYUSH**

As per AYUSH Guidelines, seven kinds of systems of medicines are available under AYUSH viz. (i) Ayurveda, (ii) Unani, (iii) Siddha, (iv) Yoga, (v) Naturopathy, (vi) Homeopathy and (vii) Sowa-Rigpa.

From separate data made available from Meghalaya State AYUSH Society and DMHOs respectively, audit noticed that the Meghalaya State AYUSH Society did not have comprehensive data on the number of registered AYUSH practitioners in the State. The discrepancies in data are evident from details in **Table 1.4.36** and **Table 1.4.37**.

As per the reply furnished by the Meghalaya State AYUSH Society, availability of hospitals, beds, registered practitioners, UG & PG colleges and licensed pharmacies in the state of Meghalaya under AYUSH is shown in **Table 1.4.36**.

**Table 1.4.36: Availability of Infrastructure in Meghalaya**

Sl. No.	System of Medicine/ Hospital	Hospitals	Beds	Registered Practitioners	UG Colleges		PG Colleges		Licensed Pharmacies
					No.	Adm. Capacity	No.	Adm. Capacity	
1	Ayurveda	4	41	Nil	Nil	Nil	Nil	Nil	Nil
2	Unani	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	Siddha	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4	Yoga	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
5	Naturopathy	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6	Homoeopathy	12	105	374	Nil	Nil	Nil	Nil	4
7	Sowa-Rigpa	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
8	Integrated AYUSH Hospital	1	5: Homoeopathy 5 : Ayurveda	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>		<b>17</b>	<b>156</b>	<b>374</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>4</b>

Source: Information furnished by the Directorate of AYUSH, Meghalaya.

It is seen from **Table 1.4.36** that there are a total number of 17 AYUSH hospitals, 374 registered practitioners and four licensed pharmacies in the State. Out of the 17 hospitals, four hospitals with 41 beds are for Ayurveda, 12 hospitals with 105 beds are for Homoeopathy and one Integrated AYUSH hospital is with 10 beds. While all 374 registered practitioners and four licensed pharmacies were pertained to Homoeopathy, there is no practitioner and pharmacy for the remaining six systems of medicine.

However, it is seen further that 43 (11 *per cent*) out of the 374 registered Homeopathy practitioners were from the four test checked districts. The district wise position is given in **Table 1.4.37**.

**Table 1.4.37: Availability of Doctors in the Selected Districts**

Sl. No.	System of Medicine	Total Number of AYUSH Doctors available in all the Public Health Facilities of the District				
		East Khasi Hills	Ri-Bhoi	West Jaintia Hills	West Garo Hills	Total
	Homoeopathy	12	17	5	9	43
	Ayurvedic	6	6	9	3	24
	Yoga & Naturopathy	1	0	0	1	2

Source: Information furnished by the DMHOs in the Selected Districts.

#### **1.4.7.1 Unfruitful expenditure of ₹1.77 crore due to non-functioning of AYUSH Facilities**

Eight numbers of AYUSH facilities were constructed during 2019-20 and 2020-21 by the Health Engineering Wing of the Department at a total expenditure of ₹ 1.77 crore. The details of which are given in **Table 1.4.38**.

**Table 1.4.38: Detail list of AYUSH facilities**

Sl. No.	Name of the Facility	Date of completion	Date of handing over	No. of Doctors available	Services Available	Expenditure incurred (₹ in lakh)
1.	Ampati 10-bedded AYUSH Hospital	30.5.2019	07.12.2020	Nil	None	26.70
2.	AYUSH IPDS at Selsella CHC	22.2.2019	06.03.2020	Nil	None	22.50
3.	AYUSH IPDS at Phulbari CHC	22.6.2019	15.07.2020	Nil	None	22.41
4.	AYUSH IPDS at Dalu CHC	20.2.2019	06.03.2020	Nil	None	22.50
5.	AYUSH IPDS at Mahendraganj CHC	21.11.2019	18.12.2020	Nil	None	22.50
6.	AYUSH IPDS at Sutnga CHC	11.1.2019	15.01.2020	Nil	None	22.50
7.	AYUSH IPDS at Sohiong CHC	22.3.2019	15.05.2019	Nil	None	22.50
8.	Construction of Yoga & Naturopathy at Tura Civil Hospital	27.11.2019	10.12.2019	1	Yoga & Naturopathy	15.00
<b>Total</b>						<b>176.61</b>

Source: Information furnished by the Directorate of AYUSH and Health Engineering Wing, Meghalaya.

It is seen from **Table 1.4.38** that construction of eight AYUSH facilities had been completed in the year 2019 at a total cost of ₹ 1.77 crore and handed over during May 2019 to December 2020. However, it was noticed that only one Doctor was made available in the AYUSH facility attached to Tura civil hospital. No AYUSH doctor was appointed or made available in the remaining seven AYUSH facilities and as a result all these centres had remained non-functional till date (September 2022) due to non-availability of doctors. It was also noticed that the only AYUSH facility at Tura Civil hospital where one AYUSH doctor was posted, did not function as an AYUSH facility since March 2020 as the building was utilised as a Corona Care centre.

Thus, due to non-appointment of AYUSH doctors for the seven centres and conversion of one centre into Corona Care centre, all the eight AYUSH facilities/centres constructed at a total expenditure of ₹ 1.77 crore remained non-functional even after more than two years since their completion. This has not only led to non-achievement of the intended objectives for having AYUSH centres but also resulted in unfruitful expenditure to the tune of ₹ 1.77 crore.

#### 1.4.7.2 Shortage of drugs in AYUSH centres

##### I. Shortage of Drugs in the Selected PHCs

IPHS guidelines for CHCs, 2012 provide the list of four categories of AYUSH drugs for a functional CHC as detailed in **Table 1.4.39**.

**Table 1.4.39: Requirement of AYUSH drugs in CHCs as per IPHS norms**

Category No.	Particulars	No. of drugs required as per IPHS norms
I.	Ayurveda	125
II.	Unani	116
III.	Sidha	94
IV.	Homeopathy	483

Audit observed that in none of the selected CHCs were all the required drugs as mentioned by IPHS norms available. A comparative analysis of type of drugs required in the selected CHCs is shown in **Table 1.4.40**.

**Table 1.4.40 Availability of Drugs in CHCs against IPHS norms**

Sl. No.	Name of the CHC	I		II		III		IV	
		A	S	A	S	A	S	A	S
1	Mawiong CHC	0	125 (100%)	0	116 (100%)	0	94 (100%)	0	483 (100%)
2	Mawphlang CHC	0	125 (100%)	0	116 (100%)	0	94 (100%)	251	268 (55%)
3	Umsning CHC	0	125 (100%)	0	116 (100%)	0	94 (100%)	171	312 (65%)
4	Patharkmah CHC	0	125 (100%)	0	116 (100%)	0	94 (100%)	35	448 (93%)
5	Selsella CHC	0	125 (100%)	0	116 (100%)	0	94 (100%)	49	434 (90%)
6	Allagre CHC	0	125 (100%)	0	116 (100%)	0	94 (100%)	0	483 (100%)
7	Ummulong CHC	28	97(78%)	0	116 (100%)	0	94 (100%)	0	483 (100%)
8	Nongtalang CHC	25	100(80%)	0	116 (100%)	0	94 (100%)	154	329 (68%)

Source: Joint Physical Verification conducted at selected CHCs during August-September 2022.

A:- Available; S:-Shortage

It is seen from the table above that, most of the essential AYUSH drugs were not available in the selected CHCs. Out of the four categories of drugs, two viz., Unani and Sidha drugs were not at all available in all the eight test check CHCs and the availability in respect of the two remaining drugs was also negligible.

## II. Shortage of AYUSH drugs in the selected PHCs

IPHS guidelines for PHC, 2012 provide the list of four categories of essential drugs for a functional PHC as shown in **Table 1.4.41**.

**Table 1.4.41: Requirement of AYUSH drugs in PHCs as per IPHS norms**

Category No.	Particulars	No. of drugs required as per IPHS norms
I.	Ayurveda	100
II.	Unani	113
III.	Sidha	38
IV.	Homeopathy	481

Audit observed that in none of the selected PHCs were all the required drugs as mentioned in the IPHS norms available. A comparative analysis of the type of drugs required in the selected PHCs is shown in **Table 1.4.42**.

**Table 1.4.42: Availability of Drugs in PHCs against IPHS norms**

Sl. No.	Name of the CHC	I		II		III		IV	
		A	S	A	S	A	S	A	S
1	Mawroh PHC	0	100 (100%)	0	113 (100%)	0	38 (100%)	47	434 (90%)
2	Weilyngkut PHC	0	100 (100%)	0	113 (100%)	0	38 (100%)	0	481 (100%)
3	Marngar PHC	25	75(75%)	0	113 (100%)	0	38 (100%)	0	481 (100%)
4	Umtra PHC	0	100 (100%)	0	113 (100%)	0	38 (100%)	100	381 (79%)
5	Jeldopara PHC	0	100 (100%)	0	113 (100%)	0	38 (100%)	109	372 (77%)
6	Kherapara PHC	0	100 (100%)	0	113 (100%)	0	38 (100%)	0	481 (100%)
7	Khlichtyrshi PHC	22	78(78%)	0	113 (100%)	0	38 (100%)	0	481 (100%)
8	Jarain PHC	12	88(88%)	0	113 (100%)	0	38 (100%)	0	481 (100%)

Source: Joint Physical Verification conducted at selected PHCs.

A:- Available; S:-Shortage

It is seen from the table above that, most of the essential AYUSH drugs were not available in the selected PHCs. Out of the four categories of drugs, two viz., Unani and Sidha

drugs were not at all available in all the eight test-checked PHCs and the availability in respect of the two remaining drugs was also negligible.

#### **1.4.8 Conclusion and Recommendations**

CHCs and PHCs are base level health service providers in Meghalaya. These health facilities, therefore, profoundly influence the performance of the entire health system. However, despite considerable increase in public health expenditure in Meghalaya during 2016-17 to 2021-22, the test-checked CHCs and PHCs did not fare well on the outcome indicators relating to productivity, efficiency, service quality and clinical care capability of the health facilities, as evaluated by audit.

In order for the current health system at the CHC and PHC level to provide better and timely health care, right care at the right place and at the right time, the State Government may consider implementing the following recommendations:

1. Human resource, an essential resource for hospital management is facing acute shortage in Meghalaya, especially in the test-checked CHCs and PHCs. **Keeping in view that Health is a state subject, it is imperative that the State Government should address gaps in Human resources.**
2. Medical equipment/devices allow healthcare personnel to more accurately monitor patient health, and help doctors perform various functions from the emergency room to the operating table. **To be able to administer quality health care services, medical equipment must always be available and function effectively.**
3. There was significant shortage of drugs in the selected CHCs and PHCs. 90 *per cent* of the drugs on the State Essential Drugs List were not available in the selected CHCs and PHCs. **A comprehensive arrangement should be in place according to the need of hospitals to ensure all time availability of essential drugs in each health facility. It should be ensured that a formulary of drugs is prepared by each health facility on the basis of disease patterns and inflow of patients, the State Essential Drug List (SEDL) be updated accordingly and stock-out of required drugs is forestalled.**
4. Infrastructure created for management of COVID and AYUSH remained unused/ idle and incomplete. **Necessary action may be taken to make all idle medical infrastructure functional for better health services.**

## Social Welfare Department

### 1.5 Unfruitful expenditure on Tribal Girls Hostel

*Tribal Girls Hostel at Ballonggre constructed at a total cost of ₹ 1.00 crore remained unoccupied since its completion (December 2016) due to its secluded location and non-availability of approach road, thereby rendering the expenditure incurred on its construction unfruitful.*

Under the proviso of Article 275(1), Government of India (GoI), Ministry of Tribal Affairs (MoTA) sanctioned and released (04 February 2015) an amount of ₹ 1.00 crore for construction of Tribal Girls Hostel at Ballonggre<sup>52</sup>, Betasing block, West Garo Hills district. As indicated in the sanction order (February 2015), the hostel was to be associated with existing government schools.

The stated objectives for construction of the Tribal Girls' hostel at Ballonggre, Tura were to provide accommodation to girls aged between 14 to 21 years who are students and /or working youth with relationship problems with their family or those who do not have a family to return to. Besides, the project also aimed to encourage girls belonging to the Scheduled Tribe community to improve access to education.

Scrutiny (May 2022) of records of the Director of Social Welfare, Shillong revealed that the land for construction of the hostel was donated free of cost by Shri Amos Ch. Sangma through Deed of Gift executed on 01 April 2015 with a condition that the hostel will be run by an NGO namely Sewa Inland, Tura, headed by Shri Amos Ch. Sangma as the president. The Tribal Girls hostel was constructed through the District Rural Development Agency (DRDA), West Garo Hills, Tura and was completed on 13 December 2016 at a total cost of ₹ 1.00 crore. Subsequently, the hostel building was handed over to the NGO Sewa Inland<sup>53</sup>, Tura by the District Social Welfare Officer (DSWO), Tura on 18 June 2019<sup>54</sup>. However, the hostel remained non-functional.

As per records of the Director of School Education & Literacy (DSEL), Meghalaya Shillong seven schools exist in the vicinity of the Girls Hostel as of June 2023. The details are given in **Table 1.5.1**.

**Table 1.5.1: Details of girls educational institution located near Tribal Girls Hostel Bollanggre.**

Sl. No.	Name of institution	Government / Private	Total girl students enrolled	No. of girl students between the age of 14 to 21 years	Distance of the school from Tribal Girls Hostel, Ballonggre (in km)
1.	Ballonggre Govt. LP School	Government	27	0	4
2.	Ballonggre SSA UPS	Government -Samagra Siksha Abhiyan	22	0	4
3.	Gambagre LPS	Government	13	0	5

<sup>52</sup> Mentioned as Ballonggiri in the GoI sanction order.

<sup>53</sup> Sewa Inland Tura is an NGO run by Shri Amos Ch. Sangma as the President who donated the land free of cost for the Hostel building.

<sup>54</sup> After more than two years and five months from the date of completion of the building.

Sl. No.	Name of institution	Government / Private	Total girl students enrolled	No. of girl students between the age of 14 to 21 years	Distance of the school from Tribal Girls Hostel, Ballonggre (in km)
4.	Mellim Def. Sec. School	Deficit <sup>55</sup>	146	146	10
5.	Mellim Higher Sec. School	Pvt. Unaided	12	12	10
6.	Okkapara Sec. School	Adhoc <sup>56</sup>	68	68	8
7.	Damalgre Sec. School	Adhoc	86	86	7

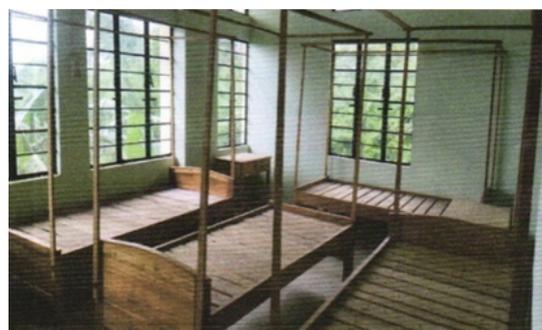
One of the reasons for the hostel building remaining un-occupied was its remote location. As can be seen from the table above, the nearest school with enrolment of girls is the Damalgre Secondary School at a distance of about 7 km from the hostel building. Further, the hostel building was located at about 28 km from sub-district headquarter at Betasing and 8 km from district headquarter at Tura town.

A Joint Physical Verification (JPV) was conducted (12 May 2022) by the Audit team along with the officials of the Department. JPV also confirmed that there were no educational institutions located near the hostel. During JPV, it was noticed that the nearest black-topped road was approximately 2 km away from the hostel building. The remaining approach to the hostel building was through a *kuchha* path which was motorable. However, Audit noticed that no public transport was available in the vicinity of the hostel building. With the nearest town (Tura) being eight kms away and no public transport available, the probability of single working women availing the hostel facility in Bollonggre seemed remote.

Some of the photographs taken during JPV are given below:



**Unoccupied Hostel Building**



**Unoccupied Hostel Room**

On being asked to explain the reasons for constructing the hostel in a secluded location away from any urban agglomeration, the Director of Social Welfare stated (04 November 2022) that the hostel was constructed at a secluded location since land was made available free of cost through a deed of gift executed between the

<sup>55</sup> Management of school are under private organisation. However, teachers' salaries are borne by the Government of Meghalaya as admissible to the State Government teachers except medical reimbursement and pension benefits.

<sup>56</sup> Management of school are under private organisation, however, Government of Meghalaya pay the salary of teachers as Lump sum grant.

Department and the NGO (Sewa Inland, Tura). One of the conditions of the deed of gift was that the hostel, after completion, shall be run by the same NGO. Further, on being asked why the hostel was not associated with any school as mentioned in the sanction order, the Director stated that the NGO *viz.* Sewa Inland will identify the schools for association.

The reply indicates that the tribal girl hostel was constructed at the particular location only because the land was being made available free of cost. However, the decision was not backed by any feasibility study or need based assessment, especially since the closest Government educational institutions were located at a distance of 5 to 10 kilometres from the location of Tribal Girls Hostel. The decision was therefore injudicious, resulting in non-achievement of the intended benefits of having a tribal girls' hostel for the benefit of tribal girl students and young working women as well as unfruitful expenditure of ₹ 1.00 crore.

Since there are no educational institutions in the vicinity of the hostel, the future prospect of its functioning appears remote.

The matter was reported to the Government (July 2023); their reply is awaited (April 2024).

***Recommendation:*** Responsibility needs to be fixed for selection of site for construction of the girls' hostel without any feasibility study and for violation of conditions of the sanction order by not associating the newly created facility with any government school.

