

CHAPTER-III

PERFORMANCE REVIEWS

SCHOOL EDUCATION DEPARTMENT

3.1 Sarva Shiksha Abhiyan

Highlights

Government of India launched *Sarva Shiksha Abhiyan* in 2000-01 with a view to provide elementary education to all children in the age group of 6 to 14 by 2010. Against admissible central share of Rs.485.10 crore, Rs.301.20 crore only were received during 2002-05 due to inability of the State Project Office (SPO) to utilize the available funds. Community participation in various scheme activities remained low. Household survey for identification of children was conducted as late as June 2004. Out of 31913 posts of teachers sanctioned by GOI during 2001-05, 22249 posts were not filled. Development and upgradation of infrastructure was quite slow. Large number of management posts were lying vacant. There was heavy shortfall in teachers' training. Interventions for special focus groups were lacking and NGOs were not engaged for research studies and there were no initiatives to improve the quality of education. The following key findings emerged from the review.

There was no expenditure during 2000-01 and 2001-02. During 2002-03 and 2003-04 also, the expenditure was only 32 *per cent* each of the approved AWP&B.

(Paragraph 3.1.7)

Village/Habitation level plans were not prepared. The household survey to identify the children of 6 to 14 years of different category was conducted as late as June 2004 and the report had not been finalised upto October 2005.

(Paragraphs 3.1.8 and 3.1.8.2)

Amount of Rs.6.80 crore sanctioned for 60 days' training of teachers during 2004-05 was diverted and paid to *Madhyamic Shiksha Mandal Raipur*, for arranging a D.Ed. course. The training did not start till March 2005.

(Paragraph 3.1.9.1)

As against 15908 civil works provided/sanctioned in the AWP 2002-05, 8401 works (53 *per cent*) were taken up and 3765 works (24 *per cent*) were completed upto March 2005. Primary schools (3711) and upper primary schools (1558) were without own building and buildings of 1687 and 396 schools respectively were in dilapidated condition. No provision was made in the annual plans for providing drinking water facilities and girls toilets in the upper primary schools.

(Paragraphs 3.1.9.3 and 3.1.9.4)

During 2004-05 text books having sub standard paper, for which Rs.7 crore were already paid, were distributed to children. Rupees.1.92 crore were diverted for distribution of workbooks to ineligible children.

(Paragraphs 3.1.9.6 and 3.1.9.7)

The objective of cent percent enrolment by 2003 could not be achieved. The number of out of school children remained almost unchanged from 4.33 lakh in 2002-03 and stood at 4.45 lakh in 2005.

(Paragraph 3.1.10.2)

3.1.1 Introduction

Sarva Shiksha Abhiyan (SSA) was launched in 2000-01 (January 2001) as a centrally sponsored scheme with the primary objective of universalisation of elementary education through community owned school system. The SSA is designed to subsume all other major educational interventions by the Government. All existing schemes of Elementary Education of the Central Government (excepting *Mahila Samakhya*) are to converge with SSA from Xth Five Year Plan.

3.1.2 Programme objectives and activities

The objectives of the SSA are:

- to have all eligible children to schools, Education Guarantee Centres (EGS), Alternate schools or 'Back to School' camps by 2003;
- to ensure that all children complete five years of primary schooling by 2007;
- to ensure that all children complete eight years of elementary schooling by 2010;
- to bridge regional, gender and social category gaps at primary stage by 2007 and at elementary level by 2010;
- Focus on elementary education of satisfactory quality with emphasis on education for life; and
- universal retention by 2010.

3.1.3 Organisational set up

The *Rajiv Gandhi Shiksha Mission* (RGSM) is the nodal agency for implementation of SSA in Chhattisgarh. It is a registered autonomous institution with the Chief Secretary, Government of Chhattisgarh as the Chairperson of Executive Committee and the Chief Minister as Chairman of the General Body.

The project implementation is done by the State Mission office known as State Project Office (SPO) and is headed by the Mission Director. At the district level the Collector is the District Mission Director, the Chief Executive Officer, Zila Panchayat is the District Project Director and the District Project Office (DPO) is headed by District Project Co-ordinator (DPC) assisted by Coordinator, Block Resource Centre (BRC) at Block level and Coordinator, Cluster Resource Centre (CRC) at Cluster level.

The State Council of Educational Research and Training (SCERT) is responsible for research work for development of curriculum/text books besides arranging training of school teachers through District Institutes of Education and Training (DIETs) and Basic Training Institutes (BTIs) in the districts.

3.1.4 Audit objectives

Performance audit was conducted to examine and assess whether;

- adequate funds were timely provided and utilized efficiently and effectively;
- the efficacy of planning for implementation of various components of the programme;
- sufficient man power was available for exercising effective control over programme implementation;
- identified focus groups received special attention;
- there were improvements in the quality of education, and
- the monitoring system evolved in the programme was adequate and effective enough to achieve the objectives.

3.1.5 Audit criteria

The audit criteria used for assessing the performance of various components of SSA were:

- rules and orders issued from time to time regarding utilization of funds,
- the extent of involvement of communities in preparation of habitation/district level plans,
- standards of output and benchmarks of performance fixed for each programme and the prescribed norms for appointment of teachers and the extent of facilities available in the schools,
- standards of education comprising curricula, teachers' training and teaching-learning process,
- enrolment of girls, SC/ST children and children with special needs to determine if the outreach for education of these children had expanded, and
- outcome of the monitoring mechanism and evaluation/follow up at various levels of implementation.

3.1.6 Audit coverage and Methodology

Test-check of records for the period 2002-03 to 2004-05 relating to SSA was conducted (April-September 2005) in the Office of the Mission Director, RGSM, Raipur (SPO), Director, SCERT, Raipur District Project Offices (DPOs) and DIETs/BTIs of Bilaspur, Durg, Janjgir-Champa, Raipur and Surguja districts along with records of 15 Block Resource Centres (BRCs), 89 schools and two EGS as shown in **Appendix 3.1**. Raipur district was selected being capital district. The other districts were selected by sampling method of

PPSWR¹ with total expenditure, urban blocks selected at Random and rural blocks and schools were selected through SRSWOR². The audit methodology was primarily documentation review and discussions were held with State Project Director/Finance Controller and other officers of the project from time to time.

The services of M/s Social and Rural Research Institute (SRI) New Delhi a Specialist Unit of IMRB International were commissioned for assessing the impact of SSA from the perspective of the beneficiaries and their parents. M/s SRI conducted the beneficiary survey from January 2006 to February 2006 by adopting a stratified multi-stage design.

Audit findings

3.1.7 Financial Management

Funding arrangements

The funding from the Ministry of Human Resource Development, Government of India (MHRD) and the State Government under SSA was on 85:15 sharing basis during IXth Plan, 75:25 during 2002-03 to 2006-07 and would be 50:50 thereafter. The MHRD releases funds directly to the Mission (SPO). The State Government has to transfer its share to the SPO within 30 days of the receipt of the Central share (grant-in-aid). Funds are to be then transferred by SPO to DPOs, DPOs to BRCs and BRCs to Village Education Committees/Gram Nirman Samiti/Janbhagidari Vikas Samiti within 15 days. All transfers are to be through telegraphic transfer/drafts and kept in bank accounts.

The year wise details of the proposed AWP & B amount received by SPO and amount spent during 2001-05 were as below:

(Rupees in crore)

Sl. No.	Year	Amount approved by Project approval Board (AWP & B)			Funds received by SPO from			Expenditure reported by SPO and percentage of expenditure in bracket
		GOI share	GOCG share	Total	GOI	GOCG	Total	
1.	2001-02				NIL	NIL	NIL	NIL
2.	2002-03	56.58	18.86	75.44	30.22	9.01	39.23	24.14 (32)
3.	2003-04	159.14	53.05	212.19	75.01	31.20	106.21	68.59 (32)
4.	2004-05	269.38	89.79	359.17	195.97	65.00	260.97	273.91 (76)
	Total	485.10	161.70	646.80	301.20	105.21	406.41	366.64

Major intervention-wise break-up of above expenditure was given in **Appendix 3.2.**

¹ PPSWR: Probability proportional to size with replacement

² SRSWOR: Simple random sampling without replacement

Central/State's share releases were less than AWP by Rs.240.39 crore due to non-utilization of available funds

While Annual Work Plan and Budget (AWP&B) was approved for 2001-02 for Rs.7.80 crore, actual implementation of the Scheme started in Chhattisgarh State from 2002-03. Against AWP&B approved by GOI for 2002-05 the Central and State Shares were Rs.485.10 crore and Rs.161.70 crore respectively but only Rs.301.20 crore and Rs.105.21 crore respectively were received from GOI to the State Government due to inability of SPO to utilise the available funds. The expenditure in 2002-03 and 2003-04 was only 32 per cent of the approved AWP&B. SPO stated (September 2005) that the funds could not be utilised due to non filling of vacant posts of teachers and support staff and slow progress in civil works due to lack of interest by construction agencies. During 2002-03 and 2003-04 State Share of Rs.23.47 crore was transferred to SPO with delays upto six months.

3.1.7.1 Non maintenance of advance registers

Authority releasing funds was not aware of actual expenditure against releases.

Prescribed advance registers were not maintained at any level from BRCs to SPO. Thus the authority releasing funds was not aware of the actual expenditure against previous releases and the balances with the agencies to which it was releasing funds. DPCs submitted (May-September 2005) that advance register would be maintained in future.

3.1.7.2 Diversion of SSA funds

SPO/DPOs diverted Rs.75.90 lakh on activities not covered under components of SSA

In Bilaspur, Durg, Janjgir-Champa and Surguja Districts expenditure of Rs.65.90 lakh (Rs.15.05 lakh out of Research, Evaluation, Supervision and Monitoring (RESM) and Rs.50.85 lakh out of girls/SC/ST education) was incurred on items not covered by SSA norms such as computer stationery, workshop for AWP, printing and purchase of magazines for schools, two in one stereo set, medical kits, uniforms for SC/ST children, bicycles, blankets, Mahila Diwas, vocational training for child labour and tour of meritorious students, etc. In Janjgir-Champa district Rs.10.80 lakh provided (February 2003) to BRCs for girls education were still (August 2005) lying unutilized in BRCs. The DPC stated (September 2005) that BRCs were asked to refund the amount. SPO also provided (March 2005) Rs.10 lakh to SCERT Raipur for maintenance and purchase of furniture for hostel of DIET Raipur which was neither admissible under SSA norms nor was the same approved in the AWP&B of 2004-05. SPO stated (July 2005) that funds were provided out of management cost. Reply was not acceptable as management cost does not include maintenance of DIET hostel.

3.1.8 Programme Management

Annual Work Plan and Budget (AWP&B)

The Scheme envisaged preparation of village/habitation level education plans with the effective involvement of grass-root level organisations viz. Panchayat Raj Institutions, School Management Committees, Village and Urban slum level Education Committees, Parent's Teacher's Associations etc. These were to be aggregated and compiled subsequently at cluster, block, district and State level to prepare the AWP & B for the State.

Village/habitation level education plans were not prepared

In four³ test checked districts Village/Habitation level Education Plans were not prepared at all. The District Annual Plans were prepared on the basis of data collected from BRCs. The scheme also envisaged for creating groups/core teams at District and Block levels comprising faculty members of DIETs, representatives from BRCs, CRCs, NGOs, teachers' unions, women's groups etc., to undertake extensive visits in the district covering every habitation/village/urban slums for preparation of habitation level and district plans. It was noticed that such teams were not formed during 2002-03 to 2004-05. DPO Surguja did not produce the records regarding preparation of village/Habitation plan and formation of core teams.

3.1.8.1 Appraisal of district plans not done

District plans were not appraised by Joint team of National/State Mission

The guidelines provided that appraisal teams jointly constituted by the National and the State Mission would undertake regular visits to districts in order to monitor the quality of preparatory activities and for appraisal of district plans. In four test checked districts there were no such visits by the joint teams. The DPO Surguja stated (September 2005) that appraisal of district plan was done by a joint team but no record/report in support of the reply was shown to audit.

3.1.8.2 Delay in conducting household survey

Household survey was conducted as late as June 2004

Household survey the most important component of preparatory activities to identify the children in the age group of 6 to 14 years for different categories was conducted as late as June 2004 and the survey report had not been finalised (October 2005). The number of children aged 11-14 years was estimated at 11.93 lakh and 11.88 lakh respectively in the annual plans for 2002-03 and 2003-04 while as per provisional figures of Household Survey it was 13.35 lakh in 2004-05. This indicated that had the survey been conducted at inception as prescribed, the Annual Plan estimates would have been based on more realistic numbers.

3.1.9 Major Interventions under SSA

Appointment of teachers

SSA provided for Teachers Pupil Ratio of 1:40 for Primary and Upper Primary schools subject to minimum of two teachers for primary schools and three teachers for upper primary schools.

As on 31 March 2005, against the requirement of 77801 primary and 31062 upper primary teachers as per norms of SSA, 74854 and 30489 posts of primary and upper primary teachers respectively were sanctioned and 60876 and 22567 respectively were in position. In Primary schools 13978 posts were lying vacant and sanctions of 2947 additional posts were required to achieve the prescribed ratio. However, 4942 posts were proposed for sanction. Similarly in upper primary schools 7922 posts were vacant and 573 more sanctions were required whereas 1430 additional posts were proposed for sanction. The proposed posts were more than actual requirement because in

three⁴ districts 1995 sanctioned posts in Primary schools and in four⁵ districts 858 sanctioned posts in upper primary schools were more than requirements as per SSA norms. As such the district wise sanctions needed to be reviewed and rationalised to assess additional requirements before any further proposal in AWP was made in this regard.

Teachers were not provided in 4650 schools as per norms and 765 schools were without teachers

Out of 31913 posts of teachers sanctioned under SSA during 2001-05, only 9664 (30 per cent) posts were filled. No recruitment was done during 2004-05 due to operation of code of conduct for elections. In test checked districts 765 schools were not functional as there was no teacher and in 4650 schools, teachers were not provided as per norms. The DPCs stated (August 2005) that action was being taken for appointment of teachers to fill up the vacancies.

3.1.9.1 Training of Teachers

The SSA stipulated capacity building for teachers through 20 days in-service annual course for all teachers, 60 days refresher course for untrained teachers already teaching, and 30 days orientation for freshly trained recruits. No training was imparted during 2002-03. Training of teachers of PS/UPS as sanctioned in the annual plan and actually imparted during 2003-04 and 2004-05 in the state is depicted below:

Teachers' training was not imparted during 2002-03. During 2003-05 there was heavy shortfall in training

Category of training	2002-03		2003-04		2004-05	
	Number of teachers sanctioned for training	Actually trained	Number of teachers sanctioned for training	Actually trained	Number of teachers sanctioned for training	Actually trained
30 days	11542	NIL	6776	865	4451	2693
60 days	3570	NIL	17159	NIL	16200	NIL
20 days	4109	NIL	54381	23171	102065	26989

The table showed that coverage of orientation training (30 days) was meagre. Only 43 and 26 per cent of targeted in service training (20 days training) was provided during 2003-04 and 2004-05 respectively. SCERT stated (July 2005) that due to non-receipt of funds during 2002-03, late receipt of funds during 2003-04 and also due to non-availability of subject wise number of Upper Primary Teachers during 2004-05, the targets for training of 20 and 30 days could not be achieved. During 2002-03 to 2004-05, no refresher course (60 days training) was organized. Rupees 6.80 crore sanctioned in the AWP&B of 2004-05 for 60 days refresher course for 16200 teachers was paid (March 2005) to *Madhyamic Shiksha Mandal* (MSM), Raipur for arranging D.Ed. course which did not start till 31 March 2005. Moreover, the proposed D.Ed. (distance learning course) was of two year duration and totally different from a 60 days refresher course. This change was made without the approval of the GOI.

Rupees 6.80 crore meant for 60 days training were diverted for D.Ed. training without approval of GOI

3.1.9.2 Establishment of Primary schools/Education Guarantee Scheme - Alternative and Innovative Education (EGS-AIE) centres and Upper Primary Schools

As per SSA norms, Primary school/alternative schooling facility (EGS-AIE) should be available within one kilometer of every habitation and upper primary schools should be provided as per requirement based on the number

4 *Dantewada, Jashpur, and Korba*

5 *Dantewada, Janjgir-Champa, Kanker and Korba*

of children completing primary education upto a ceiling of one upper primary school for every two primary schools to maintain ratio of 2:1. As per this norm, at the end of March 2005, 12308 UPSs were required out of that 8128 UPSs were in position. It resulted in shortage of 4180 UPSs in the State.

Before commencement of SSA there were 22797 primary and 5774 upper primary Government schools in Chhattisgarh. During 2002-03 to 2004-05, 6552 primary and 2354 upper primary schools were added which included 4652 EGS centres upgraded to primary schools and 1367 primary schools upgraded to upper primary level.

At the end of March 2005, out of 39683 habitations in the State, 3364 were without primary schools/EGS-AIE within one kilometer out of which 2091 were eligible for EGS-AIE and 838 were eligible for primary schools. Similarly 2468 habitations were without upper primary school facilities as per distance and population norms.

Primary and upper primary school facilities in 838 and 2468 habitations respectively were not provided.

3.1.9.3 Shortage of infrastructure

SSA norms provided for a separate room for Head Master (HM) in upper primary schools and drinking water and toilet facilities. The position of schools not having adequate infrastructure in the State as on 31 March 2005 was as under:

Available infrastructure was far below the requirement as per norms

Category of schools	No. of schools	No. of schools without own building	No. of schools in dilapidated condition	No. of schools without HM room	No. of schools without drinking water facility	No. of schools without toilet	No. of schools without girls toilet
PS	29349	3711	1687	27699	9080	22806	28637
UPS	8128	1558	396	3933	2639	4588	6697
Total	37477	5269	2083	31632	11719	27394	35334

The statistics showed large gaps between norms of SSA and actual availability of infrastructure in schools. SPO stated that (August 2005) sufficient proposals could not be included in earlier annual action plans and would be included in future plans.

3.1.9.4 Civil works

SSA allowed expenditure on Civil Works upto a ceiling of 33 per cent of entire project cost approved by the Project Approval Board. Civil works were to be executed through *Gram Nirman Samiti* (Upto September 2004) and *Janbhagidari Vikas Samiti*. As against Rs.176.28 crore sanctioned in AWP&B for civil works during 2001-05, Rs.168.23 crore were stated to be expended by the executing agencies during 2002-05.

As against requirement of 75504 works only 15908 works were provided in the AWP, 8401 works (53 per cent) were taken up and only 3765 (24 per cent) were completed upto March 2005 although sufficient funds were available. No provision was made in the annual plans for providing drinking water facilities and girls toilets in the upper primary schools.

Only 53 per cent of sanctioned Civil Works were taken up and 24 per cent were completed

Rupees 25.30 crore were released in violation of norms for 2022 works, the construction of which was not even started

As per SSA norms the funds were to be released to sub district level in two instalments. In test checked districts full cost of 2022 works, the construction of which was not even started, amounting to Rs.25.30 crore were released. This unconditional release of funds was not conducive to effective monitoring of progress of works. In Durg district construction of school buildings costing Rs.27.75 lakh was entrusted in 2004-05 to Rural Engineering Services Department and Rs.25 lakh were provided (February 2003) to 12 *Nagar Nigam/Nagar Palika/Nagar Panchayats* for construction of 250 toilets in schools contrary to SSA norms of execution through Nirman Samitis. Neither the completion certificates nor the utilization certificates were furnished so far (July 2005) by these local bodies.

Thus development and upgradation of infrastructure was quite slow. The SPO stated (September 2005) that due to elections, only 53 *per cent* works could be taken up and due to lack of interest by village construction committees only 24 *per cent* works could be completed. The reply indicated that more initiatives were necessary at village level to energise the construction committees into expediting the incomplete works.

3.1.9.5 Distribution of free text books

Free Text books were not distributed during 2002-04 and were distributed with delay in 2004-05

As per the norms of SSA free text books are to be provided only to focus group children namely all girls and SC/ST children of Government primary and upper primary schools and Government aided schools/*Madrasas*. During 2002-03 and 2003-04, text books were not provided under SSA. In the AWP of 2004-05, Rs.26.13 crore were sanctioned for distribution of free text books for the first time and Rs.19.66 crore was reported as expenditure in PMIS ending March 2005. The SCERT placed orders (9 July 2004) for supply of text books for 18.59 lakh children by 24 July 2004. On demand from district offices for additional books, another order (September 2004) was placed for further supply for 6.42 lakh children by 19 September 2004. Due to incorrect assessment of requirements and delay in placing order, books reached to schools upto November. In the test checked schools out of 19830 number of books received in 52 schools, in 36 schools 4636 number of books were lying undistributed and in 43 schools, 5215 number of books were distributed to children of general and other backward class categories not eligible for free text books under SSA norms.

3.1.9.6 Substandard quality of paper

Text books of sub-standard paper costing of Rs.7 crore were distributed among target group of SSA in the year 2004-05

SCERT invited tenders for supply of text books in February 2004. The paper sample submitted by suppliers was found sub standard as per test conducted in April 2004. Nevertheless the SCERT executed agreements (May 2004) with these suppliers for supply of books with the condition that the final supply of books would be as per standards prescribed in the notice inviting tenders and would be rejected if found of substandard quality. After supply, samples of seven out of 39 books were sent for testing and the paper was found substandard. However, distribution of books to the children was not withheld. While penalty of Rs.35.48 lakh was imposed on suppliers as per decision of committee constituted in SCERT, the children ended up receiving substandard books for which Rs.7 crore was paid by SCERT/DPCs. Further the amount of penalty deducted from suppliers was not refunded (August 2005) to SPO.

3.1.9.7 Irregularities in purchase of workbooks

Workbooks costing Rs.1.92 crore were provided to ineligible children

Funds of Rs.10.13 crore were provided (March 2005) by SPO out of SSA funds to SCERT for distribution of Workbooks. SCERT procured and distributed workbooks costing Rs.7.39 crore till August 2005 and Rs.2.74 crore were lying unutilised with them, which had not been refunded. The procurement included workbooks costing Rs.1.92 crore distributed to OBC and general category boys which was not permitted from SSA funds.

3.1.9.8 Shortfall in supply of Text Books

Free text books not provided to 0.63 lakh eligible children

Out of five districts test checked, in Janjgir-Champa district, the DPC failed to submit the demand to SCERT for additional books as a result of which against 1.95 lakh eligible children as per AWP (2004-05), books were received for only 1.32 lakh children, depriving 0.63 lakh children from benefit of free text books.

3.1.9.9 School Grant

During 2003-04 school grant was paid at Rs.1000 per school instead of Rs.2000 admissible

An amount of Rs.2000 per annum per PS/UPS for replacement of damaged school equipment including library books was to be spent by VEC. During 2003-04, 12532 (43 *per cent*) schools were not provided school grant. In Bilaspur, Durg, Janjgir-Champa and Surguja district the same was provided at the reduced rate of Rs.1000 per school. The DPCs stated (July-September 2005) that Rs.1000 per school was withheld for supplying library books but the books could not be procured. This was irregular as the grant was meant to be used by schools as per their own requirement. During 2004-05 while school grant was not provided to 117 upper primary schools in Bilaspur district, in Bilaspur and Surguja districts Rs.4.56 lakh and Rs.17.62 lakh respectively were released in excess of norms for 6222 schools. DPCs stated (July-September 2005) that BRCs will be asked to refund the excess grant.

3.1.9.10 Teachers' Grant

Teachers' grant of Rs.15.50 lakh released in excess was lying with BRCs in test checked districts

Every teacher was to be provided Rs.500 per year in PS and UPS for preparation of Teaching and Learning Material. Against Rs.4.17 crore required for 83443 teachers in position (Primary School Teachers 60876 and Upper primary school teacher 22567) in the state, Rs.4.38 crore were reported to have been released for 94045 teachers during 2004-05. This resulted in excess release of Rs.20.47 lakh. In the test checked districts, there was excess grant of Rs.15.50 lakh for 3100 teachers (Raipur: Rs.7.16 lakh in 2004-05; Bilaspur: Rs.2.29 lakh in 2003-04 and Rs.6.05 lakh in 2004-05). The DPCs stated (June-July 2005) that excess amounts were lying with BRCs and would be recovered. The reported figures to GOI were overstated to that extent.

3.1.9.11 Maintenance Grant

Maintenance grant upto Rs.4000 per school per year for schools having upto three class rooms, and upto Rs.7500 per year for schools having more than three class rooms subject to over all ceiling of Rs.5000 per school for the district was to be provided on the basis of specific proposals to be received from school committees. In the test checked districts while no proposals were obtained from schools, the grant was paid at *ad hoc* rate of Rs.5000 per school during 2002-03 and 2003-04 in contravention of norms under the SSA.

Excess expenditure of Rs.0.97 crore on maintenance grant

The grant was to be paid to schools having existing buildings of their own. As per component plan 2002-10, there were 25435 schools (PS including upgraded EGS:21504, UPS:3931) in the state with own buildings and a maximum of Rs.12.72 crore was payable. However as per PMIS for March 2005, maintenance grant of Rs.13.69 crore was paid resulting in excess grant of Rs.0.97 crore. SPO stated that maintenance grant was also given to Schools having new buildings. Reply was not acceptable as grant was meant only for maintenance in schools having existing buildings.

3.1.9.12 Management structure at State, District, Block and Cluster levels

The position of posts sanctioned and occupied in at various levels from the State to Cluster Resource Centres has been given in **Appendix 3.3**.

Large number of management posts were lying vacant

The data showed that except for CRCs, at all other levels more than 60 per cent posts were lying vacant with adverse impact on implementation, supervision and monitoring. At DPO level, all the 32 posts of Assistant Project Coordinators, Research, Evaluation, Supervision and Monitoring and 30 out of 32 posts of Assistant Engineer were vacant due to which no research work could be done and supervision of Civil Works was also adversely affected. At BRCs level, computer and peripherals were provided under SSA but posts of data entry operators were not provided.

3.1.10 Coverage of Special Focus Groups

Children with Special Needs (CWSN)

SSA provided that every child with special needs, irrespective of kind, category and degree of disability, should be provided education in appropriate environment. Identification of such children should become an integral part of the micro planning and household survey. In Raipur and Surguja districts, CWSN were not identified. DPC Raipur stated that due to non-availability of services of medical specialists, CWSN could not be identified. The reply showed that adequate efforts had not been made to identify CWSN as Raipur was the capital district and it was not acceptable that there were no medical specialists. Reasons were not intimated by DPC, Surguja.

Sanctioned AWP&B and PMIS reports for 2002-03 to 2004-05 showed that against the target of 75274 CWSN only 6040 (8 per cent) were covered on which out of Rs.9.04 crore, Rs.2.45 crore (27 per cent) were spent.

Out of Rs.2.45 crore spent in three years on CWSN, 76 per cent was spent in last quarter of 2004-05

It was further observed that out of Rs.2.45 crore spent during three years from 2002-03 to 2004-05, bulk of the expenditure of Rs.1.86 crore (76 per cent) was incurred in the last quarter of 2004-05 primarily due to release of *ad hoc* amount of Rs.1 lakh in each block for establishing Resource centre for CWSN.

Rupees 17.16 lakh were spent in excess of norms for children with special needs

It was envisaged under SSA that there should be a convergence of various schemes for handicapped and disabled to give a holistic support to CWSN including education. Assistance upto Rs.1200 was available per child from SSA and additional amounts if required were to be provided from other converging schemes. Test check in Bilaspur, Janjgir-Champa and Surguja district showed that Rs.31.63 lakh was spent on supply of tricycles and wheel chairs to 1206 children. The excess over norms was Rs.17.16 lakh and this amount should have ideally come from converging schemes. In Bilaspur

district, as per requirement assessed in medical camps, 1009 aids & appliances of various category were required for distribution against which 1931 were procured. This resulted in excess expenditure of Rs.11.13 lakh.

3.1.10.1 Education for girls/SC/ST Children

Envisaged activities for Girls/SC/ST education were not taken up

Under SSA, special provisions such as special mainstreaming camps for out of school girls/SC/ST Children, bridge courses, remedial coaching classes, community mobilisation, *Mahila Samakhya* etc. were made for education of girls and SC/ST children. Scrutiny of AWP&B and PMIS reports for the period 2002-03 to 2004-05 revealed that only Rs.1.44 crore (26 per cent) against Rs.5.42 crore sanctioned for girls education and Rs.1.23 crore (55 per cent) against Rs.2.21 crore sanctioned for education of SC/ST children were spent. The education for SC/ST was taken up only from 2004-05. The envisaged activities were not taken up due to which the number of out of school girls (2.41 lakh) and SC/ST children (2.72 lakh) in 2002-03 stood at 2.30 lakh and 2.02 lakh respectively in 2004-05.

3.1.10.2 Strategies for out of school children

The objective of cent per cent enrolment by 2003 was not achieved as 4.45 lakh children were out of school in 2005

Guidelines of SSA envisaged cent per cent enrolment by 2003. The strategies for out of school children included establishment/opening of Educational Guarantee Scheme (EGS) in unserved habitations, Alternative and Innovative Education (AIE), Back to school camps, *Balika Shivirs*, mainstreaming camps, bridge courses of different duration, specific strategies for special groups like child labour, street children, adolescent girls and children of migrating families. Scrutiny of departmental records revealed that as against the total child population (6 to 14 years) of 41.88 lakh in the State, the number of out of school children was 4.33 lakh in 2002-03. After two years of implementation of the programme the number of out of school children at the end of 2004-05 further increased to 4.45 lakh. Thus the objective of cent per cent enrolment by 2003 could not be achieved even at the end of 2004-05. Main reasons for out of school children as mentioned in the annual plan were lack of interest, lack of access, household work, migration, earning compulsion, failure, socio cultural and non flexibility in school timing etc. It was observed that AIE centres were set up in only 14 districts as late as February–March 2005. The other initiatives were not taken up. SPO stated (July 2005) that efforts are being made to achieve the objective of enrolment.

Besides urban deprived children have not been identified and no activity such as education of street children, children who are rag pickers and child labours, etc. has been taken up for their mainstreaming as envisaged in SSA. Further, activities envisaged in the scheme for special interventions for tribal areas were neither proposed in the AWP&B of 2002-03 to 2004-05 nor taken up.

3.1.11 Monitoring

Measures for improvement in quality of education

Sarva Shiksha Abhiyan emphasized that it was necessary to periodically monitor and evaluate all aspects of pedagogical inputs like curriculum and text book development, teachers' training packages and class room processes, pupil evaluation methods, etc., to impart quality education. Regional Institute of

Education, Bhopal, Madhya Pradesh, pointed out in its monitoring report (September 2004) that SCERT Raipur, which was the nodal agency for research and training did not have sufficient human and physical resources to carry on effectively its expected functions like research innovation, curriculum development, teachers' training, etc. However, proposals for strengthening of SCERT and DIETs/BTIs were not included in the AWP&B of SSA and thus no physical and financial resources were provided to these institutions. SPO stated (July 2005) that strengthening of DIETs would be done soon.

3.1.11.1 Resource Groups and Responsibility Centres

Resource Groups and Responsibility Centres were not formed

It was envisaged that resource groups and responsibility centres from national to sub district levels would advise and assist at various levels to carry out these qualitative tasks. The SPO stated (July 2005) that responsibility centres were not formed at any level (State, District/Block) and action for the formation of resource groups was under progress. The SCERT, Raipur which was the nodal agency for academic matters stated (July 2005) that it had never been asked to conduct any assessment of quality aspects of education and that funds were not provided to it for any research work.

3.1.11.2 State Institute of Educational Management and Training (SIEMAT)

SIEMAT was not established. Rs.2.50 crore was lying unutilised with SCERT

As per SSA norms, the GOI approved budget of Rs.3 crore for establishment of SIEMAT during 2003-04, which was paid (December 2004) to SCERT for establishment of SIEMAT. The SCERT advanced (January 2005) Rs.50 lakh to Chhattisgarh Housing Board for construction of SIEMAT building and Rs.2.50 crore was lying unutilised with the SCERT (June 2005).

3.1.11.3 Evaluation of quality of education

In order to evaluate quality of outcomes at classroom level as well as at functional level, NCERT had identified six monitoring levels from school/community level to National Level. It prescribed (2003) formats for submission of information from school levels to National Level. However, information in these formats was not being submitted at any level. The DPC Bilaspur and Surguja stated that the formats were not received. The SCERT stated that the NCERT formats were new and would be considered in future. The reply was not acceptable as the guidelines and the formats were framed by the NCERT in 2003. Submission of this information would have resulted in an independent evaluation of the quality of education imparted under SSA.

NGOs were not engaged for work of RESM

Under SSA Rs.1500 per school per year was available for Research, Evaluation, Supervision and Monitoring (RESM) of which Rs.100 were to be spent at national level and Rs.1400 at State Level to School level as per distribution by the State. The funds were to be used for creating a pool of resource persons at State, Districts and sub Districts level for effective field based monitoring, undertaking research activities, and field visits of Assessment and Appraisal teams. It was emphasised that this work should be done in partnership with selected institutions/NGOs. This activity was provided for in the AWP&B from 2003-04 onwards and the total expenditure was Rs.4.01 crore (45 per cent of sanction). It was observed in the test checked districts that the funds were not utilised as envisaged in SSA and the

expenditure was made mainly on the TA/DA of BRC/CRC staff. The SPO and the districts did not engage any institution/NGO for the work of Research, Evaluation, Supervision and Monitoring of SSA. In test checked districts, DPO Bilaspur, Durg, Janjgir-Champa and Surguja provided Rs.29.65 lakh to the NGOs for running Alternative and Innovative Education (AIE) centres and in Raipur district a grant of Rs.5.39 lakh was paid (2002-04) to an NGO for two days' training of 17976 members of 2247 Village Education Committees (VECs). On scrutiny of UCs submitted by the NGO it was observed that only one day's training was provided to 15926 members. Thus lack of effective utilisation of grant for RESM had led to inadequate capacity creation for monitoring and quality control. It was observed that except for this minor participation in training, NGOs were not involved in anyway in the scheme.

3.1.11.4 Internal Audit

The scheme provided for internal audit (at least triennial) of district Project Offices and sub district units on percentage basis. It was, however, observed that no arrangement was made by the SPO for conduct of internal audit during 2002-03 to 2004-05. SPO stated (July 2005) that internal audit was not taken up due to shortage of staff.

3.1.12 Conclusion

Performance audit of the *Sarva Shiksha Abhiyan* revealed that the State Project Office (SPO) could utilise only Rs.366.64 crore during 2002-05 as against Rs.406.41 crore received from GOI/State Government. Community participation envisaged in the guidelines remained largely unrealized. Household survey was conducted as late as June 2004. The implementation of the scheme was adversely affected owing to large number of vacancies in the project management machinery. Out of 31913 posts of teachers sanctioned by GOI under SSA, 22249 (70 per cent) were not filled up. Training imparted to teachers was inadequate. Despite availability of funds, only 3765 civil works were completed against a requirement of 75504 works. Interventions for special focus groups were minimal and there was no synergy with converging schemes. The number of out of school children was 4.33 lakh in 2002-03. After two years of implementation of the programme the number of out of school children at the end of 2004-05 further increased to 4.45 lakh. Thus the objective of *cent per cent* enrolment by 2003 could not be achieved even at the end of 2004-05. The prescribed initiatives for improving quality of instruction, monitoring of quality standards and internal audit mechanism were deficient.

3.1.13 Recommendations

- Habitation/Village level plans should be prepared immediately involving local people and other stake holders.
- Civil works should be taken up and completed on priority to create infrastructure for the scheme.
- Interventions for special focus groups should be strengthened substantially and synergized with other similar schemes of GOI/State Government.

- SCERT/DIETs/BTIs should be fully equipped to ensure quality improvement in education and teachers training and carry out research, monitoring and supervision of SSA.
- Resource groups and responsibility centres should be made functional to ensure qualitative progress of the Scheme.

Annexure

Executive summary of findings of survey conducted by SRI

(i) School Survey

Joint Bank account

In about 50 per cent of primary schools, 20.3 *per cent* of upper primary and 2.5 *per cent* of high schools, the village level committees had joint bank accounts with the headmaster.

Mid-day Meal

The mid-day meal scheme and free text books for girls and SC/ST were the most active of the schemes related to SSA. 87.9 *per cent* of the primary schools, primary sections 14.4 *per cent* of upper primary schools and 9.1 *per cent* of the high schools reported implementing the mid-day meal scheme.

Free Text books for girls

Free textbooks for girls were reportedly given in 61.9 *per cent* of primary schools, 57.8 *per cent* of upper primary and 45.5 *per cent* of high schools.

Free Text books for SC/ST students

Free text books were given to SC/ST students as reported by 78.1 *per cent* primary, 83.7 *per cent* upper primary and 78.9 *per cent* high schools.

Construction activities undertaken under SSA

Repair of existing structures was most commonly undertaken construction activity as 24.2 *per cent* of the primary schools, 16.7 *per cent* of the upper primary schools and 36.4 *per cent* of high schools with upper primary had taken it up.

Teaching Aids

Blackboards were most commonly used as teaching aids. 98.6 *per cent* of the primary schools, 95.6 *per cent* of the upper primary and 100 *per cent* of the high schools with upper primary reported blackboard usage.

(ii) Household survey

Out of School Children

The study estimates 45.14 lakh children in the age group 6-14 of which 2.41 lakh were reportedly out-of-school. Thus, there were 53 children out of school per thousand in this age group.

In the age group 6-14 of the total 45.14 lakh, there were 23.77 lakh boys and 21.37 lakh girls. Of the boys, 1.09 lakh were reportedly out of school. Among girls, 1.33 lakh were observed to be out of school. Thus the proportion of those out of school was higher among girls (62 per thousand girls) compared to boys (46 per thousand boys).

In urban areas, in the 6-14 age group, 39 out of every 1000 children were out-of-school. In rural areas, in the 6-14 age group, 56 out of every 1000 children were out-of-school. The estimated proportion of children who were out-of-

school was highest among ST (74 per thousand), followed by OBC (54 per thousand), SC (41 per thousand) and General category (25 per thousand).

When analysed from gender perspective, in different social groups, the proportion of girls who were out-of-school per thousand was much higher compared to boys.

The proportion of children who were out-of-school per thousand was much higher in rural areas as compared to urban areas.

Analysis by disability showed that the estimated proportion of out-of-school children (537 per thousand) was much markedly higher for disabled children than the proportion of all children aged 6-14 who were out-of-school (53 per thousand). Children with hearing and multiple disability were the worst sufferers as all such children were out-of-school followed by speech disabled (634 per thousand), mental disabled (614 per thousand) and orthopedic disabled (414 per thousand).

The percentage of those who were out-of-school on account of dropouts was higher (60.5 *per cent*) compared to those who had never attended the school (39.5 *per cent*).

Willingness to go to school

An aggregate 49.3 *per cent* of the children currently out of school do not want to go to a school again.

**FOOD, CIVIL SUPPLIES AND CONSUMER
PROTECTION DEPARTMENT**

3.2 Procurement and distribution of Paddy and Rice

Highlights

Paddy is the main crop of Chhattisgarh State. Decentralised procurement was introduced from April 2002. During the processes of procurement, storage and milling there were huge overheads like interest payment, storages charges, milling charges and driage much above the GOI norms which had become liabilities of the State Government. There were milling delays up to 28 months and system of reimbursement between agencies was faulty leading to high interest payments. Incorrect subsidy was claimed from the GOI, there were damages to paddy and rice in storage, controls were not working/absent in distribution and accountal of rice under PDS and welfare schemes in and coupon accounting.

For procurement of paddy and disposal thereof State had to pay Rs.1047.34 crore as overheads during 2000-2005. The accounts of MARKFED and CGSCSC have not been reconciled since 2003-04.

(Paragraph 3.2.6)

Driage loss of 2.79 per cent claimed by MARKFED against norm of one per cent resulted in excess claim of Rs.58.78 crore.

(Paragraph 3.2.6.3)

Damage of 87397 MT paddy during KMS 2000-05 due to lack of comprehensive storage plan resulted in loss of Rs.24.18 crore.

(Paragraph 3.2.7.2)

Excess claim of subsidy Rs.55.64 crore preferred to GOI on rice taken from FCI and a subsidy of Rs.103.56 crore was also claimed for rice not distributed under SGRY.

(Paragraph 3.2.7.6)

Fair Price Shops Lifted excess allotment of 22309.49 MT rice costing Rs.13.72 crore under BPL and Antyodaya Anna Yojna (AAY) Schemes.

(Paragraph 3.2.8.1)

Rice worth Rs.14.62 crore was distributed without coupons in Ambikapur and Jagdalpur. Moreover due to non-maintenance of Coupon Account rice worth Rs.2.38 crore was found short.

(Paragraph 3.2.8.8)

3.2.1. Introduction

Paddy is the main crop of Chhattisgarh State accounting for about 77 per cent of total area covered under kharif crop. Chhattisgarh State Cooperative Marketing Federation (MARKFED)¹ was entrusted with procurement of paddy of Fair Average Quality (FAQ) variety at Minimum Support Price (MSP) in the State. It purchased paddy through 1506 procurement centres of 1334 Co-operative Societies under the control of Central Co-operative Bank. Decentralised Procurement (DCP) was introduced in the state in April 2002. The main objectives of the scheme were to reduce the over dependence on Food Corporation of India (FCI) for Public Distribution System (PDS), to free FCI from the task of procurement and to save on transportation expenses by delivery of rice at issue centres directly from custom millers. Chhattisgarh State Civil Supply Corporation (CGSCSC) was appointed as nodal agency for procurement and distribution of rice. After custom milling of paddy, a portion of the raw rice was deposited by custom millers and Kissan rice mills at issue centres of CGSCSC for distribution to other welfare schemes of the Government. Bulk of the milled rice, in excess of requirement of the State, was deposited with FCI for central pool.

3.2.2. Organisational setup

Food Civil Supply and Consumer Protection Department is headed by the Secretary and assisted by the Director at State level, Controller Food/Food Officer (FO) at district level and Sub-Divisional Magistrate (SDM) and Assistant Food Officer (AFO) at Tehsil level. Paddy procurement was managed by MARKFED with District Marketing Officers (DMOs) in districts assisted by District Central Co-operative Bank (DCCB) and its societies. Rice procurement and distribution was managed by CGSCSC through its District Managers (DM) in districts. Rice was distributed from issue centres of CGSCSC controlled by DM to Fair Price Shop (FPS) for retail sale.

Foodgrain based welfare scheme viz. *Sampurn Gramin Rojgar Yojna* (SGRY) National Food for Works (NFFW) and Drought Relief Programme are being implemented through Chief Executive Officer (CEO) Zila Panchayat (ZP), Janpad Panchayat (JP) and Sarpanch, Gram Panchayats under overall control of Development Commissioner and Commissioner (Relief) and Secretary, Panchayat and Rural Development Department.

3.2.3. Audit objectives

With the objective of reducing the over dependence of the State Governments on the FCI for Targeted Public Distribution System (TPDS) and reducing transportation costs by ensuring availability of locally produced foodgrains, the Government introduced (1997-98) the scheme of decentralised procurement of foodgrains. The objectives of the audit were to assess the:

- efficacy of the system for procurement, storage and milling of Paddy;

¹ CGSCSC Ltd also procured 5.65 lakh MT paddy during 2001-02 KMS only in Bilaspur division

- ❑ analysis of overhead costs for procurement;
- ❑ losses and deficiencies in procurement of paddy and rice; and
- ❑ deficiencies in distribution of rice under PDS and other welfare schemes.

3.2.4 Audit Scope and Methodology

Records were test checked in the offices of the Director of Food, Development Commissioner, Managing Director (MD), MARKFED and MD, CGSCSC at Raipur; District Manager (DM) CGSCSC, DMO MARKFED, Sub Divisional Magistrate (SDM), Food Officer (FO), CEOs ZP, CEOs JPs of 12 blocks and 64 Fair Price Shops (FPS) in selected districts² during March to September 2005 and January to June 2006 for the period 2000-01 to 2005-06. The districts, blocks and FPS were selected by statistical sampling. The sampling method used were SRSWOR³ and PPSWR⁴. An entry conference was held with the Secretary in March 2005, where the audit methodology to be followed was explained. An exit conference was held with the Secretary on 21 September 2006 to discuss the audit findings and recommendations.

Audit Findings

3.2.5 Financial Management

Paddy was procured from farmers at Minimum Support Price (MSP) on the guarantee of the State Government through co-operative societies of DCCB, which were funded and supervised by MARKFED. Payments were made for procured paddy to farmers by co-operative societies. MARKFED availed credit facilities from RBI to procure paddy. Milling was also arranged by MARKFED. Milled rice was delivered by District offices of MARKFED to District offices of CGSCSC (for distribution for PDS and other welfare schemes) and FCI (Excess over requirement of the state) and claims preferred at Custom Milled Rate (CMR). MSP and overheads on Mandi charges (two *per cent*), Mandi labour charges, Driage one *per cent* of MSP, Custody and Maintenance (for two months), Interest charges (for two months) and Milling charges were included in the CMR. Overheads in excess of the norms prescribed in CMR and expenditure incurred under transportation and bank commission were preferred as loss claims by MARKFED to the State Government and reimbursed.

Against claims raised by MARKFED district offices, FCI made payments at CMR, District offices of CGSCSC paid at Central Issue Price (CIP), which was realised from Fair Price Shop (FPS) for rice lifted for Public Distribution System (PDS). The remaining portion was paid by CGSCSC head quarters to MARKFED head quarters out of subsidy received from GOI that was equal to Economic Cost minus CIP. Economic Cost (EC) included CMR and overheads on handling charges, storage charges, administration charges, interest (four months for distribution time) and storage shortage. No payments were made at District level for the bills raised for welfare schemes. CGSCSC

² Bastar, Kanker, Raipur and Surguja

³ Simple random sampling without replacement

⁴ Probability proportional to size with replacement

head quarters made the entire payment out of full subsidy received from Ministry concerned for the Welfare Programmes.

3.2.6 Excess overheads of Rs.1047.34 crore paid by State Government

Proper Project plan for procurement, storage and custom milling of paddy was not prepared

DCP guidelines provided that a project plan was to be prepared for procurement, storage and custom milling of paddy in each Kharif Marketing Season (KMS). Scrutiny of records of MARKFED for the period 2000-05 revealed that no project plan was prepared. Consequently proper planning for storage and milling was not made for paddy procured much in excess of the capacity for custom milling. The payments from CGSCSC were also not monitored and reconciled. This resulted in huge avoidable overheads as detailed below:

(Rs. in crore)

Year	Quantity of paddy procured in M.T.	Cost of procured paddy at MSP	Admissible cost of procurement as per CMR	Actual procurement Cost	Overhead expenditure			
					Actual overheads	Overheads reimbursed by GOI at CMR	Amount over CMR claimed from State	Amount actually paid by State
1	2	3	4	5	6 (5-3)	7 (4-3)	8 (6-7)	9
2000-01	463104	243.83	277.60	349.39	105.56	33.77	71.79	67.26
2001-02	1334227	725.46	818.76	1101.67	376.21	93.30	282.91	269.18
2002-03	1474383	794.00	916.16	1191.46	397.46	122.16	275.28	210.90
2003-04 ⁵	2704940	1519.88	1622.68	1973.50	453.62	102.80	350.82	300
2004-05	2879254	1647.68	1741.98	2113.54	465.86	94.30	371.58	200
Total	8855908	4930.85	5377.18	6729.56	1798.71	446.33	1352.38	1047.34

The table showed that the State had to pay Rs.1047.34 crore as overheads during 2000-2005, against claims of Rs.1352.38 crore made by the MARKFED over and above CMR norms, which was 16 *per cent* of the total procurement cost of Rs.6729.56 crore. Additional claim of Rs.305.04 crore was pending with the State Government. These payments have to be reconciled with the accounts of MARKFED and CGSCSC as the accounts of both the undertakings have not been reconciled since 2003-04. The various components of this excess overhead of Rs.1352 crore are detailed in subsequent paragraphs.

3.2.6.1 Interest payments

The largest component of excess overheads was interest payments of Rs.735.18 crore. In its loss claims, MARKFED set off Rs.84.83 crore of interest component which was included in CMR and claimed Rs.650.35 crore from the State Government. This was 48 *per cent* of the total claim of Rs.1352.38 crore as detailed below:

(Rs. in crore)

⁵ Data for the year 2003-04 and 2004-05 are provisional as have not been finalised accounts.

Kharif Marketing Season	Interest paid by MARKFED	Set off for Interest included in CMR	Difference paid by the State Government (percentage)
2000-01	48.73	5.05	43.68 (89.6)
2001-02	150.51	14.41	136.10(90.4)
2002-03	135.72	15.61	120.11(88.5)
2003-04	157.89	28.68	129.21(81.8)
2004-05	242.33	21.08	221.25(91.3)
Total	735.18	84.83	650.35

Interest subsidy of Rs.170 crore not set off from loss claim on State Government

Scrutiny of payments by CGSCSC head quarters showed that entire subsidy of Rs.1915.67 crore received from GOI⁶ was transferred to MARKFED, which included interest component for distribution time of four months in EC as against two months included in CMR. The differential amount works out to Rs.170 crore. This shows that there are other factors, which raised the burden of the State Government and some of these are mentioned below:

Delay in milling

Under DCP that the custom milling of paddy at MSP would be completed within two months and cost of storage and interest on outstanding credit would be borne by the GOI for this period. It was noticed that due to delay in concluding agreements with private millers the milling of paddy was delayed from 15 to 28 months (upto 16 months in 2000-01, 28 months in 2001-02 and 15 months in 2002-03). This in turn delayed delivery to CGSCSC and its reimbursement adding approximately Rs.105 crore (2000-01: Rs.2.97 crore, 2001-02: Rs.50.97 crore and 2002-03 Rs.51.15 crore) to the interest burden. The delay persisted for three years (2000-03) but MARKFED was unable to take corrective action during this period.

Moreover, the delayed milling led to storage of paddy in the open upto two and half years. In the absence of comprehensive storage plan, this resulted in huge overheads on driage, transportation and incidentals and damage to paddy. Reasons for delayed milling are required to be examined by the State Government.

Non-transfer of sufficient amount of rice to FCI as per movement plan

As per movement plan of DCP, the custom milled rice procured by CGSCSC was to be initially stored in issue centres and distributed to PDS and various welfare schemes as per allotment of the GOI. Amount of rice which was in excess of the State requirements, was to be transferred to FCI for Central pool with the prior permission of the State Government. It was observed that 1.60 lakh MT (15 per cent of procurement), 0.91 lakh MT (8 per cent of procurement) and 0.79 lakh MT (7 per cent of procurement) of rice was available with CGSCSC at the end of March 2003, March 2005 and March 2006 respectively. Since they were held in stock by CGSCSC, reimbursement to MARKFED was delayed thereby increasing the interest burden.

⁶ Rs.1010.51 crore from Ministry of Rural Development and Rs.905.16 crore from Ministry of Consumer affairs, Food & Public Distribution.

Delay in submitting claims/receiving payment

The subsidy to the State Government is released as and when the subsidy claims from the State are received. Analysis of 11 claims submitted by CGSCSC to GOI between November 2002 and October 2003 showed delays of one to 15 months after distribution of rice.

Reimbursements from CGSCSC

The system of reimbursements from CGSCSC to MARKFED was not streamlined. CGSCSC was making payment to MARKFED for rice distributed through PDS in two parts. Part payment was being made at district level and balance at head quarters level out of subsidy claims from GOI.

The payments made by CGSCSC head quarters and District offices have not been reconciled with the actual payment due to MARKFED since the introduction of DCP in the State thereby with the total claims submitted by MARKFED. Consequently, both MARKFED and CGSCSC head quarters were unable to intimate the total claims raised, amounts paid and balance payable to MARKFED. MARKFED stated that the outstanding claims could be about Rs.600 crore but had no data to backup their claims. In the absence of reconciliation, payment delays at district level was not monitored by the head quarters of the both agencies.

A scrutiny of 117 claims in Raipur District showed that there was delay in payment of one to three months in 74 claims and three to six months in 33 claims of MARKFED. MARKFED had reconciled claims and payments with FCI and Rs.37 crore was pending. However, despite the continuously rising interest burden, timely payments at district level were not ensured through reconciliation with CGSCSC and proper monitoring.

Claims of Rs.259.06⁷ crore of CGSCSC pertaining to the period 2003-05 were pending with GOI. The MOU of DCP had provided that full claims would be reimbursed based on final audited account and determination of final economic cost. CGSCSC accounts had been finalised only upto 2002-03. Thus delay in finalisation of the accounts leading to non-payment of claims by GOI. Department of Food & Civil Supplies, GOI replied (October 2006) that subsidy to the State is released as and when the subsidy claims of the State are received, subject to fulfillment of condition laid down in the guidelines. As far as loss of interest to MARKFED is concerned, this is to be reconciled between MARKFED & CGSCSC as MARKFED in procuring agency and subsidy is released to CGSCSC being the distributing agency.

3.2.6.2 Storage charges

The State Government had to bear extra cost of Rs.28.72 crore on storage of 32.72 lakh MT paddy due to delayed milling from 15 to 28 months during 2000-03.

**Extra
expenditure of
Rs.28.72 crore on
storage charges
due to delayed
milling**

⁷ Rs.138.31 crore for PDS and Rs.120.75 crore for welfare scheme

MD, MARKFED stated (September 2005) that huge quantity of paddy was purchased as per the Government policy and the disposal of paddy could not be done in time. The reply again underlined that in the absence of any project plan, MARKFED failed to properly plan for the various contingencies.

3.2.6.3 Driage

Loss of Rs.58.78 crore on account of driage claimed in excess of norms

Records of MARKFED regarding claim for driage preferred for the period 2000-05 revealed that against 75,25,716 MT of paddy issued for milling, shortage of 2,10,001 MT paddy (2.79 per cent) was claimed on account of driage as against the GOI norm of 75,257 MT (1 per cent). This resulted in excess claim of amounting to Rs.58.78 crore on account of driage.

In Ambikapur, 421 MT paddy worth Rs.27.15 lakh was found short in the stock for which officials handling the store were under suspension. This shortage was also shown in the accounts as driage.

MD, MARKFED attributed the reasons for excess driage to delay in disposal of paddy for milling. The reply did not fully explain the driage which is three times the norm. The abnormally high percentage of driage had to be examined by the Department and suitable remedial measures to be taken to reduce the losses attributed to driage.

3.2.6.4 Incidental and Transportation charges

Avoidable expenditure of Rs.10.22 crore on transportation and incidentals due to delayed milling.

During 2001-02 and 2002-03, 12.24 lakh and 12.62 lakh MT paddy respectively was initially stored in open area and was later transferred to godowns and covered and plinth complexes (CAP) as it could not be issued for milling before rainy season and an expenditure of Rs.10.22 crore was incurred. MD, MARKFED stated (August 2005) that rehabilitation of paddy was done for safe custody and to save the loss of the Government property. Reply is not acceptable as such an eventuality would not have arisen if the paddy had been milled in time.

3.2.6.5 Milling charges

Milling charges of Rs.6.45 crore claimed for paddy which was not issued for milling.

Loss claims and closing stock statements for procurement season 2001-02 and 2002-03 showed that MARKFED claimed milling charges of Rs.6.45 crore for 1,61,061 MT of paddy which was not issued for milling but shown in stock as balance. Similar claims for the period 2003-04 and 2004-05 could not be examined in audit due to non-finalisation of annual accounts. MARKFED stated that the claim for total procured paddy was submitted in compliance of the Government orders that entire paddy was to be milled. The reply further substantiated the incorrect claim.

3.2.7 Miscellaneous irregularities and losses in procurement

3.2.7.1 Procurement of substandard Mahamaya paddy

Loss of Rs.17.92 crore on sale of substandard quality of Mahamaya paddy.

As per the GOI instructions FAQ paddy was to be procured at MSP. A quantity of 13.34 lakh MT paddy procured during KMS 2001-02 at MSP by MARKFED, which, inter-alia included Mahamaya variety of 61,265 MT also. During custom milling of this variety percentage of broken rice was more than

prescribed norms (25 per cent) and private millers refused milling of Mahamaya paddy and FCI also refused to accept it. After obtaining approval of GOI, MARKFED disposed of 61,265 MT Mahamaya paddy at an average rate Rs.4500.20 per MT against the acquisition cost of Rs.7425.70 per MT resulting in a loss of Rs.17.92⁸ crore. MARKFED stated that paddy was disposed of as per Government orders. Reply did not clarify why substandard paddy below FAQ was purchased.

3.2.7.2 Damage to paddy in storage

**Loss of
Rs.24.18 crore on
sale of damaged
paddy**

As per the GOI instructions a comprehensive plan for storage of paddy was to be prepared to prevent damage due to moisture and other biotic factors. As most of the paddy was ordinarily stored in open space (covered and plinth (CAP) complexes) the sites selected for CAP storage had to have high plinth with proper drainage, proper dunnage material and efficient stack planning.

There was no comprehensive storage plan for paddy. During 2000-2005 69,784 MT of paddy procured by MARKFED for Rs.38.22 crore was damaged of which 62,978 MT was disposed of through open tenders for Rs.15.74 crore, resulting in loss of Rs.18.52 crore. The disposal of balance 6806 MT paddy was under progress. MARKFED stated (September 2005) that paddy was purchased in huge quantity hence stored in open space and was damaged due to rain. This damage could also have been minimised by timely milling.

Similarly during 2001-02 KMS 5,65,290 MT paddy was procured by CGSCSC in Bilaspur division. During storage 17,613 MT paddy costing Rs.9.34 crore (@ Rs.5300 per MT) was damaged and sold for Rs.3.68 crore through open tenders in August 2005 i.e. after 36 months. The resultant loss of Rs.5.66 crore could have been reduced by earlier disposal.

3.2.7.3 Loss due to infestation of rice

**Loss due to delay
disposal of rice
accumulated in
Kissan Rice Mills.**

MARKFED owned 25 Kissan Rice Mills (KRM) in 10 districts and had a balance of 6,827 MT milled rice (costing Rs.5.94 crore) as on March 2004. This stock had accumulated from 1999-2000 to 2003-04 and was neither delivered to CGSCSC/FCI nor disposed of through timely sale. Due to prolonged storage the rice had excessive percentage of loose bran with insects and had below consumable category. Out of this 5,063 MT of damaged rice had since been disposed of and balance 1764 MT rice yet to be sold as of July 2006.

While the quantity of damaged rice disposed by the KRMs was ascertained by MARKFED it could not intimate the total sale proceeds and actual loss. MD MARKFED intimated (July 2006) that FCI had refused to accept the rice due to its substandard quality.

3.2.7.4 Wasteful expenditure

**Wasteful
expenditure of
Rs.37 lakh on
purchase of gunny
bags**

DMO, Ambikapur purchased 3,70,000 BT gunny bags of 100 Kg capacity during KMS 2002-03 @ Rs.29 per bag for filling 40 Kg paddy, instead of

⁸ $Loss\ 61265\ MT\ @\ 2925.50\ (7425.70-4500.20)\ per\ MT=Rs17.92\ crore$

using SBT gunny bags of 50 Kg capacity costing Rs.19 per bag. This resulted in excess expenditure of Rs.37 lakh.

The DMO stated (October 2005) that as per instructions of MD, MARKFED, BT gunny bags of 100 Kg capacity were purchased and used for filling of 40 Kg paddy as GOI had instructed that only 50 kg weight should be filled in a gunny bag. The reply did not clarify the reasons for buying 100 kg bags.

3.2.7.5 Non-disposal of unusable gunny bags

MARKFED showed that 2.29 crore unusable gunny bags were lying in 60 storage centres of 16 districts for the last four years. Non-disposal of these bags resulted in blocking up of Rs.2.29 crore (calculated @ Rs.one per bag). MD, MARKFED intimated (September 2005) that sale of unusable gunny bags was under progress.

3.2.7.6 Excess claim of subsidy Rs.159.20 crore

Under DCP scheme GOI was committed to pay subsidy to CGSCSC for the quantity of rice procured and distributed for PDS and other welfare schemes like SGRY, NFFW etc., as per allotments made by the GOI.

**Subsidy of
Rs.159.20 crore
claimed in
excess from
GOI**

DCP was introduced from 1 April 2002 and opening stock of 42829.30 MT of rice was received from FCI and another 28329.43 MT of rice was purchased during the year 2002-03 from FCI by CGSCSC. This rice was distributed during 2002-03 alongwith rice procured directly from FCI. CGSCSC claimed subsidy of Rs.731.50 crore from the GOI for 9.84 lakh MT of rice distributed during 2002-03. This included 71158.73 MT (42829.30+28329.43) of rice which was obtained from FCI for which subsidy was inadmissible as it had not been procured by CGSCSC, resulting in excess claim of Rs.55.64 crore. The total claim also included 4.76 lakh MT for distribution under SGRY whereas actual distribution was 3.75 lakh MT resulting in excess claim of Rs.103.56 crore for 1.01 lakh MT of rice not actually distributed. Thus total excess claim was Rs.159.20 crore.

MD, CGSCSC replied that provisional claims were preferred to the GOI of which 95 *per cent* payment was made and excess subsidy if any would be adjusted at the time of submission of final claims from the remaining five *per cent*. The reply was not acceptable. The excess claims were unadjusted for three years and was above five *per cent*.

3.2.7.7 Rice received at issue centres not fully weighed

Rice was not being fully weighed on receipt at issue centres

It was observed that while receiving rice from millers at issue centres only 10 per cent sample of each consignment was weighed and the whole lot accepted on that basis. However, while issuing rice to FPS owners, actual weighing was done and difference appeared as storage losses as mentioned in subsequent paragraph. This system was replete with risk as any leakage of stores could be attributed to the inherent inaccuracy in the weighing. In view of the huge quantities involved it is appropriate to establish suitable mechanism such as weighing bridges for weighing both incoming and outgoing consignments.

3.2.7.8 Shortage of Rice

In Raipur, Kanker and Jagdalpur districts, CGSCSC procured 16,82,352 MT of rice during 2001-05. During storage 2276 MT rice valuing Rs.2.29 crore was found short. DM Raipur replied (June 2006) that corresponding amount had been withheld from outstanding bills of concerned State Warehousing Corporation (SWC), DM, Jagdalpur replied (June 2006) that after reconciliation action will be taken to recover the amount, whereas DM, Kanker stated that claim for 2002-03 had been submitted to SWC and rest was under submission.

3.2.7.9 Issue of samples at the time of distribution of rice

Samples of rice were not kept at issue centres while issuing.

At the time of distribution of FAQ rice to the lead society⁹/FPS/JPs, it was essential to take two samples of 250 gram each, out of that one sample was to be handed over to the society and another sample was to be kept and its record was to be maintained by issue centre. In issue centres of DM, Raipur, Kanker and Jagdalpur, it was noticed that the laid down procedure was not followed. Therefore there was no way to ascertain whether FAQ rice was being distributed for PDS/Rural Schemes.

3.2.8 Distribution of rice under various schemes***Distribution under PDS***

Under DCP, custom milled rice to the extent of requirement of the State was to be stored by CGSCSC in its 95 issue centres. Based on allotment of rice from GOI, State Government reallocated to Collectors and FOs. FOs reallocated to AFOs/SDMs who issued release orders in favour of lead societies/FPS owners with copies to DM, CGSCSC. FPS made payment at CIP to CGSCSC against the release orders and acquired delivery orders (DO) from DM, CGSCSC. These DOs were presented by FPS at issue centres for lifting rice for further distribution to card holders/beneficiaries. The rice procured in excess of State requirement was transferred to FCI for Central Pool. Following were noticed.

⁹ Group of FPS.

3.2.8.1 Lifting of rice in excess of allotment

**Rice costing
Rs.13.72 crore lifted
in excess of allotment**

In Ambikapur, Jagdalpur, Kanker and Raipur it was noticed that 22309.49 MT rice costing Rs.13.72 crore (at BPL rate) was released to FPS and lifted by them from CGSCSC under BPL and Antodaya Anna Yojana (AAY) schemes in excess of monthly allotment quota of the districts during 2002-05.

FO and DM, CGSCSC, Ambikapur replied that facts could be intimated after reconciliation and investigation. FO, Jagdalpur replied that excess would be adjusted during next month and FO, Kanker replied that excess lifting was made in anticipation of additional allotment. No reply was received from the Controller Food, Raipur. The replies indicated that the system of controlling distribution through multilevel allotments was being bypassed. Thus there was risk of leakages in the system.

3.2.8.2 Issue of release orders in excess of allotment

**Forty four MT rice
released in excess due
to issue of release
order in excess of
allotment.**

In 36 cases, against actual allotment of 72 MT by FO, Ambikapur, orders were issued to FPS in 13 blocks by AFO for 116 MT resulting in excess release of 44 MT (61 per cent) over the monthly allotment quotas. FO, Ambikapur replied that excess release orders could be issued if additional quota had been released or due to short lifting by shopkeeper in previous month. The reply was generalised and did not give specific reasons for the cases pointed out by audit.

3.2.8.3 Discrepancies in delivery challans

In DM, CGSCSC Ambikapur discrepancies in the delivery challans prepared by store incharge of CGSCSC at issue centers were noticed as given below:

- The date and D.O. number against which it was issued was required to be mentioned so that the quantity authorised and supplied could be reconciled and checked subsequently. DO number and date on challans were not mentioned in 21 cases involving 129 MT rice.
- Truck numbers by which 178 MT rice was transported were not mentioned in 43 cases.
- The acknowledgements for receipt of rice by owners of FPSs from issue centres were not available in 12 cases which involved 55 MT of rice.
- Other deficiencies like certification by the committee regarding supply at destination, signature of transporter, signature of store in charge were not available on challans in 175 cases.
- Rice was purportedly transported by a truck in excess of its carrying capacity in a day in two cases.

D.M., CGSCSC, Ambikapur replied (June 2005) that the factual position would be intimated after verification of records.

3.2.8.4 Functioning of Fair Price Shops (FPS)

Test check of FPSs of Ambikapur, Jagdalpur and Raipur districts showed that:

- Signatures/Thumb impressions of some consumers were not found in daily sale registers of FPS. In many cases single person had signed the sale

register.

- As per departmental guideline vigilance committee had to be constituted at District, Block and FPS level. Department intimated that these committee were not functioning (September 2005). In absence of their functioning, records were not verified.
- Inspection books maintained at FPS were found blank indicating that inspection of FPS was not conducted.
- Money receipts were not issued by FPS to consumers.

3.2.8.5 Inspections of FPS

FPSs were not inspected as per the norms fixed by the State Government.

As per duties and responsibilities assigned to the officers/officials of Food Department, the following inspections of FPS were to be carried out in a month and a monthly report to be sent to the Director, Food, Civil Supply and Consumer Protection.

1.	Controller Food / D.F.O.	10 F.P.S. + interaction with 45 consumers
2.	A.F.O.	20 F.P.S. + interaction with 75 consumers
3.	Inspectors	50 per cent shops + interaction with 100 consumers.

Test check of records in the Office of Controller Raipur, FO, Jagdalpur, Kanker and Ambikapur showed that the inspections were not carried out as per norms fixed by the Government. Further monthly reports in this regards were also not rendered to the Director. In Kanker district only 323 inspections were carried out against prescribed 8784 inspections for the period 2000-01 to 2004-05. Thus shortfall was 96 *per cent*. Director stated (June 2005) that action would be taken against officers/officials not submitting the monthly reports regularly.

Distribution under Welfare Schemes

Under various welfare schemes foodgrain was being provided as 75 *per cent* of wages to rural poor at the rate of 6 kg per manday. Based on allotment of foodgrains from GOI, the State Government reallocated it to CEO, ZP under intimation to the MD, CGSCSC. The CEO, ZP in turn reallocated to CEO, JP and other implementing agencies on the basis of allocation of funds for the sanctioned works. The CEO, JP/implementing agencies lifted the rice from issue centres. Distribution was done by implementing agencies.

Payment of rice as wage component was done through coupons of different denominations (multiples of 6 Kg per manday). After receiving coupons as wages, the labourers would deposit them with implementing agencies and get rice in return. The implementing agencies were to submit accounts of coupons and rice to the CEO, ZP.

Records of three welfare schemes SGRY, NFFW and Drought Relief Work were test checked and the findings are as under:

3.2.8.6 Non accountal of rice

Stock registers were not maintained by the receiving agencies.

- In Janpad Panchayat, Ramchandrapur(Ambikapur) 269.822 MT of rice costing Rs.17.54 lakh was delivered by the issue centre Ramanujganj to the CEO, JP Ramchandrapur during the period 2003-05 but its receipt and disposal was not accounted for in the stock register. The CEO stated (October 2005) that this was an error and entries would be made. This was not acceptable as entries in the register on the basis of audit observation would be an after thought and not verifiable. The corrected stock register was also not produced to audit (January 2006).
- In Rajpur (Surguja) the progress reports during April 2002 to August 2005 had shown that 2153 MT rice had been issued for SGRY scheme whereas the stock register showed that only 1823 MT of rice was issued. The CEO stated (October 2005) that the difference was being reconciled.
- CEO, Udaipur had issued 171.81 MT rice costing Rs.11.17 lakh to sub Engineer, W.R Dn-I Ambikapur (at WR sub Dn. Udaipur) during July 2003 to October 2003 for distribution of wages to labourers engaged under drought relief work. No records were available in JP, Udaipur regarding the accountal and distribution of this rice.

3.2.8.7 Excess utilisation of rice

Rice utilized in excess against the norms fixed by GOI.

- Under the SGRY (Stream I & II) issue of 22666 MT rice (for 2004-05) and creation of 22,09,200 mandays were reported (March 2005) by CEO, ZP, Ambikapur to the Government. Thus consumption of 9401.80 MT rice (41 *per cent*) worth Rs.6.12 crore was in excess against the norms fixed by GOI (6 kg rice per manday).
- The CEO, ZP, Ambikapur had reported creation of 713035 mandays to the Government under the drought relief programme during 2004-06. This worked out to consumption of 4,278.21 MT based on the GOI norms of 6 kg rice per manday. However, utilisation of rice of 12,000 MT was reported. Thus there was excess consumption of 7,721.79 MT (64 *per cent*) worth Rs.5.02 crore.

CEO, ZP, Ambikapur stated that the consumption of rice and mandays created were reported on the basis of the reports received from the implementing agencies. The reply was unacceptable as the CEO was required to ascertain reasons for discrepancies if any.

3.2.8.8 Discrepancies in coupons

Distribution of rice without coupons

**Rice worth
Rs.14.62 crore
distributed
without coupons.**

Scrutiny of the coupon stock and issue register and annual consumption reports of rice in office of CEO, ZP Ambikapur and Jagdalpur disclosed that 98,201 MT rice was distributed (during 2001-02 to 2004-05) against the coupons for 75,708 MT indicating that 22,493 MT rice costing Rs.14.62 crore (@ Rs.6500 per MT) was distributed without coupons. It was stated (June and October 2005) by CEOs that due to delays in receipt of coupons, implementing agencies were forced to distribute rice without using coupon. This showed that the control sought to be instituted through coupon system was being bypassed resulting in risk of leakages.

Non-maintenance of coupon Account

**Rice worth
Rs.2.38 crore
found short due to
non-maintenance
of Coupon
Account.**

In ZP, Ambikapur coupons for 46,439 M.T. of rice (under SGRY during 2002-05) were printed of these, coupons for 33,224 M.T. of rice were issued to the implementing agencies for payment of wages in kind to labourers engaged under SGRY.

The actual balance of coupon in ZP stock was for 9,552 MT of rice against the book balance of 13,215 MT. Thus coupons for 3,663 MT valuing Rs.2.38 crore of rice were missing.

CEO, ZP, Ambikapur replied (June 2005) that factual position would be intimated after reconciliation of coupon account.

3.2.9 Conclusion

Huge quantity of paddy was procured without the prescribed project plans. Consequently its storage was unplanned and there were large delays in milling leading to huge overheads on interest, storage charges, driage, incidentals and transportation. System of reimbursements by CGSCSC to MARKFED was not properly monitored and remained unreconciled. Only 10 *per cent* sample of rice received at issue centres of CGSCSC was being weighed. There were weaknesses in the control systems leading to claim of incorrect subsidy from GOI and various instances of irregularities in procurement, allotment, lifting and accounting of paddy and rice

3.2.10 Recommendations

- ❑ Project plan for each KMS should be prepared in advance for procurement, storage and custom milling and assessed excess to be handed over to FCI.
- ❑ Expeditious milling of paddy should be ensured
- ❑ Reconciliation of claims and reimbursements should be done expeditiously between CGSCSC and MARKFED and balances paid. Accounts are to be reconciled so as to claim balance amount from GOI.
- ❑ Appropriate system may be introduced for full weighing of rice received at issue centers of CGSCSC.

- Allotments and release orders should be strictly adhered to and discrepancies should be identified through regular reconciliation.

These recommendations were discussed in the exit conference and agreed to by the Government.

Panchayat and Rural Development Department

3.3 Implementation of Watershed Development Programmes

Highlights

Watershed Development Programmes were taken up to obviate the drought conditions, prevention of desertification and for improving the land fertility thus improving the socio-economic conditions of economically weaker section.

Implementation of Watershed Development Programmes during 2001-06 was hampered as the planning of watershed projects and selection of villages under the programmes was defective. Components were not executed in prescribed sequence and some were neglected. The progress of activities in test-checked districts during the first four/five years was 62 per cent.

Expenditure of Rs.16.90 crore was incurred on eight watershed projects under IWDP where agricultural land was over 70 per cent.

(Paragraph 3.3.7.2)

Prescribed ridge to valley strategy was not followed and water conservation measures were carried out in lower reaches ahead of soil conservation works in upper reaches.

(Paragraph 3.3.7.4)

Higher priority was given to water conservation measures wherein 61 per cent of the total expenditure was incurred instead of prescribed 40 per cent and Rs.9.31 crore were diverted on water conservation works in four districts by ignoring other activities.

(Paragraph 3.3.7.5)

Completed projects created at a cost of Rs.9.02 crore not handed over to the watershed committees.

(Paragraph 3.3.7.9)

The impact of the programme could not be measured as achievements of watershed development projects (DPAP Phase-I) were not reflected in Land Revenue Records in Jagdalpur.

(Paragraph 3.3.8)

Expenditure of Rs.4.09 crore incurred by watershed committees in seven projects in Raipur and Jagdalpur through muster rolls without recording the progress of works.

(Paragraph 3.3.10)

3.3.1 Introduction

Watershed development projects were undertaken in the State to overcome the problems of drought, prevention of desertification of lands and improve the socio-economic condition of economically weaker sections. The projects were taken up under the Centrally sponsored schemes viz., Drought Prone Area Programme (DPAP) for non-arable lands since 1987, Integrated Wasteland Development Programme (IWDP) for developing wastelands since 1989 by the Rural Development Department, National Watershed Development Project for Rainfed Areas (NWDPA) and River Valley Project (RVP) by the Agriculture Department. This review covers the implementation of DPAP and IWDP. The primary objectives of both programmes, inter-alia, included conservation of soil, water and other natural resources through watershed development with the help of low cost and locally accessible technologies such as *in-situ* soil and moisture conservation measures, afforestation etc. Involvement of Panchayati Raj Institutions (PRIs) and people's participation in planning and implementation, adoption of local technology in the projects and maintenance of assets were key features of these programmes. Total expenditure on DPAP and IWDP was Rs.149.62 crore during 2001-06.

3.3.2 Organisational Set-up

At State level, the Development Commissioner (DC), Panchayat and Rural Development Department is in overall charge of implementation of watershed development programme. A watershed development cell was established in March 2005 under Development Commissioner to sanction new watershed projects, review the progress reports and monitor and supervision.

At the district level these programmes are being implemented by the Chief Executive Officer (CEO), Zila Panchayat (ZPs) through the Project Implementing Agencies (PIA)¹ headed by Project Officers (PO). Each PIA supervises one or more watershed projects².

At watershed³ level, the programmes are executed through Watershed Committees (WCs)⁴ in association with Self Help Groups (SHGs)⁵ and Users Groups (UGs)⁶.

3.3.3 Audit Objectives

Audit objectives were to assess whether:

¹ PIA: Team of members from Government departments, University and voluntary organisations which work in the project.

² One IWDP project comprises of approximately 10 watersheds.

³ One watershed comprises of approximately 500 hectares

⁴ WC: Nominated 10-12 members from UGs (4-5), SHGs (3-4) Gram Panchayat (2-3) and members of WDT (multi disciplines from Agriculture, Engineering, Horticulture, Sociology, etc.)

⁵ SHGs: homogeneous group having common identity such as agriculture labourer, women shephers, SCs/ST etc.

⁶ UGs: Identified groups of most affected people, either beneficially or adversely.

- The financial management was effective and efficient;
- the planning for watershed projects was adequate;
- projects were selected as per prescribed criteria and approved guidelines;
- all the components of the projects were implemented as prescribed and in proper sequence to achieve the desired results;
- completed projects were handed over to watershed committees for maintenance; and
- the maintenance of records, supervision and monitoring were effective

3.3.4 Audit Criteria

The audit criteria were:

- Guidelines issued by the Ministry of Rural Development, Government of India (Guidelines).
- DPAP manual prepared by GOI.
- Circulars and orders issued by Government of Chhattisgarh, Panchayat and Rural Development department.
- Project plan of each watershed project and records pertaining to its implementation.

3.3.5 Audit Coverage and Methodology

The implementation of DPAP and IWDP for the period from 2001-02 to 2005-06 was reviewed during April to June 2005 and July to August 2006 in the offices of the Development Commissioner (DC) and Chief Executive Officers (CEOs), Zila Panchayats at Durg, Jagdalpur, Korba, Raipur and Rajnandgaon. Out of 792 DPAP and 49 IWDP watershed projects in the State, 486 DPAP and 10 IWDP watershed projects were test checked involving expenditure of Rs. 86.25 crore out of total expenditure of Rs. 149.62 crore for the State. Audit objective/criteria were finalised after entry conference with the Special Secretary, Panchayat and Rural Development (February 2006). The exit conference was held with the Secretary, Panchayat and Rural Development Department (September 2006), to discuss the audit findings, conclusion and recommendations of the review. Views expressed in the conferences have been taken into account while finalising the performance audit.

Audit findings

3.3.6 Financial Management

Both the programmes are Centrally Sponsored on cost sharing basis between the Government of India (GOI) and the State Government in the ratio 75:25 (DPAP) and 11:1 (IWDP). GOI and the State Government release their shares to ZPs which are kept in bank account. ZPs in turn release funds to PIAs and WCs through Account Payee cheques, which are deposited in the bank accounts. Eighty per cent of funds are earmarked for development works by WCs. Funds for training (5 per cent) and community organization (5 per cent) are transferred to PIAs. The administrative expenses (10 per cent) is shared between PIAs and WCs. WCs, PIAs and ZPs prepare accounts annually which

are audited by Chartered Accountants (CA). WCs and PIAs submit monthly reports on physical and financial progress to ZPs. ZPs submit their annual account along with Utilisation Certificates (UCs) to GOI. During 2001-06 an amount of Rs.95.98 crore and Rs.53.64 crore was incurred under DPAP and IWDP respectively.

3.3.6.1 Retention of money by PIAs and WCs

Rupees 7.83 crore retained by PIAs & WCs reported as expenditure.

In test checked districts, ZPs had reported expenditure of Rs.37.78 crore (Durg Rs.9.42 crore, Jagdalpur Rs.9.83 crore, Korba Rs.7.64 crore and Rajnandgaon Rs.10.89 crore) in UC to GOI for both the programmes during 2001-05 as against actual expenditure of Rs.29.95 crore (Durg Rs.8.04 crore, Jagdalpur Rs.9.10 crore, Korba Rs.6.79 crore and Rajnandgaon Rs.6.02 crore). Rs.7.83 crore was retained by PIAs and WCs. The amount was lying unutilised in the Bank accounts of PIAs and WCs.

3.3.6.2 Diversion of earmarked funds

Diversion of funds amounting Rs.1.17 crore.

According to the guidelines, any shortfalls in utilisation of earmarked components shall be duly refunded to the ZP and the expenditure under project components shall be limited to the percentage ceilings fixed. However in Durg, Jagdalpur and Rajnandgaon an amount of Rs.1.17 crore (Rs.1.10 crore DPAP and Rs.7 lakh IWDP) earmarked for administrative overheads, community organisation and training component was not refunded to the ZPs concerned and was used by PIA and WCs for Entry Point Activities⁷ (EPA) and works components in excess of ceilings fixed without obtaining approval of the ZPs, CEO.

3.3.6.3 Non-refund of unspent amount

Non refund of unspent amount Rs. 24 lakh

An amount of Rs.24 lakh (Korba Rs.21 lakh and Jagdalpur Rs.3 lakh) pertaining to 86 completed projects of Phase-I was lying (July 2006) in the Bank account of Zila Panchayat (Rs.10.72 lakh), PIAs and WCs (Rs.13.26 lakh) since November 2002 and was required to be refunded to GOI and State Government. CEO, ZP Jagdalpur replied that amount would be refunded after getting guidance from DC and CEO, ZP Korba replied (June 2005) that the amount will be refunded after getting back the amount from PIA and WCs. The reply was not acceptable in view of clear cut instructions in the guidelines.

3.3.7 Programme Management

Implementation of programme was to be designed to prevent soil erosion and improve land fertility through contour/vegetative bunding in the first year and improve moisture content through water harvesting engineering structures and allied activities in subsequent years of the project.

⁷ EPA is a confidence building exercise and includes activities like renovation of school, panchayat building, community houses, common places, drinking water sources etc.

Programme Planning

3.3.7.1 Planning for watersheds

The programmes provided for preparation of five year perspective plans and annual plans. The watershed treatment plans were to be prepared according to targeted area and nature of activities which were to be carried out on the non-arable land including degraded land, wasteland, Government land and community land. Only physical and financial targets and set of activities to be carried out every year were shown in plan documents. There were no descriptions of studies or assessments of local needs, topography, hydrological profile, soil components etc. to justify/explain how the selected activities would fit in with the holistic development of the watershed. In the absence details an *ad hoc* selection of works were put in project plans with little correlation to each other. Consequently, the execution was also *ad hoc* and unplanned, the prescribed sequence of activities/works was not followed.

Project Implementation Agencies (PIA) were to be selected from the State Government Departments, Universities and voluntary organizations working in projects. Each PIA had to select watershed development teams (WDT) with members from multiple disciplines such as Agriculture, Engineering, Horticulture, Sociology etc. within three months from the date of formation of PIA. It was noticed during test check that PIAs had only Government officials from different departments. Thus participation of various groups at PIA level was virtually non-existent. It was observed in sample check that 276 out of 295 PIA members were Government officers.

3.3.7.2 Selection of Watershed Projects

The main criteria for selection of watershed projects was preponderance of wastelands, common lands, acute shortage of drinking water and where actual wages were lower than the minimum wages. Scrutiny showed that in many projects these criteria and size norms were not followed as described in succeeding paragraphs.

Watershed projects in areas with preponderance of Agricultural land

In three districts⁸ eight watershed projects were selected by concerned ZPs under IWDP. Of the total 45,028 ha geographical area in these three districts, an area of 44,778 ha land was selected by ZPs which included 36,595 ha (82 per cent) agricultural land. Thus of the cost of work undertaken at Rs.26.87 crore for 44,778 ha land, Rs.16.90 crore was spent in areas which had preponderance of agricultural land. CEO, ZPs stated that the selection was made as per Government instructions. Reply of CEOs was not acceptable as watershed projects were selected by PIAs and ZPs and then sent to the Government for approval.

Eight projects in areas with over 70 per cent agricultural land.

⁸ Raipur, Durg and Rajnandgaon.

It was further seen from project plans of DPAP blocks of Rajnandgaon district that 17⁹ villages were selected where percentage of agricultural land ranged between 70 to 100 per cent. CEO, ZP intimated that being declared DPAP blocks, complete block was to be treated hence these villages were selected. Reply of CEO, ZP was not acceptable as selection was to be made from those villages in these blocks which were drought affected and where wasteland existed.

Variations on prescribed watershed size

Area of villages overstated in watersheds.

As per guidelines recommended size of watersheds was 500 ha to facilitate effective supervision and development in time frame of five years. Test check of project plans of DPAP 6th, 7th and 8th batches of ZP Korba showed that areas of villages under watersheds were grossly overstated as shown below:

Name and total geographical area of villages in DPAP 6th batch	Area of village inflated and selected for watershed development
Barbahari - 300 ha	500 ha
Bhalwaltikra-160 ha	500 ha
Patpara-47 ha, Baharapara 50 ha	125 ha, 125 ha
Mahuapani-173 ha	200 ha
Duggupara-35 ha	250 ha
Lalmatia-53 ha	250 ha
Bagdeva-66 ha	250 ha

Consequently, much higher resources were utilized in these villages (based on per hectare rate of Rs.6000) by overstating the area.

In 7th and 8th batch DPAP projects, small portions of many villages were combined to form watersheds in Korba. Eight villages with 2433 ha, 5 villages with 1511 ha, 6 villages with 1041 ha and 8 villages with 1570 ha respectively were combined to form watersheds of 500 ha each.

CEO, ZP Korba stated that the selection of villages was made by the geohydrologist posted at Bilaspur. Reply was not acceptable. The overstatement of area of villages could not be attributed to the geohydrologist. It was also observed that Korba was the only district to have small portions of as many as eight villages in a single watershed.

Selection of undersize and oversize watersheds.

Against the prescribed norm of 500 ha, area of 47 under sized watersheds ranged between 42.124 ha to 400 ha in Durg, Jagdalpur, Korba and Rajnandgaon districts were irregularly taken up for treatment at a cost of Rs.4.55 crore. On the other hand, in Durg and Raipur districts, the area of 40 over sized watersheds ranged between 619 to 1371 ha. Reasons for selection of under sized/over sized watersheds were not on record and not clarified by CEO, ZPs.

⁹ Nawagaon, Pinkapaar, Harratola, Khadbattar, Nadekal, Urwahi, Devrie, Khursitikul, Bhandaribharda, Majiapaar, Nadia, Janakpur, Shikaritola, Rampur, Dongargaon, Handitola, Jantargundia.

Programme Implementation

3.3.7.3 Physical Achievements

Sixty two per cent of achievement due to slow progress of works.

As per guidelines, the targeted areas were to be treated within a period of five years from the date of sanction by GOI. Position of land treated under 274 watershed projects sanctioned and completed/largely completed during 2001-06 in test checked districts Durg, Jagdalpur, Korba, Raipur and Rajnandgaon was as under:-

(Area in hectare)							
Name of watershed programme	Sanctioned project period	No. of years completed as on March 2006	Target of land treatment	Proportionate target	Achievement	Short-fall	Percentage of short-fall
DPAP 6th and 7th batch	2001-06	05	97925	97925	62205	35720	36.5
DPAP 8th batch	2002-07	04	34000	30600 ¹⁰	16208	14392	47.0
IWDP II Phase	2001-06	05	49169	49169	32051	17118	34.8
Total			181094	177694	110464	67230	37.8

Thus, during the last five years, only 110464 ha (62.1 per cent) area, out of targeted area 177694 ha were completed and the shortfall was between 34.8 per cent to 47 per cent.

CEOs attributed poor physical achievements and slow progress of works to shortage of funds. The reply was not acceptable as Rs.6.15 crore were lying unutilized with ZPs (Durg Rs.1.74 crore, Jagdalpur Rs.1.01 crore, Korba Rs.6 lakh and Rajnandgaon Rs.3.34 crore) in addition to balances of more than Rs.7.83 crore lying with WCs and PIAs (Durg Rs.1.39 crore, Jagdalpur Rs.72 lakh, Korba Rs.85 lakh and Rajnandgaon Rs.4.87 crore) during 2001-05.

3.3.7.4 Non-adoption of ridge to valley strategy

For conservation measures ridge to valley strategy was to be ensured. This implied that in the first year, soil conservation was to be carried out in the higher reaches of watersheds and in second and third years, water conservation works and other activities were to be carried out in lower reaches.

In test checked districts it was noticed that ridge to valley strategy was not followed and works were first executed in lower reaches. Some district wise illustrations are mentioned below:-

Water conservation works were carried out in lower reaches ahead of soil conservation works in upper reaches.

Name of district	Name of watershed project	Duration of treatment	Date of execution of works	
			Upper reach (soil conservation works)	Lower reach (water conservation works)
Durg	6th Batch Tengananala	2001-04	09.12.04	01.09.02
	7th Batch Sonarinala, Andodinala	2003-04	04.12.04	28.03.03
	8th batch Kampanala	2005-06	No works carried out	24.04.05
Korba	6th batch Podi Uprora	2001-04	04-01.04	12.12.01
	6th batch Katghora	2001-04	22.12.03	26.11.01
Jagdalpur	6th batch Jamawada	2001-02	16.06.03	05.12.01
	9th batch Soargaon	2002-04	09.07.04	25.11.03
Rajnandgaon	6th batch Palukasanala	2002-06	20.02.06	08.02.02
	9th batch Kotrinala	2004-06	06.06.05	10.06.04

¹⁰ Ninety per cent was to be treated in four years as per funding pattern.

The unplanned execution was further corroborated by a compilation of the expenditure incurred on the two main activities, during the first five years, for a sample of 41 watersheds for which full information was provided to audit.

Only five per cent (Rs.4.31 lakh) of total expenditure (Rs.85.28 lakh in five years) was incurred on soil conservation works in the first year and 30 per cent (Rs.25.92 lakh) incurred in second year, whereas, 24 per cent (Rs.64.17 lakh) of the total expenditure on water conservation works was incurred in the first year of the project which should have been taken up from the second year after completing soil conservation works. Thus the maximum achievement would not have been achieved due to maximum expenditure on water conservation.

3.3.7.5 Prioritization of sectoral activities

In 274 watershed projects under DPAP 6th, 7th and 8th batch and IWDP-II in Durg, Jagdalpur, Korba and Rajnandgaon districts showed that activity wise cost ceiling for development works was not adhered to as detailed below:-

High priority was given to water conservation works by diverting Rs. 9.31 crore from other activities.

(Rupees in crore)

Sl. No.	Activities with per cent	Expenditure as per norms	Actual expenditure	Per cent	Percentage of excess/less over norms
1.	Soil conservation (30 per cent)	13.33	13.30	29.92	--
2.	Water conservation (40 per cent)	17.78	27.09	60.94	(+) 21
3.	Afforestation (10 per cent)	4.45	2.69	6.05	(-)4.1
4.	Pasture development (10 per cent)	4.45	0.26	0.59	(-)9.4
5.	Other activities (7.5 per cent)	3.33	0.52	1.17	(-)6.3
6.	Self Help Group (2.5 per cent)	1.11	0.59	1.33	(-)1.2
	Total	44.45	44.45¹¹		

Out of total expenditure of Rs.44.45 crore, Rs.27.09 crore (61 per cent) was incurred on water conservation works viz. construction of percolation tanks, farm ponds, dabri¹², deepening of ponds etc. by diverting Rs. 9.31 crore meant for soil conservation, afforestation, pasture development and SHGs activities. Under soil conservation works Durg (37 per cent) and Jagdalpur (35 per cent) had incurred more than the prescribed norms whereas Korba (21 per cent) and Rajnandgaon (27 per cent) had incurred below the prescribed norms. The afforestation programme aimed at increasing productivity of degraded land and providing fuel and fodder to the local people. Against Rs. 4.45 crore (10 per cent) provided for afforestation an expenditure of Rs. 2.69 crore (6 per cent) only was utilised. While Jagdalpur had incurred (15 per cent) more than the prescribed norm Durg (2 per cent), Korba and Rajnandgaon (4 per cent) had incurred much below the prescribed norm. Pasture Development for providing fodder as well as preventing soil erosion and works under other activities were either marginally covered or totally ignored in all the districts.

3.3.7.6 Sub-standard work of Cattle Proof Trench

Sub standard work of Rs.1.04 crore

Panchayat and Rural Development Department, prescribed (October 2001) the standard size of Cattle Proof Trench (CPT) as top width 2.5 metre, bottom width 1.25 metre and depth 1.5 metre but they were constructed during

¹¹ Durg Rs. 10.39 crore, Jagdalpur Rs.9.89 crore, Korba Rs.11.29 crore and Rajnandgaon Rs.12.88 crore

¹² Dabri is local name for small pond.

2001-06 with top width 1.5 metre, bottom width 0.6 to 0.7 metre and depth 0.75 to 0.9 metre in 2 districts (Jagdalpur and Rajnandgaon). This resulted in sub-standard work to the tune of Rs.1.04 crore. CEO, ZP Jagdalpur assured to adhere to standard size laid down for CPT and CEO ZP, Rajnandgaon cited (July 2006) orders of Government of M.P. from 1995. The reply was not tenable in view of subsequent orders of October 2001.

3.3.7.7 Overspending on Cashew plantation

**Excess
expenditure
of Rs.12 lakh**

In 15 watershed projects of Jagdalpur 4.62 lakh cashew plants were planted during 2001-05 at a cost of Rs.23 lakh in 532.46 ha at an average of 868 plants per ha against norms of 400 Cashew plants per hectare. This resulted in excess expenditure of Rs.12 lakh on excess planting of 2.49 lakh cashew plants. CEO, ZP assured to adhere to norms in future.

3.3.7.8 Loans to Self Help Groups (SHGs)

As per guidelines, a revolving fund not exceeding Rs.one lakh was to be created in each PIA for providing seed money to SHGs at a rate not exceeding Rs.10000 per SHG for undertaking income generating activities. This was to be recovered in 6 monthly instalments and given again to other SHGs.

**Non recovery
of loan
amount of
Rs.52.72 lakh**

Seed money of Rs.34.47 lakh provided to SHGs in 129 watershed projects in three districts under DPAP Phase-I during 1997-98 to 2001-02 was not recovered from the members of the SHGs in completed projects. Similarly, in 276 watershed projects under DPAP 6th, 7th, 8th batches and IWDP Phase II and III, 1555 SHGs were formed and seed money of Rs.18.25 lakh in 4 districts provided during 2001-06 were not recovered from the members of the SHGs in on going projects. On this being pointed out CEO, ZPs stated (May 2005 to July 2006) that loan money would be recovered at the end of the project period. Reply was not tenable, as the seed money was to be recovered in six months to ensure rotation.

3.3.7.9 Non-transfer of Assets

As per guidelines and Panchayat and Rural Development Department's order No.20 (March 1999) assets created in the completed watershed projects were to be handed over to the watershed committees for their operation and maintenance with the help of watershed funds.

**Assets worth
Rs.9.02 crore
were not
transferred to
WCs.**

Out of 168 completed projects test checked, 86 projects were not transferred to watershed committees. This included 52 watershed projects completed in Korba in 2000-01 at a cost of Rs.3.63 crore and 34 watershed projects in four blocks of Rajnandgaon completed at a cost of Rs.5.39 crore in 2004-05. CEO, ZP Korba and Rajnandgaon intimated that transfer was under process. Thus due to non-transfer of the assets to WCs, the maintenance of assets was not assured.

3.3.8 Achievements

The objective of improving the economic conditions of weaker sections through watershed development was not assessable as this depended on diverse socio-economic factors and these schemes would at best play a small contributory role. As far as drought prevention was concerned, it was observed that 496 watershed projects had been under taken in 26 blocks in the five test checked districts and during 2002-04, 70 to 100 per cent of these blocks had been declared drought affected. It was evident that watershed development programmes being executed for 10 years since 1995-96 and all other measures for drought prevention had met with little success.

Non-reflection of achievement in Land Revenue Records.

It was observed that in Jagdalpur 59 watershed development projects were sanctioned in year 1995-96 in first phase of DPAP for treatment of 38728 ha area at a cost of Rs. 15.49 crore. They were reported as completed in February 2005 at a cost of Rs. 11.59 crore covering area 30174.11 ha in 10 years against project period of four years. The completion reports of these 59 watershed projects showed an increase in agriculture land by 3360.136 ha, land under horticulture by 3686.042 ha and decrease in cultivable wasteland by 1645.153 ha, fallow land by 3738.039 ha, grazing land by 780.224 ha, barren land by 755.60 ha and forest land by 127.162 ha.

The records of the Superintendent Land Records, Jagdalpur were also checked for classification in 2001 and 2004 of the land area in six DPAP blocks, where all these projects were located. A comparison of status of classification of areas as per revenue records and achievements reported under DPAP Phase-I to GOI showed opposite trends as net sown area decreased by 837 ha in revenue records as against reported increase of 3360.136 ha of agricultural land under watershed, total area of wastelands/barren land increased by 2962 ha as per revenue records (current fallow land 722 ha, old fallow land 310 ha, wasteland 1898 ha, barren land 32 ha) during 2001-04 while in completion report to GOI decrease of 6138.792 ha area (wasteland 1645.153 ha, fallow land 3738.039, barren land 755.600 ha) was shown. Thus the achievements reported to GOI were not reflected in Land Revenue records.

CEO, ZP Jagdalpur intimated that instructions had been issued to POs to get the changes registered in the Revenue records. It was necessary to reconcile the totally divergent facts in the two sets of records.

3.3.9 Training

Diversion of training funds

In two PIA's (Durg and Rajnangdaon) it was noticed that expenditure of Rs.35 lakh (Durg Rs.4 lakh and Rajnangdaon Rs.31 lakh) booked during 2001-06 as training expenses were actually diverted and utilised on purchase of sign boards, vegetable seeds, chemicals, fish food, fish seeds and smokeless chulhas etc.

3.3.10 Non-maintenance of Records.

As per guidelines watershed volunteers were responsible for the maintenance of accounts records and measurement of works done.

Expenditure of Rs.4.09 crore without recording measurement.

While measurement of works were kept in 111 watershed projects, an expenditure of Rs.4.09 crore was incurred in seven projects in Raipur and Jagdalpur through muster rolls without recording the progress/measurement of work in part-II of muster rolls as prescribed. Consequently the correctness of payments could not be ascertained in audit.

Government instructions (March 1996) provided for maintenance of registers at ZPs (11 registers), PIAs (14 registers) and WCs (17 registers). In ZP, Raipur, Durg and Korba and its PIAs and WCs the prescribed registers were either not maintained or were incomplete at all levels. In the absence of essential details in the works registers, the authenticity of the works executed could not be verified.

Similarly Watershed Development Fund (WDF) register detailing the contributions made by the beneficiaries was not maintained to ascertain the amount contributed by individual beneficiaries and user groups. CEOs, Durg and Korba assured for issuing instructions to PIAs and WCs for maintaining/completing the records.

Though the deduction from the wages of labourers for watershed was commented upon in the Report of the CAG of India for the year ended 2004-05 (Para no.4.4.1) the practice was continuing in Rajnandgaon.

3.3.11 Monitoring and Supervision

The implementation of watershed development programmes was to be monitored at the State level by a State Watershed Development Committee (SWDC) under the Chairmanship of Development Commissioner and other representatives of line departments. It was required to meet twice a year and was responsible for the over all supervision, guidance and monitoring and evaluation of progress of implementation of watershed development programmes. District Watershed Development Committees (DWDC) for supervision of implementation of watershed development programmes were to be constituted at district level. The State level supervising committee was not constituted and in test checked districts the committee was found functional only in Rajnandgaon district.

It was observed that 71 NWDPRAs¹³ projects were being implemented parallelly in 29 DPAP blocks and 24 blocks where IWDP watershed programmes were in operation. This indicated duplication in implementation due to inadequate coordination between the Rural Development and the Agriculture Department.

¹³ *National Watershed Development projects for Rainfed Areas, watershed development programme of Ministry of Agriculture.*

3.3.12 Conclusion

The watershed projects were being implemented through inadequate project plans. Project selection was faulty and some were selected in areas which did not qualify. Components were not executed in prescribed sequence necessary for proper development of watersheds. The programmes were being implemented with limited scope, major emphasis was given to construction of structures under water conservation measures and other components were either partially covered or totally ignored. Many completed projects had not been handed over to WCs. Prescribed records were not properly maintained. The limited effectiveness was borne out at a macro level by the continuance of drought in many of the blocks covered by the programmes.

3.3.13 Recommendations

- Project plans should be prepared with appropriate scientific and technical inputs.
- Selection of villages under watershed projects should be prioritized based on the percentage of wasteland.
- An appropriate range over and under the prescribed optimum size of 500 ha should be specified to limit the size of watersheds.
- Different categories of works should be carried out in prescribed sequence by adopting ridge to valley strategy and as per prescribed percentages.
- Activities should be co-ordinated with the Agriculture Department to prevent overlapping and for a comprehensive approach to watershed development.

These recommendations were discussed in the exit conference (September 2006) and the Government agreed to take necessary action.

Revenue Department**3.4 Computerization of land records 'BHUIYAN'****Highlights**

The Scheme of Computerization of land records system, even after 17 years from its commencement, has failed to reach a stage whereby it can replace the manual system. The information in the computerized system was full of errors and important details were found to be missing. The data has not been properly updated and thus the generation of ROR in computerized system was not reliable. The services of trained staff were not utilized and the procured hardware for the scheme was lying unutilized. The reasons for failure of the scheme and the deficiencies observed therein have been brought out in the succeeding paragraphs.

The department failed to utilize Central assistance of Rs.6.24 crore, Rs.1.57 crore received during 2001-02 was diverted for purposes other than specified in allotment, Rs.4.40 crore was irregularly drawn and kept in cash/ savings banks account to avoid lapse and utilization certificates were furnished even after having unspent balances.

(Paragraph 3.4.6)

Avoidable expenditure of Rs.24 lakh on software, unfruitful expenditure of Rs.22.57 lakh on hardware, diversion of hardware to ineligible persons was noticed. Undue benefit of Rs.2.47 crore to private firms for data entry operations, unfruitful expenditure of Rs.1.29 crore on final printouts of khasra and khatauni, and infructuous expenditure of Rs.45.68 lakh on digitization of cadastral maps was noticed.

(Paragraph 3.4.7)

The system was not provided with adequate controls to ensure completeness and correctness of data rendering the data unreliable. The department did not prescribe adequate controls in the system design. Trial run and testing of the software was neither conducted nor documented. There was no built in control for validation of data for linking it with the provisions of land records.

(Paragraph 3.4.8)

The data computed by private firms were with blank fields and full of errors due to this system was fraught with risks of generating incorrect ROR. Further, invalid coding, variation in ported data, double account and inconsistencies in subsidiary files was noticed.

(Paragraph 3.4.9)

The computerized data in test checked district was not updated regularly and there was hardly any updation in data after initial porting in the tehsil systems.

(Paragraph 3.4.10)

Audit also noticed inadequate general controls viz. segregation of duties, access controls, password policy and absence of controls on output etc.

(Paragraph 3.4.11)

Recovery, backup and anti virus plans were also not properly laid down and followed.

(Paragraph 3.4.12)

An uncontrolled e-governance initiative in Bilaspur district in form of e-sangwari was noticed. Issuance of ROR from these centres was not properly authorized by the department/ Government.

(Paragraph 3.4.15)

3.4.1 Introduction

Computerization of Land Records (CLR), a 100% Centrally Sponsored Scheme (CSS) of Government of India (GOI) was initiated (1988-89) with a view to overcome the inherent problems in the manual system of maintenance and updation of land records and to provide computerized copies of Records of Rights (ROR) at a reasonable price to the landowners. The scheme also envisaged speed, accuracy, transparency, dispute resolution and on-line management of land records. Initially, the erstwhile State of Madhya Pradesh launched the scheme during 1988-89 and the scheme was re-launched (November 2002) in the State of Chhattisgarh as 'BHUIYAN'¹.

Though the original scheme encompassed digitization of land details, ownership details, crop pattern, village field book etc. only two functions viz. village field book (P-11² register) and ownership details (B-1³ register) were taken up for computerization which were mainly utilized for issuance of ROR to the land owners on demand.

A client server model application was developed with visual basic at the front end and SQL⁴ server at the back end which was designed to work on Windows platform. The legacy data was ported by National Informatics Centre (NIC), Chhattisgarh. Further, the Commissioner, Land Records, Chhattisgarh

¹ BHUIYAN means 'land'.

² This register contains individual land details recorded in ascending order of survey numbers (Khasra). The register is maintained for five years.

³ This register contains owner-wise information with records sorted in alphabetical order with serially allotted khaata (account) number to owners also known as Khatauni.

⁴ Structured Query Language

(CLRCG) also entered into a Memorandum of Understanding (MoU) in November 2002 with Chhattisgarh infotech and biotech Promotion Society (CHiPS⁵) for providing assistance in the scheme viz. planning, implementation, system study, solution design, tendering, etc.

The GOI scheme was under implementation for over 17 years (11½ years in Madhya Pradesh and 5½ years in Chhattisgarh) and an expenditure of Rs.13.91 crore was incurred on it upto March 2006 for the districts under Chhattisgarh.

3.4.2 Scheme objectives

The main objectives of the scheme were:

- To facilitate maintenance and updating in land data base such as changes due to creation of irrigation facilities, natural calamities, consolidation of land holdings or legal changes like transfer of ownership, partition, land acquisition, lease etc.
- To preserve land records data for long time in storage media for fast and efficient retrieval of information.
- To provide comprehensive security to make land records tamper-proof.
- To create 'Land Information System'(LIS) and to provide database for effective land reforms, revenue administration and development.
- To facilitate preparation of annual set of records accurately for recording details such as collection of land revenue and cropping patterns etc.
- To provide timely and accurate copy of the ROR (*Khasra*⁶ and *Khatauni*⁷) to the landowners.

3.4.3 Organisational set-up

The Secretary, Revenue-cum-Commissioner Land Records is the State Level Implementing Authority. Collectors/ Additional Collectors/ Deputy Collectors/ Assistant Collectors/ Superintendent of Land Records at district level and Assistant Superintendent Land Records at departmental level are designated as nodal officers. In the manual as well as in computerized system the Tehsildar (overall administrator) is responsible for up to date maintenance of land records within his jurisdiction, the Revenue Inspector (transaction approver) supervises the work of *patwari*⁸ (data entry and maintenance) who is the main functionary maintaining all types of land records pertaining to his/her *halka*⁹.

⁵ A Society registered (January 2001) under Chhattisgarh Societies Registration Act, 1973.

⁶ It is the unique survey number of the land within a tehsil.

⁷ It contains owner-wise information in alphabetical order also known as B-1.

⁸ Person who maintains land records in a village(s).

⁹ Group of villages under the supervision of patwari.

3.4.4 Audit objectives

Audit of the scheme was done to evaluate the:

- (i) Extent of computerization of land records in the State.
- (ii) Efficacy in procurement of hardware/ software, its utilization and training of personnel.
- (iii) Effective utilisation of computerized database for land reforms, administration and development works.
- (iv) Efficacy of data capture, updation, maintenance, security and validation.
- (v) Accuracy in issuance of ROR to landowners.

3.4.5 Scope of audit

The records of CLRCG, six¹⁰ district Collectorates, CHiPS and NIC were scrutinized during April 2006 to July 2006 covering the period from 1999-2000 to 2005-06. The databases of 19¹¹ tehsils (out of 98 where the scheme was implemented) was analysed using Computer Assisted Audit Techniques namely SQL.

AUDIT OBSERVATIONS

3.4.6 Injudicious use of GOI funds for the scheme

The scheme was 100% financed by Central Government upto the point of completion of the project in a district. Subsequently, Central assistance is to be discontinued and the State Government is to bear the expenditure on maintenance and continuation. Accordingly, Central assistance was discontinued after 2002-03. GOI had sanctioned Rs.14.64 crore during 1999-2006, out of which Rs.6.25 crore could not be spent (September 2006). The State Government also sanctioned Rs.6.40 crore during 2003-06, out of which Rs.0.88 crore was surrendered.

¹⁰ Bastar, Bilaspur, Dhamtari, Durg, Raipur and Surguja.

¹¹ Jagdalpur, Keshkal and Kondagaon (Bastar); Bilaspur, Marwahi and Pendra road (Bilaspur); Dhamtari and Kurud (Dhamtari); Balod, Durg, Gundardehi and Patan (Durg); Abhanpur, Arang, Gariabandh, Raipur and Rajim (Raipur); Ambikapur and Surajpur (Surguja).

3.4.6.1 Non-utilisation of GOI funds

GOI funds of Rs.6.24 crore could not be utilized

It was noticed in audit that proposal for establishment of State level monitoring cell, data centres at 16 districts, computer systems at 63 sub-divisions and upgradation of computer systems in 98 tehsils was sent (September 2004) to GOI. Rs.6.24 crore was released by GOI during 2004-06 against the proposal. As the department could not utilize the funds, the same were revalidated by GOI from time to time. Even after revalidation of funds of Rs.6.24 for the year 2006-07, the department could not spent (September 2006) even a single rupee and failed to establish State level monitoring cell, data centres at district and computerization of sub-divisions even after two years. The department did not offer any specific reply and simply stated (September 2006) that even after revalidation by GOI Finance department of the State had not released the funds.

3.4.6.2 Drawal of funds in advance of requirements

Drawal of Rs.4.40 crore to avoid the lapse of funds

Test-check of records of six districts revealed that Rs.4.40¹² crore was irregularly drawn between March 1999 to February 2005 to avoid lapse of funds and expenditure was incurred in subsequent years. Of this, Rs.4.80¹³ lakh remained unutilized with the Collectors in cash/savings bank account as of July 2006. Such drawal of funds in advance of requirement resulted in blocking of Government funds and their retention outside the Government account in contravention to the financial rules.

3.4.6.3 Diversion of Central assistance

GOI assistance of Rs.1.57 crore diverted without permission

Scrutiny of records of the Commissioner, Land Records revealed that the Central Government funds to the tune of Rs.1.57 crore released in September 2001 meant for procurement of computers and other equipments through centralized tender were distributed (March 2002) to 16 districts for payment on account of data entry to six private firms and purchase of stationary resulting in diversion of funds without prior permission of GOI. Moreover, utilisation certificate (UC) was sent in September 2003 by Commissioner Land Records to GOI stating that the entire amount was fully utilized for the purpose to which it was sanctioned.

UC furnished to GOI even after having balance of funds

Similarly, an amount of Rs.32.34 lakh was sanctioned (February 2003) by the GOI for training of revenue personnel. The utilization certificate of Rs.32.34 lakh was sent in September 2003 by Commissioner Land Records to GOI, stating that entire fund was utilized for the purpose to which it was sanctioned despite having an unspent balance of Rs.15.68 lakh. Thus, there was gross mis-representation of fact reported to the GOI.

¹² Bastar: Rs.40.95 lakh; Bilaspur: Rs.133.83 lakh; Dhamtari: Rs.13.88 lakh; Durg: Rs.77.19 lakh; Raipur: Rs.142.35 lakh and Surguja: Rs.31.59 lakh.

¹³ Dhamtari: Rs.1.31 lakh; Raipur: Rs.3.06 lakh and Surguja: Rs.0.43 lakh.

3.4.7 Acquisition and Implementation

During audit it was seen that though as per MOU CHiPS was suppose to provide assistance in planning, implementation, system study design etc. the department did not fully utilize the services of CHiPS except in tendering. It also observed that though a centralized purchase was recommended by GOI and the study team but the District Collectors made the purchases with different make, model and configuration machines. Thus, the department failed to ensure centralized purchase for standardized specifications in all districts and avail the option for more competitive offers and discount on bulk order; main findings are given below:

3.4.7.1 Avoidable expenditure of 24 lakh in procurement of software

Incorrect assessment of software led to avoidable expenditure of Rs.24 lakh

In November 2002, CHiPS recommended a software meant for developing dynamic maps and GIS data and services via the web for three tehsils (Kondagaon (Bastar), Marwahi (Bilaspur) and Patan (Durg)) for implementation of the scheme. Three copies of this software, called ARC IMS (Internet Map Server) 5.0, were purchased (October 2002) for Rs.8.00 lakh each.

Audit observed that two copies were still lying idle without use in two tehsils and the software meant for Marwahi (Bilaspur) was lent (January 2004) to CHiPS. It was also noticed that neither the tehsils nor CHiPS had the technically skilled manpower to operate the software. Moreover option of free training by the supplier of the software was not availed as a result the software could not be made use of.

On being pointed out, Chief Executive Officer, CHiPS stated that it was not the fault of the CHiPS as the software was recommended for purchase but the department was free to decide whether to purchase the same or not. The reply was evasive as CHiPS was associated with the project from the beginning and the fact that no technical expertise was available with it, made its recommendation all the more incredible. Thus, incorrect assessment of software requirement led to avoidable expenditure of Rs.24.00 lakh.

3.4.7.2 Unfruitful expenditure in procurement of Hardware- Rs.22.57 lakh

Unfruitful expenditure of Rs.22.57 lakh on hardware purchase

The department purchased three¹⁴ touch screens, 104 scanners and other equipment at a cost of Rs.11.92 lakh to facilitate the landowners with an instant view of land records information on touch screen, to scan mutation documents and to establish connectivity with Indira Suchana Shakti Kendras(ISS) to facilitate the remote villagers to get the computerized ROR at their door step. It was noticed in audit that these items were not utilized and were lying idle since their installation (November 2002). 18 scanners issued to ISS in Kondagaon (Bastar) but were not taken back after their closure (June 2004). It was also noticed that 24 computers (valuing Rs.7.77 lakh) and two

¹⁴ One each for Kondagaon (Bastar), Marwahi (Bilaspur) and Patan (Durg) tehsils.

servers (valuing Rs.2.88 lakh) were lying idle in test-checked tehsils. Further, out of 19 tehsils, networking was not in place in 17 tehsils (except Arang and Rajim) defeating the very purpose of sharing information. Thus, the entire expenditure of Rs.22.57 lakh remained unfruitful.

3.4.7.3 Diversion of Computers to ineligible persons

Eight computers, five laser printers, four dot matrix printers and two UPS purchased for the scheme were diverted to other ineligible persons in Raipur district such as Reader to Collector, Steno to Collector, Steno to Additional Collector, Revenue Minister, Steno to Additional Collector (Revenue), Member of Parliament, Raipur, CBI and Election Branch. Further, nine computers of tehsils¹⁵ were found installed at the Commissionerate. Thus, the hardware procured for the scheme was not used for the intended purpose.

3.4.7.4 Undue benefit of Rs.2.47 crore to private firms for data entry operations

Data of khasra and khatauni was not captured completely

The capture of data for all 98 tehsils from *khasra* and *khatauni* register for base year 1999 was entrusted (May-August 1999) to three private firms¹⁶ and the same firms were entrusted (September 2002) the work of updation for base year 2002. In test checked districts the data entry work worth Rs.2.03 crore was stated to be completed by August 2003 and updation work worth Rs.1.71 crore by May 2004. However, audit scrutiny revealed the following:-

- No uniform norms were fixed for payment for data entry and they varied from Rs.1.95 to Rs.2.15 per entry for similar work.
- Data of only first four¹⁷ columns of *khasra* and first eight¹⁸ columns of *khatauni* register was captured. Important data of remaining 23 columns of above register, which consists of the crop details and details of revenue collected, deposited, balance at the end of year and recovery after end of revenue year was not captured.
- Though it was the responsibility of the *patwari* concerned to verify the data entry which was to be further checked by the Revenue Inspector, Superintendent Land records and was to be augmented by random checking by senior officers, full payments were made without verification of correctness and completeness of the data.

Thus excess payment of Rs.2.47 crore to the private firms was made in complete violation of the government regulations and tenets of probity and financial prudence.

¹⁵ One system each from Bilaspur, Dantewara, Dhamtari, Janjgir, Kawardha, Korba, Koria, Raigrah and Surguja.

¹⁶ M/s Solitaire Comptech Pvt Ltd, Gwalior (M.P.) for Bastar Bilaspur, Durg and Raipur M/s Panchsheel Software, Bhopal(M.P.) for Surguja
M/s Vivekanand Computer Institutes, Vidisha (M.P.) for Dhamtari

¹⁷ Khasra number, area, name of owner/leasee, father name and address.

¹⁸ Account number, name of owner/leasee, details of account, details of land held by the owner and area, details of land revenue viz. installments, land revenue, sub-tax, total.

3.4.7.5 Incomplete porting of data

Data of 26 villages was not ported in computer system

It was noticed that in Ambikapur, Gariabandh and Patan tehsils data of 26 villages (Ambikapur-6, Gariabandh-15 and Patan-5) was not ported in computer system as of July 2006. On being pointed out, Tehsildhar, Gariabandh and Patan stated (June 2006) that the matter would be examined and Superintendent, Land Records, Surguja stated (July 2006) that requests have been made to NIC to port the data. Thus, the issuance of computerized ROR in respect of these 26 villages was not possible.

3.4.7.6 Unfruitful expenditure of Rs.1.29 crore on printouts of khasra and khatauni forms made to private firms

Non-utilization of final printouts valuing Rs.1.29 crore of khasra and khatauni

The final data printouts of *khasra* and *khatauni* in three copies obtained twice¹⁹ from data entry firms were required to be distributed to the concerned tehsil offices, gram panchayats and *patwaris* and the *patwaris* were required to maintain their land records in these printed copies to carry out future corrections/modifications. They were also required to take out fresh printouts of data before start of the revenue year to record entries during that year. It was observed that the final data printouts, for which Rs.1.29²⁰ crore was paid to the private firms, were lying idle either at districts or at tehsils. Thus, the very purpose of obtaining these printouts was altogether defeated and resulted in unfruitful expenditure. Further, as per the agreement the printout of *Milan khasra*²¹ was required to be obtained from the data entry firms for each village. It was observed that without obtaining printouts of *Milan khasra* payments were made to the firms; in absence of *Milan khasra* it could not be ensured that the all columns of *khasra* were captured during data entry by the firms.

Besides, the department was still incurring expenditure (Rs.8.95²² lakh during 2004-06) on printing of blank forms of *khasra* and *khatauni* on which the *patwaris* were maintaining the land records manually and were also compiling the two reports namely *Milan Khasra* and *Jeenswaar*²³ manually which were based on *khasra* and *khatauni*. Thus, no additional benefit from computerization of land records though generation of these reports has accrued and for all practical purposes the manual system was still in use.

¹⁹ First after data entry for base year 1999 and second after updation of data for base year September 2002.

²⁰ Bastar: Rs.12.28 lakh; Bilaspur: Rs.24.62 lakh; Dhamtari: Rs.0.40 lakh; Durg: Rs.30.28 lakh; Raipur: Rs.36.92 lakh and Surguja: Rs.24.78 lakh.

²¹ Includes information on types of land, sources of irrigation etc. for a village.

²² Bastar: Rs.1.60 lakh; Dhamtari: Rs.1.14 lakh; Raipur: Rs.2.28 lakh and Surguja: Rs.3.93 lakh. Information from Bilaspur and Durg districts was awaited (September 2006)

²³ Crop-wise report

**Non-installation of
map software of
Rs.45.68 lakh**

3.4.7.7 Infructuous expenditure on digitization of cadastral maps

A Centrally Sponsored pilot project '*digitization of cadastral maps*' was started (1998-99) in erstwhile State of Madhya Pradesh by Commissioner, Land Records, Madhya Pradesh (CLRMP) with the objective of providing computerized local maps showing *Khasra* number to villagers, in two districts (Raipur and Surguja) of present Chhattisgarh State. Separate agreements were signed (April/May 2000) between the Commissioner Land Records, Madhya Pradesh and two New Delhi based firms²⁴ to develop appropriate software.

Scrutiny of records in the office of the Collector, Raipur (March 2005 and April 2006) revealed that maps of 745 villages of three tehsils²⁵ were digitized and the firm delivered final CD (November 2002) but it was lying idle (May 2006) with the department and was not installed in any of the three tehsils. The firm was paid Rs.27.90 lakh (March 2004) against its claim of Rs.48.76 lakh by the Collector, Raipur. The remaining amount of Rs.20.86 lakh could not be paid to the firm due to non-availability of budget and non-completion of work (May 2006).

Similarly, scrutiny of records in the office of the Collector, Surguja (July 2006) revealed that maps of 439 villages of Surajpur tehsil were digitized and the firm delivered final CD of 383 villages (March 2001) but since there was mismatch between the maps of final CD and manual maps it was lying idle (July 2006) with the department and was not installed. The firm was paid Rs.17.78 lakh (March 2001) against contract value of Rs.30.55 lakh by the Collector, Surguja. The remaining work of 56 villages was incomplete (July 2006) thus the balance could not be paid to the firm. An amount of Rs.2.27 lakh released during 2003-04 for the above purpose was lying unutilized and kept unauthorisedly in savings bank account as of July 2006.

On this being pointed out, the concerned Collector stated that the firm has been directed repeatedly to install the software but even after reminders and request over phone the firm had not taken any action. The Government has not offered specific comments on the issue.

Thus, the Centrally Sponsored Scheme of '*digitization of cadastral maps*' started six years back remained incomplete and amount of Rs.45.68 lakh spent on the work remained infructuous.

3.4.7.8 Infrastructure

During audit scrutiny a number of deficiencies were noticed in the creation of infrastructure which are given below:

- (i) As per the GOI guidelines, the State Government was required to construct/ provide space of minimum 200-250 square feet of carpet area for

²⁴ M/s. Ramtech Corporation Limited and M/s. Xerox Modicorp Limited.

²⁵ Abhanpur, Arang and Brindanawagarh (Gariabandh).

computer room at each tehsils. In test checked tehsils the space provided for computer room was too less than the prescribed area e.g. in Arang, Raipur and Rajim tehsils were having maximum carpet area of 60 square feet only.

(ii) Air conditioners were purchased by the department for all tehsils but in 14 tehsils, out of 19 test checked, air conditioners were not found installed and their whereabouts were unknown.

(iii) Fire extinguishers were not found installed in 18 tehsils (except Dhamtari). Similarly, in test checked districts anti virus software were not installed in any of the systems.

3.4.7.9 Training activities

Unproductive expenditure of Rs.14.03 lakh on trained manpower

Training is an important function of programme implementation. Accordingly GOI provided Rs.32.34 lakh in 2002-03 for computer training of revenue staff. After training the revenue staff was required to maintain their land records on computers. In six test checked districts it was noticed that 1914 revenue personnel were trained for which expenditure of Rs.14.03 lakh was incurred.

Audit scrutiny of the training activities in six test-check districts revealed the following:

- Though the course contents were the same but the rate per student was different and ranged from Rs.150/- to Rs.1000/- in test checked districts. The selection of the institution for imparting training was not done at the departmental level to ensure standardized training in all districts and the option for more competitive offers and discount on bulk training could not be exercised. Details are given in **Appendix 3.4**. In any of the test checked tehsils user and operational manuals were not provided.
- Though an expenditure of Rs.14.03 lakh was incurred on training of 1914 revenue personnel, it was seen that their services were not utilized for updating the data at tehsil levels. Though trained revenue personnel were responsible for carrying out updation in respect of their *halka* but in most of the tehsils the data was not updated from September 2002. Thus, expenditure on training of revenue staff proved to be unproductive.

3.4.8 System design

Trial run and testing of the software was not done

The department did not prescribe any system development methodology and framework to control the process of system design internal controls, security, disaster recovery, change management controls etc. for effective implementation and continuation of the scheme. It was also observed that trial run and testing was not done by the department to enable proper evaluation/ acceptance of the application software developed by the NIC; no documentation viz. acceptance certificate was available for the software due to which various deficiencies in software existed which are given below:

Non-availability of ownership history in computerized system**3.4.8.1 Ownership history not available in the computerized system**

In the manual system, history of ownership of land was always available. However, it was observed that the software did not provide the facility for storing history of *khasra* as well as mutation history to recognize the changes made in each *khasra*. As a result when an ownership change took place the new entry was made by overwriting electronically in the database and no archiving of the earlier record was done. Thus the system was not capable of giving full ownership details without consulting the manual records. In reply NIC stated that the facility has now been provided in the current version of software. However, the facility was not available in the earlier version due to which the history of already mutated *khasra* in earlier software could not be viewed.

3.4.8.2 Ban on mutation of Government land not enforceable

In the manual process, if there was a ban on making changes/mutations on properties pertaining to the Government land allotted for rehabilitation, properties which had charges on them like mortgage and court order, notings were taken under authorized signature banning further mutations in respect of such properties. The software, however, did not provide the facility for freezing the data against making such illegal mutations. The department failed to indicate the procedures for incorporating such checks by NIC.

3.4.8.3 Government rules not incorporated in the software by way of validation checks

- In 5657 cases, tax of Rs.1,15,525.48 was indicated against government owned lands, which were not even leased. Indication of tax against Government owned land was irregular.
- Scrutiny of ownership data of 18 tehsils revealed that in 290 accounts (466673.308 hectares), the owners were having land much more than the prescribed norms as stipulated in Rule 7 of the Chhattisgarh Agriculture Land Ceiling Act, 1960. In five accounts (9652 hectares) names of owners were not specified. Further, scrutiny of ownership details *khasra*-wise, it was observed that area of 335714.132 hectare in 255 private cases and area of 753 hectare in two cases (where the name of owner was not mentioned) was more than the prescribed norms of the above Act. Thus, there was no built in validation of the data for linking it with the provisions of Chhattisgarh Agriculture Land Ceiling Act, 1960 to prevent a land owner to hold land of more than ceiling limit in computerized system.
- In 271360 cases, the sum of irrigated and non-irrigated area was more than the total area owned by a landowner. Thus, there was no built in control for validation of the data for linking it with the exact area in *khasra* entry.

3.4.9 Input controls

Data was unreliable due to inconsistencies in data capture. These include wrong coding, no names, caste, father's name and address of owners, wrong entry of taxes, incorrect land category, etc.

The Computerization of land records system should ensure complete, accurate and timely updated data for issuance of ROR to landowners on demand. To achieve this objective, the system should ensure that the basic data was captured and maintained properly in a secure manner. Though the system did not deal with financial functions directly but it processes data of public interest. Thus, success of this scheme lies in the reliability of the data captured. IT enabled analysis of data using SQL, in 19 tehsils (43.99 lakh records for 4193 villages) consisting entries of *khasra* and *khatauni* entries disclosed several inconsistencies in data input controls, which adversely affected the reliability of the database. The major deficiencies are given below:

3.4.9.1 Double accounts in khatauni register

As per rule, the owner should be allotted with only one unique account number in *khatauni* register wherein the lands owned by him should be shown in one place. Scrutiny of analysis in 19 tehsils (except Gariabandh) revealed that in 30571 instances (83222 accounts) the owners were allotted with more than one account in the system. Out of which, in 7028 accounts (1237 instances) the name of account holder was either blank, comma, dot, single character or entered with numerical and meaningless words. In 44559 accounts (17427 instances) name of the father was not entered. Similarly, out of 6913 Government accounts (438 instances), 2892 accounts (182 instances) were still in the name of Madhya Pradesh Government, which was evident that the data captured for base year 1999 and updated in base year September 2002 was dated.

3.4.9.2 Inconsistencies in tenancy files

Inconsistencies in tenancy files viz. names in one character, caste code not entered or incorrect etc.

Data analysis of 18 tehsils revealed that out of 1096 tenants to whom land was leased, names of the tenant contains only one character in 175 cases which was meaningless, caste code was not entered in 773 cases and incorrect caste code was entered in 103 cases. In 859 cases name of father was not entered or entered as '*Pitha*' and in 232 cases address was not entered.

3.4.9.3 Inconsistencies in encroachment files

In encroachment file name, father's name, address of encroacher not mentioned

Further data analysis of 18 tehsils revealed that 14378.029 hectare area was encroached by 15740 encroachers. Out of this, in 297 cases the name of encroacher was not entered or contained only one character, which was meaningless and in 12727 cases name of father was not entered or was entered as '*Pitha*'. In 10277 cases the address of the encroacher was not entered and in 17 instances the encroached area was more than the actual *khasra* area.

3.4.9.4 Blank/ incomplete fields

□ In 130622 instances, the area of *khasra* was not mentioned due to

which the exact area owned by the landowner could not be identified and the issuance of computerized ROR was not possible in these cases.

- In 3236569 cases, the land revenue levied and in respect of 3952678 cases other taxes levied for the current year was not entered due to which the exact revenue realised during the year could not be ensured.
- In 9036 cases name of the owners was not captured or contained only one character, in 608372 cases name of father/husband of the owner was not entered or entered just as 'Pitha' and in 102602 cases address of the owner was not entered. Thus, issuance of computerized ROR in these cases was not possible.
- In 3456237 cases, crops were shown as sown but the area on which the same was sown were not indicated and in 3177006 cases details of crop sown viz. crop code not entered due to which crop details on individual lands were not available.

3.4.9.5 Invalid coding

- Category of land was to be indicated by the code '1', '2' or '3' standing for 'Government', 'Private' or 'Sanstha (Institution)' respectively. However, in 830 cases (9834.662 hectares), type of land was not entered. This makes detection of irregular transfer of land difficult.
- Caste of the owner was to be indicated by the codes '1', '2' or '3' standing for Scheduled Caste (SC), Scheduled Tribe (ST) or General (Gen) respectively. In 895061 cases, the caste code was not entered; in 167292 cases the code entered was other than the prescribed numerical viz. '4', '5', '6' etc. Thus, the provision of Rule 170 of Revenue Manual to ensure sale of Schedule Tribe owned land to the same community during mutation was not incorporated in the software.

3.4.9.6 Variation in ported data

- In Bilaspur tehsils the ported data (July 2003) consisted of 220985 *khasra* for 97 villages whereas the present data in tehsil system shows 208377 *khasra* for 112 villages, thus there was decrease of 12608 *khasra* despite increase of 15 villages which was not possible. Similarly, in Pendra road tehsil the ported data (December 2003) consisted 158907 *khasra* whereas the present data in tehsil system shows 157646 *khasra* with a decrease of 1261 *khasra*.

On being pointed out by audit on the above points, the concerned Tehsildars stated that necessary instruction for rectification of errors would be issued and the data would be updated.

3.4.10 Lack of regular updation of data

Lack of regular data updation

In 19 test-checked tehsils, only 118346 mutations were entered from the installation of the computerized system upto July 2006. When compared with the figures of initial ported data there was minimal difference between ported data and present data in six tehsils ranging from six to 858 *khasra* only which

clearly indicates that the data was not updated regularly in the computerized system. Further against information furnished by the department to a Vidhan Sabha question, 25657 number of registration (sale/purchase of land) in five test checked tehsils of Raipur were found during 2004-05 but only 3145 mutations (June 2006) were entered in computer system. Thus, it is clear that the data was incomplete and not updated periodically. Moreover, in 7255 instances, the actual area of *khasra* was changed after porting of data from time to time, as the area of *khasra* was captured incorrectly. Audit also noticed that neither logs were kept nor was there proper control over change of data. Thus it can not be verified whether the changes were properly authorised or not.

On being pointed out, concerned Tehsildars and Collectors stated that action plan would be drawn up for updation of data.

3.4.11 Inadequate General Controls

3.4.11.1 Segregation of duties

In manual as well as in the computerized system the *patwaris*, revenue inspectors and tehsildar were provided with different levels of authorizations viz. entry and maintenance, supervision and approval of entry respectively. However, it was noticed in test-checked tehsils functions of the posts mentioned above were being performed by one individual, i.e. the data entry operator. Even though the *patwaris*, revenue inspector and Tehsildar were trained in the use of the IT system they had left the entire operations to the data entry operator seriously affecting the concept of distribution of duties and powers according to the hierarchy in an organisation. This absence of the system of checks and balances makes the system vulnerable to risks and manipulation.

3.4.11.2 Lack of access controls

Scrutiny of mutation module revealed that the proposed biometric system to provide foolproof security in the form of providing joint thumb impression of two officials for making modification/changes of the previous certified mutation entries was not provided.

It was also seen that good password policies like password aging, log out after specified idle time etc. was not enforced. Instead, in 18 tehsils, default password was found to be in use. Moreover, login password of the software did not have restriction on the number of unsuccessful attempts to disallow unauthorized users.

Moreover, in important menus as well as in sub-menu of the software one can easily access and can add/modify the entries without requiring any password/key word. Further, some sub-menus did not have 'delete' option to delete incorrect entry, if any. Since the RORs were seen to be generated

directly through the server and not through the terminal machines this brought in additional vulnerabilities to the database.

Thus, the logical access controls were weak, exposing the system to unauthorized access, serious risks of data manipulation, tampering and loss.

3.4.11.3 Absence of control on number of ROR issued

Against issuance of ROR the incharge personnel was required to collect the prescribed amount for each ROR. There was an absence of control to ascertain the number of copies actually printed in a day and amount collected thereof. To ensure the actual issuance of printed ROR and collection of revenue, the system should have facility to generate daily/ weekly/ fortnightly/ monthly report to minimize the risk of manipulation. No request to develop such facility in software was made by the department to NIC.

3.4.12 Insufficient Recovery plans, backup and anti virus strategy

Absence of recovery plans, regular backups and anti virus strategy

It was noticed that risk assessment was not done and adequate alternative arrangements for continuing the activities in the absence of key personnel were not worked out. Moreover, no annual maintenance contracts (AMC) were executed (except in Ambikapur and Surajpur) for computer hardware even after expiry of their warranty period.

Further, there was no standardized backup policy in the department. In four tehsils (Abhanpur, Durg, Kondgaon and Surajpur), it was observed that backup was taken in the system itself and remaining tehsils informed that they do not have trained staff to take backup. Since database of all the tehsils were maintained on a single hard disk, there was a high risk of data loss. Further, the department had not developed disaster management and recovery plan for restoration of the whole database in case of mishap. The scheme envisaged preservation of data for a long duration; the land records involve large volumes of data, which require frequent backup. However, audit observed that the specifications by CHiPS did not include CD writer in three tehsils (Kondagaon, Marwahi and Patan), when, the same was included for other tehsils. Moreover, CD writers were not found installed in Jagdalpur and Bilaspur tehsil systems due to which backup of data could not be ensured. Thus, there was high risk of data loss in case of breakdown.

3.4.13 Monthly progress reports

Department failed to analyse the monthly progress reports

Scrutiny of monthly progress reports (November 2005 and March 2006) compiled at CLRCG revealed that the department did not obtain the monthly progress reports timely and failed to analyse the available reports to monitor the implementation of the scheme in the State. Prominent examples are as follows:

3.4.13.1 It was also observed that five²⁶ districts were not furnishing the monthly reports from December 2005 but no action was taken up.

3.4.13.2 The department prescribed (March 2004) a format of monthly progress report to be furnished by all districts by 5th of every month in respect of issuance of manual and computerized ROR. It was observed that the monthly reports received at CLRCG were not in prescribed format due to which the monitoring of ROR issued manually by *patwaris* versus computers could not be ensured.

3.4.13.3 Even though 214 ROR were issued during December 2005 to March 2006 in Mahasamund district the revenue realised declined. Similarly, in Jashpur district, 14613 ROR were issued upto November 2005, whereas March 2006 reports shows that 14524 ROR were issued. No action was taken to address these anomalies.

3.4.14 Monitoring and evaluation

Lack of monitoring mechanism and impact analysis

As per GOI guidelines the State Level Implementing Authority, Secretariat/Board of Revenue/office of the Commissioner Land Records, Nodal officers were required to visit the programme districts and tehsils periodically to ensure effective implementation, which was not done. The schedule of field inspections have not been drawn up at the State level nor reported to GOI as required. The department did not prescribe any procedure for effective field monitoring and evaluation of the scheme in the State. Inspection reports in respect of inspection of districts/tehsils conducted by the above officers were not on record.

The duties performed by the Commissionerate were mainly confined to collection of figures from all districts in the State. Systematic field monitoring was essential to assess the impact of the scheme but monitoring was done through monthly progress reports only, which were not analysed at Government/ Commissionerate level. Neither the targets for visits to subordinate offices were fixed nor any records maintained. Thus, the performance of the scheme remained unevaluated during the entire period covered by review.

3.4.15 Issue of ROR through *e-sangwari* centers (Bilaspur), an uncontrolled e governance initiative

Unauthorized discontinuation of ROR issuance from tehsil office

In the year 2004 the Collector, Bilaspur launched an initiative called *e-sangwari*²⁷ in the Bilaspur district with the prime objective to serve the citizens of Bilaspur district by providing governmental services²⁸ through

²⁶ Dantewara, Jashpur, Kawardha, Mahasamund and Surguja.

²⁷ Sangwari means 'colleague'

²⁸ Certificates of Caste, Domicile, Birth, Death, Income, Marriage, Medical and BPL; Licenses of Hotel, Gun and driving; Information of land records (P-11 & B-1), Passport application, Registration of vehicle, Affidavits, Complaints etc.

single window system using Information and Communication Technology Tools.

Records collected from *e-sangwari* centre, Bilaspur revealed that during July 2004 to May 2006 10²⁹ separate agreements were entered between various Tehsildars and a Patna based private firm; records regarding the selection of the firm were not provided to audit. As per the agreement conditions the local administration of above tehsils were required to issue necessary instruction to all the governmental departments in the district of Bilaspur not to entertain people directly. Instead the applicants were required to submit their application at *e-sangwari* centres and in turn the centres would provide the required information to applicant after obtaining it from the concerned department and would charge additional amount as service charges ranging from Rs.5 to Rs.50 per ROR. For example charges for *khasra* and *khatauni* was fixed Rs.20/- per ROR, out of which, Rs.15/- was to go to the government and remaining Rs.5/- was service charges to *e-sangwari* centre.

Audit noticed various irregularities in the implementation of this scheme which are given below:

- Issuance of *khasra* and *khatauni* from Tehsils office was stopped on the orders of the Collector, Bilaspur (July 2004) without authorisation by the Commissioner, Land Records. This was in complete violation of the State gazette notification (October 2002) according to which this authority was vested with the CLRCG.
- It was not clear how the range of amount for the same service i.e. providing ROR could range from minimum Rs.5/- for *khasra* and maximum of Rs.50/- for vehicle registration. Fixing the amount of money charged from the citizens according to the purpose for which the ROR was to be used when the process to get the ROR remained the same was completely unjustified and results in gross overcharging from the citizens.
- As per the instruction (May 2005) of Collector, the *e-sangwari* centre were required to deposit the government share of revenue daily in tehsil office and the Tehsildar was required to deposit it in government account weekly but it was noticed that the centres were depositing the amount in government account directly only on a monthly basis.
- It was noticed that no standardized format was utilized while entering agreements which was evident from the fact that out of 10 tehsils/sub-tehsils in four tehsils electricity charges and annual maintenance charges of equipments placed with *e-sangwari* centres were required to be paid by the tehsils/local administration whereas in remaining six tehsils these charges were to be borne by the private firm. It was also noticed that there was no monitoring of these centres by the Tehsildar and Collector. Morevoer, even after lapse of two years from agreement

²⁹ Tehsils: Bilaspur, Kota, Lormi, Bilha and Masturi, Sub-tehsils: Sakri of Tekhatpur tehsil, Jarhagaon, Sargaon and Pathariya of Mungeli tehsil and Sipat of Masturi tehsil.

(July 2004) no kiosks were installed in Bilaspur tehsil as agreed by the firm.

- There was no complaint redressal mechanism against deficiency of services by these centers. As they were outside the inherent control of rules meant for government departments the firms maintaining these centers were virtually operating without any accountability even while charging citizens for giving ROR etc.
- Importantly, there was hardly any use of Information Technology and Communication Tools for providing the service to the citizens and the *e-sangwari* centers merely acted as middlemen between the citizens and the government departments. Thus creation of separate centers in the present form only for receipt of application and providing ROR received from the tehsil office was completely unnecessary.

The Tehsildar and Collector, Bilaspur did not offer any comments over the issue (July 2006). The matter was brought to the notice of CLRCG in July 2006; reply was awaited (September 2006).

3.4.16 Conclusion

The scheme of computerization of land records was started in 1988-89 in erstwhile State of Madhya Pradesh and was re-launched in Chhattisgarh State in November 2002. However, the scheme has not resulted in a stable and reliable system of maintenance of land records and generation of ROR. The information in the system was found to be replete with errors due to deficient system design, incomplete data capture from the manual records and deficient controls over the input of data. Moreover, the data has not been updated in most tehsils after September 2002. As a result the concept of Land Information System (LIS) as envisaged in the scheme could not be achieved with such erroneous, unreliable and dated data.

As the scheme was not effectively managed and was implemented in a lackadaisical manner, the computerization of land records has merely resulted in duplication of work, infructuous capital expenditure on hardware/software and unfruitful recurring expenditure. The department was still dependent on the manual system for all practical purposes. Large amount has been spent in the scheme without following principles of financial prudence Thus even after 17 years and incurring huge expenditure the scheme had not reached a stage where the intended benefits of computerization could be realized to the citizens of the State.

3.4.17 Recommendations

For effective implementation of the scheme in the State, the Government needs to take the following steps:

- It is to be ensured that the captured data should be correct besides ensuring completeness and timely updation.
- Effective field monitoring at tehsil and district levels at regular

intervals (monthly, quarterly, half yearly) should be introduced. Monitoring and evaluation system should be evolved and implemented diligently.

- Working of State level as well as the district and tehsil level committees meant to implement the scheme should be geared up and made effective.
- For updation of data a time schedule should be prescribed and scrupulously followed. Similarly, a backup and security policy should be prescribed and followed.
- Manpower skill should be developed through computer training and refresher courses periodically to ensure optimum use of procured hardware. Further, annual maintenance contracts for computer hardware needs to be entered into.
- Necessary facility available in manual system of land records should be provided in computerized system and basic platform for development of the software should be fixed for uniformity.
- Expenditure for infrastructure creation and implementation of the scheme should be done in a transparent manner following the principles of financial probity and accountability.

FOREST DEPARTMENT

3.5 Conservation of wild life in National Parks and Sanctuaries

3.5.1. Introduction

Chhattisgarh has a total forest area of 59,722 sq.km. (44 *per cent*). The Government of Chhattisgarh, in exercise of the powers conferred by the Wildlife (Protection) Act, 1972, had declared 14 Protected Areas (PAs) i.e. three National Parks (NPs) and 11 Sanctuaries (SANs) covering 8023 sq. km. which constituted 13 *per cent* of the total forest area. Indravati National Park was selected for implementation of the "Project Tiger" Scheme by the Government of India (GOI) in February 1983. Various measures for conservation of wildlife during the period 2001-06 were reviewed through test check conducted in two NPs¹ and three SANs² between December 2005 and June 2006. Important audit findings noticed are given in the following paragraphs.

3.5.2 Financial Management

The plan funds for development works for wildlife conservation were obtained from four streams. GOI provided *cent per cent* Central assistance for specific items of non-recurring expenditure and for certain items of recurring expenditure under the Centrally sponsored schemes (CSS) 'Development of National Parks & Sanctuaries', 'Eco-Development around National Parks and Sanctuaries' and 'Project Tiger and Eco-Development' in tiger reserve. For other items, 50 *per cent* of recurring expenditure was to be provided by GOI for NPs whereas the State Government had to provide 50 *per cent* matching share. A State Plan Scheme "Conservation of wildlife and Development" was launched in 2005-06. The State Government provided funds for non-plan expenditure. All the funds were provided through the State Budget.

3.5.2.1 Short-utilisation of funds

The provision of funds and expenditure incurred on conservation of wild life during 2001-2006 were as follows:

Year	Budget Provision				Total	Expenditure			Saving (-)/Excess (+)			
	Non-Plan	Plan				Non-Plan	Plan	Total	Non-Plan	Percent- age	Plan	Percentage
		Central share	State share	Total								
1	2	3			4 (2+3)	5	6	7	8	9=8 to 2	10	11=10 to 3
2001-02	4.40	3.77	1.21	4.98	9.38	3.64	2.24	5.88	(-) 0.76	17	(-) 2.74	55
2002-03	6.43	1.99	0.45	2.44	8.87	4.65	1.18	5.83	(-) 1.78	28	(-) 1.26	52
2003-04	5.38	3.85	0.60	4.45	9.83	5.53	3.63	9.16	(+)0.15	2.8	(-) 0.82	18
2004-05	5.86	5.66	1.28	6.94	12.80	5.85	2.67	8.52	(-) 0.01	0.17	(-) 4.27	62
2005-06	6.08	6.36	1.08	7.44	13.52	5.94	4.11	10.05	(-) 0.14	2	(-) 3.33	45
Total	28.15	21.63	4.62	26.25	54.40	25.61	13.83	39.44	(-) 2.54	9	(-)12.42	47

(Rupees. in crore)

Forty seven *per cent* of plan provision not utilised

The Department failed to utilise Rs.12.42 crore (47 *per cent*) under plan during 2001-02 to 2005-06. It was observed that in seven PAs, of the total

¹ Indravati and Guru Ghasidas

² Achanakmar, Barnawapara and Tomar Pingla

approved amount of Rs.162.25 lakh, Government of India had not released balance of Rs.41.22 lakh for the year 2004-05 due to non/delayed submission of UCs for the first release. Director GGDNP, Baikunthpur furnished UCs to the GOI for Rs.25.62 lakh, against actual utilization of Rs.12.40 lakh. Utilisation included carry forward amount of Rs.3000 from 2001-02, however, the detailed accounts were not made available.

3.5.3. Programme Management

3.5.3.1 Budget provision for wild life

A meagre 3.50 per cent of the budget provision for Forest Department was earmarked for wild life conservation.

The State Government made a budget provision of Rs. 1556.28 crore for the Forest Department of which a meagre share of Rs.54.40 crore (3.50 per cent) was earmarked for wild life conservation in PAs during 2001-06. The Indian Board of Wild life recommended (September 1985) that 15 per cent of the funds allocated to the Forest Department in the State budget be earmarked for wild life wing. Out of the total provision for wild life conservation and protection, only Rs.26.25 crore (48 per cent) was for plan activities. Most of this plan outlay was from Central funds and the State had provided for Rs. 4.62 crore in five years out of its own sources for 14 PAs for wildlife conservation. Thus wild life conservation and protection activity had been accorded low priority by the State Government. The Department did not furnish any reason for the low budgetary allocation to wild life conservation.

Management Plans for Project Tiger were not approved by the State Government and the prescribed framework for monitoring and evaluating wildlife conservation and protection was not functional as detailed in *paragraph 3.5.7*.

3.5.3.2 Survey, Demarcation, Notification and Rehabilitation

Forty eight per cent of the area remained undemarcated

As per Sections 18 and 35 of the Wild life (Protection) Act,1972, as soon as the Government notifies an area as a sanctuary or a National Park, its boundaries are to be surveyed, demarcated and consolidated for the purposes of protection, propagation and development of wild life. In the five test checked PAs Rs.22.82 lakh had been spent on demarcation. It had been completed in two PAs³ and 48 per cent of the total area of three PAs had not been demarcated despite issue of preliminary notification between June 1975 and August 2001.

The final notification has not been issued so far for any of the 14 PAs. The reason was attributed as non-settlement of the rights of the villagers within the Park/Sanctuary area.

Presence of human settlement in NPs/SANs caused biotic pressure and human interference.

As per Section 27 of the Wild life (Protection) Act 1972, entry into and residence in the wild life areas should not adversely affect the protection, propagation and development of wild life. The human habitations in parks were required to be rehabilitated outside the protected areas. In five test checked PAs there were 146 villages, 4982 families with total population of

³ Barnawapara and Tomar Pingla

31552 residing in the core area of PAs, causing biotic pressure which adversely affected the protection and conservation of wild life.

GOI provided Rs.6 lakh in 2003-04 for shifting of six families from GGD NP but no expenditure was incurred due to non - settlement of rights of villagers in the park. In Achankmar wild life Sanctuary first initiative was taken in September 2002, 27 years after notification. Proposal for rehabilitating six villages with 249 families having a population of 753 was sent to CCF (Wild life) in February 2006. Further action in this regard was pending as intimated (March 2006) by DFO, Bilaspur. In Barnawapara Sanctuary proposal for relocation of three villages of 355 families for the first time had been sent by DFO to CF in January 2006. Thus that the rehabilitation of villages was neglected as no initiatives were taken since issue of preliminary notifications in these PAs.

3.5.3.3 Encroachment of Wild life areas

As per Sections 27 and 35 (8) of the Wild life (Protection) Act, 1972, no person shall enter or reside in the Sanctuary or a Park except in accordance with the conditions of a permit granted under Section 28 of the Act. The Government of India made (May 1996) it clear that regularisation of encroachment of wild life areas was not permissible under the Act and as such the State Government was required to evacuate all such encroachments expeditiously.

An area of 136.04 ha. wildlife area was encroached in Achanakmar Sanctuary for the purpose of agriculture during 2000-01 to 2004-05. Department had evacuated only 4.205 ha.(3 *per cent*) area in 2001-02. The DFO stated (March 2006) that the cases were pending in the court of law. In most of the cases stay has not been granted and as such the State Government may take suitable action for evacuation in consultation with the Law Department.

3.5.3.4 Livestock population in protected areas

Section 35(7) of the Wild life Protection Act, 1972 prohibits grazing activity in Parks/Sanctuaries. There was livestock population of 76903⁴ in 240⁵ villages within and around the PAs. Measures to control grazing such as construction of Cattle-proof trenches or fencing were not undertaken by the concerned authorities. In Barnawapara sanctuary 12.6 Km cattle proof trenches were made as of (March 2006) but there was no fencing. Absence of adequate protection measures to check illegal grazing by the large livestock population would lead to depletion of the fodder base of herbivores in PAs.

3.5.4 Protection measures

⁴ *Indravati NP 22330, GGNP 28145, Achanakmar SAN 7129 and Barnawapara SAN 19299*

⁵ *Indravati NP 56, GGNP 93, Achanakmar 37 Barnawapara 54*

3.5.4.1 Communication Network

Wireless network, forest roads and vehicles within the national parks/sanctuaries are the means of communication for protection of wild life and habitat against poaching, encroachment and illegal activities. The expenditure on establishing communication networks was Rs.1.45 crore during 2001-06. Most of this amount was spent on construction of forest roads (Rs.1.04 crore) and purchase of vehicles (Rs.20.77 lakh). The expenditure on wireless communication i.e. towers, stations and sets was only Rs.19.02 lakh.

In Barnawapara and Achanakmar SANs wireless sets were in operation however, they were not available in Tomar Pingla SAN and Indravati. GGD NP had 12 wireless handsets and these were given to the district police, Korea in September 2003 for the Assembly Elections 2003 and were returned only in March 2006. Director, GGDNP stated (April 2006) that due to naxal problems in the park area no wireless sets had been distributed and would be done within three days. It was not clear how wireless sets would be distributed within such a short period.

Purchase of vehicle

In ITR, Jagdalpur one Toyota Qualis and two Mahendra Bolero were purchased during 2002-03 for Rs.13.07 lakh against administrative approval (July 2002) of Rs.9.75 lakh accorded by GOI, MoEF for two Gypsy and one Tata Sumo vehicles for the "Project Tiger, Toyota Qualis was allotted (January 2004) to Minister of Forest, Government of CG, Raipur.

The Field Director stated (December 2005) that the cost of purchase increased due to increase in price of vehicles and Toyota Qualis was transferred to the Forest Minister for touring in interior forest areas as per orders of Additional Principal Chief Conservator of Forest dated 06 January 2004. The reply was not tenable as costlier vehicles than those approved by GOI were purchased.

3.5.4.2 Anti-poaching operations

The main threat to wild life is from poaching and illicit trading in animals and their body parts. Of the five test checked PAs, in Achanakmar SAN anti-poaching squad had been formed and in 2000-01 an amount of Rs.1 lakh was incurred on formation & patrolling of antipoaching squad but no arms and ammunition had been provided. Seven poaching cases reported during 2000-01 to 2004-05 were pending in the court. In Barnawapara four anti-poaching squads comprising four members per squad were formed in 2004-05 although there were reports of five poaching cases during 2000-2003. They were also not provided any arms and ammunitions. In Tomar Pingla SAN, Indravati NP and GGD NP anti-poaching squads had not been formed and only four guns were available for protection of 2799.086 sq.km park area of Indravati NP. These guns were also deposited in the police stations. In case of Tomar Pingla SAN four guns were deposited in South Surguja Forest Division (January 2003). Night vision binoculars were not available anywhere. Thus the anti-poaching squads wherever formed did not have any specialised equipment to

handle any poaching. Thus antipoaching operations were neglected. Reply of the Government is awaited as of September 2006.

3.5.4.3 Fire protection

Fire is a serious threat to flora and fauna of PAs. Prevention and control of fire forms an important part of the management strategies in the park/sanctuary. During the period 2001-05, there were 138 cases of fire in five PAs affecting 2318 hectare. During the period 2000-03, no amount was sanctioned for fire protection in Achanakmar sanctuary and Rs.1 lakh and Rs.1.50 lakh was sanctioned during the year 2003-04 and 2004-05 respectively. World Wild life Fund (WWF) provided 200 fire beaters to Achanakmar sanctuary in 2004-05. However, number of fire cases and area affected increased during these two years. Reply of the Government is awaited as of August 2006.

3.5.4.4 Non- availability of veterinary facilities

Veterinary services were not available in any PAs

It was essential to establish a veterinary health care centre within a park or sanctuary for treating wild animals. Doctors and staff were not available in any of the test checked parks and sanctuaries. Posts of veterinary doctors were not sanctioned in any of the PAs.

As per Section 33 of the Act immunization of livestock kept in or within five kilometers of a park/sanctuary was essential to curb unnatural mortality. The total expenditure on immunization in five PAs test checked during 2001-06 was only Rs.6.74 lakh.

3.5.4.5 Wild life management training

Frontline staffs remained untrained in wild life conservation

Proper training was to be imparted in wild life management. In five test checked PAs out of 176 frontline staff (foresters and forest guards) only 29 had been trained during 2001-06 on forestry. There was no separate training module for wildlife conservation.

3.5.4.6 Population of wild life

A review of population census of wild life in various PAs in Chhattisgarh revealed that the number of some animals increased in some PAs and in other cases numbers remained almost constant.

The wild buffalo, which is the State animal, had become extinct in Boramdeo sanctuary and given the steep decline in number in other sanctuaries, some other animals were in the risk of following suit. Details of number of different wild animals in various PAs is given in **Appendix 3.5**.

Indravati NP had reported an increase in tiger population from 19 in 2001 to 27⁶ in 2005. Audit scrutiny showed that Rs. 1.20 lakh (8.69 per cent) was spent on tiger census against total sanction of Rs. 13.80 lakh during 2001-05. In 2000-01 and 2001-02, despite availability of Rs.1.50 lakh and Rs.0.50 lakh respectively, no amount was spent on census and the census was purportedly

⁶ 12-Tiger, 13-Tigress and 2-Cub

conducted without any additional expenditure. The pugmark tracing sheets⁷, plaster casts etc. were made available to audit only for the year 2004-05. Field Director, ITR stated (March'06) that these items relating to the years 2001-2003 had been sent elsewhere for a seminar and would be produced to audit as and when available. Even copies of tracings were not available. In the absence of this basic evidence, the authenticity and accuracy of the census figures was not verifiable.

3.5.4.7 Wild life mortality

The Project Tiger Directorate instructed (September 2001) that half-yearly mortality survey be conducted in tiger habitats to determine the age/sex specific mortality of tigers and other wild animals and to furnish a report in this regard. The records of Indravati NP did not indicate evidence of any such surveys during the period from 2000-01 to 2004-05. The Field Director intimated (April 2006) that no case of tiger mortality was reported during the period from 2000-01 to 2004-05. No reports in this respect were sent to Project Tiger Directorate. In Barnawapara Sanctuary 33 wild life mortality (deer, bison, sambhar) were reported during 2001 to 2005.

3.5.5. Human Resources

Manpower was an important aspect in implementing developmental scheme, protection and conservation of wild life in PAs. Out of total sanctioned posts of 11023 for the Forest Department, 612 posts (5.6 per cent) were earmarked for wild life wing of the Department. Against 612 sanctioned posts 105 posts (17 per cent) were vacant as on 31 March 2006.

Deployment of inadequate staffs in NPs and SANs

The Ranger was responsible for actual implementation of scheme and executing ground works in the field. In five⁸ PAs no Rangers had been posted. The beat Guard/Forester worked at the operational level and was responsible for keeping watch and providing all basic information with respect to activities in PAs. Against sanctioned post of 335 Beat Guard/Forester there were 90 vacancies (27 per cent). As large number of them were more than 45 years old. Since the job involved considerable foot patrolling, the age profile was not conducive to the nature of the job. Thus the manpower was inadequately equipped to handle the multifarious challenges of conservation activities.

3.5.6. Other points

3.5.6.1 Fraudulent expenditure

Test check (January 2006) of records of Dy. Director, ITR, Bijapur revealed that:

⁷ Pugmark tracing sheets :-Pugmarks of tiger sketched on tracing papers
⁸ Pamed, Bhairamgarh, Semarsot, Badalkhole, Udanti

- ❑ In construction/repair of 75 pucca munnaras⁹ for boundary demarcation, the cement used for the construction/repair was found to have been purchased after the completion of work. This was not possible and there was indication of fraud in expenditure of Rs.0.75 lakh on these works.
- ❑ Fraudulent expenditure of Rs.1.34 lakh was incurred on payment of wages. Payment was purportedly made to labourers who were shown to have worked simultaneously on the same day at different locations.

Dy. Director, ITR, Bijapur stated (January 2006) that matter would be examined and intimated to audit.

3.5.6.2 Faulty measurement

During 2003-04 Jhiriyas¹⁰ were constructed at a cost of Rs.3.27 lakh to provide drinking water to wild animals.

Test check (January 2006) of records of Dy. Director, Indravati Tiger Reserve, Bijapur showed that Jhiriyas were constructed in four ranges¹¹ having dimensions approximated to a well from which animals can not drink water on their own. Hence, payment of Rs.3.27 lakh for such construction was inaccurate and the matter was required to be investigated.

3.5.6.3 Irregular felling of Karra trees

Test check (May 2006) of records of Barnawapara SAN revealed that Karra trees were felled in 50 hectare area in compartment nos. 161, 163,164 under CBO (Cut Back Operation) work during 26 September 2005 to 7 November 2005.

It was stated that 19900 poles and 355 fuel stacks from such felling were distributed free of charge among people living in the sanctuary for their bonafide use. The exact number of trees felled and their dimensions were not intimated to audit. DFO, Raipur replied that "Karra CBO" work was executed according to approved APO of 2005-06.

Reply of DFO was not acceptable. The defined scope of CBO work is limited dressing of existing stumps to regenerate coppice shoots and does not include felling of trees. There was nothing in the APO to indicate that trees would be felled. Thus the felling was carried out irregularly without any formal felling plan and its disposal by distribution to villagers was not verifiable. The volume of timber removed and value of the same was also not known and the matter needs to be investigated.

⁹ *Cemented concrete pillar meant for demarcation of park/Sanctuary boundary*

¹⁰ *Constructed on the bed of nallah for the drinking purpose of wild animals during summer.*

¹¹ *Bijapur, Kutru, Sendra & Bhairamgarh*

3.5.7. Monitoring and Evaluation

Framework

Lack of monitoring and evaluation due to non/delayed formation and functioning of various Boards/ committees.

3.5.7.1 The Wild Life (Protection) Amendment Act, 2002 provided that the State Government, shall, within a period of six months from the date of commencement of amended act (September, 2003) constitute a State Board for Wild Life with the Chief Minister of the State as Chairman and as per Section 7 of the Act the Board shall meet at least twice a year. The Board was constituted in October 2004 and met only once in July 2005 after formation.

3.5.7.2 Under section 64 of the Wild Life (Protection) Act, 1972, Government of Chhattisgarh had not made any Act or rules as of July 2006 and had adopted the Act/rules¹² made by the Government of Madhya Pradesh. However, it was not clear whether the act/rules had been formally adopted as orders/notification was not produced nor date of such orders/ notification was intimated to audit.

3.5.7.3 According to the provision of section 33B of the Wild Life (Protection) Act, 1972, the State Government shall constitute an Advisory Committee consisting of the Chief Wildlife Warden or his nominee not below the rank of Conservator of Forests (CF) as its head and shall include a member of the State Legislature within whose constituency the sanctuary is situated and other representatives of non-governmental organisations (NGOs) etc., for members. Addl. PCCF (Wildlife) intimated that proposal had been sent (December 2004) to the State Government for notifying and the same was pending (July 2006).

3.5.7.4 As per the directive (September 2001) of the Government of India, Ministry of Environment and Forests (Project Tiger), a 'Monitoring and evaluation Committee' at the level of State Government, had to be constituted so as to review the progress and implementation of the project with a view to evaluate its performance and reports to be submitted periodically. The State Government formed (February 2005) the Committee but scheduled meetings in August 2005 and January 2006 could not be held due to non- availability of GOI representative and the Committee had not met so far.

Thus various bodies required to be in place for monitoring and execution at different levels were either not set up or had just started functioning. All these bodies were required to be formed/energized for according greater priority to conservation measures.

3.5.8. Conclusion

The objective of conserving wild life and its habitat was accorded very low priority. There was under utilization of funds, final notification had not been issued for any PAs, demarcation and rehabilitation was very slow, communication network was very limited. Anti poaching operations were

¹² *Madhya Pradesh National Parks Act, 1955 and the Wild Life (Protection) Rules, 1974*

largely neglected. There were no veterinary services in PAs, forest guards were untrained and old and the wildlife population had also shown a steep decline in some of the PAs. Various bodies for monitoring and execution at various levels had either not been set up or are functioning perfunctorily.

3.5.9. Recommendations

- ❑ Budgetary allocation for wildlife conservation should be reviewed to accord greater priority to this activity.
- ❑ Demarcation of boundaries should be completed expeditiously for all PAs. Government should take suitable action in consultation with the Law Department for early evacuation of villagers in PAs.
- ❑ Communication network should be strengthened.
- ❑ The reasons for steep decline in population of some animals in some of the PAs should be examined and appropriate short term and long term measures taken for their conservation.
- ❑ Prescribed framework for monitoring and evaluation of implementation of various activities in PAs should be made fully functional.

The above points were brought to the notice of Government (August 2006); the reply has not been received.