

CHAPTER III : CIVIL DEPARTMENTS

SECTION 'A' : REVIEWS

EDUCATION DEPARTMENT

3.1 Non-Formal Education

Highlights

Non-Formal Education (NFE) to children of 6-14 age-groups who remain out of formal education due to various socio-economic constraints is a Centrally Sponsored programme, to attain the goal of Universalisation of Elementary Education. Implementation of the Programme in the state was lop-sided as negligible number of children completed the course and appeared at the examinations. There was lack of focus on primary functions such as training of instructors and interaction between the Department and village level committees which were the last link to ensure the effective functioning of the centres.

Against an expenditure totalling Rs.2.20 crore reflected in the books of the Accountant General (AG) as incurred towards implementation of Non-Formal Education in the state during 1995-96 to 1999-2000, the departmental figures of expenditure during the same period was Rs.0.99 crore indicating that the departmental accounting was not accurate enough to keep control over expenditure. The Department had not reconciled its figure of expenditure with that booked by the AG.

(Paragraph 3.1.5-a)

Although option was open to the Government to implement Non-Formal Education in the state on sharing basis between Centre and state in the ratio of 60:40, the Department implemented the scheme independently up to the year 1996-97 leading to an unnecessary burden on the state exchequer amounting to Rs.73.25 lakh to implement the scheme.

(Paragraph 3.1.5-b)

Target for setting up and running of NFE centres was made without any survey of the children requiring non-formal education. Curtailment of NFE centres to 500 from 1997-98 onwards as compared to 935 which existed in earlier years led to over enrolment of students ranging between 8 and 36 per cent over the norm for a centre during 1997-98 to 1999-2000 thus hampering the quality of instruction.

(Paragraph 3.1.8)

Implementation of the programme in the state was lop-sided as there was no clear modalities about the standard of training to be provided to instructors. Lack of interaction between the Department and the village level committees hampered effective functioning of the centres established.

(Paragraphs 3.1.12, 3.1.13 & 3.1.15 to 3.1.17)

Number of children completing the course and appearing at the examinations was negligible varying between 4 and 9 per cent of the children enrolled and the reason for the same had not been analysed by the Department.

(Paragraphs 3.1.18 to 3.1.20)

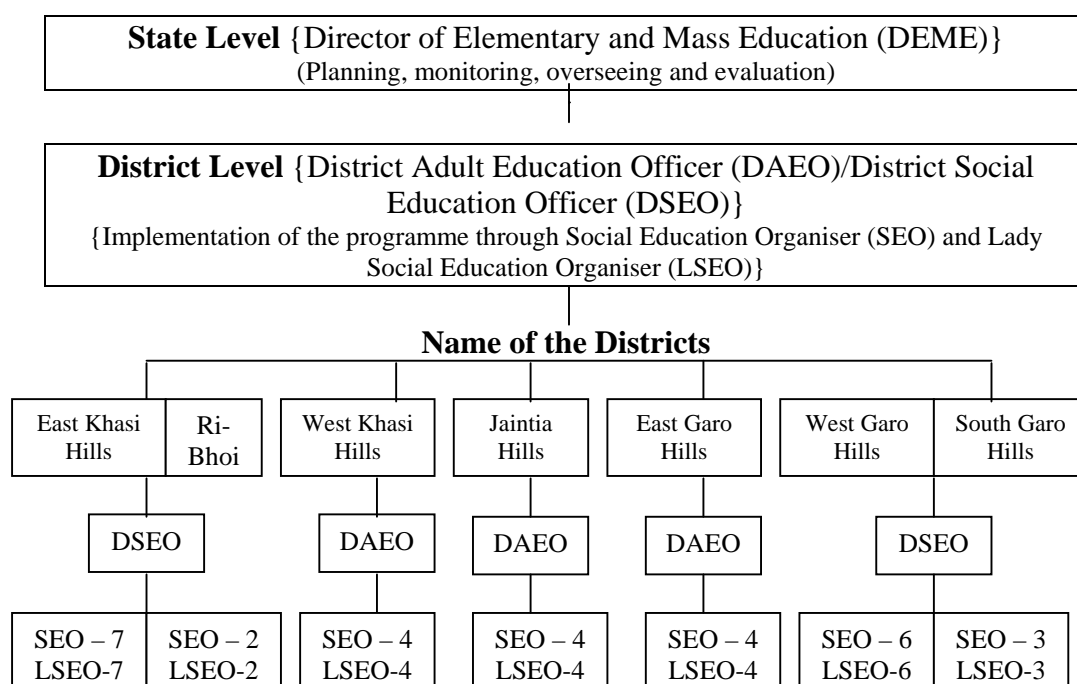
Introduction

3.1.1 Non-Formal Education (NFE) is a strategy to provide Elementary Education to children in 6-14 age groups who remained out of the formal education process due to various socio-economic constraints. The Centrally Sponsored NFE Scheme launched in 1979-80 is to provide elementary education by setting up NFE centres in school-less villages or in village where there are school drop outs.

Organisational set up

3.1.2 Organisational structure for implementation of the Scheme is as detailed below:-

Chart 3.1



Note : SEO and LSEO are in number.

The village committee, the last link in the chain, is required to select suitable location of centres, identify potential instructors, pursue parents to send their children to the centres and ensure effective functioning of the centres.

Audit coverage

3.1.3 Implementation of the programme in state for the period from 1995-96 to 1999-2000 was reviewed in audit between January and March 2001 on the basis of test check of records of the DEME, the 2 DSEOs and 1 DAEO of Jaintia Hills District covering **65 per cent** of the total expenditure during the period. Important points noticed in review are discussed in succeeding paragraphs.

Finance and Expenditure

3.1.4 Financial assistance to the states is to be provided by Government of India (GOI) on the basis of NFE centres being run, on sharing basis in the ratio of 60:40 for co-educational centres and administrative resource support and in the ratio of 90:10 for exclusively girls' centres. GOI fixed, from October 1993,

yearly cost of running a centre for primary and upper primary levels at Rs.9925 and Rs.15350 respectively. In Meghalaya, the NFE at primary level had been implemented since 1979-80 from the state's own resources and continued up to 1996-97 with a costing pattern of Rs.4300^(a) per centre for a year. The state availed of Centrally Sponsored NFE scheme from the year 1997-98 onwards on sharing basis but adopted costing pattern of Rs.4300 per centre against GOI's norm of Rs.9925. To make the centres operative, funds are released to the respective DAEs/DSEOs based on the costing pattern of a centre and number of centres set up under their respective supervision. The expenditure incurred during 1995-96 to 1999-2000 on the scheme against Budget provision, assistance received from GOI as appeared in the books of accounts maintained by Accountant General (AG) and those maintained by the Department are detailed below:

Table 3.1

(Rupees in lakh)

Year	Budget provision		Actual Central assistance received	Expenditure						Expenditure over (+) below (-) the Central assistance as per accounts of AG	
	State share	Central share		State side		Central side		Total			Variation
				As per account of AG	As per Department	As per account of AG	As per Department	As per account of AG	As per Department		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12) (7-4)
1995-96	40.21	...	...	82.09	41.98	...	...	82.09	41.98	40.11	...
1996-97	40.00	...	...	40.00	...	...	...	40.00	...	40.00	...
1997-98	23.00	50.00	17.35	23.00	8.10	12.15	12.15	35.15	20.25	14.90	(-) 5.20
1998-99	--	50.00	7.70	--	8.60	52.60	12.90	52.60	21.50	31.10	(+) 44.90
1999-2000	10.00	50.00	6.45	5.19	8.60	5.38	6.45	10.57	15.05	4.48	(-) 1.07
Total			31.50	150.28	67.28	70.13	31.50	220.41	98.78		(+) 38.63

Sources :- Appropriation Accounts and departmental figures of expenditure as furnished by DEME.

3.1.5 The details above would indicate the following shortcomings in the financial control and discipline.

(a) Against Rs.2.20 crore reflected in the accounts of the AG as expenditure towards the scheme during 1995-96 to 1999-2000, the corresponding figure of expenditure as per the Department was Rs.0.99 crore. This was because no reconciliation of expenditure was carried out by the DEME with the AG. The huge variation also indicated lack of control on expenditure by the Controlling Officer (DEME).

^(a) Honorarium @ Rs.200	Rs.	2400
Teaching and learning material	Rs.	1250
Kerosene/electricity	Rs.	600
Contingency	Rs.	50
Total	Rs.	4300

(b) No reasons were furnished by the DEME for implementing the scheme independently leading to extra burden to the state exchequer to the tune of Rs.73.25 lakh for two years alone viz. 1995-96 to 1996-97 as 60 **per cent** of the total expenditure of Rs.122.09 lakh incurred during the period would have been borne by GOI.

Mismatch between number of centres established and enrolment

3.1.6 The scheme was devised to impart elementary education to children in two parts viz. Primary Level Education (Class I to V) and Upper Primary Level Education (Class VI to VIII) corresponding to their age groups of 6-11 years and 12-14 years respectively. The primary level course is designed to be completed within a period of two years and Upper Primary Level course in three years. However, in the state the scheme was implemented only up to the primary level from Class I to IV with pre-primary sections A and B attached to it and education was imparted through co-educational centres only. The Department had not initiated any action to open upper primary level NFE centres for children of 12-14 age groups by upgrading the class structure up to Class V at primary level, reasons for which had not been stated.

3.1.7 Physical targets and achievements in terms of setting up of NFE centres and enrolment of children during 1995-96 to 1999-2000 were as under:-

Table 3.2

Year	Target (in number)		Achievement		Excess (+) Shortfall(-)		On an average enrolment per centre (percentage of excess/less over norm)	No. of centre needed as per norm of enrolment (per cent)	Excess (+) Shortfall (-) in setting up of centres
	Centre	Enrolment	Centre ^(a)	Enrolment	Centre	Enrolment			
1995-96	935	23375	935	25150	...	(+) 1775	27 (8)	1006	(-) 71
1996-97	935	23375	935	19728	...	(-) 3647	21 (-16)	789	(+) 46
1997-98	500	12500	500	13702	...	(+) 1202	27 (8)	548	(-) 48
1998-99	500	12500	500	16965	...	(+) 4465	34 (36)	679	(-) 179
1999-2000	500	12500	500	16378	...	(+) 3878	33 (32)	655	(-) 15

Source : As furnished by DEME

(a)

District	1995-96	1996-97	1997-98	1998-99	1999-2000
	(in number)				
East Khasi Hills including Ri-Bhoi	225	225	150	150	150
West Khasi Hills	180	180	80	80	80
East Garo Hills	180	180	60	60	60
West Garo Hills including South garo Hills.	210	210	150	150	150
Jaintia Hills	140	140	60	60	60
	935	935	500	500	500

3.1.8 The centres were set up targeting 25 children per centre. Despite excess enrolment during 1995-96 and from 1997-98 to 1999-2000, no new centres were established reasons for which had not been stated. No survey had ever been conducted by the Department to identify the number of eligible children requiring non-formal education. The NFE centres were opened based on the targeted enrolment. However, due to excess enrolment the centres had to accommodate on an average 8 to 36 **per cent** more children over the norms. In the test checked district of Jaintia Hills, out of 60 NFE centres, 34 to 50 centres had enrolment more than the prescribed limit during 1997-98 to 1999-2000 and in 3 centres, the number of children accommodated varied from 75 to 141 during the said period. The Minister in charge of Elementary and Mass Education stated in the Assembly (29 March 2001) that there were 1677 villages in the state where neither the formal schools nor non-formal centres were set up. However, the rationale behind reducing the number of centres from 935 to 500 from 1997-98 onwards could not be explained by the Department.

3.1.9 Besides, compared to number of children enrolled during these years with that of the fixed amount of Rs.1300 released to a centre per year for providing learning materials to the children the maximum amount that could be spent on learning material per child, on an average ranged between Rs.9.22 and Rs.47.44 against Rs.52 per child as per the costing pattern of a centre. Non-setting up of centres according to the norms resulted in reduction in the availability of learning material and thus hampered quality of education imparted to the students.

Primary level course prolonged by two years due to non-development of special learning material

3.1.10 Under the NFE, primary level course is to be completed within a period of two years introducing specially designed learning material. In the state, however, specially designed learning material was not developed and provided to the learners. Instead the curriculum and text books prescribed for formal system of education was being followed in NFE centres on the ground that this would enable the children to re-enter formal system, if they so wish. As a result, children in the NFE centres had not only to spend 4 years as against 2 years to complete the primary level course but also caused additional expenditure of Rs.72.45 lakh^(a) during 1995-2000 which was avoidable.

^(a) $935 \times \text{Rs.}4300 \times 2 = \text{Rs.}80.41 \text{ lakh}$
 $500 \times \text{Rs.}4300 \times 3 = \underline{\text{Rs.}64.50 \text{ lakh}}$
 $\text{Rs.}144.91 \text{ lakh}$
 $\text{Rs.}144.91 \div 2 = \text{Rs.}72.45 \text{ lakh}$

Education to children hampered due to delay in providing learning materials, un-trained instructors and non-functioning of centres

3.1.11 NFE centres in the state are to run through out the year except on Sundays and holidays starting from April each year. Scrutiny of records (Sanctioning orders, Cash Books of DAEOs/DSEOs) revealed that there was delay of 3 to 8 months in procurement and distribution of learning material to 500 centres during the academic years 1997-98 and 1998-99 due to late sanction/release of state and Central share. Due to belated distribution of learning materials proper education to the children of NFE centres could not be imparted by the instructors for a considerable period each year.

3.1.12 The appointment of instructors for NFE centres is approved by the concerned DSEO/DAEO on the basis of recommendations made by the village committee (Darbars) from local unemployed youths with a minimum qualification of Class VIII against Class X passed originally fixed in October 1994. As per provision of the scheme, District Institute of Education and Training (DIET) was to impart in-service training to the instructors of NFE centres for imparting quality education.

3.1.13 Scrutiny of records (sanction/expenditure statement) revealed that after March 1996 no fund was sanctioned till March 2000 either by the state government or Government of India for conducting training of NFE instructors. Rupees 1.78 lakh sanctioned in March 1996 was distributed among five district officers for imparting training to 935 instructors for a duration of 6 days. Although the entire sanctioned amount was spent details such as nature of training, period and venues of training including actual duration and name of faculty members were not available in the records of test checked DSEO/DAEO. The DSEO, West Garo Hills District, however, stated (February 2001) that training to instructors was imparted through the educational experts of the state arranged by him. However, reasons for not involving the DIET was neither on record nor stated. Besides, DEME could not confirm it that all the 935 instructors, claimed to have been trained in 1996-97 were utilised in the Scheme. There was no transparency about the number of instructors received training against the number in roll. Audit could not ascertain that education in NFE centres had been imparted by trained instructors only which was very pertinent to impart quality education to the children.

3.1.14 The DSEO, East Garo Hills informed (June 1997) DEME that non-formal education in 150 NFE centres under two districts (West Garo Hills and South Garo Hills) were not started till June 1997 during 1997-98 session. The delay in commencement of education was attributed to non-completion of certain formalities like constitution of Managing Committees, collection of initial reports etc. Besides, 12 centres in East Khasi Hills did not function as no instructor was in position for 2 to 7 months during August 1997 to

February 1998. In the latter case, the DSEO, East Khasi Hills surrendered Rs.0.13 lakh being the honorarium for the instructors for the period. In the former case, honorarium was paid to all the instructors of these centres without effecting a deduction of Rs.1.12 lakh^(a) for the period when education was not imparted. The payment of Rs.1.12 lakh to instructors not only resulted in extension of undue benefit to them, but non-functioning of the centres had also adversely affected the education of the children of 162 centres during 1997-98 session.

Lack of inter-action between the Department and Village Committee for effective functioning of centres

3.1.15 Successful implementation of the programme largely depends on the effective functioning of the NFE centres. Although the village level committees are the pivots of effective functioning of the centres, close interaction between the DSEOs/DAEOs was not in evidence. Apart from watching the receipt of utilisation certificates in respect of money disbursed to the Committees for distribution of learning materials, etc. to the children of the centres no extra efforts on the part of the DSEOs/DAEOs for effective functioning of centres were disclosed in records.

3.1.16 Consequent upon shifting the responsibility for procurement of teaching and learning materials to Managing Committees of NFE centres, the District Level Officers had not enforced any system to ensure that the purchase of teaching and learning materials made by the Managing Committees were after proper assessment of requirement. No stock register showing the receipt and issue of teaching and learning materials in respect of selected centres could be produced to Audit for verification. The district level officers had no control over proper utilisation of funds.

3.1.17 The lack of interaction between the DSEOs/DAEOs and village level committees the last link to see effective functioning of the non-formal centres was a major shortcoming in the implementation of the programme.

Dismal picture about completion of course by the children enrolled in the centres

3.1.18 No records were maintained by the DEME to show the number of children who had actually completed the primary level course each year in the state as a whole. The details of children who successfully completed the primary level course in five test checked out of seven districts are given in Appendix XIII.

^(a) Rs.250 x 150 x 3 = Rs.1.12 lakh.

3.1.19 It would be seen from the Appendix XIII that during 1995-96 to 1999-2000 only 4 to 9 **per cent** of the enrolled learners had completed the course and appeared at the examinations. The percentage of children passing the examinations ranged between 63 and 77. There was no analysis made of the negligible number of children completing the course.

3.1.20 It would further be seen from the Appendix XIII that the performance of the girls was better than boys at completing the course and they fared better at passing the examinations. Despite this, no exclusive girls centre had been set up in the state though 90 **per cent** of the cost of such centre was borne by the GOI. Reasons for non-setting up of exclusive girls centre were neither on records nor stated.

Extra expenditure due to payment of honorarium to instructors at higher rate

3.1.21 In terms of state government's approved costing pattern of a centre, the DEME was to provide a monthly recurring grant of Rs.50 to each centre to meet the expenditure on lighting/fuel. But in practice, Rs.50 available under the programme was diverted by the DSEOs/DAEOs towards payment of honorarium to instructors enhancing the rate from Rs.200 to Rs.250 per month on the ground that coaching was held either in morning or day time. Approval of Government for such diversion had not been obtained. Payment of honorarium to instructors at a rate higher than the approved rate resulted in an extra expenditure of Rs.7.85 lakh^(a).

3.1.22 The foregoing observations were reported to Government (August 2001); their reply had not been received (December 2001).

Recommendations

3.1.23 The audit recommendations are as follows:-

- Need based centres for both primary and upper primary courses have to be set up for which identification of out of school children through annual survey is a pre-requisite.

(a)

Year	Number of instructors	Month	Amount (Rupees in lakh)
1997-98	500	11	2.75
1998-99	500	12	3.00
1999-2000	200	12	1.20
	150	9	0.68
	150	3	0.22
			7.85

- Financial management in the Directorate needs to be streamlined.
- Condensed course for NFE centres needs to be developed to reduce the period of instructions up to the level of upper primary level.
- Close interaction between the district level officers and village committee should be there for an effective functioning of the NFE centres.

HEALTH AND FAMILY WELFARE DEPARTMENT

3.2 Prevention and Control of Diseases

Highlights

Funds were being released to the state from the Government of India to prevent and control AIDS, Leprosy, Tuberculosis and Blindness. A review in Audit of the implementation of the programmes in the state during 1996-97 to 2000-2001, revealed that the coverage of various components under the programmes were incomplete/inadequate and as a result the prevention/control of the diseases was yet to be achieved.

Although formation of state level societies (SLS) with corresponding District level Societies (DLS) was envisaged for effective implementation of the programmes in the state, SLSs/DLSs were yet to be formed other than SLS on prevention of AIDS and DLSs for control of Leprosy and Blindness.

(Paragraph 3.2.3)

Of the unutilised Central assistance of Rs.1.94 crore against Rs.5.58 crore received during 1996-2001, the share of unutilised funds pertained to AIDS control programme (Rs.91.34 lakh) was mainly due to non-involvement of Non-Governmental Organisations in the implementation of the programme. The unutilised balance of Rs.29.42 lakh under Leprosy Control Programme was mainly due to continued release of funds for voluntary beds though such beds had never been maintained.

(Paragraphs 3.2.6 to 3.2.8)

During 1996-2001, Rs.64.49 lakh only was spent on the activities directly linked to the prevention of AIDS against the allotment of Rs.337.25 lakh resulting in lopsided implementation of the programme.

(Paragraph 3.2.10)

Lepers released after treatment instead of being rehabilitated continued to be provided with free ration for which the District Leprosy Officer, Tura irregularly spent Rs.15.48 lakh during 1996-2001 out of the fund meant for diet of Leprosy Hospital.

(Paragraph 3.2.26)

5.40 lakh population of 3 districts (East and South Garo Hills and Ri-Bhoi) had not yet covered by regular eye care treatment due to non-posting of eye specialist in these districts. There was reversal of trend in cataract surgery during 1999-2000 and 2000-2001 compared to the surgeries carried out in 1998-99. The problem of Vitamin 'A' deficiency in school children had not been addressed.

(Paragraphs 3.2.27 to 3.2.30)

The districts of Ri-Bhoi and South Garo Hills had not provided treatment facility of TB as no TB centres were established. Facilities for detection and treatment of TB remained out of reach of the bulk of rural population due to non-establishment of sub-divisional level TB centre and short establishment of microscopic centres for detection of TB in all the established Public Health centres and Community Health centres.

(Paragraph 3.2.34)

While there was decrease in new TB case detection due to lower sputum examination than targeted, the persistent rise of old TB cases, the high incidence of relapse cases (1191) and mortality (287) during 1996-2001 had not been investigated to take corrective measures.

(Paragraphs 3.2.35 & 36)

Training programme of medical staff and campaigns to generate health education to the masses had not received due importance in the implementation of the programmes.

(Paragraph 3.2.39)

Impact of the implementation of the programmes had not been evaluated.

(Paragraph 3.2.41)

Introduction

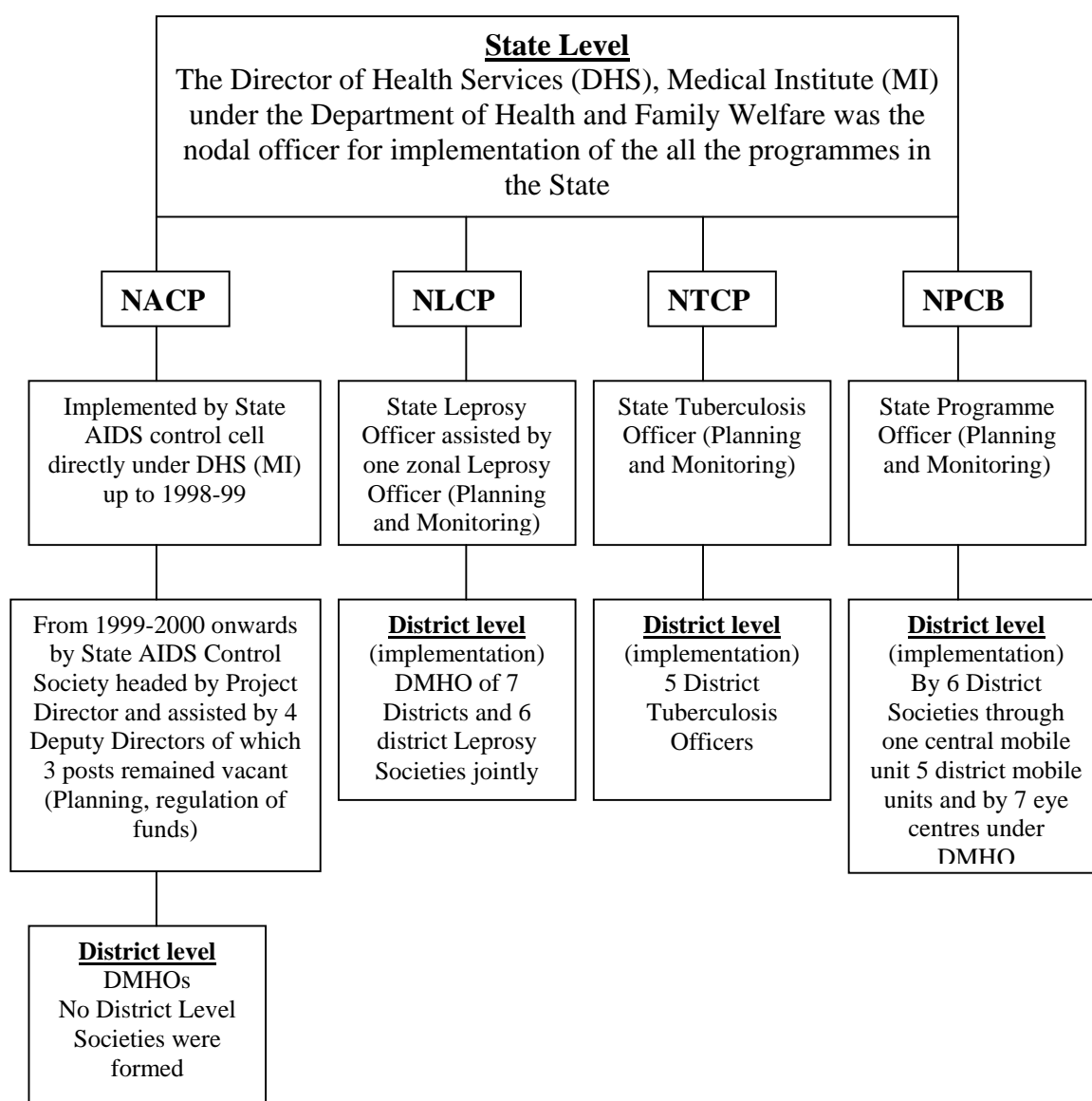
3.2.1 Of many public health hazards encountered by the country the 4 diseases, viz. Acquired Immuno Deficiency Syndrome (AIDS), Leprosy, Tuberculosis (TB) and Blindness have caused tremendous socio-economic problem to the country. The objective of National AIDS Control Programme (NACP) introduced by the Government of India in 1992, was mainly to combat spread of HIV infection. The thrust of the National Leprosy Control Programme (NLCP) launched in 1954-55, was to reduce the cases to less than one per 10,000 population by the year 2000 AD, by way of early detection and prompt treatment. The National TB Control Programme (NTCP) had been implemented in the state since 1975 with the aim to detect the disease amongst the population and to treat them for the remedy. The National Programme for

Control of Blindness (NPCB) was launched in 1976 with the aim to reduce incidence of blindness from 1.4 to 0.3 **per cent** of the population by 2000 AD by providing eye care services to the community.

Organisational set up

3.2.2 The organisational structure for implementation of the programmes is detailed below:-

Chart 3.2



DMHO – District Medical and Health Officer

3.2.3 In the state so far one state Society under NACP made operational. The state Society under NTCP and NPCB though registered had not started functioning. District Societies are yet to be formed in respect of NTCP and NACP.

Audit coverage

3.2.4 Implementation of the programmes during 1996-01 was reviewed in Audit between February – May 2001 through test check of the records of the Secretariat, DHS(MI) in connection with all the programmes covering 55 **per cent** of the total expenditure during the period. Besides, records of State AIDS Control Societies (SACS), surveillance centre in Civil Hospital, Shillong, 3 STD clinics⁽¹⁾, zonal Blood testing centres and Blood Bank at Pasteur Institute, Shillong in connection with implementation of NACP, records of SLO, ZLO, 3⁽²⁾ District Leprosy Officers/District Leprosy Societies, urban Leprosy Unit at Tura, temporary Hospitalisation ward at Umden in respect of NLCP, records of STO, 2⁽³⁾ district TB centres and one TB hospital at Shillong in respect of NTCP and records of SPO, central mobile unit and 3⁽⁴⁾ district mobile units in respect of NPCB were test checked for the purpose of review.

Finance

3.2.5 Implementation of NACP in the state was financed entirely by the Government of India (GOI) while for the remaining 3 programmes viz. NLCP, NTCP and NPCB the state efforts were supplemented by assistance rendered in cash or kind by the GOI. With the formation of societies under the four programmes, Central cash assistance was released directly to the societies for implementation of specified activities while Central assistance in kind or cash for development of infrastructure continued to be released to the state government. The actual expenditure under the programmes from state side and out of the Central assistance as furnished by the department, and as appeared in the annual accounts prepared by the Societies during the period 1996-97 to 2000-2001 are given in the Appendix XIV.

The following points were noticed:-

Unutilised Central assistance

3.2.6 It would be seen from Appendix XIV that unutilised Central assistance at the end of 2000-2001⁽⁵⁾ was to the tune of Rs.1.94 crore against a cash grant of Rs.5.58 crore received during the 5 years period ended March 2001⁽⁵⁾

⁽¹⁾ Attached to Civil Hospital at Shillong, Tura and Community Health Centres at Nongpoh.

⁽²⁾ East Khasi Hills, Ri-Bhoi and West Garo Hills.

⁽³⁾ Shillong, Nongpoh.

⁽⁴⁾ East Khasi Hills, West Garo Hills, Ri-Bhoi.

⁽⁵⁾ In respect of Societies under NPCB, the position is up to 1999-2000.

{NAPC: Rs.91.34 lakh (Society only), NLCP: Rs.43.83 lakh (State: Rs.29.42 lakh; Societies: Rs. 14.41 lakh) NTCP : Rs.0.88 lakh (state only) and NPCB: Rs.58.15 lakh (State: Rs.47.40 lakh; Societies: Rs.10.75 lakh up to 1999-2000).

3.2.7 The PD SACS stated (April 2001) that under utilisation of fund was due to non-involvement of NGOs for targeted intervention for prevention of disease among high risk groups⁽⁶⁾, non filling up of 3 posts of Deputy Director and non-setting up of low-cost AIDS centres.

3.2.8 In respect of NLCP unutilised Central assistance of Rs.29.42 lakh with the Government was mainly due to non-maintenance of voluntary leprosy beds although GOI had released assistance for maintenance of 20 such beds continuously during 1996-97 to 2000-2001. Reasons for not being able to maintain such beds despite receipts of funds from GOI were neither on records nor stated. Besides, the societies had earned interest totalling Rs.6.51 lakh on the unutilised funds of Rs.14.41 lakh as appeared from the accounts of the societies up to 2000-2001. The total accumulated funds available with the societies at the end of March 2001 stood at Rs.20.92 lakh, but the reasons for such huge funds remaining unutilised were not available on record.

3.2.9 The unutilised Central assistance of Rs.47.40 lakh with Government under NPCB included Rs.20 lakh, released during 2000-2001, pertained to construction of an eye hospital which had not been taken up till March 2001. Reasons for non-utilisation of the remaining balance of Rs.27.40 lakh out of the recurring grants meant for salaries of state Programme Cell, Information, Education and Communication, Training had not been stated. Of the 6 District Blindness Control Societies (DBCS), 4 societies had rendered accounts up to 1999-2000, 1 (West Khasi Hills) Society up to 1998-99 (No accounts of DBCS, Jaintia Hills) while no accounts had been prepared by any of the societies for the year 2000-2001. The reasons for underutilisation of Central assistance by the societies had not been ascertained by the state Programme Officer.

National AIDS Control Programme (NACP)

Disproportionate expenditure on establishment

3.2.10 Thrust of the programme was to prevent occurrence of HIV/AIDS by (i) promoting public awareness and community support, (ii) improving blood safety and rational use of blood, (iii) building surveillance and clinical management capacity, (iv) controlling sexually transmitted disease (STD) and (v) building low cost AIDS Care centres for those who already affected by HIV/AIDS. To operationalise these activities the strengthening of management capacity viz. institutional strengthening by recruitment of staff/maintenance of office of the societies was envisaged. During 1996-2001 while the expenditure (Rs.97.47 lakh) towards strengthening of programme

⁽⁶⁾ Sexual workers, Truck drivers, immigrant labourers and injecting drug users.

management component was 62 **per cent** of the fund allotted for the purpose (Rs.158.12 lakh), the expenditure (Rs.64.49 lakh) on the activities directly relating to the prevention of disease was only 19 **per cent** against the allotment of fund (Rs.337.25 lakh) during the said period. Thus, expenditure towards strengthening of management had surpassed the expenditure on activities directly connected to control of the disease. In spite of major chunk of the AIDS funds being spent on strengthening of management, 3 posts of Deputy Director sanctioned by NACO to look after STD, surveillance activities and awareness programme had not been filled up till April 2001. The society could not adduce any reasons for keeping the posts vacant.

Under-performance of the activities directly linked to prevention of HIV/AIDS

3.2.11 Implementation of the NACP in the state was reviewed in audit previously and the audit observations featured in paragraph 3.13 of the Report of the Comptroller and Auditor General of India for the year 1995-96. The major deficiencies noticed included incomplete awareness campaign, blood safety and rational use of blood was not to the projected extent, non-strengthening of clinics to control STD and failure to involve Non-Governmental Organisations (NGO) in the implementation of the programme despite availability of sufficient funds.

3.2.12 A further review on the implementation of the programme during 1996-97 to 2000-2001, revealed that activities directly linked to prevention of the disease was yet to gather momentum as discussed below:-

Table 3.3

Sl. No	Activity with objective	Projected action plan	Financial allotment during 1996-01	Actual expenditure incurred during 1996-01	Audit observations
			(Rupees in lakh)		
1.	Information Education Communication (IEC) aimed at aware people of the preventive measure against the disease through mass media campaign and free distribution of condom	Use of electronic media for airing./tele-casting, installing hoardings and distribution of poster/pamphlets in local languages about AIDS prevention measures, etc. besides formation of group for intervention among the targeted population of identified locations for counselling and promotion of condom use.	167.40 (including Sl.No. 1 + 2) besides additional funds for Rs.27.69 lakh for blood component separation equipment to be provided by NACO separately.	46.28	Neither any targets were fixed for the projected activities nor the reports furnished to GOI indicated the activities undertaken. The reports to GOI showed the financial achievement. There was no group formation for intervention with high risk people with counselling in condom use because the department could not involve (NGO) for the activity.
2.	“Blood safety and rational use of blood” was aimed at to upgrade blood banking system and expansion of HIV screening coverage of blood donated for transfusion.	Establishment of one blood bank at the Headquarters of the 7 districts, 3 blood testing centres at Shillong, Jowai and Tura and modernisation of existing blood bank at Pasteur Institute, Shillong by providing blood component separation equipment.			No blood banks/testing centres as projected were established excepting one blood testing centre at Civil Hospital, Shillong till March 2001. Modernisation of lone Government blood bank in the state was still awaited (March 2001). The entire process of blood safety in the state rested with one blood bank at Pasteur Institute, Shillong and one blood testing centre attached to Civil Hospital Shillong. However, 2 refrigerators valued at Rs.1.94 lakh provided by NACO for establishment of new blood banks at Mairang and Nongstoin had been distributed one each to blood bank at Pasteur Institute and Civil Hospital, Shillong where there was no blood bank.

Sl. No	Activity with objective	Projected action plan	Financial allotment during 1996-01	Actual expenditure incurred during 1996-01	Audit observations
			(Rupees in lakh)		
3.	Strengthening of Clinics to provide treatment to STD patient and also to ensure their protection from AIDS.	All the STD clinics in the district Head-quarters were to be strengthened by providing equipment and medicines from NACP fund.	82.70	9.08	Under the programme STD clinics are not only to provide treatment to STD patients but also to ensure their protection from AIDS. The records of test-checked STD clinics as produced to Audit did not reflect a comprehensive picture about the nature and extent of treatment provided to the STD patients. STD clinics attached to Civil Hospital, Tura and Community Health Centres, Nongpoh registered cases of blood sample for testing only from 1999-2000 and 2000-2001 respectively and STD clinics at Nongpoh did no testing on any of 51 samples received during 2000-2001. During 1996-97 the Shillong STD centres tested 55 blood samples against 156 samples received during the year and thereafter no testing done although 116 samples were registered during 1997-98. Reasons for not testing of the collected blood samples had not been stated. Existence of clinics in papers has no meaning unless the clinics serve the purpose for which these were established. Cross checking of the records of SACS and that of the STD clinics revealed that medicines valued at Rs.1.08 lakh were not accounted for by the STD clinics Nongpoh (Rs.0.47 lakh) and Tura (Rs.0.61 lakh) although these medicines were shown in the books of the SACS as issued to the said two clinics.

3.2.13 Under the sentinel surveillance, no blood samples were tested during 1996-97, reason for which had not been stated. During 1997-98 to 2000-2001, against a yearly target of 600 sample testing each year, the achievement ranged between 452 and 780. It was noticed that testing was done drawing blood samples from fixed locations in each year viz. Anti-natal Centre (ANC) of Ganesh Das Hospital, Shillong and CHC, Khliehriat. Reasons for not extending the coverage throughout the state had not been stated. The profile of HIV/AIDS status as disclosed from testing under different sectors are as follows :-

Table 3.4

Sector	Number of blood samples tested	Period	Number of confirmed HIV positive cases
Sentinel surveillance	2501	1997-98 to 2000-2001	4
ZBTC attached to Blood Bank	6266	1996-97 to 1999-2000	12
Blood donation cases	4208	1996-97 to 2000-2001	12

Source : Reports on Sentinel Surveillance, ZBTC and blood donation camp.

3.2.14 The prevalence of HIV infection in the state necessitating strengthening of the activities directly related to the prevention of the disease. However, testing of blood samples identifying locations throughout the state had not been intensified. The implementation of AIDS control programme, thus, remained lopsided.

National Leprosy Control Programme

Unsteady achievements

3.2.15 The goal of the programme was to reduce the incidence of Leprosy to less than one per ten thousand population by the year 2000 AD. The Multi-Drug Treatment (MDT) introduced in 1983 to achieve the goal envisaged early detection and regular treatment, preventing deformities, educating patients and their families not to fear the diseases but to avail treatment and to render service for rehabilitation of people deformed by leprosy. The MDT services were extended through one Mobile Leprosy Treatment Unit (MLTU) in each district along with the existing infrastructure for rendering health care. District Leprosy Societies were also established to oversee effective implementation of the scheme.

3.2.16 During 1996-97 to 2000-2001, the prevalence of leprosy per ten thousand population varied between 0.62 and 3.90 as detailed below:-

Table 3.5

Year	Estimated population ⁽¹⁾ (in lakh)	Number of new cases detected during the year (in number) (Rates) ⁽²⁾	Number of cases given treatment	Number of patients discharged after completion of treatment	Prevalence of leprosy cases per 10000 population ⁽³⁾
1996-97	21.35	64 (0.03)	833	328	3.90
1997-98	21.76	92 (0.04)	597	183	2.74
1998-99	22.19	275 (0.12)	689	196	3.10
1999-2000	22.62	81 (0.04)	574	492	2.53
2000-2001	23.06	45 (0.02)	143	82	0.62

Source : Statement furnished by the department and annual report.

3.2.17 A reduction in prevalence from year to year indicates a favourable impact of the measure taken. Similarly, a reduction in new case detection rate indicated a reduction in transmission.

Inadequate development of infrastructure

3.2.18 In addition to the infrastructure like Temporary Hospitalisation Wards, Leprosy Training Centres, District Leprosy Units, Sample Survey cum Assessment Units, Reconstructive Surgery Units, Maintenance of voluntary Leprosy Beds, Regional Leprosy Training and Referral Institute and Leprosy Rehabilitation cum Promotion units, one Leprosy Control Unit (LCU) for a population of every 4-5 lakh, one Urban Leprosy Centre (ULC) for a population of every 50,000 and one Survey, Education and Treatment Centre (SETC) for a population of 25,000 are to be established under Leprosy Control Programme.

3.2.19 Against the requirement of 4 LCU, 46 ULC and 92 SETC respectively on the basis of 23.04 lakh population in the state, only 2 LCU, 4 ULC and 20 SETC had been established. The Leprosy Training Centre, District Leprosy Unit, Sample Survey and Assessment unit, Reconstructive Surgery unit, Regional Leprosy Training and Referral Institute, Leprosy Rehabilitation cum promotion unit had not been established in the state. Reasons for non-establishment/shortfall in the establishment of infrastructure had neither been

⁽¹⁾ Calculated taking Annual Natural Growth rate in State as 1.95 per cent and population as per census of 2001 viz. 23.06 lakh.

⁽²⁾ $\frac{\text{No. of new cases detected in a year}}{\text{Estimated population of area}} \times 1000$

⁽³⁾ $\text{Prevalence Rate} = \frac{\text{No. of active cases in community}}{\text{Estimated population}} \times 10,000 = \frac{833}{23.06} \times 10,000 = 3.90$

stated nor the impact of non-establishment towards implementation of the programme had been analysed by the implementing agency.

Issue of time expired drugs

3.2.20 During the period 1996-2001 Government of India supplied Anti Leprosy Drugs valued at Rs.18.68 lakh to the Zonal Leprosy Officer for distribution to the District implementing agencies.

3.2.21 Test-check of the records of Zonal Officer revealed that expired drugs valued at Rs.0.76 lakh were received on 12 February 1998 from the Government Medical Store Depot, Karnal and Drugs valued at Rs.2.03 lakh received in March 1998 could not be distributed before the expiry date (between October 1998 and May 2000). Reasons for not distributing the medicines to the PHC/CHC immediately after receipt had not been stated. Till the date of audit (May 2001) the expired drugs were not replaced by the Medical Store Depot although the matter was taken up with GOI in February 1998. Besides, 25 Blisters of Pauci Bacillary (PB) medicines for children, were issued to 2 PHCs during April and October 1999 although the drugs had expired shelf life in March 1999.

3.2.22 Issue of expired medicines is a serious lapse as consumption of the same might adversely affect the condition of the patients. No responsibility had been fixed for the lapses.

Diversion of fund

3.2.23 District Leprosy Societies are authorised to incur expenditure out of the funds received from GOI towards cost of POL and maintenance of vehicles provided by GOI to each DLO besides other activities of the programme.

3.2.24 Test check of accounts of the District Leprosy Society, East and West Garo Hills revealed that in 1999-2000, and 2000-2001 an expenditure of Rs.4.62 lakh was incurred to make advance payment for purchase of 2 Maruti Car although one Van and one Jeep had already been provided to both East and West Garo Hills DLOs for implementing the Leprosy programme in the districts. Thus, expenditure incurred for purchase of vehicles despite availability of vehicle in each district was improper as such diversion had reduced the availability of fund for other activities of the programme. Besides, the expenditure was unauthorised since the requirement of vehicles for the society is met by GOI.

Lepers released after treatment not rehabilitated

3.2.25 As per guideline of the NLEP, the patients who had been cured but became invalid or deformed were to be rehabilitated. As per minutes of the meeting held in April 2000 presided by Deputy Commissioner and Chairman of the District Leprosy Society, East Khasi Hills, there were 17 lepers in the state who required to be rehabilitated, but no effective steps had been taken to rehabilitate them till the date of audit.

Unauthorised expenditure of Rs.15.48 lakh

3.2.26 Test check of records of Urban Leprosy Unit, West Garo Hills, Tura, showed that during the period from 1996-97 to 2000-2001, 96 to 109 cured patients^(a) continued to stay at Leprosy Colony Hospital and no action had been taken to rehabilitate them. Instead the District Medical and Health Officer, Tura provided free ration in the form of diet and incurred a total expenditure of Rs.15.48 lakh on these lepers during the period from 1 April 1996 to 31 March 2001 from the state fund without any specific order from the Government. Thus, the expenditure of Rs.15.48 lakh was unauthorised and irregular.

National Programme for Control of Blindness (NPCB)

Inadequate measures to prevent avoidable causes of blindness

3.2.27 There was no periodic assessment of the magnitude of eye problems in the state. 1.11 lakh school children were screened during the period 1996-97 to 2000-2001, to ascertain the nature of eye problems. The screening reports submitted to GOI by the SPO did not reflect the avoidable causes of blindness such as Vitamin 'A' deficiency and infections in most of the reports. It would be seen from the Appendix XV that out of 91503 children screened between 1997-98 and 2000-2001, 5814 suffered from refractory errors and 3473 children out of 66012 checked during 1997-98 to 1999-2000 were suffering from Vitamin 'A' deficiency. Mention was made in paragraph 3.7.5.5 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1999 about negligible coverage in the administration of Vitamin 'A' solution to the children under Integrated Child Development Scheme. Remedial measures taken to redress the Vitamin 'A' deficiency in school children under the Blindness programme had not been mentioned in the reports submitted to GOI. Besides, against 5814 children having refractory errors only 344 were provided with spectacles. How the refractory errors of

^(a) 1996-97 -109
1997-98 -106
1998-99 -102
1999-2000 -101
2000-2001 - 96

the remaining children were redressed had not been mentioned in the reports to the GOI. Thus, the avoidable causes of blindness were largely remained unattended to.

Absence of regular eye treatment facilities

3.2.28 Scrutiny of incumbency register of the SPO revealed irrational utilisation of manpower. While in the East Khasi Hills 6 eye specialists had been entertained against 4 sanctioned posts, there were no eye specialists in 3 districts, viz., East and South Garo Hills and Ri-Bhoi. No ophthalmic surgeon had also been posted to these 3 districts. Reasons for excess entertainment of eye specialist and their non-posting to the 3 deficient districts were neither on records nor stated. Thus, 5.40 lakh population of these 3 districts were not covered by regular eye treatment facilities.

Shortfall in cataract surgery

3.2.29 Cataract Surgery was done in the District Hospitals, diagnostic camps conducted by the Mobile units. Although the basis for fixation of targets for cataract operation to be done were not available in the records of the SPO, the achievements in cataract surgery during the period from 1996-97 to 2000-2001 were as follows:-

Table 3.6

Year	Target for cataract surgery	Achievement	Shortfall (percentage)
1996-97	1500	939	561
1997-98	1680	897	783
1998-99	1800	1053	747
1999-2000	2000	617	1383
2000-2001	2000	915	1085
Total	8980	4421	4559 (51)

Source: As reported to Audit by the SPO.

3.2.30 From the position shown above, it would be seen that during the period from 1996-97 to 2000-2001, there was an overall shortfall in achievement by **51 per cent** and no reasons had been furnished. Compared to cataract surgeries carried out during 1998-99 there was a decreasing trend in 1999-2000 and 2000-2001. The huge backlog in cataract surgery indicated that coverage could not be expanded to keep pace with the magnitude of the problem despite availability of funds (Paragraph 3.2.6).

Incurable blind not rehabilitated

3.2.31 According to the Annual Report submitted by SPO to GOI there were 387 blindness cases of which 267 were blind in one eye and 120 blind in both eyes which was detected in the Diagnostic Camps organised by the SPO between 1998-99 and 2000-2001. The rehabilitation of the incurable blind in the state was being looked after by a local NGO with full assistance from the state government. Besides 2 Blind Schools were in existence, one at Shillong and the other at Tura. According to NPCB, DBCS are to formulate action plan each year for rehabilitation of incurable blind, but neither action plan formulated nor any expenditure incurred by the DBCs for such rehabilitation.

3.2.32 No Eye Bank was established in the state. It was stated in the Report of 1997-98 by SPO that the traditional customs and beliefs were very much against eye donation. No motivational exercises had been undertaken to get a more positive response from the people regarding eye donation. NGOs had not been involved in the awareness campaign in this regard.

National Tuberculosis Control Programme

3.2.33 There was no authoritative assessment of the magnitude of the incidence of Tuberculosis in the state. In the state, TB was detected through Public Health Centres (PHC) of the concerned district and by the private practitioners. However, treatment of the patients were being provided by the District TB Centre (DTC) which acted as referral centres. Highly infectious and serious TB patients were given treatment through 2 TB Hospitals (Shillong, Tura). The position regarding detection and treatment of TB patient during the period 1996-97 to 2000-2001 are given in the Appendix XVI.

The following points were noticed:-

Rural population remained out of reach of the facilities

3.2.34 Against a norm of one district TB centre (DTC) in each district to act as referral centre for treatment of TB only 5 DTCs had so far been established in the 7 (seven) districts of the state and no TB Units had been set up in any of the sub-divisions for treatment of TB patients as envisaged in the guideline for implementation of the programme. The TB problems of Ri-Bhoi and South Garo Hills districts were looked after by the District TB Officers of East Khasi Hills and East Garo Hills up to 1999-2000 and thereafter by Community Health Centres (CHC), Nongpoh and Baghmara respectively as the Government's approval for creation of DTC in the districts, moved by DHS (January 2001), was awaited. However, no TB officer were on roll in these CHCs. Besides, though a DTC had been established in West Khasi Hills, no TB officer had been posted there. No TB health visitors were on roll for East Garo Hills. TB cases are first detected in the microscopic centre attached to

each PHC/CHC but only 42 microscopic centres had so far been established against 16 CHCs and 80 PHCs in position as on 31 March 2000. Thus, facility for detection of TB and treatment remained out of reach to a large number of rural population due to lack of providing the necessary infrastructure facilities.

Persistent rise in old tuberculosis case while decline in new case detection

3.2.35 TB is detected through sputum examination for which the department had fixed target without any basis during 1996-97 to 1999-2000. However, no targets for treatment of TB patient had been fixed even though such fixation would have been more realistic with reference to case detection and also was of primary importance. The status report on detection and treatment of TB cases (Appendix XVI) revealed the following:

(a) During 1996-97 to 1999-2000, sputum examination was done in 0.25 lakh cases against a target of 0.37 lakh. The shortfall increased from 18 **per cent** in 1997-98 to 59 **per cent** in 1999-2000, reasons for which were not on record nor stated. During 2000-2001, sputum examination was done in 0.03 lakh cases without fixing any targets. The detection of new cases of TB decreased to 1832 in 2000-2001 from 3042 in 1997-98 but the Department had not ascertained whether the decrease in new cases detection was due to lesser sputum examination or decrease in the incidence of TB in the state.

(b) Against 0.10 lakh new cases of TB detected during 1996-97 to 1999-2000, the number of TB patient under treatment at the end of March 2000 stood at 0.41 lakh. This unusual situation viz. more patients under treatment than new case detection was due to persistent rise in the number of old TB cases and high incidence of relapse cases. It would be seen from the Appendix XVI that old cases of TB under treatment increased from 0.06 lakh in 1996-97 to 0.13 lakh in 2000-2001.

3.2.36 The increasing number of “under treatment” patients, showed that the cases of TB were on the increase in the state. No investigation to find out the cause for the resurgence of TB had been carried out under the programme. Reports to the GOI on the implementation of the programme were being sent without any evaluation of the magnitude of the problem and the extent by which the problem had been tackled.

Shortfall in Immunisation against Tuberculosis

3.2.37 To prevent mortality and morbidity against Tuberculosis, BCG vaccination is provided to the children of the age 3 to 9 months in the health care centres or through Integrated Child Development Programme (ICDP). Shortfall in BCG vaccinations against targets was commented upon in paragraphs 3.13 and 3.7 of the Reports of the Comptroller and Auditor General of India for the years ended 31 March 1997 and 31 March 1999 respectively on the working of Medical Department and implementation of

Integrated Child Development Services Scheme in the state. Though the discussions and recommendations of the Public Accounts Committee on these paragraphs were still awaited, no improvement in immunisation against tuberculosis was noticed. As against a target of 2.27 lakh children to be administered BCG injection during 1996-97 to 1999-2000, 1.32 lakh had been vaccinated registering a shortfall ranging between 28 and 57 **per cent** during the 5 years period as detailed below:-

Table 3.7

Year	Targets (in number)	Achievement	Percentage of shortfall
1996-97	56807	30971	46
1997-98	56887	41078	28
1998-99	56887	35488	38
1999-2000	56887	24248	57
2000-2001	NA	NA	
Total	227468	131785	

Source: Annual Action Plan.

3.2.38 Reasons for shortfall were not on records nor stated. The low coverage of vaccinations was a major failure in the fight to control Tuberculosis in the state.

Training programme had not given due importance

3.2.39 Training of medical, para-medical staff, community leaders for management and control of the diseases was a component of all the programmes. It was, however, seen that this component had not received attention at all or activity was partial as would be evident from the following details:-

Table 3.8

Name of the programme	Projected/expected training to be imparted	Training actually imparted	Audit observations
NACP	During the 5 years period ended March 2001, annual action plan including training programme had not been formulated for 3 years. For 1999-2000 training of 115 Medical Officer and para medical staff for 42 days and 70 numbers of community/ women/youth were to be trained for 3 to 30 days. In 2000-2001, 30 doctors and 25 technical staff/nurses were to be provided training.	During the period from 1996-97 to 2000-2001 1 day training was imparted to 227 medical and para-medical staff. No training was imparted other than one day training to 227 medical and para medical staff.	Of Rs.36.02 lakh provided for training during 1996-97 to 1998-99, Rs.34.83 lakh remained unutilised. Reasons for poor coverage on training had not been stated.

Name of the programme	Projected/expected training to be imparted	Training actually imparted	Audit observations
NLPC	All the 35 Medical and para-medical staff of the 7 MLTU were required to provide training on case detection, delay of MDT post treatment surveillance	13 Medical officers and 10 para medical staffs were only imparted training on detection and treatment of Leprosy.	The shortfall in training apart from being a deterrent in rendering excellence in treatment also led to non-utilisation of funds received from GOI.
NTBCP	The programme envisaged training of Medical Officers at National Institutes of T.B. But, no targets for training were fixed during 1996-01.	During 1996-97 to 2000-2001 14 MO and 37 para-medical staff imparted short training course conducted by District TB Centres.	
NPCB	For effective implementation of the programme training of trainees and doctors for eye surgery was envisaged through the courses organised by Director General of Health Services. However, no targets for training were fixed during 1996-01.	During 1996-97 to 2000-2001, 120 Medical Officers 52 para medical and 270 school teachers imparted training without fixing any targets. No training of trainers and Doctors for the course organised by DGHS had been arranged.	

Source : Position furnished by the department.

Inadequate awareness campaign

3.2.40 All the programmes for control of diseases were to emphasis on Information, Education, Communication (IEC) to make people aware of the preventive measures to be taken against the diseases, to keep people informed about the facilities available for detection and treatment of disease and most important their right to receive these facilities. Insignificant awareness campaign against prevention of AIDS had already been discussed in paragraphs 3.2.11 & 3.2.12 above. The NLCP attached special significance on IEC so as to help the leprosy patients became acceptable to society. The scheme also envisaged participation of Non-Governmental Organisations (NGO) in the survey, education and treatment activities. No NGOs were engaged in the implementation NLCP in the state nor were their help undertaken to generate awareness among the masses. According to SPO during 1996-97 to 2000-2001 film shows (35), Radio talks (20), advertisement in Television (on 18 occasions) and cultural programmes (2) were reported to have been organised under NPCB though no targets had been framed. While the reported group meetings at village level exceeded the targets (1050) by 24 meetings, there was shortfall by 12, 25, 57 and 10 meetings at state level, District level, Block level and sub-centre level against the targets of 20, 60, 250 and 320 meetings respectively scheduled to be held under NPCB. In the implementation of National tuberculosis programme no IEC activities were

carried out at all during 1997-2001. Awareness campaign in the state was, thus, inadequate and ineffective.

Monitoring and evaluation

3.2.41 Prescribed reports/returns for all the programmes were being sent to the Government of India on a routine basis without any evaluation and impact analysis. As a result, the implementation of the programmes remained unassessed. Further, the activities of the district societies in respect of NPCB were not monitored by the SPO resulting in arrears in the rendition of accounts by DBCS, Jaintia Hills since 1996-97, DBCS, West Khasi Hills since 1999-2000 and remaining 4 DBCS for 2000-2001.

3.2.42 The matter was reported to Government in July and August 2001; reply had not been received (December 2001).

Recommendations

3.2.43 The audit recommendations are as follows:-

- Greater awareness needs to be instilled in the population of the state to allow for better health in the society.
- Training programme needs to be given due importance so that medical staff could equip themselves with the latest development in the frontier of medical science to allow for excellence in treatment of patients.
- More original scientific medical research needs to be carried out by the personnel of the Medical Department while implementing these programmes.
- Holding more frequent workshops between the medical personnel of the states in the region to help exchange findings of the implementation of the programmes.

PUBLIC HEALTH ENGINEERING DEPARTMENT

3.3 Environment, Pollution and Waste Management

Highlights

Implementation of the Acts and Rules relating to environmental pollution and Waste Management has been entrusted by the Government to the Meghalaya State Pollution Control Board. The Board had not achieved any breakthrough in the matter of control of pollution as well as management of waste and the air quality showed gradual degradation. The state government did not take appropriate action to tackle the problem of vehicular pollution.

Activities of the Board remained beyond the knowledge and control of the Legislature owing to non-submission of annual reports by the Board since 1994-95.

(Paragraphs 3.3.10 & 3.3.11)

Out of 252 air polluting industries in the state, 76 were continuing industrial activities without the consent of the Board.

(Paragraph 3.3.12)

Emission of air pollution remained unabated due to establishment of lime kilns and 3 stone crusher units within the non-permissible limits for such activities.

(Paragraphs 3.3.14 & 3.3.15)

Only one out of 9 industries had installed an air pollution monitoring instrument.

(Paragraph 3.3.17)

Lack of control of vehicular pollution by Transport Department resulted in increase of air pollution in the state through hazardous emissions into atmosphere.

(Paragraph 3.3.20)

There was every possibility of serious health hazards and pollution as 136 medical institutions remained beyond the purview of Bio-Medical Waste Rules, 1998.

(Paragraphs 3.3.27 to 3.3.29)

Introduction

3.3.1 For the prevention, control and abatement of air pollution, Parliament enacted the Air (Prevention and Control of Pollution) Act, 1981. The Environment (Protection) Act, 1986 was enacted by Parliament as an umbrella Act to cover all the specific and general provisions relating to pollution of the environment including the management of hazardous, biomedical and solid waste. The Bio-Medical Waste (Management and Handling) (BMWMH) Rules were drawn up by the GOI and came into effect from July 1998. These Acts and Rules are applicable throughout the country. The Meghalaya State Pollution Control Board (Board) was constituted in November 1983.

3.3.2 The state government framed the Meghalaya Air (Prevention and Control of Pollution) Rules, 1988 and also declared (February 1988) certain areas of East and West Khasi Hills, Jaintia Hills and East and West Garo Hills as air pollution control areas. In November 1999 the entire area of Meghalaya was declared as an "Air Pollution Control Area".

3.3.3 The Board is responsible for the prevention and control of pollution in the state. The main functions of the Board are:-

- (i) to plan a comprehensive programme for the prevention, control or abatement of air pollution and to secure execution thereof;
- (ii) to advise the state government on any matter concerning the prevention, control or abatement of air pollution;
- (iii) to collect and disseminate information relating to air pollution; and
- (iv) to lay down standards for emission of air pollutants into the atmosphere from industrial plants and automobiles on the discharge of any air pollutant into the atmosphere from any other source whatsoever not being a ship or an aircraft.

Organisational set up

3.3.4 The Board consists of a full time Chairman and a Member Secretary^(a) besides 15 official and non-official part time members representing state government, Local Bodies, Companies/Corporations owned by the state government^(b). The Board has not established any Regional office till date (June 2001). The Board has a central laboratory in Shillong. The Public

^(a) The Member Secretary exercises the powers of the Board in the method of appointment, condition of services and pay scale of the officers and employees of the Board delegated to him by the State Board.

^(b) Official Members: 5; Representative from local authorities: 5; Representative from Corporations: 2; Non-official Members: 3.

Health Engineering Department of the state government acts as the nodal department for the Board and oversees its functioning.

Audit coverage

3.3.5 Enforcement of the provisions of Environmental Acts and Rules relating to prevention and control of air pollution by the Board during the period from 1996-97 to 2000-2001 was reviewed in audit through test check of available records during May – June 2001 under Section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

Finance and Accounts

3.3.6 The source of funds of the Board consists of grants-in-aid from the CPCB^(a) and the Central and state governments.

3.3.7 The Board is required to prepare Annual Accounts at the close of each financial year and get the same audited by a qualified Auditor appointed by the state government on the advice of the Comptroller and Auditor General of India. The Chairman of the Board stated (October 2001) that the Annual Accounts up to 1999-2000 had been prepared, but certification of the same by the Chartered Accountant was outstanding since 1988-89 as the firm appointed for audit could not be contacted. The details of grants released and expenditure incurred by the Board during the period from 1996-97 to 2000-2001 are detailed below:-

Table 3.9

Year	Grants-in-aid received from			Expenditure
	CPCB/G OI	State government	Total	
(Rupees in lakh)				
1996-97	1.70	15.00	16.70	38.23
1997-98	8.75	32.57	41.32	59.84
1998-99	10.20	54.00	64.20	52.63
1999-2000	12.94	59.42	72.36	69.75
2000-2001	40.08	65.83	105.91	107.36
Total	73.67	226.82	300.49	327.81

Source: As per information furnished by the Board (June and October 2001).

^(a) CPCB – Central Pollution Control Board.

Compliance aspects

Inadequate meetings of the Board

3.3.8 The Board is required to meet at least once in every three months. It was seen in audit that during 1996-97 to 2000-2001 the Board met only on 10 occasions against the required 20 meetings. The failure of the Board to hold its scheduled meetings were not on record nor could be stated.

3.3.9 Except for the Chairman and Member Secretary of the Board, attendance of other members in the meetings was irregular. The members did not show the required concern for activities of the Board. The state government did not take action against the absenting members in accordance with Section 7(4) of the Air Act, 1981 by terminating their membership from the Board. No reasons were on record as to why Government did not enforce discipline in the Board (July 2001).

Non-preparation of Annual Report

3.3.10 The Board is required to prepare every year, an Annual Report giving a true and full account of its activities during the previous financial year and submit such report to the state government by 15th May each year so that the Report can be laid before the State Legislature within 9 months from the last date of the previous financial year.

3.3.11 The Board had not prepared any Annual Report since 1994-95. The Chairman of the Board stated (October 2001) that the preparation of Annual Report from 1994-95 onwards was kept pending as the Annual Accounts had not been audited. The State Legislature had not assessed the activities of the Board for the last 7 years.

Pollution control measures

Non-issue/renewal of consents

3.3.12 Prior consent of the Board is mandatory for establishing or operating industrial plant in an air pollution control area. Out of 3083 industries/factories established in the state till March 2001, 252 industries had been identified by the Board as polluting industries of which 176 had been granted consent. The remaining 76 industries were operating without consent. The Chairman of the Board stated (October 2001) that physical verification about the existence of these 76 industries was afoot. The Board had thus failed to monitor the pollution caused by these 76 industries.

3.3.13 Consent granted to industries for allowing them to function is required to be renewed annually on realisation of appropriate fee. Out of 176 industries to whom consent was granted, 47 had not applied for renewal of consent till June 2001 although the validity of the consent granted to them earlier had expired between September 1989 and August 1999. Revenue of Rs.1.08 lakh (at the minimum rate of Rs.500 per year) in the form of consent fee to the Board was not realised from these 47 industries. The Chairman of the Board stated (October 2001) that it was decided in Board's meeting (July 2001) that action would be taken against the defaulters. Inaction by the Board for 2 to 11 years showed lack of control and monitoring (October 2001).

Setting up of lime kilns/stone crusher within the non-permissible limit

3.3.14 The Board through its Notification of February 2000 had prescribed that no lime kiln or cluster of lime kilns and stone crusher should be set up within 200 metres of road side. It was noticed that 59 lime kilns in East Khasi Hills District were set up within the non permissible limit^(a), and 4 lime kilns and 3 stone crusher units established prior to issue of the notification but within the non-permissible limit were granted consent by the Board. The new units were set up in violation of the Notification while in the case of the old units consent was given by the Board despite the fact that their location violated the February 2000 notification. The Chairman of the Board stated (October 2001) that shifting of the units to alternative sites would be taken up in the next meeting of the Board. The Board was silent on the consent given to the 66 units to operate in violation of the notification.

3.3.15 The Board had thus failed to control the emission of pollutants into the atmosphere.

Non-submission of environmental reports

3.3.16 As per Notification issued by GOI in March 1992, every person carrying on an industry requiring consent under Air Act, 1981 or Hazardous Waste (Management and Handling) Rules, 1989 shall submit an environmental audit report for the preceding financial year to the State Board by 15th May every year, indicating the quantity of pollution generated. Except one industry, all the other 175 industries to whom consents were granted by the Board had not submitted their environmental reports and the Board despite this violation had not initiated any action against the erring industries. In the absence of the environmental reports, the quantity of pollutants released by these industries to the atmosphere was not assessed by the Board.

^(a) Situated at distance varying between 10 and 200 metres from road side against the norms of beyond 200 metres from road side.

Non-installation of air pollution monitoring instrument

3.3.17 For grant of consent under the Air Act, 1981 it was mandatory before commissioning of the plant that infrastructural facilities for monitoring of stack emissions and ambient air quality including meteorological data should be provided by installing appropriate air pollution monitoring instruments and establishment of a well equipped laboratory. Out of 176 industries to whom consent had been accorded by the Board, 9 industries were required to install air pollution monitoring instruments but only one industry had, however, installed air pollution monitoring instrument. The Chairman of the Board stated (October 2001) that the remaining 8 industries were incapable of setting up their own monitoring system and had requested the Board to carry out this work on their behalf. The Board, however, had not performed the monitoring though it was capable to do so and reasons for which had not been stated.

Monitoring and testing of air quality

Non-utilisation of National Ambient Air Quality Monitoring Station at SCL

3.3.18 As per sanction accorded (February 1988) by the Central Pollution Control Board (CPCB), two National Ambient Air Quality Monitoring (NAAQM) Stations were established in 1989 at State Central Library (SCL), Shillong and at the Board's premises. As per instruction of the CPCB, the State Board was to conduct 8 hours sampling for Suspended Particulate Matter (SPM) and 4 hours sampling for Sulphur-dioxide (SO₂) and Oxides of Nitrogen (NO₂). It was noticed that the sampling could not be done at SCL as the Station was located at the roof of SCL and the passage to this Station was through the public reading room which maintained specific timings. The Board, therefore, decided (April 1996) to shift this Station to the Municipal car park at Police Bazar (near state TB building), Shillong and this was completed in January 2001. Thus, delay in shifting of the NAAQM Station from SCL by 57 months did not allow the monitoring of the air quality for the same period as per CPCB norm.

Results of monitoring of air quality in specific area/vehicle exhaust emission

3.3.19 For monitoring environmental pollution, the GOI sanctioned (March 1997) Rs.2.20 lakh to the Board. Accordingly, sampling of air quality was carried out during 1997 to March 2000 by the Board in different locations of the state. The results on analysis showed that Suspended Particulate Matter (SPM) concentrations at Nongpoh and 6 locations of Shillong exceeded the tolerance limit prescribed by GOI. The degradation of air quality was found to persist in Nongpoh and in 5 important locations in Shillong, year after year.

3.3.20 The trend of vehicular pollution in the state was increasing. Out of 8353 vehicles tested by the Board during 1996-97 to 1999-2000 in Khasi Hills, the exhaust emissions of 3019 vehicles exceeded the prescribed limit of

vehicular pollution. To control air pollution due to emissions from vehicles, the state government in consultation with the Board, entrusted (February 1992) the responsibility for checking vehicular exhaust emission to the Transport Department. Compliance by the Transport Department was not found in the records of the Board nor did the Board seek for a report from the Transport Department. The Member Secretary (MS) of the Board stated (June 2001) that the major source of air pollution in Shillong is vehicle exhaust emission but it was seen that despite the warning signals the Board had not taken adequate action to control this source of pollution.

3.3.21 The Vehicular Pollution Control Monitoring Committee constituted (June 2001) has not yet made any suitable recommendations to tackle this problem of vehicular pollution.

Irregular monitoring of air polluting industries

3.3.22 The Board was required to conduct regular monitoring of air polluting industries and to ensure their compliance to the prescribed standards. The frequency of monitoring with respect to specified highly polluting industries (Cement industry included) was to be performed once in two months as per Emission Regulations issued by the CPCB. In respect of other industries, the Board, however, decided (April 2000) to monitor the air quality once in six months and there were no records to show the basis of reduction of the frequency check.

3.3.23 Out of 176 industries consented by the Board, only 6^(a) were identified as highly polluting industries. The Board had not conducted any monitoring on these highly polluting industries nor monitored the remaining 170 polluting industries at a frequency of once in six months. The MS of the Board stated (June 2001) that the industries could not be monitored due to non-sanction of separate post for the purpose and non-availability of stack monitoring kit. There was however, nothing on record to show initiatives taken by the Board with the Government and the CPCB to address these shortcomings. The Board's inaction resulted in the continuous release of toxic waste to the atmosphere by these industries.

Management of hazardous waste

Non-identification of sites for final disposal of hazardous waste

3.3.24 According to the Hazardous Waste (Management and Handling) Rules, 1989 (HWMH), the state government or a person authorised by it should undertake a continuing programme to identify sites periodically and publish an inventory of such sites within the state for disposal of hazardous waste. Prior

^(a) Mawmluh-Cherra Cements Limited, AMS Cement, RKB Cement, Bombay Cement, Jaintia Cement and Virgo Cement.

to the selection of such sites, an environmental impact study was required to be conducted under the said Rules. The Board had neither identified any site for disposal of hazardous waste nor prepared any inventory of such sites (June 2001) and the implementation of the HWMH Rules was totally frustrated.

3.3.25 The MS of the Board stated (June 2001) that lack of expert manpower, infrastructural facilities and financial constraint were the main reasons for not taking up the matter till date. The Board had not given due importance to waste management as the manpower problem was discussed in Board's meeting in March 2001 after 12 years of the HWMH Rules came into effect. The Chairman of the Board stated (October 2001) that final project proposal of "Inventorisation of Hazardous Waste and Centralised Treatment and Disposal facility sites in Meghalaya", a requirement to seek financial assistance from CPCB was awaited from the National Environmental Engineering Research Institute.

Disposal of Municipal Solid Waste at will

3.3.26 Under the Municipal Solid (Management and Handling) Rules, 2000, every Municipal authority is required to set up a waste processing and disposal facility for which they will have to apply for authorisation from the Board. The MS of the Board stated (June 2001) that the copies of Rules were forwarded to the Municipal Boards (MBs) of Shillong, Tura, Williamnagar, Baghmara and Shillong Cantonment in November 2000 for compliance. The local bodies had neither obtained authorisation from the Board (as of June 2001) nor had the Board ascertained the standard of management of the waste by these local bodies. In the absence of authorisation from the Board these local bodies dumped their waste at will leading to serious environmental infringements.

Disposal of Biomedical waste without authorisation

3.3.27 As per Bio-Medical Waste (Management and Handling) Rules, 1998 (BMWMH), every institution generating biomedical waste is required to ensure that such waste is handled without any adverse affect on human health and environment. Every such occupier and operator of biomedical waste shall apply for grant of authorisation to the prescribed authority (Board).

3.3.28 Till 1996-97, 136 medical institutions were operating in the state. After 1996-97 the Board had not updated this information base. Although 27 applications were received by the Board as of June 2001, not a single authorisation was issued by it as the authorisation fees had not been fixed by the Government. All the 136 medical institutions were thus functioning in the state without authorisation. Further, the Annual Reports for the year 2000-2001 in respect of only 8 institutions were received by the Board and thus it could not compile the information regarding categories and quantities of

biomedical waste handled by these institutions during the preceding year and the required information was not submitted to the CPCB by 31st March as required under Rules.

3.3.29 All the 136 medical institutions thus remained beyond the purview of the BMW Rules, 1998 and the effects on human health and the environment could not be assessed by the MSPCB.

Treatment and disposal of biomedical waste

3.3.30 According to BMWMH Rules, biomedical waste shall be treated and disposed off in accordance with prescribed standards. The mode of treatment and disposal of infectious waste in respect of 11 hospitals located in Shillong, as available in the records of the Board, are shown in Appendix XVII. The above information did not indicate whether emission standards of incineration and deep burial were in consonance with standards prescribed under Schedule-V to the Rules and whether the biomedical waste was disposed off at approved sites. In the absence of this information, the Board could not assess whether the biomedical waste had any adverse effects on human health and environment. The Chairman of the Board in reply (October 2001) confirmed that out of the 11 hospitals only one conformed to the “Standards for Treatment and Disposal of Biomedical Wastes” as specified in Schedule V of the Rules. The Board also informed that steps for setting up a common Biomedical Waste Treatment facility in Shillong has been initiated.

Non-involvement of Non-Governmental organisation

3.3.31 Non-Governmental Organisations (NGO) perform a vital role in creating mass awareness among the people against the evils of pollution. The MS of the Board stated (June 2001) that no NGO was involved in prevention, control and abatement of air pollution in the state but could offer no reasons for their non-involvement.

Other point - Unfruitful expenditure on procurement of mobile laboratory

3.3.32 GOI sanctioned (April 1995) Rs.24.40 lakh and released Rs.22 lakh (Cost of chassis: Rs.4.50 lakh; Fabrication of chassis: Rs.3.50 lakh; Equipment: Rs.14 lakh), between April 1995 and November 2000, to the Board for procurement of one Mobile Laboratory to monitor air/water quality of remote localities. The Board procured (March 2001) a fabricated van at a total cost of Rs.19.27 lakh and consequently all the monitoring equipment for air and water pollution could not be procured with the remaining amount of Rs.2.73 lakh. The Mobile Laboratory Van so procured was, therefore, not yet equipped with monitoring devices and the van could not be put to operation till the date of audit (June 2001). The Chairman of the Board admitted (October 2001) that the mobile laboratory procured at a cost of Rs.19.27 lakh

was equipped with some monitoring equipment and was going to be made operational. However, in the absence of the most important equipment of the Meteorological Mast and High Performance Liquid Chromatograph, the monitoring of water and air quality would be superficial.

Monitoring and evaluation

3.3.33 Shortcomings in implementation of provisions of Acts and Rules as discussed in the foregoing paragraphs indicate that the Board had failed to prevent and control pollution in the state even after 18 years of existence. The Board exists but only in name. The activities of the Board had never been monitored by the Public Health Engineering Department.

3.3.34 The matter was reported to Government in August 2001; reply had not been received (December 2001).

Recommendations

3.3.35 The audit recommendations are as follows:-

- Provisions of Acts and Rules are required to be enforced promptly for the prevention, control and abatement of air pollution.
- Appropriate action needs to be taken by Government to tackle the problem of air pollution through vehicle exhaust emission.
- Handling of waste especially biomedical waste so that human health and the environment are not adversely affected needs to be ensured at the earliest.

SECTION 'B' - PARAGRAPHS

AGRICULTURE DEPARTMENT

3.4 Infertuous expenditure due to keeping in possession of a plot of land without any end use

Payment of compensation of Rs.72.84 lakh for a plot of land, not put to any use, turned out to be an infertuous expenditure.

3.4.1 Government of Meghalaya paid (May 2000) a negotiated compensation of Rs.72.84 lakh to the owner of a plot of land measuring 4 acres at Rymphum, Jowai. This payment became necessary on account of a Court judgement of March 1992 after a protracted title suit filed by the owner in 1983. The Court judgement declared that the owner was entitled to get the compensation of the land occupied by the Agriculture Department since 1958. The land which had been under the possession of the Department over four decades had not been put to any use. Audit did not find any evidence of planning for a prudential end use of the land even though the legal liability for payment of compensation of the land was legally determined over 8 years ago. The land remained unutilised till the date of audit (October 2000). Thus, administrative laxity on the part of the Department had led to infertuous expenditure of Rs.72.84 lakh towards the cost acquisition.

3.4.2 The matter was reported to Government in November 2000 and May 2001; reply had not been received (December 2001).

EDUCATION DEPARTMENT

3.5 Undue delay of expenditure on science education in schools

Utilisation of Central assistance of Rs.1.70 crore was unduly delayed hampering science education in schools.

3.5.1 The Government of India (GOI) released (February 1995) grants-in-aid of Rs.1.70 crore for improvement of science education in the schools of the state during 1994-95 (Science kits: Rs.8.40 lakh; Science related books: Rs.27 lakh; Laboratory equipment: Rs.135 lakh). The Department on having failed to utilise the grant during 1994-95, obtained GOI permission extending the utilisation period up to March 1997 but withdrew the grant amount only in March 1997 with contra-credit to Civil Deposit. The grant money remained in Civil Deposit for more than a year and the Director of Higher and Technical Education (DHTE) actually disbursed the same to 500 primary and secondary schools during March to July 1998 through the concerned Inspectorate of Schools. From the utilisation certificates received in the Directorate, Audit noticed (October – November 2000) that science kits, etc. were received by the schools between September 1998 and September 2000. There were no reasons on records to show why there was a delay of utilisation of Central assistance by more than three years.

3.5.2 Thus, undue delay in providing the equipment, kits, etc. to the schools despite availability of fund, the Department failed to accelerate science education in the schools of the state. Besides, the inefficiency in the application of funds had encumbered the state finance to the tune of Rs.22.19 lakh for retention of Rs.1.70 crore in civil deposit during 1997-98, worked out applying the cost of borrowing during the year (13.05 **per cent**).

3.5.3 The matter was reported to Government in January and March 2001; reply had not been received (December 2001).

FINANCE DEPARTMENT

3.6 Administrative irregularities in the non-banking treasuries

There was retention of cash balance in non-banking treasuries far in excess of limit. The District authorities did not inspect the treasuries as prescribed.

3.6.1 Mention was made in paragraph 2.2.10 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1998 regarding retention of cash balance in excess of limits fixed by Government in a non-banking Treasury. Inspection of records (between September 1997 and August 1999) of 8 Treasuries^(a) and 5 Sub-Treasuries^(b) pertaining to the period between March 1993 and August 1999 by the Accountant General (Accounts and Entitlement) revealed unauthorised retention of heavy cash balances by non-banking Treasuries/Sub-Treasuries as detailed below:-

Table 3.10

Serial number	Name of Treasury/ Sub-Treasury	Maximum limit fixed (Month of fixation)	Range of cash balance retained	Period during which excess balances retained
		(Rupees in lakh)		
1.	Baghmara Treasury	8 (May 1998)	245.82	As of August 1999
2.	Ampati Sub-Treasury	5 (May 1998)	31.81 to 105.13	Between May 1998 and July 1999
3.	Resubelpara Sub-Treasury	30 (May 1998)	59.41 to 168.27	Between June 1999 and August 1999
4.	Sohra Sub-Treasury	5 (November 1990)	9.23 to 42.48	Between August 1993 and April 1996

3.6.2 According to Rule 88 of the Meghalaya Treasury Rules, the strong room of the Treasury/Sub-Treasury is required to be inspected by the competent authority from Public Works Department to ensure its safety and by the District Superintendent of Police to ensure adequate deployment of sentry. Besides, under Rule 63 *ibid* the District Collector is to conduct yearly inspection to ensure that the Treasuries had been functioning in accordance

^(a) (i) Shillong North, (ii) Shillong South, (iii) Baghmara, (iv) Tura, (v) Williamnagar, (vi) Jowai, (vii) Nongstoin and (viii) Nongpoh.

^(b) (i) Ampati, (ii) Resubelpara, (iii) Sohra, (iv) Mawkyrwat and (v) Mairang

with rules and orders. No inspections had, however, been carried out by these authorities in any of the cited Treasuries/Sub-Treasuries.

3.6.3 Unauthorised retention of cash balances in excess of the maximum limits coupled with non-inspection of the Treasuries/Sub-Treasuries by the competent authorities is fraught with the risk of misappropriation, theft or loss of cash.

3.6.4 The matter was reported to Government (October 2001); reply had not been received (December 2001).

HOUSING DEPARTMENT

3.7 Inefficient implementation of Housing scheme for low-income group people

In the implementation of the Loan-cum-subsidy scheme, Government borne guarantee fee of Rs.61.29 lakh on behalf of the MSHB in contravention of the orders regulating the guarantee fees besides there was idling of stores due to purchase of CGI sheet by the Director of Housing over the demand.

3.7.1 The Loan-cum-subsidy Housing Scheme introduced in April 1988 was aimed to help the economically weaker/low-income-group population of the state to build Government approved model house measuring 27.89 sqm. costing Rs.23,375. Soft loans to the extent of the cost of construction of the house reduced by the amount of subsidy in the shape of CGI sheet was to be provided to the beneficiaries.

3.7.2 Government allowed the Meghalaya State Housing Board (MSHB) to borrow money from Financial Institutions to provide loans to the beneficiaries under the scheme. Accordingly the MSHB borrowed Rs.24.95 crore from Housing and Urban Development Corporation during 1989-90 to 1993-94 on the strength of guarantees given by the Government. Against this borrowing only Rs.8.63 crore could be disbursed due to cumbersome procedures in finalising loans and poor recovery against loans advanced. The scheme was kept in abeyance since 1994-95 and as of March 2001 the MSHB still to liquidate Rs.19.96 crore (Principal: Rs.18.60 crore; Interest: Rs.1.36 crore). As moneys were borrowed on Government guarantee, the MSHB was required to pay guarantee fee amounting to Rs.61.29 lakh as Government revenue in

terms of the requirement of the Finance Department's order of 1989. The objective of guarantee fee was to put curb on unplanned borrowing by the Government undertaking and thus to bring in financial discipline in the undertakings. The Administrative Department, however, sanctioned Rs.61.29 lakh as guarantee fee from state budget and paid (between 1989-90 and 1999-2000) to the MSHB to be credited as Government revenue. The action of the Government was improper firstly it tantamounts to intra-transfer of money only viz. credit to revenue by debiting service head and secondly it act as contra-purpose to the stipulation of the Finance Department regulating the guarantee fee. Sure enough, the MSHB did not utilise the sanctioned fund of guarantee for the intended purpose as only Rs.23 lakh out of Rs.61.29 lakh was credited as Government revenue till March 2001. The Commissioner and Secretary, Housing Department (C&S,HD) justified the action of the MSHB stating (August 2001) that the Board had to divert the guarantee fee towards repayment of dues to the financial institutions.

3.7.3 The table below shows the CGI sheet purchased by the Director of Housing (DH) to meet the subsidy component of the scheme and issue of CGI sheet to the beneficiaries:

Table 3.11

Year (Protected beneficiaries)	CGI Sheets procured		CGI sheets issued		Unutilised CGI sheets		Percentage of cases availed of the benefit against the sanctioned cases
	Quan- tity in tonnes	Value in lakh of rupees (Number of sanctioned cases)	Quan- tity in tonnes	Value in lakh of rupees (Number of cases availed of the benefits)	Quan- tity in tonnes	Value	
1988-89 (600)	122.10	24.57 (600)	109.28	21.99 (537)	12.82	2.58	90
1989-90 (1800)	356.47	74.12 (1800)	322.01	66.96 (1626)	34.46	7.16	90
1990-91 (1330)	284.566	55.15 (1330)	166.67	32.30 (779)	117.896	22.85	59
1991-92 (2520)	416.87	100.36 (2411)	102.73	24.73 (621)	314.14	75.63	26
1992-93 (2190)	345.84	89.78 (1982)	36.163	9.38 (229)	309.68	80.40	12
1993-94 (2432)	392.975	101.96 (1048)	24.24	6.29 (150)	368.73	95.67	1
Total (10872)	1918.821	445.95 (9171)	761.093	161.66 (3942)	1157.728	284.29	...

3.7.4 During 1988-89 to 1993-94 loans were sanctioned to 9171 applicants against a target of 10872 beneficiaries to be covered under the scheme during the same period. But out of the sanctioned cases 3942 only had availed the loan. The response of the applicants to avail the loan declined continuously and came down to **1 per cent** of sanctioned cases in 1993-94 as opposed to **90 per cent** during 1988-89. The C&S,HD attributed (August 2001) this decline to (i) loss of interest by the applicants due to delay, (ii) non-compliance of

requisite formalities by the grantees and (iii) communication gap between the applicants and the Board due to death/shifting of villages of the applicants. Scrutiny (October 2000) of the stock register revealed that the DH paying no attention to the demand position, purchased 1918.821 tonnes of CGI sheet valued at Rs.4.46 crore during 1988-89 to 1993-94 of which 761.093 tonnes were issued till the date of audit leaving a balance of 1157.728 tonnes valued at Rs.2.84 crore in stock. In fact, the entire purchase of 1155.685 tonnes during 1991-92 to 1993-94 was unnecessary as the closing stock (165.18 tonnes) at the end of 1990-91 was more than the quantity issued (163.133 tonnes) till the date of audit (October 2000). Thus, mis-match between the purchase and issue resulted in idling of CGI sheet in stock. No physical verification reports of unutilised CGI sheet lying in the godown of 7 Deputy Commissioners (Housing) were available with the DH. As such status of the stock could not be ascertained in audit.

3.7.5 Although issue of CGI sheets to the grantees was tied up with the release of instalment of loans to the grantee by the MSHB, the DH continued to procure the same contrary to the Government's decisions of August 1989 that MSHB was to deal with the scheme in totality. Thus, the unauthorised procurement of CGI sheets by the DH resulted in locking up of fund to the extent of Rs.2.84 crore. Government has not fixed responsibility for the unauthorised procurement idling in stock nor were efforts initiated to utilise the CGI sheets lying in stock.

3.7.6 The C&S,HD stated (August 2001) that heavy investment on idle stock of CGI sheets would be placed for review and decision.

INDUSTRIES DEPARTMENT

3.8 Locking up of funds

Release of funds to the implementing agency before acquiring the land required for setting the growth centre led to locking up of Rs.3.77 crore for the period ranging from 1 to 9 years outside Government accounts affecting financial health of state exchequer.

3.8.1 For attracting industries in backward areas, Government of India (GOI) decided (June 1988) to set up of 100 industrial growth centres all over the country including one in Meghalaya. Accordingly, GOI sanctioned (March 1997) Rs.0.50 crore being the first instalment of Central assistance to the state government for setting the growth centre at Mendipathar, East Garo Hills at an

estimated cost of Rs.18 crore. The requirement of land for the project was 182 hectares. The project was a Centrally Sponsored Scheme subject to the ceiling of Rs.15 crore and the balance amount of Rs.3 crore was to be met from state resources. The Meghalaya Industrial Development Corporation (MIDC) was the implementing agency of the project.

3.8.2 Test check (October 2000) of records of the Director of Industries, Shillong revealed that funds totalling Rs.4.05 crore (including Central assistance of Rs.0.50 crore) were placed between March 1991 and July 1999 at the disposal of the MIDC by the state government. The MIDC could not start even the preliminary work of the project till the date of audit as the required land was not acquired by the Deputy Commissioner (DC), East Garo Hills due to objection from the land owners/local people. Between 1994-95 and 1999-2000, the MIDC incurred expenditure of Rs.0.28 crore on miscellaneous items including cost of acquiring 36 hectares of land (Rs.5 lakh).

3.8.3 Thus, due to release of funds to the MIDC even before acquiring the required land, Rs.3.77 crore remained out of Government account for period ranging from over 1 to 9 years thereby locking up of funds to that extent which adversely affected the financial health of the state and also hampered the creation of the industrial infrastructure required for attracting industries to backward areas.

3.8.4 The matter was reported to Government in January and August 2001; reply had not been received (December 2001).

3.9 Nugatory expenditure

Avoidable expenditure of Rs.5.40 crore was incurred due to extension of guarantees by the state government to the financial institutions.

3.9.1 The Meghalaya Electronics Development Corporation Limited (MEDC) obtained term loans in two phases (Rs.3.60 crore and Rs.0.66 crore) aggregating Rs.4.26 crore during the period between December 1986 and September 1989. The loans were obtained from a consortium of three financial institutions viz. Industrial Development Bank of India (IDBI), Industrial Financial Corporation of India (IFCI) and Industrial Credit Investment Corporation of India (ICICI) for implementation of its tantalum capacitors project at Barapani. The loans were obtained after executing agreements (October 1986 and January 1989) by the company with the financial institutions. The loans carried interest at the rate of 12.5 **per cent** per annum repayable within seven years commencing from June 1991. In case of default, the loanee was required to pay liquidated damages at the rate of 2 **per**

cent on the defaulted amount for the period of default. The state government executed deeds of guarantee with the said financial institutions (September 1986 and August 1989) guaranteeing timely repayment of principal and interest accrued thereon.

3.9.2 The company defaulted in repayment of principal and payment of interest on the loan amount right from the beginning due to financial constraints, inability to create a market demand for its tantalum capacitors and gross under utilisation of the plant capacity as mentioned in paragraph 8.7.16 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1996, Government of Meghalaya.

3.9.3 On having failed to recover the loan amount, interest and other charges, the financial institutions filed (June 1997) an application in the Debt Recovery Tribunal, Guwahati seeking action against the company and the state government for recovery of all outstanding dues amounting to Rs.12.97 crore. The Tribunal orders, if any, were not available on record.

3.9.4 The Government of Meghalaya in a meeting with the financial institution (IDBI) agreed (February 2000) to pay Rs.5.40 crore (both Principal and lump sum interest up to March 2000) to the financial institutions in three equal instalments during April 2000, October 2000 and April 2001, as One Time Settlement (OTS). Accordingly, Government of Meghalaya, Industries Department sanctioned (February 2001) a sum of Rs.1.80 crore which was drawn and paid in March 2001 to the financial institution (IDBI). The payment of the balance amount of Rs.3.60 crore had not been made till July 2001.

3.9.5 The injudicious extension of guarantees by the state government to the financial institutions for the repayment of loans and payment of interest of MEDC without ascertaining the economic, commercial and financial viability of the guaranteed tantalum capacitors project resulted in a totally avoidable expenditure of Rs.5.40 crore.

3.9.6 The matter was reported to Government in August 2001; reply had not been received (December 2001).

SOCIAL WELFARE DEPARTMENT

3.10 Inefficient functioning of the Meghalaya State Social Welfare Advisory Board

Cost of establishment of the Board had exceeded the authorised grant by Rs.14 lakh. Besides, there was lack of diligence in the implementation of various social welfare programmes resulting in wasteful expenditure of Rs.26 lakh on production units not started functioning, non-recovery of outstanding loan of Rs.32.30 lakh, no creche services to the children of migratory labourers, despite spending of Rs.2.19 crore on those programmes and unfruitful/avoidable expenditure of Rs.45.44 lakh due to duplication in the area of activities.

3.10.1 The Meghalaya Social Welfare Advisory Board (State Board) was set up in 1971 as per Article of Association of the Central Social Welfare Board (Central Board). The State Board is to promote the growth of voluntary social welfare agencies and to administer social welfare programmes sponsored by the Central Board for the welfare of the needy women and children. The expenditure towards welfare programmes are entirely met by the Central Board while the cost of establishment of the State Board is shared by the state government and the Central Board equally.

3.10.2 Against Rs.5.45 crore received by the State Board during 1993-94 to 2000-2001, expenditure was Rs.5.61 crore. Of the expenditure, Rs.4.12 crore was spent on implementation of the schemes and the balance Rs.1.49 crore was utilised towards establishment of the State Board against the authorised grant of Rs.1.35 crore received during the same period from both Central and state for the maintenance of the State Board. The excess expenditure of Rs.14 lakh over the authorised grant included Rs.4.66 lakh as the salaries of 5 adhoc staff being entertained since 1997-98 without the approval of the Central Board. The excess expenditure was met by diverting money from the Revolving Fund^(a). The Deputy Secretary to the Government of Meghalaya, Social Welfare Department (DS,SWD) instead of denouncing the State Board for its failure to contain the expenditure within the authorised grants endorsed (October 2001) the views of the State Board that it was forced to divert money from Revolving Fund due to curtailment of budgetary allotment by the

^(a) The grant-cum-loan scheme itself envisaged creation of Revolving Fund out of the recoveries of loans advanced to provide second time loans to the voluntary organisations out of the Revolving Fund maintained by the Board.

Central Board. Scrutiny of the records of the State Board further, revealed the following:-

3.10.3 With a view to provide gainful self employment to economically backward women, setting up of productive units was envisaged under Socio-Economic Programme. Accordingly, voluntary organisations (VO) were provided grants by the Central Board up to **85 per cent** of the cost of setting up of productive unit, remaining **15 per cent** was to be managed by the VOs. The scheme was started in 1975-76 but discontinued from 1996-97. From the status report in respect of production units furnished (October 1998 and February 1999) to the Central Board, it was seen that out of 55 organisations in receipt of grants of Rs.27.20 lakh from the Central Board during 1975-76 to 1995-96, 53 organisations received grants totalling Rs.26 lakh had either closed down their activities within a very short period after receiving grants or did not start their units at all. Non-functioning of production units had, thus, not only frustrated the objective of the programme but also resulted in wastage of Government money to the tune of Rs.26 lakh. During 1976-77 to 1996-97, Rs.57.70 lakh was released as loan component to 523 VOs for implementation of Agro based programmes. The DS,SWD stated (October 2001) that no stringent measures had been taken against the VOs as directions in this regards were awaited from the Central Board

3.10.4 Under such grant-cum-interest free loan programme, cattles, goats, piglets and chick, etc. were to be purchased by the VOs out of the loan component for distribution to selected beneficiaries. But, information about the cattle, goats, etc purchased, animals died if any before handing over to the beneficiaries were not available with the State Board. Moreover the VOs did not arrange for insurance against theft/death of the animals distributed. The scheme was ultimately discontinued from 1997-98. Out of the amount of loan released, Rs.37.51 lakh could not be recovered till March 2001. The DS,SWD stated (October 2001) that State Board was awaiting comments of Central Board as how to deal with outstanding loan. As the control over utilisation of grants vested with the State Board huge outstanding loan speaks only of poor performance of the Board. Out of 523 defaulting VOs, 323 were blacklisted by the State Board rendering recovery of loan of Rs.32.30 lakh a remote possibility because of their being blacklisted.

3.10.5 With the objective of providing basic service to children of 0-5 age group of working and ailing mothers who belong to the migrant labour engaged in construction work, Central Board extends grant of **90 per cent** of the cost of an unit of creche and the remaining **10 per cent** to be borne by the VOs. Each unit consists of 25 children to be provided with sleeping facilities, health care, supplementary nutrition, immunisation, etc. Of the amount of Rs. 219.36 lakh expended during 1993-94 to 2000-2001, no amount was spent for providing services to the children of migratory labourers for which the scheme was basically formulated. The DS,SWD endorsed (October 2001) the

views of the State Board which stated that creche for the children of the migratory labourer had not been set up because of the absence of clear cut policy of the state government about the migratory labourers. Reports of the field officers revealed that as many as 25 creche received grants totalling Rs.36.96 lakh during 1993-94 to 2000-2001 either had not entertained the stipulated children or the menu for nutrition was not prescribed or no doctor visits for health care of the children was arranged by the VOs. Thus, the creche programme was not implemented in the right fashion to achieve the desired objectives.

3.10.6 The Selsela Welfare Extension Project was established in April 1960 in West Garo Hills with 6 centres under the projects. The objectives of the project were to provide balwadis, recreation facilities, medical aid and immunisation for children, craft activities, maternity services, etc. The expenditure of the project was being shared by the Central Board and the state government on a 2:1 ratio respectively. As the area of activities under the project had been covered under ICDS programme the state government stopped sharing the expenditure of the project since 1994-95. However, the Project was being continued with the assistance from the Central Board, despite the state government's decision to close the project communicated to the Central Board (April 1994). The expenditure of Rs.21.54 lakh spent on the pay and allowances of the staff of the project up to March 2001 was unfruitful as no social welfare activities were carried out by the project. The DS,SWD remained uncommitted about the closure of the project since it simply endorsed (October 2001) the statement of the State Board which indicated that the state government turned down the Board's proposal to absorb the staff of the project in the Department in the event of closure of the project by the Central Board.

3.10.7 Similarly, to provide nutritious food containing protein and vitamins to children of 3-5 years age group under Nutrition programme started in 1970-71 had been phased out from April 1998 by the Central Board as the facilities were available under ICDS programme. The State Board expended Rs.23.90 lakh during 1993-94 to 1996-97 although the ICDS programme was implemented in the state continuously since 1975-76. There was no basis for distribution of nutritious food as no survey was conducted for selection of beneficiaries from the target group and no targets of beneficiaries to be covered in a year was fixed though fixation of targets after identification of beneficiaries was a prerequisite to implement the programme. The expenditure on the programme was avoidable. The DS,SWD stated (October 2001) that grants were given to the VOs on the recommendations of the Board which comprised of Director of Social Welfare as ex-officio member. The reply is arbitrary and hence not tenable.

3.10.8 As per guidelines, every grantee is required to furnish utilisation certificate for the grants received from the granter within 6 months of the close

of the financial year in which the grants are given. Scrutiny of records in audit revealed that the State Board did not take steps to obtain utilisation certificate for grants released to different organisations/institutions. Till May 2001, utilisation certificates for Rs.31.39 lakh released as grants during 1992-93 to 1999-2000 were not received from 223 organisations/ institutions concerned.

3.10.9 From the foregoing observations it is observed that the State Board merely act as conduit for distribution of funds to VOs as there was lack of initiative to ensure achievement of the objective out of the investment made or funds were utilised purfunctorily on activities which were in existence under state sector viz. ICDS programme. Continuance of the State Board thus needs to be reviewed by the Government.

TOURISM DEPARTMENT

3.11 Idling of state financial resources

Money totalling Rs.94.76 lakh received/withdrawn remained unutilised for period ranging between 2 and 6 years resulting in tourism infrastructure/heritage structure not developed/improved.

3.11.1 Director of Tourism (DOT) had failed to utilise funds totalling Rs.94.76 lakh withdrawn/received between March 1995 and March 1999 for improvement of heritage structure and development of tourist infrastructures as detailed below:

3.11.2 Government of India (GOI) through a cheque released (February 1997) Rs.11.50 lakh against Rs.62.98 lakh sanctioned for construction of Tourist Lodge at Williamnagar on sharing basis between Centre and state. The conditions for Central assistance among others were that state government had to provide land free of cost for the lodge and transfer the title of the land to the Ministry of Tourism. The state government had also sanctioned (Rs.5 lakh) for the lodge and DOT drew the money in March 1999. Construction of the lodge had not been taken up (September 2001) as the final decision on the transfer of the title of the land was yet to be taken. The Central share received had been credited (April 1997) as capital receipt of the state while the state's share was lying in the cash chest of the DOT in the form of banker's cheque.

3.11.3 Government sanctioned (March 1999) Rs.79.41 lakh for urgent repairs of the 105 years old Masonry Dam of Ward's Lake to prevent damage to lives and property. Tourism Department having no infrastructure to carry out the work, the entire matter regarding calling of tenders to the completion and supervision of the Dam was to be handled by MeSEB. Till the date of audit (October 2000) work had not been started and Rs.70 lakh against the sanction which the DOT drew in March 1999 had been lying in the chest of DOT in the form of banker's cheque.

3.11.4 Government sanctioned (March 1995) Rs.8.26 lakh for development of tourist spot at Marngar, Ri-Bhoi district. The DOT drew (March 1995) the money in Abstract Contingent bill to pass on the amount to Deputy Commissioner (DC), Ri-Bhoi to execute the work. The DC had not started the work till the date of audit (October 2000) as the requirement of additional fund (Rs.2.61 lakh) sought (March 1996 and August 1997) by the DC had not been provided by the DOT, reason for which were neither on records nor stated. The money had been lying with the DOT in the form of bank draft in favour of the DC.

3.11.5 Thus, non-utilisation of funds of Rs.94.76 lakh not only deferred the development of tourism infrastructure and improvement of heritage structures, but also the inefficiency in the application of the funds had encumbered the state finance to the tune of Rs.23.67 lakh^(a) up to March 2001, worked out applying the average cost of borrowing on the unutilised fund totalling Rs.83.26 lakh retained in chest in the form of banker's cheque/bank draft for 2 to 6 years.

3.11.6 The matters were reported to Government in May, July and August 2001; reply {except sub-paragraph (a)} had not been received (December 2001).

(a)

Amount	Germane period	Average rate of borrowing during germane period	Cost of inefficiency
(Rupees in lakh)	(Year)	(Per cent)	(Rupees in lakh)
5.00	2	11.65	1.16
70.00	2	11.65	16.31
8.26	6	12.52	6.20
83.26			23.67

GENERAL

3.12 Failure of senior officials to enforce accountability and to protect the interests of Government

3.12.1 Accountant General (Audit) (AG) arranges to conduct periodical inspection of the Government departments to test check the transactions and verify the maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed up with Inspection Reports (IRs). When important irregularities, etc. detected during inspection are not settled on the spot, these IRs are issued to the Heads of offices inspected with a copy to the next higher authorities. The Meghalaya Financial Rules, 1981 of Government provide for prompt response by the executive to the IRs issued by the AG to ensure rectificatory action in compliance of the prescribed rules and procedures and accountability for the deficiencies, lapses, etc. noticed during his inspection. The Heads of offices and next higher authorities are required to comply with the observations contained in the IRs and rectify the defects and omissions promptly and report their compliance to the AG. Serious irregularities are also brought to the notice of the Head of the Department by the office of the Accountant General (Audit). A half-yearly report of pending IRs is sent to the Secretary of the Department concerned to facilitate monitoring of the Audit observations in the pending IRs.

3.12.2 Inspection Reports issued up to March 2001 pertaining to 99 offices of 4 departments disclosed that 1228 paragraphs relating to 423 IRs remained outstanding at the end of June 2001. Of these, 71 IRs containing 168 paragraphs had not been replied to/settled for more than 10 years. Year-wise position of the outstanding IRs and paragraphs are detailed in the Appendix XVIII. Even the initial replies, which were required to be received from the Heads of offices within six weeks from the date of issue were not received in respect of 9 offices for 38 paragraphs of 12 IRs issued between April 1984 and October 2000. As a result the following serious irregularities commented upon in these IRs had not been settled as of August 2001.

Table 3.12

Serial number	Nature of irregularities	Number of paragraphs	Amount (Rupees in crore)
1.	Non-observance of rules relating to custody and handling of cash, position and maintenance of Cash Book and Muster Roll.	18	0.04
2.	Delay in recovery or non-recovery of departmental receipts, advances and other recoverable charges	49	0.68
3.	Local purchase of materials without immediate requirement/Locking up of funds due to excessive purchase/Holding of stores in excess of Reserve Stock limit/Discrepancy in stock balance/Unadjusted WMC memos	76	30.71
4.	Drawal of funds in advance of requirement	60	26.18
5.	For want of Detailed Countersigned Contingent (DCC) Bills/ Actual Payees' Receipts (APR)/Sanction	60	2.71
6.	Overpayments/inadmissible payments	19	4.31
7.	Unauthorised expenditure/Excess over sanctioned estimate/Unfruitful/Wasteful expenditure/Theft of GI pipes	40	9.87
8.	Fraudulent drawal/Irregular excess expenditure	9	1.85
9.	Non-submission of utilisation certificates	35	13.05
10.	Others	862	68.96
Total		1228	158.36

3.12.3 A review of the IRs which were pending due to non-receipt of replies in respect of the departments mentioned in the Appendix XVIII revealed that the Heads of the offices, whose records were inspected by AG and the Heads of the Departments, viz. Directors of Animal Husbandry & Veterinary, Education and Health & Family Welfare and the Chief Engineer, Public Health Engineering failed to discharge due responsibility as they did not send any reply to a large number of IRs/Paragraphs indicating their failure to initiate action in regard to the defects, omissions and irregularities pointed out in the IRs of the AG. The Secretaries of the concerned department, who were informed of the position through half-yearly reports, also failed to ensure that the concerned officers of the Department take prompt and timely action.

3.12.4 The above also indicated inaction against the defaulting officers and thereby facilitating the continuation of serious financial irregularities and loss to the Government though these were pointed out in Audit.

3.12.5 It is recommended that Government should re-look into this matter and ensure that procedure exists for (a) action against the officials who failed to send replies to IRs/Paragraphs as per the prescribed time schedule, (b) action to recover loss/outstanding advances/overpayments in a time bound manner

and (c) revamping the system of proper response to the Audit observations in the Department.

3.12.6 The matter was reported to the Government in September 2001; reply had not been received (December 2001).

3.13 Follow up on Audit Report

3.13.1 With a view to ensuring accountability of the Executive in respect of all the issues dealt within various Audit Reports, the Public Accounts Committee (PAC) issued instructions (July 1993) for submission of suo motu explanatory notes by the concerned departments from 1986-87 onwards. As regards submission of Action Taken Notes (ATN) on the recommendations of the PAC, the Committee specified the time frame as 6 weeks and 6 months.

3.13.2 A review of the Reports of the Comptroller and Auditor General of India for the years from 1984-85 to 1998-99 in respect of paragraphs on Civil and Works Departments as of 31 October 2001, disclosed as under:-

(a) The Departments of the state government had not submitted suo motu explanatory notes on 189 paragraphs of Audit Reports for the years from 1986-87 to 1998-99. The details are given in Appendix XIX.

(b) The Departments failed to submit ATN on 47 paragraphs out of 55 paragraphs for the years from 1984-85 to 1997-98 on which the recommendations were made by PAC in its 19th to 22nd, 24th, 25th, 27th to 29th, 31st and 33rd Reports presented before the State Legislature between April 1995 and June 2000. The details are given in Appendix XX.