



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

**Report of the
Comptroller and Auditor General of India
on Social and Economic Sectors and
Urban Local Bodies
for the year ended 31 March 2023**



**Government of Meghalaya
Report No. 2 of 2025**

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TABLE OF CONTENTS

PARAGRAPH	PARTICULARS	PAGE(S)
	Preface	iii
	Overview	v
CHAPTER I – SOCIAL SECTOR		
1.1	Introduction	1
1.2	Performance Audit on ‘Welfare of Building and Other Construction Workers’ <i>(Labour Department)</i>	2
1.3	Subject Specific Compliance Audit (SSCA) on ‘Management of State Disaster Response Fund’ <i>(Revenue and Disaster Management Department)</i>	33
1.4	SSCA on ‘Public Health Infrastructure and Management of Health Services’ <i>(Health and Family Welfare Department)</i>	52
1.5	Unfruitful expenditure on Tribal Girls Hostel <i>(Social Welfare Department)</i>	85
CHAPTER II – ECONOMIC SECTOR		
2.1	Introduction	89
2.2	Idle expenditure <i>(Soil and Water Conservation Department & Meghalaya Basin Development Authority)</i>	90
2.3	Idle and avoidable expenditure due to prolonged delay in completion of a bridge <i>(Public Works Department)</i>	93
2.4	Infructuous expenditure <i>(Border Areas Development Department)</i>	96
CHAPTER III – URBAN LOCAL BODIES		
3.1	Introduction	101
3.2	SSCA on ‘Devolution of functions to the Municipal Boards in Meghalaya under the Meghalaya Municipal Act, 1973’ <i>(Urban Development Department)</i>	102
CHAPTER IV – STATE PUBLIC SECTOR ENTERPRISES		
4.1	Functioning of State Public Sector Enterprises	117
4.2	SSCA on ‘Working of the Meghalaya Transport Corporation’ <i>(Transport Department)</i>	134
4.3	Avoidable expenditure <i>(Power Department)</i>	144
CHAPTER V – FOLLOW UP OF AUDIT OBSERVATIONS		
5.1	Response of Departments to audit findings	147
5.2	Response of the Government to audit observations	149

PARAGRAPH	PARTICULARS	PAGE(S)
5.3	Response of Government to audit paragraphs that featured in earlier reports	149
5.4	Discussion of Audit Reports by PAC/COPU	150
5.5	Response of the departments to the recommendations of the PAC/COPU	150
APPENDICES		
Appendix 1.2.1	Short-realisation due to calculation of the estimated cost of the building/ construction at lesser rate than the rate prescribed by the SoR 2021-22	153
Appendix 1.2.2	Short collection of labour cess by Government Departments	161
Appendix 1.2.3	Compensation paid twice to the BOC Workers (having same bank account) on account of job loss due to Covid-19 pandemic	172
Appendix 1.3.1	Statement showing Interests Payable Due to Delay in Release of State's Share Beyond 15 Days of Receipt of GoI Share	173
Appendix 1.3.2	Statement Showing Expenditure Incurred on Natural Calamities which are not notified	174
Appendix 1.3.3	Statement showing beneficiaries whose names were not in Proposal List under BDO Bajengdoba, Resubelpara, North Garo Hills	176
Appendix 1.4.1	Selected Districts, Blocks, CHCs and PHCs covered under Audit	177
Appendix 1.4.2	List of 19 Private Health facilities running without a valid license	178
Appendix 1.4.3	Shortage of Equipment in the Selected CHCs	179
Appendix 3.2.1	Actual status of implementation of devolved function to the MBs	180
Appendix 3.2.2	Submission of Annual Budget by the MBs to the Director, UAD for the years 2018-19 to 2022-23	183
Appendix 4.1.1	Summarised financial position and working results of Government Companies and Statutory Corporations as per their latest finalised accounts as on 30 September 2023	184
Appendix 4.1.2	Statement showing Rate of Real Return on Government Investment	188
Appendix 4.2.1	Statement showing details of Buses under Repair & Maintenance as on 31 March 2023	189
Appendix 4.2.2	Statement showing details of rent recoverable from the tenants due to under-enhancement of rates of rent during the period from April 2016 to November 2021	190
Appendix 4.3.1	Statement showing details of quantity purchased of Distribution Transformers of varying capacities at higher rates and excess expenditure incurred thereon	194
Appendix 5.1.1	Department wise break-up of Outstanding IRs and Paras	196

PREFACE

This Report of the Comptroller and Auditor General of India has been prepared for submission to the Governor of Meghalaya under Article 151 of the Constitution of India for being laid on the floor of the State Legislature.

The Report contains significant results of the Performance Audit and Compliance Audit of the departments of the Government of Meghalaya under Social and Economic Sectors and Urban Local Bodies including Health and Family Welfare, Social Welfare Department, Revenue and Disaster Management Department, Soil and Water Conservation Department, Meghalaya Basin Development Authority, Public Works Department, Border Areas Development Department, Urban Development Department, Transport Department and Power Departments. Audit observations on Revenue Sector of the Government of Meghalaya are covered in a separate Report on State Revenues.

The cases mentioned in this Report are those which came to notice in the course of test audit of accounts for the financial year 2022-23, as well as those which came to notice in earlier years, but could not be dealt with in previous Reports. Matters relating to the period subsequent to 2022-23 have also been included, to indicate latest status wherever necessary. The Report has been finalised after considering the response of the Government/departments, whenever received.

The audits have been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

OVERVIEW

OVERVIEW

The Audit Report for the year ended 31 March 2023 contains five Chapters. Chapters I to IV deal with Social Sector, Economic Sector, Urban Local Bodies and State Public Sector Enterprises respectively. Chapter V deals with follow up of Audit Reports.

This Report contains one Performance Audit on ‘Welfare of Building and Other Construction Workers’ and nine Compliance Audit paragraphs including four Subject Specific Compliance Audit paragraphs on (i) Management of State Disaster Response Fund, (ii) Public Health Infrastructure and Management of Primary Health Services, (iii) Devolution of functions to Municipal Boards in Meghalaya under the Meghalaya Municipal Act, 1973 and (iv) Working of the Meghalaya Transport Corporation.

The findings are based on the audit of selected programmes and activities of the Government Departments and State Public Sector Enterprises.

According to the extant procedure laid down, draft audit findings were sent by the Principal Accountant General (Audit) to the respective heads of departments of the State Government with a request to furnish replies within six weeks. In respect of four compliance audit paragraphs out of nine audit paragraphs included in this Report, no response was received.

A synopsis of the important findings contained in this Report is presented below:

SOCIAL SECTOR

Performance Audit

Labour Department

Welfare of Building and Other Construction Workers

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

In Meghalaya, 92,415 labourers were registered under the BOCW Act as of March 2023. MBOCWW Board manages the fund received as (i) cess collected from Government entities/ contractors/individual owners and (ii) fees and fines collected under the BOCW Act, 1996.

- Registration of all establishments engaged in construction works executed by the government was yet to be achieved. There was non-availability of data on the total number of labourers available in the State.

- Board had been ineffective in ensuring registration of private establishments despite the availability of information regarding construction contracts and labour deployed, with the building plan approval authorities in the State.
- As of March 2023, 25,163 migrant labourers were registered under MIRSS Act, 2020 in the four selected districts, however none of them were registered under the BOCW Act.
- As of March 2023, the Board had not prepared the annual budget since inception (September 2009).
- In Meghalaya, Meghalaya Urban Development Authority (MUDA) is collecting one *per cent* mandatory cess while approving building plans. Between August 2021 and March 2022, cess for Welfare of Building and other Construction Workers amounting to ₹ 1.04 crore was collected by Meghalaya Urban Development Authority (MUDA) from 130 owners/ contractors. Audit test-checked 46 approvals (35 *per cent*) and observed that an amount of ₹ 7.50 lakh was short-realised due to calculation of the estimated cost of the building/ construction at rate less than that prescribed by the SoR 2021-22.
- Despite being notified on 01 February 2019 and 15 April 2021 as building plan approving authorities, Autonomous District Councils did not start approving building plans resulting in non-regulation of construction works being undertaken within their jurisdiction and loss of an opportunity to collect labour cess.

There were no records to indicate that ADCs conducted awareness programmes, inspections and activities in this regard. There was no public notice issued to make the people aware of such provisions and no application was received by the ADCs for building plan approval.

- Test check of records by Audit showed that, cess less than one *per cent* was deducted from the contractors' bills in three works divisions of Government Departments, leading to a loss of ₹ 16.10 lakh.
- During 2017-18 to 2021-22, out of the eight units which had actually transferred labour cess to the Welfare Board, none had actually transferred it within 30 days. The cess collecting authorities delayed remittance of Labour Cess for more than 100 days, with delay in specific cases being even more than two years.
- Audit observed that out of eight selected divisions pertaining to Works Departments, three divisions did not transfer the cess collected to the Welfare Board but instead remitted the same to the State Government Account. State Government could not ensure transfer of Labour Cess amounting to ₹ 4.81 crore to the Board within 30 days of its collection as mandated.
- During 2017-18 to 2021-22, only 303 beneficiaries were approved for maternity benefits. However, maternity benefits of only 147 beneficiaries involving an amount of ₹ 4.41 lakh were credited in their respective bank accounts.

- Board's performance was poor in extending benefits like provision of PPE kits to construction workers and construction of Transit Camps due to inaction, delay and absence of monitoring of works.
- Test check of records of the selected District Labour Offices showed that 790 inspections were conducted under the BOCW Act but only 10 inspection reports were found on record.
- Instead of the required 30 meetings, the Board conducted only 12 meetings (40 *per cent*) during 2017-18 to 2021-22 which led to a shortfall of 18 meetings during the said period. Shortfalls in Board meetings indicate lack of commitment and resulted in delayed critical decision on collection of details of total number of labourers in the State, non-preparation of annual budget, non-approval of building plans by Autonomous District Councils, *etc.*

Recommendations:

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

(Paragraph 1.2)

Compliance Audit Paragraph

Revenue & Disaster Management Department

Subject Specific Compliance Audit (SSCA) on 'Management of State Disaster Response Fund'

The State Disaster Response Fund (SDRF) is a fund constituted under section 48 (1) (a) of the Disaster Management Act, 2005 (53 of 2005) for the purpose of financing

immediate relief efforts for individuals affected by various natural calamities as notified by the Central Government and the State Governments (State specific disasters). This fund is also utilised for specific issues pertaining to recovery & reconstruction, preparedness & capacity-building.

The amount of annual contribution to Meghalaya SDRF as recommended by the Finance Commissions was 90 *per cent* as grant from Government of India (GoI) and remaining 10 *per cent* to be contributed by Government of Meghalaya (GoM).

- There was a significant delay in release of both the first and second instalments (GoI share) received under SDRF by the State Government. Consequently, interest amounting to ₹ 3.32 crore was required to be paid in to the SDRF which had not been paid by the State Government as of March 2023.
- An amount of ₹ 2.00 crore¹ was diverted to the Chief Minister's Relief Fund, without the requisite approval from the State Executive Committee, as mandated under the guidelines.
- Department had not furnished correct accounts of SDRF funds available as well as investments made.
- During 2017-18 to 2021-22, out of ₹ 232.50 crore received in the Public Account, an amount of ₹ 228.17 crore was directly withdrawn and transferred to the current account of the Department for expenditure in violation of SDRF guidelines.
- Ex gratia payment of ₹ 1.07 crore made to 37 individuals involved in illegal activities was in contradiction to the SDRF guidelines.
- Utensils were provided to 14,755 HHs of Demdema Block which were not affected by the flood which occurred on 13-14 July 2019, leading to an irregular expenditure of ₹ 4.09 crore.
- ₹ 12.91 lakh had been disbursed to beneficiaries which led to instances of duplicate payments of relief funds.
- Against fund of ₹ 271.24 crore released to DCs of ten districts in the State during the review period (2017-18 to 2021-22), UCs for only ₹ 27.24 crore (10 *per cent* of the fund released) were submitted by the DCs.

Recommendations:

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

¹ ₹ 1.00 crore was designated for donation to the Chief Minister's Relief Fund of Kerala, and another ₹ 1.00 crore was released as relief funds for the victims of Cyclone 'FANI' in Odisha.

(iv) UCs should be obtained for fund released to the districts and un-utilised fund should be surrendered to the SDRF.

(Paragraph 1.3)

Health & Family Welfare Department

SSCA on 'Public Health Infrastructure and Management of Health Services'

Meghalaya had a population of 29.66 lakh as per Census 2011. To cater to the healthcare services of its citizens at different levels, the State Government established 10 Civil/ District Hospitals, two Maternal and Child Health Facilities (MCH)², two specialised hospitals³, 30 Community Health Centres (CHC), 119 Primary Health Centres (PHC) and 467 Sub-Centres (SC). As of June 2023, no functional Medical Colleges or tertiary care hospitals were available under the State Government.

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

- Joint Physical Verification of private health facilities/nursing homes in four selected districts by Audit revealed that 19 facilities (out of 22) were running without a valid license and 17 doctors employed in Government Hospitals were found practising in the Private Health Facilities, in violation of Meghalaya Nursing Home Rules, 2015.
- There was an overall shortage of 60 and 50 *per cent* amongst doctors, 7 and 4 *per cent* amongst nursing staff as well as 58 and 4 *per cent* in terms of paramedical staff in the eight selected CHCs and PHCs respectively, when compared with the State norms.
- Joint Physical Verification (August/September 2022) showed shortage of equipment in the selected CHCs ranging from 16 *per cent* to 100 *per cent*, while the shortage of equipment in the selected PHCs ranged from 20 *per cent* to 58 *per cent* in respect of six categories of equipment.
- Similarly, there was shortage of 63 to 76 *per cent* of essential drugs in the selected CHCs, while there was shortage in all five categories of drugs in all the PHCs. There was also shortage of 90 *per cent* of essential drugs observed in the selected CHCs and PHCs *w.r.t* 1,329 Nos. of drugs in the State Essential Drugs List.
- Non availability of essential diagnostic services in the selected CHCs ranged from 33 *per cent* (Serology) to 100 *per cent* (Ophthalmology).
- During the period from 2017-18 to 2021-22, 13,893 out of the total registered 11,32,394 patients had been referred out from the CHCs/PHCs. Common

² Ganesh Das Govt. MCH Hospital, Shillong and District MCH, Tura.

³ MIMHANS, Shillong and Reid Provincial Chest Hospital, Shillong.

reasons for referral were mainly shortage of manpower, equipment, drugs, diagnostic services and absence of required treatment facilities, etc.

- As per SDG India Index 2020-21, Meghalaya ranked 19th out of 37 States and UTs in SDG-3 Index score.
- The 100 bedded prefab centre at Shillong and Tura constructed at a total cost of ₹ 5.18 crore remained unutilised due to non-availability of water supply in case of Shillong centre and absence of electricity connection & water supply connection in respect of Tura centre.
- Installation/construction of 18 Nos. of oxygen generation plants had been completed at a total cost of ₹ 3.53 crore. However, 10 plants constructed at a total cost of ₹ 2.46 crore had not been utilised from the date of their completion mainly due to non-availability of transformer or pipeline connection issues or low transformer load.
- Construction of eight AYUSH facilities had been completed in the year 2019 at a total cost of ₹ 1.77 crore and handed over during May 2019 to December 2020. However, all centres had remained non-functional till September 2022.
- 755 non-medical items were lying idle at the stores of five Corona Care centres as of July 2022. However, as item-wise expenditure for the items lying idle was not made available, the quantum of expenditure involved in the procurement of these items could not be ascertained in Audit.

Recommendations

- *Keeping in view that Health is a state subject, it is imperative that the State Government should address gaps in Human resources.*
- *To be able to administer quality health care services, medical equipment must always be available and function effectively.*
- *A comprehensive arrangement should be in place according to the need of hospitals to ensure all time availability of essential drugs in each health facility. It should be ensured that a formulary of drugs is prepared by each health facility on the basis of disease patterns and inflow of patients, the State Essential Drug List (SEDL) be updated accordingly and stock-out of required drugs is forestalled.*
- *Necessary action may be taken to make all idle medical infrastructure functional for better health services.*

(Paragraph 1.4)

Social Welfare Department

Unfruitful expenditure on Tribal Girls Hostel

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

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

(Paragraph 1.5)

ECONOMIC SECTOR

Compliance Audit Paragraphs

Soil & Water Conservation Department and Meghalaya Basin Development Authority

Idle expenditure

Hi-Tech Nurseries set up at a cost of ₹ 54.00 lakh for propagation of local and indigenous species were not functional even after six years of completion resulting in idle expenditure.

(Paragraph 2.2)

Public Works Department

Idle and avoidable expenditure due to prolonged delay in completion of a bridge

Absence of monitoring led to prolonged delay in completion of reconstruction of bridge No. 10/2 even after more than 13 years of its sanction, led to cost escalation of ₹ 1.27 crore and resulted in idle expenditure of ₹ 1.69 crore besides avoidable expenditure of ₹ 0.72 crore towards special repair of SPT Sub-way of bridge No.10/2.

Recommendation: The State Government may investigate the matter and fix responsibility on the official (s) concerned for inordinate delay in completion of project.

(Paragraph 2.3)

Border Areas Development Department

Infructuous expenditure

Setting up of Herbal Cosmetic Common Facilities Centre in a hasty and ill planned manner without assessing the competency of the facilitator and without necessary monitoring had resulted in infructuous expenditure of ₹ 1.47 crore and non-achievement of the intended objective of providing sustainable livelihood.

(Paragraph 2.4)

URBAN LOCAL BODIES

Compliance Audit Paragraph

Urban Development Department

SSCA on 'Devolution of functions to the Municipal Boards in Meghalaya under the Meghalaya Municipal Act, 1973'

The 74th Constitutional Amendment Act, 1992 (74th CAA) of the Constitution came into effect on 01 June 1993 with provisions for the establishment of Urban Local Bodies

(ULBs) as the third tier of governance in urban areas. Meghalaya is exempted from implementation of the 74th CAA under Article 243 ZC of the Constitution. Even though the 74th CAA is not applicable, the State Government had strived to enable all local bodies to have financial autonomy and to perform functions analogous to the functions of other local bodies constituted under Part IX and Part IX-A of the Constitution while retaining the distinctive tribal identity protected by the Sixth Schedule of the Constitution of India which is foundational to the local bodies of the State.

Audit on the “Devolution of functions to the Municipal Boards in Meghalaya under the Meghalaya Municipal Act, 1973” covering the period between 2018-19 and 2022-23 was conducted during October 2023 to November 2023 to examine whether (i) the existing institutional mechanism created by Government had effectively empowered the ULBs to discharge their devolved functions; and (ii) whether the ULBs have access to raise and manage adequate financial resources.

- Audit scrutiny of records of the Urban Affairs Department, Directorate of Urban Affairs, Meghalaya and all the six Municipal Boards (MBs) in the State indicated that, in spite of the existence of the legal framework and the claim by the State Government regarding devolution of functions, there was a lack of effective empowerment of Municipal Boards. Out of 16 functions stated to have been devolved, in practice, MBs in Meghalaya assumed sole responsibility for three functions; had overlapping jurisdictions with State departments in three functions; and had no role in ten functions.
- No municipal elections had been conducted since 1972, leading to the appointment of Commissioners and Chief Executive Officers by the State Government.
- As far as training of staff was concerned, only SMB had conducted training for their staff while the remaining five MBs had not imparted any training to their staff during the period covered by audit.
- Government grants constituted 77 *per cent* of ULBs revenue from 2018-19 to 2022-23, with their own revenue contributing only 23 *per cent* of the total revenue.
- The State Finance Commission, vital for financial autonomy and democratic decentralisation, had not been constituted as of June 2023.
- There were persistent delays by all Municipal Boards in submission of the Annual Budget.
- Performance grants under the 14th Finance Commission were not received due to non-fulfilment of the prescribed eligibility criteria. Lack of these funds hindered their ability to improve urban services and infrastructure.

Recommendations

- *The State Government may take constructive action to match the devolution of funds and functionaries with the devolution of functions.*
- *The State Government should take steps to augment the resources of the Local Bodies to ensure their financial autonomy.*

(Paragraph 3.2)

STATE PUBLIC SECTOR ENTERPRISES

Functioning of State Public Sector Enterprises

As on 31 March 2023, the State of Meghalaya had 21 SPSEs, including two Statutory Corporations and 19 Government Companies (including two non-working Government Companies) under the audit jurisdiction of the Comptroller and Auditor General of India (CAG). The combined investment of State and Other Stakeholders as on 31 March 2023 in SPSEs under various sectors stood at ₹ 9,088.47 crore. The investment was highest in the Power Sector SPSEs (₹ 8,455.77 crore) followed by Manufacturing Sector SPSEs (₹ 313.31 crore). The investment of the State Government (capital and long-term loans) in 21 SPSEs was ₹ 3,885.07 crore consisting of 85 per cent (₹ 3,291.06 crore) towards capital and 15 per cent (₹ 594.01 crore) towards long-term loans.

(Paragraphs 4.1.1, 4.1.2.1 & 4.1.2.3)

As per the information furnished by the SPSEs, during 2022-23 the State Government had provided budgetary support of ₹ 1,371.44 crore in the form of capital (₹ 577.77 crore), grants (₹ 791.84 crore) and subsidy (₹ 1.83 crore).

(Paragraph 4.1.3)

As per the information available as on 30 September 2023, 19 working SPSEs had arrears of total 39 accounts ranging from one to seven years. The highest arrears of accounts pertained to Meghalaya Transport Corporation (seven Accounts) and Livelihood Improvement Finance Company of Meghalaya (five Accounts).

(Paragraph 4.1.5)

During 2022-23, out of 19 working SPSEs, three SPSEs earned profit (₹ 1.61 crore) as per their latest finalised accounts as on 30 September 2023. Further, the accumulated losses of seven working SPSEs (₹ 3,057.36 crore) had completely eroded their paid-up-capital (₹ 1,164.85 crore).

(Paragraphs 4.1.7.2 & 4.1.7.4)

Compliance Audit Paragraphs

Transport Department

SSCA on Working of Meghalaya Transport Corporation

The Meghalaya Transport Corporation (Corporation) is mandated to provide public transport service in the State of Meghalaya. The Audit of Working of Meghalaya Transport Corporation was taken up covering the period from April 2019 to March 2023 to assess the Corporation's compliance to financial regulations, operational standards and enforcement of internal controls. Audit findings have revealed that:

- MTC's sustained losses had resulted in complete erosion of its equity and enhancing its dependence on Government grants for salary and relief packages which had gone up from ₹ 1,060.66 lakh to ₹ 1,506.36 lakh during 2019-20 to 2021-22.

- During 2019-2023, earnings from passengers were ₹ 1,184.09 lakh *i.e.*, merely 17 *per cent* which was not even sufficient for payment of salary and other emoluments to its employees amounting to ₹ 5,194.70 lakh during the period.
- As of 31 March 2023, 57 *per cent* of the fleet is more than eight years old. MTC's expenditure on Repair & Maintenance of buses was ₹ 61.92 lakh (2019-20), ₹ 26.06 lakh (2020-21), ₹ 46.65 lakh (2021-22) and ₹ 47.36 lakh (2022-23), which ranged from 1.71 *per cent* to 3.91 *per cent* of its total operating expenditure during 2019-20 to 2022-23.
- During 2019-20 to 2022-23, Shillong General Depot contributed 62 *per cent* of revenue of MTC, whereas the contribution of the remaining three depots and four sub-depots to MTC's revenue was in the range of zero to eight *per cent*.
- MTC's inability to monetise 93 *per cent* of its landed property as well as collect rent accrued on its existing rental properties was indicative of sub-optimal revenue earning by the MTC.
- Against the sanctioned strength, MTC had excess persons in position to the extent of 26 *per cent* (April 2019), 6 *per cent* (March 2022) and 16 *per cent* (March 2023). At the same time, hiring of contractual staff increased from 56 (30 *per cent* of sanctioned strength) to 98 (53 *per cent* of sanctioned strength). Resultantly, MTC was burdened with salary costs of excess manpower.

Recommendations

- *MTC may put in place short to medium term plans for improving its operational efficiency by phasing out old buses and hiring of new fuel efficient buses as well as by increasing the frequency of buses on profitable routes.*
- *MTC should take effective steps to monetise its landed property by exploring the possibility of commercial utilisation of the available surplus land and periodic revision of the building rent in consonance with market rates.*
- *MTC may carry out manpower review vis-à-vis its scale of operations to determine an optimal staff strength.*
- *MTC Board may ensure timely submission of Annual Accounts by deputing required manpower and by appointing a consultant (Chartered Accountant), if required.*

(Paragraph 4.2)

Power Department

Avoidable expenditure

Procurement of Distribution Transformers at IPDS rates which were substantially higher than the rates of supply of DTs under a GoM scheme, resulted in avoidable expenditure of ₹ 1.63 crore by MeECL.

(Paragraph 4.3)

Follow up of Audit observations

Analysis of the position of outstanding paragraphs showed that 3,419 paragraphs relating to the period from 1988-89 to March 2023 were outstanding of which, 1,865 paragraphs were more than five years old.

(Paragraph 5.1)

As of December 2023, the departments concerned did not submit *suo motu* explanatory notes in respect of six Performance Audits and 43 Compliance Audit Paragraphs out of 25 Performance Audits and 116 Compliance Audit Paragraphs awaiting discussion by Public Accounts Committee relating to Audit Reports from the years 2010-11 to 2020-22.

(Paragraph 5.3)

Review of 17 Reports of the PAC involving 15 Departments presented to the Legislature between April 1995 and March 2022, revealed that none of these Departments had submitted the ATNs to the PAC as of March 2023. Similarly, review of six Reports of COPU involving four Departments, *viz.*, Transport, Commerce & Industries, Tourism and Power presented to the Legislature between April 2008 and March 2020 revealed that out of 18 ATNs received, seven had been sent to the Assembly Secretariat as of March 2023.

(Paragraph 5.5)

CHAPTER I
SOCIAL SECTOR

CHAPTER I: SOCIAL SECTOR

1.1 Introduction

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

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

(₹ in crore)

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

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

1.1.1 Planning and conduct of Audit

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

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

PERFORMANCE AUDIT

LABOUR DEPARTMENT

1.2 Welfare of Building and Other Construction Workers

1.2.1. Introduction

Government of India (GoI) enacted the Building and Other Construction Workers' (BOCW) Act in 1996 with the aim of providing safety, health, and welfare measures for the benefit of building and other construction workers through levy/collection of cess, and framed the Building and Other Construction Workers Welfare Cess Rules (Cess Rules) in 1998. The provisions of the Act are applicable to every establishment⁴ which employs or had employed on any day of the preceding twelve months, ten or more building workers in any building or other construction works. Further, the Act provides that every building worker in the age group of 18 to 60 years who was not a member of any welfare fund established under any law and had completed a period of ninety days of service during the preceding twelve months as a construction worker in the State shall be eligible for registration as a beneficiary.

In pursuance of the provisions of the BOCW Act, 1996⁵, Government of Meghalaya (GoM) framed the Meghalaya Building and Other Construction Workers' (Regulation of employment and Conditions of Service) Rules, 2008 (Rules) for implementation of the Building and Other Construction Workers Welfare Cess Act in the State after a delay of 12 years from the enactment of the BOCW Act. Further, the State Government constituted (September 2009) the Meghalaya Building and Other Construction Workers Welfare Board (MBOCWW Board) to carry out welfare schemes for construction workers and imposed (April 2011) cess at the rate of one *per cent* in accordance with the requirements of the Cess Act.

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

1.2.2 Organisational Structure

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

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

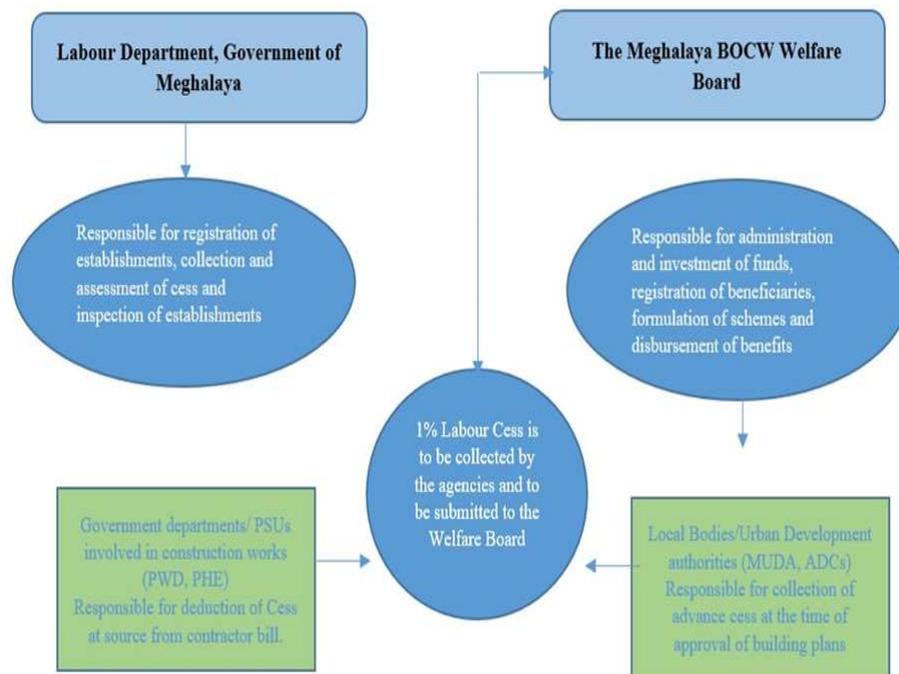
⁵ With the enactment of the Occupational Safety, Health and Working Conditions Code, 2020, this Act was subsumed under the OSH Code, 2020 *w.e.f.* September 2020. This Code is yet to be enforced in the State of Meghalaya (31 March 2023).

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

1.2.3 Agencies involved and their role

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

Chart 1.2.1: Agencies involved and their role



1.2.4 Audit Objectives

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

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

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

1.2.5 Scope and methodology of Audit

The audit covered a period of five years from 2017-18 to 2021-22. The State offices of the Labour Department and the Board and District labour offices in four selected⁶ districts of the State were audited.

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

1.2.6 Audit Criteria

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

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

1.2.7 Audit Sampling

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

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

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

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

Table 1.2.1: Scheme wise benefit extended in Meghalaya

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

Source: Information furnished by the Meghalaya BOCW Welfare Board.

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

Total 10 welfare schemes were selected for detailed check based on Stratified Random Sampling. The schemes were classified into three strata, based on amount of assistance disbursed and accordingly, there were five schemes⁷ with maximum amount of financial assistance, three schemes⁸ with moderate amount of financial assistance and two schemes⁹ having zero beneficiaries.

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

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

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

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

⁸ (i) Maternity Benefit, (ii) PPE and (iii) AABY.

⁹ (i) Cash Reward and (ii) Family Pension.

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

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

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

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

Source: Information furnished by the selected District Labour Offices.

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

1.2.8 Acknowledgement

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

Audit Findings

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

1.2.9 Regulatory Framework

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

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

1.2.10 Registration of Establishments and Beneficiaries

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

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

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

1.2.10.1 Unregistered Establishments and Beneficiaries

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

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

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

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

The number of registered establishments/works and beneficiaries in the District Labour Offices in the selected districts¹⁰ as of 31 March 2023 is given in **Table 1.2.4**.

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

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

Source: Information furnished by the selected District Labour offices.

Audit test-checked 63 works¹¹ in eight divisions of the four selected districts of the State Public Works Department to ascertain whether these Divisions ensured (i) registration of establishment, (ii) issue of notice of commencement of the work to the Labour Department, GoM and (iii) maintenance of Register of Labourers at work sites.

¹⁰ East Khasi Hills, Ri-Bhoi, West Garo Hills, West Jaintia Hills.

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

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

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

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

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

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

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

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

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

Joint Physical Verifications were conducted at 14 unregistered establishments in the four selected districts and 123 labourers were interviewed to ascertain their status of registration. Out of the 123 labourers, only one labourer was found to be registered with the Board. Out of the remaining 122 labourers, 116 labourers were not aware about the Board nor were they aware of the schemes being implemented for their welfare which points towards lack of Information, Education and Communication activities¹² to be undertaken by the Board.

1.2.10.2 Registration of beneficiaries without evidence of working as labourers

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

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

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

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

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

1.2.10.3 Deprivation of Benefit to the Migrant Labourers

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

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

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

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

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

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

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

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

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

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

1.2.10.4 Conclusion

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

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

1.2.10.5 Recommendations

Audit recommends that:

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

1.2.11 Financial management

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

➤ Income and expenditure of the Board

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

Table 1.2.6: Details of income and expenditure of MBOCWBB

(₹ in crore)

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

Source: Information furnished by the MBOCWBB.

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

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

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

1.2.11.1 Non-preparation of Budget Estimates

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

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

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

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

¹⁴ Including beneficiaries' registration fee and monthly contribution, etc.

1.2.11.2 Excess Administrative Expenses

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

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

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

(₹ in crore)

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

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

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

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

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

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

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

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

plans which are submitted to them for approval by the concerned employers *i.e.* owners/ contractors, builders, *etc.* Such bodies shall collect up front an amount of one *per cent* of the estimated cost furnished along with building plans and remit the same to the Meghalaya Building and Other Construction Workers' Welfare Board within 30 days of its collection. While remitting the amount, details as per the prescribed affidavit were to be furnished to the Welfare Board. As per the format of the affidavit, the details of 11 types of works¹⁵ are required to be provided while remitting the cess.

A. Meghalaya Urban Development Authority

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

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

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

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

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

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

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

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

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

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

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

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

Between August 2021 and March 2022, cess for Welfare of Building and other Construction Workers amounting to ₹ 1.04 crore was collected from 130 owners/contractors. Out of the 130 approvals, Audit test-checked 46 approvals (35 per cent) and observed that an amount of ₹ 7.50 lakh¹⁷ was short-realised due to calculation of the estimated cost of the building/ construction at lesser rate than the rate prescribed by the SoR 2021-22, as depicted in **Appendix 1.2.1**.

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

B. Autonomous District Councils

Autonomous District Councils (ADCs) in Meghalaya (Garo, Khasi and Jaintia) were notified (01 February 2019¹⁸ and 15 April 2021¹⁹) by Urban Affairs Department as the “Authority” for implementing the Meghalaya Building Bye-Laws, 2011 and 2021 in the specified areas²⁰. As per information furnished (March 2023) by the District Council Affairs Department, GoM, the Autonomous District Councils are the Building Plan Approval Authorities in their area of jurisdiction.

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

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

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

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

¹⁸ Under Meghalaya Building Bye Laws, 2011.

¹⁹ Under Meghalaya Building Bye Laws, 2021.

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

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

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

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

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

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

(₹ in crore)

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

Source: Reply and Annual Accounts of the ADCs.

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

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

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

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

C. State Government Departments

Government of Meghalaya notified²¹ that all Government Departments carrying out any building or other construction works, should in case the work is carried out through a contractor, deduct mandatory one *per cent* of the amount of cost approved as per the tender notification from the bills at the time of making payment to the contractors. Furthermore, as per judgement²² of the Hon'ble Supreme Court of India, funds of the Welfare Board shall not be utilised by the State for any purpose other than for welfare of construction workers.

(i) Short-deduction of Cess by Government Departments

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

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

(Amount in ₹)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Audit observed that out of the eight selected divisions²³ pertaining to Works Departments, three divisions did not transfer the cess collected to the Welfare Board but instead remitted the same to the State Government Account as per details indicated in **Table 1.2.11**.

Table 1.2.11: Details of Government Department which did not transfer labour cess

(₹ in crore)

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

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

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

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

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

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

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

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

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

1.2.11.4 Conclusion

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

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

1.2.11.5 Recommendations

Audit recommends that:

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

1.2.12 Implementation of Welfare Schemes

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

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

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

Source: Information furnished by the Meghalaya BOCW Welfare Board.

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

1.2.12.1 Doubtful Transfer of COVID-19 Compensation to the labourers

In order to mitigate the distress faced by Building and other construction workers, and to compensate the wage loss on account of lockdown due to COVID-19, the Government of Meghalaya notified²⁴ the extension of a fixed monetary grant of ₹ 1,000 per beneficiary per week to beneficiary workers registered with the Board in accordance with certain terms and conditions.

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

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

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

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

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

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

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

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

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

On being pointed out by audit, Department furnished a database of 25,764 beneficiaries (October 2023) stating that the list of the eligible beneficiaries were sent by the district offices (via e-mail) and upon receipt of all the list of claimants, the payments to the active beneficiaries were made by Direct Benefit Transfer²⁵. Audit further analysed the database and observed the following.

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

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

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

²⁵ Directly remitting the amount to the respective beneficiaries; accounts.

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

Three kinds of errors in disbursements were noted after analysis:

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

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

Table 1.2.14: Beneficiaries having same registration number

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

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

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

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

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

1.2.12.2 Deprivation of Maternity Benefits to beneficiaries

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

During 2017-18 to 2021-22, 303 beneficiaries²⁶ were approved for the maternity benefit. In this regard, Audit observed that, maternity benefits of only 147 beneficiaries involving an amount of ₹ 4.41 lakh were credited in their respective bank accounts whereas benefits amounting to ₹ 4.68 lakhs for remaining 156 beneficiaries were not credited.

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

1.2.12.3 Deprivation of death benefits to beneficiaries

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

During scrutiny of records, Audit observed that the Board sanctioned death benefits in respect of 142 beneficiaries and the advice lists (for a total amounting to ₹ 2.91 crore²⁷) were sent to the bank (5 August 2020 to 19 October 2022) by the Board. However, as per the report of the Board, death benefits were credited to only 82 beneficiaries amounting to ₹ 1.64 crore whereas death benefits amounting to ₹ 1.28 crore to the other 64 beneficiaries were not credited by the bank to the beneficiaries' account.

²⁶ Out of the 300 beneficiaries, 279 were female applicants and 21 were male applicants.

²⁷ Including Funeral Benefit of ₹5,000 and refund of contribution.

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

1.2.12.4 Implementation of the cash award scheme

Rule 285 of the Meghalaya BOCW Rules, 2008 (duly amended) states that the Board may every year award cash awards²⁸ to three male and three female children of beneficiaries **in each district** who scores highest mark in the Secondary School Leaving Certificate (SSLC) Examination.

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

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

Audit query was issued requesting clarifications for the following:

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

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

In this regard, Audit observed the following:

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

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

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

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

1.2.12.5 Implementation of Family Pension Scheme

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

Audit observed that:

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

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

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

1.2.12.6 Benefits of Personal Protective Equipment

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

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

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

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

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

1.2.12.7 Delay in completion of construction of Transit Camps

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

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

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

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

Table 1.2.15: Details of payment to DSEL

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

Source: Release orders of the Welfare Board.

Audit observed that:

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

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

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

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

1.2.12.8 Conclusion

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

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

1.2.12.9 Recommendations

Audit recommends that:

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

1.2.13 Inspection and Monitoring

1.2.13.1 Non-submission of returns regarding employment of labourers

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

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

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

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

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

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

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

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

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

1.2.13.3 Status of Inspections conducted

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

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

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

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

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

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

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

Audit observed that:

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

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

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

1.2.13.4 Meetings of the Board

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

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

Table 1.2.17: Details of Board's meetings conducted

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

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

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

Absence of regular meetings indicated that the Board did not effectively perform its duties and responsibilities²⁹ to the desired extent, as pointed out in the previous paragraphs of this report.

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

1.2.13.5 Non-maintenance of Quarterly Progress Report

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

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

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

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

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

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

1.2.13.6 Conclusion

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

1.2.13.7 Recommendations

Audit recommends that:

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

COMPLIANCE AUDIT PARAGRAPHS

REVENUE AND DISASTER MANAGEMENT DEPARTMENT

1.3 Subject Specific Compliance Audit (SSCA) on 'Management of State Disaster Response Fund'

1.3.1 Introduction

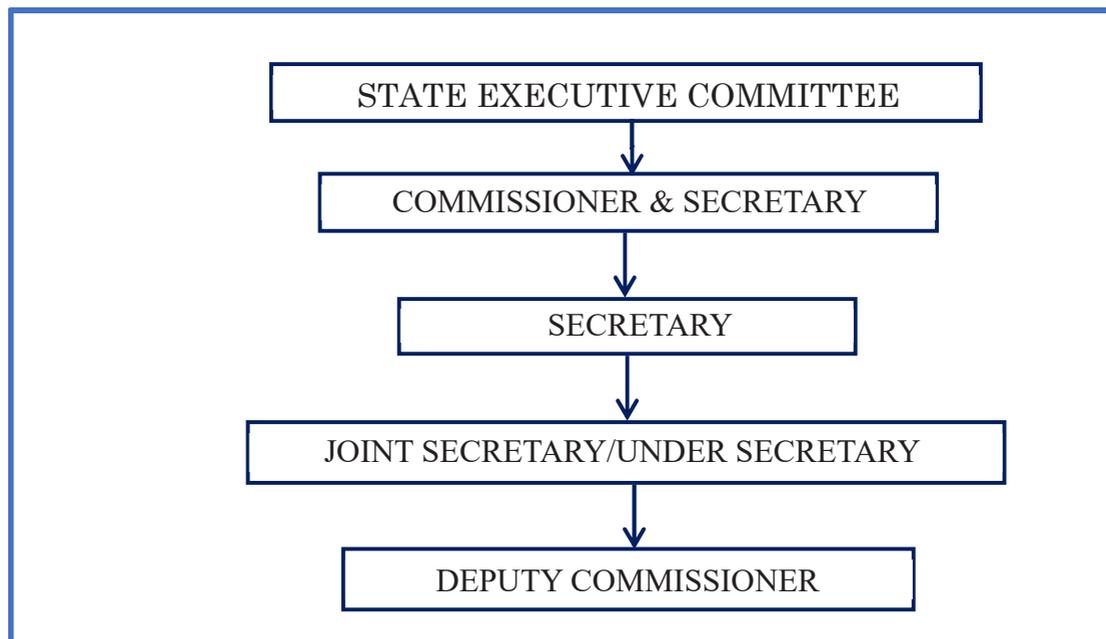
The State Disaster Response Fund (SDRF) is a fund constituted under section 48 (1)(a) of the Disaster Management Act, 2005 (53 of 2005). SDRF is designated exclusively for the purpose of financing immediate relief efforts for individuals affected by various natural calamities, including cyclones, droughts,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

The amount of annual contribution to Meghalaya SDRF as recommended by the Finance Commissions was 90 per cent³⁰ as grant from Government of India (GoI) and remaining 10 per cent was to be contributed by Government of Meghalaya (GoM). SDRF is the primary fund available with State Governments for meeting disaster related expenditure as notified³¹ by the State Government and guidelines issued by GoI.

1.3.2 Organisation Set-up

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

Chart 1.3.1: Organisation chart for management of SDRF



³⁰ North Eastern and Himalayan States earlier known as Special Category States as per Gadgil Formula.

³¹ Government of Meghalaya has powers to notify 'Lightning strike' as a disaster.

When a natural disaster strikes, the Deputy Commissioner (DC) concerned, submits proposals for immediate relief under SDRF to the Revenue & Disaster Management Department. The Revenue & Disaster Management Department submits the proposals to the State Executive Committee³² (SEC) for final approval and accordingly financial assistance is disbursed to the respective DCs.

1.3.3 Audit Objectives

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

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

1.3.4 Audit Criteria

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

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

1.3.5 Audit Scope, Sample Selection and Methodology

SSCA on SDRF covering the period from 2017-18 to 2021-22 was conducted during October – December 2022. The samples selected for SSCA comprised the State Disaster Management Authority at the Government level and four districts³³ out of 12 districts in the State under the administrative control of the Deputy Commissioners designated as Chairman of the District Disaster Management Authorities (DDMAs). The sample selection was based on fund released to the districts and was done by using Probability Proportional to Size Sampling Without Replacement (PPSWOR) method.

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

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

³³ West Garo Hills, East Garo Hills, North Garo Hills & RiBhoi.

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

1.3.6 Fund Position of SDRF

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

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

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

Table 1.3.1: Details of fund receipts and expenditure thereof.

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

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

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

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

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

From the table above, the following are observed:

- Fund of ₹ 238.12 crore by GoI and ₹ 24.78 crore by GoM in the ratio 90:10 were released for SDRF during the period from 2017-18 to 2022-23.
- Five per cent of the annual allocation was to be released for capacity building. Thus, out of ₹ 262.90 crore released for SDRF, ₹ 13.15 crore was to be released for capacity building. However, the Department allocated and released only ₹ 4.20 crore³⁶ (32 per cent) during the period of review leaving a shortfall of ₹ 8.95 crore.

Audit Findings

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

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

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

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

Scrutiny of records of the Commissioner & Secretary, Revenue & Disaster Management Department revealed a deviation from the prescribed guidelines in the State Government's disbursement of its allocated shares. Audit observed significant delays in release of both the first and second instalments³⁷. Consequently, interest amounting to ₹ 3.32 crore was

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

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

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

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

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

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

1.3.8 Diversion of ₹ 2.15 crore from SDRF

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

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

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

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

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

Table 1.3.2: Details of fund diverted from SDRF

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

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

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

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

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

1.3.9 Investment of SDRF

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

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

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

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

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

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

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

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

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

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

1.3.10 Booking of expenditure of SDRF

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

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

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

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

(₹ in crore)

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

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

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

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

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

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

(₹ in crore)

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

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

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

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

1.3.11 Inadmissible expenditure

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Table 1.3.6: Details of Utensils supplied.

(Amount in ₹)

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

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

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

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

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

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

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

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

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

Table 1.3.7: Details of clothing supplied to Demdema Block

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

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

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

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

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

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

Table 1.3.8: Details of clothing supplied to Songsak Block

(Amount in ₹)

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

From the table above, it can be seen that a total of 4,152 blankets were provided to 3,340 affected households at the rate of ₹ 1,600 per piece incurring an expenditure of ₹ 66,43,200. This indicated that per household expenditure was incurred at the rate of ₹ 1,989⁴¹. This has led to exceeding of the permissible expenditure limit by ₹ 189 (₹ 1989-₹ 1800) per household, resulting in a cumulative excess expenditure of ₹ 6,31,200⁴² from SDRF.

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

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

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

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

Scrutiny of sanction orders under SDRF showed that an amount of ₹ 88.96 lakhs was released⁴³ by DC, West Garo Hills, to EE, PWD (Roads) Barengpara Division, West Garo Hills for repair and restoration of washed out SPT Br. No. 1/1 on Upper Mibonpara to Lower Mibonpara Road damaged due to occurrence of heavy rain and flash flood on 13 August 2017.

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

⁴¹ ₹ 66,43,200/3,340 = ₹ 1,989/-.

⁴² ₹ 189 x 3,340 = ₹ 6,31,200.

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

1.3.12 Variation in proposal list and disbursement list

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

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

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

Cross examination of proposal and advice list of beneficiaries revealed that 26 beneficiaries received relief assistance of ₹ 8,65,300/- even though their names were not proposed at the time of submission of proposal for assistance. Moreover, double payment was seen to have been made in the case of one Sime Marak amounting to ₹ 1,97,000/- (₹ 95,100.00 and ₹ 1,01,900.00) as detailed in **Appendix 1.3.3**. It was also noticed that while 410 affected persons were identified based on the FIR of the incident, only 348 persons were included in the beneficiary list. This indicated that 88 identified beneficiaries⁴⁴ did not receive the allowed assistance.

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

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

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

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

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

⁴⁴ {410 - (348 - 26 = 322)}.

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

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

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

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

1.3.13 Disbursement of cyclone relief amount to duplicate beneficiaries

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

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

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

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

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

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

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

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

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

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

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

1.3.14 Discrepancies in UCs submitted to GOI.

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

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

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

Table 1.3.11: Statement on UC submitted

(₹ in crore)

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

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

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

1.3.14.2 Outstanding UCs

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

Table 1.3.12: Outstanding UCs

(₹ in crore)

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

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

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

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

1.3.15 Functioning of State Executive Committee

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

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

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

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

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

1.3.16 Conclusion

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

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

1.3.17 Recommendations

Audit recommends that:

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

Health & Family Welfare Department

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

1.4.1 Introduction

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

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

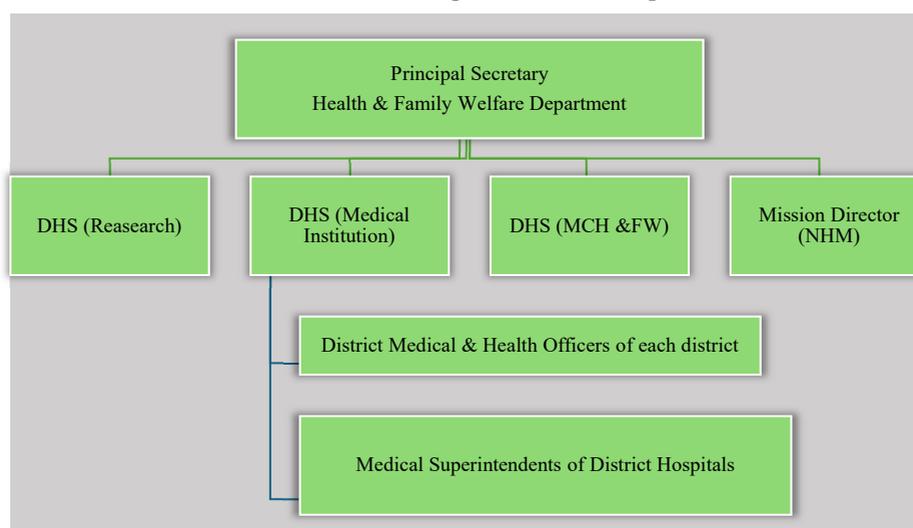
The present Subject Specific Compliance Audit (SSCA) covers health facilities at village and block levels which provide primary health care services. This SSCA also provides a holistic view of improvement of necessary infrastructure created for meeting emergencies related issues and service delivery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

1.4.1.1 Organisational set-up

I. Medical Health & Family Welfare Department

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

Chart 1.4.1: Organisational set-up



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

1.4.1.2 Overview of Primary Healthcare in Meghalaya

Meghalaya had a population of 29.66 lakh as per Census 2011. To cater to the healthcare services of its citizens at different levels, the State Government established 10 Civil/District Hospitals, two Maternal and Child Health Facilities (MCH)⁴⁶, two specialised hospitals⁴⁷, 30 Community Health Centres (CHC), 119 Primary Health Centres (PHC) and 467 Sub-Centres (SC). As of June 2023, no functional Medical Colleges or tertiary care hospitals were available under the State Government.

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

Table 1.4.1: Norms for creation of primary health facilities

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

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

⁴⁶ Ganesh Das Govt. MCH Hospital, Shillong and District MCH, Tura.

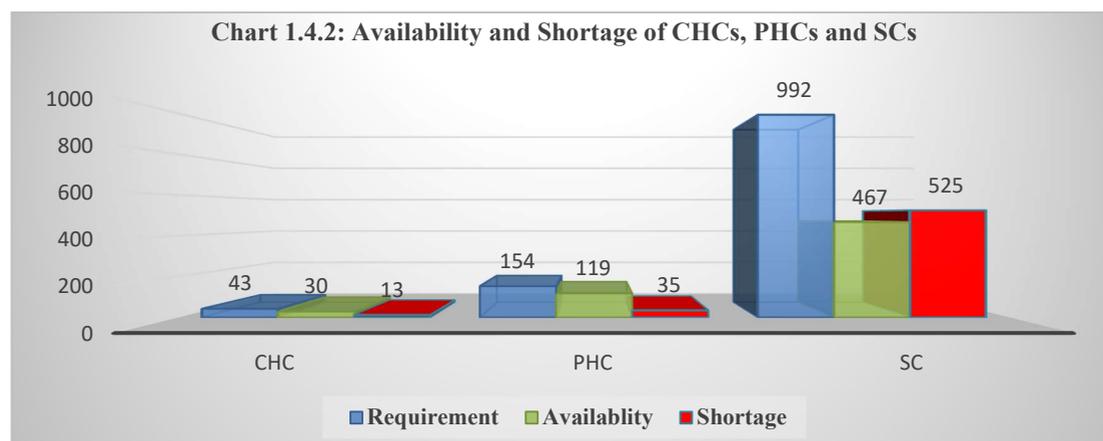
⁴⁷ MIMHANS, Shillong and Reid Provincial Chest Hospital, Shillong.

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

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

Source: Information furnished by the respective DMHOs.

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



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

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

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

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

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

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

1.4.2 Audit Objective, Scope, and Methodology

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

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

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

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

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

1.4.3 Budget allotment and expenditure

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

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

(₹ in crore)

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

Sources: Appropriation Accounts of respective years.

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

1.4.4. Audit Findings

The audit findings are discussed in the succeeding paragraphs.

1.4.4.1 Regulatory aspects present in the State

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

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

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

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

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

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

I. Registration of Private Health Facilities under the Rules

The Meghalaya Nursing Homes (Licensing and Registration) Act, 1993⁴⁸ envisages that all private Nursing Homes, Diagnostic Laboratories, Radiological Facilities, Modern Diagnostic Facilities, Physiotherapy clinics/ centres, Rehabilitation Therapy Centres and Private Clinics operating in the State of Meghalaya, shall be required to obtain license and register under the Rules. Further as per Rule 4(5) of the Rules *ibid*, 'no Nursing Home shall be permitted to operate facilities/ services other than those allowed under the License. In case additional services/ facilities are required to be provided in the Nursing Home, the owner should apply to the Authority for grant of permission for all such facilities/ services and until the permission is granted, the owner cannot provide such services'.

⁴⁸ Notified on 14 April 2015.

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

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

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

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

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

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

Joint Physical Verification was conducted by the Audit team along with the officers & staff of the DMHO offices at the sites of 22 private entities in the selected four districts. It was observed that 19 out of 22 entities were running without a valid license (details given in **Appendix 1.4.2**). Out of the 19 facilities, only Bethany Hospital, Ri-Bhoi had a license which expired in April 2022⁴⁹. The other 18 private entities did not have a license from the competent authority. The district-wise position is given in **Table 1.4.7**.

⁴⁹ JPV was conducted on 08 September 2022.

Table 1.4.7: District-wise position of institution without licence

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1.4.4.3 Appointment of Doctor without MCI Registration Certificate

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

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

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

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

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

1.4.5 Adequacy of Essential Resources in Selected CHCs & PHCs

1.4.5.1 Human Resources in the Selected CHCs and PHCs

The Secretary, Health & Family Welfare Department stated (09 August 2022) that the State has its own norms⁵⁰ for human resources and does not adopt/ follow the IPHS norms. As per the State norms, 11 doctors, seven nursing staff and six paramedical staff are required for each CHC. Similarly, as per the State norms four doctors, three nursing staff and three paramedical staff are required at the PHC.

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

(A) Shortage of manpower in CHCs:

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

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

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

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

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

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

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

(B) Shortage of manpower in PHCs:

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

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

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

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

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

1.4.5.2 Availability of Equipment

I. Shortage of Equipment in the Selected CHCs

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

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

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

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

II. Shortage of Equipment in the Selected PHCs

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

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

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

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

Table 1.4.13: Shortage of Equipment in PHCs against IPHS norms

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

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

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

1.4.5.3 Availability of Drugs

I. Shortage of Drugs in the Selected CHCs

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

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

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

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

Table 1.4.15: Availability of Drugs in CHCs against IPHS norms

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

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

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

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

II. Shortage of Drugs in the Selected PHCs

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

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

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

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

Table 1.4.17: Availability of Drugs in PHCs against IPHS norms

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

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

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

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

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

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

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

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

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

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

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

1.4.5.5 Availability of Diagnostic Services

I. Diagnostic Services in the Selected CHCs

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

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

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

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

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

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

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

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

II. Diagnostic Services in the Selected PHCs

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

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

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

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

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

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

1.4.5.6 Availability of Blood Storage Facility

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

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

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

1.4.5.7 Poor condition of labour room

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

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



Labour Room of Mawroh PHC

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



Labour Room of Khliehtyrshi PHC

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

1.4.5.8 Impact of Insufficient Infrastructure at CHCs and PHCs

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

(A) CHCs

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

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

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

Source: Records of the DMHOs of the selected districts.

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

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

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

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

(B) PHCs

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

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

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

Source: Records of the DMHOs of the selected districts.

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

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

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

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

Table 1.4.24: Number of registered patients referred out

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

Source: Reply furnished by the selected CHCs and PHCs.

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

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

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

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

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

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

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

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

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

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

Source: SDG India Index 2020-21.

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

1.4.6.1 Status of SDG-3 Parameters in Meghalaya

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

Table 1.4.26: Status of SDG-3 Parameters in Meghalaya

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

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

Source: HMIS Data.

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

From the above table, it is evident that:

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

1.4.6.2 Status of SDG-3 Parameters in the Selected Districts

I. MMR in the Selected Districts

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

Maternal Mortality Rate per one lakh live births⁵¹ of the four selected districts during 2016-17 to 2021-22 is given in **Table 1.4.27**.

Table 1.4.27: Status of MMR in Selected Districts

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

Source: HMIS Data.

It is seen from the table above that:

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

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

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

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

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

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

Source: HMIS Data.

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

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

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

Table 1.4.29: Status of Institutional Delivery in Selected Districts

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

Source: HMIS Data.

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

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

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

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

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

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

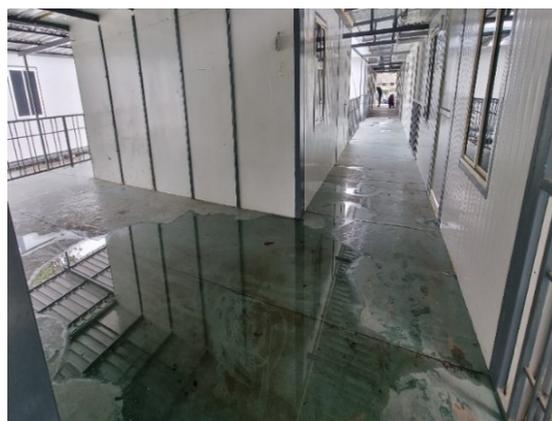
Two centres at Shillong and Tura, each with 100 bedded prefabricated centres were installed at a total cost of ₹ 5.18 crore in December 2021 and February 2022 respectively as detailed in **Table 1.4.30**.

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

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

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

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



Water logging in the prefab centre at Shillong

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

- Parts of the facility were found in waterlogged condition.

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

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

1.4.6.5 Non-completion of six bedded prefab structures under ECRP

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

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

Table 1.4.31: Status of 6 bedded Pre-fab centres

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

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

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

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

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

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

1.4.6.6 Construction of Oxygen Generation Plants

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

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

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

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

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

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

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

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

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

Table 1.4.33: List of items idle at Corona Care Centres

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

Source: Reply furnished by the NHM, Meghalaya.

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



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

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

1.4.6.8 Revenue collection from Testing Centres for COVID

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

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

Table 1.4.34: Financial Details regarding Revenue Collected from Testing Centres

(Amount in ₹)

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

Source: Information furnished by the NHM, Meghalaya.

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

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

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

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

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

(₹ in crore)

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

Source: Information furnished by the NHM, Meghalaya.

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

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

1.4.7 AYUSH

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

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

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

Table 1.4.36: Availability of Infrastructure in Meghalaya

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

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

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

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

Table 1.4.37: Availability of Doctors in the Selected Districts

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

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

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

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

Table 1.4.38: Detail list of AYUSH facilities

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

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

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

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

1.4.7.2 Shortage of drugs in AYUSH centres

I. Shortage of Drugs in the Selected PHCs

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

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

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

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

Table 1.4.40 Availability of Drugs in CHCs against IPHS norms

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

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

A:- Available; S:-Shortage

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

II. Shortage of AYUSH drugs in the selected PHCs

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

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

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

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

Table 1.4.42: Availability of Drugs in PHCs against IPHS norms

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

Source: Joint Physical Verification conducted at selected PHCs.

A:- Available; S:-Shortage

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

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

1.4.8 Conclusion and Recommendations

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

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

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

Social Welfare Department

1.5 Unfruitful expenditure on Tribal Girls Hostel

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

Under the proviso of Article 275(1), Government of India (GoI), Ministry of Tribal Affairs (MoTA) sanctioned and released (04 February 2015) an amount of ₹ 1.00 crore for construction of Tribal Girls Hostel at Ballonggre⁵², Betasing block, West Garo Hills district. As indicated in the sanction order (February 2015), the hostel was to be associated with existing government schools.

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

Scrutiny (May 2022) of records of the Director of Social Welfare, Shillong revealed that the land for construction of the hostel was donated free of cost by Shri Amos Ch. Sangma through Deed of Gift executed on 01 April 2015 with a condition that the hostel will be run by an NGO namely Sewa Inland, Tura, headed by Shri Amos Ch. Sangma as the president. The Tribal Girls hostel was constructed through the District Rural Development Agency (DRDA), West Garo Hills, Tura and was completed on 13 December 2016 at a total cost of ₹ 1.00 crore. Subsequently, the hostel building was handed over to the NGO Sewa Inland⁵³, Tura by the District Social Welfare Officer (DSWO), Tura on 18 June 2019⁵⁴. However, the hostel remained non-functional.

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

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

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

⁵² Mentioned as Ballonggiri in the GoI sanction order.

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

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

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

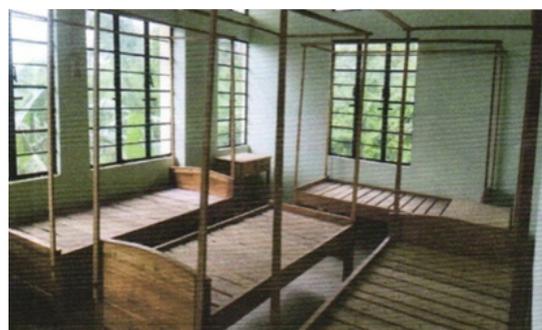
One of the reasons for the hostel building remaining un-occupied was its remote location. As can be seen from the table above, the nearest school with enrolment of girls is the Damalgre Secondary School at a distance of about 7 km from the hostel building. Further, the hostel building was located at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

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

Some of the photographs taken during JPV are given below:



Unoccupied Hostel Building



Unoccupied Hostel Room

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

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

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

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

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

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

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

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

CHAPTER II ECONOMIC SECTOR

CHAPTER II: ECONOMIC SECTOR

2.1 Introduction

The financial profile of Government departments under Economic Sector for the year ending 31 March 2023 is given in **Table 2.1.1**.

Table 2.1.1: Budget provision and expenditure of major State Government departments under Economic Sector during the year 2022-23

(₹ in crore)

Sl. No.	Name of Department	Budget provisions	Expenditure
1.	Public Works	1,320.99	1,385.28
2.	Agriculture	291.19	248.66
3.	Community & Rural Development	1,217.63	1,208.49
4.	Power	858.36	868.36
5.	Forestry and Wildlife	172.32	174.86
6.	Industries	127.88	127.29
7.	Secretariat Economic Services	1,012.89	1,013.6
8.	Transport	2.00	1.00
9.	Mining & Geology	136.42	136.42
10.	Tourism	33.20	33.60
11.	Fisheries	34.23	33.73
12.	Co-operation	32.25	31.30
13.	Soil & Water Conservation	217.84	217.52
14.	Animal Husbandry and Veterinary	190.17	184.86
15.	Dairy Development	15.31	14.69
16.	Irrigation	139.44	139.58
17.	Census Survey and Statistics	23.99	24.64
18.	Food and Civil Supplies	37.66	58.39
19.	Finance (Public Debt + Loans to Government Servants)	987.20	3773.58
	Total	6,850.97	9,675.85

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

2.1.1 Planning and conduct of Audit

The audit process starts with the risk assessment of various Government departments based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls, past audit record and media reports. During 2022-23, expenditure worth ₹ 2,840.46 crore (including expenditure pertaining to previous years audited during the year) was audited under Economic Sector. The audit findings with monetary implications of ₹ 567.18 crore have been communicated to the departments concerned through 31 Inspection Reports (IRs) issued in 2023.

The chapter on Economic Sector contains three Compliance Audit Paragraphs as discussed in the following paragraphs.

COMPLIANCE AUDIT PARAGRAPHS

**SOIL AND WATER CONSERVATION DEPARTMENT & MEGHALAYA
BASIN DEVELOPMENT AUTHORITY**

2.2 Idle expenditure

Hi-Tech Nurseries set up at a cost of ₹ 54.00 lakh for propagation of local and indigenous species were not functional even after six years of completion resulting in idle expenditure.

Meghalaya Basin Development Authority (MBDA) sanctioned (September 2016) the work for establishment of four⁵⁷ Hi-Tech Nurseries at a cost of ₹ 54.00 lakh, to be taken up by the Director of Soil and Water Conservation (DSWC), Meghalaya under the State Scheme⁵⁸. The objective for establishing Hi-Tech nurseries was to promote propagation of local and indigenous species with special emphasis on rare and endangered species, study and establish standard methods of propagation of indigenous forest and fruit tree species, serve as centres of learning for the local people, produce planting material to meet the demand for local indigenous species and to act as pilot models for replication in other places. The work was taken up under Mission Green Component of Integrated Basin Development Programme⁵⁹ (IBDLP). The scope of work includes construction of mother bed chamber with misting facilities, micro irrigation system, shade net house and mist chamber. The work was executed by the respective Divisional Soil and Water Conservation Officers (DSWCO), Cash Crop Divisions of Shillong, Jowai and Tura. Estimated cost of each Hi-tech Nursery was fixed at ₹ 13.50 lakh and accordingly the DSWC, Meghalaya released (November 2016) the funds to three Soil and Water Conservation Divisions⁶⁰.

Based on quotations invited (December 2016) by the implementing Divisions, the work was allotted to Akshaya Irrigation System, Coimbatore which was the lowest bidder in all the three quotations. Work orders were issued (December 2016 to April 2017) to Akshaya Irrigation System for ₹ 13.50 lakh per unit for construction of the Hi-Tech Nursery and the works were completed in May to June 2017 for which payment of ₹ 54.00 lakh was released (February and July 2017) to the firm.

Scrutiny (May 2022) of records of the DSWC, Meghalaya revealed the following:

1. The Hi-tech nursery proposed to be set up at Resubelpara, North Garo Hills could not be set up since the land available was prone to flooding, marshy and not suitable for nursery. The location was then changed to Dakopgre, West Garo

⁵⁷ Marngar in Ri Bhoi (1 unit), Namdong in West Jaintia Hills (1 Unit), Dakopgre in West Garo Hills (1 unit) and Resubelpara in North Garo Hills (1 unit). The location of the Hi-tech nursery planned for Resubelpara was later changed to Dakopgre, West Garo Hills.

⁵⁸ Funded under Integrated Basin Development and Livelihoods Programme a State Flagship Programme.

⁵⁹ The Meghalaya Basin Development Authority (MBDA) is the nodal implementation agency for 'Mission Green Meghalaya' under Integrated Basin Development & Livelihoods Promotion Programme, Meghalaya (IBDLP).

⁶⁰ Shillong Cash Crops Division: ₹ 13.50 lakh + Jowai Cash Crops Division: ₹ 13.50 lakh + Tura Cash Crops Division ₹ 27.00 lakh.

Hills and therefore two Hi-Tech nurseries were set up at Dakopgre instead of one unit planned initially due to the non-suitability of land available at Resubelpara. This indicated that proper identification of the site of the Hi-Tech nursery at Resubelpara was not conducted while planning the proposal.

2. To ascertain the actual status of the four Hi-tech nurseries, a joint physical verification (JPV) was conducted by the audit team and the officials of the Soil and Water Conservation Department at Dakopgre (14 May 2022), Marngar (21 September 2023) and Namdong (22 September 2023). During JPV, Audit observed that all the four⁶¹ Hi-Tech nurseries were non-functional. There was absence of perennial water supply source and electricity connection in all the four nurseries. The nurseries were found to be partially damaged with drip irrigation pipes and sprinkler system broken. Audit also observed that Nursery Ledger was not maintained in any of the nurseries and the Department had no list of species to be propagated by these nurseries which was contrary to the objective of establishment of the nurseries.

The following photographs taken during the JPV depict the condition of the Nurseries:



Non-functional mother bed chamber at Marngar, Ri Bhoi Damaged Shade net house at Dakopgre 1- West Garo Hills



Non-functional drip irrigation facilities at Dakopgre 2 – West Garo Hills Non-functional mist chamber, without earth work at Namdong, West Jaintia Hills

On this being pointed out by audit, the DSWC, Meghalaya replied (June 2023 and November 2023) that the nurseries will be made operational on receipt of funds and provision of ₹ 1.50 crore has been made in the Budget of 2023-24 under the sub-head-

⁶¹ Marngar in Ri Bhoi (1 unit), Namdong in West Jaintia Hills (1 Unit) and Dakopgre in West Garo Hills (2 units).

Nurseries for which a proposal will be sent to the Government for operationalising the nurseries.

From the reply of the Department, it confirms that though the work of hi-tech nurseries was taken up with the objectives of propagating indigenous species of trees and fruits, in effect the project was limited to creation of basic infrastructure without any plan of operationalising these nurseries. Audit found that the detailed estimates for the nurseries did not have any provision for perennial water supply source and electricity connection which are essential for making the nurseries functional. Further, though completion certificates were submitted to MBDA, there seems to be no follow up from the MBDA to ensure that the hi-tech nurseries were made operational to fulfill the objectives of Mission Green.

Audit therefore, concludes that the Department has incurred idle expenditure of ₹ 54.00 lakh on four non-functional hi-tech nurseries, which has affected the objective of propagation to promote local/indigenous species of forest and fruit trees. The likelihood of additional financial burden on repair of damaged infrastructure of the Hi-tech Nurseries cannot be ruled out.

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

PUBLIC WORKS DEPARTMENT

2.3 Idle and avoidable expenditure due to prolonged delay in completion of a bridge

Inability of the PWD (Roads & Bridges) to enforce its prescribed terms and conditions and absence of monitoring led to prolonged delay in completion of reconstruction of the bridge No. 10/2 even after more than 13 years of its sanction had led to cost escalation of ₹ 1.27 crore and resulted in idle expenditure of ₹ 1.69 crore besides avoidable expenditure of ₹ 0.72 crore towards special repairing of SPT Sub-way of bridge No.10/2.

Scheme of reconstruction of existing semi-permanent timber (SPT) bridges Nos. 2/5, 5/3 and 10/2 on Kherapara-Deku Bazar Road under Non-Lapsable Central Pool of Resources (NLCPR) was approved (February 2010) by the Ministry of Development of North Eastern Region (MDoNER), Government of India with a total allocation of ₹ 8.53 crore⁶². The funding pattern for the project was in the ratio of 90:10 between the Government of India (GoI) ₹ 7.68 crore and Government of Meghalaya (GoM) ₹ 0.85 crore. The objective of the scheme was to connect Kherapara-Deku Bazar 18 km Road in West Garo Hills to National Highway 51⁶³ to serve as link road for export of limestone and coal to Bangladesh.

Scrutiny of records of the Executive Engineer, Public Works Department (Roads) (EE, PWD), Central Division, Tura (October 2022) revealed that the Department through tendering procedure had awarded two contracts for the work of three bridges, *i.e.* Bridge 5/3 (Tender Value (TV) ₹ 2.13 crore) and Bridges 2/5 and 10/2 (TV ₹ 5.42 crore) in August 2010. The work of the bridges including construction of approach roads, protection works and subways was to be completed by August 2012. As per Detailed Notice Inviting Tender document (March 2010), following clause was stipulated:

- Clause (45.1) **Progress of Work** – The contractor shall give the Engineer-in-Charge on the 4th day of each month a report on progress of work done during the previous month as per suitable *proforma*.
- Clause (55.3) **Cancellation of Contract in full or in part** – On cancellation of the contract in full or in part, the Engineer-in-charge shall determine what amount if any, is recoverable from the contractor for completion of the work and the loss or damage suffered by the Department.

Scrutiny (October 2022 & September 2023) of documents revealed that two out of the three bridges, *viz*, Bridge No. 2/5 and Bridge No. 5/3 had been completed in September 2016 and July 2018 respectively at a total cost of ₹ 3.91 crore. However, work of Bridge No. 10/2 was shown as incomplete as on date of Audit (October 2022).

It was further revealed that, pending reconstruction of Bridge No. 10/2 the Department had carried out special repairs of the SPT bridge during 2019-20 and 2021-22 at a total cost of ₹ 72.16 lakh. Audit sought to examine the reasons for delay in completion of

⁶² Bridges No. 2/5 (₹ 1.91 crore), bridges No. 5/3 (₹ 2.42 crore) and bridges No. 10/2 (₹ 4.20 crore).

⁶³ Renamed as National Highway No. 217.

construction of Bridge No. 10/2 and found the following: -

(i) The contractor for Bridge No. 10/2, Smti. Bulbuline R. Marak, abandoned the work in June 2015, however reasons for abandoning the project were not available in the records of the Department. Despite cancelling the work order (June 2015) at the risk and cost of the contractor, the department was yet to forfeit the security deposit of ₹ 10.84 lakh⁶⁴. However, at the time of cancellation of work order, an amount of ₹ 1.15 crore had already been paid to the contractor against tender value of Bridge No. 10/2 of ₹ 4.20 crore, leaving the balance work amounting to ₹ 3.05 crore.

In this regard, it was also noticed that, the Department did not obtain monthly progress report from the contractor which was required under clause (45.1) of Detailed Notice Inviting Tender document. This had led to non-monitoring of the progress of work by the Department which ultimately resulted in delay and abandoning of work and subsequent termination of contract.

Further, Department did not assess the loss suffered by the Department due to cancellation of work, which was stipulated in clause (55.3) of Detailed Notice Inviting Tender document, that 'on cancellation of the contract in full or in part, the Engineer-in-charge shall determine what amount, if any, is recoverable from the contractor for completion of the work and the loss or damage suffered by the Department'. Instead, without assessing the work completed and balance work, Department called for re-tendering of work.

(ii) CE, (NH), PWD (Roads) retendered the balance work of Bridge No. 10/2 (January 2016) at tender value of ₹ 2.93 crore, against which two offers were received at rates 43 *per cent* and 83 *per cent* higher than the SOR respectively. The Department tender committee recommended the award to M/s R.G.S. Construction, L₁ and work order was issued for an amount of ₹ 4.20 crore in August 2016 with stipulation to complete the work in 24 months, *i.e.* August 2018. As per general rules and directions for the guidance of contract (August 2016), it was stipulated in Clause 16 that all work under or in course of execution in pursuance of the contract shall at all times be open to inspection and supervision of the Engineer-in-Charge and his subordinates.

Audit scrutiny revealed that, the second contractor had also failed to complete the work even after seven years of the award of work order. During those seven years *i.e.* from August 2016 to August 2023, the total value of work executed by the contractor (M/s R.G.S Construction) was ₹ 0.54 crore only against the tender value of ₹ 4.20 crore and work order was cancelled in August 2023 at the cost of contractor.

The retendered work was to be completed in August 2018, but it was noticed that, the contractor intimated (April 2018) the Department, after 18 months of allotment of work, that during previous contractor's period the bridge well had tilted and had therefore requested for revised drawings. This indicates that, neither did the contractor take the work seriously nor did the Department conduct any inspection or supervision

⁶⁴ Two *per cent* of Work order (₹ 5,42,02,527) = ₹ 10,84,050/-.

after allotting the work. Further, it was noticed that the Department did not finalise the revised drawings till date (March 2024).

Thus, negligence on the contractors' part and lack of monitoring by the Department has led to prolonged delay in completion of reconstruction of bridge No. 10/2 even after more than 13 years of its sanction. This resulted in cost escalation of ₹ 1.27 crore⁶⁵, idle expenditure of ₹ 1.69 crore⁶⁶ and avoidable expenditure of ₹ 0.72 crore towards special repairing of SPT Sub-way of bridge No.10/2, as of date of audit.

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

Recommendation: *The State Government may investigate the matter and fix responsibility on the official(s) concerned for inordinate delay in completion of project.*

⁶⁵ ₹ 4.20 crore (2nd work order) - ₹ 2.93 crore (tender value of 2nd NIT).

⁶⁶ ₹ 1.15 crore and ₹ 0.54 crore.

BORDER AREA DEVELOPMENT DEPARTMENT

2.4 Infertuous expenditure

Setting up of Herbal Cosmetic Common Facilities Centre in hasty and ill planned manner without assessing the competency of the facilitator and without necessary monitoring had resulted in infertuous expenditure of ₹ 1.47 crore and non-achievement of the intended objective of providing sustainable livelihood.

The Border Area Development Programme (BADP) aims to address the unique development needs of remote and inaccessible areas near the international border. This program seeks to enhance the well-being of the local population by providing essential infrastructure and promoting employment, production - oriented activities, and skill development to deter migration to other areas.

Government of Meghalaya (GoM) sanctioned (March 2017) amount of ₹ 1.48 crore under State Scheme of Border Area Development Programme for a project for setting up of Herbal Cosmetic Common Facilities Centre (HCCFC) at Sulguri South West Garo Hills and ten Cluster Manufacturing Units. HCCFC was to include one common Multi facilities centre (MFC) and five soap manufacturing and shampoo/lotion/hand-wash manufacturing units. The objectives of the HCCFC were- (i) to create a sustainable business relation by linking rural producers with the wider market through a marketing partner, (ii) preparing plans based on local resource endowments, felt needs of the people and relative absorptive capacity and implementing them, (iii) generating rural employment/livelihood, (iv) decentralisation of production and (v) hand holding the units so that they can effectively negotiate with business partner to secure a non-exploitative, mutually beneficial business relationship.

To set up the machinery and equipment required for HCCFC the Sulguri Village Development Council handed over (October 2017) the existing community hall (Sulguri Multifacility Centre) to the SLRD, Shillong for implementation of the project.

The BADP guidelines permit that work be carried out by the beneficiaries or voluntary agencies comprising local NGOs or Self Help Groups. Accordingly, the work order was issued (15 December 2017) by the Assistant Director, Border Area Development Department, (AD, BADD) Tura to the School of Livelihood and Rural Development (SLRD⁶⁷) Shillong for an estimated amount of ₹ 1.48 crore for setting up of the HCCFC.

For setting up of HCCFC and smooth functioning of the project, a tri-party agreement was signed (15 December 2017) among following parties and their responsibilities are stated in **Table 2.5.1**.

⁶⁷ SLRD is a registered society.

Table 2.5.1: Major responsibilities as per tripartite agreement

Sl. No.	Party	Named as	Major responsibilities
1	Assistant Director, Border Area Development Department, Tura	Grantor	1. Check the monthly statement and certify the amount to be paid to the Grantee and Facilitator.
2	Ampati Area Young Entrepreneurs Association	Grantee	1. Take up the works and arrange for its completion within the time period of ten months.
3	School of Livelihood and Rural Development (SLRD) Shillong	Facilitator	2. Employ suitable skilled persons and in sufficient numbers to carry out the works. 3. Keep the Grantor informed about the progress of work. 4. Upkeep/maintenance and safe custody of plant and machineries tools and equipment. 5. To run the manufacturing process for a period of five years and also to provide marketing and logistics support.

The Ampati Area Young Entrepreneurs Association was selected based on the facts that the committee members were all inhabitants of Ampati and they were nominated by the local leaders. The work for setting up of HCCFC was completed in August 2018 at a cost of ₹ 1.47 crore. The Department paid an amount of ₹ 1.47 crore to SLRD in 12 instalments, from 15 December 2017 to 11 September 2019.

Scrutiny (July 2022) of records of the Assistant Director, Border Area Development Department (BADD), Tura revealed the following:

- i. BADD did not conduct any feasibility study prior to submitting the proposal for the Herbal Cosmetic Common facilities center to the GoM. Further, there was no record on the criteria for selection of the SLRD, Shillong as the facilitator. Thus, justification for setting up HCCFC as a sustainable business to promote local resources and generate employment was not found on record.
- ii. Audit noted that there was no documentation on progress of work, like monthly progress reports submitted by SLRD to the AD, BADD even though this was to be done as part of tripartite agreement.
- iii. The HCCFC was to be operated by the Facilitator (SLRD) for the period of five years after completion of the work. Audit noted that machinery and equipment had been installed for HCCFC at a cost of ₹ 1.47 crore, however, till date unit is not operational and five years' period has already been lapsed in August 2023.

To ascertain the actual status of the HCCFC, a Joint Physical Verification (JPV) was conducted (July 2022) by the Audit team along with the officers of the BADD Tura. The JPV revealed the following:

- The Multi Facility Centre (MFC) at Sulguri was found not functioning. The equipment & machineries were lying idle in dilapidated condition (*Photograph-i to iv*).

- The manufacturing unit at Chengkonpara was being used by Health Department as “Adolescent Friendly Health Resource Centre”. One soap cutting equipment set, one soap moulding equipment and one stainless steel mixing vessel were found kept in one corner of the centre (*Photograph-v to vii*).
- There was no physical evidence of SLRD (facilitator) presence at the MFC. Further, when asked for, the Department could not provide the Asset register/log book of machinery and equipment purchased by the SLRD.

Exhibit (i)



Exhibit (ii)



Photograph: (i) & (ii) Multi Facility Centre at Sulguri not functioning and the equipment & machineries were lying idle in dilapidated condition.

Exhibit (iii)



Exhibit (iv)



Photograph: (iii) & (iv) Distillation Unit and 15 KV Diesel Gen Set lying idle without any connection.

Exhibit (v)



Exhibit (vi)



Exhibit (vii)



Photograph: (v), (vi) & (vii) Soap Mixing Machine; Soap Moulding & cutting set and Stainless Steel vessel at Chengkompara in idle condition.

It was further observed from the records that, the Assistant Director, BADD had filed First Information Report (FIR) on 04 September 2023, reporting that vandalism and theft case had occurred on 26 August 2023 at HCCFC Sulguri and property amounting to ₹ 20.00 lakh had stolen. This instance of theft and filing of FIR by the Department after nine days of incident indicates that HCCFC, Sulguri was abandoned by the facilitator.

Government in its reply (February 2024) accepted the non-functioning of units due to absence of feasibility study before submitting the proposal and lack of documentation regarding selection criteria of SLRD, Shillong as facilitator. Further Government has also accepted the importance of robust monitoring mechanism and committed to improve reporting procedure i.e., monthly progress reports. In respect of vandalism and theft at HCCFC unit, Government assure that Department is actively cooperating with law enforcement agencies to recover any stolen property and if required legal action will be initiated against SLRD if it fails to recoup the loss of materials and fails in making the HCCFC unit functional as it was required to do so under the tri-party agreement.

The Department's reply also confirms that while HCCFC Sulguri was non-functional since date of completion (August 2018), the Department could not make SLRD take responsibility for operating the MFC as per agreed terms of the project. The physical evidence obtained on JPV and alleged instance of theft indicate that the entire amount of ₹ 1.47 crore spent in creation of HCCFC was infructuous as all the facilities have been abandoned by the three concerned parties, thus rendering the entire expenditure on the project fruitless.

CHAPTER III
URBAN LOCAL BODIES

CHAPTER III: URBAN LOCAL BODIES

3.1 Introduction

The 74th Constitutional Amendment Act, 1992 (74th CAA) of the Constitution came into effect on 01 June 1993 with provisions for the establishment of Urban Local Bodies (ULBs) as the third tier of governance in urban areas. The Act provided constitutional status to the ULBs with an objective to entrust delivery of major civic functions to ULBs. Meghalaya is exempted from implementation of the 74th CAA under Article 243 ZC of the Constitution. The Municipal Boards in Meghalaya were constituted under Section 10 of the Meghalaya Municipal Act 1973 (MMA), which is a legislation enacted in the State of Meghalaya to govern the administration and functioning of municipal boards as well as the devolution of functions, funds and functionaries. It consists of various sections that outline the powers, responsibilities, and functions of municipal boards. Even though the 74th CAA is not applicable, the State Government had strived to enable all the local bodies to have financial autonomy and to perform functions analogous to the functions of other local bodies constituted under Part IX and Part IX-A of the Constitution while retaining the distinctive tribal identity protected by the Sixth Schedule of the Constitution of India which is foundational to the local bodies of the State. There are six Municipal Boards (MBs)⁶⁸ in the State of Meghalaya as on 31 March 2023.

3.1.1 Financial position

The sources of funds of the ULBs comprise own revenues generated by the MBs from different sources⁶⁹ and State Government grants-in-aid (GIA) released through the Director, Urban Affairs Department for maintenance & development purposes. The details of own revenue and State Government GIA of all the six MBs during the period from 2020-21 to 2022-23 is tabulated in **Table 3.1.1**.

Table 3.1.1: Details of revenue of ULBs from 2020-23

Year	Own revenue	Grants-in-aid (GIA)		CFC grants	Total
		Salary	Non-Salary		
2020-21	11.75	16.25	4.42	43.04	75.46
2021-22	10.87	17.91	31.29	21.19	81.26
2022-23	13.64	18.55	3.27	45.41	80.87
Total	36.26	52.71	38.98	109.64	237.59

Source: Information furnished by ULBs.

3.1.2 Planning and conduct of Audit

The audit process starts with the risk assessment of Government departments based on expenditure incurred criticality/complexity, level of delegated financial powers, assessment of overall internal controls, past audit findings and media reports. During

⁶⁸ 1. Shillong Municipal Board (SMB), 2. Jowai Municipal Board (JMB), 3. Tura Municipal Board (TMB), 4. Williamnagar Municipal Board (WMB), 5. Resubelpara Municipal Board (RMB) and 6. Baghmara Municipal Board (BMB).

⁶⁹ Rental income, tax revenue and user charges are the major sources of own revenue for the ULBs.

2022-23, one Subject Specific Compliance Audit on ‘Devolution of functions to the Municipal Boards in Meghalaya under the Meghalaya Municipal Act, 1973’ was conducted and no separate Inspection Report (IR) was prepared in respect of six ULBs. As of March 2023, against six Municipal Boards there were 41 IRs containing 187 paras for the period from August 1979 to March 2021 were lying outstanding.

The chapter on Urban Local Bodies contains one Compliance Audit Paragraph as discussed in the following paragraphs.

COMPLIANCE AUDIT PARAGRAPHS

3.2 SSCA on ‘Devolution of functions to the Municipal Boards in Meghalaya under the Meghalaya Municipal Act, 1973’

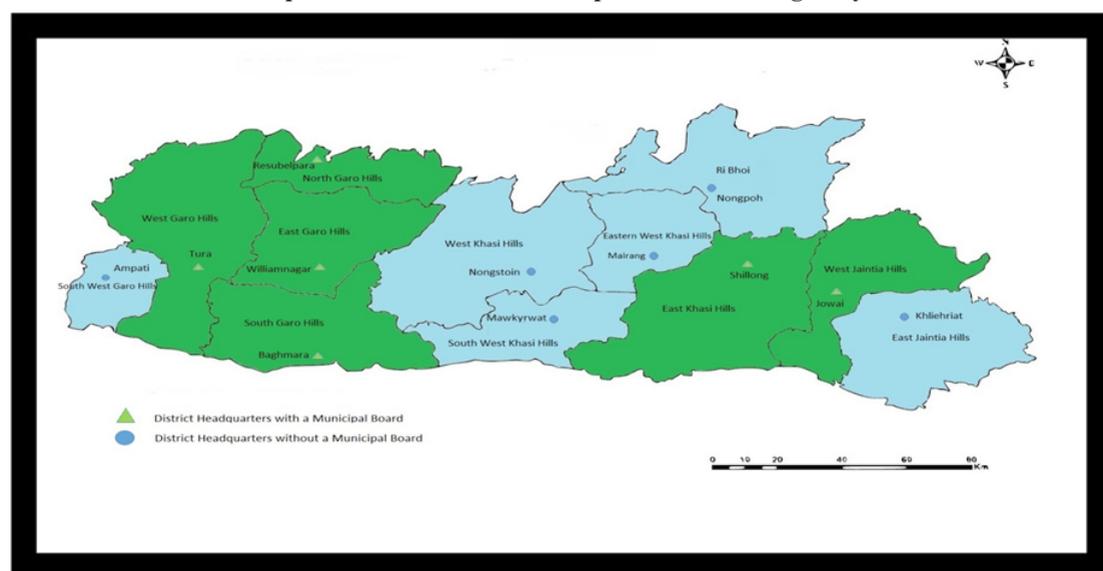
3.2.1 Introduction

The 74th Constitutional Amendment Act, 1992 (74th CAA) of the Constitution came into effect on 01 June 1993 with provisions for the establishment of Urban Local Bodies (ULBs) as the third tier of governance in urban areas. The Act provided constitutional status to the ULBs with an objective to entrust delivery of major civic functions to ULBs. Meghalaya is exempted from implementation of the 74th CAA under Article 243 ZC of the Constitution. The Municipal Boards in Meghalaya were constituted under Section 10 of the Meghalaya Municipal Act 1973 (MMA), which is a legislation enacted in the State of Meghalaya to govern the administration and functioning of municipal boards as well as the devolution of functions, funds and functionaries. It consists of various sections that outline the powers, responsibilities, and functions of municipal boards. Even though the 74th CAA is not applicable, the State Government had strived to enable all the local bodies to have financial autonomy and to perform functions analogous to the functions of other local bodies constituted under Part IX and Part IX-A of the Constitution while retaining the distinctive tribal identity protected by the Sixth Schedule of the Constitution of India which is foundational to the local bodies of the State.

There are six Municipal Boards (MBs)⁷⁰ in the State of Meghalaya as on 31 March 2023 as shown in **Map 3.2.1**.

⁷⁰ 1. Shillong Municipal Board (SMB), 2. Jowai Municipal Board (JMB), 3. Tura Municipal Board (TMB), 4. Williamnagar Municipal Board (WMB), 5. Resubelpara Municipal Board (RMB) and 6. Baghmara Municipal Board (BMB).

Map 3.2.1: Location of Municipal Boards in Meghalaya



The details of the MBs including the physical coverage and population in comparison with the State is given in **Table 3.2.1**.

Table 3.2.1: Details of Municipal areas

Sl. No.	Particulars	Meghalaya	Municipal Boards						Total (%)
			SMB	JMB	TMB	WMB	RMB	BMB	
1	Year of establishment	1972	1910 ⁷¹	1995	1979	1995	1997	1995	-
2	No. of wards	-	27	13	13	12	13	12	-
3	Physical area coverage in Sq.km	22,429	10.36	7.77	18.32	9.72	7.62	7.70	61.49 (0.27)
4	Population (2011 census)	29,66,889	1,43,229	28,430	74,858	24,597	19,595	13,131	3,03,840 (10.24)

Source: Meghalaya Census Report 2011 and information furnished by Director, Urban Affairs Department.

3.2.2 Provisions under the Meghalaya Municipal Act, 1973

Powers, responsibilities, and functions of municipal boards are defined in the MMA, as discussed in **Table 3.2.2**.

Table 3.2.2: Salient features of the Meghalaya Municipal Act, 1973

Section under MMA	Topic	Provisions
Section 4-9	Constitution of Municipalities	Chapter II of the MMA provides for constitution of municipalities. However, there is no distinction for transitional areas, smaller areas or larger urban area.
Section 10-57	Composition of Municipalities	Chapter III of the MMA provides for constitution of municipal boards in each municipality by direct election.
Section 13	Constitution and composition of Wards Committees	The State Government is empowered to divide the municipality into wards and also determine the number of commissioners to be elected from each ward.

⁷¹ The Shillong Municipal Board (SMB) was established in the year 1910, during the British colonial period.

Section under MMA	Topic	Provisions
Section 11	Reservation of seats	It provides for reservation of percentage of seats for Scheduled Tribes and Women for direct election.
Section 26	Duration of Municipalities	The Municipality has a fixed tenure of five years from the date of its first meeting and re-election to be held within the three months of end of tenure.
Section 15	Qualifications for membership	This prescribes the conditions of eligibility for election as Commissioner of a Municipal Board.
Section 60 (2), 62, 302, 303, etc.	Powers, authority and responsibilities of the Municipalities	The Government of Meghalaya has devolved 16 functions ⁷² mentioned in the 12 th Schedule to the ULBs as per provisions of the MM Act except for (i) Fire Service and (ii) Urban Forestry, protection of the environment and promotion for ecological aspects
Section 68	Power to impose taxes and funds of the Municipalities	This section empowers the Municipal Boards to levy and collect taxes within the limits of the municipality.
Section 151A to 151K	Maintenance and audit of accounts of Municipalities	These sections deal with the preparation of budget, maintenance of accounts, submission of financial statements to auditor and powers of auditor.
Section 12- 26	Elections to the Municipalities	It outlines the eligibility, qualification/ disqualification of candidates and voters, and general procedures to be followed in an election.

3.2.3 Audit objectives, scope and methodology

The Subject Specific Compliance Audit (SSCA) on the “Devolution of functions to the Municipal Boards in Meghalaya under the Meghalaya Municipal Act, 1973” covering the period between 2018-19 and 2022-23 was conducted during October 2023 to November 2023 to examine whether (i) the existing institutional mechanism created by Government had effectively empowered the ULBs to discharge their devolved functions; and (ii) whether the ULBs have access to raise and manage adequate financial resources.

The audit involved scrutiny of records of the Urban Affairs Department, Directorate of Urban Affairs, Meghalaya and all the six Municipal Boards (MBs) in the State.

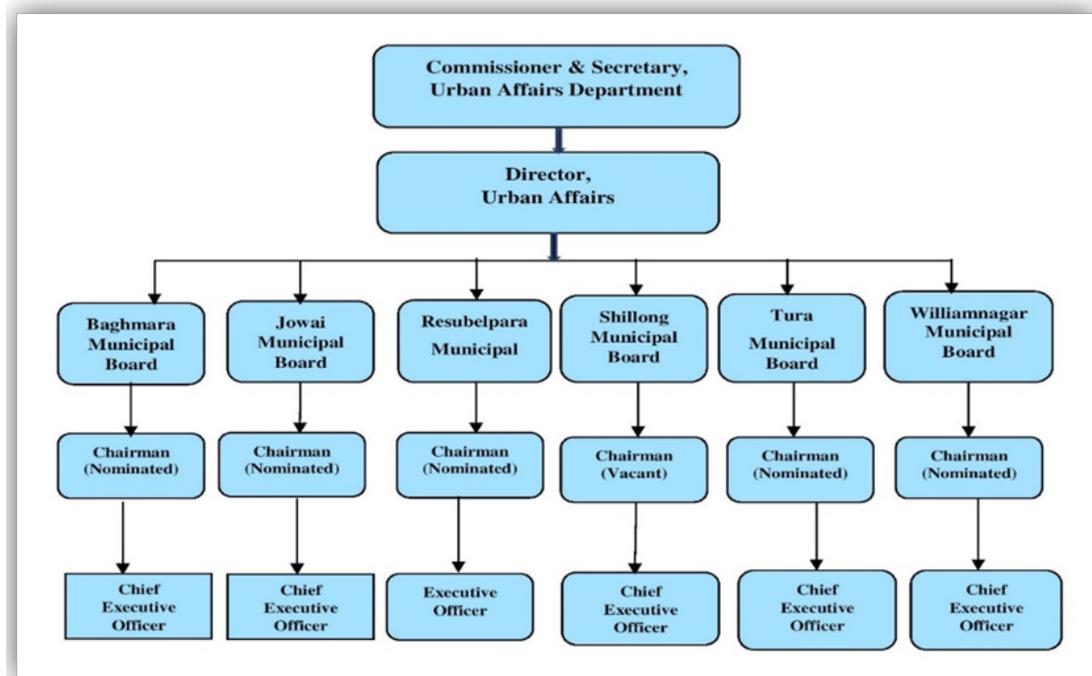
3.2.4 Organisational Setup

Commissioner & Secretary, Urban Affairs Department, Government of Meghalaya (GoM) is the administrative head of the ULBs (Municipal Boards in Meghalaya). The

⁷² The devolved functions are (1) Urban planning including town planning (2) Regulation of land-use and construction of buildings (3) Planning for economic and social development (4) Roads and bridges (5) Water supply for domestic, industrial and commercial purposes (6) Public health, sanitation conservancy and solid waste management (7) Safeguarding the interests of weaker sections of society including handicapped and mentally retarded (8) Slum improvement and upgradation (9) Urban poverty alleviation (10) Provision of urban amenities and facilities such as parks, gardens and playgrounds (11) Promotion of cultural, educational and aesthetic aspects (12) Burials and burial grounds; cremations, cremation grounds, and electric crematoriums (13) Cattle pounds, prevention of cruelty to animals (14) Vital statistics including birth and deaths (15) Public amenities including street lighting, parking lots, bus stops and public conveniences and (16) Regulation of slaughterhouses and tanneries.

Commissioner & Secretary is assisted by the Director, Urban Affairs in exercising overall control with regards to all the MBs. As per Section 33(1) of the MMA, the Chairman is the Executive Head of the MB and is to be elected by the elected Ward Commissioners. As no election has been conducted since the MMA came into effect (21 January 1972), the Chairman and Ward Commissioners are nominated by the State Government.

Chart 3.2.1: Organisational structure of urban governance in Meghalaya



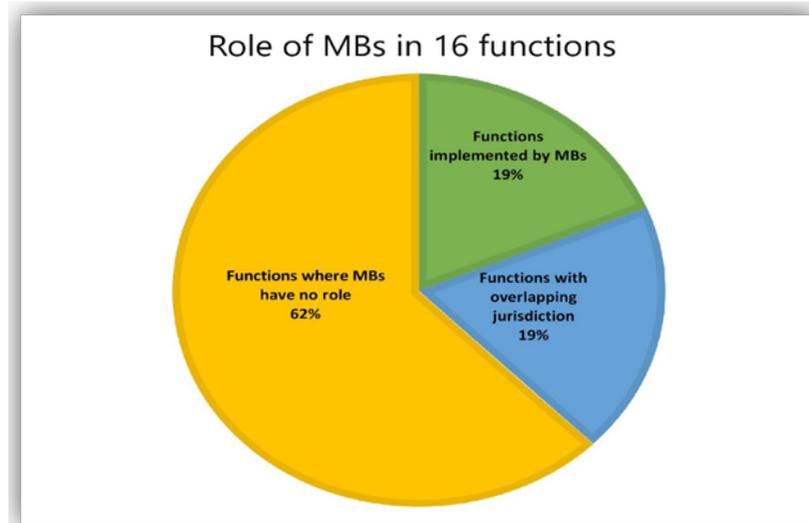
Audit Findings

3.2.5 Devolution of functions

Devolution of functions to Urban Local Bodies implies devolution of functions, funds and functionaries to enable the local bodies to deliver services at grassroots level efficiently and effectively. The MMA provides a basis for the State Government in the assignment of various essential functional responsibilities to the MBs. Audit observed (June 2023) that the Government of Meghalaya has already devolved 16 functions to the ULBs except for (i) Fire Service and (ii) Urban Forestry, protection of the environment and promotion for ecological aspects as per provisions of the MMA.

Audit observed that all the 16 functions stated to have been devolved to the MBs were not actually discharged by them as shown in **Chart 3.2.2**.

Chart 3.2.2: Role of MBs in 16 functions which was devolved to them



The position regarding the actual implementation of these 16 functions by the respective MBs is shown in **Table 3.2.3** (MB wise details are shown in **Appendix 3.2.1**).

Table 3.2.3: Actual status of implementation of devolved function to the MBs

Sl. No.	Functions	Status
<i>Functions which the MBs are implementing</i>		
1	Public health, sanitation conservancy and solid waste management	All the MBs are implementing this function and have dedicated manpower.
2	Urban poverty alleviation	All the MBs are implementing this function and have dedicated staff.
3	Vital statistics including birth and deaths	All the MBs except for Williamnagar MB are implementing this function.
<i>Functions where some MBs have overlapping jurisdiction with State Government Departments</i>		
4	Roads and bridges	Jowai, Tura, Williamnagar and Resubelpara MBs are involved in construction of approach roads, though most of the roads are constructed and maintained by the Public Works Department (PWD). Shillong, and Baghmara have no role in this function.
5	Water supply for domestic, industrial and commercial purposes	SMB is involved in distribution activities along with Public Health Engineering (PHE) Department, which is the main agency responsible for this function. The other MBs have no role in this function.
6	Public amenities including street lighting, parking lots, bus stops and public conveniences	This function is implemented by Shillong, Tura, Williamnagar, Resubelpara and Baghmara MB alongwith MePDCL ⁷³ , MNREDA ⁷⁴ , PWD and MUDA ⁷⁵ . Jowai MB has no role in this function.

⁷³ Meghalaya Power Distribution Corporation Limited (MePDCL).

⁷⁴ Meghalaya New & Renewable Energy Development Agency (MNREDA).

⁷⁵ Meghalaya Urban Development Authority (MUDA).

Sl. No.	Functions	Status
<i>Functions where the MBs have no role</i>		
7	Urban planning including town planning	This function is implemented by the District Urban Planner in Jowai and Tura.
8	Regulation of land-use and construction of buildings	This function is implemented by the District Urban Planner and Meghalaya Urban Development Authority in Jowai and Tura.
9	Planning for economic and social development	This function is implemented by Planning Department.
10	Safeguarding the interests of weaker sections of society including handicapped and mentally retarded	This function is implemented by the Social Welfare Department in Jowai.
11	Slum improvement and upgradation	This function is implemented by the Urban Affairs Department in Jowai.
12	Provision of urban amenities and facilities such as parks, gardens and playgrounds	This function is implemented by Forest and Soil & Water Conservation Department in Jowai and Tourism Department in Tura MB.
13	Promotion of cultural, educational and aesthetic aspects	This function is implemented by Arts and Culture Department in Jowai and Tura.
14	Burials and burial grounds; cremations, cremation grounds, and electric crematoriums	This function is implemented by the respective churches/faiths in Jowai. Tura and Shillong MBs.
15	Cattle pounds, prevention of cruelty to animals	This function is implemented by the A.H. & Veterinary Department in Jowai and Tura.
16	Regulation of slaughterhouses and tanneries.	This function is implemented by the A. H. & Veterinary Department in Shillong, Tura and Jowai.

Source: Information furnished by MBs.

Table 3.2.3 above shows that out of 16 functions stated to have been devolved by the Director, in practice, MBs in Meghalaya assumed sole responsibility for three functions (19 *per cent*); had overlapping jurisdictions with State departments in three functions (19 *per cent*); and had no role in ten functions (62 *per cent*).

3.2.6 Devolution of functionaries

3.2.6.1 Election and composition of Municipal Boards

According to Section 12 of the Meghalaya Municipal Act, 1973, election of Commissioners shall be conducted as per the provisions prescribed. In compliance to an order passed by the Division Bench of Guwahati High Court on September 1998, directing the State Government to hold the election of Ward Commissioner of Shillong Municipal Board within two months, an election was held on 17 November 1998. In the said election, only five Commissioners were elected. However, since the said order also raised issues concerning contravention of the Sixth Schedule of the Constitution, a special leave petition was filed by the State Government in the Supreme Court appealing against the order of the High Court. The Supreme Court in its judgement dated 10 December 1999, set aside the order of the High Court but also directed the State Government to hold the election within six months. The

election was again proposed to be held on 25 November 2000 for all the 27 wards of Shillong Municipality. Nomination was filed by only one person who subsequently withdrew his nomination. No other nomination was received for any other ward. As a result, election could not be conducted. Thus, no election had been conducted in any municipal board since 1972. Consequently, the State Government has appointed Commissioners along with Chief Executive Officers as per the provisions of the Act, to manage the day-to-day operations of the boards. In the absence of elected council, involvement of elected representatives in decision making and implementation, which was an essential element of democracy and devolution, was missing.

As per the provisions outlined in the Meghalaya Municipal Act, 1973, each Municipal Board shall have a body of Commissioners. The number of Commissioners for each Municipal Board shall not be less than twelve and not exceed thirty-two. Seats of Commissioners in every municipality are reserved for scheduled tribes and women as prescribed in Section 11 of the Act. A Chairman and Vice Chairman are to be elected from amongst the Commissioners. The Chairman is the functional head of the Board in the absence of an Executive Officer, and shall preside over Board meetings. An Executive Officer may be appointed by the Board with the approval of the State Government. The conditions of service, powers, duties and functions of the Executive Officer shall be determined by the State Government. The Board may also appoint, from time to time, committees to assist it in the discharge of any specific duty or class of duties devolved upon it and may delegate to any such committee all or any of its powers which may be necessary for the purpose of rendering such assistance.

It was however observed that Commissioners and Executive Officers of all the six Municipal Boards in the State have been appointed by the State Government due to non-conduct of elections.

3.2.6.2 Shortage of staff in Municipal Boards

Working strength in terms of number of employees per thousand population (as on 31 March 2023) in the six ULBs is shown in **Chart 3.2.3**.

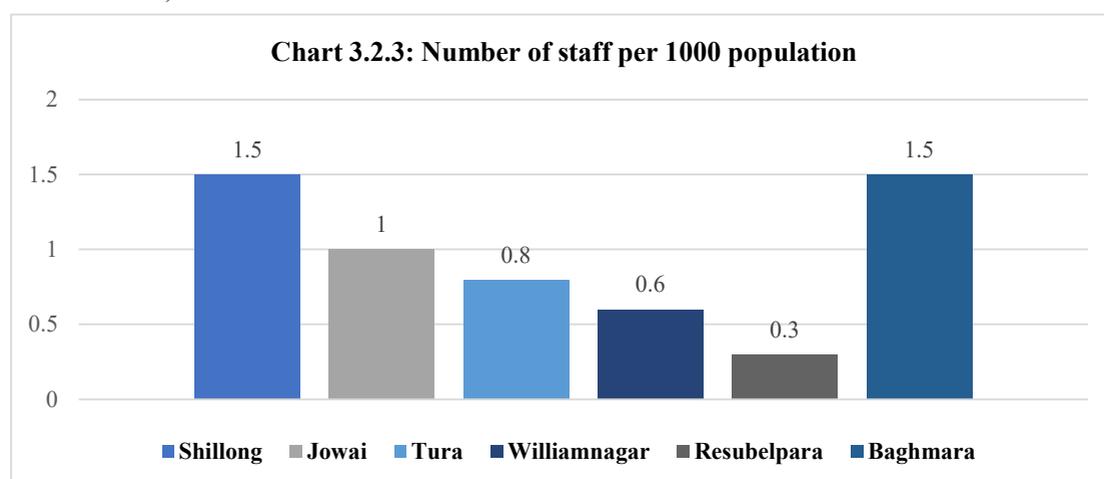


Chart 3.2.3⁷⁶ shows that out of six MBs, Shillong, Baghmara and Jowai had one staff or more for every 1000 population while the remaining MBs had less than one staff for every 1000 population. Thus, the MBs lacked adequate manpower to carry out efficient delivery of services.

Further, providing of adequate and regular training to the staff enhances the service delivery skills of the personnel in the local governments. As far as training of staff was concerned, only SMB had conducted training for their staff while the remaining five⁷⁷ MBs had not imparted any training to their staff during the period covered by audit. SMB conducted five trainings under which only 18 personnel were trained during the period from 2018-23. Serious efforts should be made to arrange training programmes for staff of MBs so as to enhance their skills.

3.2.7 Devolution of funds

The sources of funds of the ULBs comprise own revenues generated by the MBs from different sources⁷⁸ and State Government grants-in-aid (GIA) released through the Director, Urban Affairs Department for maintenance & development purposes. Rental income, tax revenue and user charges are the major sources of own revenue for the ULBs. The details of own revenue and State Government GIA of all the six MBs during the period from 2018-19 to 2022-23 is given in **Table 3.2.4**.

Table 3.2.4: Details of revenue of ULBs from 2018-23

(₹ in crore)

Year	Own revenue	Grants-in-aid (GIA)		CFC grants	Total	Percentage (own revenue to total revenue)
		Salary	Non-Salary			
2018-19	15.72	7.99	0.55	Nil	24.26	65
2019-20	12.80	5.83	0.24	Nil	18.87	68
2020-21	11.74	16.25	4.42	43.04	75.45	16
2021-22	10.87	17.91	31.29	21.19	81.26	13
2022-23	13.09	18.55	3.27	45.41	80.32	16
Total	64.22	66.53	39.77	109.64	280.1	23

Source: Information furnished by ULB.

The above table shows that during the period 2018-19 to 2022-23, major portion of the revenue of ULBs came from Government Grants, which amounted to 77 per cent of the total revenue and their own revenue constituted only 23 per cent of the total revenue. This indicates the dependence of ULBs on Government Grants to function.

3.2.7.1 Own Revenue

The details of own revenue (user charges and fees, tax revenue, rental income, etc.) generated by all the six MBs in Meghalaya during the audit period is shown in **Table 3.2.5**.

⁷⁶ Population of MBs as on 2011: SMB-143229, JMB-28430, TMB-74858, WMB-24597, RMB-19595, BMB-13131. Staff position of MBs as on 2023: SMB-221, JMB-30, TMB-64, WMB-14, RMB-6, BMB-20.

⁷⁷ Jowai Municipal Board, Tura Municipal Board, Williamnagar Municipal Board, Resubelpara Municipal Board, Baghmara Municipal Board.

⁷⁸ User charges and fees, tax revenue, rental income, etc.

Table 3.2.5: Amount of own revenue generated by MBs during 2018-23

						(₹ in crore)
MB	2018-19	2019-20	2020-21	2021-22	2022-23	Total
SMB	11.41	8.36	8.55	7.13	8.88	44.33
JMB	0.52	0.57	0.41	0.43	0.24	2.17
TMB	3.19	3.13	2.20	2.70	3.14	14.36
WMB	0.33	0.48	0.24	0.48	0.51	2.04
RMB	0.22	0.20	0.32	0.08	0.27	1.09
BMB	0.05	0.06	0.02	0.05	0.05	0.23
Total	15.72	12.80	11.74	10.87	13.09	64.22

Source: Information furnished by MBs.

From the table above, it could be seen that during the five years period (2018-19 to 2022-23) SMB earned highest revenue from own source constituting 69 per cent, where as revenue earned by other five MBs ranged from 0.36 per cent (BMB) to 22.36 per cent (TMB). It was also being seen that apart from WMB and RMB, all other MBs saw a declining trend or remained stagnant in generating own source of revenue during 2018-23 which indicates that they were not able to augment their own resources.

3.2.7.2 Constitution of State Finance Commission

The Government of Meghalaya enacted the Meghalaya State Finance Commission Act, 2012 on 30 March 2012. As per Section 3(1) of this Act, “the State Government shall as soon as may be one year from the enactment of the Act and thereafter at the expiry of every fifth year, constitute a body to be known as the Meghalaya State Finance Commission to review the financial position of the traditional bodies, municipalities or municipal boards not with standing any term by which ULBs are called in the State”. As per Section 10 of this Act, the State Government had also framed the Meghalaya Finance Commission Rules, 2013 which was notified in the Gazette of Meghalaya in December 2013. The objective of the Meghalaya State Finance Commission Act was to make all the local bodies of the State to have financial autonomy to further democratic decentralisation and recommend the principle which will govern the distribution of revenue between the State Government and the Local Bodies.

The State Government had however, not constituted (June 2023) the State Finance Commission. Thus, the objective of the Act, which was to govern the distribution of revenue between the State Government and the Local Bodies to ensure their financial autonomy and to further democratic decentralisation, remained unfulfilled.

3.2.8 Accountability mechanism

3.2.8.1 Preparation/approval of Annual Budget

Sections 151A and 151 B of the Meghalaya Municipal (Amendment) Act, 2012 envisage that each MB shall prepare a budget estimate for every financial year in the format as may be prescribed in the Meghalaya Municipal Accounting Manual. The Annual Budget approved by the respective Board shall be submitted to the State Government for inclusion in the State Budget as a supplement to the State budget for local bodies before 31 January in each year.

It was noticed that there was persistent delay by all the six MBs in submission of the Annual Budget to the Director, UAD for onward submission to the Government, as shown in the table below (MB wise details are shown in **Appendix 3.2.2**).

Table 3.2.6: Delay in submission of Annual Budget by the MBs to the Director, UAD during 2018-23.

Sl. No.	Name of MB	Status of submission of Annual Budget
1	Shillong	Information regarding submission of the Annual Budget during 2020-21 was not provided. Delay in submission in the remaining years ranged between two to four months.
2	Jowai	There was no delay during 2020-21 while delay in the remaining years ranged between one to four months.
3	Tura	There was no delay during 2022-23 while delay in the remaining years ranged between two to six months.
4	Williamnagar	Information regarding submission of the Annual Budget during 2020-21 was not provided while delay in the remaining years ranged between five days to four months.
5	Resubelpara	There was no delay during 2020-21. Information regarding submission of the Annual Budget during 2018-19 and 2022-23 was not provided while delay in the remaining years ranged between five to eight months.
6	Baghmara	There was no delay during 2018-19. Information regarding submission of the Annual Budget during 2019-20 and 2020-21 was not provided while delay in the remaining years ranged between one to four months.

Source: Information furnished by the Director, UAD.

Further, the State Government has not prepared any supplementary budget for Local Bodies though the same was mandated in Section 151A and 151 B of the MMA. Reasons for delay were neither on record nor stated, though called for (February 2024).

Persistent delays in submitting annual budgets by all six MBs along with the State Government's inability to prepare supplementary budget for MBs, as mandated by MMA, may lead to uncertainty about fund allocation.

3.2.8.2 Status of Municipal Accounts

Preparation of Annual Accounts

Sections 151F to 151H of the Meghalaya Municipal (Amendment) Act, 2012 provide for preparation of annual financial statement (Income & Expenditure, Receipts & Payments and Balance Sheet) within three months of the next financial year for the preceding financial year. The financial statements prepared under section 151F & 151G shall be submitted to the primary auditor who is the the Directorate of Local Fund Audit (DLFA⁷⁹). The status of preparation of Annual Accounts by the MBs during the period covered by audit is as shown in **Table 3.2.7**.

⁷⁹ Re-designated from the Examiner of Local Accounts (ELA) on 05 October 2015.

Table 3.2.7: Status of preparation of Annual Accounts by MBs

Name of MB	Whether accounts prepared				
	2018-19	2019-20	2020-21	2021-22	2022-23
SMB	Yes	Yes	No	No	No
JMB	No	No	No	Yes	No
TMB	No	Yes	Yes	Yes	Yes
WMB	No	No	Yes	Yes	Yes

Source: Information furnished by MBs.

Resubelpara MB and Baghmara MB did not furnish the above information though called for (November 2023 & February 2024). It could be seen from the above that preparation of Annual Accounts was not uniform nor upto-date by the MBs. Further, it was observed that none of the six ULBs had submitted their annual accounts to the DLFA due to which none of the annual accounts have been audited.

Constitution of Municipal Accounts Committee

Section 49 A⁸⁰ of the Meghalaya Municipal Act, 1973 (as amended) specifies that the respective Boards may constitute Municipal Accounts Committees (MACs). The responsibilities of the MAC *inter alia* include (i) the examination of the accounts of the Board and also checking whether the audit observations and instructions made or given from time to time have been complied with; (ii) undertaking any physical verification of cash, stock and assets of the Board; and (iii) discharging such other function as may be entrusted.

Audit noticed that the MAC was not constituted in any of the MBs (November 2023). Thus, the said provision of the Act remained unfulfilled.

Inability of MBs to submit Annual Accounts to DLFA and the absence of MAC as mandated by MMA indicates poor financial management, inadequate internal controls, poor accounting practices and lack of transparency. The authorities should address these deficiencies to ensure proper financial management within the MBs.

3.2.8.3 Status of audit

Primary Auditor

As per Section 151J (1) of the MMA⁸¹ the Directorate of Local Fund Audit (DLFA⁸²), Meghalaya is the primary auditor of the six ULBs in the State. The status of audit of the MBs by DLFA was not furnished by the Director, DLFA, though called for (December 2023).

Audit by the Comptroller & Auditor General of India

Section 151J (2) of the Meghalaya Municipal (Amendment) Act, 2012 specifies that the Comptroller & Auditor General (C&AG) of India shall provide Technical Guidance and Support (TGS) over the proper maintenance of accounts and audit of the accounts

⁸⁰ Inserted vide Meghalaya Municipal (Amendment) Act, 2012.

⁸¹ Inserted vide Meghalaya Municipal (Amendment) Act, 2012.

⁸² Re-designated from the Examiner of Local Accounts (ELA) on 05 October 2015.

of the Board and shall prepare an Annual Technical Inspection Report on the test check of accounts of the municipalities and forward a copy of the report to the State Government. The audit of accounts of the ULBs under the TGS arrangement had been entrusted to the C&AG in March 2012 under Section 20(1) of C&AG's (Duties, Powers and Conditions of Services) Act, 1971 by the State Government.

Accordingly, the first Annual Technical Inspection Report (ATIR) for the year ending 31 March 2014 was laid in the Meghalaya Legislative Assembly on 24 September 2015, which was followed by ATIRs for the years ending 31 March 2015 and 31 March 2016 which was placed before Legislative Assembly on 14 December 2017 and ATIRs for the year ending 31 March 2017 and 31 March 2018 which were placed before Legislative Assembly on 28 March 2023.

3.2.8.4 Non receipt of performance grants under 14th Finance Commission

Article 280(3)(c) of the Constitution of India mandates the Central Finance Commission (CFC) to recommend measures to augment the Consolidated Fund of the State to supplement the resources of Municipalities based on the recommendations of the respective SFCs. The 14th CFC recommended Basic Grant and Performance Grant to ULBs as a percentage of divisible pool account.

The position of allocation and release of 14th FC grants during the period from 2015-16 to 2019-20 is depicted in **Table 3.2.8**.

Table 3.2.8: Position of allocation and release of 14th FC grants

(₹ in crore)	
Particulars	Total
Basic Grant	
Allocation as per CFC	25.23 ⁸³
Released by GoI	25.23
Shortfall	-
Released by GoM	25.23
Shortfall	-
Performance Grant	
Allocation as per CFC	6.30 ⁸⁴
Released by GoI	Nil
Shortfall	6.30

As per the guidelines for the implementation of recommendations of the 14th FC with regard to Local Bodies, the eligibility criteria for performance grants for municipalities are as follows:

- (i) The municipality would have to submit audited accounts that relate to year not earlier than two years preceding the year in which the municipality seeks to claim the performance grant.

⁸³ Allocation during 2015-16 - ₹ 3.03 crore; 2016-17 – ₹ 4.19 crore; 2017-18 - ₹ 4.84 crore; 2018-19 – ₹ 5.60 crore and 2019-20 - ₹ 7.57 crore.

⁸⁴ Allocation during 2015-16 - Nil; 2016-17 – ₹ 1.24 crore; 2017-18 - ₹ 1.40 crore; 2018-19 – ₹ 1.59 crore and 2019-20 - ₹ 2.80 crore.

- (ii) The Municipality would have to show an increase in its own revenues over the preceding year as reflected in the audited accounts.
- (iii) The Municipality should measure and publish the Service Level Benchmarks⁸⁵ relating to basic urban services each year for the period of the award and make it publicly available.

Scrutiny of records revealed that the GoM received five letters⁸⁶ from GoI reminding them to submit their claims for the performance grants. In November 2019, the Director, Urban Affairs informed the State Government that till then, only Shillong Municipal Board and Tura Municipal Board have submitted (June 2019) their information for claiming of Performance Grant while the remaining Boards were yet to submit the claims. There were no records to indicate that the GoM had made any claims for the Performance Grant.

Audit further noticed that the SMBs would not have been eligible for the Performance Grant since the GoM notified SLBs for four basic services *viz.* (i) water supply, (ii) sewerage, (iii) storm water drainage and (iv) solid waste management in March 2012. However, these SLBs were notified only for Shillong Municipal Board to be implemented in 2012-13. GoM has still not notified the SLBs for the other five MBs⁸⁷. However, SMB had not measured or published the Service Level Benchmarks relating to basic urban services each year for the period of the award.

As a result, the ULBs were deprived of the much-needed resources due to non-achievement of the conditions put forward by the 14th FC. Lack of these funds hindered their ability to improve urban services and infrastructure. Further, non-compliance with FC guidelines reflects poorly on governance and financial management practices besides leading to missed opportunities for development.

3.2.8.5 Payment of interest due to delay in release of 14th Finance Commission grants

The first instalment of the Basic grant under 14th Finance Commission amounting to ₹ 1.52 crores was released by GoI on 20 March 2020 while the second instalment amounting to ₹ 23.71 crores was released on 31 March 2020. One of the conditions of the release order was that the State Government had to release the amount within 15 days of receipt from GoI. Any delay will require the State Government to release the instalment with interest at bank rate⁸⁸ of RBI, for number of days of delay. The details of release of 14th Finance Commission grants from GoI to GoM and from GoM to ULBs is given in **Table 3.2.9**.

⁸⁵ The Ministry of Urban Development, GoI, launched (2008) the Service Level Benchmarking (SLB) initiative covering water supply, waste water, solid waste management and storm water drainage. The 14th FCs have also endorsed the principle of benchmarking and included SLB as one of the conditions for the allocation of performance-based grants to ULBs.

⁸⁶ (i) D.O No. N-11025/63/2015-LSG-I Dt. 08.09.2016, (ii) D.O No. N-11025/63/2015-LSG-I (Pt-I) Dt. 04.10.2016, (iii) No. Nil dt. 04.06.2019, (iv) No. N-11025/12/2019-AMRUT-IIB (part)/9061697 Dt. 03.10.2019, and (v) No. N-11025/12/2019-AMRUT-IIB (part)/9061697 Dt. 23.10.2019.

⁸⁷ Jowai, Tura, Williamnagar, Baghmara and Resubelpara MBs.

⁸⁸ Bank rate during 20 March 2020 was 5.40 *per cent* and during 31 March 2020 was 4.65 *per cent*.

Table 3.2.9: Delay in release of 14th Finance Commission grants by GoM to ULBs

(₹ in lakh)

Year	Instalment	Type of grant	Amount	Date of transfer by GoI to GoM	Date of transfer by GoM to ULBs	No of days in delay	Interest payable
2020-21	1 st	Basic	151.50	20 March 2020	30 June 2020	87	1.95 ⁸⁹
2020-21	1 st	Basic	2,371.50	31 March 2020	30 June 2020	76	26.28 ⁹⁰

From the above table, it could be seen that the State Government was liable to pay an additional amount of ₹ 28.23 lakh to the ULBs due to delay in release of funds. There was however nothing on record to indicate that the State Government had transferred the interest amount to the ULBs.

3.2.8.6 Payment of interest due to delay in release of 15th Finance Commission grants

The Fifteenth Finance Commission (15th FC) was constituted by the President on 27 November 2017 and was, *inter-alia*, mandated to recommend measures needed to augment the Consolidated Funds of the States to supplement the resources of the Panchayats and Municipalities during 2020-25. Subsequently, the Commission was mandated to submit two reports, one for the year 2020-21 and the final Report for the period 2021-22 to 2025-26. The Commission submitted its first Report covering the financial year 2020-21 to the President on 05 December 2019. The Urban Local Body grant allocated to Meghalaya for the year 2020-21 was ₹ 88.00 crore, of which 50 per cent was to be released as basic grant⁹¹ (untied) and the remaining 50 per cent was to be released as tied grant in two instalments.

The 1st instalment of untied grant amounting to ₹ 22 crore was released by GoI on 19 May 2020 while the 1st instalment of tied grant was released on 05 November 2020.

One of the conditions was that on receipt of the grant, the States should transfer the grants-in-aid directly to all ULBs within ten working days of receipt from the Union Government without any deduction. Any delay beyond ten working days would require the State Government to release the same with interest as per the effective rate of interest on market borrowings/State Development Loans (SDLs) for the previous year. The details of release of these grants by GoI to GoM and GoM to the ULBs are shown in **Table 3.2.10**.

Table 3.2.10: Delay in release of 1st instalment of 15th FC grants by GoM to MBs

(₹ in crore)

Year	Instalment	Type of grant	Amount	Date of transfer by GoI to GoM	Date of transfer by GoM to ULBs	No of days in delay
2020-21	1 st	Untied	22.00	19 May 2020	22 January 2021	248
2020-21	1 st	Tied	22.00	05 November 2020	24 February 2022	475

Source: Release orders/Grant Transfer certificates.

⁸⁹ Interest = ₹ 151.50 lakh x 5.40 x 87 days/365 x 100.

⁹⁰ Interest = ₹ 2,371.50 lakj x 4.65 x 76 days/365 x 100.

⁹¹ While basic grant (untied) can be utilised for location specific needs except for salary and establishment expenses, tied grants are to be utilised for (a) drinking water and (b) solid waste management.

Due to delay in releasing the 1st instalment to the ULBs, the State had to pay (July 2022) interest amounting to ₹ 1.08 crore under untied grant and ₹ 2.07 crore under tied grant being the amount of interest payable to the ULBs. In spite of this, the State Government again delayed releasing the 2nd instalment as highlighted in **Table 3.2.11**.

Table 3.2.11: Delay in release of 2nd instalment of 15th FC grants by GoM to MBs

(₹ in crore)						
Year	Instalment	Type of grant	Amount	Date of transfer by GoI to GoM	Date of transfer by GoM to ULBs	No of days in delay
2020-21	2 nd	Untied	22.00	01 September 2022	24 March 2023	205
2020-21	2 nd	Tied	22.00	01 September 2022	31 March 2023	212

Source: Release orders/Grant Transfer certificates.

Again, due to delay in releasing the 2nd instalment to the ULBs, the State had to pay (August 2023) interest amounting to ₹ 0.89 crore under untied grant and ₹ 0.93 crore under tied grant being the amount of interest payable to the ULBs. Thus, the inability of the State Government to transfer the funds to the MBs within the stipulated time had resulted in avoidable expenditure of ₹ 4.97 crore⁹² by the State Government.

3.2.9 Conclusion

The Meghalaya Municipal Act, 1973 aimed to enhance the organisation and administration of municipalities in Meghalaya. However, in spite of the existence of the legal framework and though the State Government claimed devolution of functions, audit noticed that there was a lack of effective empowerment of Municipal Boards. In practice, Municipal Boards had limited responsibility for functions, overlapping jurisdictions with State departments, and no role in a significant percentage of functions. No municipal elections had been conducted since 1972, leading to the appointment of Commissioners and Chief Executive Officers by the State Government. The State Finance Commission, vital for financial autonomy and democratic decentralisation, had not been constituted. Performance grants under the 14th Finance Commission were not received due to non-fulfilment of the prescribed eligibility criteria. Government grants constituted 77 per cent of ULBs revenue from 2018-19 to 2022-23, with their own revenue contributing only 23 per cent of the total revenue. Municipal Accounts Committees were not formed, and there were persistent delays by all Municipal Boards in submission of the Annual Budget.

3.2.10 Recommendations

- *The State Government may take constructive action to match the devolution of funds and functionaries with the devolution of functions.*
- *The State Government should take steps to augment the resources of the Local Bodies to ensure their financial autonomy.*

⁹² ₹ 1.08 crore + ₹ 2.07 crore + ₹ 0.89 crores + ₹ 0.93 crore.

CHAPTER IV
STATE PUBLIC SECTOR
ENTERPRISES

CHAPTER IV – STATE PUBLIC SECTOR ENTERPRISES

4.1 Functioning of State Public Sector Enterprises

4.1.1 Introduction

This Chapter presents a summary of the financial performance of Government Companies, Corporations and Government controlled other companies. In the Chapter, the term State Public Sector Enterprises (SPSEs) encompasses the State Government owned companies set up under the Companies Act, 2013 and Statutory Corporations set up under the statutes enacted by the Legislature.

A Government Company is defined in Section 2 (45) of the Companies Act, 2013 as a company in which not less than 51 *per cent* of the paid-up share capital is held by Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government Company.

As on 31 March 2023, the State of Meghalaya had 21 SPSEs (including two non-working) as detailed in **Table 4.1.1**.

Table 4.1.1: Total number of SPSEs as on 31 March 2023

Type of SPSEs	Working SPSEs	Non-working SPSEs	Total
Government Companies ⁹³	17	2	19
Statutory Corporations	2	Nil	2
Total	19	2	21

During the year, no new company was added to CAG's audit purview and no existing company was closed down. None of the Government companies were listed on the stock exchange. Both the non-working companies in the State, were under the liquidation process since 1986 (Meghalaya Electronics Development Corporation) and 2021 (Meghalaya Bamboo Chips Limited).

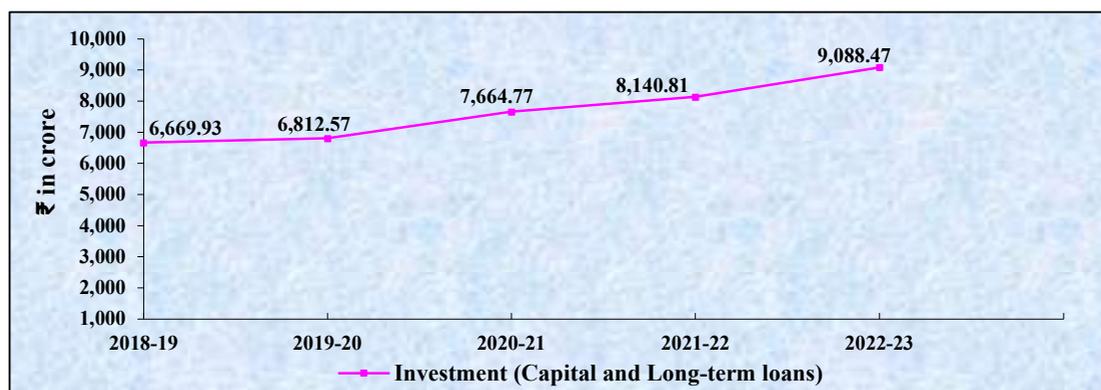
4.1.2 Investment in SPSEs

4.1.2.1 Investment in SPSEs by all stake holders

The investors in Meghalaya PSEs include Government of Meghalaya, Government of India and others. As on 31 March 2023, total investment in 21 SPSEs was ₹ 9,088.47 crore⁹⁴, which consisted of 64.37 *per cent* towards capital (₹ 5,850.15 crore) and 36.26 *per cent* in long-term loans (₹ 3,238.32 crore). Investment has grown by 34.42 *per cent* from ₹ 6,669.93 crore in 2018-19 to ₹ 9,088.47 crore in 2022-23 as shown in **Chart 4.1.1**.

⁹³ Government Companies include 'Other Companies' referred to in Section 139(5) and 139(7) of the Companies Act 2013.

⁹⁴ Investment figures are provisional and as per the information provided by the PSEs as none of the 21 SPSEs had finalised their accounts for 2022-23 as of September 2023.

Chart 4.1.1: Total investment in SPSEs


Source: Information furnished by the Companies.

As seen from **Chart 4.1.1**, there was a significant increase (₹ 947.66 crore) in SPSEs investment during 2022-23 from ₹ 8,140.81 crore in 2021-22 to ₹ 9,088.47 crore in 2022-23. The increase was mainly due to increase of ₹ 909.94 crore in the equity capital of Meghalaya Energy Corporation Limited (MeECL): ₹ 575.47 crore, Meghalaya Power Distribution Corporation Limited (MePDCL): ₹ 267.99 crore and Meghalaya Power Generation Corporation Limited (MePGCL): ₹ 66.48 crore besides long-term borrowings (₹ 68.04 crore) of MePGCL during the year.

4.1.2.2 Sector-wise investment in SPSEs by all stake holders

Comparative growth in investment over a period of five years in SPSEs under various sectors at the end from 2018-19 to 2022-23 has been given in **Table 4.1.2**.

Table 4.1.2: Sector-wise details of total investments in SPSEs

Name of Sector	(₹ in crore)					
	Government/Other Companies		Statutory Corporations		Total Investment	
	2018-19	2022-23	2018-19	2022-23	2018-19	2022-23
Power	6,053.64	8,455.77	0	0	6,053.64	8,455.77
Manufacturing	347.36	313.31			347.36	313.31
Infrastructure	143.34	178.34	0	0	143.34	178.34
Service	10.51	10.51	99.44	108.24	109.95	118.75
Agriculture & Allied	2.45	1.97	0	0	2.45	1.97
Miscellaneous	9.83	12.46	3.36	7.87	13.19	20.33
Total	6,567.13	8,972.36	102.80	116.11	6,669.93	9,088.47

Source: Information furnished by the Companies.

The comparative figures of 2018-19 and 2022-23 show that more than 90 per cent of total Investment in SPSEs was in the power sector SPSEs. Further, during last five years (2018-23), combined investment of State Government and Other Stakeholders in monetary terms, mainly increased in Power Sector (by ₹ 2,403.13 crore) and Infrastructure Sector (by ₹ 35.00 crore). Increase in investment under Power sector was mainly on account of investment made by the State Government towards equity

(₹ 709.29 crore) and long terms loans (₹ 274.74 crore) of four power sector companies⁹⁵. Similarly, the overall increase (₹ 35.00 crore) in investment under Infrastructure Sector during 2018-23 was mainly on account of equity investment (₹ 31.35 crore) by the State Government in Meghalaya Industrial Development Corporation Limited. The investment in Service Sector SPSEs which was the main driver of GSDP in the State (Service Sector contribution: 58.91 *per cent* in 2022-23) was meagre at around 1.65 *per cent* of total investment in 2018-19 and it further declined to 1.31 *per cent* during 2022-23. This is an area of concern and Government needs to find ways of attracting higher investment in this sector to boost economic growth.

4.1.2.3 State Government's investment in SPSEs

The State Government's investment in its SPSEs is in the form of share capital, loans and special financial support by way of revenue grants.

As on 31 March 2023, the investment of the State Government in 21 SPSEs was ₹ 3,885.07 crore⁹⁶. Comparative change in Government investment in SPSEs from 2018-19 to 2022-23 is depicted in **Table 4.1.3**.

Table 4.1.3: State Government investment Equity and Long terms loans in SPSEs

(₹ in crore)			
Year	Equity Capital	Long term Loans	Total
2022-23	3,291.06	594.01	3,885.07
2018-19	2,532.97	353.32	2,886.29

Source: Information furnished by SPSEs.

It can be seen from **Table 4.1.3** that during last five years Government's equity in absolute terms has increased by ₹ 758.09 crore from ₹ 2,532.97 crore in 2018-19 to ₹ 3,291.06 in 2022-23. However, as a percentage of total investment, Government's equity in SPSEs declined to 85 *per cent* in 2022-23 from 88 *per cent* in 2018-19.

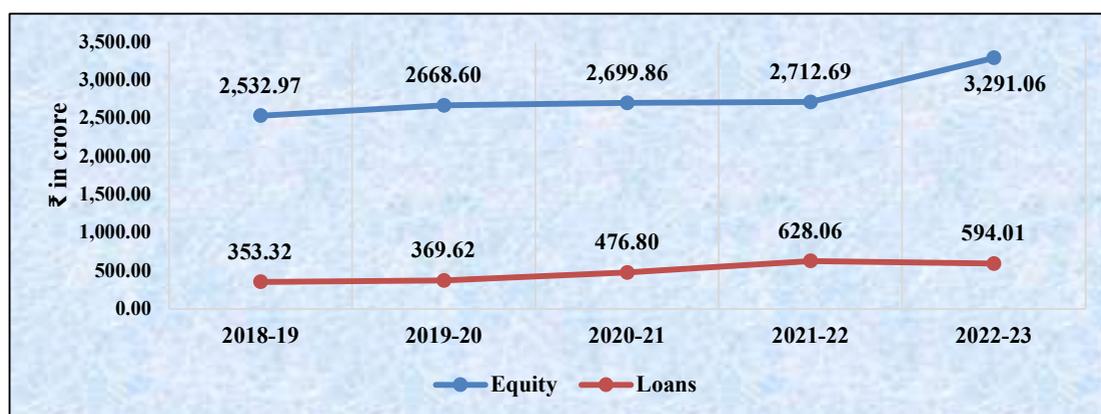
On the other hand, long term loans provided by the State Government to SPSEs, went up by ₹ 240.06 crore during the five years period (2019-23) from ₹ 353.32 crore in 2018-19 to ₹ 594.01 crore in 2022-23. As a percentage of Government's total investment in SPSEs, long term loans comprised 15 *per cent* in 2022-23 compared to 12 *per cent* in 2018-19.

Chart 4.1.2 below presents the trend of State Government investment in Equity and Loans in SPSEs during last five years (2018-19 to 2022-23).

⁹⁵ Meghalaya Energy Corporation Limited (equity: ₹ 709.29 crore), Meghalaya Power Generation Corporation Limited (loan: ₹ 103.90 crore), Meghalaya Power Distribution Corporation Limited (loan: ₹ 170.13 crore) and Meghalaya Power Transmission Corporation Limited (loan: ₹ 0.71 crore).

⁹⁶ Investment figures are provisional and as per the information provided by the SPSEs as only two of 21 SPSEs had finalised their accounts for 2022-23 as of 30 September 2023.

Chart 4.1.2: State Government's investment in SPSEs



Source: Information furnished by the Companies.

From **Chart 4.1.2**, it can be observed that, equity investment from the State Government grew by 29.93 per cent from ₹ 2,532.97 crore in 2018-19 to ₹ 3,291.06 crore in 2022-23. In comparison, however, the loans from the State Government had increased significantly by 68.63 per cent from ₹ 353.32 crore in 2018-19 to ₹ 594.01 crore in 2022-23.

During 2022-23, out of 18 working SPSEs⁹⁷ where State Government had made direct investment, 14 SPSEs incurred combined losses (₹ 572.28 crore). Three SPSEs⁹⁸ earned combined profit of ₹ 1.61 crore as per their latest finalised accounts while one SPSE⁹⁹ was functioning on 'no profit no loss' basis.

During 2022-23 none of the profit making SPSEs had declared any dividend. There was no information about the existence of any specific policy of the State Government regarding payment of minimum dividend by the SPSEs.

The State Government's investment in SPSEs at historical value in SPSEs had eroded by 9.96 per cent in 2022-23. The losses of seven SPSEs¹⁰⁰ which accumulated to ₹ 3,057.36 crore had completely eroded the State's investment of ₹ 1,164.85 crore in their paid-up capital as per their latest finalised accounts.

4.1.2.4 State Government Investment in Power Sector PSEs

The details of investment (equity and long-term loans) in the four Power sector SPSEs as on 31 March 2023 is given in **Table 4.1.4**.

⁹⁷ Excluding one working SPSE (Livelihood Improvement Finance Company of Meghalaya), which had no direct investment (Equity and Loans) by the State Government and the SPSE had also not submitted its first Accounts (since 2018-19) after it was covered under the purview of CAG audit.

⁹⁸ (1) Meghalaya Mineral Development Corporation Limited, (2) Meghalaya Tourism Development Corporation Limited and (3) Meghalaya State Warehousing Corporation.

⁹⁹ Meghalaya Basin Management Agency.

¹⁰⁰ Serial No. A3, A4, A6, A7, A10, A12, & B18 of **Appendix 4.1.1**.

Table 4.1.4: Investment in Power sector SPSEs as on 31 March 2023

Name of SPSE	Investment (₹ in crore)								
	Equity			Long-Term Loans			Total		Grand Total
	GoM	Others ¹⁰¹	Total	GoM	Others ¹⁰²	Total	GoM	Others	
MeECL ¹⁰³	2,789.59	0.00	2,789.59	0.00	389.30	389.30	2,789.59	389.30	3,178.89
MePGCL ¹⁰⁴	0.00	991.84	991.84	260.34	804.62	1,064.96	260.34	1,796.46	2,056.80
MePDCL ¹⁰⁵	0.00	1,127.26	1,127.26	175.45	1,443.72	1,619.17	175.45	2,570.98	2,746.43
MePTCL ¹⁰⁶	0.00	425.59	425.59	42.19	5.87	48.06	42.19	431.46	473.65
Total	2,789.59	2,544.69	5,334.28	477.98	2,643.51	3,121.49	3,267.57	5,188.20	8,455.77

Source: Information furnished by the Companies.

As can be seen from Table 4.1.4, the total investment of ₹ 8,455.77 crore in Power Sector SPSEs as on 31 March 2023, was made up of 63.08 per cent (₹ 5,334.28 crore) equity and 36.92 per cent (₹ 3,121.49 crore) long-term loans. The State Government's investment in power sector was 38.64 per cent (₹ 3,267.57 crore) of the total investment of ₹ 8,455.77 crore.

4.1.3 Budgetary support and guarantees to SPSEs during the year

The State Government provides financial support to SPSEs in various forms through annual budgetary allocations. The details of budgetary outgo towards equity, loans and grants/subsidies in respect of SPSEs for three years ended 2022-23 are given in Table 4.1.5.

Table 4.1.5: Details of budgetary support to SPSEs

(₹ in crore)

Sl. No.	Particulars	2020-21		2021-22		2022-23	
		No. of SPSEs	Amount	No. of SPSEs	Amount	No. of SPSEs	Amount
1.	Equity Capital outgo from budget.	4	31.26	7	13.43	3	577.77
2.	Loans given from budget	3	107.17	2	151.26	0	0
3.	Grants/Subsidy from budget (including Capital Grants)	11 2	(G) 184.23 (S) 19.77	14 1	(G) 498.58 (S) 5.00	13 1	(G) 791.84 (S) 1.83
4.	Total Outgo¹⁰⁷ (1+2+3)	14	342.43	17	668.27	15	1,371.44
5.	Guarantees issued during the year	0	0	0	0	0	0
6.	Guarantee Commitment (Cumulative)	4	1,689.82	4	1,689.82	4	2,960.54

Source: As furnished by Companies/Corporations. (G): Grants; (S): Subsidies.

¹⁰¹ Investment of MeECL in its three subsidiary companies (MePGCL, MePDCL and MePTCL).

¹⁰² Includes banks and other financial Institutions, etc.,

¹⁰³ Meghalaya Energy Corporation Limited.

¹⁰⁴ Meghalaya Power Generation Corporation Limited.

¹⁰⁵ Meghalaya Power Distribution Corporation Limited.

¹⁰⁶ Meghalaya Power Transmission Corporation Limited.

¹⁰⁷ Actual number of SPSEs, which received equity, loans, grants/subsidies from the State Government.

Budgetary support to SPSEs in 2022-23 increased by more than 300 *per cent* from ₹ 342.43 crore (2020-21) to ₹ 1,371.44 crore (2022-23). Major recipients of budgetary support during 2022-23 were (i) Meghalaya Energy Corporation Limited received equity of ₹ 575.47 crore (ii) Meghalaya Basin Management Agency received grant of ₹ 400.00 crore for rural livelihood schemes (iii) Meghalaya Infrastructure Development and Finance Corporation Limited received Grant of ₹ 232.00 crore for implementation of Meghalaya Integrated Transport Programme and construction of prime hub for uplifting and promoting entrepreneurs in the State, and Meghalaya Age Limited (₹ 105.46 crore) for culture and tourism related activities.

As on 31 March 2023, the Government of Meghalaya has extended guaranteed to loans amounting to ₹ 2,960.54 crore in respect of four¹⁰⁸ SPSEs availed from various institutions (Bank, Financial Institutions and others).

4.1.4 Accountability framework

The audit of the financial statements of a Company in respect of financial years commencing on or after 01 April 2014 is governed under the provisions of the Companies Act, 2013 (Act) whereas audit of the financial statements in respect of financial years that commenced earlier than 01 April 2014 are governed under the Companies Act, 1956. The Companies Act of 2013 has brought about enhanced regulatory framework, wider management responsibility and higher professional accountability.

4.1.4.1 Statutory Audit/Supplementary Audit

Statutory Auditors appointed by the Comptroller and Auditor General of India (CAG) audit the financial statements of a Government Company. In addition, CAG conducts supplementary audit of these financial statements under the provisions of Section 143(6) of the Act.

Audit of Statutory Corporations is governed by their respective legislations. Out of two Statutory Corporations in Meghalaya, CAG is the sole auditor for Meghalaya Transport Corporation. In respect of the other Corporation (*viz.* Meghalaya State Warehousing Corporation), Chartered Accountants conduct the audit and the CAG conducts supplementary audit.

4.1.4.2 Role of Government and Legislature

The State Government exercises control over the affairs of these SPSEs through its administrative departments. The Government appoints the Chief Executives and Directors on the Board of these SPSEs.

The State Legislature also monitors the accounting and utilisation of Government investment in the SPSEs. For this purpose, the Annual Reports of State Government Companies together with the Statutory Auditors' Reports and comments of the CAG thereon are required to be placed before the Legislature under Section 394 of the Act. Similarly, the Annual Reports of Statutory Corporations along with the Separate Audit

¹⁰⁸ Meghalaya Energy Corporation Limited (₹ 630.00 crore), Meghalaya Power Generation Corporation Limited (₹ 590.08 crore), Meghalaya Power Distribution Corporation Limited (₹ 1,739.46 crore) and Meghalaya Government Construction Corporation Limited (₹ 1 crore).

Reports of CAG are required to be placed before the Legislature as per the stipulations made under their respective governing Acts. The Audit Reports of CAG are submitted to the State Government under Section 19A of the CAG's (Duties, Powers and Conditions of Service) Act, 1971.

4.1.5 Arrears in finalisation of accounts

Financial statements of Government companies are required to be finalised within six months after the end of the financial year *i.e.* by September in accordance with the provisions of Section 96(1) of the Act. Failure to do so may attract penal provisions under Section 99 of the Act. Similarly, in case of Statutory Corporations, their accounts are to be finalised, audited and presented to the Legislature as per the provisions of their respective Acts.

Timely finalisation of accounts is important for the State Government to assess the financial health of the SPSEs and to avoid financial misappropriation and mismanagement. Persistent delay in finalisation of accounts is fraught with the risk of fraud and leakage of public money going undetected apart from violation of provisions of the Act.

Table 4.1.6 provides the details of finalisation of annual accounts of SPSEs as on 30 September 2023.

Table 4.1.6: Position relating to finalisation of accounts of working SPSEs

Sl. No.	Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
1.	Number of Working SPSEs	16	17	17	19 ¹⁰⁹	19
2.	Number of accounts finalised during the year	16	20	16	14	19
3.	Number of accounts in arrears	32	29	30	38	39
4.	Number of Working SPSEs with arrears in accounts	16	17	17	19	18
5.	Extent of arrears (numbers in years)	1 to 5	1 to 4	1 to 5	1 to 6	1 to 7

Source: Information furnished by the Companies.

As can be seen from **Table 4.1.6**, total numbers of accounts pending finalisation marginally declined from 32 (2018-19) to 29 (2019-20), but gradually increased to 39 accounts in 2022-23. The highest pendency of Accounts related to Meghalaya Transport Corporation (seven Accounts) and Livelihood Improvement Finance Company of Meghalaya¹¹⁰ (five Accounts) as on 30 September 2023.

¹⁰⁹ During 2021-22, three new SPSEs (Meghalaya Infratech Consultancy and Innovation Limited, Meghalayan Age Limited and Livelihood Improvement Finance Company of Meghalaya) having total 7 accounts in arrear were added under the audit purview of CAG while one company (Meghalaya Bamboo Chips Limited) having one year's accounts in arrear was categorised as a non-working company.

¹¹⁰ The Company had not submitted any Accounts (since 2018-19) after it was covered under the definition of a Government company.

4.1.6 Investment by State Government in SPSEs whose accounts are in arrears

The State Government invested ₹ 1,466.72 crore in 16 SPSEs (equity: ₹ 590.27 crore and grants: ₹ 876.45 crore) during the years for which the accounts of these SPSEs had not been finalised as detailed in Table 4.1.7.

Table 4.1.7: Investment by State Government in SPSEs having accounts in arrears

(₹ in crore)

Sl. No.	Name of the Public Sector Undertaking	Year up to which accounts finalised	Period of accounts pending finalisation	Investment made by State Government during the year of which accounts are in arrears		
				Equity	Loans	Grants/ Subsidy
1	Forest Development Corporation of Meghalaya Limited	2018-19	2019-20 to 2022-23	0.00	0.00	7.49
2	Meghalaya Government Construction Corporation Limited	2021-22	2022-23	0.50	0.00	1.83
3	Meghalaya Infrastructure Development and Finance Corporation Limited	2020-21	2021-22 & 2022-23	0.00	0.00	232.00
4	Meghalaya Infratech Consultancy and Innovation Limited	2021-22	2022-23	0.00	0.00	0.14
5	Meghalaya Mineral Development Corporation Limited	2021-22	2022-23	0.00	0.00	0.95
6	Meghalaya Energy Corporation Limited	2021-22	2022-23	575.47	0.00	0.00
7	Meghalaya Power Generation Corporation Limited	2021-22	2022-23	0.00	0.00	0.90
8	Meghalaya Power Transmission Corporation Limited	2021-22	2022-23	0.00	0.00	0.76
9	Meghalaya Power Distribution Corporation Limited	2021-22	2022-23	0.00	0.00	10.40
10	Meghalaya Tourism Development Corporation Limited	2018-19	2019-20 to 2022-23	0.00	0.00	17.13
11	Meghalaya Handloom & Handicraft Development Corporation Limited	2021-22	2022-23	0.00	0.00	1.87
12	Meghalaya Basin Management Agency	2021-22	2022-23	0.00	0.00	400.00
13	Meghalayan Age Limited	2020-21	2021-22 & 2022-23	0.00	0.00	105.46
14	Livelihood Improvement Finance Company of Meghalaya	**	2021-22 & 2022-23	0.00	0.00	23.00
15	Meghalaya Transport Corporation	2015-16	2016-17 to 2022-23	14.30	0.00	74.52
Total				590.27	0.00	876.45

Source: Information furnished by the SPSEs.

**The Company had not submitted its Accounts (since 2018-19) after it was covered under the definition of a Government company.

In the absence of accounts and their subsequent audit, it cannot be verified if the investments made, and the expenditure incurred thereagainst have been properly accounted for and the purpose for which the amount was invested was achieved or not.

Finance Department should monitor the expeditious clearance of arrears of accounts of SPSEs.

4.1.7 Financial Performance

4.1.7.1 Share of SPSEs in State GDP

Table 4.1.8 provides comparative details of working SPSEs turnover and State GDP for a period of five years ending 2022-23, based on the latest available annual accounts.

Table 4.1.8: Details of working SPSEs turnover vis-a-vis State GDP

Particulars	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Turnover ¹¹¹	1,121.40	1,203.88	1,386.14	1,366.75	1,447.72
State GDP ¹¹²	32,175.82	34,770.40	33,776.16	38,784.70	42,697.08
Percentage of Turnover to State GDP	3.49	3.46	4.10	3.52	3.39

Source: Information furnished by the Companies.

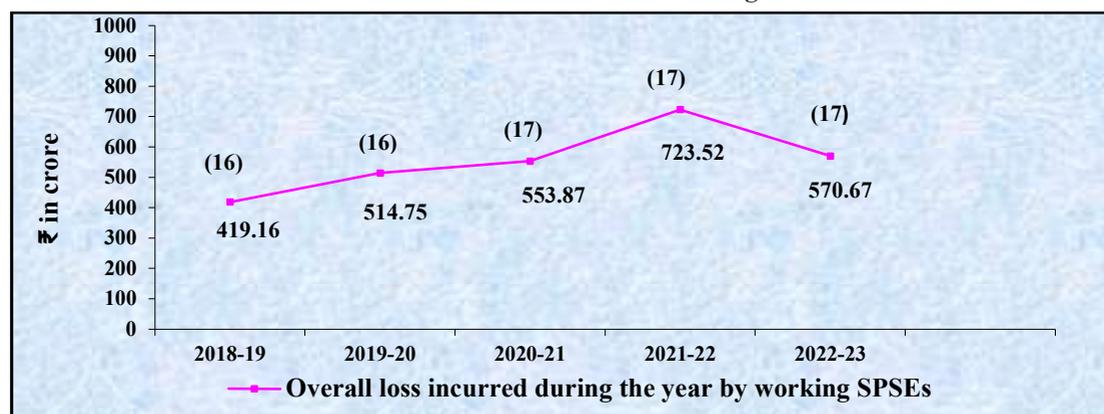
As seen from **Table 4.1.8**, the overall turnover of SPSEs during last five years had appreciated by 29.10 *per cent* (₹ 326.32 crore) from ₹ 1,121.40 crore (2018-19) to ₹ 1,447.72 crore (2022-23). However, the contribution of SPSE-turnover to GSDP during the five years' period had remained almost static at 3.49 *per cent* (2018-19) and 3.39 *per cent* (2022-23). This indicates that the increase in the SPSE-turnover during 2018-19 to 2022-23 was not commensurate with the corresponding growth in GSDP during the same period. The major contributors to SPSE-turnover during 2022-23 were three Power Sector SPSEs namely, Meghalaya Power Distribution Corporation Limited (₹ 1,099.25 crore), Meghalaya Power Generation Corporation Limited (₹ 144.50 crore) and Meghalaya Power Transmission Corporation Limited (₹ 56.55 crore) and one infrastructure SPSE namely Meghalaya Government Construction Corporation Limited (₹ 87.54 crore).

4.1.7.2 Trends of Profit and losses in SPSEs

The overall position of losses incurred by the working SPSEs during 2018-19 to 2022-23 as per their latest finalised accounts as on 30 September of the respective year has been depicted in **Chart 4.1.3**.

¹¹¹ Turnover of working SPSEs as per the latest finalised accounts as on 30 September of respective year.

¹¹² Source: Directorate of Economics and Statistics, Government of Meghalaya.

Chart 4.1.3: Overall losses of working SPSEs¹¹³


Figures in brackets show the number of working SPSEs in respective years.

From **Chart 4.1.3**, it can be observed that overall losses of working SPSEs during last four years 2018-19 to 2021-22 had generally shown an increasing trend. The SPSEs losses declined to ₹ 570.67 crore during 2022-23 from the losses of ₹ 723.52 crore incurred during 2021-22 mainly due to reduction in the losses of one Power Sector Company (Meghalaya Power Distribution Corporation Limited) from ₹ 425.48 crore (2021-22) to ₹ 152.83 crore (2022-23). During 2022-23 the share of losses of power sector SPSEs was to the extent of 90.81 per cent (₹ 518.24 crore). The details of profit earned and losses incurred by the SPSEs during 2022-23 are given in **Table 4.1.9**.

Table 4.1.9: Details of profit/losses by the SPSEs during 2022-23

Particulars	2022-23
Total No. of working SPSEs	19
Number of Loss-incurring working SPSEs	14
Aggregate Loss (₹ in crore)	572.28
Number of Profit-making working SPSEs	3
Aggregate Profit (₹ in crore)	1.61
Number of SPSEs functioning on 'no profit no loss' basis	1
Number of SPSEs which have not submitted their first Accounts	1 ¹¹⁴

Source: As per latest finalised accounts of the SPSEs.

The details of major contributors to overall losses of working SPSEs during 2022-23 as per their latest finalised accounts are given in **Table 4.1.10**.

Table 4.1.10: Major contributors to profits and losses of working SPSEs

Name of SPSE	2022-23	
	Latest finalised accounts	Profit (+)/ loss (-)
Major losses		
Meghalaya Power Generation Corporation Limited	2021-22	(-) 218.34
Meghalaya Power Distribution Corporation Limited	2021-22	(-) 152.83
Meghalaya Power Transmission Corporation Limited	2021-22	(-) 81.79

¹¹³ As per the latest finalised accounts as on 30 September of the respective year.

¹¹⁴ Livelihood Improvement Finance Company of Meghalaya incorporated in May 2009, which has not submitted any accounts (since 2018-19) after it was covered under CAG's audit purview.

Name of SPSE	2022-23	
	Latest finalised accounts	Profit (+)/ loss (-)
Meghalaya Energy Corporation Limited	2021-22	(-) 65.28
MawmluhCherra Cements Limited	2019-20	(-) 38.04
Major profits		
Meghalaya Tourism Development Corporation Limited	2018-19	(+) 1.18
Meghalaya State Warehousing Corporation	2022-23	(+) 0.40

Source: As per latest finalised accounts of the SPSEs.

4.1.7.3 Losses of Power Sector SPSEs

The position of aggregate losses incurred by four power sector SPSEs during the past five years as per their latest finalised accounts is given in **Table 4.1.11**.

Table 4.1.11: Details of aggregate losses of power sector SPSEs

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Total No. of power sector SPSEs	4	4	4	4	4
Number of loss making SPSEs	3	4	4	4	4
Number of profit earning SPSEs ¹¹⁵	1	0	0	0	0
Net overall losses in power sector (₹ in crore)	369.19	478.54	518.58	676.15	518.24
Accumulated losses (₹ in crore)	1,836.03	2,314.57	3,027.36	3,719.57	3,850.45

Source: Latest finalised accounts of the SPSEs.

4.1.7.4 Erosion of capital in SPSEs

The paid-up capital and accumulated losses of 18¹¹⁶ working SPSEs as per their latest finalised accounts as on 30 September 2023 were ₹ 4,903.36 crore and ₹ 4,340.01 crore respectively (**Appendix 4.1.1**).

The Return on Equity (RoE) in respect of 11 out of 18 working SPSEs was (-)15 per cent¹¹⁷ as per their latest finalised accounts, which included the only SPSE (Meghalaya State Warehousing Corporation) having positive RoE of 5.38 per cent. The accumulated losses (₹ 3,057.36 crore) of remaining seven¹¹⁸ working SPSEs had completely eroded their paid-up capital (₹ 1,164.85 crore) as per their latest finalised accounts. Of these seven SPSEs, the primary erosion of paid-up capital was in respect of three SPSEs as detailed in **Table 4.1.12**.

¹¹⁵ During 2018-19, Meghalaya Power Transmission Corporation Limited was the only power sector SPSE, which registered profit of ₹ 8.15 crore (2018-19) as per its latest finalised accounts.

¹¹⁶ Excluding one newly added SPSEs (Serial No. 17 of **Appendix 4.1.1**) incorporated in May 2009, which has not submitted any accounts (since 2018-19) after it was covered under CAG's audit purview (August 2021).

¹¹⁷ The said 11 SPSEs had overall net worth of ₹ 2,459.86 crore and overall net losses of ₹ 368.93 crore.

¹¹⁸ Serial No. A3, A4, A6, A7, A10, A12 & B18 of **Appendix 4.1.1**.

Table 4.1.12: SPSEs with primary erosion of paid-up capital

(₹ in crore)

Name of SPSE	Latest finalised accounts	Paid up capital	Accumulated losses
Meghalaya Power Distribution Corporation Limited	2021-22	859.26	2,627.66
Mawmluh Cherra Cement Limited	2019-20	197.51	272.84
Meghalaya Transport Corporation	2015-16	93.05	106.69

Source: As per latest finalised accounts of the SPSEs.

Erosion of Capital in Power Sector PSEs

The details of the capital erosion of four power sector SPSEs by their losses as per their latest finalised accounts as on 30 September 2023 has been presented in **Table 4.1.13**.

Table 4.1.13: Capital Erosion in Power Sector SPSEs during 2022-23

(₹ in crore)

Sl. No.	Name of the Company	Latest finalised accounts	Paid up capital	Net Loss for the year	Accumulated losses	Net worth ¹¹⁹
1	Meghalaya Power Distribution Corporation Limited	2021-22	859.26	152.83	2,627.66	(-) 1,768.40
2.	Meghalaya Power Generation Corporation Limited	2021-22	925.36	218.34	733.86	(+) 191.50
3	Meghalaya Energy Corporation Limited	2021-22	2,214.12	65.28	321.26	(+) 1,892.86
4	Meghalaya Power Transmission Corporation Limited	2021-22	425.59	81.79	167.67	(+) 257.92
	Total		4,4420.59	(-) 518.24	(-) 3,850.45	

Source: As per latest finalised accounts of the SPSEs.

It can be seen from **Tables 4.1.13** that during 2022-23, the net worth of one power sector SPSE (MePDCL) was negative at (-) ₹ 1,768.40 crore due to complete erosion of its equity capital by the accumulated losses. The net worth of MePDCL turned negative for the first time during 2016-17 when it's paid-up capital (₹ 801.20 crore) was completely eroded by accumulated losses (₹ 961.42 crore) as per it's latest finalised accounts (2014-15) as on 30 September 2017. During October 2017 to September 2023, MePDCL had finalised seven annual accounts (2015-16 to 2021-22). However, the net worth of the Company remained negative during all these years.

This gradual process of incurring losses by the power sector SPSEs is a drain on the State's economy and resources. Despite constant deterioration in the overall performance of four power sector SPSEs, the State Government continued to provide significant budgetary support to these SPSEs. Analysis of records of power sector SPSEs revealed that the State Government provided budgetary support aggregating ₹ 1,021.24 crore to four power sector SPSEs during 2020-21 (₹ 234.63 crore), 2021-22 (₹ 199.08 crore) and 2022-23 (₹ 587.53 crore) by way of equity (₹ 591.11 crore), loans (₹ 258.43 crore) and grants/subsidy (₹171.70 crore). This included budgetary support of ₹ 251.88 crore

¹¹⁹ Net Worth means the sum total of the 'paid-up capital' and 'free reserves and surplus' minus 'accumulated losses' and 'deferred revenue expenditure'.

provided to MePDCL during 2020-21 (₹ 118.88 crore), 2021-22 (₹ 122.60 crore) and 2022-23 (₹ 10.40 crore) by way of loans (₹ 156.52 crore) and grants/subsidy (₹ 95.36 crore).

To enable SPSEs to obtain financial assistance from Banks and Financial Institutions, State Government provides guarantee subject to the prescribed limits. The guaranteed amount committed by the GoM in respect of four SPSEs¹²⁰ for loans raised from various institutions (Bank, Financial Institutions and others) was ₹ 2,960.54 crore during all three years (2020-21 to 2022-23). These guarantees may become liabilities of the State Government in case of default by the borrowers as all of them were loss making SPSEs having huge accumulated losses.

4.1.8 Financial parameters

Key parameters of SPSEs financial performance as per their latest finalised accounts as on 30 September of the respective year are given in **Table 4.1.14**.

Table 4.1.14: Key Parameters of SPSEs

Particulars	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Debt	1,939.59	1,921.98	1,916.66	2,753.56	3,209.73
Turnover ¹²¹	1,121.40	1,203.88	1,386.14	1,366.75	1,447.72
Debt/Turnover Ratio ¹²² (DTR)	1.73:1	1.60:1	1.38:1	2.01:1	2.22:1
Interest Payments	166.87	251.67	241.57	302.40	322.52
Accumulated losses	2,229.77	2,747.35	3,466.72	4,202.56	4,340.01

Source: As per latest finalised accounts of the SPSEs.

4.1.8.1 Debt-Turnover Ratio

A low debt-to-turnover ratio (DTR) demonstrates a good balance between debt and income. Conversely, a high DTR can be a signal of having too much of debt against the income of SPSEs from core activities. Thus, the SPSEs having lower DTR are more likely to successfully manage their debt servicing and repayments.

4.1.8.2 SPSE Debt

As can be seen from **Table 4.1.14**, SPSEs-debt had increased significantly by ₹ 1,293.07 crore during last two years from ₹ 1,916.66 crore (2020-21) to ₹ 3,209.73 crore (2022-23). This was mainly due to the borrowings (₹ 757.50 crore) availed by three power sector companies for implementation of Atmanirbhar Bharat Abhiyan (Meghalaya Power Distribution Corporation Limited: ₹ 428.50 crore), restructuring of high cost borrowings of subsidiaries (Meghalaya Energy Corporation Limited: ₹ 199.00 crore) and construction/payment of overdue relating to one small hydro project (Meghalaya Power Generation Corporation Limited: ₹ 130.00 crore).

¹²⁰ MePGCL, MePTCL, MePDCL and Meghalaya Government Construction Corporation Limited.

¹²¹ Turnover of working SPSEs as per the latest finalised accounts as on 30 September of the respective year.

¹²² Arrived at 'total debt of all SPSEs divided by total turnover of all SPSEs' as per their latest finalised accounts.

During the period of five years (2018-23), the Debt to Turnover Ratio (DTR) had increased from 1.73:1 (2018-19) to 2.22:1 (2022-23), which indicated a deteriorated position of SPSEs in servicing and repayment of their long-term debts as compared to previous years. The deterioration in the DTR was mainly due to the disproportionate growth in SPSE-debts (65.48 *per cent*) during 2018-23 compared to the increase in SPSE-turnover (29.10 *per cent*) during the corresponding period. Increase in the SPSE-debts has also caused corresponding increase (93.28 *per cent*) in the interest expenditure of SPSEs from ₹ 166.87 crore (2018-19) to ₹ 322.52 crore (2022-23).

4.1.9 Return on Investment on the basis of Present Value of Investment

The Rate of Real Return (RORR) measures the profitability and efficiency with which equity and similar non-interest bearing capital have been employed, after adjusting them for the time value. To determine the Rate of Real Return on Government Investment (RORR), the investment of State Government in the form of equity, interest free loans and grants/ subsidies given by the State Government for operational and management expenses less disinvestments (if any) has been considered, and indexed to their Present Value (PV) and summated. The RORR is then calculated by dividing the 'profit after tax' (PAT) by the sum of the PV of the Government investment.

During 2022-23, out of 17 working SPSEs¹²³, 14 PSEs incurred losses (₹ 572.28 crore) while only three SPSEs earned profits (₹ 1.61 crore) as per their latest finalised accounts as on 30 September 2023. On the basis of return on historical value, the State Government investment eroded by 9.96 *per cent* during 2022-23. On the other hand, when the present value of investment been considered, the State Government investment eroded by 6.24 *per cent* as shown in **Appendix 4.1.2**. This difference in the percentage of investment erosion was on account of adjustments made in the investment amount for the time value of money.

4.1.10 Impact of Audit Comments on Annual Accounts of SPSEs

During October 2022 to September 2023, 13 working companies had forwarded 17 audited accounts to the Principal Accountant General (Audit), Meghalaya for review. All the 17 accounts submitted by the 13 working SPSEs were selected for supplementary audit. The audit reports of statutory auditors appointed by CAG and the supplementary audit of CAG indicated that the quality of maintenance of accounts needed to be improved substantially. The details of aggregate money value of the comments of statutory auditors and CAG are given in **Table 4.1.15**.

Table 4.1.15: Impact of audit comments on working Companies

Sl. No.	Particulars	2020-21		2021-22		2022-23	
		No. of accounts	Amount	No. of accounts	Amount	No. of accounts	Amount
1.	Decrease in profit	2	0.48	0	0	2	0.24
2.	Increase in loss	11	261.12	7	134.48	13	38.58

¹²³ Excluding two SPSEs at serial no. A14 (functioning on 'no profit no loss' basis) and A17 (not submitted since 2018-19 after it was covered under the definition of a Government company) of **Appendix 4.1.1**.

Sl. No.	Particulars	2020-21		2021-22		2022-23	
		No. of accounts	Amount	No. of accounts	Amount	No. of accounts	Amount
3.	Non-disclosure of material facts	3	57.16	8	132.82	4	0.63
4.	Errors of classification	4	49.87	4	10.97	3	66.15

Source: As per latest finalised annual accounts of SPSEs.

During the year 2022-23, the statutory auditors had given qualified certificates for all 17 accounts of 13 companies. In addition, CAG had also issued supplementary comments on these 17 accounts selected for supplementary audit. The compliance of companies with the Accounting Standards (AS)/ Indian Accounting Standards (Ind AS) remained inadequate as there were 62 instances of non-compliance with AS/Ind AS relating to twelve accounts of nine companies.

During the year 2022-23, one Statutory Corporation (Meghalaya State Warehousing Corporation) submitted its audited Accounts for the year 2021-22 and 2022-23 to Principal Accountant General (Audit), Meghalaya, which were audited and separate audit reports (SARs) issued. The other Statutory Corporation (Meghalaya Transport Corporation) where the CAG is the sole auditor, had not submitted any Accounts during 2022-23.

4.1.10.1 Gist of some of the significant comments of the statutory auditors and CAG in respect of accounts of the SPSEs are as under:

Table 4.1.16: Gist of Significant comments on the accounts of the SPSEs

Sl. No.	Name of the SPSEs	Comments on Accounts
1	Meghalaya Power Distribution Corporation Limited (Year of Accounts: 2021-22)	<ul style="list-style-type: none"> Power Purchase Costs was understated by ₹ 7.61 crore (Current Year- ₹ 2.18 crore; Prior-period - ₹ 5.43 crore) due to non-accounting of revised bill for Annual Fixed Charges raised (May 2022) by North Eastern Electric Power Corporation Limited (NEEPCO) for the period from 2019-20 to 2021-22. This has correspondingly resulted in understatement of 'Current Financial Liabilities- Trade Payables' and 'Loss for the year' by ₹ 7.61 crore each. Revenue from sale of power through Franchisee is understated by ₹ 2.70 crore due to non-accounting of the revenue receivable from Input Based Distribution Franchisees against the energy bills pertaining to the month of March 2022. This has correspondingly resulted in overstatement of 'Loss for the year' and understatement of 'Current Assets-Trade Receivables' to the same extent. Interest paid/payable on RAPDRP loan (₹ 10.46 crore) and IPDS loan (₹ 0.59 crore) wrongly charged to Revenue (Profit and Loss Account) instead of capitalising the same under the corresponding assets being created under two schemes (RAPDRP and IPDS) and lying in CWIP. The accounting treatment of interest as an expense was not in accordance with the principles of IND AS 23 (Borrowing Costs) resulting in overstatement of 'Loss for the year' and understatement of CWIP is understated by ₹ 11.05 crore.

Sl. No.	Name of the SPSEs	Comments on Accounts
2	Meghalaya Power Transmission Corporation Limited (Year of Accounts: 2021-22)	<ul style="list-style-type: none"> Land is understated by ₹ 2.11 crore, due to incorrect accounting of land value under 'Capital Work-in Progress' as commissioning of the related Sub-Station was pending. Since land is a separate tangible asset for which, the title and possession has already been transferred (October 2015) in Company's favour, it should have been accounted under 'Property, Plant and Equipment' without waiting for completion of the related Sub-Station. This has correspondingly resulted in overstatement of 'Capital work-in-Progress' to that extent. Despite the issue being underlined during 2020-21, the mistake was not rectified. The head Capital Work-in-Progress is overstated by ₹ 116.23 crore, being the cost of capital works completed and commissioned prior to 31 March 2022 and hence, the same should have been accounted under 'Property Plant and Equipment' and depreciation charged accordingly. This has also resulted in understatement of 'Property, Plant and Equipment' (Gross block) by ₹ 116.23 crore with corresponding understatement of 'Depreciation' and 'Loss for the year' by ₹ 9.60 crore (Prior periods: ₹ 5.37 crore; current year: ₹ 4.23 crore) each.
3	Meghalaya Power Generation Corporation Limited (Year of Accounts: 2021-22)	<ul style="list-style-type: none"> Capital Work in progress (Ganol Small Hydro Project) is understated by ₹ 2.36 crore due to non-accounting of dues payable to State Government towards Forest Royalty (₹ 1.27 crore) Meghalaya Minor Mineral Restoration Fund (₹ 0.71 crore) and District Mineral Foundation (₹ 0.38 crore) despite the same already having been recovered from the Contractor's Bill. This has correspondingly resulted in understatement of 'Current Liabilities' to that extent. Other Expenses is understated by ₹ 1.14 crore due to non-accounting of Repair and Maintenance expenses relating to Hydro Power Generating Station at Myntdu Leshka Civil Division, Nohkum. This has correspondingly resulted in understatement of 'Loss for the year' and 'Current Liabilities' to the same extent.
4	Meghalaya Energy Corporation Limited (Year of Accounts: 2021-22)	<ul style="list-style-type: none"> Liabilities for Capital Supplies is understated by ₹ 2.24 crore due to non-accounting of the stock/material purchased/received during the year. This has correspondingly resulted in understatement of 'Materials Stocks Account' to the same extent. As per the inventory verification report of the Company under Area Store/MeECL, the value of inventories as on 31 March 2022 stood at ₹ 28.14 crore as against the book value of ₹ 7.12 crore depicted in the Accounts. The difference of ₹ 21.02 crore in the value of the inventories as on 31 March 2022 was significant and needs to be reconciled.
5	Shillong Smart City Limited (Year of Accounts: 2021-22)	<ul style="list-style-type: none"> Other Long Term Liabilities include ₹ 4.48 crore, being the interest earned by the Company on Project Grants received from the Government of India (GoI), which was to be remitted to GoI immediately after finalisation of the Annual Accounts of the Company as per the GoI directions (March/June 2021)¹²⁴. Since the Company was required to finalise its Annual Accounts within six months of the end of the financial year (refer Section 96 and Section 129 of the Companies Act, 2013), the above liability should have been classified as 'Current Liability' (due for payment within 12 months of the Balance Sheet date).

¹²⁴ Refer to GoI O.M dated 30th June 2021 which is also mentioned in the Notes to Accounts (Sl. No. H).

Sl. No.	Name of the SPSEs	Comments on Accounts
		<ul style="list-style-type: none"> • ‘Long-Term Loans and Advances’ (Non-Current Assets) included unreleased portion (₹ 68.00 crore) of the Project Grants-in-Aid of ₹ 136.00 crore sanctioned by the GoI during the year, which should have been accounted under the sub-head ‘Other Non-Currents Assets’ (Non-Current Assets) instead of the above sub-head (Long-Term Loans and Advances).
6	Meghalaya Mineral Development Corporation Limited (Year of Accounts: 2021-22)	<ul style="list-style-type: none"> • The Company had invested (book value: ₹ 207.84 lakh) in the Equity capital of its Joint Venture Company (Mandikini B Coal Corporation Limited) formed (February 2009) with three other JV partners having the prime objective to carry out prospecting exploration & mining activities. The JV Company, which was to be liquidated in 2014, discontinued its operations prior to 2012 due to de-allocation of Mandakini B Coal Block by Government of India. Since there was no possibility of the JV Company’s revival, all three JV partners (other than the Company) had already given assent for its dissolution and the JV agreement was also in the process of winding up. Under these circumstances, the Company’s investment in the Equity capital of JV Company has been substantially impaired. Since the diminution in Company’s investment in the Equity capital of the JV Company (Mandikini B Coal Corporation Limited) was permanent in nature, necessary provisions for the same should have been kept in the Accounts in terms of the Accounting Standard-13 (<i>refer para 32</i>), which was not done.
7	Meghalaya Government Construction Corporation Limited (Year of Accounts: 2021-22)	<ul style="list-style-type: none"> • Work in progress under Inventories includes ₹ 20.85 crore, being the cost of 11 completed projects already handed over to the respective Client Departments and as such, this amount should have been settled/adjusted against ‘Trade Payable – Advance against Works (Note 6)’. This has resulted in overstatement of the above head (Work in progress-Inventories) with corresponding overstatement of ‘Current Liabilities - Trade Payable – Advance against Works (Note 6)’ by ₹ 20.85 crore each.

4.1.11 Coverage of this Chapter

This Chapter on SPSEs contains two compliance audit paragraphs pertaining to Meghalaya Transport Corporation and Meghalaya Energy Corporation Limited as discussed in the following paragraphs.

COMPLIANCE AUDIT PARAGRAPHS

TRANSPORT DEPARTMENT

MEGHALAYA TRANSPORT CORPORATION

4.2 Working of Meghalaya Transport Corporation

4.2.1 Introduction

The Meghalaya Transport Corporation (MTC/ Corporation) was incorporated under Section 3 of the Road Transport Corporation Act, 1950 (RTC Act) on 01 October 1976, as a wholly owned Statutory Corporation of Government of Meghalaya (GoM). The MTC is mandated to provide an efficient, adequate, economical, and properly co-ordinated system of road transport service in the State and in extended areas.

The Management of MTC consists of 10 Board members¹²⁵ including the Chairman. The Managing Director manages the day-to-day affairs of MTC with the assistance of two Deputy General Managers. As on 31 March 2023, MTC had a fleet strength of 67 buses in eight routes¹²⁶, MTC's staff strength as on 31 March 2023 stands at 213¹²⁷. MTC is also operating nine depots/sub-depots (Guwahati¹²⁸-Shillong Depot, Shillong General Depot, Silchar Sub-Depot, Karimganj Sub-Depot, Ramkrishnanagar/ Hailakandi Sub-Depot, Phulbari Sub-Depot, Jowai Depot, Tura Depot, Williamnagar Depot), two Inter State Bus Terminus¹²⁹ at Tura and Shillong, one Central Workshop at Shillong and one Fuel Depot¹³⁰ at Shillong, as on 31 March 2023. Annual Gross Revenue earned by MTC during 2019-20 to 2022-23 was ₹ 1,618.72 lakh, ₹ 1,480.84 lakh, ₹ 1,739.38 lakh and ₹ 1,992.89 lakh respectively.

The Committee on Public Undertakings (COPU) in their Report of 2008-09 (November 2010), had made the following major recommendations for improving the working of MTC:

- i. Steps should be taken to cross minimise dependence on subsidy from the State Government.
- ii. Steps should be taken at the earliest to find avenues other than conventional means for increasing its revenue;
- iii. Improve administrative functions and take appropriate steps to ensure discipline and sincere work among all sections of workers.

¹²⁵ Four members, including the Chairman, are public representatives (MLA), four officials are from various State Government Departments viz., Transport Department, Finance Department, Planning Department & Public Works Department, one official from the North East Council (Government of India) and Managing Director of MTC.

¹²⁶ Including four inter-state routes viz. Meghalaya and Assam – Guwahati, Silchar, Karimganj and Ramkrishnanagar.

¹²⁷ Regular employees= 115 and contractual staff= 98

¹²⁸ Guwahati Depot and Silchar, Karimganj and Ramkrishnanagar/ Hailakandi Sub-Depots are being operated in Assam due to stable demand of service in this route.

¹²⁹ MTC was entrusted to operate ISBT, Tura w.e.f September 2019 and ISBT, Shillong w.e.f September 2021.

¹³⁰ This is non-operational since December 2021.

Further, in 2014-15, a Performance Audit¹³¹ of ‘State Transport Utilities in the State of Meghalaya’ found that MTC’s financial health was worsening and that majority of the COPU recommendations had not been complied by MTC.

4.2.2 Audit Findings

The Subject Specific Compliance Audit of Working of MTC was taken up covering the period from April 2019 to March 2023 to assess the Corporation’s compliance to financial regulations, operational standards and enforcement of internal controls. Audit found that MTC’s net worth as of March 2023 had completely been eroded. The Statutory Corporation did not finalise¹³² its Annual Accounts for the period 2016-17 to 2021-22 till March 2024. Compliance Audit was conducted during August – September 2022 and figures were updated up to 31 March 2023 based on the information obtained from MTC. Audit findings are discussed below:

4.2.2.1 Financial Position and Fund Management

Key indicators of financial performance of MTC for the period from 2019-20 to 2022-23 are summarised in **Table 4.2.1**:

Table 4.2.1: Financial position of MTC during 2019-20 to 2022-23

(₹ in lakh)					
Sl. No	Description	2019-20	2020-21	2021-22	2022-23
1.	Equity Capital (A)	10,176.31	10,376.31	10,876.31	10,954.61
2.	Operating Revenue	488.29	302.07	177.92	486.22
3.	Non-Operating Revenue	1,130.43	1,178.77	1,561.46	1,506.67
4.	Total Revenue	1,618.72	1,480.84	1,739.38	1,992.89
5.	Total Operating Expenditure	1,584.62	1,527.08	1,937.48	2,177.17
6.	Non-Operating Expenditure	183.17	611.48	398.19	107.48
7.	Total Expenditure (5+6)	1,767.79	2,138.56	2,335.67	2,284.65
8.	Profit (+)/ Loss (-)(4) - (7)	(-) 149.07	(-) 657.72	(-) 596.29	(-) 291.76
9.	Accumulated Losses (B)	11,685.89	12,343.61	12,939.90	13,231.66
10.	Net Worth (A - B)	(-) 1,509.58	(-) 1,967.30	(-) 2,063.59	(-) 2,277.05

Source: Provisional figures provided for the years 2019-20 to 2021-23.

The accumulated losses of MTC increased by 13.23 per cent during last four years from ₹ 11,685.89 lakh in 2019-20 to ₹ 13,231.66 lakh in 2022-23. Due to continuous losses suffered over the years (accumulated losses ₹ 13,231.66 lakh), Equity Capital (₹ 10,954.61 lakh) of MTC was completely eroded as on 31 March 2023 as indicted by its negative Net Worth of (-) ₹ 2,277.05 lakh.

I. Excessive dependence on State Government Funding

As discussed in the introductory paragraph, COPU had highlighted the Corporation’s heavy dependence on Government grants and recommended that MTC should minimise its dependence from GoM.

Analysis of the Revenue and Expenditure of MTC during the period from 2019-20 to 2022-23 is given in **Table 4.2.2**.

¹³¹ Included in Para 4.2 of the Comptroller and Auditor General of India for the year 2014-15.

¹³² The Accounts for 2016-17, 2017-18, 2018-19 and 2019-20 were submitted in April 2024.

Table 4.2.2: Year-wise Revenue and Expenditure of MTC during 2019-20 to 2022-23.

(₹ in lakh)

Year	Revenue				Expenditure				Excess of expenditure over revenue	
	From GoM		Passenger Earnings	Other receipts	Total	Salary and Allowances	Welfare and Superannuation	Other expenditure		Total
	GIA (Salary)	Rehabilitation Package								
2019-20	1,000.00	60.66	431.69	126.37	1,618.72	827.01	238.88	701.89	1,767.78	149.07
2020-21	1,039.09	68.33	268.64	104.78	1,480.84	939.28	252.84	946.44	2,138.56	657.72
2021-22	1,416.36	90.00	128.39	104.63	1,739.38	937.24	678.45	719.99	2,335.68	596.30
2022-23	1,405.78	80.00	355.37	151.74	1,992.89	917.70	403.30	963.65	2,284.65	291.76
Total	4,861.23	298.99	1,184.09	487.52	6,831.83	3,621.23	1,573.47	3,331.97	8,526.67	1,694.84
	71%	5%	17%	7%	100%	43%	18%	39%	100%	

Source: Provisional figures provided for the years 2019-20 to 2022-23.

From the Table above, it can be seen that during the four years period (2019-23), primary source of funds for MTC was the State Government Grants amounting to ₹ 5,160.22 lakh which constituted 76 per cent of total revenue of the Corporation. Earnings from Passengers during the period were ₹ 1,184.09 lakh i.e., merely 17 per cent which was not even sufficient for payment of salary and other emoluments to its employees amounting to ₹ 5,194.70 lakh during the period. It can also be seen that total revenue generated (inclusive of GoM grants) was ₹ 6,831.83 lakh against expenditure of ₹ 8,526.67 lakh resulting in working capital deficit of ₹ 1,694.84 lakh which MTC had met by utilising Capital Contribution received from GoM, in contravention of the Board's directions {as discussed in **Paragraph 4.2.2.1 (II)**}.

II. Utilisation of Capital Contribution made by the State Government

During the period 2019-20 to 2021-22, MTC through its Annual Plans submitted proposals to GoM totalling ₹ 1,200.00 lakh against which GoM released Capital Contribution amounting to ₹ 800.00 lakh. These contributions were made to enable MTC meet its requirements as per the proposed Annual Plans. The Board of Directors (Board) had advised (October 2018) MTC not to divert Capital contribution for revenue expenses.

Comparison of Annual Plans submitted by MTC to GoM with utilisation of capital contribution sanctioned by GoM is depicted in **Table 4.2.3**:

Table 4.2.3: Details of amounts proposed, sanctioned and utilised by MTC during the period from 2019-20 to 2021-22.

(₹ in lakh)

Sl. No	Purpose of scheme/expenditure	Amount proposed			Amount sanctioned			Amount utilised		
		2019-20	2020-21	2021-22	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
1.	Rationalisation of Operation-Acquisition of Fleet	125.00	300.00	300.00	100.00	200.00	500.00	43.00	-	398.00
2.	Renovation/Repair of Existing Depots (including Staff Quarters at Central Workshop, Sawlad)	50.00	-	-				4.00	-	-
3.	Operationalisation of ISBT, Tura and Shillong	25.00		30.00				-	1.99	23.00

Sl. No	Purpose of scheme/expenditure	Amount proposed			Amount sanctioned			Amount utilised		
		2019-20	2020-21	2021-22	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
4.	Revamping of Central Workshop	-	50.00	35.00				-	-	-
5.	Creation of additional facilities and amenities to existing depots, workshop and store	-	70.00	55.00				-	-	-
6.	Computerisation	-	15.00	15.00				0.39	0.55	3.93
7.	Smoke Emission test centres at Shillong, Tura and Williamnagar	-	25.00	25.00				-	-	-
8.	Overhauling and re-conditioning of old but serviceable vehicles	-	40.00	40.00				-	-	-
Total		200.00	500.00	500.00	100.00	200.00	500.00	47.39	2.54	424.93
Grand Total		1200.00			800.00			474.86		

Source: Information furnished by MTC.

It was observed that out of ₹ 800 lakh sanctioned by the GoM, the Corporation had utilised ₹ 474.86 lakh (59 per cent) for the sanctioned purpose whereas ₹ 206 lakh (26 per cent) was utilised for payment to Income Tax Department (₹ 50 lakh) and Pensionary Benefits (₹ 197 lakh).

Table 4.2.3 shows that:

- (i) Although the entire amount proposed during 2021-22 was sanctioned by the State Government, MTC undertook the work proposed at Sl. No. 1 fully, works proposed at Sl. Nos. 3 and 6 partially and did not undertake the works proposed at Sl. Nos. 4, 5, 7 and 8 at all.
- (ii) The proposed scheme at Sl. nos. 4, 5, 7 and 8 has not been executed by MTC.

On being pointed out by Audit, MTC stated (July 2023) that the amount released by the GoM was much below the proposed Annual Plans hence affecting the implementation of the Annual Plan. It also stated that on account of insufficient funds available it had to divert capital contribution towards retirement benefits and statutory payments.

The reply is not acceptable since non-execution or partial execution of planned works and utilisation of Capital funds for establishment expenses cannot be justified on the grounds of insufficient funds sanctioned by GoM. Further, utilisation of Capital Contribution for establishment expenses was also not regularised by GoM.

4.2.2.2 Operational Performance

In order to examine the adequacy of operating revenue, Audit examined the data relating to MTCs core operations of its transport activity in kilometres covered *per annum* and revenue earned per kilometre *vis-à-vis* expenditure incurred. **Table 4.2.4** shows operational performance of MTC during 2019-2020 to 2022-23.

Table 4.2.4: Operational performance of MTC for the year 2019-20 to 2022-23.

Sl. No.	Description	2019-20	2020-21	2021-22	2022-23	
1.	Operating Revenue (₹ in lakh)	By excluding GIA (Salary)	488.29	302.07	177.99	486.22
		By Including GIA (Salary)	1,488.29	1,341.15	1,594.28	1892.00
2.	Operating Expenditure (₹ in lakh)	1,584.62	1,527.08	1,937.48	2177.17	
3.	Gross Kilometer Operated (in lakh)	16.12	8.94	6.96	11.75	
4.	Operating Revenue Per Kilometer (1)/(3) (in ₹)	By excluding GIA (Salary)	30.29	33.79	25.57	45.57
		By Including GIA (Salary)	92.33	150.02	229.06	161.02
5.	Operating expenditure per Kilometer (2)/ (3) (in ₹)	98.30	170.81	278.37	204.05	
6.	Net operating loss per Kilometer (4) - (5) (in ₹)	By excluding GIA (Salary)	68.01	137.02	252.80	158.48
		By Including GIA (Salary)	5.98	20.80	49.31	43.03

During 2019-20 to 2022-23, the operating revenue as percentage of operating expenditure ranged between 9 to 31 *per cent* if GIA (Salary) received from GoM is not taken into account for arriving at Operating Revenue of the Corporation, indicating that MTC was barely able to cover its operation costs from the revenue earned from its core operations. Further, the Gross Kilometer Operated declined during 2020-21 and 2021-22 from 16.12 lakh km (2019-20) to 6.96 lakh km (2021-22) which was attributed mainly to cancellation of scheduled trips on account of Covid pandemic. However, there was improvement during 2022-23.

Audit further examined the utilisation of MTCs fleet of buses for transport operations. Total fleet strength and deployment of buses, year-wise, is shown in **Table 4.2.5**.

Table 4.2.5: Fleet Strength of MTC for the period 2019-20 to 2021-22

Sl. No	Particulars	2019-20	2020-21	2021-22	2022-23
1.	Buses available at the beginning of the year	60	55	55	63
2.	Additions during the year	3	-	8	4
3.	Buses scrapped during the year	8	-	-	-
4.	Buses available at the end of the year	55	55	63	67
5.	Buses on Road	45	44	49	55

Source: Information furnished by MTC.

It was observed that during 2019-20 to 2022-23 on an average MTC operated 87 *per cent* of buses out of its total fleet, with remaining buses being under repair and maintenance. Audit noticed from records that as of March 2023, 12 buses were under repair and maintenance (R&M) of which seven buses could not be made operational and continued to be shown under R&M for periods ranging from 16 to 62 months (**Appendix 4.2.1**). Expenditure incurred on R&M was ₹ 181.99 lakh during the period from 2019-20 to 2022-23. There was nothing on record to show whether MTC had examined non-serviceability of these buses with plans of scrapping them and procuring new buses.

Further, the Association of State Road Transport Undertakings (ASRTU) had prescribed (September 1997) that the desirable age of a bus was up to eight years or five lakh

kilometres, whichever was earlier. Audit examination of MTC's existing fleet of buses as of 31 March 2023 is shown in **Table 4.2.6**.

Table 4.2.6: Age profile of on-road buses of MTC as on 31 March 2023

Age of buses	0-4 years	4-8 years	8-10 years	10 years and above	Total
Number of buses (in %)	17 (30%)	7 (13%)	7 (13%)	24 (44%)	55

Source: Information furnished by MTC.

As seen from the table above, 57 per cent of the fleet is more than eight years old. MTC's expenditure on R&M of buses was ₹ 61.92 lakh (2019-20), ₹ 26.06 lakh (2020-21), ₹ 46.65 lakh (2021-22) and ₹ 47.36 lakh (2022-23) which ranged from 1.71 per cent to 3.91 per cent of its total operating expenditure during 2019-20 to 2022-23.

Audit examined the revenue yield from the route plans of MTC in order to assess economic and uneconomic routes. During 2019-20 to 2022-23, MTC operated through four depots and four sub depots and deployed 55 buses. Depot-wise details of revenue earned are shown in **Table 4.2.7**.

Table 4.2.7: Depot-wise details of revenue earned during 2019-20 to 2022-23

Sl. No	Name of Depot/ Sub-Depot	Year				Total	(% of revenue)
		2019-20	2020-21	2021-22	2022-23		
1.	Shillong General (SG) Depot including school buses and chartered buses.	241.66	112.37	102.35	249.81	706.18	62
i.	Guwahati Sub-Depot	0.17	0	0.01	0	0.18	0
ii.	Silchar Sub-Depot under SG Route	43.84	4.68	10.75	34.22	93.49	8
iii.	Karimganj Sub-Depot under SG Route	44.31	2.95	7.20	20.58	75.03	7
iv.	Ramkrishna Nagar/ Hailakandi Sub-Depot Sub-Depot under SG Route	28.52	3.76	8.57	19.80	60.65	5
2.	Jowai Depot	18.87	3.45	10.53	22.70	55.56	5
3.	Tura Depot	36.00	7.35	6.56	32.69	82.60	7
4.	Williamnagar Depot	32.06	3.05	5.11	19.08	59.30	5
	Total	445.43	137.61	151.08	398.88	1,132.99	100

Source: Actual cash earned in counter as furnished by MTC.

Note: Sl. nos. 1 and 4 are inclusive of revenue generated from Phulbari Sub Depot.

From **Table 4.2.7**, it can be seen that Shillong General depot contributed 62 per cent of revenue of MTC, whereas the contribution of the remaining three depots and four sub-depots to MTC's revenue was in the range of zero to eight per cent. Meagre revenue contribution from other depots like Jowai, Tura and Williamnagar could be partly due to less number of buses being operated from their depots. For example, only four buses were deployed in Jowai depot to cater to the Jowai township which had a population of 28,420 (as per 2011 census).

Audit noted that MTC had not deployed any bus in Guwahati-Shillong (GS) Route despite this route being one of the busiest routes in terms of tourist inflow/outflow to and from Shillong. The total tourist arrival in Meghalaya was 23.98 lakh from 2019

to 2022. These instances show that MTC's deployment of buses is not geared towards enhancing its revenue earning as it is evident that MTC could not effectively capitalise on the revenue potential of Shillong-Guwahati route or did not deploy more number of buses in the bigger districts of the State. Further, MTC has not put in place any scientific and revenue optimising business model and data driven pricing of fares along the routes that it operates.

In response to Audit observations, MTC stated (July 2023) that with the imposition of lockdown on account of Covid-19 w.e.f. March 2020, the operations came to a near standstill which continued till the later part of 2021. The vehicles were only transporting residents of the State arriving from other parts of India and medical duty in Shillong city. The MTC also stated that the increase in losses were due to low vehicle operations on account of travel regulations while the operating expenditure during 2020-21 and 2021-22 was due to clearance of many outstanding payments due to suppliers.

MTC stated that the overall poor performance was attributable to the Covid pandemic and regulations thereon during which the functioning of the MTC including vehicle operations came to a near standstill. MTC is trying hard to improve its R&M works and timely scrapping/auction/disposal of unserviceable/uneconomical buses thereby improving fleet utilisation and generation of additional revenue. Further, it also stated that the inability on the part of MTC to invest in new buses may be attributed to inability of MTC to generate sufficient revenue on its own and also receipt of inadequate Capital Contribution from Government.

The impact of Covid pandemic on MTC's operations and revenue is undeniable. However, poor revenue earning and loss making operations of MTC cannot solely be attributed to Covid-19 pandemic. Findings in the preceding paragraphs clearly show that not only is MTC's fleet inadequate to cater to the optimal utilisation of the routes being operated by MTC, but also the buses in MTC's fleet are aged and prone to frequent breakdown, thus adding to the burden of operating cost of the MTC's core operations. It is also evident that MTC's route operations are sub-optimal and that MTC's Board has not put in place a scientific and revenue optimising business model by introducing scientific and data driven pricing of fares along the routes that it operates.

4.2.2.3 Income from ancillary Operating Activities

COPU in its Fourth Report (2008-09), had recommended the MTC to explore various options to enhance revenue from ancillary activities like renting bus space for business hoardings and opening of shopping malls in all the Transport Complexes in the State wherever feasible.

Audit noticed that MTC was in possession of landed property of 69,948.49 square meters (Buildings-13,009 sq. mtrs; Vacant plot-23,341.89 sq. mtrs; Temporary building-33,597.60 sq. mtrs) in 11 plots spread across five districts¹³³ in Meghalaya. MTC was earning rental income from 68 properties which had been rented out for running shops/hotels/ offices. Audit found that the 68 rented properties of MTC amounted to merely

¹³³ East Khasi Hills (40,168.89 sq. mtr), West Garo Hills (1,138.98 sq. mtr), Jaintia Hills (23,777.32 sq. mtr), West Khasi Hills (140.96 sq. mtr) and East Garo Hills (4,722.34 sq. mtr)

seven *per cent* (4,974.63 square meters) of the total land possessed by MTC. The annual rental income earned from these properties during 2019-20 to 2022-23 is detailed in **Table 4.2.8**.

Table 4.2.8: Rental revenue earned by MTC during 2019-20 to 2022-23

(₹ in lakh)

Year	Rental Income		Number of tenants	
	Receivable	Received	Total	Who paid rent (as of March 2023)
2019-20	236.62	66.09	68	57
2020-21	229.30	58.77	68	57
2021-22	220.70	50.17	68	57
2022-23	171.10	0.31	4 ¹³⁴	4
Total		175.90		

As seen from the Table above, total rental income collected by MTC during 2019-20 to 2022-23 was ₹ 175.90 lakh and additional amount of ₹ 170.79 lakh was yet to be recovered from 11 tenants.

Further, Audit noted that, there was an agreement (February 2011) between MTC and the representatives of tenants to increase rent by 20 *per cent* effective from 01 April 2011 and thereafter by 20 *per cent* every five years. However, on completion of five years (i.e., 01 April 2016 and 01 April 2021), MTC did not increase the rent by 20 *per cent* as agreed in the meeting held during February 2011 and instead increased the rent only by five *per cent*. This resulted in a revenue loss of ₹ 57.98 lakh (**Appendix 4.2.2**) over a period of approximately five years from 01 April 2016 to 31 December 2021. Reasons for imposition of a rate lesser than agreed were not found available on records made available, indicating inability to effectively optimise the revenue earning potential of its properties.

MTC's inability to monetise 93 *per cent* of its landed property as well as collect rent accrued on its existing rental properties was indicative of sub-optimal revenue earning by the MTC. Further, Audit noted that though COPU had recommended that MTC should explore new avenues to improve its revenue, no tangible effort was made by the MTC in this regard.

4.2.2.4 Human Resource position

Human Resource position of MTC as on 01 April 2019 and 31 March 2022 is shown in **Table 4.2.9**.

Table 4.2.9: Details of Manpower Position in MTC

Particulars	As on 01.04.2019	As on 31.03.2022	As on 31.03.2023
A. Sanctioned Strength (SS)	187	187	184
B. Person-in-Position (PIP)	235	198	213
(i) Regular Staff	179	120	115

¹³⁴ During August 2021, MTC had issued advance Notice to 64 tenants to vacate the rented area at Police Bazar Shillong in order to hand over the land and building for construction of a commercial cum shopping complex under Shillong Smart City Project.

Particulars	As on 01.04.2019	As on 31.03.2022	As on 31.03.2023
(ii) Contractual	56	78	98
Excess PIP over the SS (<i>per cent</i>)	48 (26)	11 (6)	29 (16)

As can be seen from the above table, against the sanctioned strength, the MTC had excess persons in position to the extent of 26 *per cent* (April 2019), 6 *per cent* (March 2022) and 16 *per cent* (March 2023). At the same time, hiring of contractual staff increased from 56 (30 *per cent* of sanctioned strength) to 98 (53 *per cent* of sanctioned strength). MTC stated (August 2023) that it had submitted a proposal to GoM in April 2011 for VRS of 105 staff involving financial implication of ₹ 1,750.00 lakh. However, the Government has not taken any decision on the matter till date. MTC further stated that GoM had taken over pensionary liability of MTC *w.e.f.* 2013-14. The reply has to be seen in light of the fact that MTC's dependence on Government grants for salary and relief packages had gone up from ₹ 1,060.66 lakh to ₹ 1,506.36 lakh during 2019-20 to 2021-22 (**Table 4.2.2**).

Thus, not only was MTC being burdened with the salary costs of excess manpower, but there was also a trend towards hiring of more contractual staff despite the fact that there is high deficit of revenue over expenditure.

4.2.2.5 Annual Accounts

The MTC Rules, 1976 under Rule 42 provide that the Annual Accounts of MTC for each financial year showing the financial results should be drawn up within six months from the close of the financial year. The Annual Accounts, duly approved by the MTC Board, are to be submitted for audit certificate to the Comptroller and Auditor General of India by 30th September of respective year. The Annual Accounts, along with the Audit Certificate are to be laid before the State Legislature (Section 32 of the RTC Act, 1950). As such, the Annual Accounts for each financial year are required to be finalised by the end of September every year. Audit, however, noticed that the MTC had finalised its accounts only up to 2015-16. Accounts of six years (*i.e.* from 2016-17 to 2021-22) were yet to be finalised on the date of audit. Since the audited Annual Accounts have not been placed in the State Legislature, Government's investment had remained outside the scrutiny and control of the State Legislature.

MTC in reply (July 2023) stated that the finalisation of annual accounts was delayed due to retirement of the Chief Accounts Officer in March 2017 and there was no Accounts Officer till August 2019 which was followed by Covid pandemic. The annual accounts for 2016-17 to 2019-20 have been finalised and the annual accounts for 2020-21 and 2021-22 will be presented to the Board for approval in the Board meeting in August 2023.

4.2.6 Conclusion

MTC plays an important role in ensuring availability of public transport in the State, especially in areas which are not served by any other transport utility. As a public service utility, MTC is expected to maximise its operational viability in order to become a sustainable and reduce the burden of exchequer to support its survival. However, as

the Audit findings have revealed, MTC's sustained losses have resulted in complete erosion of its equity and enhanced its dependence on Government grants for salary and relief packages which had gone up from ₹ 1,060.66 lakh to ₹ 1,506.36 lakh during 2019-20 to 2021-22.

Bus fleet operated by MTC is beset with inefficiency as a large part of it is composed of old and inefficient vehicles resulting in high R&M costs. The income from monetisation of land/property owned by MTC could have been another profitable source of revenue for the Corporation. However, MTC has been able to monetise only seven *per cent* of its total land and property. MTC's expenditure on salary of staff and increasing hiring costs on outsourced staff has an adverse impact on its operational efficiency. Non-submission of its Annual Accounts since 2015-16 reflects weak internal controls and is a matter of high concern.

4.2.7 Recommendations

1. *MTC may put in place short to medium term plans for improving its operational efficiency by phasing out old buses and hiring of new fuel efficient buses as well as by increasing the frequency of buses on profitable routes.*
2. *MTC should take effective steps to monetise its landed property by exploring the possibility of commercial utilisation of the available surplus land and periodic revision of the building rent in consonance with market rates.*
3. *MTC may carry out manpower review vis-à-vis its scale of operations to determine an optimal staff strength.*
4. *MTC Board may ensure timely submission of Annual Accounts by deputing required manpower and by appointing a consultant (Chartered Accountant), if required.*

POWER DEPARTMENT

MEGHALAYA ENERGY CORPORATION LIMITED

4.3 Avoidable expenditure

Procurement of Distribution Transformers at IPDS rates which were substantially higher than the rates of supply of DTs under a GoM scheme, resulted in avoidable expenditure of ₹ 1.63 crore by MeECL.

The Rules 257 and 261 of the Meghalaya Financial Rules (MFR), 1981 stipulates that when a work is to be executed, sealed tender should be invited as to ensure competitive rates, accountability, and transparency. Further, OM No. FEG48/98/145 dated 5th April 2002 placed under Annexure-I of Meghalaya Delegation of Financial Power Rules (MDOFP), 2006 states that Notice Inviting tender (NIT) for settlement of works and Notice Inviting Quotation (NIQ) for purchase of goods and services by any Department or Organisation of the State Government where the total value of works to be settled or purchases to be made during any financial year exceeds ₹ 100 lakh should be drawn by the Tendering Authority and screened by the Departmental Tender Committee or Departmental Purchase Board with technical and price bids separately.

The Ministry of Power, Government of India (GoI) vide its notification (December 2016), specified that Distribution Transformers (DTs) to be procured from January 2017 onwards, should be of the standard BEE¹³⁵ 4-star rated.

The Additional Chief Engineer (Material Management) (ACE(MM)) of Meghalaya Energy Corporation Limited (MeECL) is entrusted with the responsibility of preparing estimates and getting the same approved from the competent authority for procurement of materials for deposit, operation & maintenance and capital works of the three¹³⁶ subsidiaries of MeECL.

Scrutiny of records of the Office of the ACE (MM) with regard to procurement of DTs revealed that during the period from February 2019 to June 2022, ACE (MM) purchased 333 DTs of BEE 4-star rated specification for various works under deposit works, operation & maintenance works and capital works amounting to ₹ 6.62 crore.

On further scrutiny of records, Audit found that a proposal by ACE (MM) was placed for inviting tender for supply of 4-star DTs for fixation of rate contract and till such rate was arrived at, the rates approved for Integrated Power Development Scheme (IPDS) for procurement of DTs would be applied as an interim measure so that it will not affect the works relating to Deposit, O&M and capital works on the plea that the tendering process for procurement of DTs was time consuming. This proposal was approved (January 2019) by the Chairman-cum-Managing Director (CMD). Though, ACE(MM) had procured the DTs by adopting the IPDS rates tender had not been invited for fixation

¹³⁵ Bureau of Energy Efficiency.

¹³⁶ (i) Meghalaya Power Generation Corporation Limited (MePGCL), (ii) Meghalaya Power Transmission Corporation Limited (MePTCL) and (iii) Meghalaya Power Distribution Corporation Limited (MePDCL).

of the rates for DTs during the period from February 2019 till June 2022 which was in contravention of the provisions of MFR, 1981 and MDOFP, 2006 stated above.

Audit scrutinised this decision and action taken by ACE (MM) which showed that during December 2017 and February 2018 MeECL had finalised two separate tenders for procurement of BEE 4-star rated DTs for GoI's IPDS and Government of Meghalaya (GoM) Scheme of replacement of DTs as per details shown in **Table 4.3.1**.

Table 4.3.1: Details of DTs finalised under IPDS and replacement of DTs under financial assistance from GoM

Sl. No.	Name of Scheme	Date of Tendering	Tender finalised	Rate approved by	Issue of work order	Name of Suppliers
1	IPDS	March 2017	February 2018	Tender Evaluation Committee (TEC)	March 2018	1. M/s Eastern Transformers & Equipment Pvt. Ltd.
2	Replacement of failed DTs under financial assistance from GoM	September 2017	December 2017	TEC and subsequently by Boards of Director, MePDCL	December 2017	1. M/s Eastern Transformers & Equipment Pvt. Ltd. 2. M/s Stanelec Pvt. Ltd (both the bidders had agreed to share the supply of the transformers at L1 rates).

In this regard, Audit noticed the following.

(i) The supply orders placed for the IPDS as well as GoM scheme were based on two separate rates finalised through two separate tenders and not based on a rate contract.

(ii) While the tenders for the two schemes were finalised within a short period of three months i.e. between December 2017 and February 2018 and the specifications of the DTs to be procured under IPDS and GoM scheme were identical¹³⁷, the approved rates for the DTs under IPDS were, however, significantly higher than those approved for the GoM scheme. It was observed that variation in rates of 250 KVA and 500 KVA between two contracts ranged between 73.08 per cent to 107.10 per cent as depicted in **Table 4.3.2**.

Table 4.3.2: Comparative rates under IPDS and replacement of DT under financial assistance from GoM.

(Amount in ₹)

Type of DTs (in KVA)	Unit Ex-work price under IPDS	Unit Ex-works price For replacement of DTs	Difference in rates	
			(in ₹)	(in %)
63	88,320	85,500	2,820	3.30
100	1,19,070	1,17,000	2,070	1.77
250	3,68,400	2,12,850	1,55,550	73.08
500	7,26,000	3,50,550	3,75,450	107.10

(iii) Audit observed that while also seeking interim approval of the CMD for adoption of IPDS rate which was higher, the ACE (MM) did not highlight the rates approved under the GoM scheme which were much lower and that the suppliers under both

¹³⁷ Four-star DTs for 63 KVAs, 100 KVAs, 250 KVAs and 500 KVAs.

the schemes were the same. This indicates that the CMD was not kept informed of such variation in the approved rates of DTs and suppliers finalised under these two Schemes.

(iv) Even though, approval by the CMD was for till a new rate was finalised, yet, the procurement of DTs at the rate continued for a period of 40 months. This indicates that, ACE (MM) did not take action in tendering for fixation of a rate contract.

(v) Out of 333 DTs procured during the period from February 2019 till June 2022, 206 DTs (62 *per cent*) were procured from the same suppliers, i.e. M/s Eastern Transformers & Equipment Pvt. Ltd. and M/s Stanelec Pvt. Ltd. who had also supplied DTs under the GoM scheme at lower rates.

Thus, procurement of 333 DTs of BEE – 4 star rated specifications by MeECL at a cost of ₹ 6.62 crore, without following the due tendering procedure was in gross violation of the rules prescribed under MFR, 1981 and MDOFP, 2006. Also, non-fixation of a rate-contract and continued placement of purchase orders of DTs at IPDS rates, led to avoidable expenditure of ₹ 1.63 crore as indicated in **Appendix 4.3.1**.

The Department in its reply (June 2023) stated that the Company considered the latest approved tender rate (approved rate) as the departmental supply rate of DTs, even if the latest tender is lower or higher than the previous rate.

The reply is not acceptable since acceptance of the latest rate which is not that of a rate contract, is not as per the rules prescribed under MFR, 1981 and is also against the tenets of financial propriety. Further, the approval by the CMD was for invitation of tender while adoption of IPDS rates for making purchases of DTs was only for the time being i.e. till finalisation of a new rate. By continued procurement of DTs at IPDS rates which were substantially higher than the rates of supply of DTs for GoM scheme, MeECL extended undue benefits to the two suppliers.

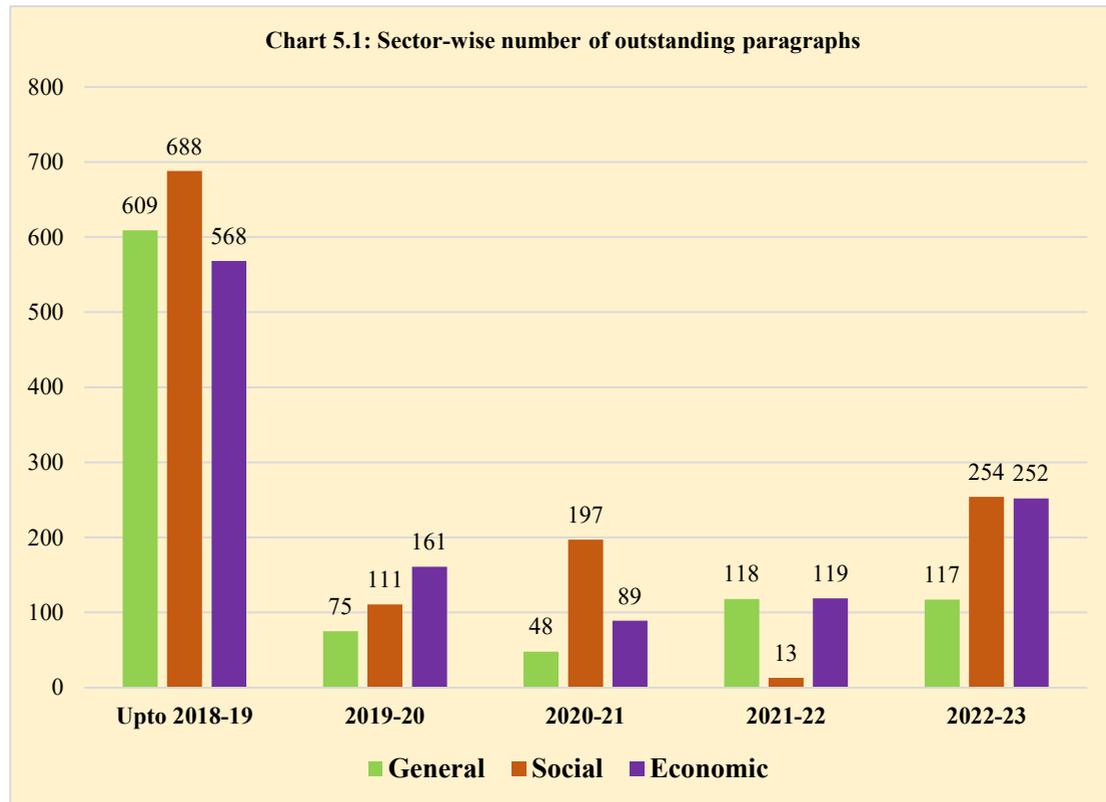
The matter was reported to the Government (October 2023); their reply is awaited (April 2024).

CHAPTER V
FOLLOW UP OF AUDIT
OBSERVATIONS

CHAPTER V – FOLLOW UP OF AUDIT OBSERVATIONS

5.1 Response of Departments to audit findings

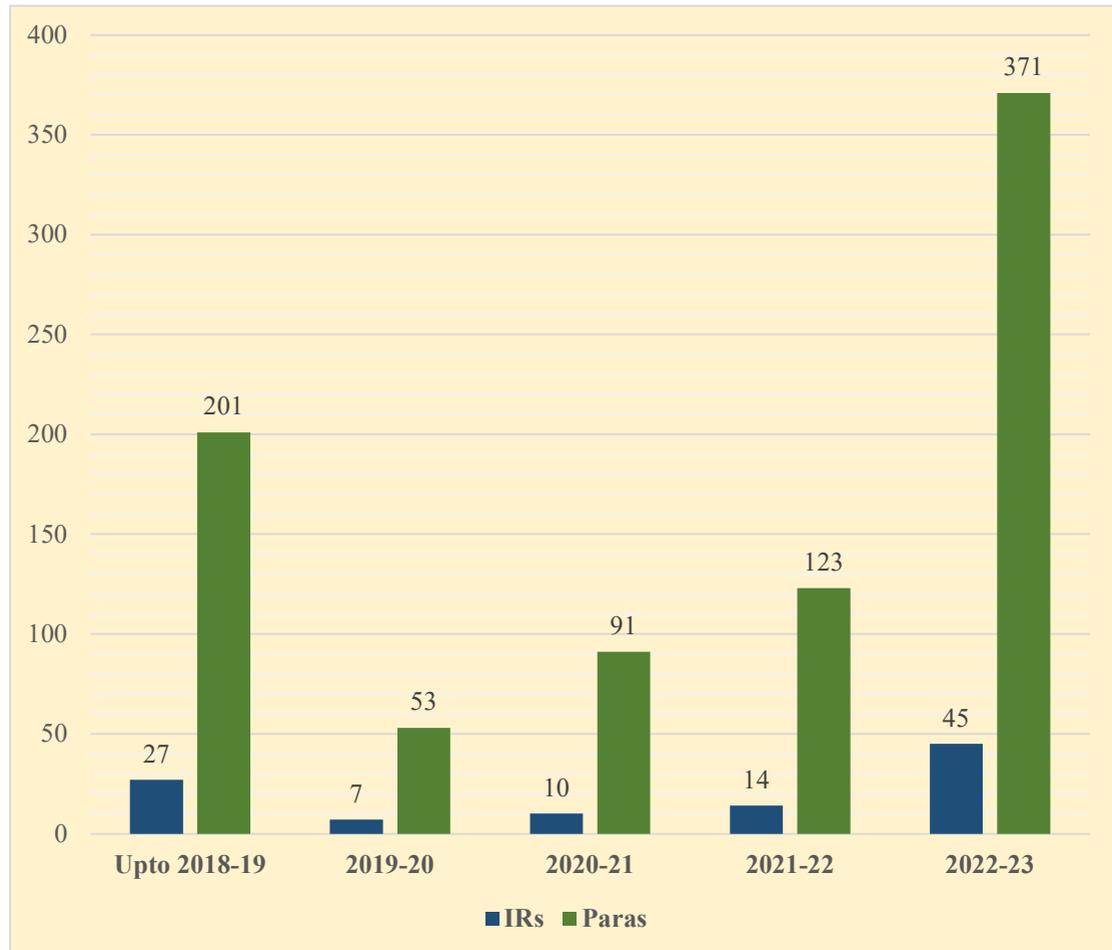
The Meghalaya Financial Rules, 1981 provide for prompt response by the Executive to the Inspection Reports (IRs) issued by the Principal Accountant General (Audit) of the State (PAG) to ensure rectificatory action in compliance with the prescribed rules and procedures and accountability for the deficiencies and lapses noticed during audit inspection. The Heads of offices and next higher authorities are required to respond to the audit observations communicated through IRs and take corrective actions promptly. Audit observations contained in the IRs are also discussed at periodical intervals in meetings in the District/State levels by the officers of the PAG's office with officers of the concerned departments. Serious irregularities are also brought to the notice of the Heads of the Department by the PAG through a half-yearly report in respect of pending IRs to facilitate monitoring of the Audit observations and for taking appropriate corrective action.



At the end of March 2023, 3,419 paragraphs pertaining to General, Social and Economic Sectors for the period 1988-89 to March 2023 were outstanding (**Appendix 5.1.1**). The year-wise break-up of the outstanding paragraphs upto 2022-23 is given in **Chart 5.1**.

Out of the total 3,419 outstanding paragraphs pertaining to 620 IRs, first reply against 839 paragraphs pertaining to 103 IRs is yet to be received from the auditees. The year-wise position of IRs and paras where even the first reply is yet to be received is shown in the **Chart 5.2**.

Chart 5.2: Numbers of IRs and Paras where even first reply not received



Lack of action on IRs and audit paragraphs for long periods is fraught with the risk of perpetuating financial and compliance irregularities pointed out in those reports. It may also result in dilution of internal controls in the governance process as the irregularities pointed out in audit are not timely acted upon by those in charge of the governance process. This results in inefficient and ineffective delivery of public goods and services, with possibilities of fraud, corruption and loss to public exchequer. State Government, therefore, needs to institute an effective mechanism to review and take expeditious action to address the concerns flagged in the IRs and audit paragraphs.

5.2 Response of the Government to audit observations

All Heads of Departments (HoDs) are required to send their responses to draft audit paragraphs proposed for inclusion in the CAG's Report within six weeks of their receipts.

During 2022-23, 10 draft paragraphs were sent via demi-official letter to the respective Heads of the departments¹³⁸, drawing their attention to the audit findings and requesting them to send responses within the stipulated time.

Four departments (Social Welfare, Soil and Water Conservation, Public Works and Power Departments) did not furnish any reply to four draft paragraphs as on the date of this Report. In remaining cases, replies received from the Government have been incorporated in the Report.

5.3 Response of Government to audit paragraphs that featured in earlier reports

The Reports of the Comptroller and Auditor General of India are prepared and presented to the State Legislature. To ensure accountability of the Executive to the issues contained in these Audit Reports, the Public Accounts Committee (PAC) of the Meghalaya Legislative Assembly issued instructions (July 1993) for submission of *suo motu* explanatory notes by the concerned Administrative Departments within one month of presentation of the Audit Reports in the State Legislature. For this, the departments are not required to wait for any notice from the PAC. *Suo motu* Explanatory Notes are yet to be received from 16 departments in respect of six PA reports and 43 draft paragraphs which featured in the Audit Reports for the year 2010-11 to 2020-22, as on 31 December 2023. The position of *suo motu* explanatory notes not received as on 31 December 2023 is shown in **Table 5.1.1**.

Table 5.1.1: Explanatory notes not received (as on 31 December 2023)

Year of Audit Report	Date of placement of Audit Report in the State Legislature	Total performance audits (PAs) and Paragraphs in the Audit Reports		Number of PAs/ Paragraphs for which explanatory notes were not received	
		PAs	Paragraphs	PAs	Paragraphs
2010-11	23 March 2012	3	14	Nil	1
2011-12	09 October 2013	2	13	Nil	4
2012-13	16 June 2014	3	12	1	2
2013-14	24 September 2015	3	16	Nil	1
2014-15	23 March 2016	3	13	Nil	5
2015-16	24 March 2017	3	9	2	3
2016-17	27 September 2018	3	7	1	1
2017-18	19 December 2019	2	8	2	6

¹³⁸ Meghalaya Legislative Assembly Secretariat, Border Areas Development, Social Welfare, Soil and Water Conservation, Public Works, Power, Health & Family Welfare, Revenue and Disaster Management, Urban Affairs and Transport Departments.

Year of Audit Report	Date of placement of Audit Report in the State Legislature	Total performance audits (PAs) and Paragraphs in the Audit Reports		Number of PAs/ Paragraphs for which explanatory notes were not received	
		PAs	Paragraphs	PAs	Paragraphs
2018-19	19 March 2021	1	6	Nil	4
2019-20	16 September 2022	2	9	Nil	8
2020-22	22 September 2023	-	9	-	8
Total		25	116	6	43

5.4 Discussion of Audit Reports by PAC/COPU

Of the 25 PAs and 116 compliance audit paragraphs listed in **Table 5.1.1** above, as of 31 December 2023, the PAC discussed 23 compliance audit paragraphs and the Committee on Public Undertakings (COPU) discussed 14 paragraphs. While the PAC had discussed three PAs, the COPU discussed two PAs that featured in the Audit Reports for the period 2010-11 to 2020-22.

5.5 Response of the departments to the recommendations of the PAC/COPU

The Administrative Departments are required to take suitable action on the recommendations made in the Report of the PAC/COPU presented to the State Legislature, submit action taken notes (ATNs) indicating action taken or proposed to be taken on these recommendations. The PAC specified the time frame for submission of ATNs as six weeks upto its 32nd Report (December 1997) and six months in its 33rd Report (June 2000).

Review of 17 Reports¹³⁹ of the PAC involving 15 departments¹⁴⁰ presented to the Legislature between April 1995 and March 2022, revealed that none of these Departments had submitted the ATNs to the PAC as of March 2023.

Similarly, review of six Reports of COPU involving four Departments, *viz.*, Transport, Commerce & Industries, Tourism and Power presented to the Legislature between April 2008 and March 2020 revealed that out of 18 ATNs received, seven had been sent to the Assembly Secretariat as of March 2023.

¹³⁹ Between April 1995 and December 1997 (10 reports), in June 2000 (one report), April 2005 (one report), April 2007 (one report), March 2010 (one report), March 2011 (one report), March 2012 (one report) and March 2017 (one report).

¹⁴⁰ Containing recommendations on 59 paragraphs of Audit Reports.

Thus, the fate of the recommendations contained in the Reports of the PAC/COPU and whether they were being acted upon by the Administrative Departments could not be ascertained in audit.

During 2020-23, PAC/ COPU did not submit any Report to the State Legislature.

Shillong
The: 02 September 2025


(Lhunkhothang Hangsing)
Principal Accountant General (Audit), Meghalaya

Countersigned

New Delhi
The: 15 September 2025


(K. Sanjay Murthy)
Comptroller and Auditor General of India

APPENDICES

Appendix 1.2.1

**Short-realisation due to calculation of the estimated cost of the building/ construction at lesser rate than the rate prescribed by the SoR 2021-22
(Reference: Paragraph 1.2.11.3 (A) (iii))**

Sl. No.	Owners Name	Location	Area (sq. m)		Rate (per sq. m)	Total Amount	Rate as per 2021-22 SOR	Difference in Rate	Difference in Amount
1.	Smti. Agnes Arbis Shabong (Non-residential)	Laban	Ground Floor	62	13,727.00	851074	29,889.00	16,162.00	10,02,044.00
			First Floor	62	13,247.00	821314	14,893.00	1,646.00	1,02,052.00
			Second Floor	62	13,513.00	837806	22,931.00	9,418.00	5,83,916.00
2.	Smti. Phrilda Marbaniang (Residential)	Upper Mawprem	Ground Floor	39.4	20,752.00	817628.8	30,201.00	9,449.00	3,72,290.60
			First Floor	39.4	13,411.00	528393.4	15,339.00	1,928.00	75,963.20
			Second Floor	97	13,674.00	1326378	16,694.00	3,020.00	2,92,940.00
			Third Floor	97	14,015.00	1359455	21,995.00	7,980.00	7,74,060.00
			First Floor	133.78	13,411.00	1794123.58	15,339.00	1,928.00	2,57,927.84
			Second Floor	133.78	13,674.00	1829307.72	16,694.00	3,020.00	4,04,015.60
3.	Smti. Tynglis Sun (Non-residential)	Jaiaw	Third Floor	133.78	14,015.00	1874926.7	21,995.00	7,980.00	10,67,564.40
			Ground Floor	116.55	20,752.00	2418645.6	32,731.00	11,979.00	13,96,152.45
			First Floor	131.91	13,411.00	1769045.01	16,456.00	3,045.00	4,01,665.95
4.	Smti. Waibhah Kyndiar (Residential)	Laitumkrah	Second Floor	129.96	13,674.00	1777073.04	17,955.00	4,281.00	5,56,358.76
			Third Floor	161.26	14,015.00	2260058.9	23,530.00	9,515.00	15,34,388.90
			Ground Floor	51.56	20,752.00	1069973.12	30,201.00	9,449.00	4,87,190.44
			First Floor	73.66	13,411.00	987854.26	15,339.00	1,928.00	1,42,016.48
			Second Floor	73.66	13,674.00	1007226.84	16,694.00	3,020.00	2,22,453.20
			Third Floor	73.66	14,015.00	1032344.9	21,995.00	7,980.00	5,87,806.80

Audit Report on Social and Economic Sectors and ULBs for the year ended 31 March 2023

Sl. No.	Owners Name	Location	Area (sq. m)		Rate (per sq. m)	Total Amount	Rate as per 2021-22 SOR	Difference in Rate	Difference in Amount
5.	The Principal, St. Mary's School (Non-residential)	Laitumkhrach	Fourth Floor	390	N/A	58,12,950.00	22,704.00	N/A	30,41,610.00
6.	Smti Janai Marbaniang (Residential)	Jaiaw	Ground Floor	105.4	19,611.00	2066999.4	27,243.00	7,632.00	8,04,412.80
			First Floor	108.53	13,247.00	1437696.91	13,346.00	99.00	10,744.47
			Second Floor	96.65	13,513.00	1306031.45	20,809.00	7,296.00	7,05,158.40
			Ground Floor	81.4	14,526.00	1182416.4	30,201.00	15,675.00	12,75,945.00
7.	Smti. Korgha Maya Rymbai (Residential)	Laitumkhrach	First Floor	84.8	13,411.00	1137252.8	15,339.00	1,928.00	1,63,494.40
			Second Floor	84.8	13,674.00	1159555.2	16,694.00	3,020.00	2,56,096.00
			Third Floor	84.8	14,015.00	1188472	21,995.00	7,980.00	6,76,704.00
			First Floor	154.39	13,081.00	2019575.59	16,627.00	3,546.00	5,47,466.94
8.	Shri Morgan Breen Marwein (Residential)	Upper Lumparing	Ground Floor	86.5	18,446.00	1595579	23,529.00	5,083.00	4,39,679.50
			First Floor	84	13,081.00	1098804	16,627.00	3,546.00	2,97,864.00
9.	Smti. O.B. Tariang (Non-residential)	Laitumkhrach	Lower Ground Floor	247	18,446.00	4556162	25,341.00	6,895.00	17,03,065.00
			Ground Floor	499	13,081.00	6527419	17,623.00	4,542.00	22,66,458.00
			Ground Floor	60.23	20,752.00	1249892.96	30,201.00	9,449.00	5,69,113.27
10.	Shri Sylvester Kurbah (Residential)	Laitumkhrach	First Floor	68.81	13,411.00	922810.91	15,339.00	1,928.00	1,32,665.68
			Second Floor	68.81	13,674.00	940907.94	16,694.00	3,020.00	2,07,806.20
			Third Floor	68.81	14,015.00	964372.15	21,995.00	7,980.00	5,49,103.80

Sl. No.	Owners Name	Location	Area (sq. m)		Rate (per sq. m)	Total Amount	Rate as per 2021-22 SOR	Difference in Rate	Difference in Amount
11.	Smti. Biaibir Dohdong (Shri Ebreit Kharpan) (Residential)	Jaiaw Langsning	Ground Floor	91.7	20,752.00	1902958.4	30,201.00	9,449.00	8,66,473.30
			First Floor	120.2	13,411.00	1612002.2	15,339.00	1,928.00	2,31,745.60
			Second Floor	120.2	13,674.00	1643614.8	16,694.00	3,020.00	3,63,004.00
			Third Floor	120.2	14,015.00	1684603	21,995.00	7,980.00	9,59,196.00
12.	Smti. Paleilin Myrthong (Residential)	Jaiaw	Ground Floor	56.92	20,752.00	1181203.84	30,201.00	9,449.00	5,37,837.08
			First Floor	91.84	13,411.00	1231666.24	15,339.00	1,928.00	1,77,067.52
			Second Floor	99.41	13,674.00	1359332.34	16,694.00	3,020.00	3,00,218.20
			Third Floor	99.41	14,015.00	1393231.15	21,995.00	7,980.00	7,93,291.80
			First Floor	38.01	13,081.00	497208.81	16,627.00	3,546.00	1,34,783.46
13.	Smti. Lumtihun Kharjana (Residential)	Malki	Ground Floor	109.64	20,752.00	2275249.28	30,201.00	9,449.00	10,35,988.36
			First Floor	112.82	13,411.00	1513029.02	15,339.00	1,928.00	2,17,516.96
			Second Floor	117.06	13,674.00	1600678.44	16,694.00	3,020.00	3,53,521.20
			Third Floor	114.86	14,015.00	1609762.9	21,995.00	7,980.00	9,16,582.80
14.	Smti. Sumita Syiem (Residential)	Malki	Ground Floor	90.52	N/A		27,243.00	N/A	
			First Floor	96.42	N/A	15,06,200.00	13,346.00	N/A	41,80,229.96
			Second Floor	92.92	N/A		20,809.00	N/A	
15.	Smti. Delyt Khongwir (Residential)	Lower Lumparing	N/A	84	18,119.00	1521996	22,606.00	4,487.00	3,76,908.00
16.	Smti. Lovely. M. Kharbuki (Residential)	Upper Lumparing	Ground Floor	47.79	18,446.00	881534.34	23,529.00	5,083.00	2,42,916.57
			First Floor	47.79	13,081.00	625140.99	16,627.00	3,546.00	1,69,463.34

Sl. No.	Owners Name	Location	Area (sq. m)		Rate (per sq. m)	Total Amount	Rate as per 2021-22 SOR	Difference in Rate	Difference in Amount
17.	Shri Bristol Lyngdoh (Residential)	Malki	Ground Floor	20.89	18,446.00	385336.94	23,529.00	5,083.00	1,06,183.87
			First Floor	75.64	13,081.00	989446.84	16,627.00	3,546.00	2,68,219.44
			First Floor	44.83	13,411.00	601215.13	15,339.00	1,928.00	86,432.24
			Second Floor	44.83	13,674.00	613005.42	16,694.00	3,020.00	1,35,386.60
			Third Floor	44.83	14,015.00	628292.45	21,995.00	7,980.00	3,57,743.40
18.	Smti. Milda Rynjah (Non-residential)	Laitumkhrach	Ground Floor	303.88	14,526.00	4414160.88	32,731.00	18,205.00	55,32,135.40
			First Floor	303.88	13,411.00	4075334.68	16,456.00	3,045.00	9,25,314.60
			Second Floor	297.29	13,674.00	4065143.46	17,955.00	4,281.00	12,72,698.49
			Third Floor	297.29	14,015.00	4166519.35	23,530.00	9,515.00	28,28,714.35
			Fourth Floor	297.29	14,716.00	4374919.64	22,704.00	7,988.00	23,74,752.52
19.	Smti. Elconore Chyne (Residential)	Laitumkhrach	Ground Floor	46.5	19,611.00	911911.5	27,243.00	7,632.00	3,54,888.00
			First Floor	93	13,247.00	1231971	13,346.00	99.00	9,207.00
			Second Floor	93	13,513.00	1256709	20,809.00	7,296.00	6,78,528.00
20.	Shri. Ksan Kupar Nongpyiur (Residential)	Lower Lumparing	Ground Floor	79.2	18,078.00	1431777.6	22,606.00	4,528.00	3,58,617.60
			Ground Floor	62.4	20,752.00	1294924.8	23,529.00	2,777.00	1,73,284.80
21.	Shri. Auguster D. Lyngdoh (Residential)	Lumsophoh, Upper Lumparing	First Floor	143.5	13,411.00	1924478.5	16,627.00	3,216.00	4,61,496.00
			Ground Floor	87.39	19,611.00	1713805.29	27,243.00	7,632.00	6,66,960.48
22.	Smti. Magnify Swer (Residential)	Lumparing	First Floor	137.39	13,247.00	1820005.33	13,346.00	99.00	13,601.61
			Second Floor	137.39	13,513.00	1856551.07	20,809.00	7,296.00	10,02,397.44

Sl. No.	Owners Name	Location	Area (sq. m)		Rate (per sq. m)	Total Amount	Rate as per 2021-22 SOR	Difference in Rate	Difference in Amount
23.	Shri. Patrick Marwein (Residential)	Lower Lumparing	Ground Floor	66.9	18,446.00	1234037.4	23,529.00	5,083.00	3,40,052.70
			First Floor	25.6	13,081.00	334873.6	16,627.00	3,546.00	90,777.60
24.	Smti.Ancydora Syiem (Non-residential)	R.R. Colony Umphing Rynjah	Ground Floor	184.48	20,752.00	3828328.96	32,731.00	11,979.00	22,09,885.92
			First Floor	197.57	13,411.00	2649611.27	16,456.00	3,045.00	6,01,600.65
			Second Floor	200.94	13,674.00	2747653.56	17,955.00	4,281.00	8,60,224.14
25.	Smti. Nancy Mukhim (Residential)	Cleve Colony	Third Floor	161.83	14,015.00	2268047.45	23,530.00	9,515.00	15,39,812.45
			Second Floor	154.64	13,674.00	2114547.36	16,694.00	3,020.00	4,67,012.80
			Third Floor	86.23	14,015.00	1208513.45	21,995.00	7,980.00	6,88,115.40
26.	Smti. Cynthia Kharmalki (Residential)	Kharmalki, Malki	Ground Floor	98.65	18,446.00	1819697.9	23,529.00	5,083.00	5,01,437.95
			First Floor	98.65	13,081.00	1290440.65	16,627.00	3,546.00	3,49,812.90
27.	Smti. Jeji Lyngdoh (Residential)	Wahingdoh	Ground Floor	40	19,611.00	784440	27,243.00	7,632.00	3,05,280.00
			First Floor	40	13,247.00	529880	13,346.00	99.00	3,960.00
			Second Floor	40	13,513.00	540520	20,809.00	7,296.00	2,91,840.00
28.	Smti. Jemina Rymbai (Residential)	Riatsamthiah	Ground Floor	53	20,752.00	1099856	30,201.00	9,449.00	5,00,797.00
			First Floor	92.5	13,411.00	1240517.5	15,339.00	1,928.00	1,78,340.00
			Second Floor	92.5	13,674.00	1264845	16,694.00	3,020.00	2,79,350.00
29.	Smti. Saphiwandamer Sun (Residential)	Jaiaw Laitdom	Third Floor	92.5	14,015.00	1296387.5	21,995.00	7,980.00	7,38,150.00
			Ground Floor	44.5	18,446.00	820847	23,529.00	5,083.00	2,26,193.50
			First Floor	52.2	13,081.00	682828.2	16,627.00	3,546.00	1,85,101.20

Audit Report on Social and Economic Sectors and ULBs for the year ended 31 March 2023

Sl. No.	Owners Name	Location	Area (sq. m)		Rate (per sq. m)	Total Amount	Rate as per 2021-22 SOR	Difference in Rate	Difference in Amount
30.	Smti. Ferina Kharmalki (Residential)	Malki	Ground Floor	54.3	19,611.00	1064877.3	27,243.00	7,632.00	4,14,417.60
			First Floor	69.56	13,247.00	921461.32	13,346.00	99.00	6,886.44
			Second Floor	69.56	13,513.00	939964.28	20,809.00	7,296.00	5,07,509.76
31.	Shri John. C. Binan (Residential)	Malki	Ground Floor	71.89	20,752.00	1491861.28	30,201.00	9,449.00	6,79,288.61
			First Floor	81.29	13,411.00	1090180.19	15,339.00	1,928.00	1,56,727.12
			Second Floor	81.29	13,674.00	1111559.46	16,694.00	3,020.00	2,45,495.80
32.	Smti. Khansakani Lyngdoh (Residential)	Malki	Third Floor	81.29	14,015.00	1139279.35	21,995.00	7,980.00	6,48,694.20
			Ground Floor	49.56	19,611.00	971921.16	27,243.00	7,632.00	3,78,241.92
			First Floor	78.3	13,247.00	1037240.1	13,346.00	99.00	7,751.70
33.	Smti. Tarana Jyrwa (Residential)	Lower Mawprem	Second Floor	78.3	13,513.00	1058067.9	20,809.00	7,296.00	5,71,276.80
			Ground Floor	40	19,611.00	784440	27,243.00	7,632.00	3,05,280.00
			First Floor	40	13,247.00	529880	13,346.00	99.00	3,960.00
34.	Shri P. Khongphai (Residential)	Jaiaw Lower Lansonalane	Second Floor	40	13,513.00	540520	20,809.00	7,296.00	2,91,840.00
			First Floor	105	13,247.00	1390935	13,346.00	99.00	10,395.00
			Second Floor	105	13,513.00	1418865	20,809.00	7,296.00	7,66,080.00
34.	Shri P. Khongphai (Residential)	Jaiaw Lower Lansonalane	Ground Floor	29.69	19,611.00	582250.59	27,243.00	7,632.00	2,26,594.08
			First Floor	115.56	13,247.00	1530823.32	13,346.00	99.00	11,440.44
			Second Floor	116.05	13,513.00	1568183.65	20,809.00	7,296.00	8,46,700.80

Sl. No.	Owners Name	Location	Area (sq. m)		Rate (per sq. m)	Total Amount	Rate as per 2021-22 SOR	Difference in Rate	Difference in Amount
35.	BP of Khasi Jaintia Presbyterian Assembly (Residential)	Mission Compound	Ground Floor	67.51	20,752.00	1400967.52	30,201.00	9,449.00	6,37,901.99
			First Floor	68.69	13,411.00	921201.59	15,339.00	1,928.00	1,32,434.32
			Second Floor	68.69	13,674.00	939267.06	16,694.00	3,020.00	2,07,443.80
			Third Floor	68.69	14,015.00	962690.35	21,995.00	7,980.00	5,48,146.20
36.	Smti. Agrita Rancee (Residential)	Lumdiengjri	Ground Floor	61	18,446.00	1125206	23,529.00	5,083.00	3,10,063.00
			First Floor	75.5	13,081.00	987615.5	16,627.00	3,546.00	2,67,723.00
37.	Shri Wangmin Lamin Gayang (Residential)	Pdengshnong, Malki	Ground Floor	82.615	18,446.00	1523916.29	23,529.00	5,083.00	4,19,932.05
			First Floor	83.27	13,081.00	1089254.87	16,627.00	3,546.00	2,95,275.42
			Ground Floor	90.82	18,446.00	1675265.72	23,529.00	5,083.00	4,61,638.06
38.	Smti. Sinota Lyngdoh Lyngkhoi (Residential)	Lower Mawprem	First Floor	94.12	13,081.00	1231183.72	16,627.00	3,546.00	3,33,749.52
			Ground Floor	86.14	18,446.00	1588938.44	23,529.00	5,083.00	4,37,849.62
39.	Shri Wanbiang Swer (Residential)	Madan Laban	First Floor	86.14	13,081.00	1126797.34	16,627.00	3,546.00	3,05,452.44
			Ground Floor	61.25	20,752.00	1271060	30,201.00	9,449.00	5,78,751.25
40.	Smti. Ravella Khongwir (Residential)	Wahingdoh	First Floor	88.15	13,411.00	1182179.65	15,339.00	1,928.00	1,69,953.20
			Second Floor	88.15	13,674.00	1205363.1	16,694.00	3,020.00	2,66,213.00
			Third Floor	46.35	14,015.00	649595.25	21,995.00	7,980.00	3,69,873.00
			Ground Floor	184.26	19,611.00	3613522.86	27,243.00	7,632.00	14,06,272.32
41.	Shri Galbest Reeborn (Residential)	Umpling, R. R. Colony	First Floor	199.56	13,247.00	2643571.32	13,346.00	99.00	19,756.44
			Second Floor	199.56	13,513.00	2696654.28	20,809.00	7,296.00	14,55,989.76

Audit Report on Social and Economic Sectors and ULBs for the year ended 31 March 2023

Sl. No.	Owners Name	Location	Area (sq. m)		Rate (per sq. m)	Total Amount	Rate as per 2021-22 SOR	Difference in Rate	Difference in Amount
42.	Shri Aron Bamon (Residential)	Umpling, Rynjah	Ground Floor	215.6	20,752.00	4474131.2	30,201.00	9,449.00	20,37,204.40
			First Floor	215.6	13,411.00	2891411.6	15,339.00	1,928.00	4,15,676.80
			Second Floor	215.6	13,674.00	2948114.4	16,694.00	3,020.00	6,51,112.00
			Third Floor	215.6	14,015.00	3021634	21,995.00	7,980.00	17,20,488.00
43.	BP of Smti. Carnelyn Saio (Residential)	Mawlai Nongmali	Ground Floor	54.07	18,446.00	997375.22	23,529.00	5,083.00	2,74,837.81
			First Floor	54.07	13,081.00	707289.67	16,627.00	3,546.00	1,91,732.22
44.	BP of Smti. Indakeri M. Marion (Residential)	Mawlai Nongmali- III	Ground Floor	106.4	19,611.00	2086610.4	27,243.00	7,632.00	8,12,044.80
			First Floor	120.8	13,247.00	1600237.6	13,346.00	99.00	11,959.20
			Second Floor	53.9	13,513.00	728350.7	20,809.00	7,296.00	3,93,254.40
45.	BP of Smti. Barbara Sones Dkhar (Residential)	Mawlai Nongmali- III	Ground Floor	57.2	18,446.00	1055111.2	23,529.00	5,083.00	2,90,747.60
			First Floor	65	13,081.00	850265	16,627.00	3,546.00	2,30,490.00
46.	BP of Shri P. K. Naik (Residential)	Civil Services Society, Mawdiangdiang	Ground Floor	165.9	18,119.00	3005942.1	22,606.00	4,487.00	7,44,393.30
			Total						8,62,06,183.47
									7,49,99,379.61
			Amount of Cess Short-realised						7,49,993.80

N/A: Not Available

Appendix 1.2.2
Short collection of labour cess by Government Departments
(Reference: Paragraph 1.2.11.3 (C) (i))

(Amount in ₹)

Name of the Division	Bill/Voucher No. and date	Dated	Total Bill Amount for calculation of L. Cess	Cess collected	Short-collection of Cess
Shillong South Division, P.W.D (Roads)	EE/SS/FF/10	18/03/2019	156608	0	1566.08
	EE/SS/FF/11	18/03/2019	196114	0	1961.14
	EE/SS/FF/12	18/03/2019	59732	0	597.32
	EE/SS/FF/13	18/03/2019	196185	0	1961.85
	EE/SS/FF/14	18/03/2019	84993	0	849.93
	EE/SS/FF/15	18/03/2019	119024	0	1190.24
	EE/SS/FF/16	18/03/2019	95755	0	957.55
	EE/SS/FF/17	18/03/2019	88439	0	884.39
	EE/SS/FF/18	18/03/2019	100798	0	1007.98
	EE/SS/FF/19	18/03/2019	57352	0	573.52
	EE/SS/FF/20	18/03/2019	146467	0	1464.67
	EE/SS/FF/21	18/03/2019	55241	0	552.41
	EE/SS/FF/22	18/03/2019	82785	0	827.85
	EE/SS/FF/6	18/03/2019	73108	0	731.08
	EE/SS/FF/7	18/03/2019	76319	0	763.19
	EE/SS/FF/8	18/03/2019	54072	0	540.72
	EE/SS/FF/9	18/03/2019	116181	0	1161.81
	EE/SS/FF/91	05/09/2018	197622	0	1976.22
	EE/SS/FF/89	05/09/2018	66196	0	661.96
	EE/SS/FF/88	05/09/2018	14735	0	147.35
	EE/SS/FF/87	05/09/2018	20548	0	205.48
	EE/SS/FF/86	05/09/2018	31646	0	316.46
	EE/SS/FF/85	05/09/2018	31928	0	319.28
	EE/SS/FF/90	05/09/2018	40810	0	408.1
	EE/SS/FF/84	05/09/2018	39087	0	390.87
	EE/SS/FF/75	26/06/2018	62328	0	623.28
	EE/SS/FF/76	26/06/2018	110424	0	1104.24
	EE/SS/FF/77	26/06/2018	84347	0	843.47
	EE/SS/FF/79	26/06/2018	62217	0	622.17
	EE/SS/FF/80	26/06/2018	85795	0	857.95
	EE/SS/FF/81	26/06/2018	230786	0	2307.86
	EE/SS/FF/78	26/06/2018	55208	0	552.08
	EE/SS/FF/82	26/06/2018	372063	0	3720.63
EE/SS/FF/83	26/06/2018	140647	0	1406.47	
EE/SS/FF/35	26/06/2018	86573	0	865.73	
EE/SS/FF/34	26/06/2018	89432	0	894.32	
EE/SS/FF/33	26/06/2018	39982	0	399.82	
EE/SS/FF/32	26/06/2018	27127	0	271.27	
EE/SS/FF/54	26/06/2018	73697	0	736.97	
EE/SS/FF/31	26/06/2018	38112	0	381.12	

Name of the Division	Bill/Voucher No. and date	Dated	Total Bill Amount for calculation of L. Cess	Cess collected	Short-collection of Cess
	EE/SS/FF/30	26/06/2018	52585	0	525.85
	EE/SS/FF/29	26/06/2018	39532	0	395.32
	EE/SS/FF/28	26/06/2018	39574	0	395.74
	EE/SS/FF/27	26/06/2018	58786	0	587.86
	EE/SS/FF/26	26/06/2018	72765	0	727.65
	EE/SS/FF/45	26/06/2018	71646	0	716.46
	EE/SS/FF/46	26/06/2018	59806	0	598.06
	EE/SS/FF/47	26/06/2018	42678	0	426.78
	EE/SS/FF/48	26/06/2018	29351	0	293.51
	EE/SS/FF/49	26/06/2018	22230	0	222.3
	EE/SS/FF/50	26/06/2018	157735	0	1577.35
	EE/SS/FF/51	26/06/2018	70932	0	709.32
	EE/SS/FF/52	26/06/2018	71841	0	718.41
	EE/SS/FF/53	26/06/2018	45814	0	458.14
	EE/SS/FF/55	26/06/2018	52656	0	526.56
	EE/SS/FF/56	26/06/2018	39134	0	391.34
	EE/SS/FF/57	26/06/2018	40052	0	400.52
	EE/SS/FF/58	26/06/2018	89329	0	893.29
	EE/SS/FF/59	26/06/2018	195306	0	1953.06
	EE/SS/FF/60	26/06/2018	51015	0	510.15
	EE/SS/FF/61	26/06/2018	41020	0	410.2
	EE/SS/FF/62	26/06/2018	47380	0	473.8
	EE/SS/FF/16	25/06/2018	68642	0	686.42
	EE/SS/FF/17	25/06/2018	104661	0	1046.61
	EE/SS/FF/18	25/06/2018	69449	0	694.49
	EE/SS/FF/19	25/06/2018	198624	0	1986.24
	EE/SS/FF/15	25/06/2018	54046	0	540.46
	EE/SS/FF/63	26/06/2018	38469	0	384.69
	EE/SS/FF/64	26/06/2018	38364	0	383.64
	EE/SS/FF/65	26/06/2018	89532	0	895.32
	EE/SS/FF/66	26/06/2018	50953	0	509.53
	EE/SS/FF/67	26/06/2018	45891	0	458.91
	EE/SS/FF/68	26/06/2018	41513	0	415.13
	EE/SS/FF/69	26/06/2018	72348	0	723.48
	EE/SS/FF/70	26/06/2018	81519	0	815.19
	EE/SS/FF/71	26/06/2018	73924	0	739.24
	EE/SS/FF/72	26/06/2018	69988	0	699.88
	EE/SS/FF/73	26/06/2018	86410	0	864.1
	EE/SS/FF/74	26/06/2018	81563	0	815.63
	EE/SS/FF/40	26/06/2018	139413	0	1394.13
	EE/SS/FF/38	26/06/2018	24069	0	240.69
	EE/SS/FF/36	26/06/2018	83545	0	835.45
	EE/SS/FF/37	26/06/2018	94340	0	943.4

Name of the Division	Bill/Voucher No. and date	Dated	Total Bill Amount for calculation of L. Cess	Cess collected	Short-collection of Cess
	EE/SS/FF/39	26/06/2018	154293	0	1542.93
	EE/SS/FF/42	26/06/2018	60614	0	606.14
	EE/SS/FF/41	26/06/2018	37273	0	372.73
	EE/SS/FF/43	26/06/2018	32926	0	329.26
	EE/SS/FF/44	26/06/2018	58475	0	584.75
	EE/SS/FF/83	16/08/2017	110888	0	1108.88
	EE/SS/FF/81	16/08/2017	50000	0	500
	EE/SS/FF/86	16/08/2017	199727	0	1997.27
	EE/SS/FF/85	16/08/2017	327679	0	3276.79
	EE/SS/FF/84	16/08/2017	332696	0	3326.96
	EE/SS/FF/82	16/08/2017	144202	0	1442.02
	EE/SS/FF/68	27/06/2017	93347	0	933.47
	EE/SS/FF/70	07/08/2017	90861	0	908.61
	EE/SS/FF/69	07/08/2017	170058	0	1700.58
	EE/SS/FF/76	07/08/2017	142027	0	1420.27
	EE/SS/FF/77	07/08/2017	118491	0	1184.91
	EE/SS/FF/75	07/08/2017	33684	0	336.84
	EE/SS/FF/78	07/08/2017	199013	0	1990.13
	EE/SS/FF/74	07/08/2017	52534	0	525.34
	EE/SS/FF/73	07/08/2017	51189	0	511.89
	EE/SS/FF/72	07/08/2017	51142	0	511.42
	EE/SS/FF/67	27/06/2017	143603	0	1436.03
	EE/SS/FF/71	07/08/2017	80027	0	800.27
	EE/SS/FF/66	07/08/2017	53209	0	532.09
	EE/SS/FF/64	07/08/2017	52080	0	520.8
	EE/SS/FF/65	07/08/2017	46694	0	466.94
	EE/SS/FF/63	07/08/2017	198221	0	1982.21
	EE/SS/FF/61	07/08/2017	85253	0	852.53
	EE/SS/FF/62	07/08/2017	47470	0	474.7
	EE/SS/FF/52	07/08/2017	66866	0	668.66
	EE/SS/FF/53	07/08/2017	29581	0	295.81
	EE/SS/FF/54	07/08/2017	30992	0	309.92
	EE/SS/FF/55	07/08/2017	87381	0	873.81
	EE/SS/FF/56	07/08/2017	199496	0	1994.96
	EE/SS/FF/57	07/08/2017	113849	0	1138.49
	EE/SS/FF/60	07/08/2017	118317	0	1183.17
	EE/SS/FF/59	07/08/2017	104790	0	1047.9
	EE/SS/FF/58	07/08/2017	199855	0	1998.55
	EE/SS/FF/43	14/06/2017	85285	0	852.85
	EE/SS/FF/10	14/06/2017	190282	0	1902.82
	EE/SS/FF/11	14/06/2017	150058	0	1500.58
	EE/SS/FF/25	14/06/2017	158578	0	1585.78
	EE/SS/FF/26	14/06/2017	156461	0	1564.61

Name of the Division	Bill/Voucher No. and date	Dated	Total Bill Amount for calculation of L. Cess	Cess collected	Short-collection of Cess
	EE/SS/FF/27	14/06/2017	112286	0	1122.86
	EE/SS/FF/28	14/06/2017	80969	0	809.69
	EE/SS/FF/29	14/06/2017	195905	0	1959.05
	EE/SS/FF/30	14/06/2017	192094	0	1920.94
	EE/SS/FF/21	14/06/2017	198679	0	1986.79
	EE/SS/FF/32	14/06/2017	124905	0	1249.05
	EE/SS/FF/33	14/06/2017	156218	0	1562.18
	EE/SS/FF/34	14/06/2017	159932	0	1599.32
	EE/SS/FF/35	14/06/2017	100605	0	1006.05
	EE/SS/FF/36	14/06/2017	150581	0	1505.81
	EE/SS/FF/37	14/06/2017	78516	0	785.16
	EE/SS/FF/38	14/06/2017	124905	0	1249.05
	EE/SS/FF/39	14/06/2017	158511	0	1585.11
	EE/SS/FF/40	14/06/2017	106546	0	1065.46
	EE/SS/FF/41	14/06/2017	154732	0	1547.32
	EE/SS/FF/20	14/06/2017	120667	0	1206.67
	EE/SS/FF/19	14/06/2017	110590	0	1105.9
	EE/SS/FF/18	14/06/2017	173305	0	1733.05
	EE/SS/FF/13	14/06/2017	415179	0	4151.79
	EE/SS/FF/14	14/06/2017	197460	0	1974.6
	EE/SS/FF/15	14/06/2017	190660	0	1906.6
	EE/SS/FF/42	14/06/2017	185820	0	1858.2
	EE/SS/FF/23	14/06/2017	110756	0	1107.56
	EE/SS/FF/17	14/06/2017	143755	0	1437.55
	EE/SS/FF/22	14/06/2017	155290	0	1552.9
	EE/SS/FF/21	14/06/2017	100873	0	1008.73
	D/IRA/M/84	24/03/2015	253361	0	2533.61
	D/IRA/M/86	24/03/2015	239587	0	2395.87
	D/IRA/M/83	24/03/2015	258756	0	2587.56
	D/IR/M/37	27/03/2019	9927	0	99.27
	FF/DSO/S/7	23/03/2019	189586	0	1895.86
	FF/DSO/S/8	23/03/2019	189586	0	1895.86
	FF/DSO/S/9	23/03/2019	189519	0	1895.19
	FF/DSO/S/10	23/03/2019	189586	0	1895.86
	FF/DSO/S/16	23/03/2019	194645	0	1946.45
	IR/DSO/S/21	23/03/2019	197188	0	1971.88
	IR/DSO/S/11	23/03/2019	88646	0	886.46
	IR/DSO/S/19	23/03/2019	93199	0	931.99
	IR/DSO/S/20	23/03/2019	95736	0	957.36
	IR/DSO/S/12	23/03/2019	91089	0	910.89
	IR/DSO/S/14	23/03/2019	90835	0	908.35
	IIRF/DSO/S/15	23/03/2019	90835	0	908.35
	IR/DSO/S/17	23/03/2019	95206	0	952.06

Name of the Division	Bill/Voucher No. and date	Dated	Total Bill Amount for calculation of L. Cess	Cess collected	Short-collection of Cess
	IIRF/DSO/S/18	23/03/2019	95206	0	952.06
	II/DSO/S/29	Jun-18	101203	0	1012.03
	IR/DSO/S/117	27/09/2018	91321	0	913.21
	IIRF/DSO/S/118	27/09/2018	148989	0	1489.89
	IR/DSO/S/115	27/09/2018	200256	0	2002.56
	IR/DSO/S/114	27/09/2018	93286	0	932.86
	IR/DSO/S/113	27/09/2018	195581	0	1955.81
	IR/DSO/S/112	27/09/2018	53170	0	531.7
	EE/SS/FF/2	22/09/2017	312306	0	3123.06
	EE/SS/FF/3	22/09/2017	304438	0	3044.38
	EE/SS/FF/4	22/09/2017	321273	0	3212.73
	EE/SS/FF/14	08/06/2018	254085	0	2540.85
	EE/SS/FF/13	08/06/2018	240100	0	2401
	EE/SS/FF/12	08/06/2018	300000	0	3000
	EE/SS/FF/11	08/06/2018	80358	0	803.58
	EE/SS/FF/7	08/06/2018	196541	0	1965.41
	EE/SS/FF/8	08/06/2018	66611	0	666.11
	EE/SS/FF/10	08/06/2018	110097	0	1100.97
	EE/SS/FF/9	08/06/2018	65453	0	654.53
	EE/SS/FF/5	08/06/2018	59390	0	593.9
	EE/SS/FF/11	08/06/2018	84899	0	848.99
	EE/SS/FF/3	08/06/2018	80376	0	803.76
	D/IR/M/46	Aug-17	250132	0	2501.32
	D/IIRF/M/47	Aug-17	203369	0	2033.69
	IIRF/254M	16/12/2010	203370	0	2033.7
	IR/156M	27/06/2010	250132	0	2501.32
	D/IVRF/M/158	Nov-17	70243	0	702.43
	RF/176M	27/06/2017	70243	0	702.43
	FF/DSO/S/14	27/09/2018	145941	0	1459.41
	FF/DSO/S/108	27/09/2018	148931	0	1489.31
	FF/DSO/S/107	27/09/2018	74679	0	746.79
	EE/SS/IR/10	26/11/2018	292900	6559	-3630
	EE/SS/IR/13	26/11/2018	472511	0	4725.11
	EE/SS/IR/14	26/11/2018	461483	0	4614.83
	EE/SS/IR/11	26/11/2018	483362	0	4833.62
	EE/SS/IR/12	26/11/2018	293413	0	2934.13
	D/FF/M/23	04/10/2018	344000	0	3440
	D/FF/M/22	04/12/2018	324442	0	3244.42
	D/FF/M/27	04/12/2018	96308	0	963.08
	D/FF/M/28	04/12/2018	50000	0	500
	D/FF/M/29	04/12/2018	48000	0	480
	D/FF/M/30	04/12/2018	181483	0	1814.83
	D/FF/M/31	04/12/2018	25251	0	252.51

Name of the Division	Bill/Voucher No. and date	Dated	Total Bill Amount for calculation of L. Cess	Cess collected	Short-collection of Cess
	D/FF/M/32	04/12/2018	48621	0	486.21
	D/FF/M/33	04/12/2018	19273	0	192.73
	D/FF/M/34	04/12/2018	40351	0	403.51
	D/FF/M/35	04/12/2018	8503	0	85.03
	D/FF/M/36	04/12/2018	210500	0	2105
	D/FF/M/37	04/12/2018	15773	0	157.73
	D/M/FF/M/38	04/12/2018	34589	0	345.89
	D/FF/M/39	04/12/2018	22418	0	224.18
	D/FF/M/40	04/12/2018	34550	0	345.5
	D/FF/M/41	04/12/2018	45651	400	56.51
	FF/377M	15/03/2017	97450	0	974.5
	D/FF/M/54	10/12/2018	189229	3500	-1607.71
	D/FF/M/56	10/12/2018	43132	966	-534.68
	D/FF/M/57	10/12/2018	1274913	0	12749.13
	D/FF/M/60	10/12/2018	66113	0	661.13
	D/FF/M/54	10/12/2018	198251	0	1982.51
	D/FF/M/53	10/12/2018	29795	0	297.95
	D/FF/M/51	10/12/2018	14992	0	149.92
	D/FF/M/41	10/12/2018	39929	0	399.29
	D/FF/M/42	10/12/2018	19988	0	199.88
	D/FF/M/43	10/12/2018	170911	0	1709.11
	D/FF/M/46	10/12/2018	3864789	0	38647.89
	D/FF/M/44	10/12/2018	61829	1385	-766.71
	D/FF/M/47	10/12/2018	17859	0	178.59
	D/FF/M/48	10/12/2018	51489	0	514.89
	D/FF/M/52	10/12/2018	44730	0	447.3
	IR/192M	26/09/2014	868157	6897	1784.57
	D/IR/M/75 dt 9/17				
	FF/195M	30/09/2009	2413857	0	24138.57
	D/FF/M/49 dt 8/17				
	EE/SS/FF/2	22/09/2017	312306	0	3123.06
	EE/SS/FF/4	22/09/2017	321273	0	3212.73
	EE/SS/FF/3	22/09/2017	304438	0	3044.38
	IIRF/DSO/S/39	30/06/2021	818307	818	7365.07
	EE/SS/IR/126	30/03/2021	40000000	0	400000
Tura Division, PHED	Receipt No 07 of Book No 3/ Bill-930	23/09/2020	50000	50000	500
	S/D Bill No/07/TR	22/12/2020	1497783	1497783	14977.83
	Receipt No 26 of book No 3 Bill-542	17-12-2019-	29129	29129	291.29
	Receipt No 32 of book No 3 bill-211	30/06/2015	50000	50000	500

Name of the Division	Bill/Voucher No. and date	Dated	Total Bill Amount for calculation of L. Cess	Cess collected	Short-collection of Cess
	Receipt No 40 of book no 3 bill-921	23/09/2020	50000	50000	500
	Receipt No 35 of book no 3 bill-23	25/06/2021	100000	100000	1000
	Receipt No 30 of book no 3 bill-546	17/12/2019	117330	117330	1173.3
	Receipt No 56 of book No 3 bill-517	26/09/2022	199514	199514	1995.14
	Receipt No 60 of book 3 bill-529	26/09/2022	58000	58000	580
	Receipt No 54 of book 8 bill- 417	24/09/2018	59167	59167	591.67
	Receipt No 82 of book 8 bill- 106	13/12/2021	300000	300000	3000
	Receipt No 91 of book 08 bill-165	13/12/2021	800000	800000	8000
	Receipt No 92 of book 08 bill-168	13/12/2021	562800	562800	5628
	Receipt No. Nil of book Nil Vr. No 391	23/03/2022	202276	202276	2022.76
	Receipt No. Nil of book Nil Vr. No 448	26/03/2022	111127	111127	1111.27
	Receipt No 95 of book 8 bill-206	13/12/2021	308520	308520	3085.2
	Receipt No 96 of book 8 bill-209	13/12/2021	590710	590710	5907.1
	Receipt No Nil of book Nil bill- D/bno 142 dtd	22/03/2012	77130	77130	771.3
	Receipt No Nil of book Nil bill- 19	25/09/2019	30000	30000	300
	Receipt No Nil of book Nil bill- 28	26/09/2019	30000	30000	300
	Receipt No Nil of book Nil bill- FF/133	24/09/2019	30000	30000	300
	Receipt No Nil of book Nil bill- 9	25/09/2019	30000	30000	300
	Receipt No Nil of book Nil bill- 8	25/09/2019	30000	30000	300
	Receipt No Nil of book Nil bill- 29	26/09/2019	30000	30000	300
	Receipt No Nil of book Nil bill- S/D 40	22/06/2019	30000	30000	300

Name of the Division	Bill/Voucher No. and date	Dated	Total Bill Amount for calculation of L. Cess	Cess collected	Short-collection of Cess
	Receipt No Nil of book Nil bill- S/D 37	22/06/2019	30000	30000	300
	Receipt No Nil of book Nil bill- S/D 42	22/06/2019	30000	30000	300
	Receipt No Nil of book Nil bill- 130	22/06/2019	30000	30000	300
	Receipt No Nil of book Nil bill- S/D 14	22/06/2019	30000	30000	300
	Receipt No Nil of book Nil bill- FF/14	22/06/2019	30000	30000	300
	Receipt No Nil of book Nil bill-S/D 01	22/06/2019	30000	30000	300
	Receipt No Nil of book Nil bill- S/D 13	22/06/2019	30000	30000	300
	Receipt No Nil of book Nil bill- 16	29/06/2017	30000	30000	300
	Receipt No Nil of book Nil bill- 3	26/09/2019	30000	30000	300
	Receipt No Nil of book Nil bill-S/D 100	20/09/2019	30000	30000	300
	Receipt No Nil of book Nil bill- FF/100	20/09/2019	30000	30000	300
	Receipt No Nil of book Nil bill- FF/13	22/06/2019	30000	30000	300
	Receipt No Nil of book Nil bill- FF/139	24/09/2019	30000	30000	300
	Receipt No Nil of book Nil bill- FF/165	16/12/2019	30000	30000	300
	Receipt No Nil of book Nil bill- FF/165	16/12/2019	30000	30000	300
	Receipt No Nil of book Nil bill- FF/10	24/09/2020	30000	30000	300
	Receipt No Nil of book Nil bill- FF/241	19/03/2020	30000	30000	300
	Receipt No Nil of book Nil bill- FF/1	22/06/2020	30000	30000	300
	Receipt No Nil of book Nil bill- FF/106	24/09/2020	30000	30000	300
	Receipt No Nil of book Nil bill- FF/S 222	29/01/2021	22040	22040	220.4

Name of the Division	Bill/Voucher No. and date	Dated	Total Bill Amount for calculation of L. Cess	Cess collected	Short-collection of Cess
	Receipt No Nil of book Nil bill- FF/111	25/09/2020	30000	30000	300
	Receipt No Nil of book Nil bill- FF/102	26/09/2019	30000	30000	300
	Receipt No Nil of book Nil bill- FF/158	07/12/2020	30000	30000	300
	Receipt No Nil of book Nil bill- FF/159	07/12/2020	80000	80000	800
	Receipt No 24 of book 8 bill- 420	22/09/2015	50000	50000	500
	Receipt No 25 of book 8 bill-138	23/05/2017	80000	80000	800
	Receipt No 26 of book 8 bill- 396	19/06/2017	80000	80000	800
	Receipt No 28 of book 8 bill- 393	19/06/2017	85000	85000	850
	Receipt No 32 of book 8 bill- 754	09/12/2017	50000	50000	500
	Receipt No 22 of book 8 bill- 566	13/09/2017	40000	40000	400
	Receipt No 33 of book 8 bill- 940	29/06/2018	50000	50000	500
	Receipt No 36 of book 8 bill- 495	13/12/2018	50000	50000	500
	Receipt No 34 of book 8 bill- 478	26/09/2018	50000	50000	500
	Receipt No 39 of book 8 bill- 278	17/09/2018	20000	20000	200
	Receipt No 40 of book 8 bill- 70	26/11/2018	88459	88459	884.59
	Receipt No 45 of book 8 bill- 260	26/06/2019	186000	186000	1860
	Receipt No 53 of book 8 bill- 702	30/03/2020	2150000	2150000	21500
	Receipt No 73 of book 8 bill- 1244	27/03/2021	300000	300000	3000
	Receipt No. Nil of book Nil Vr. No 466	26/03/2022	752000	752000	7520
	Receipt No 59 of book 8 bill- 644	26/03/2020	50000	50000	500

Name of the Division	Bill/Voucher No. and date	Dated	Total Bill Amount for calculation of L. Cess	Cess collected	Short-collection of Cess
	Receipt No 60 of book 8 bill- 829	29/06/2020	50000	50000	500
	Receipt No 61 of book 8 bill- 923	23/09/2020	50000	50000	500
	Receipt No 67 of book 08 bill- 1205	20/03/2021	50000	50000	500
	Receipt No 70 of book 8 bill- 505	17/12/2019	63986	63986	639.86
	Receipt No 75 of book 8 bill- 14	25/06/2021	200000	200000	2000
	Receipt No 76 of book 8 bill- 27	28/06/2021	200000	200000	2000
	Receipt No 77 of book 8 bill- 29	25/06/2021	200000	200000	2000
	Receipt No 78 of book 8 bill- 121	13/12/2021	200000	200000	2000
	Receipt No 79 of book 08 bill- 120	13/12/2021	200000	200000	2000
	Receipt No 80 of book 8 Bill-118	13/12/2021	300000	300000	3000
	Receipt No 81 of book 08 Bill-110	13/12/2021	100000	100000	1000
	Receipt No 90 of book 8 bill- 174	13/12/2021	882100	882100	8821
	Receipt No 93 of book 8 bill-191	13/12/2021	951400	951400	9514
	Receipt No 94 of book 8 bill-199	13/12/2021	1023800	1023800	10238
	Receipt No 74 of book 01 bill-129TR	17/12/2021	212000	212000	2120
	Receipt No 76 of book 01 Vr. 467	26/03/2022	1000000	1000000	10000
	Receipt No 73 of book 1 bill- 130TR	17/12/2021	800000	800000	8000
	Receipt No. 68 of book 01 Vr. No 121	03/01/2022	100000	100000	1000
	Receipt No70 of book 01 Vr. No 123	03/01/2022	75000	75000	750
	Receipt No 20 of book 8 bill-559	13/09/2017	40000	40000	400

Name of the Division	Bill/Voucher No. and date	Dated	Total Bill Amount for calculation of L. Cess	Cess collected	Short-collection of Cess	
	Receipt No.69 of book 01 Vr. No 124	03/01/2022	50000	50000	500	
	Receipt No. Nil of book Nil Vr. No 266	23/03/2022	80000	80000	800	
	Receipt No. Nil of book Nil Vr. No 259	23/03/2022	100000	100000	1000	
	Receipt No. Nil of book Nil Vr. No 459	26/03/2022	200000	200000	2000	
	<i>Tura North Division, PWD (Roads)</i>	CC-I/285T	30/03/2017	350062	0	3500.62
	142 of book no 3	30/06/2017	627092	0	6270.92	
	97 of book no 114	30/06/2017	7533339	7533	67800.39	
02 of book 117	22/12/2016	9968800	9969	89719		
01 of book 117	22/12/2016	11500000	11500	103500		
96 of book 125	29/12/2017	16000000	16000	144000		
86 of book 125	22/12/2017	7500000	7500	67500		
98 of book no 114	30/06/2017	2777958	2778	25001.58		
90 of book 125	22/12/2017	10000000	10000	90000		
216 of book 05	30/06/2017	5000000	5000	45000		
EE's w/o no. 82	28/05/2012	1498288	1498	13484.88		
Addl. C.E's No. PW/WZ/CS-11(TN)/Pt-I/2015-16/3	23/04/2015	1497932	1497	13482.32		
81 of book 55	26/09/2017	940060	0	9400.6		
Total					16,10,333	

Appendix 1.2.3
Compensation paid twice to the BOC Workers (having same bank account) on
account of job loss due to Covid-19 pandemic
(Reference: Paragraph 1.2.12.1)

Bank Account No.	IFS Code	Name	District	Registration No.
XXXXXXXX5895	SBIN0RRMEGB	Shri XXXXX Lyngdoh	South West	SWKH-696
XXXXXXXX5895	SBIN0RRMEGB	Smt. XXXXX Syiemlieh	Khasi Hills	SWKH-406
XXXXXXXX2925	SBIN0RRMEGB	Shri XXXXXNongsiej		SWKH-415
XXXXXXXX2925	SBIN0RRMEGB	Smt. XXXXX Shangdiar		SWKH-413
XXXXXXXX3009	SBIN0RRMEGB	Shri XXXXX lawphniaw		SWKH-431
XXXXXXXX3009	SBIN0RRMEGB	Smt. XXXXXSyiemlieh		SWKH-429
XXXXXXXX4310	SBIN0RRMEGB	Shri XXXXX Syiemlieh		SWKH-693
XXXXXXXX4310	SBIN0RRMEGB	Smt. XXXXXKhardewsaw		SWKH-439
XXXXXXXX5427	SBIN0RRMEGB	Shri XXXXXSyiemlieh		SWKH-432
XXXXXXXX5427	SBIN0RRMEGB	Smt. XXXXXShangdiar		SWKH-434
XXXXXXXX8623	SBIN0000198	Shri XXXXX Sangma	West Garo Hills	WGH-4984
XXXXXXXX8623	SBIN0000198	Smt. XXXXX K. Marak		WGH-4991
XXXXXXXX0414	SBIN0005804	Shri. XXXXXHajong	South West	SWG H-2121/21-11-17
XXXXXXXX0414	SBIN0005804	Smt. XXXXXHajong	Garo Hills	SWG H-2102/21-11-17
XXXXXXXX5878	SBIN0009442	Shri XXXXX Sangma	South West	SWKH-513
XXXXXXXX5878	SBIN0009442	Smt. XXXXX Marak	Khasi Hills	SWKH-526
XXXXXXXX5279	SBIN0008738	Shri XXXXXMomin	North Garo Hills	NGH-420
XXXXXXXX5279	SBIN0008738	Smt. XXXXX Marak		NGH-419
XXXXXXXX8668	SBIN0005804	Smt XXXXXHajong	South West	SWG H-1405
XXXXXXXX8668	SBIN0005804	Smt. XXXXXHajong	Garo Hills	SWG H-1404
XXXXXXXX2845	SBIN0009341	Smt XXXXX Hajong		SWG H-2386/17-01-18
XXXXXXXX2845	SBIN0009341	Smt. XXXXXHajong		SWG H-2013/03-11-17
XXXXXXXX9083	SBIN0005737	Shri XXXXX Hajong		SWG H-1216
XXXXXXXX9083	SBIN0005737	Smt. XXXXXHajong		SWG H-1214
XXXXXXXX7037	SBIN0008585	Shri. XXXXX Marak	East Garo Hills	EGH-329
XXXXXXXX7037	SBIN0004822	Smt. XXXXXBanai		1713
XXXXXXXX6387	SBIN0005841	Smt. XXXXX Marak		EGH-1128
XXXXXXXX6387	SBIN0005841	Smt. XXXXX Sangma		EGH-1127
XXXXXXXX0849	YESBOMCA012	Smt. XXXXX Marak		EGH-909
XXXXXXXX0849	YESBOMCA012	Smt. XXXXX Marak		1824
XXXXXXXX0706-6	YESBOMCA009	Shri XXXXXSyiemlieh	West Khasi Hills	2017/WKH-1066
XXXXXXXX0706-6	YESBOMCA009	Smt XXXXXNongkhar		2017/WKH-1067

Appendix 1.3.1
Statement showing Interests Payable Due to Delay in Release of State's Share Beyond 15 Days of Receipt of GoI Share
(Reference: Paragraph 1.3.7)
(Amount in ₹)

Year	Installment	Date of Release by GoI	Date of transfer by State Govt.	Amount transferred	Prevailing Bank Rate of RBI	Delay in days	Interest Payable
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2017-18	First	09-06-2017	05-12-2017	13,50,00,000.00	6.50%	164	39,42,740
	Second	03-08-2017	05-12-2017	13,50,00,000.00	6.50%	109	26,20,479
2018-19	First	05-07-2018	30-11-2018	14,00,00,000.00	6.50%	133	33,15,890
	Second	07-06-2019	20-09-2019	14,00,00,000.00	6.50%	90	22,43,836
2019-20	First	07-01-2020	31-03-2020	29,00,00,000.00	4.65%	69	25,49,219
	Second	Nil	Nil	Nil	Nil	Nil	Nil
2020-21	First	03-04-2020	16-06-2020	20,00,00,000.00	4.65%	59	15,03,288
		03-04-2020	23-12-2020	3,66,00,000.00	4.65%	249	11,61,022
		03-04-2020	08-03-2021	13,00,00,000.00	4.65%	324	53,65,973
2021-22	Second	07-02-2021	27-04-2021	36,66,00,000.00	4.65%	64	29,89,045
	First	29-04-2021	30-06-2021	29,33,00,000.00	4.65%	47	17,56,184
	Second	12-10-2021	29-03-2022	26,40,00,000.00	4.65%	153	51,45,830
		12-10-2021	30-03-2022	2,93,00,000.00	4.65%	154	5,74,842
Total							3,31,68,348

Appendix 1.3.2
Statement Showing Expenditure Incurred on Natural Calamities which are not notified
(Reference: Paragraph 1.3.11.2)

Sl. No.	Sanction Order & Date	Date of occurrence	Name of Natural Calamity for which sanctioned	Amount (in ₹)	Expenditure as per UC	Nature of expenditure	No of beneficiaries
1.	RDG.233/2016/123 dt. 05.07.2017	21.07.2016	Heavy rainfall	39,60,320	32,91,880	Crop	872
2.	RDG.200/2017/134 dt. 16.06.2018	11.08.2017	Heavy rainfall	94,21,060	89,53,220	Crop	225
3.	RDG.46/2016/376 dt. 31.08.2018	16.06.2015, 17.04.2016, 30.04.2016, 16.05.2016 & 24.05.2016	Speedy wind	50,800	50,800	Houses	14
4.	RDG.46/2016/372 dt. 31.08.2018	03.10.2017	Thunder squall	1,01,900	1,01,900	House	1
5.	RDG.84/2018/53 dt. 31.08.2018	08.04.2017	Speedy wind	47,940	47,940	Crops	15
6.	RDG.68/2017/89 dt. 31.08.2018	13.04.2018	Strong wind	3,200	3,200	House	1
7.	RDG.94/2017/51 dt. 31.08.2018	04.04.2017 & 08.04.2017	Strong wind	2,10,200	2,10,200	Houses	4
8.	RDG.104/2018-A/76 dt. 31.08.2018	16.04.2018	Hailstone	10,68,280	10,68,280	Crops	286
9.	RDG.104/2016/141 dt. 04.12.2018	17.05.2017, 10.06.2017 & 12.06.2017	Heavy rainfall	87,040	60,520	Crops	15
10.	RDG.103/2018/50 dt. 04.12.2018	2018	Thunder squall	1,50,000	1,50,000	School	1
11.	RDG.104/2016/140 dt. 04.12.2018	21.10.2017	Heavy rainfall	8,64,960	7,88,120	Crops	291
12.	RDG.233/2016/313 dt. 04.12.2018	20.10.2017 & 21.10.2017	Heavy rainfall	1,98,94,760	1,91,69,200	Crop	3,918
13.	RDG.58/2018/142 dt. 29.04.2019	2017-18	Heavy rainfall	99,46,800	UC not received	UC not received	UC not received
14.	RDG.184/2018/27 dt. 29.04.2019	2018	Hailstone	2,91,740	1,89,135	Crops	749
15.	RDG.32/2019/25 dt. 19.08.2019	10.08.2018	Heavy rainfall	1,00,000	1,00,000	Community Assets	-
16.	RDG.118/2020/18 dt.19.01.2021	October 2020	Heavy rainfall	16,800	16,800	House	4
17.	RDG.79/2020/110 dt.19.01.2021	October 2019	Heavy rainfall	15,45,640	15,45,640	Crop	366

Sl. No.	Sanction Order & Date	Date of occurrence	Name of Natural Calamity for which sanctioned	Amount (in ₹)	Expenditure as per UC	Nature of expenditure	No of beneficiaries
18.	RDG.138/2018/236 dt. 19.01.2021	03.06.2020	Heavy rainfall	1,65,600	1,65,600	Boat	31
19.	RDG.132/2020/208 dt. 19.07.2021	05.06.2021 & 06.06.2021	Heavy rainfall	20,24,360	20,24,360	Crop	596
20.	RDG.185/2018/132 dt. 20.01.2021	2020	Strong wind	2,19,800	UC not received	UC not received	UC not received
21.	RDG.24/2021/43 dt. 08.07.2021	26.05.2020	Heavy rainfall	15,27,212	15,27,212	Crop	1,146
22.	RDG.22/2021/139 dt. 08.07.2021	23.09.2020	Heavy rainfall	1,80,66,784	1,80,66,784	Crop	4,039
23.	RDG.121/2020/905 dt. 08.07.2021	26.05.2020	Heavy rainfall	3,03,144	3,03,144	Crop	56
24.	RDG.2/2020/304 dt. 09.07.2021	2020 & 2021	Heavy rainfall	22,43,524	UC not received	UC not received	UC not received
25.	RDG.8/2021/49 dt. 26.07.2021	2020	Heavy rainfall, Strong wind	1,08,460	UC not received	UC not received	UC not received
26.	RDG.4/2021/72 dt. 26.07.2021	2020	Heavy rainfall	16,33,600	UC not received	UC not received	UC not received
27.	RDG.179/2020/40 dt. 18.01.2022	20.05.2020	Heavy rainfall	90,69,160	90,69,160	Crop	2,356
Total				8,31,23,084	8,10,25,279		14,986

Appendix 1.3.3
Statement showing beneficiaries whose names were not in Proposal List under
BDO Bajengdoba, Resubelpara, North Garo Hills
(Reference: Paragraph 1.3.12.1)

SL NO	NAME OF BENEFICIARY	ACCOUNT NUMBER	AMOUNT IN ₹
1	XXXXXX MARAK	XXXXXXXX3398	3,200
2	XXXXXX MARAK	XXXXXXXX6590	3,200
3	XXXXXX N SANGMA	XXXXXXXX9553	3,200
4	XXXXXX MARAK	XXXXXXXX6102	3,200
5	XXXXXX MARAK	XXXXXXXX1479	3,200
6	XXXXXX MOMIN	XXXXXXXX5472	3,200
7	XXXXXX MOMIN	XXXXXXXX9339	1,01,900
8	XXXXXX MARAK	XXXXXXXX2936	3,200
9	XXXXXX MARAK	XXXXXXXX0075	3,200
10	XXXXXX MARAK	XXXXXXXX4541	3,200
11	XXXXXX B MARAK	XXXXXXXX8141	3,200
12	XXXXXX MARAK	XXXXXXXX1308	3,200
13	XXXXXX D SANGMA	XXXXXXXX0342	3,200
14	XXXXXX M MARAK	XXXXXXXX5820	3,200
15	XXXXXX SANGMA	XXXXXXXX8879	5,200
16	XXXXXX MARAK	XXXXXXXX4497	3,200
17	XXXXXX SANGMA	XXXXXXXX9152	3,200
18	XXXXXX MARAK	XXXXXXXX1292	1,01,900
19	XXXXXX SANGMA	XXXXXXXX9366	3,200
20	XXXXXX SHIRA	XXXXXXXX5315	1,01,900
21	XXXXXX MARAK	XXXXXXXX7203	95100
			1,01,900
22	XXXXXX SANGMA	XXXXXXXX5666	4,100
23	XXXXXX SANGMA	XXXXXXXX2284	95,100
24	XXXXXX SANGMA	XXXXXXXX0585	3,200
25	XXXXXX T SANGMA	XXXXXXXX7842	1,01,900
26	XXXXXX D MOMIN	XXXXXXXX6111	1,01,900
Total			8,65,300

Appendix 1.4.1
Selected Districts, Blocks, CHCs and PHCs covered under Audit
(Reference: Paragraph 1.4.2)

Sl. No.	Name of the District	Name of the Block	Name of the CHC selected	Name of the PHC selected	Remarks
1.	East Khasi Hills	Myllem	Mawiong CHC	Mawroh PHC	-
		Mawphlang	Mawphlang CHC	Weilyngkut PHC	-
2.	Ri-Bhoi	Umling	-	Marngar PHC	No CHC is available in the block.
		Umsning	Umsning CHC	Umtraï PHC	-
		Jirang	Patharkmah CHC	-	-
3.	West Jaintia Hills	Amlarem	Nongtalang CHC	Jarain PHC	-
		Thadlaskein	Ummulong CHC	Khliehtyrshi PHC	
4.	West Garo Hills	Selsella	Selsella CHC	Jeldupara PHC	-
		Dalu	Allagre CHC	Kherapara PHC	-

Appendix 1.4.2
List of 19 Private Health facilities running without a valid license
(Reference: Paragraph 1.4.4.2)

Sl. No.	Name of the Private Health Facility	Name of the District	Date of Joint Physical Verification
1	Brightwell Clinic, barik, Shillong	East Khasi Hills	26 August 2022
2	NE Diagnostic Centre, Malki, Shillong		
3	C.P Lab, Jail Road, Shillong		
4	Merida Diagnostic Lab, Jail Road, Shillong		
5	Eye Care and Contact Lens, Police Bazar, Shillong		
6	M.K Diagnostic Centre, Fire Brigade, Shillong		
7	Shillong Heart Clinic, near Bethany Hospital, Shillong		
8	Bethany Hospital, Ri-Bhoi (operating since 2014)	Ri-Bhoi	08 September 2022
9	Ri-Bhoi Pharmacy (operating since 1993)		
10	Syngkli Pharmacy (operating since 2018)		
11	Doctor's Clinic, Nongpoh (operating since 2016)		
12	Tura Christian Hospital (operating since 1918)	West Garo Hills	20 September 2022
13	Geriatric Clinic (operating since 2021)		
14	Donear Pharmacy (operating since 2010)		
15	Tura Metro Pharmacy (operating since 2021)		
16	City Medi Clinic & Laboratory (operating since 2013)		
17	Florence total Women & Maternity Care cum Diagnostic Centre	West Jaintia Hills	07 October 2022
18	Endo Clinic		
19	Joda-el-clinic		

Appendix 1.4.3
Shortage of Equipment in the Selected CHCs
(Reference: Paragraph 1.4.5.2(D))

Sl. No.	Name of the CHC	Shortage (%)													
		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV
1	Mawiong CHC	12 (37%)	33 (100%)	3 (16%)	4 (24%)	5 (42%)	16 (100%)	21 (100%)	6 (55%)	17 (100%)	12 (48%)	15 (100%)	7 (54%)	2 (11%)	4 (100%)
2	Mawphlang CHC	26 (81%)	26 (79%)	9 (47%)	12 (71%)	1 (8%)	13 (81%)	20 (95%)	8 (73%)	15 (88%)	14 (56%)	15 (100%)	13 (100%)	1 (5%)	2 (50%)
3	Umsning CHC	20 (37%)	33 (100%)	7 (37%)	13 (76%)	5 (42%)	10 (62%)	21 (100%)	7 (64%)	17 (100%)	15 (60%)	15 (100%)	13 (100%)	2 (11%)	2 (50%)
4	Patharkhmah CHC	24 (75%)	31 (94%)	10 (53%)	15 (88%)	5 (42%)	9 (56%)	21 (100%)	9 (82%)	17 (100%)	14 (56%)	15 (100%)	13 (100%)	2 (11%)	4 (100%)
5	Selsella CHC	20 (37%)	21 (64%)	4 (21%)	10 (59%)	2 (17%)	9 (56%)	11 (52%)	2 (18%)	17 (100%)	12 (48%)	15 (100%)	13 (100%)	3 (16%)	1 (75%)
6	Allagre CHC	32 (100%)	33 (100%)	8 (42%)	17 (100%)	12 (100%)	16 (100%)	21 (100%)	11 (100%)	17 (100%)	10 (40%)	15 (100%)	13 (100%)	4 (21%)	2 (50%)
7	Ummulong CHC	18 (56%)	27 (81%)	4 (21%)	15 (88%)	2 (17%)	11 (69%)	21 (100%)	9 (82%)	17 (100%)	17 (68%)	15 (100%)	13 (100%)	4 (21%)	3 (75%)
8	Nongtalang CHC	14 (44%)	29 (88%)	4 (21%)	6 (35%)	4 (33%)	11 (69%)	21 (100%)	5 (45%)	17 (100%)	14 (56%)	15 (100%)	13 (100%)	4 (21%)	2 (50%)
	Average	21 (66%)	29 (88%)	6 (32%)	12 (71%)	4 (33%)	12 (75%)	20 (95%)	7 (64%)	17 (100%)	14 (56%)	15 (100%)	12 (92%)	3 (16%)	3 (75%)

Appendix 3.2.1
Actual status of implementation of devolved function to the MBs
(Reference: Paragraph 3.2.5)

Sl. No.	Functions	Name of MB	MB-wise status of implementation of devolved functions
Functions which the MBs are implementing			
1	Public health, sanitation conservancy and solid waste management	Shillong MB	SMB is implementing this function and has dedicated manpower.
		Jowai MB	JMB is implementing this function and has dedicated manpower.
		Tura MB	TMB is implementing this function.
		Williamnagar MB	WMB is implementing this function and has dedicated manpower.
		Resubelpara MB	RMB is implementing this function.
		Baghmara MB	BMB is implementing this function and has dedicated manpower.
2	Urban poverty alleviation	Shillong MB	SMB has a dedicated Urban Poverty Alleviation cell with dedicated manpower.
		Jowai MB	JMB has dedicated manpower to implement the NULM ³⁸ scheme.
		Tura MB	TMB is implementing this function and has dedicated manpower.
		Williamnagar MB	WMB has dedicated manpower to implement the NULM scheme.
		Resubelpara MB	RMB is implementing this function and has dedicated manpower.
		Baghmara MB	The MB has dedicated manpower to implement the NULM scheme.
3	Vital statistics including birth and deaths	Shillong MB	SMB is implementing this function and has dedicated manpower.
		Jowai MB	JMB is implementing this function
		Tura MB	TMB is implementing this function and has dedicated manpower.
		Williamnagar MB	WMB has no role in this function. Birth & Death records are maintained by all the hospitals in Williamnagar.
		Resubelpara MB	RMB is implementing this function.
		Baghmara MB	BMB implementing this function and has dedicated manpower.
Functions where some MBs have overlapping jurisdiction with State Government Departments			
4	Roads and bridges	Shillong MB	It has no role in this function.
		Jowai MB	This function is partially implemented by JMB, and overlaps with PWD.
		Tura MB	This function is partially implemented by TMB, and overlaps with PWD.
		Williamnagar MB	This function is partially implemented by WMB, and overlaps with PWD.
		Resubelpara MB	This function is partially implemented by RMB, and overlaps with PWD.
		Baghmara MB	It has no role in this function.

Sl. No.	Functions	Name of MB	MB-wise status of implementation of devolved functions
5	Water supply for domestic, industrial and commercial purposes	Shillong MB	This function is partially implemented by SMB, and overlaps with PHE Department
		Jowai MB	JMB has no role in this function
		Tura MB	TMB has no role in this function
		Williamnagar MB	WMB has no role in this function.
		Resubelpara MB	RMB has no role in this function
		Baghmara MB	It has no role in this function
6	Public amenities including street lighting, parking lots, bus stops and public conveniences	Shillong MB	This function is partially implemented by SMB, and overlaps with Meghalaya Power Distribution Corporation Limited (MePDCL), Meghalaya Non Renewable Energy Development Agency Department (MNREDA) and Meghalaya Urban Development Authority (MUDA).
		Jowai MB	JMB has no role in this function
		Tura MB	This function is partially implemented by TMB, and overlaps with MePDCL and PWD.
		Williamnagar MB	This function is partially implemented by WMB, and overlaps with MePDCL and PWD.
		Resubelpara MB	This function is partially implemented by RMB, and overlaps with MePDCL and PWD.
		Baghmara MB	Reply was not furnished.
Functions where the MBs have no role			
7.	Urban planning including town planning	Shillong MB (SMB)	SMB has no role in this function
		Jowai MB (JMB)	JMB has no role in this function
		Tura MB (TMB)	TMB has no role in this function
		Williamnagar MB (WMB)	WMB has no role in this function
		Resubelpara MB (RMB)	RMB has no role in this function
		Baghmara MB (BMB)	BMB has no role in this function
8.	Regulation of land-use and construction of buildings	Shillong MB	It has no role in this function
		Jowai MB	JMB has no role in this function
		Tura MB	TMB has no role in this function
		Williamnagar MB	WMB has no role in this function
		Resubelpara MB	RMB has no role in this function
		Baghmara MB	It has no role in this function
9.	Planning for economic and social development	Shillong MB	It has no role in this function
		Jowai MB	JMB has no role in this function
		Tura MB	TMB has no role in this function
		Williamnagar MB	WMB has no role in this function
		Resubelpara MB	RMB has no role in this function
		Baghmara MB	Reply was not furnished
10.	Safeguarding the interests of weaker sections of society including handicapped and mentally retarded	Shillong MB	It has no role in this function except for operating of a night shelter for homeless people, for which the staff from Urban Poverty Alleviation Cell are utilised.
		Jowai MB	JMB has no role in this function
		Tura MB	TMB has no role in this function
		Williamnagar MB	WMB has no role in this function
		Resubelpara MB	RMB has no role in this function
		Baghmara MB	BMB has no role in this function

Sl. No.	Functions	Name of MB	MB-wise status of implementation of devolved functions
11.	Slum improvement and upgradation	Shillong MB	SMB has no role in this function
		Jowai MB	JMB has no role in this function
		Tura MB	TMB has no role in this function
		Williamnagar MB	WMB has no role in this function
		Resubelpara MB	RMB has no role in this function
		Baghmara MB	It has no role in this function
12.	Provision of urban amenities and facilities such as parks, gardens and playgrounds	Shillong MB	SMB has no role in this function except for small parks/gardens created under AMRUT.
		Jowai MB	JMB has no role in this function
		Tura MB	TMB has no role in this function
		Williamnagar MB	WMB has no role in this function
		Resubelpara MB	RMB has no role in this function
		Baghmara MB	It has no role in this function
13.	Promotion of cultural, educational and aesthetic aspects	Shillong MB	It has no role in this function
		Jowai MB	JMB has no role in this function
		Tura MB	TMB has no role in this function
		Williamnagar MB	WMB has no role in this function
		Resubelpara MB	RMB has no role in this function
		Baghmara MB	BMB has no role in this function
14.	Burials and burial grounds; cremations, cremation grounds, and electric crematoriums	Shillong MB	It has no role in this function
		Jowai MB	JMB has no role in this function
		Tura MB	TMB has no role in this function
		Williamnagar MB	WMB has no role in this function
		Resubelpara MB	RMB has no role in this function
		Baghmara MB	BMB has no role in this function
15.	Cattle pounds, prevention of cruelty to animals	Shillong MB	It has no role in this function
		Jowai MB	JMB has no role in this function
		Tura MB	TMB has no role in this function
		Williamnagar MB	WMB has no role in this function
		Resubelpara MB	RMB has no role in this function
		Baghmara MB	BMB has no role in this function
16.	Regulation of slaughterhouses and tanneries.	Shillong MB	SMB has no role in this function but only issues licenses to the slaughterhouses and tanneries. Animal Husbandry & Veterinary Department and Meghalaya State Pollution Control Board (MSPCB) are primarily responsible for these functions.
		Jowai MB	JMB has no role in this function
		Tura MB	TMB has no role in this function
		Williamnagar MB	WMB has no role in this function
		Resubelpara MB	RMB has no role in this function
		Baghmara MB	It has no role in this function

Appendix 3.2.2
Submission of Annual Budget by the MBs to the Director, UAD for the years 2018-19 to 2022-23
(Reference: Paragraph 3.2.8.1)

MB	2018-19		2019-20		2020-21		2021-22		2022-23	
	Date of submission	Delay in months								
Shillong	03.04.2018	2	17.06.2019	4	-	-	06.04.2021	2	29.04.2022	2
Jowai	22.03.2018	1	27.06.2019	4	22.11.2019	No delay	20.04.2021	2	21.04.2022	2
Tura	14.08.2018	6	02.08.2019	6	07.07.2020	5	31.03.2021	2	09.12.2021	No delay
Williamnagar	07.06.2018	4	31.05.2019	3	-	-	05.02.2021	5 days	15.03.2022	1
Resube para	-	-	02.07.2019	5	13.01.2020	No delay	06.10.2021	8	-	-
Baghmara	14.11.2017	No delay	-	-	-	-	28.06.2021	4	08.03.2022	1

Source: Information furnished by the Director, UAD.

Appendix 4.1.1
Summarised financial position and working results of Government Companies and Statutory Corporations as per their latest finalised accounts as on 30 September 2023
(Reference: Paragraph 4.1.7.4)

(Figures in columns (5) to (11) are ₹ in crore)

Sl. No.	Sector/Name of the SPSE	Period of Accounts	Year in which accounts finalised	Paid-up capital	Loans outstanding at the end of year	Accumulated profit (+)/ loss(-)	Turnover	Net profit (+)/loss (-)	Capital employed	Return on capital employed	Percentage of return on capital employed
1	2	3	4	5	6	7	8	9	10	11	12
A. WORKING COMPANIES											
AGRICULTURE AND ALLIED											
1	Forest Development Corporation of Meghalaya Limited	2018-19	2023-24	1.97	0	-0.23	1.02	-0.52	1.74	-0.52	-29.89
	Sector Wise Total			1.97	0.00	-0.23	1.02	-0.52	1.74	-0.52	-29.89
INFRASTRUCTURE											
2	Meghalaya Industrial Development Corporation Limited	2020-21	2023-24	157.94	0	-53.80	0.23	-0.74	104.84	-0.74	-0.71
3	Meghalaya Government Construction Corporation Limited	2021-22	2023-24	3.75	0	-29.91	87.54	-3.62	-26.16	-3.62	Not workable
4	Meghalaya Infrastructure Development and Finance Corporation Limited	2020-21	2022-23	1.00	0	-5.52	0	-4.03	-4.52	-4.03	Not workable
5	Meghalaya Infotech Consultancy and Innovation Limited	2021-22	2023-24	0.15	0	-0.02	0	-0.02	0.13	-0.02	-15.38
	Sector Wise Total			162.84	0.00	-89.25	87.77	-8.41	74.29	-8.41	-11.32
MANUFACTURING											
6	MawmluhCherra Cement Limited	2019-20	2021-22	197.51	147.53	-272.84	32.80	-38.04	72.20	-25.44	-35.24
7	Meghalaya Mineral Development Corporation Limited	2021-22	2023-24	2.32	0	-6.32	0	0.03	-4.00	0.03	Not workable
	Sector Wise Total			199.83	147.53	-279.16	32.80	-38.01	68.20	-25.41	-37.26

Sl. No.	Sector/Name of the SPSE	Period of Accounts	Year in which accounts finalised	Paid-up capital	Loans outstanding at the end of year	Accumulated profit (+)/ loss(-)	Turnover	Net profit (+)/loss (-)	Capital employed	Return on capital employed	Percentage of return on capital employed
POWER											
8	Meghalaya Energy Corporation Limited	2021-22	2023-24	2214.12	389.30	-321.26	0.00	-65.28	2282.16	-14.45	-0.63
9	Meghalaya Power Generation Corporation Limited	2021-22	2023-24	925.36	996.92	-733.86	144.50	-218.34	1188.42	-108.50	-9.13
10	Meghalaya Power Distribution Corporation Limited	2021-22	2023-24	859.26	1623.40	-2627.66	1099.25	-152.83	-145.00	-10.24	Not workable
11	Meghalaya Power Transmission Corporation Limited	2021-22	2023-24	425.59	43.84	-167.67	56.55	-81.79	301.76	-75.36	-24.97
	Sector Wise Total			4424.33	3053.46	-3850.45	1300.30	-518.24	3627.34	-208.55	-5.75
SERVICE											
12	Meghalaya Tourism Development Corporation Limited	2018-19	2020-21	7.96	8.35	-8.42	19.67	1.18	7.89	1.75	17.87
	Sector Wise Total			7.96	8.35	-8.42	19.67	1.18	7.89	1.75	17.87
MICELLANEOUS											
13	Meghalaya Handloom & Handicrafts Development Corporation Limited	2021-22	2023-24	6.16	0.39	-5.34	0.10	-0.45	1.21	-0.45	-37.19
14	Meghalaya Basin Management Agency	2021-22	2023-24	0.05	0	0	0	0	0.05	0	0.00
15	Shillong Smart City Limited	2021-22	2023-24	0.10	0	0.33	0	-0.02	0.43	-0.02	-4.65
16	Meghalayan Age Limited	2020-21	2023-24	1.00	0	-2.17	0	-2.17	2.83	-2.17	-76.68
17	Livelihood Improvement Finance Company of Meghalaya	2017-18									
	Sector Wise Total			7.31	0.39	-7.18	0.10	-2.64	4.52	-2.64	-58.41
	Total A (All sector wise working Government Companies)			4804.24	3209.73	-4234.69	1441.66	-566.64	3783.98	-243.78	-6.44
No accounts submitted after becoming (2018-19) a Government company.											

Sl. No.	Sector/Name of the SPSE	Period of Accounts	Year in which accounts finalised	Paid-up capital	Loans outstanding at the end of year	Accumulated profit (+)/ loss(-)	Turnover	Net profit (+)/loss (-)	Capital employed	Return on capital employed	Percentage of return on capital employed
B. WORKING STATUTORY CORPORATIONS											
SERVICE											
18	Meghalaya Transport Corporation	2015-16	2020-21	93.05	0	-106.69	4.88	-4.43	-13.64	-4.43	Not workable
	Sector Wise Total			93.05	0.00	-106.69	4.88	-4.43	-13.64	-4.43	32.48
MISCELLANEOUS											
19	Meghalaya State Warehousing Corporation	2022-23	2023-24	6.07	0.00	1.37	1.18	0.40	7.44	0.40	5.38
	Sector Wise Total			6.07	0.00	1.37	1.18	0.40	7.44	0.40	5.38
	Total B (All sector wise working Statutory Corporation)			99.12	0.00	-105.32	6.06	-4.03	-6.20	-4.03	Not workable
	Total A+B (All sector wise working SPSE)			4903.36	3209.73	-4340.01	1447.72	-570.67	3777.78	-247.81	-6.56
C. NON-WORKING COMPANIES											
MANUFACTURING											
20	Meghalaya Electronics Development Corporation Limited	2021-22	2023-24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sector Wise Total			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AGRCULTURE AND ALLIED											
21	Meghalaya Bamboo Chips Limited	2022-23	2023-24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sector Wise Total			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total C (All sector wise non working Government Companies)			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Grand Total (A+B+C)			4903.36	3209.73	-4340.01	1447.72	-570.67	3777.78	-247.81	-6.56

NB:

- Earnings before Interest and Tax (EBIT)** has been derived by adding back the Interest and Tax Expenses to the 'Net Profit/Loss for the year' as reported in the Profit and Loss Account.
- Networth** means the sum total of the paid-up share capital and free reserves and surplus less accumulated loss and deferred revenue expenditure. Free reserves mean all reserve created out of profits but do not include committed reserves, reserves created out of revaluation of assets and write back of depreciation provision.

3. **Capital Employed** represents Shareholders' Fund *plus* Long Term Borrowings where, Shareholders Fund represents 'Paid up Share Capital *plus* Free Reserves and Surplus *minus* Accumulated Loss *minus* Deferred Revenue Expenditure.
4. **Return on Capital Employed** depicts the EBIT as a percentage of the Capital Employed.
5. The **paid up capital** of SPSEs included 'share application money pending allotment'.
6. Two SPSEs (serial no. 2 and 16) had 'Free Reserves' of ₹ 0.70 crore (Meghalaya Industrial Development Corporation Limited) and ₹ 4.00 crore (Meghalayan Age Limited) respectively.
7. EBIT in respect of SPSE at serial no. A12 (Meghalaya Tourism Development Corporation Limited) has been arrived at after adding back the Tax (0.34 crore) and Interest on long term loans (₹ 0.23 crore) to the Net Profit (₹ 1.18 crore).
8. SPSE at serial no A14 (Meghalaya Basin Management Agency), a 'no profit no loss' Company was engaged in implementing livelihood schemes funded through Grants received from International Fund for Agricultural Development (IFAD) and Work Bank routed through GoI and GoM along with State Government (GoM) share. The SPSE books these grants under Long Term Liabilities and recoups the annual scheme expenditure from said funds/grants (Long Term Liabilities). Hence, all the figures against this SPSE (other than Equity Capital) are 'nil'.
9. SPSE at serial no. A17 (incorporated in May 2009) had not submitted its Accounts since it was covered (2018-19) under the definition of a Government company.

Appendix-4.1.2
Statement showing Rate of Real Return on Government Investment
(Reference: Paragraph 4.1.9)

Financial Year	Present Value of total investment at the beginning of the year	Equity infused by the State Government during the year (<i>less disinvestments</i>)	Net interest free loan given by the State Government during the year	Grants/subsidies given by the State government for operational and administrative expenditure	Total investment during the year	Total investment at the end of the year	Average rate of interest	Present value of total investment at the end of the year	Minimum expected return to recover cost of funds for the year	Total earnings/profit after tax (PAT) for the year*
Upto 2012-13**	-	2136.62	0.00	62.33	2198.95	2198.95	6.24	2336.16	137.21	-82.08
2013-14	2336.16	89.56	0.00	100.52	190.08	2526.24	6.61	2693.23	166.98	-128.11
2014-15	2693.23	164.38	0.00	165.39	329.77	3023.00	6.22	3211.03	188.03	-221.84
2015-16	3211.03	3.31	0.00	25.02	28.33	3239.36	6.70	3456.40	217.04	-390.16
2016-17	3456.40	38.90	0.00	97.12	136.02	3592.42	6.47	3824.85	232.43	-266.93
2017-18	3824.85	90.47	0.00	115.52	205.99	4030.84	6.40	4288.81	257.97	-410.83
2018-19	4288.81	31.19	0.00	222.31	253.50	4542.31	7.47	4881.62	339.31	-419.16
2019-20	4881.62	135.65	0.00	125.30	260.95	5142.57	7.77	5542.15	399.58	-514.75
2020-21	5542.15	31.26	0.00	204.00	235.26	5777.41	7.47	6208.98	431.57	-553.87
2021-22	6208.98	13.43	0.00	503.58	517.01	6725.99	7.30	7216.99	491.00	-723.52
2022-23	7216.99	571.77	0.00	793.67	1371.44	8588.43	6.56	9151.83	563.40	-570.67
		3,312.54		2,414.76	5,727.30	49,387.51				

**These are cumulative figures upto 2012-13 for columns C, D, F and H

Year	Total Earnings/Loss in 2022-23	Investment by the State Government as per total of the column H above	Return on State Government investment on the basis of historical value (<i>per cent</i>)	Present value of State Government investment at the end of 2022-23	Real return on State Government investment considering the present value of investments (<i>per cent</i>)	
					A	B
2022-23	-570.67	5727.30	-9.96	9151.83		-6.24

Appendix 4.2.1
Statement showing details of Buses under Repair & Maintenance as on 31 March 2023
(Reference: Paragraph 4.2.2.2)

Sl. No	Vehicle Number	Date of placement on road	Age profile of buses as on 31 March 2023	Status of Repair/ Maintenance	Time taken for repair/ maintenance (in months)
1	ML 03 0161	Jan-05	18 years and 2 months	Under repair from 29.06.2019 to 28.02.2020	51
2	ML 03 0162	Jan-05	18 years and 2 months	Put under repair during 2022-23	NA
3	ML 03 0168	June-07	15 years and 9 months	Put under repair during 2022-23	NA
4	ML 03 0183	Sept-12	11 years and 2 months	Put under repair during 2022-23	NA
5	ML 03 0187	Nov-12	11 years and 4 months	Under repair at Hailakandi, Shut down on 25.05.2019	46
6	ML 03 0191	Nov-12	11 years and 4 months	Under repair under CWS, Shut down w.e.f. 08.02.2021	25
7	ML 03 0192	Nov-12	11 years and 4 months	Under repair under CWS, Shut down w.e.f. 06.08.2019	43
8	ML 03 0193	Nov-12	11 years and 4 months	Shut down at CWS w.e.f. 22.01.2018	62
9	ML 03 0201	Nov-12	11 years and 4 months	Under repair, Shut down on 16.10.2019	41
10	ML 03 0202	Nov-12	11 years and 4 months	Put under repair during 2022-23	NA
11	ML 03 0204	Nov-14	9 years and 4 months	Under repair at CWS, Shut down w.e.f. 13.11.2021	16
12	ML 03 0207	Nov-14	9 years and 4 months	Shut down at CWS on 10.03.2018	60

Appendix 4.2.2

Statement showing details of rent recoverable from the tenants due to under-enhancement of rates of rent during the period from April 2016 to November 2021
(Reference: Paragraph 4.2.2.3)

(Amount in ₹)

Sl. No.	Name of The Tenant	Room No./ Building No./ Location	Rate fixed by DC effective from 01 April 2011	Monthly Rent due after increase by 20% w.e.f April 2016	Total amount of Rent from April 2016 to June 2017 incl Service Tax* (15 months)	Total amount of Rent from July 2017 to March 2021 incl GST** (45 months)	Monthly Rent due after further increase by 20% w.e.f April 2021	Total amount of Rent from April 2021 to December 2021 incl GST (9 months)	Total amount of rent from 01 April 2016 to December 2021	Monthly Rent fixed by MTC (inclusive of Taxes)	Total amount of Rent from April 2016 to December 2021 (69 months)	Difference
1	2	3	4	5 = (120% of 4)	6 = (5*15 months)	7 = (5*45 months)	8 = (120% of 5)	9 (8*9 months)	10= (6+7+9)	11	12 (11*69 months)	13 = (10-12)
1	Smt. Shobha Choudhury	1	4,987	5,984.40	1,03,230.90	3,17,771.64	7,181.28	76,265.19	4,97,267.73	6,133	4,23,177	74,090.73
2	Smt. Khrishna Chakraborty	1(a)	3,534	4,240.80	73,153.80	2,25,186.48	5,088.96	54,044.76	3,52,385.04	4,347	2,99,943	52,442.04
3	Shri. Rahul Chaudhury	2	4,987	5,984.40	1,03,230.90	3,17,771.64	7,181.28	76,265.19	4,97,267.73	6,133	4,23,177	74,090.73
4	Shri. K.B. Das	3	4,987	5,984.40	1,03,230.90	3,17,771.64	7,181.28	76,265.19	4,97,267.73	6,133	4,23,177	74,090.73
5	Smt. Georgina R. Marbaniang	4	4,987	5,984.40	1,03,230.90	3,17,771.64	7,181.28	76,265.19	4,97,267.73	6,133	4,23,177	74,090.73
6	Shri. S.R. Sen	5	4,987	5,984.40	1,03,230.90	3,17,771.64	7,181.28	76,265.19	4,97,267.73	6,133	4,23,177	74,090.73
7	Smt. Nirey Thangkhiew	R/Space	3,363	4,035.60	69,614.10	2,14,290.36	4,842.72	51,429.69	3,35,334.15	4,136	2,85,384	49,950.15
8	Shri. Surjit Kr Dey	10	3,167	3,800.40	65,556.90	2,01,801.24	4,560.48	48,432.30	3,15,790.44	3,895	2,68,755	47,035.44
9	Smt. Guddi Sharma	1(Back space)	3,620	4,344.00	74,934.00	2,30,666.40	5,212.80	55,359.94	3,60,960.34	4,453	3,07,257	53,703.34
10	Shri. S Baidya	2(Back space)	4,147	4,976.40	85,842.90	2,64,246.84	5,971.68	63,419.24	4,13,508.98	5,100	3,51,900	61,608.98
11	Shri. Jayanta Kr Deb	3(Back space)	4,147	4,976.40	85,842.90	2,64,246.84	5,971.68	63,419.24	4,13,508.98	5,100	3,51,900	61,608.98
12	Shri. Bidyut Roy	4(B/Space)	4,016	4,819.20	83,131.20	2,55,899.52	5,783.04	61,415.88	4,00,446.60	4,949	3,41,481	58,965.60
13	Smt. Almo Parisha Syiem	5(Back Space)	3,924	4,708.80	81,226.80	2,50,037.28	5,650.56	60,008.95	3,91,273.03	4,675	3,22,575	68,698.03
14	M/s Decora Stelage	6(B/Space)	4,094	4,912.80	84,745.80	2,60,869.68	5,895.36	62,608.72	4,08,224.20	5,036	3,47,484	60,740.20
15	Shri Manoj Sakrani	7(B/Space)	4,094	4,912.80	84,745.80	2,60,869.68	5,895.36	62,608.72	4,08,224.20	5,036	3,47,484	60,740.20

Sl. No.	Name of The Tenant	Room No./ Building No./ Location	Rate fixed by DC effective from 01 April 2011	Monthly Rent due after increase by 20% w.e.f April 2016	Total amount of Rent from April 2016 to June 2017 incl Service Tax* (15 months)	Total amount of Rent from July 2017 to March 2021 incl GST** (45 months)	Monthly Rent due after further increase by 20% w.e.f April 2021	Total amount of Rent from April 2021 to December 2021 incl GST (9 months)	Total amount of rent from 01 April 2016 to December 2021	Monthly Rent fixed by MTC (inclusive of Taxes)	Total amount of Rent from April 2016 to December 2021 (69 months)	Difference
1	2	3	4	5 = (120% of 4)	6 = (5*15 months)	7 = (5*45 months)	8 = (120% of 5)	9 (8*9 months)	10 = (6+7+9)	11	12 (11*69 months)	13 = (10-12)
16	Shri. Sanjay Das Gupta	8(B/Space)	4,122	4,946.40	85,325.40	2,62,653.84	5,935.68	63,036.92	4,11,016.16	5,058	3,49,002	62,014.16
17	Shri. M Chakraborty	9 (B/Spave)	5,085	6,102.00	1,05,259.50	3,24,016.20	7,322.40	77,763.89	5,07,039.59	6,254	4,31,526	75,513.59
18	Smt. Chanta Bhattacharjee	Open Space	3,699	4,438.80	76,569.30	2,35,700.28	5,326.56	56,568.07	3,68,837.65	4,550	3,13,950	54,887.65
19	Shri. Kaushil Dey	Open Space	1,881	2,257.20	38,936.70	1,19,857.32	2,708.64	28,765.76	1,87,559.78	2,313	1,59,597	27,962.78
20	Shri. Pradeep Choudhury	6 (Shopping Arcade)	2,638	3,165.60	54,606.60	1,68,093.36	3,798.72	40,342.41	2,63,042.37	3,245	2,23,905	39,137.37
21	Smt. Bijoia Shame	7 (Shopping Arcade)	3,295	3,954.00	68,206.50	2,09,957.40	4,744.80	50,389.78	3,28,553.68	4,053	2,79,657	48,896.68
22	Smt. Chobi Rani Dhar	8 (Shopping Arcade)	3,181	3,817.20	65,846.70	2,02,693.32	4,580.64	48,646.40	3,17,186.42	3,913	2,69,997	47,189.42
23	Shri. Sanjay Kr Das	9(S/Arcade)	4,016	4,819.20	83,131.20	2,55,899.52	5,783.04	61,415.88	4,00,446.60	4,949	3,41,481	58,965.60
24	Smt. Popiya Dey	10(S/Arcade)	2,638	3,165.60	54,606.60	1,68,093.36	3,798.72	40,342.41	2,63,042.37	3,245	2,23,905	39,137.37
25	Dr. A.C. Kar	12 S/Arcade	10,566	12,679.20	2,18,716.20	6,73,265.52	15,215.04	1,61,583.72	10,53,565.44	12,988	8,96,172	1,57,393.44
26	Shri D. Das & Associates	17,18 & 19 S/Arcade	4,090	4,908.00	84,663.00	2,60,614.80	5,889.60	62,547.55	4,07,825.35	5,030	3,47,070	60,755.35
27	Shri. D. Das & Associate (ARC online)	20 S/Arcade	1,878	2,253.60	38,874.60	1,19,666.16	2,704.32	28,719.88	1,87,260.64	2,310	1,59,390	27,870.64
28	Lt. Col. M. Choudhury	21 S/Arcade	1,773	2,127.60	36,701.10	1,12,975.56	2,553.12	27,114.13	1,76,790.79	2,181	1,50,489	26,301.79
29	Smt. Shanta Bhattacharjee	2 & 3 floor S/Arcade	1,773	2,127.60	36,701.10	1,12,975.56	2,553.12	27,114.13	1,76,790.79	2,181	1,50,489	26,301.79
30	Hotel Swastic	M/Space	35,014	42,016.80	7,24,789.80	22,31,092.08	50,420.16	5,35,462.10	34,91,343.98	43,068	29,71,692	5,19,651.98
31	Smt. Popiyadey	old building	1,985	2,382.00	41,089.50	1,26,484.20	2,858.40	30,356.21	1,97,929.91	2,441	1,68,429	29,500.91
32	NEHDC	O/building	3,269	3,922.80	67,668.30	2,08,300.68	4,707.36	49,992.16	3,25,961.14	4,020	2,77,380	48,581.14

Sl. No.	Name of The Tenant	Room No./ Building No./ Location	Rate fixed by DC effective from 01 April 2011	Monthly Rent due after increase by 20% w.e.f April 2016 (of 4)	Total amount of Rent from April 2016 to June 2017 incl Tax* (15 months)	Total amount of Rent from July 2017 to March 2021 incl GST** (45 months)	Monthly Rent due after further increase by 20% w.e.f April 2021 (of 5)	Total amount of Rent from April 2021 to December 2021 incl GST (9 months)	Total amount of rent from 01 April 2016 to December 2021	Monthly Rent fixed by MTC (inclusive of Taxes)	Total amount of Rent from April 2016 to December 2021 (69 months)	Difference
1	2	3	4	5 = (120% of 4)	6 = (5*15 months)	7 = (5*45 months)	8 = (120% of 5)	9 (8*9 months)	10= (6+7+9)	11	12 (11*69 months)	13 = (10-12)
33	Tourist Information Centre	O/building	2,919	3,502.80	60,423.30	1,85,998.68	4,203.36	44,639.68	2,91,061.66	3,590	2,47,710	43,351.66
34	NEHDC	O/building	2,620	3,144.00	54,234.00	1,66,946.40	3,772.80	40,067.14	2,61,247.54	3,223	2,22,387	38,860.54
35	Smt. Kalsang Chodan	O/building	4,119	4,942.80	85,263.30	2,62,462.68	5,931.36	62,991.04	4,10,717.02	5,066	3,49,554	61,163.02
36	Smt. Kharmawlong	O/building	2,919	3,502.80	60,423.30	1,85,998.68	4,203.36	44,639.68	2,91,061.66	3,590	2,47,710	43,351.66
37	Smt. S.M. Sootivek	O/building	2,829	3,394.80	58,560.30	1,80,263.88	4,073.76	43,263.33	2,82,087.51	3,479	2,40,051	42,036.51
38	Smt. B Marbaniang	O/building	2,919	3,502.80	60,423.30	1,85,998.68	4,203.36	44,639.68	2,91,061.66	3,590	2,47,710	43,351.66
39	Shri. Ashok & Vikash Sharma	Open Space	26,600	31,920.00	5,50,620.00	16,94,952.00	38,304.00	4,06,788.48	26,52,360.48	32,788	22,62,372	3,89,988.48
40	Shri. Subir Sarkar	O/Space	699	838.80	14,469.30	44,540.28	1,006.56	10,689.67	69,699.25	860	59,340	10,359.25
41	Smt. Moushumi Chanda	O/Space	1,014	1,216.80	20,989.80	64,612.08	1,460.16	15,506.90	1,01,108.78	1,248	86,112	14,996.78
42	Hotel Suruchi	O/Space	10,515	12,618.00	2,17,660.50	6,70,015.80	15,141.60	1,60,803.79	10,48,480.09	12,934	8,92,446	1,56,034.09
43	Shri. Sumil Jain	Open Space	1,215	1,458.00	25,150.50	77,419.80	1,749.60	18,580.75	1,21,151.05	1,495	1,03,155	17,996.05
44	Shri. Malcom War	O/Space	4,170	5,004.00	86,319.00	2,65,712.40	6,004.80	63,770.98	4,15,802.38	5,129	3,53,901	61,901.38
45	Smt. Mary Kharkongor	O/Space	1,101	1,321.20	22,790.70	70,155.72	1,585.44	16,837.37	1,09,783.79	1,354	93,426	16,357.79
46	Shri. Rajesh Sharma	O/Space	500	600.00	10,350.00	31,860.00	720.00	7,646.40	49,856.40	615	42,435	7,421.40
47	Smt. W Kharbuli	O/Space	816	979.20	16,891.20	51,995.52	1,175.04	12,478.92	81,365.64	1,004	69,276	12,089.64
48	Smt. Malti Singh	O/Space	558	669.60	11,550.60	35,555.76	803.52	8,533.38	55,639.74	686	47,334	8,305.74
49	Shri. Sameer Paul	O/Space	794	952.80	16,435.80	50,593.68	1,143.36	12,142.48	79,171.96	977	67,413	11,758.96
50	Shri. L.D. Choudhury	23(S/Arcade)	2,163	2,595.60	44,774.10	1,37,826.36	3,114.72	33,078.33	2,15,678.79	2,655	1,83,195	32,483.79
51	Smt. B Marbaniang	O/Space	8,575	10,290.00	1,77,502.50	5,46,399.00	12,348.00	1,31,135.76	8,55,037.26	10,587	7,30,503	1,24,534.26
52	Smt. J. Sohtun	O/Space	1,270	1,524.00	26,289.00	80,924.40	1,828.80	19,421.86	1,26,635.26	1,562	1,07,778	18,857.26
53	Shri. Rajeev Nehra	O/Space	2,477	2,972.40	51,273.90	1,57,834.44	3,566.88	37,880.27	2,46,988.61	3,047	2,10,243	36,745.61
54	Shri. Kajol Paul	O/Space	1,747	2,096.40	36,162.90	1,11,318.84	2,515.68	26,716.52	1,74,198.26	2,098	1,44,762	29,436.26
55	Smt. E. Nongrum	O/Space	1,270	1,524.00	26,289.00	80,924.40	1,828.80	19,421.86	1,26,635.26	1,197	82,593	44,042.26

Sl. No.	Name of The Tenant	Room No./ Building No./ Location	Rate fixed by DC effective from 01 April 2011	Monthly Rent due after increase by 20% w.e.f April 2016	Total amount of Rent from April 2016 to June 2017 incl Service Tax* (15 months)	Total amount of Rent from July 2017 to March 2021 incl GST** (45 months)	Monthly Rent due after further increase by 20% w.e.f April 2021	Total amount of Rent from April 2021 to December 2021 incl GST (9 months)	Total amount of rent from 01 April 2016 to December 2021	Monthly Rent fixed by MTC (inclusive of Taxes)	Total amount of Rent from April 2016 to December 2021 (69 months)	Difference
1	2	3	4	5 = (120% of 4)	6 = (5*15 months)	7 = (5*45 months)	8 = (120% of 5)	9 (8*9 months)	10 = (6+7+9)	11	12 (11*69 months)	13 = (10-12)
56	Shri. Shiv Kumar	O/Space	2,126	2,551.20	44,008.20	1,35,468.72	3,061.44	32,512.49	2,11,989.41	1,562	1,07,778	1,04,211.41
57	Smt. B Wahlang	O/Space	500	600.00	10,350.00	31,860.00	720.00	7,646.40	49,856.40	615	42,435	7,421.40
58	Shri. B.L. Marbaniang	LAV	14,112	16,934.40	2,92,118.40	8,99,216.64	20,321.28	2,15,811.99	14,07,147.03	17,081	11,78,589	2,28,558.03
59	Shri. Debrata Bordoloi	R-II-A	2,638	3,165.60	54,606.60	1,68,093.36	3,798.72	40,342.41	2,63,042.37	3,245	2,23,905	39,137.37
60	D.Das & Associates (Adis Events)		18,535	22,242.00	3,83,674.50	11,81,050.20	26,690.40	2,83,452.05	18,48,176.75	22,798	15,73,062	2,75,114.75
61	Elgin Hotel	3rd Floor & Terrace	1,06,582	1,27,898.40	22,06,247.40	67,91,405.04	1,53,478.08	16,29,937.21	106,27,589.65	1,31,095	90,45,555	15,82,034.65
					79,12,492.20	2,43,56,715.12		58,45,611.63	3,81,14,818.95		3,23,16,909	57,97,909.95

*Service Tax @ 15 per cent.

** GST @ 18 per cent.

Appendix 4.3.1

Statement showing details of quantity purchased of Distribution Transformers of varying capacities at higher rates and excess expenditure incurred thereon

(Reference: Paragraph 4.3)

Date of Purchase Order	Name of Supplier	63 KVA	100 KVA	250 KVA	500 KVA	Total
06-02-2019	Eastern Transformer	5	5			10
12-02-2019	Eastern Transformer		5	2		7
13-03-2019	Marson Energy Pvt. Ltd	5	2			7
25-04-2019	Eastern Transformer		9		1	10
25-04-2019	Eastern Trafo	11				11
08-05-2019	Eastern Transformer	61	17	7		85
08-05-2019	Eastern Trafo		12			12
08-05-2019	Eastern Transformer		1	1		2
31-05-2019	Macroplast Pvt. Ltd.	29	8			37
21-06-2019	Mak Power Trans-system Pvt. Ltd.	5	5	5	5	20
04-06-2020	Eastern Transformer		7		2	9
18-06-2020	Eastern Transformer				1	1
26-08-2020	Stanelec Pvt. Ltd.		15		1	16
30-10-2020	Eastern Transformer	4	1		2	7
22-01-2021	Eastern Transformer	5	5			10
11-03-2021	Stanelec Pvt. Ltd.		3			3
01-04-2021	Stanelec Pvt. Ltd.			1	2	3
01-04-2021	Eastern Transformer		3		3	6
01-04-2021	Transformer & Electricals		2	2		4
10-05-2021	Eastern Transformer		4		2	6
10-05-2021	Stanelec Pvt. Ltd.	7		1		8
28-05-2021	Stanelec Pvt. Ltd.		2			2
16-06-2021	Eastern Trafo	1	3	2		6
27-07-2021	Transformer & Electricals		5			5
27-10-2021	Transformer & Electricals		3	2		5
27-10-2021	Stanelec Pvt. Ltd.	5	5			10
27-10-2021	Eastern Transformer	3		2	1	6
10-11-2021	Transformer & Electricals	2			1	3
23-12-2021	Eastern Transformer			1	1	2
23-12-2021	Stanelec Pvt. Ltd.		1			1
07-01-2022	Eastern Transformer		1	1		2
21-04-2022	Transformer & Electricals	3	2			5

Date of Purchase Order	Name of Supplier	63 KVA	100 KVA	250 KVA	500 KVA	Total
21-04-2022	Eastern Trafo			1	1	2
13-05-2022	Transformer & Electricals	4				7
01-06-2022	Transformer & Electricals	4	1	1		8
Total Qty supplied (A)		154	127	29	23	333
Difference per unit (B) in ₹		2,820	2,070	1,55,550	3,75,450	
Total Difference (C = A X B) in ₹		4,34,280	2,62,890.00	45,10,950.00	86,35,350.00	
Add: 18% GST (D) in ₹		78,170	47,320.20	8,11,971.00	15,54,363.00	
Total Difference (C + D) in ₹		5,12,450	3,10,210.20	53,22,921.00	1,01,89,713.00	1,63,35,294.60

Appendix 5.1.1
Department wise break-up of Outstanding IRs and Paras
(Reference: Paragraph 5.1)

Department	Upto 2018-19		2019-20		2020-21		2021-22		2022-23	
	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras
General Sector										
District Council Affairs	3	17	0	0	1	3	1	5	1	4
KHADC	4	41	1	11	0	0	1	24	1	10
JHADC	5	49	0	0	1	16	1	25	2	35
GHADC	20	186	0	0	1	19	0	0	0	0
MPSC	0	0	1	12	0	0	0	0	0	0
Election	7	36	0	0	0	0	1	10	0	0
Printing & Stationery	1	2	2	17	0	0	1	4	1	8
Programme Implementation	1	2	0	0	0	0	0	0	0	0
General Administration	6	36	0	0	0	0	0	0	0	0
Secretariat Administration	4	14	0	0	0	0	2	10	0	0
Governor's Secretariat	2	3	0	0	0	0	0	0	1	10
Meghalaya Legislative Assembly	4	43	0	0	0	0	0	0	1	19
District Administration	18	70	0	0	0	0	0	0	0	0
Home (Police) & NEPA	16	49	4	22	1	5	3	19	1	4
Home (Civil Defence & Home Guards)	1	1	2	4	0	0	1	5	1	5
Home Jail	4	16	1	2	0	0	2	10	0	0
Planning & Law	3	18	2	7	1	5	1	6	1	5
Director of Accounts and Treasuries Shillong	1	1	0	0	0	0	0	0	0	0
State Council of Science and Technology and Environment	1	13	0	0	0	0	0	0	0	0
Meghalaya Information Technology Society	1	12	0	0	0	0	0	0	0	0
Additional Project Director supporting Human Capital Project (ADB)	0	0	0	0	0	0	0	0	1	17
Total	102	609	13	75	5	48	14	118	11	117
Social Sector										
Social Welfare	9	28	0	0	0	0	0	0	3	22
Health	14	109	6	34	1	10	1	2	9	83
Education	30	100	5	18	2	16	1	8	0	0
Sports	4	27	0	0	1	11	0	0	0	0
Labour	1	13	0	0	0	0	0	0	0	0
PHE	31	142	1	1	8	86	1	3	6	50
NERCORMP	1	5	0	0	1	12	0	0	0	0

Department	Upto 2018-19		2019-20		2020-21		2021-22		2022-23	
	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras
Meghalaya State Rural Livelihood Society	1	4	0	0	0	0	0	0	0	0
Meghalaya State Skill Development	1	14	0	0	0	0	0	0	0	0
MBOCWVB	4	17	0	0	1	7	0	0	1	8
Information & Public Relation	2	9	2	16	1	10	0	0	3	26
Housing	9	48	0	0	0	0	0	0	3	10
Municipal Boards	22	76	6	29	6	40	0	0	4	32
Urban Affairs	7	16	0	0	2	5	0	0	4	13
MUDA	5	18	1	11	0	0	0	0	0	0
Arts & Culture	2	8	0	0	0	0	0	0	2	10
Librarian	1	3	0	0	0	0	0	0	0	0
Tourism	6	40	0	0	0	0	0	0	0	0
MTDC	1	8	0	0	0	0	0	0	0	0
ICCR	1	3	0	0	0	0	0	0	0	0
Tourist	0	0	1	2	0	0	0	0	0	0
Total	152	688	22	111	23	197	3	13	35	254
Economic Sector										
PWD	59	269	9	98	3	26	8	72	2	26
Water Resources	14	41	0	0	4	19	2	6	1	3
Border Area	0	0	0	0	0	0	0	0	3	30
C&RD	14	73	0	0	0	0	0	0	0	0
Soil & Water Conservation	2	9	0	0	2	10	1	5	4	33
State Rural Employment Society	1	5	0	0	0	0	0	0	0	0
Agriculture & Horticulture	9	35	3	18	1	13	0	0	0	0
Sericulture	5	16	0	0	0	0	0	0	0	0
Co-operation	7	11	0	0	0	0	0	0	0	0
Fisheries	2	5	1	6	0	0	0	0	7	50
Food and Civil Supplies	1	2	0	0	0	0	0	0	10	57
Power	2	5	0	0	0	0	0	0	1	4
MePDCL	8	15	2	8	0	0	2	14	3	8
MePGCL	3	3	0	0	2	8	0	0	3	9
MePTCL	2	2	0	0	0	0	0	0	2	8
MeECL	2	8	0	0	1	2	1	3	0	0
MNREDA	2	20	1	16	0	0	0	0	0	0
Sr. Electrical Inspectorate	1	1	0	0	0	0	0	0	1	5
ICAR	6	8	1	3	0	0	0	0	0	0
Animal Husbandry & Vety.	8	18	0	0	0	0	0	0	0	0
Legal Metrology	0	0	2	9	1	6	0	0	0	0

Department	Upto 2018-19		2019-20		2020-21		2021-22		2022-23	
	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras
Forest Development Corporation of Meghalaya Ltd.	1	2	0	0	1	5	0	0	0	0
Special Purpose Vehicle (SPV)	1	20	0	0	0	0	2	19	0	0
Meghalaya Basin Management Agency (MBMA)	0	0	1	3	0	0	0	0	1	9
Total	150	568	20	161	15	89	16	119	38	242

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