

## CHAPTER II

### PERFORMANCE AUDIT

This chapter contains performance audits on National Rural Health Mission (2.1), Development of Sports in Maharashtra (2.2), Working of District Rural Development Agencies (DRDAs) in Maharashtra (2.3), Minor Irrigation (Local Sector) Projects (2.4) and Computerisation in Police Department (2.5).

### Public Health Department

#### 2.1 National Rural Health Mission

##### Highlights

*Government of India launched National Rural Health Mission (NRHM) in April 2005 throughout the country for providing reliable, affordable and accessible health care facilities in rural areas. With the rest of the country the programme was also started in Maharashtra since then. A comprehensive study by Audit revealed some important findings as indicated below:*

**Programme Implementation Plans for 2006-07 and 2007-08 were prepared without considering the needs of the districts, blocks and villages. Identification of the health care needs were inadequate as the facility survey was not conducted in 50 per cent Community Health Centres (CHCs), 75 per cent Primary Health Centres (PHCs) and 94 per cent Sub Centres. Also, household survey did not cover 19,911 villages.**

*(Paragraphs 2.1.6.1, 2.1.6.2 and 2.1.6.3)*

**Rugna Kalyan Samitis did not carry out some of the main responsibilities such as review of services at hospital and outreach works etc.**

*(Paragraph 2.1.7.1)*

**Underutilisation of funds (28 per cent to 73 per cent) adversely affected the scheme implementation. State Government did not contribute its share of Rs 115.90 crore for the year 2007-08, as required under NRHM.**

*(Paragraph 2.1.8.1)*

**Financial irregularities like improper maintenance of cash book, huge cash payment instead of cheque payment, delays in transfer of funds and irregular expenditure etc. were noticed. Delay in establishment of Financial Management Group in the State affected the accounting and control over expenditure.**

*(Paragraphs 2.1.8.2, 2.1.8.3 and 2.1.8.4)*

**Against the additional requirement of 2,627 Sub Centres, 394 PHCs and 95 CHCs to be set up during the Mission period, construction of only 161 Sub-Centres was completed and no new PHCs and CHCs were set up during 2005-09.**

*(Paragraph 2.1.9.1)*

**While there was overall shortfall in upgradation of health centres as per Indian Public Health Standards (IPHS), no focus was given to the first level health centres *i.e.* PHCs and SCs. Inadequate diagnostic services and other facilities like blood storage, operation theatre and X-ray clinics in CHCs were also noticed.**

*(Paragraphs 2.1.9.4 and 2.1.9.7)*

**There was shortages of Specialist Medical Officers (68 per cent), Medical Superintendents (69 per cent) and staff nurse (74 per cent) affecting the delivery of health care services. Selection of Accredited Social Health Activists was inadequate; shortfall was 36,000 as of March 2009.**

*(Paragraphs 2.1.9.8 and 2.1.9.9)*

**Mobile Medical Units were not operationalised despite receipt of funds from GoI in the year 2007-08, thus depriving the people of the intended medical facilities at their door step.**

*(Paragraph 2.1.9.10)*

**There was heavy shortfall in training of medical and paramedical staff which resulted in their inability to render quality health care services.**

*(Paragraph 2.1.9.11)*

**Declining trend of registration of pregnant women during twelve weeks of pregnancy, Iron Folic Acid Administration (IFA) and Tetanus toxoid dosages was noticed. The proportion of vasectomy to total sterilization was only four per cent. This indicated that male participation in family planning was inadequate.**

*(Paragraphs 2.1.10.1 and 2.1.10.3)*

### **2.1.1 Introduction**

The National Rural Health Mission (NRHM) was launched by the Government of India (GoI) on 12 April 2005 for the period 2005-2012 throughout the country with special focus on 18 States; Maharashtra comes under non-focus States<sup>1</sup>. The mission aimed at providing accessible, affordable, accountable, effective and reliable healthcare facilities in the rural areas by converging various stand alone existing National Disease Control Programmes (NDCP) of the Ministry of Health and Family Welfare with the exception of the National AIDS Control and Cancer Control Programmes. The components of the NRHM include bridging gaps in healthcare facilities, facilitating decentralized planning in health sector and advocating

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<sup>1</sup> As Maharashtra State has a good network of CHCs, PHCs and Sub-Centres to provide health care facilities to the rural population and its IMR, MMR and TFR are better as compared to National averages, MoFW has categorised it as non-focus State

convergence with related social sector Departments like Women and Child Development, Panchayati Raj *etc.*

The objectives of the Mission are as under:

- Rural people's access to integrated comprehensive primary health care;
- Universal access to public services for food and nutrition, sanitation, hygiene and public health care services with emphasis on universal immunisation;
- Reduction in infant and maternal mortality rate;
- Prevention and control of communicable and non-communicable diseases, including locally endemic diseases;
- Population stabilization and control on gender and demographic imbalances; and
- Revitalising local health traditions and mainstream AYUSH.

In Maharashtra, the Mission was operationalised in October 2005 and the State Health Society (SHS) was formed in November 2005.

### **2.1.2 Organisational set up**

At the State level, the NRHM functions under the overall guidance of the State Health Mission (SHM) headed by the Chief Minister for policy design in health sector, review of progress in implementation of NRHM and inter-sectoral co-ordination. The Chief Secretary as the head of its Governing Body exercises power to approve the State Annual Action Plan for the NRHM, reviews the implementation of the Annual Action Plan and the status of follow up action on decisions of the SHM *etc.* SHS is constituted for overall implementation, approval of proposals from districts and other implementing agencies, execution of the approved State Action Plan including release of funds for programmes at State level. The Principal Secretary, Public Health Department is the Chairperson and the Mission Director (MD) is the Member Secretary of the Executive Body of the SHS and both are responsible for State health planning, implementation and control as per the guidelines of the GoI, obtaining approval to annual action plan from GoI, providing guidance for preparation of District Health Action Plan, inter-department co-ordination to develop a system of release of funds to districts and lower level authorities. District Collector, the Chairperson of the Governing Body of District Health Society (DHS) and Chief Executive Officer (CEO) of Zilla Parishad (ZP), the Chairperson of the Executive Committee of DHS are responsible for planning, monitoring, evaluation, accounting, database management and release of funds to health Centres at sub-district level, Panchayat bodies.

The implementation of various disease control programmes was being supervised by the respective heads of the Disease Control Programmes. Various components/ activities of NRHM are being implemented through 33 DHSs, 23 District Hospitals, 464 Community Health Centres (CHCs), 1,816

Primary Health Centres (PHCs) each headed by Medical Officer-in-charge and 10,576 Sub-Centres (SCs) headed by ANM.

### **2.1.3 Audit objectives**

The objectives of the performance audit were to assess:

- how far the planning and monitoring mechanism for implementation of the Mission led to delivery of effective and reliable healthcare services to rural population;
- the level of community participation in planning, implementation and monitoring of the Mission;
- the adequacy of public spending on State health sector and efficiency in assessment, release and utilisation of NRHM funds;
- whether the Mission has built adequate capacity and strengthened its healthcare infrastructure and human resources as planned; and
- whether the performance indicators and targets fixed in the key areas viz. reproductive and child healthcare, immunisation and disease control programmes were achieved.

### **2.1.4 Audit criteria**

The audit criteria adopted were:

- GoI guidelines on the scheme and instructions issued from time to time;
- State Programme Implementation Plan (PIP) approved by GoI;
- Memorandum of understanding between the GoI and State Government;
- Indian Public Health Standards (IPHS) for upgradation of CHCs, PHCs and SCs.

### **2.1.5 Scope and methodology of audit**

The performance audit was conducted (February-May 2009) covering the period from 2005-06 to 2008-09 by test-check of records in the Mission Directorate, eight<sup>2</sup> DHSs along with 24 CHCs, 48 PHCs and 96 SCs (**Appendix 2.1**). Districts were selected by adopting Probability Proportional to Size with Replacement method and CHCs, PHCs and Sub Centres were selected using Simple Random Selection without Replacement method. An entry conference with the Secretary, Public Health Department was held on 16 June 2008 wherein the audit objectives and criteria were discussed. Government replies on the audit observations have been suitably incorporated in the review.

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<sup>2</sup> Ahmednagar, Gondia, Nagpur, Nashik, Osmanabad, Pune, Thane and Yavatmal

## Audit findings

### 2.1.6 Planning

The NRHM strives for decentralised planning and implementation arrangements to ensure that need based and community owned District Health Action Plans (DHAPs) become the basis for interventions in the health sector. The DHSs are, thus, required to prepare Perspective Plans for the entire Mission period (2005-12). Household survey and facility survey at the levels of village, block and district were to be conducted for comprehensive understanding of the needs and to decide the quantum of intervention needed.

#### 2.1.6.1 Submission of State PIP and District Health Action plans

As per the NRHM framework, the Programme Implementation Plan (PIP) for the State was to be prepared annually by the State Health Society (SHS) by aggregating the annual DHAP of each district. The PIP was to be submitted to GoI by 15<sup>th</sup> March of the previous financial year. It was, however, seen that no State PIP was prepared in 2005-06 and there were delays in final submission of the PIPs during 2006-09, as detailed in **Table 1**.

**Table 1: Submission of State PIP and DHAPs**

Year	Scheduled date of submission of final PIP by the State Government	Actual date of submission	Delay (in days)
2006-07	15 March 2006	July 2006	137
2007-08	15 March 2007	15 July 2007	120
2008-09	15 March 2008	25 March 2008	10

Delay in submission of final PIPs by the SHS resulted in delay in approval by GoI, consequent delay in release of funds and ultimately delay in implementation of the Mission.

It was noticed that State PIPs for the years 2006-07 and 2007-08 were prepared without considering the needs of the districts, blocks and villages. While no DHAPs were prepared during 2006-07, the DHAPs for 2007-08 were prepared without considering the needs of the blocks and the villages. However, Annual Plans were prepared at all levels for the year 2008-09. In the absence of block and village plans, the aim of decentralised planning under the NRHM remained unfulfilled.

Government stated (September 2009) that PIP for the year 2005-06 was submitted to GoI on 16 March 2005. It was not expected to consider District PIPs in 2006-07 and for preparation of State PIP for 2007-08, District perspective plan was considered.

The reply was not acceptable as the State PIP for 2005-06 was stated to be submitted on 16 March 2005 *i.e.* before implementation of NRHM and preparation of State PIPs without considering district, block and village level plans was not intended.

As per the NRHM framework, the Village Health and Sanitation Committee (VHSC) would be formed in each village within the overall framework of the

State PIPs were prepared without considering the needs of the districts, blocks and villages. Submission of State PIPs was delayed upto 137 days

Gram Sabha by 2008. The VHSC would be responsible for village level health planning and monitoring. As of March 2009, VHSCs were formed in 39,392 villages (96 *per cent*) out of 40,910. In the test-checked districts, VHSCs were formed in 11,947 (98 *per cent*) villages out of 12,207.

### **2.1.6.2 Household survey**

**The objectives of assessing the health care needs were not fully achieved due to shortfall in household survey**

The household survey, to be carried out in each and every district of the State (50 *per cent* by December 2007 and 100 *per cent* by December 2008), was aimed at understanding the health care needs of the rural population, resource mapping and also assessing as to how other determinants influenced health of households such as drinking water, sanitary latrine, employment and access to other requirements.

As per the information furnished (March 2009) by the State Government, household survey was conducted during 2006-07 in 23,965 villages of 20 districts, leaving 19,911 villages (45 *per cent*) in 13 districts<sup>3</sup> without any survey. Out of eight test-checked districts, household survey was not conducted in Nashik and Ahmednagar Districts. The survey data was not got verified by PRI members. Further, database of household survey was not prepared at SHS and DHS levels.

Government stated (September 2009) that household survey was completed in 2008.

However, Audit noticed in test-checked districts<sup>4</sup> and in selected sub centres that there was no consolidation of household survey data. The Member Secretaries of DHSs had also stated (May 2008) that no household database was prepared.

Further, no health action plans at village level were prepared for the year 2007-08. Thus, due to shortfall in conducting household survey and non-preparation of database, the objective of assessing the health care needs of the rural population were not fully achieved.

### **2.1.6.3 Facility survey**

**Deficiencies in facilities in all the health care institutions could not be identified due to inadequate facility survey**

In order to set up benchmark for quality of service and identify the input needs, facility<sup>5</sup> survey was to be conducted *per cent* by December 2008 in each facility in CHCs, PHCs and SCs. These surveys were to provide critical information in terms of infrastructure and human resource gaps which are needed to be addressed through planning process.

The Department conducted facility survey of 105 CHCs through NGOs and the remaining were surveyed departmentally. It was noticed that the facility survey was not conducted in 234 CHCs (50 *per cent*), 1,366 PHCs (75 *per cent*) and 9,926 Sub Centres (94 *per cent*)<sup>6</sup> as of March 2009.

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<sup>3</sup> Akola, Ahmednagar, Bhandara, Buldhana, Hingoli, Jalna, Jalgaon, Latur, Nanded, Nashik, Parbhani, Pune and Washim

<sup>4</sup> Except Nashik District

<sup>5</sup> Specialist services, manpower, investigating facilities, equipment, other infrastructure *etc.*

<sup>6</sup> Total number of CHCs 464, PHCs 1,816 and Sub Centres 10,576

In the test-checked CHCs, PHCs and SCs the shortfalls were 63 per cent, 69 per cent and 94 per cent respectively (details in **Appendix 2.2**).

Government stated (September 2009) that facility survey would be completed by November 2009. However, the fact remains that Government could not adhere to the stipulated time line.

Due to inadequate facility survey, deficiencies in facilities in all the health care institutions were not identified. Further, in Sub Centres of the villages where the access to health care is minimal and therefore needing greater attention, there was only 6.15 per cent survey of the infrastructure need. In the absence of this basic data, planning could not be realistic.

#### **2.1.6.4 Public report on health**

The NRHM is committed to publishing Public Reports on Health at the State and the District levels to report to the community at large, on the progress made in Mission activities. However, it was seen that reports on Public Health were not prepared by the State (May 2009) as also in test-checked Districts. As a result, the community was not aware of the health care facilities available.

Government stated (September 2009) that reports would be published by March 2010.

#### **2.1.7 Community participation**

##### **2.1.7.1 Rugna Kalyan Samiti (RKS) for hospital management**

As per guidelines under NRHM, the Rugna Kalyan Samiti<sup>7</sup> (RKS) is to be constituted and registered under Societies Registration Act, 1860 for healthcare centres at PHC, CHC and DH levels under the Panchayat Raj framework for management of the hospital to review the performance of the Outpatient Department (OPD) and In-Patient Department (IPD) services and facilities at hospital and outreach work. The RKS is to redress the complaints of the beneficiaries and ensure access to quality health care service. Each RKS has one Governing Body for policy decisions and monitoring and one Executive Committee for the execution of the decisions.

Out of total 2,290 RKSs (23 at District Hospitals, 451 at CHCs and 1,816 at PHCs) to be formed in the State, 2,248 RKS (98 per cent) were formed up to 2008-09. In eight test-checked districts, out of total 618 RKS to be formed, 615 RKS (99 per cent) were formed up to 2008-09. In 79 RKS test-checked out of 615, it was noticed that though GBs and ECs were formed they did not carry out the main responsibilities such as review of services at hospital and outreach works *etc.* except sanctioning expenditure. Thus, the purpose of formation of RKS remained largely unfulfilled.

Government while accepting the facts stated (September 2009) that measures had been taken for capacity building of RKS.

**The purpose of formation of RKS remained unfulfilled as RKS did not carry out their responsibilities**

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<sup>7</sup> The members of the RKS are PRI representatives, local representatives to the State Legislature, officials from Health Department, leading members of the community and In-charge of local CHC and PHC

### 2.1.7.2 Funding of RKS

User charges were not collected by RKS and they were entirely financed by GoI grants

As per the NRHM guidelines, funds are to be released by SHS to RKS in a timely manner to carry out their functions. From 2007-08 onwards the funds released to the corpus fund at different rates at DH, CHC and PHC levels of the RKS was proposed to be shared by State (20 per cent), internal resources of RKS i.e. user charges and donations (20 per cent) and GoI (60 per cent). Further, State Health Society (December 2007) empowered the RKS to levy, collect and deposit user charges in RKS bank account with effect from January 2008. It was, however, seen that in the test-checked units, no such user charges were collected by RKS and they were entirely financed by GoI grants. This would affect the viability of the long term goal of community ownership of the health centres through the RKS.

Government while accepting the facts stated (September 2009) that efforts were being made to deposit user charges in RKS accounts.

### 2.1.7.3 Inadmissible expenditure out of RKS funds

Expenditure of Rs 18.31 lakh was incurred on inadmissible items

In 28 out of the 79 RKSs test-checked, it was noticed that out of total grant of Rs 29 lakh released, an expenditure of Rs 18.31 lakh (**Appendix 2.3**) was incurred from RKS funds towards purchase of computers for office use, chairs, and payment of wages *etc* which were not admissible under NRHM.

Government stated (September 2009) that as CHCs and district hospitals were to be prepared for ISO certification, expenditure was made as per GoI guidelines. Reply was not acceptable as the expenditure incurred by the RKSs in the PHCs during 2007-08 was inadmissible.

### 2.1.8 Financial management

Unspent balance of Rs 265.81 crore and Rs 166.20 crore were lying with SHSs and DHSs respectively at the end of 2008-09

#### 2.1.8.1 Receipts and utilisation of funds for Mission activities

The GoI provided 100 per cent grant-in-aid to the State Government for the years 2005-06 and 2006-07 (ending Tenth Five-year Plan period). From 2007-08 onwards, as per the terms of MOU executed in January 2006 with GoI, the State Government was to contribute 15 per cent of the share for NRHM. According to SHS, the total receipts and expenditure and closing balances during 2005-09 were as shown in **Table 2**.

**Table 2: Receipt and utilisation of funds**

(Rs in crore)

Year	Allocation	Opening balance	Grant received from GoI	Other Receipts/ Interest etc.	Total receipts	Total expenditure	Unspent balance	Percentage of unspent balance to total receipts
2005-06	234.44	9.57	121.82	0.59	131.98	51.87	80.11	60.70
2006-07	358.12	80.11	314.71	0.68	395.51	106.30	289.21	73.12
2007-08	446.89	289.21	439.55	0.73	729.49	300.19	429.30	58.85
2008-09 <sup>8</sup>	455.74	429.30	386.22	121.61*	937.13	671.32	265.81	28.37
<b>Total</b>	<b>1495.19</b>		<b>1262.31</b>	<b>123.61</b>	<b>1395.49<sup>9</sup></b>	<b>1129.68</b>	<b>265.81</b>	

\* including State's share of Rs 120.90 crore.

<sup>8</sup> Figures for the year 2008-09 are unaudited/ provisional, hence, differ from the GoI figures

<sup>9</sup> Rs 9.57 crore + Rs 1262.31 crore + Rs 123.61 crore = Rs 1395.49 crore



From the above it would be seen that during 2005-09 there was heavy unspent balance of Rs 265.81 crore at SHS level.

Apart from this, GoI grants<sup>10</sup> were also routed through State budget for Direction and Administration, Rural Family Welfare Services, Urban Family Welfare Services, Grants to State Training Institutes and health posts. The State Government received Rs 538.34 crore against allocation of Rs 776.62 crore and incurred a total expenditure of Rs 795.91 crore during the period 2005-09. State Government met the excess expenditure of Rs 257.57 crore on these components out of its own resources. Excess expenditure occurred mainly during 2006-07 (Rs 210.22 crore) when no GoI grant was received for these components.

The component wise details of receipt of funds and utilisation under NRHM are given in the **Appendix 2.4**.

It was reported by SHS that the grant amounting to Rs 166.20 crore was lying unspent at DHS level at the end of 2008-09 in respect of major components of NRHM *i.e.*, RCH-II, Immunisations and NRHM additionalities. Underutilisation of funds at State level and District level adversely affected implementation of NRHM.

**State did not contribute 15 per cent share during 2007-08**

Further, it was also noticed that State Government did not contribute State share of Rs 115.90 crore in the year 2007-08. In the year 2008-09, State Government had contributed Rs 120.90 crore against the due share of Rs 105 crore.

Government stated (September 2009) that Rs 120.90 crore contributed during 2008-09 includes Rs 15.90 crore for 2007-08.

As per MOU signed in January 2006, the State Government was to increase the spending on State Health Sector by 10 *per cent* every year. It was noticed that the increase in expenditure under State Health Sector was 8.46 *per cent* and 6.15 *per cent* during 2005-06 and 2006-07, while it was 15.75 *per cent* and 19.53 *per cent* during 2007-08 and 2008-09 respectively.

### 2.1.8.2 Delay in transfer of funds

**There were significant delays in transfer of funds from SHS to DHS and from DHS to subordinate centres**

For effective implementation of any programme, the funds should be transferred to the implementing agency without delay. However, it was seen that there was delay ranging between 17 and 290 days in transferring funds from SHS to DHS and between 48 and 235 days by DHS to CHC, PHC and sub-centres as detailed in **Appendix 2.5**. SHS stated that the delay was due to time required for ascertaining the balances available with the districts.

<sup>10</sup>

(Rs in crore)

Year	Allocation	Grant received	Expenditure
2005-06	151.61	113.70	144.23
2006-07	154.83	nil	210.22
2007-08	224.25	224.47	190.89
2008-09	245.93	200.17	250.57
<b>Total</b>	<b>776.62</b>	<b>538.34</b>	<b>795.91</b>

While accepting the facts, Government stated (September 2009) that fund could not be released to districts as sufficient unspent balances were available with them.

### **2.1.8.3 Accounting procedure**

**FMG at State level was established late**

As per guidelines issued by GoI, Financial Management Groups (FMG) was to be established in the Programme Management Support Units (PMSUs) at State and Districts level which is responsible for centralised processing of fund release, accounting of expenditure reported by subordinate units, monitoring of UCs and audit arrangement. However, it was seen that FMG at State level was established late in August 2008. The SHS stated that the FMG would start functioning in June 2009. Belated establishment of FMG adversely affected the accounting and control over the expenditure. As a result, the SHS could not furnish the final figures of total funds received during the year and the closing balances as of March 2009 for the State.

### **2.1.8.4 Maintenance of cash books**

**Separate cash books were not maintained for NRHM**

The Mission Director (MD) NRHM and Additional Director (AD), Health and Family Welfare Society (HFWS) were required to maintain two separate cash books for NRHM additionalities and RCH-II. However, they maintained a single tally account jointly for both the offices at Pune. Cash book was maintained only with effect from 1 April 2008 but no authentication by competent authority was done.

Government stated (September 2009) that only one cash book was maintained as only one bank account was operated and same has been authenticated.

The reply was not acceptable as two separate cashbooks were required to be maintained and authentication was not shown to Audit.

**Heavy cash balances were maintained; payments were made in cash instead of cheques**

GoM, in Finance Department, stipulated (January 1980) that payment to parties/payees in excess of Rs 1,000 should be made through cheques. It was, however, noticed that in DH, Thane, heavy cash in hand ranging between Rs 3.95 lakh and Rs 23.34 lakh was maintained for making cash payments instead of issue of cheques during the period February 2007 to December 2007. The CS, DH, Thane stated that in future, payments would be made by cheque.

While accepting the facts, Government stated (September 2009) that system of cash payment was discontinued from January 2008.

### **2.1.8.5 Irregular expenditure**

**DHS, Nashik incurred expenditure on inadmissible items**

Scrutiny of records of DHS Nashik revealed that expenditure of Rs 3.82 lakh was incurred on account of insurance of Janani Suraksha Yojana (JSY) beneficiaries which was not provided in NRHM. Besides, an expenditure of Rs 5.41 lakh was incurred on purchase of inverters supplied to Taluka Medical Offices (TMO) for office use.

While accepting the facts, Government stated (September 2009) that four *per cent* grant under JSY was admissible as contingent expenditure, which was

utilised for insurance. The expenditure was incurred for strengthening of TMOs. The reply was not acceptable as there was no provision of insurance under JSY and strengthening of offices under NRHM.

### 2.1.9 Capacity building

#### 2.1.9.1 Creation of new infrastructure

The NRHM framework targets provision of one Sub-Centre for 5,000 population (3,000 in tribal areas), one Primary Health Centre for 30,000 population (20,000 in tribal/desert areas) and one Community Health Centre for 1,00,000 population (80,000 in tribal/desert areas). As per the perspective plan of the State approved in December 2006, there was additional requirement of 2,627 Sub-Centres, 394 PHCs and 95 CHCs to be set up during the Mission period of seven years (2005-12). The status of setting up of infrastructure at the end of fourth year *i.e.* 2008-09 compared to the requirements is as detailed in **Table 3**.

**Table 3: Creation of infrastructure**

Health care centres	Number in existence as of April 2005	Number required to be created during 2005-12 as per Perspective Plan	Number required to be created upto 2008-09 as per Perspective Plan	Number created during 2005-09	Shortfall in creation of new infrastructure	Percentage of short-fall
Sub Centres	10535	2627	1970	161	1809	92
Primary Health Centres	1818	394	138	0	138	100
Community Health Centres (RH)	386	95	34	0	34	100

**No new PHC and CHC was set up during 2005-09**

From the above table it could be seen that no new PHC and CHC was set up up to 2008-09. Therefore, development of health infrastructure was much below the requirement of the rural community.

**Delivery of health care services was affected due to delay in construction of health units**

Scrutiny also revealed that during 2008-09, SHS released Rs 96.72 crore to 33 DHSs for construction of CHCs, PHCs and SCs. Out of 33 DHSs, six<sup>11</sup> had not utilised Rs 6.02 crore due to non-availability of land, change of site, non-availability of engineer *etc.* This affected delivery of health care services to the beneficiaries. It was stated (May 2009) that health services are made available by temporarily arranging the services of Zilla Parishad premises, Gram Panchayat premises, Anganwadi or school premises.

Non-setting up of the required number of infrastructure as per the population norms resulted in short achievement of the primary objective of improving accessibility to health facilities in rural areas.

Government while accepting the facts stated (September 2009) that there was a restriction of civil works upto 25 *per cent* of PIP size. Further, District Scheule of Rates increased by 2.5 times. The reply was not acceptable as the

<sup>11</sup> Bhandara, Dhule, Gondia, Nagpur, Solapur and Yavatmal

expenditure incurred on new construction was even less than 25 per cent and increase in cost was due to delay in construction.

### 2.1.9.2 Slow execution of new construction works

**Diversion of funds resulted in slow pace in creation of new infrastructure**

In the eight test-checked districts, grant of Rs 18 crore for new construction and Rs 70 lakh for maintenance and repairs (MR) works was received from the SHS during 2005-08. However, total expenditure of Rs 3.44 crore was incurred on MR works as against the allocation of Rs 70 lakh by diverting the funds for new construction. There was no new construction work. Thus, there was an unspent balance of Rs 15.26 crore at the end of March 2008. It was replied that expenditure on maintenance and repairs was incurred as per directives of Mission Director, NRHM, Mumbai.

During 2008-09, grant of Rs 19.07 crore for new construction and Rs 2.67 crore for MR works were received, out of which total expenditure of Rs 11.19 crore was incurred due to delay in transfer of funds and delay in establishment (August 2007) of Infrastructure Development Wing (IDW) leaving an unspent balance of Rs 10.55 crore at the end of March 2009.

This resulted in slow pace in creation of new infrastructure required under population norms and thereby depriving required medical facility to the needy people.

Government while accepting the facts stated (September 2009) that repair works of existing institutions were undertaken for optimum use of these institutions instead of creating new infrastructure.

### 2.1.9.3 Strengthening of nursing schools

In three test-checked districts, grants amounting to Rs 1.15 crore were released during 2007-08 by SHS for strengthening nursing schools. As against this, a meagre expenditure of Rs 6.64 lakh was incurred during 2007-08 and 2008-09, leaving a total unspent balance of Rs 1.08 crore as shown in **Table 4**.

**Table 4: Strengthening of nursing schools (Rs in lakh)**

District	Grant received in 2007-08	Expenditure incurred during		Unspent balance	Remarks
		2007-08	2008-09		
Gondia	45.00	--	--	45.00	No expenditure was incurred
Pune	22.50	--	2.00	20.50	Amount paid to PWD for construction of nursing school
Yavatmal	47.50	2.95	1.69	42.86	Payment made towards stipend to nurses in 2008-09
<b>Total</b>	<b>115.00</b>	<b>2.95</b>	<b>3.69</b>	<b>108.36</b>	

**Blocking of funds due to release of grants without ascertaining requirement**

Similarly, it was seen that the total grants of Rs 1.99 crore were released during 2007-08 for strengthening of infrastructure<sup>12</sup> of one nursing school each in Nashik, Osmanabad, Ahmednagar, Nagpur and Thane Districts

<sup>12</sup> Repair, renovation, extension of existing building, hiring of building for school and hostel, hiring of vehicle, workshop, training, stipend of students, payment to staff, etc.

without ascertaining the actual requirement, resulting in blocking of huge funds of Rs 81.81 lakh with the DHSs as detailed in **Table 5**.

**Table 5 : Underutilisation of funds for nursing schools (Rs in lakh)**

District	Grants received	Expenditure incurred		Unspent balance
		2007-08	2008-09	
Nashik	25.00	14.75	N.A.	10.25
Osmanabad	47.50	16.79	16.94	13.77
Ahmednagar	47.50	--	19.56	27.94
Nagpur	31.37	--	14.47	16.90
Thane	47.50	13.28	21.27	12.95
<b>Total</b>	<b>198.87</b>	<b>44.82</b>	<b>72.24</b>	<b>81.81</b>

The DHS stated that there was no much scope for improvement in the nursing school. Audit observed that there was significant shortage of nurses (864) as discussed in paragraph 2.1.9.8.

While accepting the facts, Government stated (September 2009) that due to acute shortage of nurses, grants were released to districts for new construction and strengthening of infrastructure. However, fact remains that grants were released without ascertaining the actual requirement.

#### 2.1.9.4 Upgradation of health centres as per Indian Public Health Standards (IPHS)

The Mission has set the target of providing guaranteed services at the level of District Hospitals (DHs), CHCs, PHCs and Sub Centres by the year 2010. In this connection the Ministry has brought in the concept of Indian Public Health Standard (IPHS) for each level of health centre for ensuring availability of standard facility. Under NRHM, Health Centres (HCs) were to be upgraded to IPHS.

Scrutiny of the records of SHS revealed that low targets were fixed in respect of PHCs and Sub-centres till 2008-09. However, there was shortfall in achievements even after spending Rs 95.52 crore as in **Table 6**.

**Table 6: Up gradation of health centres (Rs in crore)**

Name of the HC	Number of the existing HCs	Up gradation of HCs		Grants released up to 2008-09	Expenditure reported	Upgraded to IPHS
		Targets to be fixed up to 31 March 2009	Selected for IPHS to 2008-09			
District Hospitals	23	10	23	23.00	95.52	23
CHCs (SDH/RH/WH/CH)	464	209	230	68.85		98
PHCs	1816	817	450	22.50		104
Sub Centres	10576	4741	650	6.50		33
<b>Total</b>	<b>12879</b>	<b>5777</b>	<b>1353</b>	<b>120.85</b>	<b>95.52</b>	<b>258</b>

It would be seen from the above table that achievement for CHCs was less than half of the targets, while upgradation of PHCs and sub-centres was only

**Achievement in upgradation of Health Centres was low even after spending Rs 95.52 crore**

23 *per cent* and five *per cent* respectively. This indicated that people in the rural areas were deprived of adequate health facilities.

Although, 258 health centres were shown to have been upgraded to IPHS in the report submitted to GoI, the SHS had stated to an audit query that no hospital could be declared as IPHS because there was a huge shortage of specialists in many of the hospitals/ centres.

Upgradation of the PHCs and SCs was meagre compared to the improvement made in DHs and CHCs. Thus, no focus was given to the first level health centres.

While accepting the facts, Government stated (September 2009) that due to acute shortage of nurses and doctors, realistic targets were fixed.

#### **2.1.9.5 Diversion of IPHS grant**

**IPHS grants were diverted for purchase of medicines**

Scrutiny revealed that Civil Surgeon, General Hospital Nashik (CS) received Rs 60 lakh for the upgradation of three Sub District Hospitals at Kalwan, Niphad and Chandwad to IPH standards. Of this, the CS utilised Rs 21.92 lakh on purchase of medicines, which should have been spent from regular State budget. The CS stated (September 2008) that the diversion was made with the approval of the Executive Committee of the DHS Nashik.

No specific reply was furnished by Government.

#### **2.1.9.6 Inadequate physical infrastructure at health centres**

**Many basic facilities did not exist in the health centres**

Scrutiny revealed that basic facilities like operation theatre, air conditioner, generator, labour room, telephone *etc.* were not available in many health centres test-checked, as detailed in **Appendix 2.6**. Out of total 24 CHCs, 48 PHCs and 96 SCs test-checked, three CHCs, six PHCs and 29 SCs had not been established in their own building. In 32 sub centres, Auxiliary Nursing Midwives (ANMs) had no residential facility.

These indicate that people in the rural areas were deprived of adequate health facilities.

Government while accepting the facts stated (September 2009) that there was a restriction of civil works upto 25 *per cent* of PIP size. Hence, few buildings could be provided under NRHM funds.

#### **2.1.9.7 Lack of facilities at health centre**

##### **Operation theatre (OT)**

According to IPHS norms, fourteen major equipments are necessary to make an OT fully operational. Out of 24 test-checked CHCs, in four CHCs there were no OTs, while in three CHCs, OTs were either not working or defunct due to non-availability of manpower, generator and AC machine. In the remaining 17 CHCs though they were functional, the OTs did not have supportive equipment as detailed in **Appendix 2.7**.

### **Diagnostic services**

The Mission provides for essential laboratory services at the PHCs and CHCs. At the PHC the services should include laboratory services for routine urine, stool and blood tests, blood grouping, bleeding time, clotting time, diagnosis of RTI/STD, sputum testing for tuberculosis, blood smear examination for malaria parasites, rapid tests for pregnancy/malaria and RPR tests for syphilis/YAWS. Test-check revealed that out of 48 PHCs, 20 had no facilities for laboratory services.

**Out of 48 PHCs, 22 PHCs did not have laboratory technician**

At the CHCs, besides the aforesaid laboratory services, microscopy facilities for tuberculosis, diagnostic facilities for complicated cases of malaria, dengue and Japanese encephalitis, diagnostic facilities for leprosy *etc.* were to be provided. While the position was better in CHCs as out of 24 test-checked CHCs, 18 had all the diagnostic services and three had partial facilities. In 22 PHCs there was no laboratory technician. In the absence of minimum diagnostic services in the PHCs, the rural public was deprived of these facilities.

### **Radiological/X-ray services**

The Mission provides for X-ray services at CHCs. Out of 24 test-checked CHCs, X-ray facilities were available at 19 CHCs. Of these 19 CHCs, radiographer was available only in five CHCs. In the absence of technician, X-ray facilities could not be used at the CHCs.

### **Blood storage facilities**

The NRHM provides for blood storage facilities at each CHC. Test check, however revealed that out of 24 CHCs, blood storage facilities were available only in five CHCs. Due to non-installation of blood storage unit in 19 CHCs, the needy rural patients were deprived of easy access to blood.

### **Emergency services**

As per NRHM norms, the Primary Health Centres providing 24 hours emergency services should have three staff nurses. In none of the test-checked PHCs full strength of staff nurses were available. Out of 48 PHCs providing emergency services, 13 PHCs had two nurses, 15 PHCs had only one nurse and 20 PHCs had no nurse.

In the absence of prescribed diagnostic, radiological, blood storage facilities *etc.* in CHCs and PHCs, delivery of reliable health care services at an affordable cost remained largely unfulfilled in the rural area.

While accepting the facts, Government stated (September 2009) that slow pace was due to inadequate funds and after launch of NRHM, IPHS funds were being utilised to complete the upgradation. Reply was not tenable as the achievement in upgradation of the health centres was also low.

### 2.1.9.8 Manpower management

There were huge shortages of medical and paramedical staff

The NRHM aimed at providing adequate medical and other related manpower at different health centres. The contractual staff should be engaged in addition to the sanctioned strength as required under the NRHM and not as a substitution to the sanctioned strength. It was, however, noticed that there were acute shortages of doctors and nurses as discussed below:

The men-in-position against the sanctioned posts of medical and para medical staff (both regular and contractual) as on 31 March 2009 are shown in **Table 7**.

**Table 7: Shortfall in manpower**

<b>Regular</b>					
Name of the post	Sanctioned strength	Men-in-position	Shortfall	Percentage of shortfall	
Class I Medical Officers (Specialists)	519	165	354	68	
Medical Superintendent for SDH & RH (class I)	438	136	302	69	
Class II Medical Officers	7281	6707	574	8	
Staff Nurse	6938	6074	864	12	
Lady Health Visitor (LHV)	2266	2030	236	10	
Auxiliary Nursing Midwife (ANM)	12543	12004	539	4	
<b>Contractual</b>					
Categories of paramedical staff	Total number required by 2012	Number required till March 2009	Number filled in as of March 2009	Shortfall	Percentage of shortfall
Additional ANM per Sub Health Centre	10579	5078	4191	887	17
Three Staff Nurse per PHC	5448	2615	675	1940	74
One LHV per PHC	1816	1816	1152	664	37
Nine Staff Nurse per CHC	3942	1734	Information not furnished		

In 24 sample CHCs, the percentage of shortfall of medical staff *i.e.*, General Surgeon, Physician, and other specialists ranged between 71 and 88. Shortfall was high in case of paramedical staff *i.e.*, Public Health Nurses (PHN) (96 per cent), radiographers (79 per cent) and dressers (92 per cent). In case of 48 test-checked PHCs, the percentage of shortfall of staff nurses was 72 and health educators 81 as detailed in the **Appendix 2.8**.

Out of 96 test-checked SCs, two ANMs as required under NRHM were not posted in 66 SCs.

Thus, in view of this widespread shortage of medical and paramedical staff providing quality health care services would be severely affected.

While accepting the facts, Government stated (September 2009) that due to huge gap between demand and availability of doctors and nurses in government sector, there were intra-health centre differences.



### 2.1.9.9 Engagement of Accredited Social Health Activist (ASHA)

Under the NRHM a trained female community health worker called Accredited Social Health Activist (ASHA) had been provided in each village in the ratio of one per 1,000 population (or less for large isolated habitations) in the State. The ASHA was expected to act as an interface between the community and the public health system.

The position of appointment of ASHAs and their training is shown in **Table 8**.

**Table 8: Engagement and training of ASHA**

	Number of ASHAs engaged up to 2008-09			Number of ASHAs provided with training				
	Target	Achievement	Shortfall	1 <sup>st</sup> Module	2 <sup>nd</sup> Module	3 <sup>rd</sup> Module	4 <sup>th</sup> Module	5 <sup>th</sup> Module
For Tribal Area	9000	8657	343	8242	7753	6944	1694	Nil
For Non Tribal Area (with effect from September 2008)	51741	16045	35696	No training was imparted though basic training was to be provided within seven days of appointment.				
<b>Total</b>	<b>60,741</b>	<b>24,702</b>	<b>36,039</b>					

It is evident from the above that there was a shortfall in the achievement of selection and training to ASHAs which would affect the programme implementation.

### 2.1.9.10 Mobile Medical Units

Despite availability of funds, no MMU was set up

With the objective to make health care available at the doorstep of the rural people, GoI sanctioned (August 2007) Rs 15.79 crore for procurement of 35 Mobile Medical Units (MMUs). Although funds were released by the GoI in the year 2007-08, SHS did not purchase any mobile unit as of May 2009 as type design for vehicles for MMU was not finalised. SHS have failed to operationalise MMUs so far, though National Programme Coordination Committee (NPCC) had ordered that the operationalisation of the MMUs should be ensured during the same year *i.e.*, 2007-08.

While accepting the facts, Government stated (September 2009) that there was a delay in taking decision for setting up of MMUs. However, the funds were utilised for other approved activities. The reply was not tenable as NPCC while approving the funds for MMUs had categorically instructed to ensure the operationalisation during 2007-08.

Non-operationalisation of MMUs has deprived the people of the intended medical facilities at their door step.

### 2.1.9.11 Training to medical and paramedical staff

There was heavy shortfall in training of medical and paramedical staff

Capacity building through regular training and exposure of ANMs, Public Health Nurses (PHNs), Staff Nurses and Medical Officers was to be done according to the needs as well as for upgradation of their skills. This was an important module of NRHM. Analysis of data obtained from SHS, however, revealed that there was a heavy shortfall in achievement of training targets.

During 2007-08 and 2008-09, shortfall varied between 30 and 74 *per cent* in respect of ANM, for Staff Nurse from 57 to 86 *per cent* and for medical officer from 44 to 78 *per cent* as detailed in **Appendix 2.9**. It was stated that the DHOs did not nominate the Medical Officers for training, as many of the PHCs were manned by a single doctor.

While accepting the facts, Government stated (September 2009) that due to lack of training facilities, training could not be completed as per the needs.

## **2.1.10 Performance indicators**

### **2.1.10.1 Reproductive and child health care (RCH), immunisation and various disease control programme**

The NRHM prescribes national targets for reducing infant mortality rate (IMR)<sup>13</sup> maternal mortality rate (MMR)<sup>14</sup>, total fertility rate (TFR)<sup>15</sup>, reducing morbidity and mortality rate and increasing cure rate of different endemic diseases covered under various national programmes. Targets of MMR, IMR and TFR and achievement there against in the State are as shown in **Table 9**.

**Table 9: Performance indicators**

Particulars of indicators	Targets to be achieved as per NRHM	Targets fixed by the State	Year wise targets fixed by the State		Achievement at the end of each year
			Year	Target	
IMR	30/1000 live births up to 2012	25/1000 live births by 2010	2005	Not fixed	36
			2006	Not fixed	35
			2007	32	34
			2008	32	34
MMR	100/100000 live births up to 2012	100/100000 live births by 2010	2005	Not fixed	149
			2006	Not fixed	Not compiled
			2007	125	130
			2008	125	Not compiled
TFR	2.1 up to 2012	2.0 by 2010	2005	Not fixed	Not compiled
			2006	Not fixed	2.11
			2007	2.0	Not compiled
			2008	2.0	Not compiled

It would be seen from the above table that while in respect of IMR and TFR, the State position is almost at par with the norm, in MMR it is yet to achieve the target of 100.

Government stated (September 2009) that the target of 100 for MMR would be achieved by 2012 as per NRHM norms.

One of the major aims of the safe motherhood is to register all the pregnant women before they attain 12 weeks of pregnancy and provide them with

<sup>13</sup> IMR is the number of infant deaths (one year of age or younger) per thousand live births

<sup>14</sup> MMR is the number of deaths of women per lakh while pregnant or within 42 days of termination of pregnancy from any cause related to or aggravated by the pregnancy or its management

<sup>15</sup> TFR is the total number of children, the average women in a population is likely to have, based on current birth rates throughout her life

There was continuous shortfall in registration of pregnancy, administration of IFA tablets and Tetanus Toxoid

services, such as, four antenatal check-ups, 100 or more Iron Folic Acid (IFA) tablets, two doses of Tetanus Toxoid (TT) and advice on the correct diet and vitamin supplements and in case of complications referring them to specialised gynecological care.

The number of pregnant women registered during 12 weeks of pregnancy for check up as against the total pregnancies were in declining trend as detailed in **Table 10**.

**Table 10: Registration of pregnant women**

Year	No. of total pregnant women registered at health centre	No. of pregnant women registered during 12 weeks of pregnancy	Shortfall	Percentage of shortfall
2005-06	22,35,950	20,61,763	1,74,187	7.79
2006-07	22,29,445	20,07,729	2,21,716	9.94
2007-08	22,26,174	19,52,056	2,74,118	12.31
2008-09 (up to February 2009)	20,28,314	11,58,883	8,69,431	42.86

Similarly, Iron Folic Acid (IFA) administration and Tetanus toxoid dosages to pregnant women were also in declining trend as detailed in **Table 11**.

**Table 11: Administration of IFA tablet and TT dosages**

Year	No. of pregnant women registered at health centre	No. of pregnant women not receiving 100 days of IFA tablets	Percentage of pregnant women not receiving 100 days of IFA tablets	No. of women not given Tetanus toxoid dosages	Percentage of women not given Tetanus toxoid dosages
2005-06	22,35,950	9,13,263	40.84	1,74,187	7.79
2006-07	22,29,445	15,23,765	68.35	2,21,716	9.94
2007-08	22,26,174	12,18,733	54.75	2,74,118	12.31
2008-09 (up to Feb 09)	20,28,314	Not compiled		3,28,794	16.21

From the above table it could be seen that the number of needy and pregnant women receiving IFA was decreasing which indicated less access to needed iron supplement. As regard gap between registration and immunisation the SHS stated (May 2009) that all the registered women are not coming forward for immunisation.

Government stated (September 2009) that 100 and 200 IFA tablets were prescribed for non-anaemic and anaemic pregnant women respectively. The Expected Level of Achievement (ELA) was 50 *per cent* and same was achieved during last two years in respect of non-anaemic women. The reply was not acceptable as no data was available in support of distribution of 200 IFA tablets to anaemic women.

#### **2.1.10.2 Institutional deliveries**

An important component of the RCH II programme was to encourage mothers to undergo institutional deliveries. The goals set in 10<sup>th</sup> Plan objective were to

Shortfall in institutional deliveries was significant in some districts like Gondia

achieve 80 per cent institutional/safe deliveries by 2007. Further, in the State PIP for RCH for the year 2008-09, State had targeted to achieve 80 per cent in institutional deliveries. However, scrutiny of records of SHS revealed that this target had not been achieved as of February 2009, as detailed in **Table 12**.

**Table 12 : Institutional deliveries**

Year	Total deliveries	No. of institutional deliveries	Per cent of institutional deliveries
2004-05	16,43,063	10,26,853	62.5
2005-06	16,82,766	11,03,685	65.59
2006-07	14,25,940	10,00,853	70.19
2007-08	18,02,857	13,46,693	74.7
2008-09 (up to Feb 09)	16,19,516	12,33,074	76.13

In the eight test-checked districts it was observed that the position during 2005-2009 varied widely between 36 per cent (Gondia 2005-06) and 90 per cent (Pune 2008-09)(**Appendix 2.10**). Institutional deliveries above 80 per cent were achieved by Thane in 2007-09 and Pune during 2005-06 and 2007-09. However, Gondia, a tribal inhabited district, presented a grim picture of 36.07 to 65.37 per cent institutional deliveries during the last four years.

While accepting the facts, Government stated (September 2009) that schemes implemented under NRHM and through Tribal Welfare Department showed positive impact on institutional deliveries.

### 2.1.10.3 Family planning

The family planning includes terminal method to control total fertility rate and spacing method to improve couple protection ratio(CPR)<sup>16</sup>. The terminal method of family planning includes vasectomy for male and tubectomy for female.

Analysis of data obtained from SHS revealed that as against the target of 2.63 lakh vasectomies in 2005-09 (up to February 2009) in the State, the achievement was only 1.19 lakh leading to shortfall of 54.83 per cent. Further, the proportion of vasectomy to the total sterilisation was only 4 per cent during 2005-09. This showed that male participation in family planning did not come up as per targets of NRHM. It has been stated that low performance of vasectomy was due to lower acceptance in the society, low female literacy etc. During 2005-08 the achievement under tubectomy was 22.71 lakh against the targets of 18.27 lakh.

Targets *vis-à-vis* achievement during 2005-09 of family planning operations in eight test-checked districts were detailed in **Appendix 2.11**.

In eight test-checked districts, while shortfall in achievement of target under vasectomy was highest in Thane District (85 to 94 per cent), the targets were

<sup>16</sup> CPR is the percentage of the women in the age group of 15-49 years, protected from pregnancy/child birth in the year under consideration for a specific area

There was shortfall in both male and female sterilisation

low in Osmanabad and Gondia Districts. However, in respect of female sterilisation *i.e.* tubectomy and laparoscopic, it was noticed that in respect of Osmanabad the target of 10,647 in 2005-06 was gradually reduced to 8,791 in 2008-09. In this connection, SHS stated (May 2009) that family welfare services were purely voluntary and they could not compel any one to accept any particular method and that all efforts were being made through Information, Education and Communication (IEC) to motivate for family planning.

While accepting the facts, Government stated (September 2009) that though the vasectomy was recommended as first choice, proportion of families accepting vasectomy was very low. However, because of newer techniques, the vasectomy acceptance had started improving.

#### 2.1.10.4 Immunisation and Child Health

There was shortfall in child immunisation

Strengthening of services to improve child survival is one of the major components of the RCH II programme. This mainly focuses on preventive aspects. In this connection, for secondary immunisation, children in the age group of 5 to 6 years were required to be administered three doses of DT (Diphtheria and Tetanus) and two doses of Tetanus Toxoid (TT) at the age of 10 and 16 respectively. However, scrutiny of records revealed that there was shortfall against targets for secondary immunisation ranging from 6.55 to 19.30 *per cent* for DT, 9.78 to 24.63 *per cent* for TT (10) and 10.68 to 25.03 *per cent* for TT (16) during 2005-06 to 2008-09 as detailed in **Appendix 2.12**.

While accepting the facts, Government stated (September 2009) that the performance had improved.

#### 2.1.10.5 Vitamin A administration

There was shortfall in Vitamin A administration to children

The RCH II programme emphasised Vitamin A solution for all children less than three years of age. Prophylaxis against blindness amongst children due to Vitamin A deficiency requires the first dose at nine months of age along with measles vaccine and second dose along with DPT/OPV and subsequently three doses at six monthly intervals. There were shortfalls ranging between 8.11 *per cent* and 23.36 *per cent* against the targets of first dose and between 22.94 *per cent* and 45.72 *per cent* during 2005-06, to 2008-09 as detailed in **Table 13**.

**Table 13 : Vitamin A administration**

Year	Targets	Achievement	Shortfall	Percentage of shortfall
<b>1<sup>st</sup> dose</b>				
2005-06	20,93,721	19,23,895	1,69,826	8.11
2006-07	20,98,904	16,08,698	4,90,206	23.36
2007-08	19,74,378	18,05,625	1,68,753	8.55
2008-09	19,27,574	15,05,108	4,22,466	21.92
<b>2<sup>nd</sup> dose</b>				
2005-06	17,03,089	17,51,442	-	-
2006-07	20,14,740	14,54,787	5,59,953	27.79
2007-08	22,54,431	17,37,331	5,17,100	22.94
2008-09	19,74,375	10,71,676	9,02,699	45.72

Government stated (September 2009) that in order to achieve 100 *per cent* coverage, the State was implementing mass Vitamin A supplementation drive.

### 2.1.10.6 National Programme for Control of Blindness (NPCB)

The NPCB aimed at reducing prevalence of blindness cases to 0.8 *per cent* by (March) 2007 through increased cataract surgery (46 lakh by 2012), school eye screening and free distribution of spectacles, collection of donated eyes and creation of donation centres and eye-banks and strengthening of infrastructure by way of supply of equipment and training of eye surgeons and nurses.

#### Cataract operation

Cataract operations (catops) are performed by Government doctors in Government hospitals, by NGOs and private practitioners in clinics and eye camps. The distribution of workload between private and public sectors was expected to be in the ratio of 1:1. While the NGOs and private sector exceeded the 50 *per cent* mark, the Government sector fell behind, and it was ranging from 19 to 23 *per cent* as detailed in **Table 14**.

**Table 14: Cataract operations**

Year	Performance of catops in Government hospitals		Performance of catops by NGOs		Performance of catops by private practitioners and others		Total cataract operations
	Number	Percentage	Number	Percentage	Number	Percentage	
2005-06	1,48,236	23	1,24,816	19	3,83,343	58	6,56,395
2006-07	1,37,557	20	1,56,516	23	3,89,631	57	6,83,704
2007-08	1,52,456	21	1,60,114	23	3,99,735	56	7,12,305
2008-09	1,34,454	19	1,75,580	24	4,08,572	57	7,18,606
<b>Total</b>	<b>5,72,703</b>	<b>21</b>	<b>6,17,026</b>	<b>22</b>	<b>15,81,281</b>	<b>57</b>	<b>27,71,010</b>

The shortage of eye surgeons in the Government hospitals contributed to the shortfall in Government sector, as 13 eye surgeons were posted against 38 sanctioned posts.

Government further stated (September 2009) that ceiling of number of operations per surgeon had also contributed to the shortfall in Government sector.

#### Eye donation

The percentage of eyes actually utilised was much less than donated eyes as detailed in **Table 15**.

Government sector fell behind in performing cataract operation

Table 15 : Eye donation

Year	Number of eyes				
	Donated	Utilised	Transferred to other bank	Rendered unfit	Used for research
2005-06	3946	1476	639	172	1533
2006-07	4192	1396	732	209	1457
2007-08	4987	1869	1033	117	1796
2008-09	5885	1878	672	1492	1579
<b>Total</b>	<b>19010</b>	<b>6619</b>	<b>3076</b>	<b>1990</b>	<b>6365</b>

Government stated (September 2009) that 35 *per cent* utilisation was acceptable as per international norms.

### Refractive error and free distribution of spectacles

The programme envisaged imparting training to school teachers in Government and Government aided schools, for screening refractive errors among students and free distribution of spectacles to the students having refractive errors. The position is shown in **Table 16**.

Table 16: Distribution of spectacles

Year	Refractive error detected	Spectacles supplied	Shortfall
<b>2005-06</b>	87,878	57,286	30,592
<b>2006-07</b>	1,10,934	81,815	29,119
<b>2007-08</b>	1,15,876	90,619	25,257
<b>2008-09</b>	1,05,203	74,062	31,141

There was shortfall in providing spectacles to school children

All the students who had refractive errors were not provided with free spectacles and the shortfall ranged between 25,257 and 31,141 during last four years. The programme requires further improvement.

### 2.1.10.7 Revised National Tuberculosis Control Programme

Average detection of new sputum positive cases during 2005-09 worked out to 95 *per cent* which was much higher than the prescribed target of 70 *per cent*. The cure rate ranged between 86 and 87 *per cent* which was higher than the desired level of 85 *per cent* as detailed in **Table 17**. The State is fully covered under Revised National Tuberculosis Control Programme (RNTCP).

The State is fully covered under RNTCP

Table 17: Cure rate of TB patients

Year	TB patients registered	Cured + treatment completed	Per cent cure rate	Died	Failures	Defaulters	Transferred out
2005-06	54,944	47,800	87.00	2747	1248	2690	275
2006-07	53,816	46,820	87.00	2691	1266	2794	319
2007-08	57,900	49,717	85.87	2956	1288	2874	474
2008-09	55,290	47,384	85.70	3096	1106	3096	608

### 2.1.10.8 National Vector Borne Disease Control Programme

#### Annual Blood Examination Rate (ABER) and Annual Parasitic Incidence (API) for malaria

The programme stipulated ABER of 10 *per cent* and API of less than 0.5 per thousand for the country. As per information available with the State the ABER was 14.5, 16.6, 12.6 and 14.1 and API was 0.43, 0.5, 0.6 and 0.8 during the years 2005-06 to 2008-09.

Government stated (September 2009) that increase in API was due to nine districts in the State.

#### Impact of vector borne diseases

During 2005-08 morbidity and mortality due to various vector borne diseases were as in **Table 18**.

**Table 18: Cases of morbidity and mortality**

Year	Malaria		Filaria		Japanese Encephalitis		Dengue	
	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths
2005-06	45,614	104	9294	0	60	0	31,508	56
2006-07	56,852	133	6211	0	62	0	11,096	27
2007-08	67,844	176	5167	0	10	0	4243	25
2008-09	68,977	160	6386	0	1	0	3782	20

The above table indicated increasing number of Malaria cases and deaths thereof.

Government accepted (September 2009) the facts.

### 2.1.10.9 National Leprosy Elimination Programme (NLEP)

The NLEP aimed to eliminate leprosy by the end of 11<sup>th</sup> plan (2012). It also aims to ensure leprosy prevalence rate (PR) of less than one per ten thousand. The total number of new cases of leprosy and PR in the state during 2005-09 was as in **Table 19**.

**Table 19: Leprosy Elimination Programme**

Year	New cases	Prevalence Rate
2005-06	13,844	0.64
2006-07	11,189	0.61
2007-08	12,397	0.71
2008-09	14,274	0.87

The NRHM stipulated facilities for diagnosis and treatment of leprosy at all health centres up to PHC level. As per data available at the SHSs the facility for diagnosis of leprosy was available in all CHCs and PHCs.

The facility for diagnosis of leprosy was available at all the test-checked CHCs and PHCs.

Though leprosy prevalence rate is below one per ten thousand the number of persons affected has increased in the years 2007-08 and 2008-09.



Government accepted (September 2009) the facts.

### **2.1.11 Conclusion**

The implementation of the NRHM in the State suffered mainly due to lack of comprehensive planning as well as inadequate monitoring. The programme was implemented in the State without the aid of a reliable household database and adequate facility surveys for understanding and identifying the health care needs of the rural population. Perspective Plan for the mission period was not prepared by the DHSs initially. The RKSs did not review the services at hospitals and outreach works.

Underutilisation of the Mission funds resulted in huge unspent balances. Maintenance of cash books and accounts was deficient. No new CHC and PHC were set up. There were large unspent funds meant for strengthening of nursing schools. No focus was given for up gradation of standards of the PHCs and Sub Centres to IPHS. Mobile Medical Units were not in operation. Diagnostic services were inadequate. Blood storage units were not started in most of the CHCs. There were shortages of doctors, nurses and paramedics for providing health care services. In respect of IMR and TFR, the State position is almost at par with the norm; in MMR it is yet to achieve the target of 100. There was shortfall in registration of pregnancy. Family planning targets were not achieved; male participation in family planning was inadequate. As far as RNTCP is concerned the performance of the State Government was appreciable.

### **2.1.12 Recommendations**

The following recommendations are made for improving NRHM implementation in the State:

- For realistic planning, complete household and facility surveys should be carried out soon.
- Provision of diagnostic services in PHC and blood bank facility in CHC should be improved.
- Construction of new CHCs, PHCs and SCs should be given priority along with strengthening of nursing schools for better coverage of health care services.
- More women in rural and tribal areas should be brought under institutional delivery facility through extensive use of IEC.
- Mobile Medical Units should be operationalised to take health care facilities to the doorstep of people in rural areas.
- Sanctioned posts of doctors and nurses are required to be filled in on a priority basis for providing essential medical services. Training of doctors and para medical staff should be given due importance to achieve the desired quality of health care delivery services.

## School Education and Sports Department

### 2.2 Development of Sports in Maharashtra

#### Highlights

*Physical Education and Sports are the integral parts of the educational system of our country. The primary objective of the Sports Policy, 2001 of the State was development and nurturing of a sports culture, creation of sports facilities at village, taluka and district level and through this develop upcoming, talented sportspersons and create awareness and liking for sports at a young age. As the focus of the policy was 'child', it was decided to implement physical education and sports from the school level. A performance audit of the development of sports in the State revealed that Government initiative in the development of sports in the State was not sufficient. There were lack of phase-wise plan/programme for implementation of sports policy, shortages of physical education teachers in schools, absence of taluka coaching centres in each taluka and inadequate facilities in the sports academies and their under utilisation. It also revealed the absence of sports infrastructure at all the talukas, districts and divisions as required. Non-monitoring of proper utilisation of grants-in-aid given to non-Government organisations /institutions, inadequate participation of schools in school games, delay in conferring awards/incentives etc. were also noticed.*

**Government provided only Rs 197 crore (39 per cent) during 2002-07 against the plan outlay of Rs 500 crore proposed in the sports policy. State Sports Development Fund was almost defunct.**

*(Paragraphs 2.2.7.2 and 2.2.7.3)*

**As against the sanctioned strength of 38 District Sports Officers and 31 Taluka Sports Officers, 19 posts in each category were lying vacant as of February 2009.**

*(Paragraph 2.2.8.3)*

**As against the target of establishment of nine divisional sports complexes, 29 district sports complexes and 382 taluka sports complexes, 11 district sports complexes and 35 taluka sports complexes were established while none of the divisional sport complexes completed till date.**

*(Paragraph 2.2.9.1)*

**There were only 113 coaches in 213 district coaching centres. Transfer of the coach of a particular game from a district coaching centre and posting of a substitute coach of a different game adversely affected the trainees.**

*(Paragraph 2.2.10.1)*

**Against the target of creation of 382 taluka coaching centres, only 50 were established.**

*(Paragraph 2.2.10.2)*

**The Battery of Tests consisting of a set of nine different tests of physical capacity of children in the age group of eight to fourteen conducted to identify talented sportspersons at an early age was found to be ineffective.**

*(Paragraph 2.2.11.1)*

**The sports academies, except Pune, did not have proper accommodation and other basic facilities. All the trainees were given a general diet irrespective of their game. Utilisation of 10 sports academies (except Pune) was far below their capacities.**

*(Paragraphs 2.2.11.2 and 2.2.11.3)*

**Joint survey of 500 schools in the selected districts showed that 62 per cent schools had not fulfilled the norms of one Physical Education Teacher for 250 students; the ratio ranged from 1:500 to 1:1200 students.**

*(Paragraphs 2.2.12.1)*

**Out of 8,908 schools in the selected districts, 4,111 (46 per cent) schools had not participated in school games.**

*(Paragraph 2.2.12.4)*

**Scrutiny of grants-in-aid for sports development to various institutions revealed irregularities such as grantee institutions not involved in sports activities, non-receipt of utilisation certificates, non-conducting of pre/post-inspection of site by the DSOs, grantee institute not traceable during field visit, utilisation of the sports premises for other purposes, etc.**

*(Paragraph 2.2.13)*

**Action on the recommendations (June 2008) of the committee appointed by the Government for conducting mid-term review of the progress of the implementation of the Sport Policy, 2001 is yet to be taken.**

*(Paragraph 2.2.15.2)*

### **2.2.1 Introduction**

Physical Education and Sports are integral parts of the educational system of our country. Fitness for all through sports was the focal point of the five year Sports Policy introduced in 1996 for the first time in Maharashtra. In 2001 the policy was replaced with a new long term policy for the next 10 years *i.e.*, 2002-2012. The primary objectives of this policy are development and nurturing of a sports culture, creation of sports facilities at village, taluka and district levels besides inculcating sports culture among the upcoming talented sportspersons. It also aims at making available the latest technology and coaching facilities of national and international standard to sportspersons.

The major schemes implemented by the Department, in order to achieve the above objectives are listed in **Appendix 2.13**.

### **2.2.2 Organisational set up**

The Secretary, School Education and Sports Department is responsible for implementation of various sports related schemes in the State. The Director of Sports and Youth Services, Maharashtra, situated at Pune implements various

sports schemes in the State and is assisted by eight Deputy Directors at divisional level, 31 Districts Sports Officers covering 35 districts and 31 Taluka Sports Officers across the State. There are 11 residential sports academies in the State wherein, along with their studies, talented sportspersons are trained at a young age.

While the responsibility of imparting physical education at primary level lies with the respective local bodies (Municipal Corporations and Zilla Parishads), at middle and higher secondary level the same rests with the Director of School Education, who is assisted by Education Inspectors in the districts.

State Sport Development Committee, High Power Committee for Balewadi and Maharashtra State Sport Infrastructure Development Committee were constituted for preparation of action plan and execution of works at various levels, functioning of sports academies, monitoring *etc.* Besides, Sports Complex Committees operate at divisional, district and taluka levels headed by Divisional Commissioner, Collector and Block Development Officers respectively.

### **2.2.3 Audit scope and methodology**

A performance audit on the implementation of various schemes implemented for the development of sports in the State, covering the period from 2004-05 to 2008-09 was conducted between February and June 2009 by test-check of records in the School Education and Sports Department, Mumbai, offices of the Director of Sports, Pune, four out of eight Deputy Directors, nine out of 35 District Sports Officers (DSOs) and 19 out of 39 taluka sports complexes under the nine DSOs which were selected on random sampling basis. Further, records of five sports academies, 38 educational institutions and 24 non-Government institutions in the nine sample districts were also test-checked. Joint site visits of the infrastructure created by some of the grantee institutions were also carried out along with the departmental personnel. Besides, a survey questionnaire for collection of information on availability of physical education teachers (PETs), allotment of physical training periods in schools and their participation in sports competition, was issued to 1,000 educational institutions through the Department in the sample districts to ascertain whether these schools were adhering to the norms as prescribed in the Sports Policy, 2001. Of these, 500 institutions had responded and the data received is brought out at appropriate places in the report. The details of sample covered in audit are given in **Appendix 2.14**. The audit objectives were discussed with the Secretary, School Education and Sports Department at an entry conference held in February 2009. The audit findings were discussed with the Secretary in the exit conference held on 30 September 2009. The Secretary accepted the conclusions and recommendations and stated that these would help the Department to take remedial measure to strengthen the functioning of the Department. However, detailed replies of the Government to the draft performance audit report sought for in July 2009 were not received (October 2009).

#### **2.2.4 Audit objectives**

The objective of the performance audit was to assess if the:

- funding was provided as per plan;
- planning was sound and effective to implement schemes;
- envisaged infrastructure was created at taluka/district/division level;
- young talent is groomed properly and got coaching to excel in their respective field;
- physical education is being properly and systematically implemented in all educational institutions across the State;
- grants-in-aid released by Government of India (GoI)/Government of Maharashtra (GoM) to non-Government/voluntary Organisations, for development of sports/infrastructure were utilised properly and effectively and
- monitoring was effective.

#### **2.2.5 Audit criteria**

The audit criteria used for the performance audit were:

- Maharashtra State Sports Policy, 1996 and 2001.
- Orders and instructions issued on the subject by the GoM and the GoI from time to time.
- Terms and conditions laid down for grant of financial assistance to the non-Government organisations.
- Guidelines issued for running the sports academies.

#### **2.2.6 Sports scenario in the State**

The medal tally of the State at the National Games was increased from 35 medals in the 32<sup>nd</sup> games held at Hyderabad in 2002 to 97 medals in the 33<sup>rd</sup> game held at Guwahati in 2007. However, the position of the State based on the medal tally has come down from sixth to eighth place. It was further observed that four States (Andhra Pradesh, Karnataka, Manipur and Punjab) with a smaller population than Maharashtra won more medals in the National Games held at Hyderabad and three such states (Assam, Manipur and Punjab) performed better in the National Games held at Guwahati.

At the School Game Federation of India's games held during the years 2004-05 to 2007-08, Maharashtra stood first with medal tallies of 351, 378, 379 and 434 respectively.

**Audit findings**

**2.2.7 Funding**

**2.2.7.1 Budget provision and expenditure**

The expenditure incurred for development of sports and physical education in the State by the Department *vis-a-vis* budget provisions made during the period 2002-03 to 2008-09 was as in **Table 1**.

**Table 1 : Budget provisions *vis-a-vis* and expenditure (Rs in crore)**

Year	Plan		Non-plan		Total	
	Provision	Expenditure	Provision	Expenditure	Provision	Expenditure
2002-03	37.03	35.41	13.34	12.69	50.37	48.10
2003-04	35.99	34.76	14.42	14.33	50.41	49.09
2004-05	18.55	16.80	13.49	13.36	32.04	30.16
2005-06	52.63	45.12	16.30	18.74	68.93	63.86
2006-07	53.03	53.77	17.12	20.48	70.15	74.25
<b>Total</b>	<b>197.23</b>	<b>185.86</b>	<b>74.67</b>	<b>79.60</b>	<b>271.90</b>	<b>265.46</b>
2007-08	53.71	55.71	24.81	24.93	78.52	80.64
2008-09	44.94	62.58	51.32	50.42	96.26	113.00
<b>Grand total</b>	<b>295.88</b>	<b>304.15*</b>	<b>150.80</b>	<b>154.95</b>	<b>446.68</b>	<b>459.10</b>

\* Includes Rs 20.45 crore under Tribal Plan and Rs 4.89 crore under Centrally Sponsored scheme

Source: Finance Accounts

**2.2.7.2 Inadequate and insufficient funding**

The Sports Policy, 2001 stipulated that a minimum fund of Rs 100 crore *per annum* would be made available from 2002-03 for implementation of various schemes for development of sports during 10<sup>th</sup> Five Year Plan period (2002-07). As against the proposed provision Rs 500 crore during 2002-03 to 2006-07 only Rs 197.23 (39 *per cent*) crore was actually provided under Plan outlay and expenditure was Rs 185.86 crore. It can be seen that during 2002-09 only Rs 295.88 crores was provided and an expenditure of Rs 304.15 crore was incurred for development of sports under Plan outlay.

**2.2.7.3 Creation of State Sports Development Fund**

In order to nurture a sports culture, it was decided in the Sports Policy, 2001 to create a State Sports Development Fund (SSDF) for development of sports facilities, making available services of foreign coaches to sportspersons in the State, providing sports equipment of international standards and giving financial aid to renowned sportsmen in the State. The SSDF was to be maintained and operated by the Secretary, School Education and Sports Department.

The SSDF was proposed to be created from Government contribution of Rs 50 lakh per annum, one day's income from horse racing, donation from various commercial and industrial establishments, and contributions from the local bodies and educational institutions and funds collected from exhibition matches and cultural programmes.

Plan outlay of Rs 197.23 crore was provided during 2002-07 against Rs 500 crore proposed in Sports policy

The State Sports Development Fund created to provide sports facilities of international standards was almost non-functional

Scrutiny revealed that adequate steps were not taken by the Department to raise money from the above mentioned sources for creation of SSDF. The total contribution made to SSDF by the Government during 2003-04 to 2008-09 was only Rs 95 lakh against the stipulated Rs 3 crore in six years. Further, only Rs 37 lakh was disbursed (April 2007 to April 2009) from SSDF as financial assistance to ten sportspersons. It was also observed that ‘Maharashtra State National Sports Fund’ (MNSNF) was formulated in 1951 as a registered society for providing assistance to sports persons/organisations, operation of which was at a standstill since 1989. As per Government resolution of September 2003, the MNSNF was converted into SSDF and the amount accumulated in the MNSNF was transferred to SSDF. The books of accounts and audited statement of SSDF were not made available to Audit though called for.

Department stated (June 2009) that the accounts of the erstwhile Maharashtra State National Fund were not traceable and Rs 6.17 crore pertaining to SSDF was kept in fixed deposits. The above position indicated that there was lack of efforts for development of sports despite availability of funds.

## **2.2.8 Planning**

### **2.2.8.1 Inadequate planning**

**Important schemes envisaged in the Sports Policy, 2001 were not implemented**

Fitness for all through sports was the focal point of the five year Sports Policy introduced in 1996 for the first time in Maharashtra. The policy was revised and a new long term policy for a 10 year period was framed as the Maharashtra State Sports Policy, 2001 for implementation from 1 April 2002, with focus on development of infrastructure. However, the Government resolution for implementation of the Sports Policy, 2001 was issued only in March 2003. The Sports Policy, 2001 envisaged 50 schemes for development of sports in the state during the period 2002-03 to 2011-12. Of these, 19 schemes (**Appendix 2.13**) were being implemented as of June 2009. Some of the important schemes not being implemented are sports competitions for senior citizens, physically challenged persons, establishment of new district sports offices, setting up of non-residential sports academies in districts, construction of taluka sports training centres *etc.*

As per the Sports Policy, a High Power Committee was to be set up to oversee the implementation of the Policy. This has not been done as of June 2009. Further, the Department had neither prepared any phase-wise plan nor fixed any yearly targets for effective implementation of the Sports Policy, as noticed from the following points.

### **2.2.8.2 Non-availability of land for sports complex**

The sports policy and the Government resolution of March 2003 envisaged establishment of 9 divisional, 29 district and 382 taluka sports complexes across the State and directed the District Sports Development Committees headed by the District Collectors to identify and earmark/allot suitable Government/Local Bodies’ land for construction of sports complexes.

The Department released (April and September 2003) Rs 17.20 crore to 172 taluka sport complex committees for construction of one sports complex in each taluka (Rs 10 lakh each). It was noticed that the Department did not ascertain the availability of land for construction of sports complexes. As a result, the fund remained unutilised with respective sports complex committees. Subsequently in March 2005, Rs 4.02 crore was transferred to 21 other sports complexes where land was available and work was in progress. This indicated lack of proper planning by the Department.

### **2.2.8.3 Shortage of manpower**

**Nineteen posts each of District Sports Officers and Taluka Sports Officers were lying vacant**

For effective implementation of the State Sports Policy, adequate number of skilled and trained manpower is needed. The Department has not taken effective steps to recruit adequate manpower in key cadres for effective implementation of the sports policy. As against the sanctioned strength of 38 District Sports Officers (DSOs) and 31 Taluka Sports Officers (TSOs), 19 posts were lying vacant in each category as of February 2009. Further, four newly created districts in the State *viz.* Gondia, Hingoli, Nandurbar and Washim neither have independent establishments nor independent District Sports Officers for the last five years. Further, there were acute shortage of coaches and physical education teachers as discussed in Paragraphs 2.2.10.1 and 2.2.12.1 respectively.

### **2.2.8.4 Special action plan for Mumbai**

**Special Action Plan for Mumbai was not implemented**

Considering the inadequate sports facilities available for common public in Mumbai city, the Sports Policy stipulates preparation of a special action plan (SAP) for Mumbai for optimum utilisation of the available land for development of sports. The SAP included development of separate playgrounds for each game as well as setting up of single game non-residential sports academy, providing funds on the line of divisional sports complexes, creation of sports and entertainment centres on build operate and transfer (BOT) basis and to ensure optimum utilisation of the existing sports complexes and stadia in Mumbai city.

As the possession of open land in Mumbai is with the Municipal Corporation of Greater Mumbai (MCGM), the State Sports Development Committee headed by Sports Minister had a meeting with MCGM in May 2004 for obtaining land for development of sports infrastructure. The MCGM assured (May 2004) to provide land for one divisional, two district and 24 taluka sports complexes in Mumbai. The State Sports Development Committee also recommended (May 2004) formation of an action committee inclusive of Municipal Commissioner as Joint Member for follow up action in the matter. However, no further initiative was taken by the Department in this regard. As of June 2009, no land could be procured for construction of district sports complexes in Mumbai and Mumbai Suburban Districts.



### 2.2.8.5 Creation of infrastructure facilities on Build Operate and Transfer (BOT) basis

As per Government resolutions of February and March 2003, sports infrastructure is to be created on BOT basis for commercial utilisation of sports complexes and land for generating revenue to meet the expenditure on operation and maintenance of sports infrastructure created. It was, stated that no such plans were prepared and executed as of May 2009.

The special action plan (SAP) for Mumbai, as envisaged in the Sports Policy, also included creation of sports entertainment centres on BOT basis with the help of Municipal Corporations *etc.* However, the SAP was not implemented. Audit scrutiny revealed that the district sports complex at Ahmednagar being constructed on BOT basis was not completed as the land was under litigation.

### 2.2.8.6 Safety measures in sports complexes

On an audit enquiry, the Department informed that provision for safety measures such as providing fire extinguishers, emergency exit systems in case of emergencies, first aid facilities *etc.*, were not made in the original plans and the same were not provided in the stadia. The Joint Director, Sports and Youth Services, Pune stated (August 2009) that directions were being issued to all the concerned sports committees to include provisions for such arrangements in the new as well as revised proposals.

## 2.2.9 Development of infrastructure in the State

### 2.2.9.1 Establishment of divisional/district/taluka sports complexes

To provide comprehensive and modern sports infrastructure facilities for sportspersons and groom them to perform at national and international level sports events, the Government decided (March 2003) to construct sports complexes in each division, district and taluka in the State under the supervision of respective Sports Committees. The facilities<sup>17</sup> to be provided in each of these sports complexes and their cost ceilings are indicated in **Appendix 2.15**. The status of the sports complexes to be constructed and actually constructed is in **Table 2**.

**Table 2 : Status of the construction of sports complexes**

Sr. No.	Particulars	Division	District	Taluka
1.	Sports complexes proposed to be constructed	9	29	382
2.	Sports complexes sanctioned	7	27	273
3.	Land not available	2	2	74
4.	Sports complexes not completed and in progress	4	16	238
5.	Sports complexes yet to be taken up	3	Nil	nil
6.	Sports complexes completed	Nil	11	35

<sup>17</sup> Such as stadium, swimming pool, hostel, running track, sports equipment, multi gymkhana *etc.*

Construction of only 11 district sports complexes and 35 taluka sports complexes was completed

As can be seen from the above table, only 11 out of 27 sanctioned district sports complexes and 35 out of 273 sanctioned taluka sports complexes were completed till date. Further, none of the seven sanctioned divisional sports complexes were completed.

The main reasons for non-completion and the delay in construction of sports complexes attributed (December 2008) by the Department were (i) that the Divisional/District/Taluka level Sports Committees headed by Divisional Commissioner, Collector, Block Development Officer, respectively were already overburdened, (ii) difficulties in obtaining land, (iii) shortage of Taluka Sports Officers and (iv) inadequate funds.

Thus, non-establishment of divisional/ districts sports complexes in 24 districts deprived 7.75 crore population of these districts of the benefits of adequate sports facilities.

### **Divisional/district sports complexes in the test-checked districts**

Scrutiny of records related to construction work and actual field visits in nine selected districts, having four divisional sports complexes and eight district sports complexes revealed the following:

#### **2.2.9.2 Divisional sports complexes**

Out of the four divisional sports complexes (Aurangabad, Mumbai- Suburban, Nagpur and Pune) test checked in the selected districts, the work of divisional sports complex at Mumbai (Suburban) has not been commenced for want of land. The works of the remaining three divisional sports complexes sanctioned during the period July 2001 and August 2004 with a project cost of Rs 159.04 crore and commenced between December 2001 and March 2005 were not completed as of July 2009 due to land problems, delayed release of funds and increase in cost. An expenditure of Rs 37.58 crore was incurred on these works as of July 2009.

#### **2.2.9.3 District sports complexes**

Out of the eight test checked district sports complexes (sanctioned between December 1998 and August 2004), the works of three district sports complexes (Dhule, Nandurbar and Sindhudurg) were completed and works of two (Mumbai and Thane) were not started as of July 2009. The works of the remaining three district sports complexes (Ahmednagar, Pune and Nanded), sanctioned in February and October 2003 for Rs 27.78 crore and started during 2002-04 were not completed as of July 2009 due to land acquisition problems and non-execution of memorandum of understanding (MoU) with the Municipal Corporations. An expenditure of Rs 11.19 crore was incurred on these works as of July 2009. In this regard, the following were noticed.

- Though the district sports complex at Sindhudurg was completed (November 2000), the swimming pool was not put to use for more than ten years due to lack of water.

- Though the district sports complex at Nandurbar was completed in 2005-06, sports facilities such as swimming pool, gymnasium and toilets were not ready for use. Hostel constructed was given to tribal school as it was not being used for want of adequate amenities.
- The district sports complex was being constructed on finance, built and transfer basis on the land of the Ahmednagar Municipal Corporation (AMC). As no MoU was entered into between District Sports Complex Committee, Ahmednagar and the AMC, the AMC has claimed the ownership of the land and the structure erected thereon. The matter was pending in the court as of August 2009.
- Similarly, the district sports complex at Nanded was being constructed on the land of Nanded Municipal Corporation (NMC) without signing the MoU. As such, there was no free access to the district sports complex and the Department has to obtain permission from NMC for holding any event at this premises.
- The construction of district sports complexes at Mumbai (Suburban) and Thane was not commenced as of July 2009 for want of land.

#### **2.2.9.4 Taluka Sports Complexes**

Out of the 103 talukas in the selected districts, 59 taluka sports complexes (TSCs) were sanctioned. Of these, 17 were completed, 22 were in progress and work in 20 has not yet started. Test-check of 19 taluka sports complexes in these districts revealed deficiencies in sports facilities and basic amenities.

During the joint site visit to 19 TSCs in the selected districts, it was noticed that though the three taluka sports complexes viz., Burhannagar (Ahmednagar), Paithan (Aurangabad) and Kalyan (Thane) were reported as completed, sports facilities such as running track in Burhannagar, play field in Paithan, indoor complex in Kalyan were not provided as of May 2009. Further, basic facilities such as water, electricity and toilets/bathrooms were not provided in any of these three TSCs. As such, conducting regular practice for students (particularly girl students) as well as holding sports competitions was difficult.

Further, in case of Kamtee (Nagpur), Nevasa (Ahmednagar) and Palghar (Thane) the construction work had been undertaken without developing the land and even after spending the entire funds received, neither the play ground nor any infrastructure was available for sports.

#### **2.2.9.5 Maintenance and upkeep of sports complexes**

Though Government proposed (March 2003) to provide funds for maintenance of division/district/taluka sports complexes of Rs 15 lakh, Rs 10 lakh and Rs 3 lakh *per annum* respectively for the first three years, no funds were actually provided for this purpose. The committee to review the implementation of the Sports Policy had also expressed their concern over the issue and opined (June 2008) that in the absence of funds and manpower the complexes created would not be utilised efficiently, entailing wastage of Government money.

Due to lack of maintenance, the condition of the indoor halls, running tracks, swimming pools have deteriorated and could not be put to use.

#### **2.2.9.6 Creation of sports infrastructure through Central assistance**

The Central Scheme for creation of sports infrastructure was in operation since September 1998. Under this scheme, the cost would be shared between GoI and the grantee organisation in the ratio of 50:50 (75:25 for special category States). For construction of swimming pool (olympic size) the maximum grant admissible was Rs 60 lakh for general category States. The GoI grant was to be released directly to the State Government in one or more installments who in turn would release the amount to the grantee unit. The grantee unit was to submit progress/completion report and utilisation certificates. The works should be completed within two years of release of funds for infrastructure and within one year of release of funds for swimming pool. Violation of the conditions would entail the refund of the grant disbursed. In case the grantee did not refund the amount the same was to be recovered as arrears of land revenue. The scheme was closed on 1 April 2005, but the institutes who had submitted their proposals prior to the above period were eligible for financial assistance. Scrutiny of records and joint site visit to the swimming pools constructed under the scheme in selected districts revealed the following irregularities.

- Central grant of Rs 40 lakh was released (2000 to 2004) to an educational institution at Sakri in Dhule District for construction of olympic size swimming pool. The institution submitted (March 2003) completion report of swimming pool attested by the Executive Engineer, Zilla Parishad, Dhule. The joint site visit (February 2009), however, revealed that the construction of swimming pool was not completed, water filtration plant was not installed and even water supply was not made available. Though the institution promised to commission the pool by the end of March 2009, the same was not commissioned as of May 2009.
- Central assistance of Rs 60 lakh was provided (2003-05) to the Katol Nagar Parishad (Nagpur District) for construction of a swimming pool. The Nagar Parishad submitted (2006-07) utilisation certificate for Rs 20 lakh. A visit to the swimming pool revealed that the construction work of pool was in progress and the tiling, leveling, electrification work was not completed. Filtration plant and test run was also not done. The Nagar Parishad stated (May 2009) that the work would be completed soon.

Thus, in the above cases the work of swimming pool was not actually completed even after lapse of three to five years from the receipt of the grant and the facilities were not available to public. The Department did not ensure the actual execution/completion of the projects.

The Kalyan Dombivali Municipal Corporation (KDMC) in Thane District was sanctioned (March 2005) Rs 60 lakh for construction of a swimming pool. On the basis of progress report submitted (January 2007) by KDMC the GoI released (February 2007) Rs 42 lakh, through the School Education and Sports Department, GoM but the amount has not yet been released to the KDMC. The swimming pool was completed and was being used by public. The Department, stated (June 2009), that the amount was lying in the Government Account and after obtaining revalidation order from the GoI, the same would be released to KDMC.

## 2.2.10 Training and coaching

### 2.2.10.1 Shortage of coaches at district coaching centres

There were nearly 50 per cent shortages of coaches in district coaching centres

As per Sports Policy 1996, 213 district coaching centres were established across the State with a view to inculcate sports culture, create coaching facilities for various games and provide sports infrastructure for the promotion and development of sports in the State. The departmental coaches (Government qualified coach) impart training to the sportspersons and prepare them for State/national/international competitions in various disciplines in these centres on a regular basis. There were 113 coaches giving training to 7,421 sportspersons in these 213 district coaching centres. As there was nearly 50 per cent shortage of coaches with reference to the number of coaching centres, one coach has to cover more than one coaching centre of same discipline in a district. It was further noticed that the distribution of sports disciplines in the districts varied from district to district. While Pune has nine disciplines, Mumbai, Nagpur and Thane have coaching centres for only three disciplines. Similarly, Gadchiroli, Sindhudurg and Buldhana are having only one discipline. Coach-wise and game-wise details of coaching centres are given in the **Appendix 2.16**.

Coach of a particular game was transferred and replaced by a coach of another game; trainees had to leave the centre midway

Scrutiny of relevant records also revealed that in the eight test-checked districts a coach of a particular game was transferred and replaced by a coach of a different game (e.g. kabaddi coach is replaced by hockey coach). The training in that particular discipline was affected and due to the absence of a proper coach, the trainees undergoing training in that particular game had to leave the centre midway, adversely affecting their progress.

### 2.2.10.2 Coaching facilities in taluka coaching centres

Out of 382 talukas, only 50 taluka coaching centres were established

There are 382 talukas in Maharashtra. As per Sports Policy, 1996, 30 taluka sports coaching centres (TCC), i.e., one per district, were established till 2002-03. Considering the utility and benefit of TCCs already established, it was proposed, in the Sports Policy, 2001, to establish TCCs in all the talukas i.e., in the remaining 352 talukas in Maharashtra in the next five years. Subsequently, in March 2003, it was decided that TCCs should be a part of taluka sports complexes (TSCs), consisting of comprehensive sports facilities such as running tracks, various play fields, indoor stadium, and spectator gallery along with sports materials to be established in each taluka. Each TSC would have one Taluka Sports Officer (TSO), two sports instructors, and two

groundsmen/watchmen. The posts of TSOs, where Taluka Sports Complex are established, were to be filled up during the next five years.

As already discussed in Paragraph 2.2.9.1 out of the 273 TSCs sanctioned only 35 TSCs were completed and construction of 238 were in progress. Scrutiny revealed that as of March 2009, out of 382 talukas in the State, only 50 TCCs were functioning. Since only 35 taluka sports complexes were established so far, 15 TCCs were functioning in Government/ public/school play grounds which did not have adequate facilities.

It was also seen that only 12 TSOs were appointed. Out of 50 TCCs established, six centres had only one sport instructor against two sanctioned posts and two centres had no instructors. Nine centres had no watchmen or grounds men. As of March 2009, 4,089 trainees were receiving coaching in these 50 TCCs.

Further, against the proposed remuneration of Rs 2,000 and Rs 1,200 per month only Rs 1,500 and Rs 1,000 per month was being paid to the sports instructors and watchmen/grounds men respectively and that too in lump sum at the end of the year. These rates have not been revised since 2002-03 and hence no qualified instructors were willing to join these centres. Even maintenance grant and adequate sports equipment were not provided to the TSCs.

Department stated (December 2008) that the targets could not be achieved due to insufficient flow of fund and non-availability of land.

### **2.2.10.3 Relaxation in qualification for recruitment of coaches**

As per Rule 3(ii) of Coaches (Director of Sports and Youth Services) Recruitment Rules, 1981 the minimum qualification prescribed for appointment of coach was a degree of University and/or degree in physical education with a certificate in regular coaching courses of the Netaji Subhash National Institute of Sports (NIS), Patiala. It was, however, seen that these rules were relaxed by the Government in December 2001 and NIS certificate in regular coaching course was made optional.

Out of 40 coaches recruited during 2001 to 2009 for the district coaching centres, 30 coaches did not have NIS Diploma. Despite shortage of coaches two coaches not having NIS certificate were not given any assignment related to sports. This points to their lack of ability to impart coaching. Relaxation of qualification of the coaches is not consistent with the sports policy of the Government which envisaged providing services of foreign coaches for development of the sportspersons to international standards.

### **2.2.10.4 Upgradation of coaching skills**

Sports Academy Guidelines, 1997 stipulates that periodical refresher courses for coaches were required to be conducted for upgradation of their knowledge and skill commensurate with the modern technologies and techniques of various games as well as sports equipment. However, the Sports Policy, 2001 is silent on this aspect.

Information obtained from the sports academies, through audit questionnaire, revealed that no such courses were organised by the academies. It was ascertained during the joint visit to the selected sports academies that no registers or any records in the matter were maintained by the academies or Sports Department and no such refresher courses had been conducted by the Directorate as of June 2009. This resulted in depriving the coaches in acquiring modern techniques/technologies and skills in their respective games.

### 2.2.11 Sports academies

Maharashtra State Sports Policy, 1996 had placed great emphasis on identifying talented sportspersons at an early age and to train them to perform at national and international meets. Accordingly, since 1996-97, the Department has established 11 residential sports academies across the State including the academy at Pune which controls the functioning of the remaining 10 academies across the State. Admissions to the sports academies are made through a scientific selection method called Battery of Tests (BT). The BT is conducted annually at school, taluka, district, division and State level for students between the age group of 8 to 14 years. Selected students are admitted to the sports academies, wherein they would get systematic coaching, nutritious diet, practice, academic education in selected school (situated in the vicinity) and sports related medical facilities. It was envisaged that after 10 to 12 years of systematic coaching and practice a student would attain international standard in his/her discipline.

#### 2.2.11.1 Battery of Tests

The Battery of Tests (BT) consisting of a set of nine<sup>18</sup> different tests of physical capacity of children in the age group of 8 to 14 was conducted to identify talented sportsperson at an early age. It was stated that the BT was scientifically proved and suitable for Indian climatic conditions. The test is conducted at school, taluka, district, divisional, and State level and only students who qualify at the State level are admitted to the sports academies.

The year-wise details of participation and selection of students through BT for the age group of 8 to 14 years and their admission to the sports academies are as in **Table 3**.

**Table 3 : Number of students selected through BT and admitted to sports academies**

Year	Participated at school	Qualified at Taluka level (Per cent)	Qualified at State level (Per cent)	Finally qualified and admitted (Per cent)
2004-05	*	*	1173 (*)	97 ( 8)
2005-06	2141381	42941 (0.2)	1729 (4)	95 ( 6)
2006-07	2570910	7005 (0.3)	416 (6)	103 (25)
2007-08	2867120	9221 (0.3)	687 (7.5)	87 (13)
2008-09	1976286	12134 (0.6)	655 (5.4)	96 (15)

Source: Information furnished by the department (\*Figures not available)

<sup>18</sup> (1) Weight, (2) height, (3) 30 metres fly start, (4) vertical long jump, (5) vertical high jump, (6) 6x10 m shuttle run, (7) flexibility, (8) medicine ball throw and (9) 800m running

It could be seen from the above that less than eight *per cent* students who qualified at taluka level were selected for the State level, of which less than 25 *per cent* or less were finally selected for admission to the sport academies. As the same set of tests with the same bench marks were taken at each level, majority of students should have qualified and reached to the next level. Failure of large number of students to qualify in the same set of tests raises doubt about the utility of conducting the test at various levels. However, no review of the selection procedure has been done during the last 15 years. As non-academy sportspersons are performing better than academy's sportspersons, the viability and utility of BT should be reviewed so as to select deserving sportspersons.

### **2.2.11.2 Low capacity utilisation of sports academies**

**Capacity utilisation of the sports academies was low**

Scrutiny revealed that the total intake capacity in the 11 sports academies as sanctioned by the Department is 960 and utilisation of the sports academies was far below their capacities as the students were reluctant to stay in the academies due to lack of accommodation and unhygienic lodging and boarding in the academies, lack of sports facilities/equipment and inadequate diets as discussed in paragraph 2.2.11.3. It was noticed that against the total sanctioned capacity of 960 students in 11 academies, actual intake was between 471 and 554 during the years 2004-05 to 2008-09. Girl students were admitted only in Pune Academy.

The academy-wise position of intake capacity and actual enrolment of students during 2008-09 was as in **Table 4**.

**Table 4 : Position of intake capacity and occupancy of the sports academies in the test-checked districts**

Place of academy (1)	Intake capacity of the academy (2)	Occupancy during 2008-09	
		Number of students (3)	Percentage (4)
Amravati	135	24	18
Kolhapur	90	31	34
Pune	170	224	132
Thane	50	26	52
Aurangabad	110	26	24
Nashik	50	14	28
Akola	85	43	51
Sangli	50	14	28
Nagpur	110	28	25
Pravaranagar (Ahmednagar)	60	21	35
Gadchiroli	50	20	40
<b>Total</b>	<b>960</b>	<b>471</b>	<b>49</b>

It would be seen that except for the Pune Academy the intake in the remaining 10 Academies was well below their capacities. The meagre response of students to join the residential academies was attributed by the DSO, Pune to unwillingness of the students and their parents to change the schools and



residences. Thus, the objective of setting up of the sports academies remained largely unachieved.

### **2.2.11.3 Coaching, lodging and boarding facilities at the academies**

The sports academies which are meant to give specialised training, nutritious diet, adequate and modern sports facilities for creating international level sportspersons should be well equipped with the necessary and latest equipment to achieve the intended goals.

Scrutiny of records also revealed that 10 out of 11 sports academies, (*i.e.*, except Pune) are accommodated in rented premises having insufficient space and sports equipment and lack of facilities as discussed below:

- Thane Sports Academy which caters to badminton and athletics was accommodated under the spectator's gallery of the Thane Municipal Corporation's Stadium. The gymnasium and practice track of the sports academy are placed in an open corridor of the stadium. The dormitory for students was accommodated under the stair case of the Stadium and was congested. Even badminton practice was not scheduled in the evening due to non-availability of badminton hall to the inmates of the academy.
- Similarly, in Nagpur and Aurangabad sports academies, the boarding facilities were unhygienic and congested. In Nagpur, 400 meter running track for athletes and sufficient number of courts for handball practice were not available. Besides, sports equipment for athletics was not of the required standard *i.e.*, international standard.
- The diet norms adopted by the Sports Authority of India should have been followed by the sports academies in order to achieve the objective of grooming sportspersons of national and international standard. However, scrutiny of the records revealed that there was a common diet chart for all the students irrespective of their age group and discipline. As per sports academy guidelines, periodical review is required with regard to both physical and performance wise progress. No dieticians and sports medical officers visit any of the academies, except Pune Sports Academy, for examining periodical physical progress of each sportsperson. No supplements to improve the energy level and stamina of an individual sportspersons were provided in any of the sports academies, as recommended by the nutritionist in the Pune Sports Academy. It was further noticed that the rate of Rs 80 per student for daily diet, inclusive of all meals, milk, fruits, *etc.*, sanctioned in September 2003 has not been revised. Though the Sports Academy, Pune demanded Rs 150 per head in June 2008 for providing adequate and substantial nutritious food and it was agreed in the high level meeting held in June 2008 to provide Rs 125, the same has not been sanctioned as of June 2009.

- The rate of remuneration fixed in 1995 for categories I, II and III coaches were Rs 6,000, Rs 4,500 and Rs 1,500 respectively. In this regard it was stated (May 2009) by DSOs Pune and Ahmednagar that as these rates were not revised qualified national/international coaches were reluctant to impart training to the academy students. Thus, the trainees were deprived of high quality coaching and modern sports techniques mainly because there was no system for review of the rates of remuneration. It was noticed that the revised rates proposed during 2003-04 and approved by the Government in October 2008 were Rs 8,000, Rs 6,000 and Rs 3,000 for category I, II and III respectively. However, qualified national/ international coaches are not likely to be available with this marginal increase in the remuneration.

#### **2.2.11.4 Performance of sportspersons from sports academies**

The total medals won by sportspersons from the sports academies (SA) *vis-à-vis* the total medals won by sportspersons of the State at national school games during 2004-05 to 2007-08 was as in **Table 5**.

**Table 5 : Performance of sportspersons of the State at national school games**

Year	Number of inmates in SA	Gold		Silver		Bronze		Total Medals		
		State	SA	State	SA	State	SA	State	SA	Percentage of medals to inmates in SA
2004-05	471	111	47	129	41	111	64	351	152	32
2005-06	465	98	54	125	30	155	48	378	132	28
2006-07	518	109	38	135	43	135	36	379	117	23
2007-08	554	123	42	150	61	161	52	434	155	28
<b>Total</b>	<b>2008</b>	<b>441</b>	<b>181</b>	<b>539</b>	<b>175</b>	<b>562</b>	<b>200</b>	<b>1542</b>	<b>556</b>	<b>28</b>

It is creditable that the performance of Maharashtra in respect of medal tally has improved over the years. Performance of the sports academies (SA) also improved during 2007-08, but the percentage of medals won by inmates of SAs to total medals declined from 32 in 2004-05 to 23 in 2006-07 and 28 in 2007-08. The performance of sportspersons from the sports academies was low in comparison to the performance of non-academy sportspersons. This indicated that the standards of coaching and sports facilities available for academy students were inadequate. Though sports academies are supposed to develop sportspersons for both national and international sports meets the academy students had not won any medals in sports competitions like Asian Games, Olympic Games or World Championship during the last 15 years.

It was further seen that except for the Pune Sports Academy (having coaches for 13 disciplines) five academies had coaching for only two disciplines and the other five academies had coaching for only one discipline. Due to unsatisfactory performance of the academies at national and international level and also considering the large expenditure incurred on them, the Directorate suggested (September 2003) to close the residential academies except Pune Academy. However, on the direction of the Minister it was decided to continue these academies. The Mid-term Review Committee also

recommended (June 2008) the closure of the residential sports academies and setting up of non-residential sports academies.

Thus, the sports academies in the State had not lived up to the expectations even after pursuing and imparting specialised training for the last 15 years.

#### **2.2.11.5 Girls' admission to sports academies**

Except in Pune Sports Academy, there are no facilities for admission of girls students in the remaining 10 sports academies. As such, no girl was admitted in these 10 academies, which indicates that adequate opportunities were not provided for the talented girl students. Setting up of non-residential sports academy in each district for boys and girls would give equal opportunity to the girls to prove their talent in sports.

#### **2.2.12 Physical Education**

##### **2.2.12.1 Shortage of physical education teachers**

As stipulated in the Sports Policy, 2001 and Government resolution issued during January 2005 one physical education teacher (PET) should be appointed for every 250 students in secondary/higher secondary schools. Scrutiny of records in the 38 schools and replies to the questionnaire received from 500 schools in the nine selected districts revealed that only 38 *per cent* schools had fulfilled this norm. The ratio of PET to students in 62 *per cent* schools ranged from 1:500 to 1:1200 students. This has adversely affected the physical education in schools.

The adherence to the prescribed norms of PET in the schools was not ensured either by the Education Officers or by the Sports Officers.

##### **2.2.12.2 Physical education in schools**

As per the Sports Policy 2001, 15 *per cent* school periods and one period per day were to be earmarked for physical education and sports subjects. This was to be implemented from the academic year 2002-03. However, the Department had not issued any instructions in this regard though it was mentioned in the Sports Policy, 2001.

Scrutiny of records in the 38 schools and replies to the questionnaires received from 500 schools in the nine selected districts revealed that 96 *per cent* of the schools did not adhere to these norms and only seven to eight *per cent* school periods were allotted for physical education (*i.e.*, four periods out of 48/52 periods in the weekly time table).

##### **2.2.12.3 Supervision of physical education**

The Sports Policy 2001 stipulates that power of inspection of school was to be given to the District Sports Officers (DSOs) and Taluka Sports Officers (TSOs) for effective implementation of physical education and sports curriculum activities in the primary and middle schools. It was noticed that such powers were not delegated to the DSOs/TSOs. Further, it was not obligatory for the Education Inspectors to examine the implementation of the

**Prescribed ratio of physical education teacher to students was not maintained in 62 per cent schools in the test-checked districts**

physical education and sports activities in the schools during their visits to the schools as these items were not included in their prescribed check list. As a result, physical education and sports curriculum were not effectively implemented in the schools. Thus, lack of coordination between the Education and Sports Departments, though working under the same Secretary, resulted in non- implementation of the provisions of the Sports Policy.

#### **2.2.12.4 Organising sports competition for school students**

The Director of Sports and Youth Services, Pune, organises sports competition for 30 games, recognised by the School Game Federation of India (SGFI), at taluka, district, divisional and State level for school children in various age groups. A team selected from the State level competitions is also sent for national level school game competition. Besides, competition in 34 games are organised with the help of respective sports organisations. At State level, a game calendar is prepared by the Directorate for organising sports competition at various levels. As per Government resolution of November 1997, grants of Rs 500 and Rs 2,500 are admissible for conducting taluka and district level competitions respectively. For State level games, assistance for providing food to sportspersons in payment of daily allowance for referee or selection committee members is also admissible in addition to Rs 2,500 per game.

Scrutiny of records and information obtained revealed that the amount of grant fixed in 1996-97 has not been revised though there was huge increase in the expenditure in conducting these competitions. The DSOs of Ahmednagar, Aurangabad, Nagpur, Kandivali, Pune and Sindhudurg, opined that the amounts received for conducting the sports competitions were not sufficient. In April 2009, the Director submitted a proposal to the Sports Department to increase the amount of assistance.

Non-revision of the rates of assistance for conducting school games competition for such a long period shows lack of seriousness on the part of the Government.

Further, during the visit of schools in select districts and information obtained from them, it was noticed that out of 8,908 schools 4,111 (46 per cent) schools had not participated in school games as indicated in **Table 6**.

**Table 6 : Participation of schools in school games**

Sl. No.	Name of the district	Number of schools	Number of schools		Percentage of non-participation
			participated	not participated	
1	Pune	1881	1486	395	21
2	Mumbai Suburban	1200	850	350	29
3	Sindhudurg	200	50	150	75
4	Thane	1034	577	457	44
5	Dhule	454	390	64	14
6	Ahmednagar	891	620	271	30
7	Aurangabad	2462	427	2035	83
8	Nagpur	786	397	389	49
9	Nanded	NA	NA	NA	NA
<b>Total</b>		<b>8908</b>	<b>4797</b>	<b>4111</b>	<b>46</b>

**In the test-checked districts, 46 per cent schools did not participate in the school games**

The DSOs attributed the meagre participation of schools to non-receipt of separate grant for such activities since 2004-05. The shortages of physical education teachers in schools and insufficient physical education classes also contributed to their non-participation in school games.

### 2.2.13 Grants-in-aid to local bodies/sports associations/educational institutions for creation of sports infrastructure

In order to create interest among the youths about sports and physical fitness three<sup>19</sup> schemes are in operation since 1997, under which grants-in-aid are given for development of playgrounds and gymnasias to educational institutions, sports associations, Government organisations and cultural societies *etc.*, whose main objective is development of sports. The salient features of these schemes are given in **Appendix 2.17**.

#### 2.2.13.1 Financial assistance for development of gymnasium

The details of grants released during the period 2004-05 to 2008-09 and the number of institutions which benefited under the scheme are in **Table 7**.

**Table 7 : Details of grants released to institutions for development of gymnasium (Rs in crore)**

Year	Grant released	Number of institutions
2004-05	2.89	291
2005-06	2.08	220
2006-07	5.75	507
2007-08	8.50	677
2008-09*	12.33	814

\*Provisional.

A test-check (February to June 2009) of 162 out of 600 grant-in-aid cases in the selected eight districts (information in respect of Nanded District was not available) revealed the following omissions/irregularities :

- Though the utilisation or completion certificates were due after one year after release of fund, 126 institutions, which availed grant of Rs 141.81 lakh for construction of gymnasium or purchase of gymnasium equipment did not submit utilisation certificates (UCs) for the period from 2004-05 to 2007-08.
- The main objective of 18 institutions (**Appendix 2.18**) such as Gram Vikas Mandal, Police Stations, and Women Rescue House *etc.*, which received grant of Rs 30 lakh for development of gymnasium, was not development of sports.
- Pre-inspection of the site/equipment in respect of above test-checked cases was not conducted by the respective DSOs, except in Aurangabad, though required as per the prescribed checklist.

<sup>19</sup> 1. Development of playground (for both urban and rural), 2. Development of gymnasium (for both urban and rural) and 3. Development of playground and gymnasium at each village (quantum of GIA being less than that of first two schemes)

**The Department did not ensure eligibility of the grantee units before release of grants and also utilisation of the grants for the intended purpose**

- There was no signature of DSO on 63 approved individual proposals for grants-in-aid out of 84 proposals in Ahmednagar, Mumbai Suburban, Nagpur and Thane Districts in token of approval of the proposals.
- Six institutions which received grant for construction of gymnasia during 2005-06 and 2006-07, had neither applied for grant for gymnasium equipment nor submitted UCs for the same.
- On joint-site visit by Audit, it was seen that a gymnasium hall constructed in Ahmednagar was being used for yoga classes and another one was being used for storing hay stacks in Aurangabad District. In Pune District, a gymnasium hall was used as a class room.
- On joint-site visits, one organisation in Sindhudurg and three in Nanded Districts, which were to construct gymnasia, could not be located at the given addresses.
- In Ahmednagar a gymnasium could not be constructed on the land as it was under litigation. Further, one gymnasium was being constructed in the basement of building without proper ventilation facilities.

It could be seen from the above that the Department did not ensure the availability of land and its ownership before sanctioning and releasing the grant, which could have been noticed through pre-inspection. The Department did not ensure eligibility of the grantee units before release of grants and also utilisation of the grants for the intended purpose.

#### **2.2.13.2 Grants-in-aid for Development of playground and gymnasium at each village**

In rural areas this scheme is introduced to create interest and awareness among the youths about sports and physical fitness. Under this scheme maximum grant of Rs 1 lakh is admissible to grantee unit for development of sports facilities such as playground leveling, fencing, construction of gymnasium hall *inter-alia* eligibility conditions of grantee unit indicated in **Appendix 2.17**.

Test-check (February to June 2009) of 57 out of 215 cases of grants amounting to Rs 54.90 lakh paid to the grantee units for development of playground and gymnasium in each village in the selected eight districts (except Mumbai Suburban District) revealed the following:

- Pre-inspection of site and documents was not carried out by the DSOs in respect of all the test-checked cases, except in Aurangabad, as required.
- Application registers were either not maintained or entries were not authenticated by the DSOs.
- Thirty six institutions had not submitted UCs amounting to Rs 34.75 lakh up to 2007-08.

- Signatures of DSO, Nagpur in token of approval of the individual proposals were not available in eight<sup>20</sup> cases involving Rs 8 lakh.
- Plans and estimates of the construction proposals of 22 institutions were not approved by the Public Works Department/Zilla Parishad though it was a condition for sanction of grant.
- Land, as per the prescribed norms, was not available in three<sup>21</sup> cases involving Rs 3 lakh.
- Fourteen out of 17 beneficiaries in Aurangabad and Nagpur Districts who received grant of Rs 14 lakh for construction of gymnasia during the years 2004-05 to 2007-08 had not applied for gymnasium equipment so far.
- During field visit it was seen that in Nagpur district, grant-in-aid of Rs 1 lakh, was paid to Sagar Dairy Junior College during 2007-08 for construction of gymnasium. However, a laboratory was established in the gymnasium hall and at another place school classes were being conducted. In Aurangabad, yoga classes were being run in the gymnasium hall.
- During site visit it was noticed that the gymnasium constructed by Sanjeevani Medical Training Centre, Ahmednagar during 2005-06, with grant-in-aid of Rs 1 lakh, was dismantled and a class room was being constructed.
- In Dhule grant was given for development of playground on agricultural land.

### 2.2.13.3 Fraudulent disbursement of GIA at Nanded

On the basis of a report (May 2009) of an enquiry committee, appointed by the Director of Sports, Pune for examining the GIA disbursement in Nanded, the DSO, Nanded and two other officials of his office were suspended (May 2009) on charges of misappropriation of funds and fraudulent disbursement of grants-in-aid to ineligible grantee units. An FIR was also lodged with the police in May 2009. The amount involved was Rs 22.90 lakh paid to three grantee units during 2007-08. The enquiry committee noticed non-conducting of pre/post-inspection of site, absence of signature of DSO on the proposal in token of recommendation/ approval, non-submission of UCs *etc.*, which

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<sup>20</sup> (1) Shri Ram Gram Vikas Sikshan Sansthan, (2) Yashwant Bahuddeshiya Jankalyan Sansthan (3) Shri Vasundhara Van aur Paryavaran Vikas Bahuddeshiya Sanstha (during 2005-06); (4) Late Kamlabai Sawarkar Sikshan, Kamlabai Sawarkar Primary Adivashi Ashramshala (during 2006-07); (5) Institute of Engineering and Technology and Saibaba Adivashi Ashramshala (6) Ramtek Sikshan Sanstha's Sagar Junior College (7) The Teachers' Welfare Education Society and Shri Sant Gyaneshwar Vidya Mandir High School and (8) Zilla Parishad Higher Primary School, Chirwaha (during 2006-07)

<sup>21</sup> Ahmednagar District: Sanjeevani Medical Training Centre, during 2005-06; Aurangabad District: Pandit Dindayal Updhyay Sikshan Sansthan, during 2006-07 and Nagpur District: Institute of Engineering and Technology, during 2007-08

concurrent with the audit findings (February-April 2009) in the other districts. As such, the misutilisation of funds in these cases also cannot be ruled out.

#### **2.2.14 Awards and incentives**

The Government introduced the following awards/incentive schemes for talented sportspersons and outstanding players who bring glory to the nation in general, and Maharashtra in particular. The Government also framed rules in 1988-89 governing the grant of such awards/incentives. A selection committee was appointed by the Government for recommending the names of the eligible sportspersons for awards and incentives.

##### **2.2.14.1 Awards**

The three major awards of the State are Shiv Chhatrapati State Sports Award for sportspersons for lifetime achievement in sports, Dadoji Kondev Award for outstanding performance of coaches and Eklavya Award for physically handicapped sportsmen.

Scrutiny revealed that though eligible sportspersons for the year 2006-07 were selected in October 2008, felicitation ceremony has not been conducted and selection of sportspersons for the year 2007-08 not yet been done as of June 2009. Due to delay in conferring awards to sportspersons the very purpose of encouraging the sportspersons is not fulfilled.

##### **2.2.14.2 Incentives**

The three major incentive schemes of the State are:

- Monthly pension scheme for veteran and senior persons who had made outstanding performance in national/international sports competition (Rs 1,000 for international, Rs 800 for national, Rs 2,000 for wrestling).
- Cash award for sportsperson who had won gold/silver/bronze medal in Olympic, Asian, World Cup, Commonwealth and National games.
- Scholarship to the sportspersons who won a medal in school game competition.

The amounts given to national award winner sportsperson *viz.*, Rs 10,000, Rs 7,000 and Rs 5,000 for gold, silver and bronze medal winners respectively were meagre and would neither encourage them nor help in promotion of the game. The Mid Term Review Committee in its report stated (June 08) that the Andhra Pradesh Government gives Rs 5 lakh, Rs 3 lakh and Rs 2 lakh and Punjab and Assam and other State Governments give Rs 3 lakh, Rs 2 lakh and Rs 1 lakh as incentives for above categories respectively and therefore the amount of incentives for the sportspersons in Maharashtra should be enhanced suitably.

It was noticed that though Maharashtra had won 25 gold, 28 silver and 45 bronze medals in the 33<sup>rd</sup> National Games held in Guwahati, Assam in 2007, the medal winners had not been honoured with any incentives as of June 2009.

**There were delays in conferring the awards**

**Incentive amounts paid to the award winner sports persons were inadequate**



## **2.2.15 Monitoring and internal audit**

### **2.2.15.1 High Power Committee**

The Sports Policy, 2001 stipulates constitution of a High Power Committee, under the Chairmanship of the Minister (Sports). The Secretary, Sports Department is the Member Secretary of the committee and is responsible for implementation of the Sports Policy. As per Government resolution (August 2003) the main functions of the committee are preparing a detailed action plan, periodical review and monitoring the progress of various schemes in addition to co-ordination with concerned agencies and Government departments, taking remedial measures and suggesting modification required from time to time.

It was, however, noticed that the High Power Committee was never constituted. As such, a detailed action plan was not prepared and periodical review of implementations of various schemes was not conducted.

The Department stated (June 2009) that since a State Sports Development Committee (SSDC) was established in March 2003 with similar objectives, the High Power Committee was not constituted. The reply was not tenable as the Government resolution of August 2003 regarding constitution of High Power Committee was issued subsequent to the constitution (March 2003) of SSDC. Further, the HPC is to monitor the implementation of schemes envisaged in the Sports Policy, 2001, while SSDC was constituted to prepare action plan for overall sports infrastructure development in the State and their execution. However, even SSDC had not prepared phase-wise programme for implementation of various schemes in the sports policy.

### **2.2.15.2 Mid-term Review**

As required, a mid-term review of progress of implementation of Sport Policy, 2001 was conducted by a committee appointed by the Government during 2006-07 and the report was submitted to Sports Department in June 2008. In the report, the Committee commented on laxity in implementation of various schemes related to physical education, participation of schools in sports competition, inadequate physical training periods in school timetable, shortage of fund for creation of sports infrastructure and maintenance of various sports facilities, low performance of sports academies and recommended various measures for effective and timely implementation of Sports Policy across the State. The major recommendations of the Committee are given in **Appendix 2.19**. However, no action on this report was taken as of August 2009.

### **2.2.15.3 Internal audit**

As per Government resolution of August 1980, an internal audit wing was to be created to ascertain the lapses, irregularities in disbursement and utilisation of grants. It was noticed that no internal audit wing was created and staff earmarked for this purpose. As such, the Department could not ascertain the

**No action on the recommendations of the review committee was taken**

lapses, irregularities in disbursement and utilisation of grants sanctioned and omissions in the daily transactions, as pointed out in the preceding paragraphs.

#### **2.2.15.4 Asset account**

**Asset account of the sports complexes created was not maintained**

As per Government resolution of March 2003, the divisional/district/taluka sports complex committees established under the Trust Act/Registration Act, have to construct and maintain the respective sports complexes. Since these sports complexes are constructed partly with Government funds the committees are required to maintain an asset register as per provisions contained in para (1) in Section III of Appendix 22 of the Bombay Financial Rules, 1959. It was, however, noticed that the committees had not maintained such asset registers. Further, as these committees are preparing only Receipt and Payment Account and Income and Expenditure Account and not preparing any Balance Sheet, the assets are not reflected in their accounts.

#### **2.2.16 Conclusion**

Government initiatives for development of sports in the State were inadequate. The objectives of the Sports Policy, 2001, which aimed all-round development of sports in Maharashtra, was not achieved fully due to lack of funding, proper planning and shortage of manpower. While none of the seven proposed divisional sports complexes were completed, only 11 out of the 29 proposed district sports complexes and 35 out of 382 taluka sports complexes were completed. Shortages of coaches adversely affected the functioning of the district coaching centres. Out of 382 talukas, only 50 taluka coaching centres were established. The sports academies did not have proper accommodation and basic amenities for the inmates, adequate diet and medical facilities and also lacked sports facilities. As a result, their utilisation was far below their capacities. There were shortages of physical education teachers and allotment of periods for physical education in schools was insufficient. Funds provided for conducting taluka and district level sports competitions were meagre. Participation of the schools in competition events was too little. Proper utilisation of grants-in-aid given to non-Government organisations/ institutions for creation of sports infrastructure was not ensured. The amounts of awards/incentives given to eligible sportspersons were meagre. Action on the recommendations of the Mid-term Review Committee, appointed for reviewing the implementation of Sports Policy, 2001 is yet to be taken.

#### **2.2.17 Recommendations**

- Government should consider enhancement of plan outlay for sports development and ensure proper functioning of the State Sports Development Fund.
- Government should chalk out a proper action plan and schedule for early completion of the sports complexes.
- Government should convert the ineffective residential sports academies to residential cum non-residential academies and provide adequate facilities to attract more students.

- Government should also consider revision of the amount sanctioned for the diet to the trainees and provision of nutritious diet as per requirement.
- Government should evolve a reliable mechanism to ensure effective implementation of physical education and sports curriculum in schools.
- Government should consider revision of funds provided for conducting taluka and district level sports competitions.
- Government should streamline the mechanism to ensure proper utilisation of grants given to non-Government institutions.
- Government should consider enhancement of the rates of incentives and awards to the sportspersons.



## Rural Development and Panchayat Raj Department

### 2.3 Working of DRDAs in Maharashtra

#### Highlights

*The District Rural Development Agency (DRDA) has traditionally been the principal organ at the district level to oversee and monitor the implementation of various schemes for eradication of poverty in rural areas. A performance audit of the Working of DRDAs in Maharashtra revealed deficiencies in management of fund and planning and selection of beneficiaries. The supervision and monitoring of the schemes was found to be inadequate affecting their successful implementation.*

**Management of funds in DRDAs was unsatisfactory. Due to short utilisation/ excess carryover of funds, inadmissible expenditure and short release of State matching share, Government of India imposed a cut Rs 12.16 crore in its share towards Indira Awas Yojana (IAY), Swarnjayanti Gram Swarozgar Yojana (SGSY) and DRDA Administration Scheme.**

*(Paragraphs 2.3.6.2 and 2.3.6.3)*

**Unspent balances of Rs 5.30 crore lying in the Sampurna Gramin Rozgar Yojana accounts were not transferred to Maharashtra Rural Employment Guarantee Scheme implemented by the Collectors/State Government. There were delays ranging from three to 47 months in release of funds of Rs 9.30 crore under Hariyali scheme to the implementing agencies in six out of the eight test-checked DRDAs during the period 2004-09.**

*(Paragraphs 2.3.6.4 and 2.3.6.5)*

**None of the eight selected DRDAs had prepared annual plans for IAY and SGSY during the period 2004-09.**

*(Paragraph 2.3.7.1)*

**The eligibility of 278 (86 per cent) out of 325 households in 32 test-checked villages, who were given benefits under various schemes during 2006-09, was doubtful due to improper survey conducted for BPL Census, 2002.**

*(Paragraph 2.3.8.1)*

**The supervision and monitoring of the implementation of various schemes by the DRDAs was found to be inadequate affecting their satisfactory implementation. There were shortfalls in holding the meetings of various committees, non-verification of data in the quarterly reports received from implementing agencies and non-conducting of inspections.**

*(Paragraph 2.3.9)*

**Out of 41,477 self help groups (SHGs), formed in the eight selected districts till March 2008, which had completed a year of their formation, 36,300 SHGs (88 per cent) had not started economic activities. Infrastructure created without considering the needs of SHGs remained idle.**

*(Paragraphs 2.3.10.1 and 2.3.10.5)*

**Under IAY, achievement in construction of dwelling units was 97 per cent. However, in four districts, completion of 271 dwelling units was delayed due to non-availability of land and inability of the beneficiaries to complete the works within sanctioned amount. DRDAs had neither maintained inventory of the IAY dwelling units nor made valuation of the completed buildings.**

*(Paragraphs 2.3.11 and 2.3.11.1 to 2.3.11.3)*

**None of the 788 projects under Hariyali scheme targeted in the test-checked DRDAs was completed. Against the project cost of Rs 245 crore, only Rs 119.19 crore was released and Rs 97.87 crore was spent, due to delay in preparation of action plan, lack of technical staff and lack of response from project implementing agencies and non-Government organisations.**

*(Paragraph 2.3.12.1)*

### **2.3.1 Introduction**

The District Rural Development Agency, (DRDA) in Maharashtra, a society registered under the Bombay Society Act, 1860 and Bombay Charitable Trust Act, 1950 has traditionally been the principal organ at the district level to oversee the implementation of various schemes for eradication of poverty in rural areas. The DRDAs do not execute any schemes directly but get them executed through the line departments and Panchayat Raj Institutions. For this purpose, the DRDAs co-ordinate with these departments, banks and other financial institutions, non-Government organisations (NGOs) and technical institutions with a view to garner the support and resources required for poverty eradication in the districts. The DRDA is responsible for closely monitoring the implementation of various schemes by obtaining periodical reports as well as frequent field visits. It is also the duty of the DRDAs to oversee and ensure that the benefits reach the specifically earmarked for certain target groups *i.e.*, BPL households, scheduled caste (SC)/scheduled tribe (ST), women and disabled.

### **2.3.2 Organisational set up**

There are 33 DRDAs in the State under the overall administrative control of the Secretary, Rural Development and Panchayat Raj Department. The Chairperson of the Zilla Parishad is the Chairperson of the Governing Body of DRDA. The Project Director is in overall charge of the activities of the DRDA and is responsible for interaction with the District/State administration as well as the Government of India. He is assisted by the Self-employment Wing and Wage & Employment wings headed by Project Officers, Engineering Wing

headed by an Executive Engineer and Accounts Wing headed by an Accounts Officer. The Monitoring & Evaluation and General Administration Wings work directly under him.

### **2.3.3 Audit scope and methodology**

Performance audit on the “Working of DRDAs in Maharashtra” covering the period from 2004-05 to 2008-09 was conducted between January and May 2009 by test-check of records at Mantralaya and eight out of 33 DRDAs. Records of two Block Development Officers (BDO) under each DRDA and two village panchayats under each BDO were also test checked. Yavatmal and Hingoli DRDAs were selected as they had the highest and lowest number of blocks respectively under them. The other six DRDAs<sup>22</sup> and all the BDOs and village panchayats were selected by simple random sampling method (**Appendix 2.20**).

Since the Indira Awas Yojna (IAY), the Swarnjayanti Gram Swarozgar Yojana (SGSY), Hariyali and DRDA Administration are the four major schemes implemented by all the DRDAs, amongst the various schemes implemented by the DRDAs in Maharashtra, audit scrutiny was restricted to the records related to these schemes.

Further, audit conducted a joint survey, along with DRDA officials, of beneficiaries of IAY and SGSY schemes in the selected villages to ascertain the impact of the schemes. The findings of the joint survey are given in paragraph 2.3.8. The audit plan, audit objectives and audit criteria were discussed with the Secretary, Rural Development and Panchayat Raj Department in an entry conference held in February 2009. However, responses of the Government to the draft performance audit report sought for in July 2009 were not received (October 2009).

### **2.3.4 Audit objectives**

The objectives of the performance audit were to assess whether:

- Funds were managed prudently by DRDAs as per the guidelines;
- Planning for implementation of the schemes was done in an effective manner by the DRDAs;
- Selection of beneficiaries of various schemes was proper; and
- DRDAs monitored the implementation of programmes by the implementing agencies.

### **2.3.5 Audit criteria**

The main criteria used for the performance audit are:

- Scheme guidelines in respect of DRDA Administration, SGSY, IAY and Hariyali schemes.
- BPL Census, (2002) Guidelines.

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<sup>22</sup> Ahmednagar, Bhandara, Nanded, Nandurbar, Raigad and Thane

- Government of India (GoI)/Government of Maharashtra (GoM) orders issued from time to time.

## **Audit findings**

### **2.3.6 Financial management**

#### **2.3.6.1 Funding pattern**

The funds for SGSY, IAY, Drought Prone Area Programme and DRDA Administration are shared between GoI and GoM in the ratio of 3:1 and that of Hariyali/Integrated Water Development Programme in the ratio of 11:1. The GoI releases its share in two installments by transferring money to the bank account of the DRDA. The GoM makes provisions for its share in the annual budget and allocates the same to the DRDAs in two installments.

#### **2.3.6.2 Short utilisation of funds**

During the period 2004-09, the DRDAs received Rs 2,748.40 crore under the four major schemes (SGSY, IAY, Hariyali and DRDA Administration). Out of total available funds of Rs 2,822.22 crore, including opening balance of Rs 73.82 crore, the DRDAs spent Rs 2,713.62 crore leaving a total unspent balance of Rs 108.60 crore.

The scheme-wise details of funds received, total funds available and expenditure incurred under the four major schemes covered in audit during the period 2004-05 to 2008-09 for the State as a whole and for the eight test-checked districts are given in **Appendix 2.21** and **Appendix 2.22** respectively.

It would be seen from the appendices that utilisation of funds under the SGSY and IAY during the years 2004-05 to 2008-09 was in the range of 93 *per cent* to 98 *per cent* of the total funds available. Similarly, utilisation of funds under DRDA Administration was also satisfactory and ranged between 65 *per cent* and 83 *per cent*. However, utilisation of funds under Hariyali scheme ranged between 48 *per cent* and 62 *per cent* only. Scrutiny of records in the test-checked districts also showed a similar picture. Shortfall in utilisation of funds under DRDA Administration was due to shortage of manpower which adversely affected the planning and monitoring functions of the DRDAs. Under-utilisation of funds under Hariyali was due to delay in release of funds by DRDAs, as mentioned in paragraph 2.3.6.5.

#### **2.3.6.3 Short receipt of Central assistance**

GoI imposes a cut in Central assistance for short release of State's share and unutilised balance exceeding 15 *per cent* of the annual allocation. In eight test-checked districts Central assistance of Rs 12.16 crore was received short, due to excess carryover of funds, short release of State's share and inadmissible expenditure on purchase of vehicles, as detailed in **Appendix 2.23**. In two DRDAs (Hingoli and Yavatmal) State's share of Rs 1.52 crore was not released during 2006-07 (Rs 0.04 crore) and 2008-09 (Rs 1.48 crore). The DRDA, Thane attributed the short utilisation of funds under DRDA Administration to shortage of manpower and DRDA, Yavatmal accepted the



inadmissible expenditure on purchase of vehicle. Reasons for under-utilisation/excess carryover of funds under SGSY and IAY were, however, not given by the DRDAs.

#### **2.3.6.4 Transfer of funds of closed schemes**

The Sampurna Garmin Rozgar Yojana (SGRY) implemented by the DRDAs, was merged in a phased manner with Maharashtra Rural Employment Guarantee Scheme<sup>23</sup> (MREGS) during 2006-07 and the unspent balances under SGRY were required to be transferred to MREGS. Scrutiny revealed that in six<sup>24</sup> out of eight test-checked DRDAs, unspent balances of Rs 5.30 crore lying in the SGRY accounts, as of March 2009, were not transferred to MREGS implemented by the Collectors of the respective district/State Government. The DRDAs agreed (March to May 2009) to transfer the unspent balances.

#### **2.3.6.5 Delay in release of funds under Hariyali scheme**

There were no significant delays in release of funds to the beneficiaries under SGSY or IAY. However, scrutiny of the cash books maintained for Hariyali scheme, revealed that though the funds were to be released to the project implementing agencies (PIAs) and the Village Panchayats within 15 days of receipt of funds from the GoI and GoM, there were delays ranging from three to 47 months in release of funds to the tune of Rs 9.30 crore in six<sup>25</sup> out of the eight test-checked DRDAs during the period 2004-09. Delays in release of funds by the DRDAs adversely affected implementation of the scheme.

#### **2.3.6.6 Lack of control in disbursement of financial assistance**

In five Blocks<sup>26</sup>, cheques<sup>27</sup> in respect of 78 beneficiaries amounting to Rs 8.20 lakh issued between November 2005 and December 2008, were not delivered to the beneficiaries as of March 2009 and were kept in cash chest. Further, in five blocks<sup>28</sup> and in DRDA Raigad, cheques in respect of 115 beneficiaries amounting to Rs 8.87 lakh issued and delivered up to December 2008, were not encashed by the beneficiaries as of March 2009. These cheques were not cancelled and written back by the concerned BDOs. Similarly, in Akkalkua Block, 812 cheques amounting to Rs 87.87 lakh issued during the period September 2000 to March 2008 were also not encashed as on 31 March 2008. The reconciliation of cash book with bank pass book was not done in

**Cheques amounting to Rs 8.20 lakh issued between November 2005 and December 2008 were not delivered to the beneficiaries in five blocks**

<sup>23</sup> The State Scheme 'Employment Guarantee Scheme' and the Central Scheme 'NREGS' have been merged (April 2006) and named as 'MREGS'

<sup>24</sup> Ahmednagar (Rs 7.84Lakh), Bhandara (Rs 3.94 lakh), Nandurbar (Rs 28.36 lakh), Hingoli (Rs 3.63 lakh), Raigad (Rs 84.80 lakh) and Thane (Rs 401.43 lakh)

<sup>25</sup> Bhandara(5-24 months), Hingoli (5-16 months), Nanded(8-18months), Nandurbar (7-47months), Thane (3-32 months) and Yavatmal (7 -34 months)

<sup>26</sup> Bhivandi (Rs 0.57 lakh) , Lakhni (Rs 0.70 lakh), Pen (Rs 2.37 lakh), Shrigonda (Rs 0.78 lakh) and Wada(Rs 3.78 lakh)

<sup>27</sup> Valid for three months from the month of issue

<sup>28</sup> Tumsar (Rs 0.62 lakh), Hingoli (Rs 0.50 lakh), Umri (Rs 2.98 lakh), Shahada (Rs 1.96 lakh), Yavatmal (Rs 1.56 lakh) and DRDA Raigad (Rs 1.25 lakh)

Akkalkuwa Block of Nundarbar District after March 2008. However, no reasons for the same were given by the BDOs concerned.

The non-delivery of cheques not only resulted in inflating the expenditure but also indicates lack of control in disbursement and utilisation of funds.

### **2.3.7 Planning**

#### **2.3.7.1 Preparation of annual plan**

Sound planning is essential for effective implementation of the schemes for self employment, wage employment, rural housing and infrastructure development in rural areas. As per the guidelines of SGSY, IAY and the DRDA Administration, annual plans are to be prepared and got approved by the Governing Body of the DRDA. Further, according to the SGSY guidelines, the annual plans should also contain block-wise proposals for infrastructure drawn in consultation with the banks. It was, however, noticed that none of the eight selected DRDAs had prepared annual plans during the period covered by Audit. However, on receipt of sanction of the first installment of Central funds, an action plan indicating financial and physical targets for each block was prepared by the DRDAs. It was informed by the DRDAs that detailed instructions regarding the annual plan were not issued either by the GoI or by the GoM. Non-preparation of the requisite annual plans had resulted in non-observance of scheme guidelines besides unsatisfactory implementation of the schemes.

The DRDAs agreed (January to May 2009) to prepare annual plans from the year 2009-10.

#### **2.3.7.2 Maintenance of database**

According to SGSY guidelines, the DRDAs were to act as the nodal agency for developing the database of self help groups (SHGs) formed under all the schemes such as Development of Women and Children in Rural Areas, Rashtriya Mahila Kosh, National Bank for Agriculture Research and Development (NABARD) assisted schemes, Swa-Shakti, Swayamsidha *etc.*, so as to ensure convergence of these schemes and ensure better planning for training and other requirements of SHGs.

Scrutiny of records revealed that none of the test-checked DRDAs had prepared a database in respect of SHGs formed under different schemes or taken effective measures to strengthen and consolidate these groups before forming new groups under SGSY. As a result, SHGs formed under old schemes were left unattended and convergence of various schemes as well as better planning for training and other requirements of SHGs were not ensured as envisaged in the guidelines.

### **2.3.8 Selection of beneficiaries**

#### **2.3.8.1 Selection of below poverty line households**

As the BPL households are the beneficiaries of various anti-poverty programmes implemented by the GoI, DRDA conducts a BPL Census at the

beginning of each Five Year Plan. Accordingly, BPL Census, 2002 was conducted during 2003-04, through the DRDAs. A score based ranking of each household indicating the quality of life, based on both economic and social indicators was adopted for the Census. For this purpose, 13 indicators<sup>29</sup> with scores zero to four for each indicator were designed. As per the BPL Census guidelines, the households which scored up to the cut off score on the basis of total score secured by them on these indicators were included in the BPL list 2002. The computerised data of BPL list so prepared by DRDAs was sent to the Rural Development and Panchayat Raj Department of GoM for finalisation and approval. The households, whose names were included in the BPL list, were eligible as beneficiaries for schemes implemented by the DRDAs and other agencies. The BPL list of 2002 consisting of 45.02 lakh households was brought into effect from the year 2006-07. Scrutiny of the related records revealed the following lacunae.

The census was to be conducted through the Talathis and Gramsevaks. However, due to their reluctance to do the census work, the actual census work was entrusted to the Muster Roll Assistants, Siksha Sevaks, part-time employees and retired employees who were not conversant with the job given to them. It was noticed that 20.37 lakh households not included in the BPL list appealed to the revenue authorities. Of these, 18.73 lakh appeals were decided and 5.10 lakh households were considered as BPL. However, these households were not included in the BPL list, as the same was already finalised. These households were kept on the waiting list and did not get any benefit from the schemes framed for BPL households. This indicates that the census was not carried out properly.

Further, Audit conducted a joint survey along with DRDA officials of the BPL household beneficiaries in the randomly selected 32 villages for ascertaining their eligibility with reference to the data of BPL Census. Since the BPL list as per BPL Census, 2002 was introduced from 2006-07, in order to have an adequate sample size, all the 779 beneficiaries of the schemes in the selected villages for the period 2006-09 to 2008-09 were considered. Of these, joint survey by Audit and departmental officers could be conducted in respect of 416 beneficiaries (53 per cent), due to non-availability of 363 beneficiaries during the site visits. Since family ID and names of 91 beneficiaries out of these 416 were not found in the data of BPL Census, 2002, the data in respect of the remaining 325 beneficiaries (42 per cent) (**Appendix 2.20**) was analysed in audit.

The data so collected during joint survey was compared with data of BPL Census, 2002 and also data available on the website [www.rural.nic.in](http://www.rural.nic.in). Since nine out of 13 indicators used in BPL Census, 2002 were of temporary nature

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<sup>29</sup>(1) Size group of operational holding of lands, (2) Type of house, (3) Average availability of normal wear clothing, (4) Food security, (5) Sanitation, (6) Ownership of consumer durables, (7) Literacy status of the highest literate adult, (8) Status of the household labour force, (9) Means of livelihood, (10) Status of children (5-14 years), (11) Type of indebtedness, (12) Reason for migration from household and (13) Preference of assistance

and could undergo changes at any time, only four indicators such as land holding, literacy, labour force and migration status which are of constant nature and verifiable were considered for comparison and analysis. The result of the analysis was as follows:

- Part A of the format of BPL Census, 2002 contained general information of the household called 'profile of the household'. Part B contained the 13 indicators for scoring purpose for deciding the BPL status. Some data was common for both Part A and Part B. Scrutiny of database in respect of eight selected DRDAs revealed that though in Part A information in respect of indicator 'type of operational holding of land' was shown as owner of land, in Part B 'land status' of the same household was shown as 'nil' in respect of 292 households.
- Joint survey also revealed that 73 out of 325 selected BPL households (22 *per cent*) were holding land, though shown as landless in BPL Census, 2002.
- The literacy status of the highest literate adult was to be considered in the BPL census, 2002. Though 94 out of 325 selected BPL households (29 *per cent*) were having a literate adult at the time of the census the literacy status of these households was shown as illiterate in the BPL Census, 2002.
- The bonded labour was abolished in the year 1977 vide the Bonded Labour System (Abolition) Act, 1976. According to a survey carried out as per the direction of court order and monitored by the National Human Rights Commission (NHRC) there were only 1,618 bonded labourers in Maharashtra in December 2008. However, BPL Census, 2002, showed 11.31 lakh bonded labourers (including 5.97 lakh included in the BPL list). Further, joint survey by Audit indicated that none of the 325 selected households were found to be bonded labourers, whereas 61 selected BPL households (19 *per cent*) were shown as bonded labourers as per BPL Census, 2002.
- Also the status of labour force in respect of 33 households out of 325, was shown as 'female and child labour' in BPL Census, 2002 whereas 19 out of the above 33 BPL households were either having no children in the age group of four to 14 years or the children in that age group were going to school at the time of census.
- The score given for migration status as per the BPL Census, 2002 ranged from zero to two for casual work, seasonal employment and other form of livelihood respectively. It was noticed that none of the 325 selected households were migrant, though BPL Census, 2002 showed 232 households (71 *per cent*) as migrants on account of casual work, seasonal employment and other forms of livelihood.

Considering the above, the scores for deciding the BPL status would be higher than the actual scores given, as per the BPL Census, under various parameters

in 278 cases<sup>30</sup>. As the actual scores in respect of these households were more than the allotted scores, the households were either not BPL or they found a higher place in the priority list of BPL households. Hence, the eligibility of 278 (86 *per cent*) households who were given benefits under various schemes was doubtful. Further, this also deprived poorer households of availing the benefits under various schemes.

Apart from four indicators discussed above, there was also a discrepancy in the data about house type between BPL Census, 2002 and the National Sample Survey Organisation Report 2003. As per BPL Census, 2002 more than 11 *per cent* households were houseless and 34 *per cent* were having *kutcha* houses. However, the National Sample Survey Organisation Report 2003 showed that only nine *per cent* households were having *kutcha* houses and 90 *per cent* households were having semi *pucca/pucca* houses and none of the households were shown as houseless. Considering the data of the National Sample Survey Organisation, possibility of sanctioning dwelling units to persons having semi *pucca/pucca* houses cannot be ruled out.

### **2.3.8.2 Updating of BPL list**

As per BPL Census, 2002 guidelines, if any BPL household crosses the cut-off score on sustainable basis, that household should be deleted from the BPL list. Such reviews for deletion should be made annually by the Gram Sabha. Further, on the basis of writ petition filed by Peoples Union of Civil Liberty, the Supreme Court had directed that a provision may be made to add new names and delete the ineligible names from the BPL list on a continuous basis during the period to which the list applies.

The monthly progress report (MPR) of SGSY (March 2009 of SGSY) prepared by DRDAs showed that 1,85,377 households (including 52,047 in eight selected districts) had crossed the poverty line in Maharashtra. It was, however, noticed that none of the eight selected DRDAs had collected the result of such annual review of BPL households from the village panchayats for compilation of the same and the Government had also not adopted any mechanism to identify the households crossing poverty line. Therefore, the reliability of above data in the MPR could not be verified in audit.

### **2.3.9 Monitoring of the implementation of schemes**

Since DRDAs are not executing any schemes directly, but only getting them executed through the line departments and Panchayat Raj institutions, it is imperative that they monitor the implementation of various programmes/schemes effectively by holding periodical meetings of various committees formed for the purpose, conduct field visits and obtain periodical progress reports. Scrutiny revealed that the monitoring of the implementation of various schemes by DRDAs was inadequate as explained in the following paragraphs.

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<sup>30</sup> The scores were higher in respect of five households in four parameters, 51 households in three parameters, 97 households in two parameters and 125 households in one parameter

### 2.3.9.1 Meetings of the Governing Body/Executive Committee of DRDA

There were shortfalls in holding the meetings of Governing Bodies and Executive Committees of the DRDAs

The Governing Body of DRDA provides policy directions, approves the annual plan and also reviews and monitors the implementation of the planned programmes. All executive and financial powers of the DRDA are exercised by an Executive Committee, with the Chief Executive Officer of the Zilla Parishad as Chairperson and Project Director, DRDA as Member Secretary.

As per DRDA Administration guidelines, the Governing Body of the DRDAs should meet quarterly and the Executive Committee monthly.

It was noticed that the shortfalls in holding meetings of the Governing Bodies and Executive Committees of DRDAs in the eight test-checked DRDAs during 2004-09 ranged between 35 per cent and 100 per cent and 18 per cent and 100 per cent respectively (**Appendix 2.24**). This indicates inadequate control on planning and implementation of schemes at these levels.

### 2.3.9.2 Shortfall in holding meetings of various Committees

There were shortfalls in holding meetings of the various Committees

It was observed that there were huge shortfalls in holding the meetings of the various committees constituted for monitoring of the implementation of the programmes/schemes as indicated in **Table 1**.

**Table 1 : Table indicating shortfall in holding meetings**

Name of the committees and their formation	Main functions of the committees	Percentages of shortfall in conducting meetings during 2004-09 <sup>31</sup> in the selected DRDAs	
		Minimum	Maximum
(1)	(2)	(3)	(4)
District Level Vigilance and Monitoring Committee with the MP of the concerned district as Chairperson, other MPs of the district and Member of Rajya Sabha member as Joint Chairpersons, Collector of the district as Member Secretary and MLAs/MLCs, Chairperson of the ZP, Government nominees, Chairpersons of all the Panchyat Samitis as Members, was to meet quarterly.	<ul style="list-style-type: none"> <li>• Monitor proper utilisation of Government funds received under various Centrally sponsored schemes,</li> <li>• Take remedial action to prevent financial irregularities and</li> <li>• Ensure that the selection of beneficiaries was made as per scheme guidelines.</li> </ul>	45	85
District level SGSY Committee <sup>#</sup> , with Chief Executive Officer of the Zilla Parishad as Chairperson, Lead Bank Officer as Convener, and Project Director, DDM of NABARD, heads of district level line departments, General Manager DIC, District Khadi and Village Industries Officer as members, was to meet quarterly.	<ul style="list-style-type: none"> <li>• Review SGSY Plan,</li> <li>• Monitor the overall physical and financial progress,</li> <li>• Sort out inter-agency differences,</li> <li>• Prepare items for consideration of the State Level Committee,</li> <li>• Assess training needs of swarozgaris and arrange training including identification of appropriate institutions</li> <li>• Monitor bank-wise and block-wise recovery of loans and</li> <li>• Initiate corrective measures.</li> </ul>	22	100

<sup>#</sup> Information in respect of Ahmednagar and Thane DRDAs is awaited.

<sup>31</sup> Year-wise break up is given in **Appendix 2.24**

(1)	(2)	(3)	(4)
Block Level SGSY Committee <sup>@</sup> in each block with Project Director, DRDA as the Chairman, BDO, as convener and Project Officer (Self Employment), Branch Managers of implementing banks, Block/Sub-Division Level Officers of line departments and representative of NGO as members, was to meet monthly.	<ul style="list-style-type: none"> <li>• Select key activities at the beginning,</li> <li>• Select villages and number of Swarozgaris to be covered in each year,</li> <li>• Distribute work among bank branches,</li> <li>• Monitor the performance by different agencies,</li> <li>• Review of income earned by Swarozgaris,</li> <li>• Conduct sample checks for verification of assets and</li> <li>• Review of recovery performance/ monthly progress <i>etc.</i></li> </ul>	78	98

<sup>@</sup> While the committee in Kopergaon block was formed only in August 2008, the committees in Karjat and Umri blocks were still not formed.

As seen from the table above DRDAs failed to ensure the timely holding of the meetings of the various committees indicating lack of adequate monitoring of various schemes thereby adversely affecting the proper implementation of schemes.

### 2.3.9.3 Monthly progress reports of the schemes

According to IAY and SGSY guidelines, the monthly progress reports (MPRs) of physical and financial progress of the schemes were to be submitted to the GoI and GoM by the DRDA on prescribed dates. The reports were to be compiled on the basis of information received from the BDOs who were to receive the same from the village panchayats, line departments and NGOs.

Scrutiny of records of the selected 16 blocks of all the eight test-checked districts revealed that there was no documentary evidence in any of the blocks to show that the MPRs submitted to the DRDAs were based on information received from village panchayat, NGOs, line departments. As a result, the correctness of the achievement shown in the MPRs could not be verified. The BDOs had accepted the fact.

In this regard it was noticed that though five SHGs were defunct in Kopergaon block, the fact was not disclosed in the MPR of the SGSY scheme. In seven blocks<sup>32</sup>, though 271 IAY dwelling units sanctioned during 2004-05 to 2006-07 were incomplete (March 2009) the MPRs of DRDAs<sup>33</sup> submitted to GoM and GoI showed these units as complete. The DRDAs had not ascertained the correctness of the information furnished by the blocks and failed in monitoring the implementation of the schemes.

### 2.3.9.4 Quarterly reports on expenditure on infrastructure

As per SGSY guidelines, expenditure incurred on infrastructure under SGSY, was required to be submitted by DRDAs to the GoM. The Rural Development and Panchayat Raj Department was to consolidate the same and send it to GoI every quarter.

<sup>32</sup> Akkalkuva, Hingoli, Kalamb, Kalamnuri, Shahada, Shrigonda and Yavatmal

<sup>33</sup> Ahmednagar, Hingoli, Nandurbar and Yavatmal

There was no documentary evidence to show MPRs submitted by the BDOs were based on information received from village panchayats and line departments

Scrutiny revealed that none of the selected DRDAs except DRDA Ahmednagar had submitted the required information to the GoM for onward submission to GoI. Thus, monitoring of expenditure incurred on creation of infrastructure was not done effectively.

DRDAs accepted (January to May 2009) the facts.

### **2.3.9.5 Quarterly reports of water shed projects**

Similarly, in Hariyali scheme, Gram Panchayats were to submit a quarterly progress report to the PIA, *i.e.*, BDOs, line departments and NGOs after it was scrutinised and approved by the Watershed Development Team<sup>34</sup> (WDT). The PIA was to submit the quarterly progress reports to the DRDA for further submission to the Department of Land Resources, GoI through the State Government. At the district level, DRDA was to monitor the implementation of the projects.

Scrutiny of the records in seven<sup>35</sup> blocks where Hariyali schemes were implemented and joint survey by Audit of all the 11 village panchayats which constructed watershed projects revealed that none of the panchayats were sending quarterly progress reports to the PIAs. Hence PIAs themselves were preparing and sending the reports without any inputs from the village panchayats. Similarly, records of the PIAs also revealed that there was abnormal delay in submitting the quarterly progress reports to the DRDA.

In the absence of any input from the village panchayats, the authenticity of reports submitted by PIAs to DRDAs could not be ascertained. DRDAs also failed to ensure that the reports submitted to them were factual and correct.

### **2.3.9.6 Inspection of assets created under SGSY**

The SGSY guidelines laid down annual targets of field visits for various officials<sup>36</sup> to monitor the implementation of SGSY and progress of the swarozgaris in income generation as well as to carry out physical survey of assets. Scrutiny revealed that in none of the eight test-checked districts, inspection reports of the concerned officials were prepared and kept on record. DRDAs also did not monitor and ensure that prescribed field visits were conducted by various officials. In the absence any recorded evidence of inspection of assets the possibility of irregularities in creation of assets cannot be ruled out.

**Inspection reports of the officials were not prepared and kept on records in any of the test-checked eight DRDAs**

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<sup>34</sup> WDT should have at least four members one each from the disciplines of forestry/plant sciences, animal sciences, civil/agricultural engineering and social sciences. One member of the WDT should be a woman. Preferable qualification for a WDT member should be a professional degree

<sup>35</sup> Akkalkva, Bhokar, Kalamnuri, Karjat, Shrigonda, Tumsar and Yavatmal

<sup>36</sup> 120 visits by the Chairperson, DRDA, 240 visits by the Project Directors, DRDA, Block Development Officers and Assistant Development Officers and 480 visits by the Project Officers in one year



### Implementation of schemes

The inadequate supervision and monitoring of the implementation of various schemes by the DRDAs as mentioned above affected their satisfactory implementation as detailed in the following paragraphs.

#### 2.3.10 Implementation of Swarnjayanti Gram Swarojgar Yojana

The Swarnjayanti Gram Swarojgar Yojana (SGSY) was launched in April 1999 in order to bring the assisted poor families in rural areas above the poverty line, by organising the rural poor into self help groups (SHGs) through the process of social mobilisation, training and capacity building and provision of income generating assets through a mix of bank credit and Government subsidy.

A SHG consists of 10 to 20 members of which at least 80 *per cent* were to belong to BPL households. Further, 50 *per cent* SHGs in a block were to be exclusively for women. The SHGs, who were in existence for about six months and who demonstrated the potential of a viable group, were eligible for getting revolving fund of Rs 10,000 (Stage I). Further, at the end of six months from the date of receipt of revolving fund, the SHGs, if functioning effectively, were eligible for getting loan-cum-subsidy of Rs 1.25 lakh to start economic activity (Stage II). Hence, SHGs were expected to start economic activity within one year of their formation.

It was noticed that out of 1,77,450 SHGs in the State (formed till 31 March 2008) and who had completed a year of their formation, 1,55,923 SHGs (88 *per cent*) (**Appendix 2.25**) had not started economic activities, defeating the very objective of the scheme.

##### 2.3.10.1 Implementation of SGSY in the selected districts

The position of SHGs in the test-checked districts as of March 2009 is as follows:

**Table 2 : Position of SHGs in the test-checked districts**

Year	Number of SHGs formed	Number of SHGs		Number of SHGs started economic activities	Number of SHGs not yet started economic activities
		Reached Stage I	Reached Stage II		
Upto 2003-04	20225	9062	5320	3086	17139
2004-05	4125	3539	2521	1340	2785
2005-06	4204	4125	1739	1487	2717
2006-07	5635	4569	1371	1977	3658
2007-08	7288	6072	3460	2804	4484
<b>Total</b>	<b>41477</b>	<b>27367</b>	<b>14411</b>	<b>10694</b>	<b>30783</b>
2008-09	8795	7509	4280	3278	5517
<b>Total</b>	<b>50272</b>	<b>34876</b>	<b>18691</b>	<b>13972</b>	<b>36300</b>

Out of 41,477 SHGs (formed till March 2008) which had completed a year of their formation, 36,300 SHGs (88 *per cent*) had not started economic activities.

**Under SGSY 88 *per cent* of SHGs had not started economic activity even after completion of one year of their formation**

The DRDAs attributed the non-commencement of economic activities by the SHGs to the internal disputes among the members, lack of involvement of banks and inadequate progress made by SHGs after coming to Stage I. The replies indicate that besides improper selection of SHGs, the DRDAs did not adequately motivate and monitor their functioning and co-ordinate with the banks as required. This resulted in non-achievement of the objective of supplementing the income of the beneficiaries.

### **2.3.10.2 Selection of NGOs**

Non-Government organisations (NGOs) were to assist in the formation and development of SHGs and train the members to enable them to take up economic activities for which the NGOs were paid honorarium of Rs 10,000 in four installments<sup>37</sup> in respect of each SHG.

As per SGSY guidelines, NGOs/facilitators were to be selected through wide publicity and on the basis of written test, group discussions and panel interview *etc.* Further, the District Level SGSY Committee had to select suitable organisations/societies as facilitators based on their past experience in SHG formation, community organisation or any other similar work involving participatory approach, communication skill and ability to stay for a period of two to three years with the group to ensure continuity as well as enable the groups to mature into a self managed peoples organisation.

Scrutiny revealed that during the period 2004-05 to 2008-09 three DRDAs *viz.* Hingoli, Raigad and Yavatmal appointed 62 NGOs, which directly approached them without following the prescribed procedure. Further, though DRDA Nandurbar invited tenders for selection of the NGOs, selection criteria laid down in the tender such as experience in the respective field, availability of sufficient staff and equipments *etc.*, were not observed during selection. This resulted in unsatisfactory performance in development of SHGs as discussed in the preceding paragraph.

### **2.3.10.3 Training to the Swarozgaris**

As per SGSY guidelines, training in basic orientation programme (BOP) to familiarise the swarozgaris with SGSY and its objective was to be given after loan was sanctioned but before it was disbursed. For the identified swarozgaris, training programme for additional skill development/up gradation of skills was also to be arranged to ensure that they possess minimum skill requirement (MSR). Swarozgaris were eligible for financial assistance only after they possessed MSR and loans would be disbursed only after satisfactory completion of the skilled development programme.

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<sup>37</sup> Rs 2,000 after formation of SHG, Rs 3,000 after release of revolving fund, Rs 4,000 after release of loan-cum-subsidy and Rs 1,000 after repayment of the loan by the SHG

Scrutiny of monthly progress reports (MPRs) revealed that there was no shortfall in providing training to the targeted beneficiaries in six out of the eight selected DRDAs. However, skill development training was not provided to 16,788 swarozgaris (88 *per cent*) in Ahmednagar DRDA and 5,033 swarozgaris (34 *per cent*) in Nandurbar DRDA during the period 2004-09. Further, DRDA Ahmednagar had not provided training in BOP to any of the swarozgaris during the years 2006-07 and 2007-08. Joint site visit to 71 SHGs in eight test-checked districts revealed that 41 SHGs (58 *per cent*) were not provided with training in BOP. Further, though 41 SHGs were provided with loan-cum-subsidy, only 26 SHGs (63 *per cent*) of them were not provided skill development training.

Thus, non-observation of the guidelines by the DRDA resulted in the swarozgaris remaining unskilled in running their selected key activity.

#### 2.3.10.4 Maintenance of records/accounts by the SHGs

According to the guidelines of SGSY, the SHGs were required to maintain cash books, ledgers, minutes of the meeting *etc.* Scrutiny revealed that none of the DRDAs had maintained any records to show that they had ensured proper maintenance of records by the SHGs. Joint survey in the eight test-checked districts, however, revealed that 44 out of 71 SHGs visited (62 *per cent*) had not maintained any such records. In the absence of the records it could not be ascertained whether the SHGs were functioning properly and the status of members had improved.

#### 2.3.10.5 Creation of infrastructure under SGSY

According to the SGSY guidelines, proposals for infrastructure<sup>38</sup> development should be drawn by the DRDAs in consultation with banks, giving priority to marketing linkages, so as to enable swarozgaris to make optimum utilisation of the assets created under the scheme and derive better return from their activities.

Scrutiny of register of SHGs formed in the test-checked DRDAs (except Thane) revealed that in seven DRDAs 80 to 90 *per cent* SHGs had selected dairy/animal rearing activity. Hence, the DRDAs were required to create infrastructure best suited to that activity so that swarozgaris could derive the maximum return from their activities. The selected DRDAs, had, however, not created and developed any infrastructure for development of animal related activities, but created infrastructure like shopping centres, bazaar ottas<sup>39</sup>, sales-cum-exhibition centers *etc.*, at a cost of Rs 9.78 crore (**Appendix 2.26**), which largely remained idle as mentioned in the following paragraphs.

Further, DRDAs had not monitored the proper utilisation of the infrastructure created under SGSY. None of the DRDAs had kept records showing details of allotment of shops by BDOs. The report received from Bhandara and Deglur BDOs showed that shopping centres created (2005-2008) in their blocks were

<sup>38</sup> Infrastructure means basic structure foundation of permanent nature

<sup>39</sup> Platform constructed in markets for selling goods

**Infrastructure created without considering the needs of the SHGs remained idle**

not utilised. In Thane, 'Jijao sales centre' constructed (2004-05) on the first floor of the office building of Zilla Parishad at a cost of Rs 13.41 lakh, was lying idle as the NGO who had been allotted the centre, returned (July 2006) the same stating that the running of the centre was not feasible in the absence of a proper access to the centre.

Joint survey in Sanghvi-Bhusar, Vasai and Wada blocks revealed that out of 13 shops<sup>40</sup> created, seven were allotted to ineligible persons and five were lying vacant since 2005-06. Further, exhibition-cum-sales centre constructed at Tumsar in 2004-05 was also lying idle.

In Nandurbar DRDA, the non-utilisation of the shopping centres was raised by the District Vigilance and Monitoring Committee in its meeting held in August 2008 and the Governing Body in its meeting held in February 2009.

It was also noticed that purchase of veterinary equipment costing Rs 1.34 crore and construction of 24 veterinary hospitals at the cost of Rs 1.04 crore were made for the Animal Husbandry Departments of Yavatmal and Nanded Zilla Parishads respectively by the respective DRDAs. Since the construction of veterinary hospitals was the primary responsibility of the Zilla Parishad, construction of the same by the DRDAs with SGSY funds was not justified.

### **2.3.11 Implementation of Indira Awas Yojana**

The Indira Awas Yojana (IAY) a Centrally Sponsored Scheme, with a cost sharing ratio of 75:25 between Centre and the State, was introduced as an independent scheme in January, 1996. The objective of the IAY is primarily to help construction of dwelling units for members of Scheduled Castes (SCs), Scheduled Tribes (STs), freed bonded labourers and other non-SC/ST BPL rural households by providing them with financial assistance. The financial assistance admissible was Rs 28,500<sup>41</sup> up to the year 2007-08 and Rs 43,500<sup>42</sup> thereafter, excluding Rs 1,500 to be contributed by the beneficiary by way of self labour.

The achievement in construction of dwelling units under IAY in the State and in the selected districts during 2004-09 was 97 per cent and 98 per cent respectively (**Appendix 2.25**).

#### **2.3.11.1 Incomplete IAY dwelling units**

As per IAY guidelines, the construction of a dwelling unit should in no case take more than two years.

Out of 16 selected blocks, in six blocks<sup>43</sup>, 271 (9 per cent) out of 3,002 dwelling units sanctioned during the period 2004-05 to 2006-07 were not completed though more than two years had passed since their sanction. Of these, the financial assistance released in respect of 99 incomplete dwelling

**In six blocks 271 out of 3,002 dwelling units sanctioned under IAY during 2004-05 to 2006-07 were not completed**

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<sup>40</sup> Vasai: five shops, Wada: four shops and Sanghvi-Bhusar: four shops

<sup>41</sup> Central share : Rs 18,750, State share : Rs 6,250, Additional State funds : Rs 3,500

<sup>42</sup> Central share : Rs 26,250, State share : Rs 8,750, Additional State funds : Rs 8,500

<sup>43</sup> Akkalkuva, Hingoli, Kalamb, Shahada. Shrigonda and Yavatmal

units was Rs 15.74 lakh. Construction of 20 houses in Shahada block had not yet started (July 2009) and information on the financial assistance released in respect of the remaining 152 beneficiaries of Akkalkuwa block was not made available (July 2009).

The DRDAs attributed the non-completion of the dwelling units to non-availability of land, inability of the beneficiaries to construct the dwelling units within the sanctioned amount and temporary migration of the beneficiaries. The replies cast a doubt as to whether the beneficiaries were selected judiciously. Further, the DRDAs as the agency overseeing the implementation of the scheme failed to ensure timely completion of the dwelling units by the beneficiaries.

### **2.3.11.2 Inventory of houses under IAY**

As per IAY guidelines, the BDOs being the implementing agency should have a complete inventory of houses constructed under the IAY giving details of the date of commencement, the date of completion of construction of dwelling unit, name of the village and block in which the house is located, occupation and category of beneficiaries and other relevant particulars.

In sixteen test-checked blocks, inventory of the IAY dwelling units had not been maintained. In the absence of maintenance of inventory of dwelling units constructed under IAY by the implementing agencies the actual position of the dwelling units sanctioned and completed could not be ascertained in audit. On this being pointed out in audit the BDOs accepted the facts.

The DRDAs as the overseeing and monitoring agency of the scheme also failed to ensure that proper asset registers were maintained by the BDOs.

### **2.3.11.3 Valuation of IAY houses**

As per IAY guidelines, valuation of all the completed dwelling units was required to be done by the DRDA to ensure proper utilisation of funds. Scrutiny revealed that the valuation of the dwelling units completed during the period 2004-09 was not carried out by the Deputy Engineer/Junior Engineer in 12 blocks in six DRDAs (except Nanded and Nandurbar) out of the eight selected districts. Due to non-valuation of the IAY dwelling units, it could not be ascertained if the beneficiaries had properly utilised the funds allotted to them.

As stated by the beneficiaries during the joint survey, the cost of construction of 57 out of 123 dwelling units sanctioned during 2004-08 (46 completed and 11 incomplete) ranged from Rs 50,000 to Rs 1,25,000, when the financial assistance was Rs 28,500 and eight out of 51 dwelling units (3 completed and 5 incomplete) sanctioned during 2008-09 ranged from Rs 70,000 to Rs 2 lakh, when the financial assistance was enhanced to Rs 43,500. This casts a doubt on their BPL status as mentioned in Paragraph 2.3.8.1.

**Inventory of houses under IAY was not maintained in any of the 16 blocks test-checked in the eight DRDAs**

**Valuation of IAY dwelling units was not carried out in 12 blocks of six DRDAs**

### **2.3.12 Implementation of Hariyali Scheme**

The Hariyali Project was introduced in April 2003 to involve village communities in the implementation of watershed projects, under all the area development programmes. The main objective of the projects under Hariyali is rain water harvesting for irrigation, fisheries *etc.*, to create sustainable sources of income for the village community as well as drinking water supply.

The implementation of watershed projects under all the area development programmes namely, Integrated Wastelands Development Programme (IWDP), Drought Prone Area Programme (DPAP) and Hariyali were to be carried out through the project implementing agencies (PIAs) involving village communities. Under the schemes the funds were provided to the village panchayats for carrying out the works of water shed project consisting of loose boulders bandhara, nalla bund, cement nalla bund, plantation *etc.*, as per detailed action plan. The works were to be completed within five years from the date of sanction of the project.

It was, however, noticed that while only 163 projects out of 3,853 projects taken up since inception of the scheme were completed in the State, none of the 788 projects taken up in the eight selected DRDAs during the same period were completed (**Appendix 2.25**).

#### **2.3.12.1 Delay in completion of works under Hariyali scheme including NDPAP and IWDP**

As per the guidelines of the Hariyali Scheme, the project sanctioned under the scheme should be completed within a period of five years from the date of its sanction. A detailed action plan was to be prepared and the project was to be implemented according to the detailed action plan.

In the eight test-checked DRDAs, it was noticed that though the detailed action plan for each watershed project had been prepared, the DRDAs had not adhered to the time schedule of the plan. Against the total project cost of Rs 245 crore in respect of 788 watershed projects targeted, only Rs 119.19 crore was released as of March 2009 due to delay in preparation of action plan, lack of technical staff and lack of response from PIAs and NGOs as stated by the Project Directors. Further, only Rs 97.87 crore was released by the DRDAs leaving unspent balance of Rs 21.32 crore as of 31 March 2009.

This indicates that the implementing agencies did not carry out the works as per detailed action plan and schedule. Non-observance of time schedule in implementation of project could result in cost overrun of the project and despite this if the PIA completes the work within the sanctioned project cost, the quality of work could be affected. Besides, the beneficiaries were deprived of the benefit of the scheme.

DRDAs being the overseeing agency for implementation of the projects, thus, failed to ensure timely and satisfactory completion of the works by the implementing agencies.

**None of the 788 projects taken up under Hariyali in the selected DRDAs was completed**

### 2.3.13 Other points of interest

#### 2.3.13.1 Shortage of manpower

As per DRDA Administration guidelines, posts were to be sanctioned according to the category of DRDAs. DRDAs were classified under four categories<sup>44</sup> viz., A, B, C and D based on the number of blocks falling under their jurisdiction.

**Test-checked DRDAs had a total shortage of 64 staff (21 per cent)**

Scrutiny revealed that in the test-checked DRDAs there was a shortage of 64 personnel (21 per cent) against the sanctioned strength of 306. The shortages included key posts of the Project Director, Assistant Project Officers and other technical staff as detailed in **Appendix 2.27**.

The non-deployment of adequate staff resulted in non-monitoring of the programmes by DRDAs besides non-utilisation of funds under DRDA Administration scheme.

#### 2.3.13.2 Training to DRDA staff

As per DRDA Administration guidelines, the officials of DRDAs should be constantly trained in the general field of rural management and poverty. The personnel posted to the DRDA should be given a pre-service training to orient them suitably and an annual in-service training to up-date them in the relevant fields and share their experiences. No such training was provided to the staff in any of the eight test-checked DRDAs.

DRDAs accepted the facts and agreed (January to May 2009) to arrange training to their staff, in the specialised fields.

#### 2.3.13.3 Delay in submission of accounts

**There were delays in submission of Accounts in four DRDAs**

The DRDA Administration guidelines require submission of annual accounts of all the schemes to GoI by 30 September every year, duly certified by the Chartered Accountant and approved by the Governing Body. Records revealed that in four<sup>45</sup> out of the eight test-checked DRDAs, annual accounts for the years 2004-05 to 2007-08 were finalised between October and December with delays of one to three months. Further, in Nanded district, the annual accounts for the year 2005-06 were finalised in July 2007 with a delay of 10 months. DRDAs accepted the facts and agreed (January to May 2009) to finalise the annual accounts in time from the year 2008-09 onwards.

#### 2.3.13.4 Creation of Internal Audit Cell

**Internal audit cell was not functioning in the test-checked DRDAs**

According to the guidelines of DRDA Administration, an internal audit cell with one Accounts Officer, was required to be constituted. However, in the revised staff pattern (March 2004) the GoM had sanctioned only one post of Account Officer and one post of Assistant Account Officer in each DRDA. Scrutiny of records revealed that the internal audit cell was not functioning in

<sup>44</sup> A- with less than six blocks, B- with six to ten blocks, C- with 11to15 blocks and D- with more than 15 blocks

<sup>45</sup> Ahmednagar, Nanded, Nandurbar and Raigad

any of the eight test-checked DRDAs during the period 2004-09 though the sanctioned posts were filled up in five<sup>46</sup> DRDAs. Resultantly, the expenditure incurred by DRDAs was not subjected to internal audit as required.

DRDAs accepted the facts and stated (January to May 2009) that there was no manpower to constitute the internal audit cell. This resulted in non-adherence to financial disciplines envisaged in the guidelines of various schemes.

### **2.3.14 Conclusion**

Working of DRDAs in Maharashtra was less than the desired level of satisfaction. There were deficiencies in fund management, planning and selection of beneficiaries. The supervision and monitoring of the schemes implementation was inadequate, which affected their successful implementation. Short release of State's matching share, underutilisation of funds and incurring of inadmissible expenditure contributed to short release of Central funds. Unspent balances of closed schemes were not transferred to new schemes and there were delays in release of funds under Hariyali scheme. The annual plans were not prepared in respect of SGSY and IAY. Beneficiary identification through BPL Census was unreliable. There were shortfalls in conducting meetings by the various committees monitoring the implementation of the schemes at various levels. Majority of the self help groups formed under SGSY were yet to start economic activities. Infrastructure created without proper planning resulted in idle investment. There were delays in construction of dwelling units under Indira Awas Yojana. Ninety six *per cent* projects under Hariyali scheme remained incomplete. There were delays in submission of accounts. The functioning of internal audit cell was suboptimal.

### **2.3.15 Recommendations**

Government should ensure that:

- there is timely utilisation of funds by DRDAs.
- the DRDAs prepare the annual plans as per the guidelines.
- the BPL survey is conducted with due care and attention to make it more reliable.
- the DRDAs oversee and monitor the implementation of schemes more effectively so as to achieve the desired objectives of the schemes.

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<sup>46</sup> Ahmednagar, Bhandara, Hingoli, Nanded and Raigad



## Rural Development and Water Conservation Department

### 2.4 Minor Irrigation (Local Sector) Projects

#### Highlights

*The objective of Minor Irrigation (Local Sector) is to take up small irrigation works in order to get the benefits quickly from a small patch of land by increasing the agriculture production. These projects are in operation in the State since 1992 and are executed by the Water Conservation Department and the Zilla Parishads. A review of the projects revealed deficiencies in financial management, planning, execution as well as management of the projects.*

**Budget estimates for the years 2004-05 to 2007-08 were not realistic, as 44 per cent of total grants were provided through supplementary grant in the last quarter of the year.**

*(Paragraph 2.4.6)*

**Priority for completion of old works was ignored. Rupees 7.20 crore was spent on 36 new works though old projects remained incomplete.**

*(Paragraph 2.4.6.1)*

**Expenditure incurred on 10 projects in excess of the approved cost per TCM which ranged between 41 per cent and 138 per cent affecting the economic viability of the projects.**

*(Paragraph 2.4.7.1)*

**Location of irrigation projects at unsuitable sites based on inadequate investigation of strata resulted in unfruitful/ infructuous expenditure of Rs 10.11 crore. Besides, expenditure of Rs 7.69 crore incurred in 11 projects remained unfruitful for long periods due to commencement of work before acquisition of land.**

*(Paragraphs 2.4.7.2 and 2.4.7.3)*

**Non-execution of distribution system resulted in unfruitful expenditure of Rs 89.83 crore on MILS projects for periods ranging from 3 to 16 years.**

*(Paragraph 2.4.8.2)*

**Projects completed at a cost of Rs 6.30 crore could not retain water due to leakages resulting in non-utilisation of irrigation potential envisaged.**

*(Paragraph 2.4.8.3)*

**Non-adherence to government instructions resulted in extra expenditure of Rs 85.89 lakh on execution of extra items of works.**

*(Paragraph 2.4.8.4)*

**Formation of Water Users' Associations was very slow and as a result the upkeep of projects remained under doubt.**

*(Paragraph 2.4.9.1)*

#### 2.4.1 Introduction

Projects having irrigation potential above 250 hectares are implemented and controlled by Water Resources Department and those with IP below 250 hectares (ha) known as 'Minor Irrigation (Local Sector) (MILS) projects' are

implemented and controlled by Rural Development and Water Conservation Department (RDWCD) of the Government of Maharashtra (GoM). The State has a total irrigation potential (IP) of 54.30 lakh ha created from 54 major<sup>47</sup>, 222 medium<sup>48</sup> and 2,726 minor<sup>49</sup> irrigation projects, out of which 13.18 lakh ha was from 53,771 MILS projects as of March 2008<sup>50</sup>.

The objectives of the MILS projects are to provide permanent solution to the frequent drought like situation in the State by deriving benefits from the projects quickly by irrigating a small patch of land, thereby increasing the agriculture production.

MILS projects are of different types *viz.*, Minor Irrigation Tanks (MIT), Kolhapur Type Weirs (KTW), Diversion Type Bandharas (Weirs) (DB), Storage Tanks (ST), Percolation Tanks (PT) and Lift Irrigation Schemes (LIS) *etc.* Projects having IP up to 100 hectares (ha) are under the control of Zilla Parishad (ZP) of each district and projects having IP from 101 to 250 ha are with the State Sector.

#### **2.4.2 Organizational set-up**

Secretary, Water Conservation and Employment Guarantee Scheme (WCEGS) is the administrative head of the Department. The Chief Engineer (CE), MILS, Pune is the technical head who is aided by six Superintending Engineers (SEs) operating through their Circle offices in Amravati, Aurangabad, Nashik, Nagpur, Pune and Thane. The execution and maintenance of the projects are controlled by Executive Engineers (EEs) at district level; one under the administrative control of Chief Executive Officer (CEO) of ZP called as MI(ZP) Division and another under State sector called as MILS Division. The SEs of MILS render technical support to the EEs of ZP Divisions. The EEs are aided by Sub-Divisional Engineers.

#### **2.4.3 Audit objectives**

The performance audit was conducted with a view to assess:

- efficiency in financial management;
- adequacy and efficiency in planning of the projects;
- economic, efficient and effective execution of projects and its management;
- whether the completed projects achieved their objectives;
- whether completed projects are well maintained, protected and continue to provide benefits as envisaged; and
- efficacy of the mechanism for assessment, demand and collection of water charges.

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<sup>47</sup> Major Irrigation Projects : Projects with IP more than 10,000 ha

<sup>48</sup> Medium Irrigation Projects: Projects with IP below 10,000 ha but more than 2,000 ha

<sup>49</sup> Minor irrigation Project (under Water Resources Department): Projects with IP below 2,000 ha but more than 250 ha

<sup>50</sup> Source: District Information Booklet (status as of 01-04-2008) published by Chief Engineer, MILS, Pune

#### 2.4.4 Audit criteria

The following were the audit criteria:

- Maharashtra Minor Irrigation Manual, 1983.
- Project Reports.
- Maharashtra Public Works Manual.
- Resolutions/Circulars issued by GoM.
- Forest Conservation Act, 1980.
- Maharashtra State Water Policy.

#### 2.4.5 Audit coverage and methodology

Audit reviewed (February to May 2009) the minor irrigation projects executed by the State Sector Divisions under Water Conservation Department and the Zilla Parishads covering the period from 2003-04 to 2007-08. A sample of 10 (30 *per cent*) out of 33 districts was selected for performance audit. Of these, six districts<sup>51</sup> were selected by ‘Stratified Random Sampling’ method. Four<sup>52</sup> districts were selected on judgmental basis to cover adequate number of irrigation tanks, tribal areas, backward areas in terms of irrigation potentialities and the sub-surface drainage works. Out of 636 completed and ongoing projects implemented by State Sector Divisions up to 2007-08 in the selected districts, 160 (25 *per cent*) were selected for audit. In the Zilla Parishad Divisions, only the projects completed during 2003-08 were covered in audit. Out of 4,635 completed ZP projects in the selected districts 381 were selected for detailed audit scrutiny. The audit objectives, criteria, *etc.*, were discussed at the entry conference held in February 2009 with the Secretary, Water Conservation Department. Government’s response to the draft performance audit report sought in July 2009 from GoM was not received (October 2009).

#### 2.4.6 Financial Management

The total budget allotment for the MI projects during the period 2003-04 to 2007-08 was Rs 744.08 crore (State Sector: Rs 270.41 crore and ZP: Rs 473.67 crore). Against this, expenditure incurred was Rs 692.18 crore (State Sector: Rs 253.66 crore and ZP: Rs 438.52 crore). Year-wise details of budget and expenditure are given in **Appendix 2.28**.

It was noticed that the original budget provision (Rs 417.65 crore) was only 56 *per cent* of total provision (Rs 744.07 crore). As a result, 44 *per cent* (Rs 326.42 crore) of the total funds were provided in the last quarter of the year through supplementary grants and re-appropriation, affecting the smooth execution of the MI projects. Apart from the above, State Sector Divisions executed 32 projects which are partially financed by Government of Germany by way of loans (Rs 44.24 crore) through German Financial Corporation (KfW) and State Government contribution (Rs 19.11 crore) during the same period.

**Budget estimates were unrealistic; 44 per cent of total grants was provided through supplementary grant in the last quarter of the year**

<sup>51</sup> Aurangabad, Beed, Nashik, Osmanabad, Ratnagiri and Solapur

<sup>52</sup> Ahmednagar, Buldhana, Chandrapur/Gadchiroli and Sangli

Rs 7.20 crore was spent on 36 new works though old projects remained incomplete

#### 2.4.6.1 Diversion of funds

Under the Marathwada Development Programme aimed at completion of pending minor works, Government sanctioned (January 2008) Rs 24.24 crore for completion of 330 incomplete projects in eight districts. Scrutiny revealed that SE, Aurangabad released Rs 1.20 crore to Executive Engineer, Aurangabad (State Sector) for the same purpose, but with a list of 12 new projects. The Executive Engineer utilised the amount on construction of 12 new works. Thus, funds for completion of incomplete works were diverted for new works which was in contravention of the provisions of the scheme.

Further, it was noticed (March 2009) that in ZP Division, Aurangabad 164 works were pending for completion as of March 2008 for which an amount of Rs 32.90 crore was required. Budget allotment of Rs 15.55 crore was made during 2008-09 for the Division. Scrutiny revealed that the EE had taken up 24 new works and spent Rs 6 crore on these works though there were 93 pending projects with the Division.

#### 2.4.7 Planning

Para 4.1.3 of MI Manual deals with preliminary investigation, survey and preparation of detailed project report. The preliminary investigations include estimation and identification of land required for the project, its availability, the topography of the site, the type of project to be set up, *etc.* After preliminary investigations, a preliminary survey to determine quantities of earth work, masonry work required for the execution of the project and storage capacity is carried out to prepare the estimates for the works.

Audit observed deficiencies in planning and survey before taking up of the MI projects, as discussed in the subsequent paragraphs.

#### 2.4.7.1 Uneconomic projects

To evaluate the financial viability of projects to be executed, GoM from time to time prescribe economic yardstick which is measured in terms of cost per Thousand Cubic Meter (TCM) of water storage. The estimates in respect of the projects should be within the financial yardstick to ensure financial viability of the projects.

It was observed (May 2009) that out of 100 State sector ongoing projects test checked in 10 projects (in four districts<sup>53</sup>) the cost of the project was estimated to be within the prescribed economic yardstick. Due to inadequate survey and investigation, the actual cost of the projects increased abnormally during execution due to increase in quantities of work, identification of inappropriate quarries leading to increase in lead and change in design after commencement of work as shown in **Appendices 2.29** and **2.30**. This also caused delay in the execution of work leading to escalation in cost of the projects.

Economic viability of the projects was affected as the expenditure exceeded the prescribed economic yardstick by 41 per cent to 138 per cent

It was noticed that the expenditure incurred on these projects in excess of the approved cost per TCM ranged between 41 per cent and 138 per cent affecting the economic viability of the projects. Due to inadequate survey and investigation the projects were incorrectly shown as financially viable.

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<sup>53</sup> Three in Ratnagiri, Five in Solapur and one each in Osmanabad and Sangli districts

Department stated (January to March 2009) that the above increase was due to actual site conditions found during execution.

The reply was not acceptable as the reasons attributable to increase in cost could be foreseen had the necessary survey and investigation of the projects conducted as required under the MI manual.

#### 2.4.7.2 Selection of unsuitable sites

**Due to selection of unsuitable sites expenditure of Rs 10.11 crore incurred on eight projects was blocked/ unfruitful**

Para 4.3.8 of MI Manual provides that detailed investigation of site to be made for classification of soil/strata so that the scope for failure of the project is minimal. Para 7.6 of the manual also stipulates that for preventing the danger of outflanking<sup>54</sup> of the weir ample protective works should be taken up on both the banks of the weir. Further, as per para 3.11 of MI manual, the 'Benefit-Cost (BC) Ratio' for irrigation projects should be more than one. Scrutiny revealed the following instances of selection of unsuitable sites due to lack of investigation.

(i) Moda-2 KTW in Sillod Taluka of Aurangabad was sanctioned (October 1995) for Rs 46.18 lakh, to be undertaken by the ZP Division, Aurangabad.

In the estimates the resting of foundation for the KTW was planned to be kept from 4.5 M to 6 M ignoring the suggestion of the SDO to re-investigate the strata based on the experience of Moda-1 KTW. However, during execution the depth of foundation had to be increased to 12 M to 14 M. Provision for guide wall, retention wall and wing wall required for the KTW was also not made in the estimate. This was included as part of the work after the outflanking of the KTW during the monsoon of 2006. These along with other reasons like change in specification of construction of piers, installation of two self operated gates and increase in rates of steel increased the cost of the KTW to Rs 4.46 crore (April 2007) reducing the BC ratio below 1. Approval of the Government for the revised estimates was not received as of March 2009.

Thus, location of the project at an unfavourable site based on inadequate investigation of strata and not providing adequate protective works has made the project unviable. Consequently, the farmers were unable to derive the benefits from this KTW and expenditure of Rs 2.60 crore incurred upto January 2009 remained blocked.

(ii) Bolegaon KTW in Aurangabad District financed by KfW was completed (October 2005) at a cost of Rs 2.02 crore with a view to provide irrigation to 159 ha. As the KTW was unable to store water in it, an expert representing the KfW was consulted. The expert visited (November 2005) the project and observed that no storage of water in the upstream of the KTW was possible due to unfavourable soil conditions in the river bed with seemingly high permeability. As per his suggestion, two Lift Irrigation Scheme (LIS) envisaged in the project were also deleted. Thus, no irrigation was carried out from this KTW.

On being pointed out, the Executive Engineer replied (March 2009) that the wells in the farms adjacent to the KTW were being charged, thus providing indirect irrigation benefits.

<sup>54</sup> Erosion of the banks of the KTW due to which retention of water in the weir is not possible

The reply of the Executive Engineer was not tenable as the objective of the project was to provide direct irrigation benefit to 159 ha of land. Thus, the expenditure of Rs 2.02 crore incurred on the unviable project became infructuous.

(iii) As per the MI Manual, the Kolhapur-Type-Weir (KTWs) should be located where the stream has perennial flow or sufficient post-monsoon flow so that irrigation is possible in dry season. The needles<sup>55</sup> (gates) of the KTWs should be fixed by 15<sup>th</sup> October of every year which is the beginning of 'Rabi' season.

Scrutiny of records (January 2009 to June 2009) of EE, MILS Aurangabad revealed that in respect of six KTWs out of 17 projects test-checked, the average percentage of storage of water ranged from 0.83 *per cent* to 38.05 *per cent* during the period from 2003-04 to 2007-08 due to non-availability of required quantity of post-monsoon water in the streams/ rivers.

This indicated inadequate planning and survey as the KTWs were located at places where there was no water flow after monsoon. These KTWs did not attain full capacity from the beginning after incurring expenditure of Rs 5.49 crore.

The EE, MILS, Aurangabad accepted (March 2009) that storage of water in these KTWs was inadequate due to non-availability of post-monsoon flow in the river/*nalla*.

#### **2.4.7.3 Projects affected for want of land**

**Expenditure of Rs 7.69 crore was wasteful/ unfruitful due to commencement of work before acquisition of land**

As per Para 251 of Maharashtra Public Works Manual, no work should be started before acquiring the entire land required for the project. The Forest Conservation Act, 1980 also stipulates that clearance from Forest Department is required before taking up a project in the Forest land.

Out of the 160 projects scrutinised in the 10 districts selected, 11 projects<sup>56</sup> were found to be affected due to want of land for the projects and are discussed as under:

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<sup>55</sup> Needles: Steel shutters inserted in grooves of structure of KTW to impound water in the upstream side

<sup>56</sup> one DB out of four DBs, six STs out of fifty-four STs, two MIT out of forty-four MIT and one PT out of two PTs test-checked

Nature of audit observation	Audit findings
(1)	(2)
<i>Non-obtaining of clearance from Forest Department</i>	Scrutiny of records of EE MILS, Chandrapur (February 2009) revealed that the Divisional office had started (May 1991) execution of the project Diversion Bandhara at Kemtukum on Forest land without obtaining clearance from Forest Department. The work was stopped (September 1996) for want of forest clearance, after incurring an expenditure of Rs 15.81 lakh. EE accepted (February 2009) that the forest land was wrongly assumed to be revenue land and clearance from Forest Department sought in June 2006 was still awaited. (February 2009).
<i>Taking up of projects without involving the beneficiaries</i>	In respect of nine projects taken up between February 1997 and April 2008 ( <b>Appendix 2.31</b> ), it was seen that either the projects or the canals remained incomplete as of February/March 2009 due to opposition from the land-holders who were not willing to part with their land required for the projects. Completion of these projects remains doubtful. Thus, the expenditure of Rs 7.42 crore incurred remains unfruitful for a period ranging from one to ten years.
<i>Defective estimates due to inclusion of an unnecessary component</i>	The work of Junona ST in Buldhana District was technically sanctioned by Chief Engineer and commenced (July 2004) with an envisaged IP of 138 ha. Head-regulator <sup>57</sup> was included for release of water in downstream. But there was no scope of release of water downstream in this project due to presence of forest land within 100 M. A proposal for deletion of the head-regulator from the work submitted in September 2004 was finally approved only in February 2008. In the meantime, construction of civil works and manufacture of gates required for the head regulator were already executed at a cost of Rs 10.62 lakh. This has led to wasteful expenditure of Rs 10.62 lakh.

## 2.4.8 Execution of Projects

### 2.4.8.1 Shortfall in creation of irrigation potential

The CE, MILS fixed yearly targets for creation of irrigation potential (IP). The creation of IP *vis-à-vis* the targets set during the years 2003-04 to 2007-08 is as given in **Table-1**:

**Table 1 : Targets and achievement in creation of IP**

Year	IP Targeted (in ha)	IP created (in ha)	Percentage of shortfall
2003-04	6097	1479	76
2004-05	7851	1699	78
2005-06	6382	0	100
2006-07	6470	2348	64
2007-08	33396	27137	19

Source: CE, MILS letter dated 05-08-2009.

It could be seen from the above table that IP created in 2005-06 was 'Nil' and IP targeted and created during 2007-08 was abnormally high compared to earlier years. The reasons for this abnormal variation called for in audit have not been furnished (October 2009).

<sup>57</sup> A head regulator is a structure having gates installed for regulating the flow of water in the canal of the tank

CE stated (January 2009) that the shortfall in achievement of yearly targets was due to opposition from land owners, non-receipt of funds as per requirement, delay in according approval to revised administrative approval.

The reply was not tenable as the Department should have ensured completion of projects with a view to achieve the targeted IP.

#### 2.4.8.2 Non-execution of distribution system

**Non-execution of distribution system resulted in unfruitful expenditure of Rs 89.83 crore**

According to Minor Irrigation Manual the 'gorge filling' of irrigation projects should be undertaken only after the distribution system to cover 33 *per cent* of the command area is completed in all respects. The remaining distribution system should be completed in subsequent two years of the 'gorge' filling work. In the following cases distribution system was not completed resulting in non-achievement of irrigation potential.

(i) With a view to utilise the surplus water from the westerly flowing rivers, GoM accorded (October 1999) sanction for diversion of 253.62 Million Cubic Feet (Mcf) of water from the westerly flowing rivers towards the deficient river basin of Nashik District. For this purpose, a Storage Tank-cum-DB at Welunje in Nashik District was sanctioned (May 2005) by CE (MILS) at an estimated cost of Rs 52.79 lakh. The work of the ST-cum-DB including the diversion canal was completed in the year 2006 at a cost of Rs 47.07 lakh. The execution of the tail channel for letting water into the catchment of Amboli MIT could not be completed as it involved crossing of a road for which permission from the Public Works Department was required. The permission was not sought as of April 2009.

Thus, due to non-completion of the tail channel, the expenditure of Rs 47.07 lakh remained unfruitful for more than three years.

(ii) The head works of the Rajewadi MIT in Ratnagiri District was completed (June 1999) by MILS division Sangli at a cost of Rs 9.01 crore with envisaged IP of 183 ha. The irrigation was to be carried out through two canals from both the flanks of the tank. For releasing the impounded water, the canal system started with a common canal starting from the outlet (0 M) to 60 M from where it was to break into Right Bank Canal (RBC) and Left Bank Canal (LBC) with an envisaged length of 4.15 kms and 3.00 kms respectively. The LBC from chainages 60 M onward and up to 1985 M was completed, but water could not be let out as the canal in initial reach from 0 M to 60 M was not excavated due to non-acquisition of land. Work for RBC was not taken up as of May 2009. Irrigation could not be carried out from the tank even when the tank attained full tank level in all the years since its completion in 1999. Thus, canal work beyond 60 M was started without ensuring the availability of the portion of land from 0 M to 60 M.

The EE replied (July 2009) that the owners of the land where the canal from 0 M to 60 M was to be constructed had obtained a Court order preventing construction.

Alternate methods for providing irrigation from the tank was also not contemplated defeating the very purpose of construction of the MIT. Thus, no irrigation could be provided, despite full impounding of water in the dam. This resulted in unfruitful expenditure of Rs 9.01 crore.



(iii) The head work of the Babuwadi MIT was completed (May 2006) by MI ZP, Aurangabad at a cost of Rs 1.73 crore with envisaged IP of 86 ha. Irrigation was to be carried out through a canal of 1.5 kms the construction of which was obstructed by farmers in the vicinity of the dam as their wells were charged with water. Similarly, head works of two MI tank at Karbada and Ashta No.2 (Warora) were completed by EE, MI ZP Chandrapur in 2005 at a cost of Rs 69.67 lakh. However, no irrigation could be carried out due to non-construction of canal.

The EE, ZP, Aurangabad stated (June 2009) that indirect irrigation benefits were being derived by the farmers due to which the canals were not constructed. The EE, ZP, Chandrapur stated (July 2009) that due to delay in land acquisition for canal and non-receipt of the required fund, the execution of canal work could not be taken up.

The replies of the EEs were not acceptable as the MITs were constructed with a view to provide direct irrigation through canal and without its construction the irrigation benefits would be limited. Thus, non-completion of distribution system has resulted in unfruitful expenditure of Rs 2.43 crore for three years.

(iv) Out of 25 MIT projects in the selected 10 districts, gorge filling in three MITs in Beed District, two MITs in Nashik District, nine MITs in Ratnagiri District and one MIT in Sangli District was completed during 1993-2006. However, irrigation was not carried out due to non-completion of canal system. The reason for non-completion of canal and distributaries was mainly attributed to non-acquisition of land due to delay in payment of compensation to farmers. The expenditure of Rs 65.57 crore as of March 2008 on these 15 projects as shown in **Appendix 2.32** remained unfruitful for periods ranging between three and sixteen years.

The EEs in reply stated (March to May 2009) that farmers were reluctant to hand over their land for canal construction which delayed the acquisition procedure.

(v) Similarly, out of fourteen projects in the ten selected districts financed by KfW, Germany, in five projects the head works were completed during the period from June 2003 to June 2008. Except for one project, Bibkhed ST in Buldhana District, the targeted IP of 996 ha could not be achieved as of February/ March 2009. The reasons for non-achievement of the targeted irrigation potential by the projects were attributed to non-commissioning of lift irrigation systems and non-provision of transformer as detailed in **Appendix 2.33**. The expenditure of Rs 12.35 crore incurred on these five projects has, thus, remained largely unfruitful.

### **2.4.8.3 Defective execution of projects**

Due to defective execution, the following projects could not be utilised for providing irrigation benefits, as discussed below:

(i) **Umrani-II ST:** The head work of this project was completed (March 2004) at a cost of Rs 1.44 crore. During execution, Cut-Off Trench (COT)<sup>58</sup> was rested at 0.6 M below the soft rock instead of keying it in hard

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<sup>58</sup> COT - A trench dug in the bottom of the dam line and filled with impervious material (Black Cotton Soil) to enable retention of water in the dam

**Leakages from four completed projects (cost : Rs 6.30 crore) resulted in non-utilisation of IP envisaged**

rock as prescribed in paragraph 3.8 of MI manual. Heavy leakage from the Head Works<sup>59</sup> Regulator and from various places of the earthen dam was noticed in the same year itself.

Rectification work carried out in 2005 by incurring an expenditure of Rs 12.59 lakh could not provide solution to the problem. No irrigation could be carried out since the completion of the dam owing to this problem. The EE, MILS, Sangli stated (May 2009) that storage of water was upto or above sill level and agreed that impounding of water was not being achieved. A proposal for rectification by providing another bund as well as COT in the upstream side of the dam at an estimated cost of Rs 1.05 crore was prepared (May 2009) for submission to the CE. Thus, the expenditure of Rs 1.57 crore has remained unfruitful for more than six years.

(ii) **Udanwadi KTW:** This project in Solapur District was constructed (December 2005) with an IP of 249 ha at a cost of Rs 1.25 crore. Leakages from the weir were noticed in January 2006. The rectification work to arrest the leakage was pending (May 2009). Thus, only a meagre irrigation of 34 ha was achieved since the weir was constructed.

(iii) **Malegaon KTW:** This KTW in Nashik District with an envisaged IP of 249 ha was completed in the year 2003 at a cost of Rs 1.44 crore. Water in weir could not be stored since its completion due to defective needles and sub-standard construction of weir. In the first year of storage itself the needles of lower weight got bent owing to the pressure of water. Leakages were also noticed in the structure of the weir. The SE, MILS, Nashik while answering a question of the Legislature confirmed (December 2002) that the needles provided were of less weight and got damaged due to pressure of water. The matter was under investigation since the year 2004 and the KTW remained without rectification as of May 2009. Thus, the expenditure of Rs 1.44 crore was unfruitful due to substandard works.

(iv) **Aljapur MIT:** This MIT in Solapur District was completed (March 2005) at a cost of Rs 2.04 crore with IP of 170 ha against which IP of only 30 ha and 41 ha was utilised from the tank in the years 2004-05 and 2005-06 respectively due to leakage. The SE, MILS, Pune visited (April 2006) the site and observed that for arresting leakage from the 'gorge'<sup>60</sup> portion of the dam, 'grouting'<sup>61</sup> work should be carried out. A proposal for revised administrative approval including the grouting work was submitted (June 2007) to RDWCD for approval which was awaited (May 2009). Records relating to year-wise storage in the tank could not be furnished by the division. Thus, the project could not achieve the intended benefit.

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<sup>59</sup> Head Work : The dam line of a tank after completion of which water can be impounded

<sup>60</sup> Gorge filling - In the construction of dams, bunds in both the sides of the river/stream are first constructed. Thereafter, the river portion is plugged which is called 'Gorge Filling'. The storage in the dam starts after this work is completed

<sup>61</sup> Grouting - A method by which the crevices in the rock of foundation is sealed by way of injecting a cement slurry under high pressure in pits which are dug at regular intervals

#### 2.4.8.4 Extra expenditure due to non-adherence to Government instructions

Extra expenditure of Rs 1.96 crore was incurred on construction of 10 KTWs and 39 PTs, due to non-adherence to Government instructions.

GoM directed (September 2000, September 2001 and November 2003) the EEs to take special care in preparing the estimates of projects which should be based on accurate strata classification, correct lead for transportation of materials from quarries and ensure adequacy of its availability and after obtaining approval of designs from CDO, Nashik wherever necessary so as to avoid revision in estimates during execution. GoM also directed (July 2002) to take up all head works of irrigation projects in ‘Cement Concrete’ instead of Uncoursed Rubble Masonry (UCR).

Out of 54 KTWs in the ten selected districts, in 10 KTWs (in three<sup>62</sup> districts), it was noticed that the aforementioned Government instructions in preparing correct estimates were not adhered to by the Department resulting in avoidable extra expenditure of Rs 85.89 lakh for execution of additional work at current rates and payment under clause 38 of the contract as shown in **Appendix 2.34**.

Further, percolation tanks are constructed to augment the underground water supply for increasing well irrigation. GoM prohibited (November 2003) taking up of PT with IP less than 20 hectares as number of beneficiaries for such projects are not enough to form WUA which is required to carry out management and maintenance of the projects.

Scrutiny of records in Solapur District revealed (May 2009) that divisions (MILS and ZP) constructed 39 percolation tanks at a cost of Rs 1.10 crore with IP between 6 ha and 18 ha in violation of norms.

The EE replied (May 2009) that construction of PTs was taken up with a view to generate employment under the Employment Guarantee Scheme (EGS).

The reply of the EE was not acceptable as the work should be executed as per government norms.

#### 2.4.9 Asset management and control

The management and control of the assets created are the responsibility of the beneficiaries who are to form associations for the purpose. The maintenance and recovery of water charges were also the responsibility of these associations. GoM did not provide separate funds for the maintenance of these projects.

##### 2.4.9.1 Delay in formation of Water Users’ Association

The number of WUAs formed was too less compared to required number of WUAs

Out of 845 projects with State Sector, Water Users’ Association (WUA) was to be formed in respect of 523 projects. Till January 2009, only 87 WUAs were formed, of which only 19 projects were handed over. The Chief Engineer attributed the shortfall to lack of interest among farmers to form WUA.

ZP Divisions could not furnish details regarding formation of WUAs and handing over of the projects to WUA or Gram Panchayats.

##### 2.4.9.2 Insufficient manpower

Till the projects are handed over to WUAs, the respective Divisions have to oversee the regular management of the projects and collect water charges.

<sup>62</sup> Aurangabad, Buldhana and Solapur

Separate Divisional office of MILS was not established in seven districts<sup>63</sup> resulting in shortfall of seven divisions and 71 sub-divisions. Additional manpower to manage these divisions is required to be sanctioned. Scrutiny further revealed that the men-in-position in the key posts was less than the sanctioned strength as shown in **Table-2**.

**Table 2 : Shortage of man-power**

Post	Sanctioned strength	Men in Position	Shortage
<b>FOR MILS</b>			
Executive Engineer	27	24	3
Assistant Engineer /SDO	160	111	49
Junior Engineer / AE – II	872	730	142
<b>ZP DIVISIONS</b>			
Executive Engineer	30	23	7
Deputy Engineer	132	90	42

Insufficient manpower had an adverse effect on the overall maintenance and management of the assets created and achievement of the envisaged irrigation benefits.

#### 2.4.9.3 Maintenance and repair of assets

As GoM could not provide funds for the maintenance and repair of the assets created, the MI projects remained unutilised discussed as under:

Nature of observation	Audit findings
<i>Projects remaining unutilised for want of repairs</i>	<p>During floods in the year 2006, 188 PTs of MILS Division and 182 projects of ZP division in Aurangabad District were damaged. An amount of Rs 11.98 crore was demanded (January 2007) for their repair. However, the funds were not provided (March 2009). As a result, these projects could not provide the envisaged irrigation benefits.</p> <p>The head works of Bamni DB with IP of 230 ha was completed (June 2006) at a cost of Rs 14.86 lakh. The weir was damaged in the flood of 2006 monsoon. The damages were not rectified till date (June 2009). No impounding of water was thus possible. Thus, the expenditure of Rs 14.86 lakh remained unfruitful for more than three years due to non-repairing of the damages.</p>
<i>Non-operation of KTWs</i>	<p>Out of 988 KTWs with ZP Division in Osmanabad District, needles in respect of 100 KTWs were only being fixed / removed every year. The remaining KTWs were not under operation. The CE stated that non-provision of funds was also one of the reasons for non-achievement of targeted IP from these KTWs. He further stated that the farmers were not keen to fix / remove needles. Thus, benefits from the KTWs remained largely unutilised.</p>

#### 2.4.9.4 Recovery of water charges

According to Maharashtra Water Policy, water rates recovered from the beneficiaries should be sufficient to pay all administration, operation and maintenance cost of the delivery and use of water.

In respect of PTs and STs without LIS, the benefits of irrigation are derived indirectly by augmenting the ground water resources. Hence, no assessment was made in respect of these projects. The assessment and recovery position of water charges from other MI projects for the period from 2003-04 to 2007-08 is shown in **Table 3**. The average recovery was 63 per cent during the

<sup>63</sup> Bhandara, Gadchiroli, Hingoli, Nandurbar, Raigad, Sindhudurg and Wardha

years 2003-04 to 2007-08. It was also noticed that only 32 per cent of IP created were utilised in respect of KTWs and MITs as shown in **Table 4**.

**Table : 3 Water charges assessed and recovered (Rs in lakh)**

Year	Assessed	Recovered	Percentage
2003-04	36.96	17.33	47
2004-05	26.22	15.80	60
2005-06	48.96	24.74	51
2006-07	58.90	26.59	45
2007-08	56.08	59.42	106
<b>Total</b>	<b>227.12</b>	<b>143.88</b>	<b>63</b>

**Table 4: Percentage of IP utilised in respect of MI Tank and KTW (IP in lakh ha)**

Year	IP Created	IP utilised	Percentage of IP utilised
2003-04	4.53	1.48	33
2004-05	4.61	1.50	33
2005-06	4.49	1.45	32
2006-07	4.58	1.47	32
2007-08	4.62	1.51	33
<b>Total</b>	<b>22.83</b>	<b>7.41</b>	<b>32</b>

Had the Irrigation potential been fully utilised, the revenue recovery would have been much higher.

The underutilisation was due to (i) unassured supply of water (ii) shortage of WUAs (iii) non-maintenance and non-fixing the needles of KTWs and (iv) low demand from the beneficiaries.

The water charges were neither demanded nor recovered from 2003-04 to 2007-08 in respect of 1510 projects in six test-checked MI ZP Divisions<sup>64</sup> involving IP of 27848 ha.

CE stated (January 2009) that the recovery of water charges was very meagre due to non-use of irrigation potential and non-availability of management staff.

#### **2.4.9.5 Non-assessment of effectiveness of PTs**

As per Para 5.20.4 of MI manual, in order to assess the precise benefit derived from PTs, tests were to be conducted by Maharashtra Engineering Research Institute (MERI), Nashik to assess the extent of ground water recharge. Scrutiny of records of the MILS and ZP Divisions in the selected districts relating to construction of PTs revealed that no assessment of the effectiveness of PTs in augmenting the water level has been done.

When MERI, Nashik was asked to furnish a report of such study, they communicated (April 2009) that no directive for conducting such a study was received.

Thus, the effectiveness of 18964 PTs in the State was not assessed by the Department.

#### **2.4.9.6 Inadequate maintenance of records**

The following records could not be scrutinized at Divisional level as they were not being maintained:

**Effectiveness of PTs was not assessed by the Department**

<sup>64</sup> Ahmednagar, Buldhana, Nashik, Ratnagiri, Sangli and Solapur

- Tank Level Register required for monitoring the daily levels of water in the reservoir
- Records of measurement of irrigated area
- Records of crop-wise area assessment
- Project-wise water account

As a result, Audit could not verify (i) actual storage of water (ii) water use efficiency of the projects, (iii) loss of water owing to reasons other than providing of irrigation and (iv) correctness of water cess assessment, demand and collection in respect of individual projects.

#### **2.4.10 Conclusion**

Minor Irrigation projects were formulated without adequate survey and investigation of the ground realities. Projects taken up remained incomplete for a long period without accrual of any benefits. Unviable projects were taken up and the irrigation potential envisaged was not created even after spending huge amounts. Land acquisition problems led to delay in completion of projects and non-completion of distribution network. Instances of extra, wasteful and infructuous expenditures due to non-adherence to norms were noticed. Formation of WUA was very slow in respect of most of the completed projects and as a result the upkeep of projects continued to remain with the Department. Completed projects could not be managed and maintained for want of manpower and funds. The irrigation potential created was underutilised.

#### **2.4.11 Recommendations**

- Department should have a separate Survey Division so that all project proposals could be investigated to ensure technical viability.
- Funds should be made available for ongoing projects on priority basis before taking up new projects.
- Estimates of projects should be based on preliminary study and indepth and accurate survey so as to ensure its viability before their commencement.
- Expenditure on construction works should not be incurred before land acquisition and land acquisition process should be speeded up.
- The beneficiary farmers should be involved at pre-project planning and implementation stage and educated to create awareness about the need to form WUAs for maintenance of the projects.
- Adequate resources should be provided for maintenance of assets till they are handed over to the WUAs/Gram Panchayats.

## Home Department

### 2.5 Computerisation in Police Department

#### Highlights

*The objective of computerisation in Police Department was to store Crime and Criminal related data and retrieve the information quickly when need arises. No tangible benefits have accrued so far from the computerisation.*

**Lack of co-ordination between State Government and Ministry of Home Affairs has resulted in purchase of hardware for Common Integrated Police Application (CIPA) valuing Rs 2.97 crore which were lying unutilised for about one year.**

*(Paragraph 2.5.6.1)*

**The CIPA data was lying on the stand alone server of the respective Police Stations due to non-working of Bridge Software which resulted in non-availability of data either through Crime and Criminal Information System (CCIS) or CIPA on National server defeating very purpose of making available data online.**

*(Paragraph 2.5.7)*

**Lacunae in system design of CIPA software led to generation of incorrect data.**

*(Paragraph 2.5.8.1)*

**The CIPA work was managed by Police Constables only and higher ranking officers were not trained and the expenditure of Rs 38.02 lakh incurred on training remained largely unfruitful.**

*(Paragraph 2.5.8.3)*

**The data entry in CCIS for the years from 1998 to 2007 was not completed though 10 years had elapsed.**

*(Paragraph 2.5.9.1)*

**The data of CCIS and CIPA were not authenticated leading to entering same FIRs twice in the same police station, misclassification of FIRs, storage of FIRs without Act and Section etc.**

*(Paragraph 2.5.9.6)*

**Even after 21 months and spending Rs 74.87 lakh on “9 Application Software” the same was not rolled out till June 2009.**

*(Paragraph 2.5.10)*

#### 2.5.1 Introduction

A National project namely “Crime and Criminal Information System” (CCIS) was approved (May 1994) by the Union Cabinet for implementation across the country which was to be financed by the Government of India (GoI). The objective of the scheme was storage of Crime and Criminal related data and

easy retrieval of information for crime detection. Data were to be collected in seven forms called “Integrated Investigation Forms” (IIFs) by police stations (PSs) and sent to District Crime Records Bureaus (DCRB) for capture in the computer system. The application was made (December 2004) web enabled for easy access by National and State level officers for detection of inter district crimes and inter State crimes. CCIS database was declared (September 2005) as “National database” by Ministry of Home Affairs (MHA), GoI, which made it obligatory for the States to contribute crime/criminal data to National database.

All the 45<sup>65</sup> DCRBs in the State of Maharashtra were provided with computers for capturing of data which were then consolidated at the State Crime Records Bureau (SCRB) at Pune and transmitted to the National Crime Records Bureau (NCRB) for final consolidation.

With a view to build the infrastructure and mechanism to provide the basis for evolution of Crime and Criminal Information System based on Criminal Procedure Code which is uniform across the country, in a planned manner from Police Station (PS) level, the GoI introduced a Project called “Common Integrated Police Application” (CIPA). CIPA Software was designed and developed by National Informatics Centre (NIC), New Delhi in JAVA under LINUX Operating System (OS), PostgreSQL RDBMS in English language with multilingual interfaces developed for Indian languages. Main objectives of CIPA were to automate the processes at PS relating to Crime and Criminal, to provide information as and when required and to generate various statutory outputs.

In phase-1, CIPA was started (September 2007) in Maharashtra in 127 PSs of nine<sup>66</sup> Police Commissionerates (nine DCRBs) and in the rest of the 36 DCRBs, CCIS was in operation.

### **2.5.2 Organisational set-up**

The Police Department of the State is headed by the Director General of Police (DGP) who functions under the administrative control of Additional Chief Secretary, Home Department. The computerisation work implemented through PSs and DCRBs was monitored by the Additional Director General/Special Inspector General of Police, SCR, Pune.

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<sup>65</sup> Ahemadnagar, Akola, Amravati City, Amravati Rural, Aurangabad City, Aurangabad Rural, Beed, Bhandara, Buldhana, Chandrapur, Dhule, Gadchiroli, Gondia, Hingoli, Jalgaon, Jalna, Kolhapur, Latur, Mumbai City, Mumbai Railway, Nagpur City, Nagpur Railway, Nagpur Rural, Nanded, Nandurbar, Nashik City, Nashik Rural, Navi Mumbai, Osmanbad, Parbhani, Pune City, Pune Railway, Pune Rural, Raigad, Ratnagiri, Sangli, Satara, Sindhudurg, Solapur City, Solapur Rural, Thane City, Thane Rural, Wardha, Washim and Yavatmal

<sup>66</sup> Amravati, Aurangabad, Mumbai Railway, Nagpur, Nashik, Navi Mumbai, Pune, Solapur and Thane



### 2.5.3 Audit objectives

The objectives were to evaluate whether:

- the procurement of hardware was done on need basis;
- the hardware and software was used judicially and economically;
- the controls including IT security built in the IT system were adequate and to bring out the areas of risks, if any;
- the data available in the system and the information generated through the IT system was complete, accurate and reliable;
- the flow of information from Police Stations to District and State Crime Records Bureau was seamless;
- the information was made available to end users in time for decision making and monitoring and
- adequate business continuity plan and disaster recovery plan was in existence.

### 2.5.4 Audit criteria

The audit criteria adopted were:

- Instructions of NCRB/GoI,
- Criminal Procedure Code (Cr. PC), Indian Penal Code (IPC), Police Manuals, Bombay Police Act, rules and regulations of the Government and
- Generally accepted IT best practices.

### 2.5.5 Scope and methodology of audit

Implementation of Computerisation activities and policies were scrutinised in DGP office, Mumbai, SCRB Pune, 13<sup>67</sup> out of 45 DCRBs for CCIS and 33<sup>68</sup> out of 127 PSs where CIPA first phase was implemented between December 2008 and April 2009. The selection of DCRBs and PSs was done through statistical random sampling. Methodology adopted was assessment of controls by issue of questionnaires, comparing electronic data with manual records besides analysis of various modules of CIPA system. Integration of various application softwares with each other and databases created were scrutinised to check the quality and reliability of data. Entry conference was held in May 2008 with Principal Secretary (Special), Home Department at Mumbai.

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<sup>67</sup> Nagpur City, Nagpur Railway, Nagpur Rural, Nashik City, Nashik Rural, Navi Mumbai, Mumbai City, Mumbai Railway, Pune City, Pune Railway, Pune Rural, Thane City and Thane Rural

<sup>68</sup> Ajni, Ambad, Badlapur, Bhosari, Borivali, Chatrapati Shivaji Terminus, Deccan Gymkhana, Deolali, Hill Lane, Jaripatka, Kalamna, Kolshewadi, Kopri, Kurla, Lakadganj, Manpada, Mumbai Central, MFC Kalyan, Navin Panvel, Nhavasheva, Nizampura, Pachpaoli, Panchavati, Pimpri, Ranapratap Nagar, Swargate, Taloja, Ulhas Nagar, Uran, Vashi, Vitthalwadi, Wanwadi and Yerwada

Exit conference could not be held and replies to the observations were also still awaited from the Government.

## **Audit findings**

### **2.5.6 Procurement of hardware for CIPA**

#### **2.5.6.1 Duplication and excess procurement of hardware**

Hardware is an important and costly IT asset and therefore, excess procurement should be avoided. Scrutiny of the records revealed that the department purchased hardware (servers, clients, printers, scanners, switches and modems) costing Rs 2.97 crore (February-March 2005) from the funds of Modernisation of Police Force for pilot launch of CIPA in 126 PSs of nine Police Commissionerates. Subsequently, MHA through NIC directly supplied hardware (January, February 2006) pre-loaded with CIPA software to these PSs. Meanwhile, the hardware earlier supplied to these PSs by the department which were lying idle due to non-installation of CIPA software, were withdrawn and redistributed to other offices/units of the department for office automation and CCIS. Thus, the aforesaid hardware valuing Rs 2.97 crore were lying unused for about one year.

Department accepted (April 2009) the duplication of purchase of hardware.

Central Processing Units numbering 254 with attachment of modem and fax cards having a speed of 56 Kilobytes per second (Kbps) were supplied by MHA for CIPA. It was, however, noticed that broadband connection having special modem with the high speed was also made available by the department to every PS. As such modem/fax cards became unnecessary and the expenditure of Rs 1.16 lakh incurred by MHA on their procurement became wasteful.

Every PS was equipped with two servers and three clients loaded with CIPA software and to connect all these in Local Area Network (LAN), 127 number of 16 port switches were supplied. As the Action Plan for CIPA (July 2005) envisaged eight port switches only, the expenditure incurred on account of difference in cost of 16 and eight port switches could have been avoided.

These excess and unavoidable procurement of hardware indicated lack of co-ordination between the State Police Department and the MHA of GoI.

#### **2.5.6.2 Idling and underutilisation of CIPA computers**

The CIPA project was implemented as a total package including supply of hardware, software, training and handholding support by appointing a single agency for all the PSs in a State. Accordingly, M/s. HCL Infosys Ltd., Puducherry was designated to supply hardware (January 2006) and manpower for training and handholding support (September 2006) by appointing Senior Technical Assistants (STA) and Technical Assistants (TA).

It was noticed in the test checked PSs that the hardware were received from January to July 2006 and were installed from February to August 2006. The

appointed STAs/TAs joined respective PSs between June and August 2007 and the operation of CIPA project was started from September 2007. Thus, the hardware was lying idle for more than 20 months from January 2006 to August 2007.

It was also noticed that out of five computers supplied to each PS for CIPA on an average, only three computers were used for CIPA. Of the balance, one computer was utilised for other office works and for availing broadband facility. This resulted in underutilisation of two computers per PS for the purpose of CIPA.

All the PSs accepted the above facts.

### **2.5.7 Non-working of ‘Bridge’ software**

CCIS software was developed on Window based OS with MS-SQL as backend whereas the CIPA database was developed on Linux OS with PostgreSQL. In order to bring compatibility and to port the CIPA data to CCIS and vice versa, NIC later developed ‘Bridge’ software. However, the ‘Bridge’ software could not be successfully installed at SCRB, Pune, DCRBs Nagpur and Pune (April 2008) and NCRB and NIC, New Delhi were intimated accordingly in December 2008.

Meanwhile, SCRB, Pune directed (November 2008) nine DCRBs consisting of 127 PSs implementing CIPA to complete the backlog data entry in CCIS up to September 2007 and stop further data entry in CCIS from October 2007 onwards. However, it was noticed that 26 PSs continued the data entry in CCIS till December 2008 (7,362 records) apart from entry of the same data in CIPA leading to wastage of man and machine hours.

Further, due to non-functioning of ‘Bridge’ software, the data from October 2007 in respect of the PSs implementing CIPA were lying on the stand alone server of CIPA in the respective PSs and could not be transferred to National server after getting ported to CCIS database. This resulted in non-availability of complete and combined data for the period from October 2007 on National server, defeating the very purpose of making available online data for investigation.

### **2.5.8 General controls**

General controls regulate the environment in which the IT application is operated and includes disaster recovery and business continuity planning, access controls both physical and logical access and organisational issues such as segregation of duties and providing adequate training. Audit observed that disaster recovery and business continuity arrangements were inadequate and IT security practices comprising physical and logical access and environment controls, and training of staff was inadequate as brought out subsequently:

#### **2.5.8.1 Lacunae in designing CIPA software**

Analysis of the CIPA software revealed that there were many flaws/lacunae in the software as detailed below:

- There was no provision in the software to (i) rotate the scanned photos of the criminals and missing persons, (ii) accept list of all the local head of crimes;
- Due to non-inclusion of certain sections of PIT Act, Prohibition Act, Indian Arms Act *etc.*, in the list of options to classify the crime under various acts, such FIRs were shown to have been registered under different Sections or without entering such details;
- In the Investigation module under ‘Finger prints sent to Finger Print Bureau (FPB)’ option, the names of FPB offices in Mumbai and in the State of Maharashtra were not included in the list provided in drop down menu;
- The title of ‘Zero’ FIR was incorrectly mentioned as FIR transferred from other PSs instead of FIR transferred to other PSs resulting in non-feeding of such cases in the system;
- Entries made in the station diary regarding arrest of criminals, seizure of property, registration were also required in “Registrations”, “Arrest”, “Investigation”, “Prosecution” modules of CIPA. However, in CIPA, these data was entered in the Station Diary in text format and hence could not be captured in all the modules separately. This had resulted in duplication of work which consumed time;
- Data entry in the “Registration” module was required to be done as per the chronological order of the Station Diary and the operator had to enter Station Diary number and date. However, the system allowed data entry of subsequent numbers without the data entry of earlier ones and did not prompt to the user the missing diary number, if any, at the time of recording subsequent event. Hence, if the user had missed the sequence, only option available to the user was to reload the earlier backup and re-enter the entire data from the date of last backup as there was no facility to insert the missing data;
- There was no provision in the software to auto freeze the FIR after a defined period of time as in CCIS software where FIRs were automatically frozen after 24 hours. This increases the possibility of manipulation in FIRs in CIPA system.

#### **2.5.8.2 Inadequate IT Security practices**

Considering the vulnerability of IT systems to various threats, it was necessary to (i) identify the risk involved in the system; (ii) identify critical data which would need enhanced security; (iii) define a security policy which would ensure confidentiality, integrity and availability of data and (iv) documentation of the security policy.

Audit noticed that the Police Department did not formulate any security policy. The following points were also observed:

- Change of passwords at periodical intervals was not made mandatory and there was no restriction on the length of the passwords used.
- Though the security levels required for handling the sensitive/critical modules of CIPA were identified, it was not followed as the persons other than Investigating Officers (IO) were entering the data which was supposed to be entered by the IO by logging in with IO's username and password. Also, all the data entry level users in a PS were logging in with the same username and password.
- Backups of the data were not taken on regular intervals as guidelines in this regard were not issued by SCRB. Registers to record and monitor the backups were also not maintained and there was no system of storing the backup off-site as the users were not trained to take backups on other storage devices and the backups were stored in the same server where the data was stored.
- No anti-virus software was loaded on any of the computers of the PSs.
- Due to load shedding, the system could not be operated for about four to five hours in a day in Nagpur, Nashik and Navi Mumbai Commissionerates.

All the test checked PSs accepted (March 2009) the aforesaid facts.

There was no provision in the CIPA software to delete the FIRs once generated through the system. Audit analysis of the database, however, revealed that in 11<sup>69</sup> PSs, 229 FIRs were missing. Since all users were logging in with the same username and password and in the absence of adequate audit trail, the users who had deleted the FIRs and the reasons thereof could not be ascertained.

On this being pointed out, all the PSs stated that this was done due to oversight and the matter would be taken up with the higher authorities.

The reply was not acceptable as FIR being sensitive and important record, more care should have been taken by the department in the absence of sufficient audit trails.

### **2.5.8.3 Inadequacy of trained manpower and ineffective training**

It was observed that the availability of trained persons in PSs was very low, the CIPA work was done by Police Constables (PCs) only and higher ranking officers were not involved. The trained PCs were also assigned other policing duties. Consequently, the data entry work got delayed and back log data entry could not be completed as commented in paragraph 2.5.9.7.

Though, one STA per commissionerate at Rs 18,700 per month per person for a period of one year and one TA for every PS at Rs 13,200 per month per person, for a period of six months were deployed by HCL to impart on-job

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<sup>69</sup> Bhosari, Hill Lane, Kalamna, Kolsewadi, Lakadganj, Manpada, MFC Kalyan, Pachpaoli, Ranapratap Nagar, Uran and Wanwadi

training on standard Office Automation Software and the CIPA software, it was observed that the officials of PS were not able to handle CIPA without the technical support because either no training or incomplete training was given by the STAs/TAs.

Thus, the department failed to utilise the services of STA/TA and the expenditure of Rs 38.02 lakh incurred on hiring of STA/TA in test checked six<sup>70</sup> Commissionerates and 31 PSs largely remained unfruitful.

#### **2.5.8.4 Inadequate documentation policy**

Though CIPA user manual and guide were available on web site but any of the test-checked PSs did not have the same. In the absence of these documents, the users were unable to solve the difficulties faced by them.

#### **2.5.9 Application Controls**

Application controls ensure that the transactions are carried out according to the business rules of the organisation. These controls include input controls and validation checks to make the data complete, accurate and reliable.

##### **2.5.9.1 Incomplete data entry in CCIS**

Form-1 of IIFs namely First Information Report (FIR) provides preliminary information about the crime, Form-2 Crime Details Form (CDF) provides information regarding type of crime, type of property stolen and motive of crime, Form-5 Final Report Form (FR) provides details of chargesheet filed against the accused. Data entered in these forms was critical and all other forms such as property seizure, arrested person details, court case details *etc.*, were subsidiary to these forms.

Analysis of the database of the selected 12 DCRBs (except Mumbai city where data was stored in three different servers and not consolidated) revealed that the average percentage of data entry of FIR, CDF and FR were 83.37, 66.79 and 45.88 respectively. This indicated that the data entry for the years from 1998 to 2007 was yet to be completed. As capture of the critical data remained incomplete, the very objective of making CCIS data available for easy retrieval of information in support for crime detection was defeated.

The DCRBs stated that shortage of manpower and assignment of policing duties to the users of CCIS hampered the data entry work.

##### **2.5.9.2 Non-use of web enabled CCIS database**

SCRB, Pune intimated (January 2006) all DCRBs to make use of Nation-wide database of CCIS on NCRB website as and when required for investigation and other related purposes and each DCRB was allotted user ID and password. PSs could approach the respective DCRBs for information from the Nation-wide data.

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<sup>70</sup> Mumbai Railway, Nagpur, Nashik, Navi Mumbai, Pune and Thane

It was noticed that the number of hits recorded during January 2006-December 2008 in respect of test checked DCRBs on website of the NCRB ranged between 546 and 606 only indicating meagre usage of the data base. It was also observed that no registers were maintained in selected DCRBs to monitor the requests from the IO, other law enforcement agencies and related organisations and supply of information thereon. Moreover, completeness and quality of information available on NCRB server was not good as commented in paragraph 2.5.9.6.

DCRBs replied that the CCIS database would be effectively utilised in future.

It was, thus, clear that CCIS database was not effectively used defeating the very purpose for which the database was created since 1998.

### **2.5.9.3 Non-installation of latest version of CIPA**

The latest version (1.16 b) of CIPA was released (December 2008). However, it was noticed that test checked PSs were using version 1.11/1.14 of CIPA software (January-March 2009) owing to various problems in the latest version. This indicated deficient testing and acceptance procedures adopted by NIC/Department while updating the version of the CIPA software.

### **2.5.9.4 Duplication of work**

The objectives of CIPA software were significant reduction in manual records/registers maintenance, elimination of duplicate and inconsistent record keeping and generation of various reports required from time to time.

Scrutiny of the records in all the selected PSs revealed that though provision was available in the system, no MIS reports were generated through CIPA software and manual written copies of FIR were continued to be issued instead of system generated FIRs to the complainants (March 2009).

The reasons for the above were attributed to non-receipt of directions from higher authorities regarding online issue of FIR, shortages of printing stationery, cartridges and shortage of trained manpower.

The objectives of CIPA to automate the processes at PSs were not achieved. On the contrary, there was wastage of more manpower besides duplication of work.

### **2.5.9.5 Vital information on criminals missing**

CCIS had provision to store identity of criminal but no provision was made for storage of photographs or fingerprints which were more precise and unique identities. Though CIPA software was developed with such provisions to store photographs/finger prints, the same was not captured in the database by all PSs implementing CIPA except Mumbai Railway PSs.

#### **2.5.9.6 Inadequate input control and non-reliability of CCIS/CIPA data**

The data related to crime and criminal being crucial and of utmost importance should be accurate, reliable and authentic. SCRB directed (April 2006) all DCRBs to check the data in respect of IIFs to avoid incorrect feeding. Audit analysis of the database revealed that the data was not authenticated leading to storage of incorrect data as can be seen from the following observations:

##### **Same FIRs entered in the database of two Police Stations**

In CCIS, data entry in respect of IIFs of each Police Station is done at DCRB. Out of test checked DCRBs in five<sup>71</sup> DCRBs, it was noticed that in 48 cases, though the content of FIRs were same, these FIRs were entered in two PSs as the operators failed to set the location of Police Station (name of Police Station).

##### **Same FIRs entered twice in the same Police Station**

No facility for auto generation of FIR numbers was available in the CCIS software. Hence the users were required to manually enter the FIR numbers. However, it was noticed that 66 FIRs were entered twice with two different numbers in the same PS under eight<sup>72</sup> DCRBs.

In CIPA, though there was facility to auto generate FIR numbers, in 12 cases (five<sup>73</sup> PSs), same FIRs were entered with two different numbers.

These indicated user level mistakes and absence of supervisory check.

##### **Misclassification of FIRs in database**

The FIRs were given running serial numbers as per the category to which crime pertains *i.e.*, (i) Class I to V (Major crimes) FIR numbers from 1 to 3000, (ii) Class VI (other crimes) from 3001 to 6000 and (iii) Prohibition cases from 6001 to 9999. Analysis, in five<sup>74</sup> DCRBs revealed that 35 FIRs were misclassified in the CCIS database and saved under wrong category as the software lacked auto generation of FIR numbers and validation checks as regards display of Acts and Sections relevant to the respective category of crimes were found inadequate.

##### **FIR Numbers generated more than the last FIR registered**

FIR registered in the PS in each year, was given number in sequential and chronological order under each category and later on entered in the database. In absence of facility in CCIS software to generate FIR numbers in sequential order and lack of supervisory check, FIR numbers allotted by the users in an

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<sup>71</sup> Nagpur City, Nagpur Railway, Nagpur Rural, Nashik City and Nashik Rural

<sup>72</sup> Nagpur City, Nagpur Railway, Nagpur Rural, Nashik City, Nashik Rural, Pune Rural, Thane City and Thane Rural

<sup>73</sup> Jaripatka, Kalamna, Manpada, Pachpaoli and Taloja

<sup>74</sup> Nagpur City, Nagpur Rural, Nashik City, Nashik Rural and Thane Rural



ad hoc manner in 60 cases of five<sup>75</sup> DCRBs, which was more than the last FIR number registered as per the manual registers.

In the CIPA software, since FIR numbers were generated automatically in a running serial number, alteration in this number was not possible. However, analysis of CIPA data revealed that in 144 cases of 14<sup>76</sup> PSs, FIR numbers were not allotted in a sequential order and numbers allotted were more than the last FIR number registered as per manual records in the respective PSs.

### **FIRs stored without Acts and Sections**

There was provision in the CCIS software to save the FIRs with reference to the relevant Act and Sections. However, analysis of the database maintained at SCRB, Pune revealed that 3,956 FIRs from 1998 to 2008 were entered without indicating relevant Acts and Sections.

In CIPA software also, 22 FIRs of four<sup>77</sup> PSs for the years 2007 and 2008 were entered without Acts and Sections and in 10 FIRs of two<sup>78</sup> PSs, no details other than FIR numbers were entered.

This showed that the inadequate input controls employed in the software which allowed saving of FIRs without critical information like Acts and Sections.

### **Incorrect classification of Acts and Sections**

The master data should not contain dummy and irrelevant data, as it forms the basis for creation of authentic and reliable database. It was seen that the master data relating to Acts and sections contained sections which were not relevant to their corresponding Acts. For example, data base contained the following irrelevant sections 00FA, 00MA, 00MP, 00PF, 00UD, A-B and 00WB under Indian Penal Code, 1860. This resulted in creation of incorrect records of 102 FIRs on the SCRB server with the aforesaid sections.

### **Data entry in excess of Crimes actually registered**

Analysis of the CCIS database maintained in six<sup>79</sup> DCRBs revealed that the data entry of FIRs, CDFs and FR forms were done in excess of actual FIRs registered during a particular year due to non-reconciliation with the manual records and absence of control totals combined with supervisory checks.

On this being pointed out, DCRBs stated that due to oversight of the operators data entry mistakes were committed. Further, DCRB, Thane Rural reported to SCRB (May 2008) data entry mistakes in 1,560 records for the period 1998 to 2008 which confirmed non-authentication of data.

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<sup>75</sup> Nagpur Railway, Nashik City, Nashik Rural, Pune Rural and Thane Rural

<sup>76</sup> Bhosari, Jaripatka, Kalamna, Kopari, Manpada, Mahatma Phule Chowk Kalyan, Navin Panvel, Nhava sheva, Pachpaoli, Panchvati, Taloja, Uran, Wanwadi and Yerwada

<sup>77</sup> Ajani, Bhosari, Hill Lane and Pachpaoli

<sup>78</sup> Nhavasheva and Uran

<sup>79</sup> Mumbai Railway, Nagpur City, Nagpur Railway, Pune Railway, Thane City and Thane Rural

### **Misclassification and incorrect value of property in CIPA**

There was provision in the software to capture the details of property such as type of property, its value in the FIR. Analysis of the database revealed that in six<sup>80</sup> PSs, the total value of property entered in database was Rs 1.55 crore as against the actual value of Rs 19.86 lakh as recorded in the manual FIR.

The options in the drop down menu regarding details of 'Property' type in FIR form were displayed in English and Hindi instead of Marathi, the local language. This has resulted in selecting wrong option under 'Property' category in 58 records of 13<sup>81</sup> PSs.

The PSs accepted the data entry mistakes. This showed that the data was not authenticated by any responsible supervisory officer.

#### **2.5.9.7 Output control**

##### **CCIS software**

The quantity of FIRs entered in the database of CCIS could be viewed in 'Data Quantity Report' and completeness thereof in 'Data Quality Report' generated from report menu. There should be no difference in the figures of FIRs in these two reports generated from the same database. It was, however, noticed in six DCRBs, number of FIRs as per Data Quantity Report and Data Quality Report was 4,08,902 and 4,09,413 respectively. The total number of FIRs as per manual registers agreed with the Data Quantity Report. This indicated incorrect generation of MIS in respect of Data Quality Report.

##### **CIPA software**

It was noticed that in five<sup>82</sup> PSs under Mumbai Railway DCRB, data entry was made in all the Integrated Investigation Forms and other modules of CIPA, but in rest of the test checked 28 PSs, data relating to IIF-1 was only being entered and details were not entered in any other IIFs and modules since September 2007.

Analysis of the CIPA software revealed that in the following reports, expected output was not generated.

- In the report of 'Arrest Accused Register', information of all the accused arrested under various Sections of Indian Penal Code, Criminal Procedure Code –Section 109 and 110, Bombay Police Act, 1951 and Juvenile Justice Act were shown together. There was no separate report for the accused arrested for major crimes/local crimes for which FIRs were registered under category I to V and VI. These reports were generated manually;

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<sup>80</sup> Deccan Gymkhana, Hill Lane, Kopri, Lakadganj, Pachpaoli and Panchavati

<sup>81</sup> Ajani, Ambad, Borivali, CST Rly., Jaripatka, Kalamna, Kurla, Lakadganj, Mumbai Central Railway, Pachpaoli, Panchavati, Ranapratap Nagar and Ulhasnagar

<sup>82</sup> Borivali, CST, Kurla, Mumbai Central and Vashi

- In the report of ‘Bail Register’, details of bail amount received were not reflected;
- In the Conviction Report, the information of the punished accused were not shown though the same was fed;
- In the Register of ‘Missing Persons’, if the missing person was found and details thereof were fed, details of person to whom the missing person was handed over were not reflected in the report though the same were fed;
- The report generated in the ‘Accidental Death Register (ADR)’ module showed no details of ‘Brief description of occurrence’ though the information in this regard was fed;
- In the ‘Post Mortem Register’ report, the name of the hospital was not exhibited and other details like post mortem number, date *etc.*, was shown incorrect.

### **2.5.10 Development of 9 Application Software**

The Government of Maharashtra (GoM) decided to computerise police functions other than crime and criminals like housekeeping and maintenance activities, personal information and accounts. The work of development and implementation of software called ‘9 Application Software’ (9AS) was entrusted to M/s. Computer Maintenance Corporation of India (CMC) Limited for Rs 1.69 crore in March 2007 with the stipulation to implement it at Pilot sites in Phase I at nine<sup>83</sup> Commissionerates within six months of contract signing and rolling out of application software in the remaining sites within 18 months.

Though an amount of Rs 74.87 lakh was spent and 21 months gone, the application package was yet to be rolled out (June 2009) even at Pilot sites due to non-availability of connectivity at central server Mumbai, disaster recovery site at Pune and all other offices.

### **2.5.11 Conclusion**

The objectives of introduction of CCIS and CIPA were not achieved. The critical data required for investigation purposes and generating reports from CCIS is still largely incomplete. Better co-ordination between the State Government and Ministry of Home Affairs, Government of India would have resulted in avoiding duplication of purchase of hardware. The deficiencies in input controls and supervisory checks have resulted in incomplete and incorrect database, making it unreliable and thus not useful. Due to non-working of ‘Bridge Software’, the CIPA data was lying on stand alone servers of the respective PSs without being ported to CCIS and hence not available on the national web server since October 2007. The 9 Application package envisaged to computerise other office functions was not rolled out even at

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<sup>83</sup> Amravati, Aurangabad, Mumbai Railway, Nagpur, Nashik, Navi Mumbai, Pune, Solapur and Thane

Pilot sites after incurring an expenditure of Rs 74.87 lakh so far. No tangible benefits have thus accrued so far from the computerisation.

#### **2.5.12 Recommendations**

In order to make computerisation effective in Police Department, following recommendations are made:

- Capturing of data in CCIS and CIPA system should be speeded up for ensuring complete information.
- The correctness of data has to be ensured through suitable input controls and supervisory checks.
- Bridge Software should be made operational to enable porting the CIPA data to CCIS and vice versa for making information available for investigation.
- The input controls and validation checks should be strengthened to make data complete, accurate and reliable.
- The users at various levels needed to be trained to ensure the utility of the database.
- Department should initiate a time-bound action to implement the 9 Application Software.