

CHAPTER 2 PERFORMANCE AUDIT

HEALTH AND FAMILY WELFARE DEPARTMENT

2.1 National Rural Health Mission

Highlights

Government of India launched the National Rural Health Mission in April 2005 with a view to provide accessible, affordable, effective and reliable healthcare facilities in the rural area. The Mission was implemented in the State by the State Health Society under the overall guidance of the State Health Mission. An amount of ₹ 791.68 crore was provided for the Mission during 2005-10. Some of the important findings of Performance Audit of implementation of NRHM in the State are given below:

- *The State Health Mission could spend only 83 per cent of the available funds and the State Government's total spending on health sector was short by ₹263 crore during 2005-10.*

(Paragraphs 2.1.7 and 2.1.8)

- *The Rogi Kalyan Samities were not registered as societies and involvement of the Non-Governmental Organizations in rural health care was inadequate.*

(Paragraphs 2.1.11 and 2.1.12)

- *Majority of the health centres in the rural areas were deficient in essential infrastructure and basic necessities.*

(Paragraph 2.1.14)

- *The number of doctors, nurses, pharmacists and other technicians was inadequate and they were also deployed irrationally.*

(Paragraphs 2.1.17, 2.1.18 and 2.1.19)

- *Payment of cash incentive under Janani Suraksha Yojna was delayed by 10 to 600 days.*

(Paragraph 2.1.27)

- *Institutional deliveries in the government health institutions increased by two per cent against 11 per cent increase in the number of institutional deliveries in the private institutions during 2005-10. The number of domestic deliveries (36 per cent in 2009-10) continued to be high in the State.*

(Paragraph 2.1.28)

Introduction

2.1.1 The National Rural Health Mission was launched (April, 2005) in the country with the objective of bridging the gaps in healthcare facilities, decentralizing the planning in health sector and providing an overarching umbrella to the existing programmes of health and family welfare such as reproductive and child health-II, blindness control programme, integrated disease surveillance project etc. The key features of the Mission included making the public health delivery system fully functional and accountable, decentralized planning and community involvement, convergence of health and related programmes from village level upwards, flexible financing, human resources management and interventions for improving the health indicators. It aimed at reducing the infant and maternal mortality rate, providing complete access to the public health care services with emphasis on services addressing women and child health, universal immunization, prevention and control of the communicable and non-communicable diseases, population stabilization and control of gender and demographic imbalances.

In Punjab, the Mission was launched in April 2005 and an expenditure of ₹ 657.26 crore had been incurred under the scheme during 2005-10.

Organisational set-up

2.1.2 The NRHM functions under the overall guidance of the State Health Mission (SHM) headed by the Chief Minister. The Mission's activities are carried out through a registered society called the State Health Society, Punjab (SHS) headed by the Chief Secretary. The Governing body of the SHS (*Appendix 2.1*) approves the Annual State Action Plans for NRHM, reviews implementation of the plans, coordinates with all NRHM related sectors and carries out follow-up action on decisions of the SHM. An Executive Committee of the SHS, headed by the Principal Secretary, Health and Family Welfare Department exercises all the powers conferred by the Governing body. The State Programme Management Support Unit (SPMSU) under the control of the Mission Director acts as the Secretariat to the SHM as well as to the SHS. The Mission Director is assisted by the Director Health Services, Family Welfare (DHS, FW), Director Health and Family Welfare (DH&FW) and the Managing Director, Punjab Health Systems Corporation (PHSC)². The DHS, FW looks after the maternal and child health and family welfare. The DH&FW looks after the Public health, Blood banks, Drug control, Administration etc. The PHSC manages all the District hospitals, Sub divisional hospitals and the Community health centres.

At district level, the District Health Mission (DHM) headed by the Chairman, Zila Parishad had been constituted to guide and manage all public health

² **The PHSC was established under the Punjab Health Systems Corporation Act, 1996 for establishing, expanding, improving and administering medical care in the State of Punjab. It formulates and implements schemes for the comprehensive development of the dispensaries and hospitals and implements the national health programmes as per the directions of the State.**

institutions in the district. District Health Society (DHS) headed by the Deputy Commissioner and assisted by the Civil Surgeon (CS) had been formed to support the DHM in each district.

The Rogi Kalyan Samities (RKSSs) in the District Hospitals (DHs), Sub-Divisional Hospitals (SDHs), Community Health Centres (CHCs), Primary Health Centres (PHCs) and Village Health Sanitation Committees (VHSCs) in the villages were required to act as group of trustees to manage the affairs of the health institutions. There are 20 DHs, 36 SDHs, 129 CHCs, 396 PHCs and 2950 Sub-Centres (SCs) in the State.

Audit objectives

- 2.1.3** The objectives of the Performance Audit were to assess whether:
- spending on health sector in the State was upto the desired level, release of funds was adequate and funds were utilized economically and efficiently;
 - community participation and planning for accessible, effective and reliable healthcare to the rural population was ensured;
 - the Mission strengthened the infrastructure and ensured availability of facilities and drugs at the health centres;
 - the Mission objectives and targets of health and family welfare programme were achieved and
 - monitoring of implementation of the Mission activities was effective.

Audit criteria

- 2.1.4** The audit criteria adopted were norms and parameters contained in:
- the NRHM guidelines and related instructions issued by the Government of India (GoI) and Government of Punjab;
 - the State Programme Implementation Plans (PIPs) approved by GoI;
 - the Memorandum of Understanding (MoU) entered between GoI and the State Government and
 - the Indian Public Health Standards (IPHS) laid down by GoI for the CHCs, PHCs and SCs.

Audit coverage

2.1.5 The Performance Audit was conducted during April 2008 to December 2008 and October 2009 to March 2010 covering the period of five years (2005-10) by test checking the records in the SHM, SHS, SPMSU, DHS (FW), DH & FW, PHSC and five³ out of 20 DHSs in the State. Under these five DHSs, records of five DHs, five out of 14 SDHs, 15 out of 44 CHCs, 23 out of 137 PHCs and 60 out of 1041 SCs selected by random sampling were test checked as detailed in *Appendix 2.2*.

³ Amritsar, Hoshiarpur, Jalandhar, Ludhiana and Patiala.

The Performance Audit of the programme commenced with an entry conference with the Mission Director, Punjab on 7 April 2008 wherein the audit methodology, scope, objectives and criteria were explained. An exit conference was held on 25 June 2010 with the Principal Secretary, Health and Family Welfare, wherein the audit observations were discussed. The responses/views of the Principal Secretary have been considered while finalizing this report. However, Government did not furnish any reply (September 2010) to the Audit findings communicated to them.

Audit findings

Financial management

2.1.6 The SHS reflected its requirement of funds through the programme implementation plans for various activities under NRHM. The GoI provided funds to the SHS on the basis of approved PIP and of its own for components outside the PIP. The SHS released funds to the DHSs and PHSC in accordance with the agreed district plans and additional requirements. The DHSs and PHSC provided funds to the health centres in the field for implementation of the various programmes. The health centres submitted statement of expenditure to the DHSs for consolidation and onward submission to the SHS. In turn, the SHS submitted the utilisation certificates to GoI alongwith concurrent audit reports prepared by Chartered Accountants.

Underutilisation of the funds

The State Health Mission could spend only 83 per cent of the available funds

2.1.7 As per the NRHM guidelines, GoI was to provide 100 per cent funds to the State Government during 2005-07 on the basis of approved PIP and from 2007-08 onwards, the funds requirement was to be shared between GoI and the State Government in the ratio of 85:15. The details of amounts proposed in PIPs, funds received and expenditure incurred during 2005-10 are given in **Table 2.1**. The programme wise details of funds received and expenditure thereagainst are given in *Appendix 2.3*.

Table 2.1: Funds released and utilised

Year	Proposed PIP amount		Approved PIP amount		Opening balance	Funds received against PIP from GoI	Funds received from GoI for activities other than in PIP and from Other source (interest/ Misc. receipts/ transfers)	Funds received from State Government	Total funds available	Expenditure	Closing balance
	GOI	State	GOI	State							
2005-06	39.07	NA	79.15	NA	3.03 ⁴	64.92	17.45	NA	85.40	61.75	23.65
2006-07	200.72	NA	158.68	NA	23.65	144.74	2.24	NA	170.63	85.12	85.51
2007-08	190.17	33.53	163.86	28.41	85.51	104.69	8.57	0.00	198.77	104.32	94.45
2008-09	279.35	49.30	195.70	34.53	94.45	178.80	0.26	28.84	302.35	185.17	117.18
2009-10	238.00	42.00	219.74	32.71	117.18	207.92	13.23	16.99	355.32	220.90	134.42
Total	947.31	124.83	817.13	95.65		701.07	41.75	45.83		657.26	

NA indicates not applicable

Source: State Health Society

⁴ Balances available under ongoing schemes (Details are given in *Appendix 2.3*)

Audit analysis revealed that:

- the State share of ₹ 28.41 crore due for the year 2007-08 was not released to the SHS. During 2008-09 and 2009-10, the State Government against its approved share of ₹ 67.24 crore, released ₹ 45.83 crore only leading to short release of ₹ 21.41 crore. Thus, in all, the State did not release its share of ₹ 49.82 crore, reasons for which though called for (March 2010) were not intimated;
- compared to the total outlay of ₹ 912.78 crore contained in the approved PIP, an expenditure of ₹ 654.23 crore (72 per cent) only, excluding ₹ 3.03 crore available under ongoing schemes at the time of launching of NRHM, was incurred implying poor implementation of the planned activities by SHS and
- GoI released ₹ 745.85 crore (including opening balance of ₹ 3.03 crore) against its approved outlay of ₹ 817.13 crore during 2005-10. The shortfall was due to lack of utilisation of funds by the State Government. During 2005-10, the State could spend only ₹ 657.26 crore (83 per cent) against the available funds of ₹ 791.68 crore (including opening balance of ₹ 3.03 crore in 2005-06) leaving an unspent balance of ₹ 134.42 crore (17 per cent) with SHS, DHSs and other agencies out of which ₹ 15.75 crore were lying unspent in the five test-checked districts⁵ as of March 2010. The short release of funds and failure to spend the funds affected implementation of the programmes as discussed in paragraphs 2.1.9, 2.1.10, 2.1.11, 2.1.15, 2.1.18, 2.1.22, 2.1.24 and 2.1.28.

The SHS attributed (May 2010) short spending to the delayed formation of SHS (February 2007). The reply is not acceptable as there was short utilisation even after formation of SHS and Audit observed that it was mainly due to delayed release of funds to the DHSs/PHSC and delays in execution of the various schemes under NRHM as discussed in paragraphs 2.1.10, 2.1.11, 2.1.13, 2.1.18 and 2.1.24.

Inadequate expenditure on health

The State Government's spending on health sector was short by ₹ 263 crore during 2006-10

2.1.8 As per the MoU entered (December 2005) between GoI and State Government, the latter envisaged to increase its spending on health sector annually by at least 10 per cent. The position of expenditure incurred by the State on health sector during the period 2005-10 is shown in **Table 2.2**.

Table 2.2: Expenditure incurred by the State on health sector

(₹ in crore)			
Year	Expenditure required to be incurred as per MoU	Expenditure incurred	Short expenditure
2005-06	699	699	0
2006-07	769	699	70
2007-08	846	761	85
2008-09	930	853	77
2009-10	1023	992	31
Total	4267	4004	263

Source : State Health Society and Finance Accounts

⁵ Amritsar: ₹ 2.64 crore, Hoshiarpur: ₹ 3.60 crore, Jalandhar: ₹ 2.73 crore, Ludhiana: ₹ 3.90 crore and Patiala: ₹ 2.88 crore.

At the targeted increase of 10 *per cent* per annum, the State Government's spending during 2006-10 on health sector was short by ₹ 263 crore, as the total expenditure was ₹ 4004 crore, against the envisaged expenditure of ₹ 4267 crore during the said period.

The reasons for failure to increase the expenditure on health sector to the desired level were called for (March 2010), but no reply was received (September 2010).

Accounting of the interest on NRHM funds

2.1.9 As per the NRHM guidelines, funds were to be kept in interest bearing bank accounts and the interest earned on the funds was to be utilized for the purpose for which these were received.

Scrutiny of records of the SHS disclosed that the interest earned (₹ 6.79 crore) on the NRHM funds by SHS and DHSs were being shown in the income and expenditure statement, but the interest amounting to ₹ 5.54 crore⁶ earned by PHSC during the period 2005-10 on the NRHM funds was neither intimated to SHS nor depicted in the accounts of NRHM, thereby depicting untrue picture of the accounts of NRHM.

When pointed out, the Managing Director, PHSC stated (March 2010) that the interest was internal accrual of PHSC and not of NRHM and the amount was spent on day to day functioning of PHSC. The reply is not acceptable as the interest earned on the NRHM funds was to be utilized for the programmes under NRHM only. Besides, PHSC failed to work out the actual amount of interest earned on the NRHM funds. The State Programme Manager (SPM) interalia intimated (October 2010) that the PHSC had wisely parked the funds in order to make the internal accruals and to meet the liabilities. The reply did not address the issue of non-accounting of interest in the accounts of NRHM.

Planning

Facility survey

2.1.10 NRHM strives to ensure that need based district health action plans become the basis for interventions during the entire Mission period of 2005-12. For preparation of these plans, household and facility surveys were to be conducted by engaging services of the Accredited Social Health Activists (ASHAs), Auxiliary Nursing Midwives (ANMs), Anganwadi Workers (AWWs) and block and district planning teams using a pre-approved format. Through the facility survey, critical information in terms of infrastructure and human resources gaps at every SC, PHC and CHC were to be identified.

⁶ Calculated on the basis of balance at the end of each month at the minimum interest rate of 6.25 *per cent* per annum earned by PHSC on the amount in fixed deposits during the period.

For conducting the facility survey, GoI released (March 2006) ₹ 1.70 crore to the DH&FW, who transferred (July 2006) the funds to PHSC for conducting the survey and preparation of the health action plans by engaging a private consultant on the plea of non-availability of ASHAs and shortage of ANMs at the time of conducting of facility survey in 2006-07. The PHSC assigned (May 2007) the work to a private consultant at a cost of ₹ two crore who submitted the report in December 2007 which was accepted (December 2007) by the department. Audit analysis revealed that:

- the data collected by the consultant was not validated by the Panchayati Raj Institutions as required under NRHM guidelines. Further, the initial data from which the reports were compiled by the consultant were reported to have been lost and not made available to the department. Thus, the initial data identifying the specific gaps in infrastructure facilities etc. which was essential for planning was missing and the actual requirement with regard to infrastructure and human resources of health centres could not be assessed and
- the PHSC released payment of ₹ 1.75 crore to the consultant without imposing any penalty for the deficiencies, as there was no enabling provision in the contract.

The Mission Director and the Managing Director, PHSC were asked (October 2008 and February 2010) to intimate the action taken against the consultant for loss of initial data, but they did not respond (September 2010). During the exit conference (June 2010), the Principal Secretary, Health and Family Welfare, stated that he was not satisfied with the performance of the outsourced agency and some contractual amount was withheld. But the fact remained that despite payment of ₹ 1.75 crore, Government accepted the incomplete survey report and the exact position of infrastructure/human resources gaps at the rural health centres were not identified.

Formation of Rogi Kalyan Samities

Rogi Kalyan Samities were not registered as societies

2.1.11 As per the guidelines of NRHM, RKSs were to be set up and registered under the Societies Registration Act, 1860 in all the DHs, SDHs, CHCs and PHCs. The RKSs were to act as a group of trustees to manage the affairs of the health institutions. The RKSs at the DHs were to receive a corpus grant of ₹ five lakh each and the SDHs and CHCs were to get ₹ one lakh each in 2006-07 from the GoI. From 2007-08 onwards, the RKSs were to be funded in the ratio of 2:2:6 from the State Government, their own resources and GoI respectively. The RKSs were to function as NGOs and were free to prescribe user charges, generate and use the funds as per their best judgement for smooth functioning and maintaining the quality of service in the health centres. Scrutiny of the records relating to RKSs maintained by the SHS and PHSC disclosed that:

- (i) contrary to the GoI instructions, RKSs constituted at the DHs, SDHs and CHCs in the State were not registered. For the PHCs, the Government of Punjab ordered (December 2008) to form PHC health planning and monitoring committees instead of RKSs. In the

test-checked five districts, in 48⁷ health centres such committees (RKSs/PHC health planning and monitoring committees) were constituted of which only two⁸ were registered;

- (ii) the Mission Director despite receipt of grant of ₹ 2.44 crore for the year 2006-07 from GoI in November 2006 for the RKSs, transferred the amount to PHSC in the next financial year (April 2007) who further disbursed the grant to the RKSs in May 2007. On being pointed out, the Mission Director stated (March 2010) that the process of registration/notification of RKSs was completed in 2007-08, so the funds were released in the year 2007-08. Consequently, no demand for funds from GoI for the RKSs were made in the annual plans of 2007-08 and 2008-09, thereby depriving the health centres of the financial assistance for the two years;
- (iii) as per the approved PIP, during 2009-10, ₹ 6.43 crore were received from GoI with the condition to release these funds to the registered societies only. Audit observed that ₹ 6.37 crore were distributed (between July and December 2009) among the RKSs, though they were not registered and
- (iv) the Mission Director neither demanded the matching grant of ₹ 2.14 crore from the State Government nor the RKSs generated equal amount as their own resources. On being pointed out in June 2010, the Mission Director stated (October 2010) that the case was being pursued for getting the State's share.

In the absence of formal registered bodies with power and absolute independence, the existing RKSs could not mobilize their own resources and actively regulate functioning of the health centres in the State, which would affect the long-term goal of community participation in health sector.

On being pointed out, the Mission Director stated (June 2010) that registration of the RKSs at health centres under PHSC would not be done as PHSC itself was an autonomous body. The reply is not acceptable as GoI instructions specified that RKSs were to be registered and two health centres of PHSC (DH, Ludhiana and SDH, Samrala) had got their RKSs registered.

Involvement of the NGOs

Involvement of NGOs in rural health sector was inadequate

2.1.12 As per the guidelines of NRHM, the role of NGOs is critical for success of NRHM. The principal objective to involve the NGOs in the Mission activities was capacity building at all levels, monitoring and evaluation of the health sector, delivery of health services and working together with community organizations. Five *per cent* of the total outlay under NRHM was proposed to be the resource allocation to support the NGOs participation.

⁷ 5 DHs, 5 SDHs, 15 CHCs and 23 PHCs.

⁸ DH, Ludhiana and SDH, Samrala (June 2006).

The SHS received ₹ 791.68⁹ crore under NRHM during the period 2005-10. As such ₹ 39.58 crore were required to be released to the NGOs, but the SHS released only ₹ 3.88 crore (0.49 *per cent*) to 13 NGOs who utilized ₹ 3.07 crore. Thus, limited participation of NGOs and poor expenditure by them reflected that the objective of involving the NGOs in delivery of health services could not be achieved.

On being pointed out, the Mission Director stated (June 2010) that guidelines for selection of the NGOs were under revision with GoI (January 2010) and selection of the NGOs would be made after finalization of the new guidelines. The reply is not acceptable as the event of revision of guidelines arose in January 2010, but participation of the NGOs remained short through-out the period test-checked by Audit which affected capacity building, delivery of health services, working together with community organizations and monitoring and evaluation of the health sector.

Infrastructure

The NRHM had set targets for providing certain guaranteed services at the SCs, PHCs and CHCs. GoI had formulated the Indian Public Health Standards (IPHS) for different levels of health centres so as to ensure availability of uniform standards of infrastructure and services to the public. Gaps observed in infrastructure at the health centres are discussed in the succeeding paragraphs.

Availability of health centres

2.1.13 A Sub centre is the most peripheral and first contact point between the primary health care system and the community. The PHC is the cornerstone of rural health services as a first point of call to a qualified doctor of the public sector in rural areas. The CHC is designed to provide referral health care for cases from the PHC level and for cases in need of specialist care approaching the centre directly.

As per the IPHS, one SC per five thousand, one PHC per thirty thousand and one CHC per one lakh twenty thousand people was to be established by the State Government to cater to the health care needs of the rural population. As per the 2001 census, the rural population in Punjab was 1.61 crore. The number of health centres required in the State as per the IPHS and actually available as of March 2010 is given in **Table 2.3**.

Table 2.3: Number of Health Centres required and actually available

Health Centre	Required	Available	Shortfall
SCs	3219	2950	269 (8.35)
PHCs	537	396	141 (26.26)
CHCs	134	129	5 (3.73)
Total	3890	3475	415 (10.67)

Figures in brackets indicate percentage

Source: State Health Society

⁹ Opening balance: ₹ 3.03 crore, Funds received against PIP from GoI : ₹ 701.07 crore, Funds received from GoI for activities other than PIP and from other sources (interest/misc. receipts/transfers): ₹ 41.75 crore and funds received from State Government : ₹ 45.83 crore.

All the available health centres (3475) existed prior to the launch of NRHM in the State. Though the number of SCs and CHCs was almost adequate, the shortage in the case of PHCs was very high (26 per cent). The Mission Director intimated (June 2010) that efforts were being made to match the norms.

Inadequate infrastructural facilities

Most of the health centres were functioning without adequate infrastructure and basic necessities

2.1.14 As per IPHS, each health centre has to have its own building with toilet, adequate electricity, water supply, telephone, labour room, transport facility etc. At least one quarter for the ANM at each SC, operation theatre at each PHC and CHC, besides separate male/female wards having 30 beds at each CHC was required to be provided. The position of these facilities as of March 2010 at the different categories of health centres in the State is given in **Table 2.4.**

Table 2.4: Position of infrastructural facilities

(Number)

Sr. No.	Facility	Sub Centre		Primary Health Centre		Community Health Centre		Total	
		Total	Test checked	Total	Test checked	Total	Test checked	Total	Test checked
		2950	60	396	23	129	15	3475	98
1	Running in other than Govt buildings	1376 (47)	31 (52)	87 (22)	5 (22)	3 (2)	0	1466 (42)	36 (37)
2	Health centres without toilet	1426 (48)	24 (40)	80 (20)	3 (13)	8 (6)	0	1514 (44)	27 (28)
3	Health centres without water supply	44 (1)	14 (23)	79 (20)	0 (0)	8 (6)	0	131 (4)	14 (14)
4	Health centres without labour room	DNA	60 (100)	187 (47)	8 (35)	12 (9)	0	DNA	68 (69)
5	SCs without staff quarter for ANM	DNA	47 (78)	NA	NA	NA	NA	DNA	47 (78)
6	Health centres without operation theatre	NA	NA	290 (73)	12 (52)	9 (7)	0	299 (9)	12 (32)
7	Health centres without separate male/ female wards	NA	NA	NA	NA	12 (9)	1 (7)	12 (0)	1 (7)

*Figures in brackets indicate percentages
NA indicates not applicable
DNA indicates data not available*

Source: State Health Society and test-checked CHCs, PHCs and SCs

Audit observed that:

- out of the total 3475 health centres, 1466 (42 per cent) were functioning in other than Government buildings. Among the 98 health centres test-checked in audit, 36 (37 per cent) were functioning in other than Government buildings;
- in the State, 1514 health centres (44 per cent) had no toilet and there was no provision for water supply in 131 health centres. Among the 98 health

centres test-checked, 27 (28 per cent) had no toilet and 14 were functioning without water supply;

- against the provision of labour room at each health centre, 187 PHCs (47 per cent) and 12 CHCs (nine per cent) were functioning without labour room. In the test checked units, 68 health centres did not have a labour room;
- out of the 60 SCs test-checked, 47 centres (78 per cent) did not have residential staff quarters for ANMs, which affected institutional deliveries in the Government health centres and
- in 290 PHCs (73 per cent) and nine CHCs (seven per cent), the facility of operation theatre was not available. In the test checked units also, operation theatres were not available in 12 PHCs (52 per cent).

Thus, despite availability of ₹ 134.42 crore with SHS, DHSs and other agencies (March 2010), most of the health centres in the rural areas continued to function without primary infrastructure such as labour rooms, operation theatres and basic necessities like water and toilet.

The Mission Director, NRHM assured (June 2010) to overtake the deficiencies in due course.

Inadequate communication and transport facilities

2.1.15 As per the IPHS telephone, computer, power backup and vehicle were necessary at each PHC and CHC. The status of availability of these facilities in the health centres as of March 2010 is given in **Table 2.5**.

Table 2.5: Position of telephone, computer and other facilities

(Numbers)

Health centres	No. of units		Health centres without							
			Telephone		Computer		Power backup		Vehicle	
	Total	Test checked	Total	Test checked	Total	Test checked	Total	Test checked	Total	Test checked
PHCs	396	23	311	16	277	19	295	13	DNA	19
CHCs	129	15	30	0	45	0	10	0	8	0
Total	525	38	341	16	322	19	305	13	8	19

DNA indicates data not available

Source : State Health Society and test-checked CHCs/PHCs

Analysis of the data revealed that availability of telephone, vehicle etc. in the health centres was far from the requirement. Inadequate transport and communication facilities in the PHCs have the risk of adversely affecting the quality of healthcare envisaged for the rural population, particularly at times of emergency and would disable the real time monitoring and MIS reporting.

The Mission Director assured (June 2010) that the gaps would be filled in due course.

New Born Care Corners and Blood Storage Units

Only three Blood Storage Units could be made operational out of the targeted 25 units

2.1.16 Keeping in view the importance of care of both new born child and mother, GoI accorded approval (2005-06) for the strengthening of 25 CHCs by setting up of New Born Care Corners (NBCC) and Blood Storage Units (BSUs). On receipt (June 2006) of ₹ 62.50 lakh¹⁰ and the list of 25 identified health centres from the DH&FW, the PHSC procured (March 2007) 25 blood bag refrigerators alongwith allied items for the BSUs at a cost of ₹ 47.75 lakh. The civil work was carried out for the NBCCs (between April 2007 and September 2009) in the health centres at a cost of ₹ 7.94 lakh.

Scrutiny of records revealed that out of the targeted 25 BSUs, the department could arrange license for only eight¹¹ BSUs in October/November 2009 and of these only three¹² BSUs could be made operational as of March 2010 despite incurring expenditure of ₹ 55.69 lakh on establishment of NBCCs and BSUs. As a result, the intended benefits could not reach the rural masses. In the test-checked three CHCs¹³, the NBCCs/BSUs were not functional.

The Mission Director stated (February 2010) that the BSUs would be made functional after getting authorization from the State licensing authority. During the exit conference (June 2010), the Principal Secretary attributed the non-functioning of the BSUs to the erratic power supply in the State. The State Programme Manager (SPM) stated (October 2010) that the BSUs were not established because the funds required for establishing the BSUs were not sufficient and further stated that the BSUs would be established very soon. The reply of SPM is not correct and contrary to the reply of Mission Director as the BSUs had been established but not functional.

Manpower

Manpower was not only inadequate but also deployed irrationally

The NRHM aims at providing adequate qualified/trained manpower at all levels of health centers as per IPHS norms. Audit scrutiny disclosed shortage of manpower as discussed below:

Shortage of clinical manpower in CHCs

2.1.17 The position of manpower in respect of 15 CHCs test checked with reference to the norms of IPHS/Sanctioned Strength as of March 2010 is given in *Appendix 2.4*.

Audit observed that:

- as per IPHS norms, against the requirement of 180 doctors (12 doctors in each CHC), only 87 doctors were in position (shortage of 93). Similarly, against the requirement of 285 SNs (19 SNs in each CHC), only 117 were in position indicating shortage of 168 SNs. Thus, there was shortage of doctors and SNs in the CHCs test checked;

¹⁰ ₹ 2.50 lakh each for 25 CHCs.

¹¹ Banur, Bhagta, Bhawanigarh, Chamkaur Sahib, Jagraon, Kala Sanghian, Sudhar and Talwandi Sabo.

¹² Chamkaur Sahib, Kala Sanghian and Talwandi sabo.

¹³ Bhunga, Shahkot and Sudhar.

- further, as per IPHS against the requirement of 45 Laboratory Technicians (LTs) and 45 Pharmacists (three LTs and three Pharmacists in each CHC), 31 and 24 were in position. Similarly, against the requirement of 30 Radiographers (two Radiographers in each CHC) only 15 were in position. Thus, technical staff was also short by 50 and
- against the requirement of 105 doctors as per the Sanctioned Strength (seven doctors in each CHC), only 87 were in position indicating shortage of 18. However, there was no shortage in the cadre of SN, Pharmacist, LT and Radiographer as compared to the State norms.

Shortage of clinical manpower in PHCs

2.1.18 The position of manpower in respect of 23 PHCs test checked with reference to the norms of IPHS and Sanctioned Strength as of March 2010 is given in *Appendix 2.5*.

Audit observed that:

- against the requirement of 69 doctors and 115 SNs (three doctors and five SNs in each PHC as per IPHS), only 26 doctors and 40 SNs were in position leaving a shortage of 43 doctors (62 per cent) and 75 SNs (65 per cent). Of these, four PHCs¹⁴ did not have even a single doctor and in six PHCs¹⁵ there was no SN. The PHC Swaddi Kalan had neither doctor nor SN.
- further, against the requirement of 46 Pharmacist, (two Pharmacists in each PHC as per IPHS), 28 were in position. Of these, two PHCs¹⁶ were functioning without a Pharmacist and in two PHCs¹⁷ three additional pharmacists were posted;
- similarly, against the requirement of 46 LTs (two LTs in each PHC as per IPHS), only 16 were in position. In 12 PHCs¹⁸ there was shortage of one LT in each PHC and nine PHCs¹⁹ were functioning without LT and
- against the requirement of 69 doctors and 23 LTs as per the sanctioned strength (three doctors and one LT in each PHC), 26 and 16 were in position indicating shortage of 43 and seven respectively. However, there was no shortage in the cadre of SN and Pharmacist as compared to the State norms.

Shortage of clinical manpower in SCs

2.1.19 In respect of 60 SCs test-checked, it was found that against the requirement of 120 ANMs as per IPHS and 60 ANMs as per the sanctioned strength, only 59 were in position. Against the requirement of 60 Multi Purpose Health Workers as per IPHS/State norms, only 38 were in position as detailed in *Appendix 2.6*.

¹⁴ Bassian, Harpalpur, Jandiala Guru and Swaddi Kalan.

¹⁵ Ajrour, Bassian, Brar, Gajju Khera, Sihar and Swaddi Kalan.

¹⁶ Gajju Khera and Jandiala Guru.

¹⁷ Bara Pind and Paldi.

¹⁸ Ajnouda, Badla, Bara Pind, Brar, Dosanj Kalan, Humbran, Jandiala Guru, Kunkun Kalan, Matewal, Paldi, Rurka Kalan and Verpal.

¹⁹ Ajrour, Barian Kalan, Bassian, Gwaddi, Harpalpur, Janauri, Rupewali, Sihar and Swaddi Kalan.

The State Government did not adopt the IPHS norms even after five years of launch of NRHM. The manpower was not only critically short but the department could not also optimally deploy the available manpower due to non-availability of central data base of manpower with the Mission Director. This has the potential of affecting provision of assured health services to the rural masses.

On being pointed out (January 2010), the Mission Director stated (October 2010) that the process to fill up the posts had been started.

Procurement

Purchase of Mobile Medical Units

Delay in procurement of Mobile Medical Units resulted in avoidable expenditure of ₹ 18.23 lakh

2.1.20 Under NRHM, one Mobile Medical Unit (MMU) was to be provided in each district to serve outreach areas and for taking the health care to the doorstep of needy people. Scrutiny of the records of PHSC disclosed that against the proposal (July 2006) of PHSC to procure 20 MMUs from Tata Motors on DG & SD rates, GoI released (November 2006) ₹ 8.30 crore to the SHS. Instead of placing the supply order immediately for procurement of MMUs, the SHS and PHSC retained funds with them for four months and eight months respectively, and despite the availability of funds, PHSC placed the supply order with Tata Motors only in December 2007. The delayed procurement caused avoidable expenditure of ₹ 18.23 lakh²⁰ on account of increase in price of chassis with effect from May 2007.

On being pointed out (January 2009), the Mission Director intimated (March 2010) that delay in procurement of MMUs saved POL, salaries and maintenance cost. The reply is not relevant and acceptable as the delay caused avoidable expenditure, besides delayed availability of facilities to the people.

Non-procurement of drug kits

2.1.21 For the procurement of drug kits required under the Reproductive and Child Health Programme for the year 2005-06, GOI released (March 2006) ₹ 9.62 crore to SHS.

Drug kits were not procured due to avoidable litigation

As per GoI instructions (August 2006), enlisted medicines were to be procured from the Central Public Sector Enterprises (CPSEs) and their subsidiaries. Despite this, the SHS floated tenders (October 2006) to procure the kits from open market. After inviting tenders, the SHS requested (9 November 2006) GoI to permit procurement of the drug kits from open market. However, before receipt of permission (21 November 2006) of GoI, the tenders were opened on 17 November 2006. Based on the representations received (November 2006) from the CPSEs²¹, the tenders opened on 17 November 2006 were cancelled (December 2006) with the approval of Principal Secretary, Health and Family Welfare, on the ground that the CPSEs had requested for discharging of the tender as the 102 enlisted medicines could

²⁰ 20 x (₹7,43,443 – ₹ 6,62,443) + VAT @ 12.5 per cent.

²¹ M/s Karanataka Antibiotics and Pharmaceuticals Ltd and M/s Hindustan Antibiotics.

be procured only from the CPSEs. Fresh limited tenders from the CPSEs and their subsidiaries were invited in January 2007 by DH&FW.

Aggrieved by cancellation of the tender opened in November 2006, the successful bidder²² of the said tender filed a civil writ petition in the Punjab and Haryana High Court, which was decided (November 2007) in favour of the bidder and the DH&FW was directed to initiate the process to procure the drug kits from the already declared successful bidder subject to complying with the necessary specifications. The DH&FW took 17 months to finalize the specifications. The request of the bidder to allow 40 *per cent* increase in price due to increase in market rates over the period was rejected by the Government and the DH&FW placed (April 2009) supply order on the originally quoted rates. The bidder sought legal remedy by filing (September 2009) a civil writ petition in the Punjab and Haryana High Court, the decision to which is awaited (August 2010).

The Mission Director attributed (March 2010) the delay in procurement of drug kits to the litigation. The reply of the Mission Director is not acceptable as tenders called in October 2006 were opened in November 2006 ignoring the GoI instructions of August 2006 in the first instance and subsequent cancellation of tenders despite GoI permission to procure the drug kits from the open market led to the litigation. Even after the court decision in November 2007, the purchase of drug kits had not been made due to abnormal delay in finalising the specifications etc.

Thus, despite availability of funds of ₹ 9.62 crore, permission from GoI in November 2006 and directions from the court in November 2007, drug kits had not been purchased (August 2010). The non-procurement of drug kits had adversely affected implementation of the programmes depriving the intended benefits of health care to the rural masses.

Loss due to short-availing of discount

2.1.22 As approved in the PIP for 2008-09, the Mission Director invited (December 2008) limited tenders from the CPSEs for procurement of drug kits worth ₹ 17.67 crore. As per the comparative statement, all the five CPSEs quoted the same rates for all the items with discount of one per cent on supply order upto ₹ five crore and two per cent on supply order above ₹ five crore. Without negotiating the rates and rebate with the CPSEs and on the plea that all the five CPSEs quoted equal rate, the Mission Director placed purchase order (February 2009) for ₹ 3.57 crore on each of the CPSEs and could avail discount of one *per cent* only. Had the purchase order been placed after negotiation with CPSEs, an additional discount amounting to ₹ 17.85 lakh (₹ 17.16 lakh on account of discount plus ₹ 0.69 lakh on account of value added tax) could have been availed.

On being pointed out (February 2010), the Mission Director assured to keep the matter in mind for future purchases.

²² M/s Vikrant Sales Private Limited.

Health care programmes and disease control

Reproductive and Child Health Programme

Maternal mortality rate and total fertility rate increased

2.1.23 The Reproductive and Child Health (RCH-II) Programme was aimed at reducing the maternal and infant mortality rate, promotion of family planning and immunisation etc. for achieving population stability.

The position of major health indicators in the State such as maternal mortality rate (MMR), infant mortality rate (IMR) and total fertility rate (TFR) is given in **Table 2.6**.

Table 2.6: Position of major health indicators in the State

Sr. No.	Health indicators	Goal under NRHM to be achieved by 2012	Status as of 2005-06	Status as of 2007-08	Status as of 2008-09	Status as of 2009-10
1	MMR (per lakh births)	100	176	178	178	192
2	IMR (per thousand births)	30	42	44	43	41
3	TFR (children per woman)	2.00	2.00	2.10	2.10	2.10

Source: Sample Registration System Bulletin (2005), National Family Health Survey-III and PIPs for the year 2008-09, 2009-10 and 2010-11

It is evident from the above table that the MMR and TFR in the State were increasing as compared to the position in 2005-06 and the IMR was far behind the target.

The Mission Director attributed (September 2010) the reasons for non-achievement of targets for MMR and IMR to non-availability of specialist doctors. He further stated that the target of TFR had been achieved. The reply is not acceptable as the TFR was marginally higher since commencement of the NRHM. The issue of non-availability of specialist doctors needs to be addressed so as to combat the increasing trend of MMR/IMR.

Antenatal checkups of the pregnant women

Shortfall in providing antenatal checkups to pregnant women

2.1.24 Under NRHM, all the pregnant women were to be registered and provided with services of atleast three antenatal checkups (ANC). The services were to be provided in the health centres and by home visits by the LHV's and ANMs. The status of registered pregnant women who received three antenatal checkups is given in **Table 2.7**.

Table 2.7: Status of Antenatal checkups of the pregnant women

Year	No. of pregnant women registered at any of the health centre	No. of registered pregnant women who received three antenatal checkups	Shortfall
2005-06	532959	433988	98971
2006-07	509716	458993	50723
2007-08	465435	404004	61431
2008-09	474932	411675	63257
Total	1983042	1708660	274382

Source : State Health Society

Scrutiny of records revealed that out of 19.83 lakh pregnant women reported to have registered during 2005-09 for ANC, only 17.09 lakh (86 per cent) received three rounds of ANC. The department did not keep track of the remaining 2.74 lakh registered pregnant women to ensure their safe motherhood. In the test checked CHCs and PHCs, the shortfall in providing atleast three ANC to the registered pregnant women was 15849 (nine per cent) and 6865 (20 per cent) respectively.

The Mission Director attributed (February 2010) 10 per cent of the shortfall to the pregnancies that go waste and the remaining to the failure of the ANMs to capture the data. The department was mandated to provide ANC to all the pregnant women and it needs to ensure capturing of complete data.

Administration of Iron and Folic Acid

Shortfall was noticed in administration of iron folic acid to pregnant women

2.1.25 Anaemia²³ is considered as the leading cause of maternal mortality and is an aggravating factor to haemorrhage²⁴, sepsis²⁵ and toxemia²⁶. The RCH-II Programme, therefore, emphasised administration of iron and folic acid (IFA) to the pregnant women. Prophylaxis against nutritional anaemia to a pregnant woman required administration of daily dose of large IFA tablets for a period of 100 days. The position of registered pregnant women during 2005-09 who received IFA tablets for 100 days is given in **Table 2.8**.

Table 2.8: Position of administration of Iron and Folic Acid

Year	No. of pregnant women registered at any of the health centre	No. of pregnant women who received prophylactic iron folic acid tablets for 100 days	Shortfall (-)/ Excess (+)
2005-06	532959	597534	(+) 64575
2006-07	509716	223675	(-) 286041
2007-08	465435	25041	(-) 440394
2008-09	474932	365951	(-) 108981
	1983042	1212201	(-) 770841

Source : State Health Society

Records revealed that, out of 19.83 lakh pregnant women registered during 2005-09, 12.12 lakh were provided with the required number of IFA tablets, leaving 7.71 lakh (39 per cent) pregnant women uncovered. In the test checked CHCs and PHCs also, there were shortfall of 52017 (31 per cent) and 7294 (21 per cent) respectively.

The Mission Director attributed (February 2010), the shortfall to short supply of IFA tablets from GoI. The reply is not acceptable as GoI released ₹ 9.62 crore in March 2006 for procurement of drug kits containing IFA

²³ Anemia is a disease in which number of red blood cells (RBCs) decrease.

²⁴ Haemorrhage is the loss of blood or blood escape from the circulatory system.

²⁵ Sepsis is characterised by a whole-body inflammatory state and the presence of a known or suspected infection.

²⁶ Toxaemia is an abnormal condition of pregnancy characterized by hypertension and edema and protein in the urine.

tablets, but were not procured and supplied as discussed in the paragraph 2.1.21.

Tetanus Toxoid Immunisation

2.1.26 Two dosages of tetanus toxoid (TT) were prescribed to immunise the mother and neonate from tetanus. The position of TT immunisation to the pregnant women is given in **Table 2.9**.

Table 2.9: Position of TT immunisation to the pregnant women

Year	No. of pregnant women registered at any of the health centre	No. of pregnant women provided with TT immunization	Shortfall (-)/ Excess (+)
2005-06	532959	534156	(+) 1197
2006-07	509716	537810	(+) 28094
2007-08	465435	471736	(+) 6301
2008-09	474932	450445	(-) 24487
Total	1983042	1994147	

Source: State Health Society

Scrutiny of the data disclosed that:

- against 15.08 lakh pregnant women registered during 2005-08, 15.44 lakh were reported to have been given TT immunisation raising doubts on the veracity of the data of the department;
- against 4.75 lakh pregnant women registered during 2008-09, 4.50 lakh were given TT immunisation, leaving 0.24 lakh (five *per cent*) pregnant women uncovered and
- in the test checked CHCs and PHCs, there was shortfall of five and 20 *per cent* respectively during 2005-09.

The Mission Director attributed (February 2010), the shortfall to the refusal of injections by the pregnant women migrated from UP and Bihar. The reply is not acceptable as no documentary evidence was made available in support of the reply.

Janani Suraksha Yojana

Payment of cash incentive to the BPL/SC/ST pregnant women was delayed by 10 to 600 days

2.1.27 Janani Suraksha Yojana (JSY), one of the components of the RCH-II programme, encourages the pregnant women to undergo delivery at the health centres/hospitals (institutional deliveries) by providing cash assistance to them. The NRHM guidelines provided for payment of cash assistance to the Below Poverty Line/Scheduled Caste/Scheduled Tribe (BPL/SC/ST) pregnant women at the time of arrival for delivery or within seven days of the delivery. The cash assistance envisaged to be given to a mother on birth of a child in the case of institutional delivery was ₹ 700 in rural area and ₹ 600 in urban area and ₹ 500 for non-institutional delivery.

Out of the five DHs, 15 CHCs and 23 PHCs test checked, Audit observed that in two DHs, eight CHCs and three PHCs²⁷ during 2005-09 instead of making payment to 4099 (out of 5176) beneficiaries, at the time of arrival for delivery or within seven days of the delivery, payment (₹ 24.07 lakh) was made after delays ranging between 10 and 600 days. The delays were attributed to non-turning of women to collect the cheques and delayed receipt of funds from the DHS for the imprest of ₹ 10,000 with the ANMs to be kept in the form of joint accounts with the Gram Pradhan. The Mission Director, NRHM stated (October 2010) that the DHSs were instructed many times but failed to furnish the reasons for delay.

Thus, due to delay in providing funds to the ANMs which ultimately led to delay in payment of cash assistance, JSY did not have the desired effect on promotion of institutional deliveries at Government health centres, which remained almost stagnant during 2005-10 as discussed in paragraph 2.1.28.

Institutional deliveries

2.1.28 To increase the institutional deliveries and with a view to provide all pregnant women with skilled attendance during child birth, labour rooms were to be made functional at all the health centres. The position of institutional vis-à-vis domestic deliveries (giving birth at home) during 2005-10 is given in **Table 2.10**.

Deliveries in Government health centres remained stagnant around 25 per cent

Table 2.10: Position of institutional vis-à-vis domestic deliveries

Year	No. of Pregnant women registered at any of the health centre	No. of total deliveries reported	No. of institutional deliveries in Government health centres	No. of institutional deliveries in private hospitals	No. of domestic deliveries by skilled attendant	No. of domestic deliveries by unskilled attendant	Total No. of still births (rate per thousand)
2005-06	532959	418937	99016 (24)	111626 (27)	195493 (46)	12802 (3)	2978 (7.11)
2006-07	509716	404173	107739 (27)	125475 (31)	169269 (42)	1690 (0)	3012 (7.45)
2007-08	465435	392952	92786 (24)	131385 (33)	168781 (43)	0 (0)	3138 (7.99)
2008-09	474932	387984	96016 (24)	132106 (34)	87773 (23)	72089 (19)	3872 (9.99)
2009-10	508500	387604	101842 (26)	147643 (38)	63970 (17)	74149 (19)	5890 (15.20)
Total	2491542	1991650	497399	648235	685286	160730	

Figures in brackets indicate percentage except in last column Source: State Health Society

Analysis of the data revealed that:

- of the 24.92 lakh registered pregnant women, after adjusting the number of abortions (30311), maternal deaths before delivery (73) and during delivery (119), the department reported 19.92 lakh net deliveries leaving five lakh (20 per cent) deliveries unreported. In the test checked CHCs

²⁷ DHs at Jalandhar & Ludhiana; CHCs at Bhunga, Lopoke, Maloud, Manwala, Paldi, Shahkot, Sidhwan bet and Sudhar; and PHCs at Bhadson, Mand Mandher and Kauli.

and PHCs, there was 19 *per cent* and 13 *per cent* unreported deliveries respectively;

- out of the total 19.92 lakh reported deliveries, there were only 4.97 lakh (25 *per cent*) in Government health institutions. Deliveries in Government health centres in the test checked CHCs and PHCs was even less and remained at 21 *per cent* and 13 *per cent* respectively;
- though there was an increase of 13 *per cent* in institutional deliveries during 2009-10, over the institutional deliveries during 2005-06, the increase in institutional deliveries in private institutions was 11 *per cent* against two *per cent* increase in government institutions implying inclination to institutional delivery but preference to the private hospitals;
- the number of domestic deliveries (42 and 36 *per cent* in 2008-09 and 2009-10) continued to be high in the State. Of the domestic deliveries during 2008-09 and 2009-10, 45 and 54 *per cent* were not even supervised by a skilled attendant, despite the launch of NRHM since 2005 and having 17077 and 16292 ASHAs during 2008-09 and 2009-10 respectively. Further, the domestic deliveries by unskilled attendant also increased from three *per cent* in 2005-06 to 19 *per cent* in 2008-10, which was a matter of concern and
- still births exhibited 114 *per cent* increase as it increased from 7.11 per thousand deliveries in 2005-06 to 15.20 per thousand deliveries in 2009-10. In the test-checked CHCs also, the still births increased by 185 *per cent* as it increased from 4.95 per thousand deliveries in 2005-06 to 14.13 per thousand deliveries in 2009-10. Similar was the trend in the test-checked PHCs, as the still births increased from 7.42 per thousand deliveries in 2005-06 to 13.98 per thousand deliveries in 2009-10.

Thus, implementation of NRHM had little impact among the rural masses as far as institutional deliveries are concerned.

On being pointed out (February 2010) the Mission Director replied (October 2010) that all the health centres are being strengthened by providing requisite infrastructure.

Family planning

Seventy nine per cent of the eligible couples in the State were not covered under family planning

2.1.29 The NRHM launched a number of initiatives such as cash incentives, free distribution of contraceptives and holding operation camps in rural/remote areas so as to achieve the goal of population stability. Family planning includes terminal methods to arrest the fertility in total and spacing methods to improve the couple protection rate²⁸. The terminal methods of family planning include vasectomy for males and tubectomy for females. The spacing methods included using intrauterine devices insertion, oral pills and

²⁸

The couple protection rate (CPR) is expressed as the percentage of women in the age group of 15-49 years, protected from pregnancy/childbirth in the year under consideration for a specific area.

condoms as contraceptive. The targets and achievements during 2005-10 under these two methods are given in **Appendix 2.7**.

Analysis of the data revealed that:

- only three *per cent* of the total eligible couples were covered under the terminal methods and 18 *per cent* were covered by the spacing methods of family planning during 2005-10, thereby leaving 79 *per cent* of the eligible couples uncovered under any of the two methods of family planning;
- during 2005-10, the targets fixed by the department for vasectomy were as low as 10 *per cent*, whereas the targets for tubectomy were 90 *per cent* of the total targeted sterilization. The achievement in the case of vasectomy was 14 *per cent* more than the target fixed. However, in the case of tubectomy there was shortfall of seven *per cent*;
- in the test-checked CHCs & PHCs, the coverage of vasectomy was 10.91 and 8.76 *per cent* and tubectomy was 89.09 and 91.24 *per cent* respectively, of the total sterilisation made during 2005-10. The achievement under vasectomy did not improve even after the launching of the non-scalpel vasectomy and Information, Education and Communication programmes and
- of the couples covered under the spacing methods, 36 *per cent* were males and 64 *per cent* were females. Thus, the coverage under this scheme continued to be prominently women centred and a manifestation of adverse gender imbalance towards women.

The Mission Director intimated (October 2010) that the performance of vasectomy was improving and that there was very low unmet need in the spacing method, however, efforts were being made to improve the coverage of eligible couples. The reply is not acceptable as 79 *per cent* of the eligible couples were not covered under any methods of family planning in the State.

Secondary immunisation

Shortfall in secondary immunization administered to the children

2.1.30 In the case of secondary immunization, children in the age group of five years were required to be administered diphtheria (DT) and children were to be given two doses of tetanus toxoid (TT) at the age of 10 and 16 years respectively.

There were shortfalls against targets in the secondary immunization during 2005-10, which was eight *per cent* in the case of DT, 17 *per cent* in the case of TT (10 years) and 22 *per cent* in the case of TT (16 years). In the test checked CHCs, the shortfall was 10 *per cent* in DT, 24 *per cent* in TT-10 and 24 *per cent* in TT-16. In the test checked PHCs, the shortfall was 10 *per cent* in DT, 13 *per cent* in TT-10 and 13 *per cent* in TT-16.

The Mission Director inter-alia intimated (February 2010) that while the birth rate was declining in the State, higher targets were fixed by GoI. The reply is not acceptable because the figures of child birth were supplied every year by the Directorate to GoI and the issue of higher targets was not taken up with GoI.

Administration of Vitamin A

2.1.31 NRHM emphasized administration of Vitamin A solution to all the children of less than three years of age. Prophylaxis against blindness amongst the children due to deficiency of Vitamin A requires administration of the first dose at nine months of age and the second to fifth doses upto three years at six monthly intervals. The position of targets fixed and achievement thereagainst during the period 2005-10 is shown in **Table 2.11**.

Table 2.11: Position of administration of Vitamin A solution

(Number)

Year	First dose for children below 1 year			Second to fifth doses for children between 1 to 3 years		
	Target	Achievement	Shortfall (percentage)	Target	Achievement	Shortfall (percentage)
2005-06	509942	484853	25089 (5)	1770188	1546275	223913 (13)
2006-07	512333	180734	331599 (65)	2375094	515023	1860071 (78)
2007-08	472322	5524	466798 (99)	2493596	13241	2480355 (99)
2008-09	465017	283851	181166 (39)	816776	221782	594994 (72)
2009-10	463500	357582	105918 (23)	3758761	390456	3368305 (90)

Source: State Health Society

Analysis of the data revealed that:

- during 2005-10, there was shortfall ranging between five and 99 per cent in providing the first dose of Vitamin A to the children below one year of age. In providing the second to fifth doses to the children having age between one and three years, there was shortfall ranging between 13 and 99 per cent and
- in the test checked five districts, the shortfall of first dose of Vitamin A to the children was between two and 92 per cent and the shortfall of the second to fifth doses ranged between 23 and 97 per cent. In three districts²⁹, Vitamin A was not at all administered during 2006-07 and 2007-08 and in the other districts³⁰, similar position was noticed in 2007-08.

The Mission Director attributed (February 2010) the short achievement of targets to non supply of Kits A (containing Vitamin A solution) from GoI during 2006-08 and 2009-10 and delay in procurement of Vitamin A solution in 2008-09. The reply is not acceptable as funds were provided by GoI to procure the drug kits in March 2006 which could not be procured as discussed in paragraph 2.1.21.

Monitoring of the activities

The Governing body and Executive committee were constituted after delay of 16 and 27 months respectively

2.1.32 Under the Mission, the SHM and the governing body of SHS were to meet at least once in six months, whereas the executive committee of the SHS was to meet once in two months or more frequently, if necessary.

During audit, it was noticed that though the SHM was constituted in October 2005, the governing body of SHS was formed only in February 2007,

²⁹ Amritsar, Ludhiana and Patiala.

³⁰ Hoshiarpur and Jalandhar.

after a delay of 16 months and the executive committee of SHS was formed in January 2008, after a further delay of 11 months.

Till December 2009, against the required number of eight meetings³¹, the SHM met only once. The governing body and the executive committee of SHS against the requirement of seven³² and 12 meetings³³, met only twice and thrice respectively since inception.

The abnormal delay in constitution of the governing body and executive committee of SHS coupled with less number of meetings resulted in inadequate review, evaluation and monitoring of the Mission activities and their poor implementation.

The reasons for the delay in constitution of the governing and executive bodies of the SHS and shortfall in the number of meetings were called for (February 2010). The Mission Director replied (October 2010) that now the SHS had ensured that meetings are held in time.

Conclusion

2.1.33 The Mission activities suffered due to poor utilization of the available funds, inadequate survey of available/required infrastructure, shortage of manpower and inadequate community participation (non-registration of Rogi Kalyan Samities and poor involvement of NGOs) etc.

Majority of the health centres in the rural areas functioned without adequate manpower, essential infrastructure and basic necessities such as labour room, operation theatre and toilet. The position of availability of telephone, computer, vehicle and alternate source of power back up in the centres was far from the requirement. The manpower was not only short but was also not deployed rationally.

Non/delayed procurement of drug kits adversely affected administration of iron folic acid to the pregnant women and Vitamin A to the children.

Though there was increase in institutional deliveries, the deliveries in the Government health centres remained almost stagnant during 2005-10 and the domestic deliveries continued to be high in the State reflecting little impact of NRHM among the rural masses as far as institutional delivery is concerned.

Despite implementation of NRHM, the maternal mortality rate and infant mortality rate in the State during the Mission period did not improve and were nowhere near the targets to be achieved by NRHM.

The monitoring of the Mission activities by the top level was not satisfactory and contributed adversely to the success of the programme.

³¹ Two meetings each year from 2006 to 2009.

³² Two meetings each year from 2007 to 2009 and one meeting for January 2010.

³³ Six meetings each year in 2008 and 2009.

Recommendations

- Government needs to scale up its allocation of funds to the health sector, release fund timely to the District Health Societies, Punjab Health System Corporation and health centres and also ensure their timely utilisation.
- Government needs to overcome the shortfall in infrastructure and man power by identifying the gaps of required and available infrastructure and manpower and ensure adequate community participation through registered Rogi Kalyan Samities and NGOs.
- Effective health care services need to be provided at all health centres to encourage institutional deliveries, family planning, immunization and to reduce maternal mortality rate, infant mortality rate and total fertility rate etc.
- Government needs to ensure effective monitoring of implementation of the Mission activities.

The matter was referred to the Government in February 2010; reply has not been received (November 2010).

EDUCATION DEPARTMENT

2.2 Secondary Education

Highlights

Education is the basic requirement for economic, social and cultural development of a country. It has emerged as the most important input in promoting human resource development and technological progress. An appropriate education system cultivates knowledge, skills, positive values and attitudes among the people. Not only right to education but also right kind of education is a must for betterment of the people.

Though the State Government has been making efforts to modernize the school education by construction of new buildings, making computer education as one of the compulsory subjects from the academic session 2009-10 and imparting education through Satellite Programme etc. yet the Performance Audit of Secondary Education in the State disclosed the following deficiencies:

- *There were large scale vacancies (23 per cent) in the teaching staff and deployment of teachers in Commerce and Mathematics streams in the schools was not as per norms.*

(Paragraphs 2.2.7 and 2.2.8)

- *The pass percentage of the 12th class students was stagnating around 72 per cent during 2005-10.*

(Paragraph 2.2.10)

- *In 54 out of the 148 schools test-checked in six districts, the enrollment of students decreased by 16.02 to 25.48 per cent during 2005-10.*

(Paragraph 2.2.12)

- *There were gaps in infrastructure such as class rooms, desks and toilets etc. in the schools and a number of schools were functioning in unsafe buildings.*

(Paragraphs 2.2.13 and 2.2.14)

- *Scheduled Castes and Other Backward classes students were denied cash incentive, encouragement award and free text books.*

(Paragraphs 2.2.16, 2.2.17 and 2.2.18)

Introduction

2.2.1 Secondary Education serves as the vital link between the elementary and the higher education and plays an important role in preparing the students for higher education. The National Policy on Education (NPE) 1986, as modified in 1992 envisaged increased access to secondary education with emphasis on enrollment of the girls and the scheduled castes and scheduled tribe students, particularly in science, commerce and vocational streams.

The main functions of the Secondary Education wing of the Department of Education are to implement various policies of the department through the District/Circle authorities; to provide funds for infrastructure such as school buildings and equipment; to recommend or sanction financial assistance to Government Aided Private institutions; to arrange for in-service training of the teachers; to make education job oriented and productive through vocationalisation of education and to promote sports/school games and other extra curricular activities.

In 2002, the Director Public Instructions, Schools (DPI) was renamed as DPI, Secondary Education to administer secondary education in Punjab. As of September 2009, there were 1470 Senior Secondary Schools, 1650 High Schools, 3039 Middle Schools and 399 Private Aided Schools (Senior Secondary:118, High: 235 and Middle:46), which imparted secondary education (classes 6th to 12th) in the State.

Education Scenario

As per census 2001, the overall literacy rate in Punjab was 69.70 per cent (Male:75.20 per cent and Female:63.40 per cent). There are three levels of schools in secondary education in the State i.e. Middle, High and Senior Secondary Schools. In 2008-09, there were 20.14 lakh students (Boys: 10.96 lakh, Girls: 9.18 lakh) enrolled in 6th to 12th classes.

Organisational set up

2.2.2 The Principal Secretary to the Government of Punjab, Department of Education is the administrative head of the department. The Special Secretary-cum-Director General of School Education, Punjab (DGSE) is overall incharge of school education. The Director Public Instructions is the head of Secondary Education. He is assisted by one Director (Administration), five Deputy Directors at Headquarters, three Circle Education Officers (CEOs)³⁴ and 20 District Education Officers (DEOs) at district level, who are the nodal officers to implement the programmes/schemes and also coordinate and supervise the working of various Senior Secondary, High and Middle Schools in the districts. The Principals/Head Masters are the heads of the schools.

Scope of Audit

2.2.3 The audit was conducted during September 2009 to June 2010 by scrutinising the records in the offices of the Principal Secretary to Government of Punjab, Education Department, DGSE, DPI (SE), one³⁵ out of three CEOs, six³⁶ out of 20 DEOs and 148 schools³⁷ out of the total 1040 schools in

³⁴ Faridkot, Jalandhar and Nabha.

³⁵ Nabha

³⁶ Amritsar, Fatehgarh Sahib, Gurdaspur, Ludhiana, Mansa and Ropar.

³⁷

	Urban	Rural	Total
Government Sr. Secondary Schools(GSSS)	38	70	108
Government High Schools (GHS)	7	33	40

six districts³⁸ covering the transactions of the years 2005-10. The DEOs and the schools for test audit were selected on the basis of Probability Proportional to Size (without replacement) method of sampling. Besides checking of the records, the audit process included collection of data and its analysis.

An entry conference was held with the Principal Secretary to Government of Punjab, Education Department and the Director General, School Education in January, 2010 wherein purpose of this audit, audit objectives, criteria and scope of audit etc. were explained. An exit conference with the Director General, School Education was held on 21 October 2010 in which the audit findings were discussed. The replies to the audit observations were kept in consideration while finalizing this report.

Audit Objectives

2.2.4 The main audit objectives were to examine:

- the economy and efficiency in use of financial resources and implementation of the important schemes/programmes;
- the adequacy of deployment of teachers and infrastructure;
- the coverage and effectiveness of secondary education in the state and efforts made for enhancement of science, commerce, vocational and computer education and
- the monitoring and internal control systems.

Audit Criteria

2.2.5 Procedures and norms laid down in the Punjab Financial Rules (PFR), Punjab Education Code, guidelines/instructions issued by the Government of India and Government of Punjab for implementation of the various schemes in the State were used as audit criteria.

Audit Findings

Financial management

2.2.6 Funds provided by the State Government through the annual budgetary allocation included assistance from the Government of India (GoI) for implementing the Centrally Sponsored Schemes (CSS) and its own funds for implementing the schemes/programmes of the State. The budget provision vis-à-vis expenditure incurred by the department under the head Non-Plan during 2005-10 is given in **Table 2.12**.

Table 2.12: Budget allotment and expenditure incurred under Non-Plan

(₹ in crore)			
Year	Budget allotment	Expenditure	Saving(-) /excess(+)
2005-06	1376.10	1376.90	(+) 0.80
2006-07	1371.02	1461.87	(+) 90.85
2007-08	1686.95	1717.48	(+) 30.53
2008-09	1895.22	1802.53	(-) 92.69
2009-10	2302.39	2183.28	(-) 119.11
Total	8631.68	8542.06	(-) 89.62

Source: Appropriation Accounts

³⁸ Amritsar, Fatehgarh Sahib, Gurdaspur, Ludhiana, Mansa and Ropar.

The non-plan allocation of funds is mostly for pay and allowances of staff. During the period 2005-10, almost the entire funds allotted under the non-plan head was spent.

The budget provision and expenditure under the State Plan Schemes (*Appendix 2.8*) during 2005-10 is given in **Table 2.13**.

Table 2.13: Budget allotment and expenditure incurred under the State Plan schemes

(₹ in crore)

Year	Budget allotment	Funds released	Expenditure	Saving(-)/Excess(+) w.r.t. budget allotment		Saving(-)/Excess(+) w.r.t. funds released	
				Amount	Percentage	Amount	Percentage
2005-06	83.46	86.59	51.29	(-) 32.17	38.55	(-) 35.30	40.77
2006-07	118.88	94.03	25.75	(-) 93.13	78.34	(-) 68.28	72.62
2007-08	99.91	47.80	44.01	(-) 55.90	55.95	(-) 3.79	7.93
2008-09	122.09	38.33	39.06	(-) 83.03	68.01	(+) 0.73	1.90
2009-10	45.98	33.00	10.25	(-) 35.73	77.71	(-) 22.75	68.94
Total:	470.32	299.75	170.36	(-)299.96	63.78	(-)129.39	43.16

Source: (1) Appropriation Accounts

(2) Figures of funds released were supplied by the department

The budget allotments were not consistent over the years and only 64 per cent of the budgeted funds were released by the State Finance Department during the period 2005-10. Out of the funds of ₹ 299.75 crore released, only ₹ 170.36 crore (57 per cent) were spent by the department. The short release and huge surrender of funds reflected poor budget management and implementation of the schemes.

The budget provision and utilization of funds under the centrally sponsored schemes (*Appendix 2.8*) during 2005-10 is given in **Table 2.14**.

Table 2.14: Budget allotment and expenditure incurred under the centrally sponsored schemes

(₹ in crore)

Year	Budget allotment	Funds released	Expenditure	Saving(-)/Excess(+) w.r.t. budget allotment		Saving(-)/Excess(+) w.r.t. funds released	
				Amount	Percentage	Amount	Percentage
2005-06	20.47	9.20	0.00	(-) 20.47	100.00	(-) 9.20	100.00
2006-07	87.63	7.52	1.83	(-) 85.80	97.91	(-) 5.69	75.66
2007-08	97.09	7.75	0.00	(-) 97.09	100.00	(-) 7.75	100.00
2008-09	97.05	17.20	10.42	(-) 86.63	89.26	(-) 6.78	39.42
2009-10	130.53	34.67	21.54	(-)108.99	83.50	(-)13.13	37.87
Total:	432.77	76.34	33.79	(-)398.98	92.19	(-)42.55	55.73

Source: (1) Appropriation Accounts

(2) Figures of funds released supplied by the department

The table shows that there was short release of funds by ₹ 356.43 crore (82 per cent) by Government of India during the period 2005-10 and out of the funds of ₹ 76.34 crore released, only ₹ 33.79 crore (44 per cent) were spent reflecting poor financial management and ineffective implementation of the schemes.

The budget provision and utilization of funds under the schemes shared by the GoI and the State (*Appendix 2.8*) during 2005-10 is given in **Table 2.15**.

Table 2.15: Budget allotment and expenditure incurred under the shared schemes

(₹ in crore)

Year	Budget allotment		Funds released		Expenditure		Saving(-)/Excess(+) w.r.t. budget allotment				Saving(-)/Excess(+) w.r.t. Funds released			
	CS	SS	CS	SS	CS	SS	Amount		percentage		Amount		Percentage	
							CS	SS	CS	SS	CS	SS	CS	SS
2005-06	8.91	0.00	5.00	1.67	5.00	1.67	(-)3.91	(+)1.67	43.88	100	00	00	00	00
2006-07	8.91	0.00	0.00	0.00	0.00	16.75	(-)8.91	(+)16.75	100	100	00	(+)16.75	00	100
2007-08	8.91	0.00	0.00	0.00	0.00	0.00	(-)8.91	0.00	100	00	00	00	00	00
2008-09	8.91	0.00	35.00	4.50	0.00	0.00	(-)8.91	0.00	100	00	(-)35.00	(-)4.50	100	100
2009-10	166.03	72.67	94.10	28.29	47.07	39.04	(-)118.96	(-)33.63	71.65	46.28	(-)47.03	(+)10.75	50	38
Total	201.67	72.67	134.10	34.46	52.07	57.46	(-)149.60	(-)15.21	74.18	20.93	(-)82.03	(+)23.00	61.17	66.74

Source: (1) Appropriation Accounts

(2) Figures of funds released was supplied by the department

The above table shows that there was short release of funds by ₹ 67.57 crore by GoI (34 per cent) and ₹ 38.21 crore by the State Government (53 per cent) during the period 2005-10 and out of the funds of ₹ 168.56 crore released, only ₹ 109.53 crore (65 per cent) were spent. It was also noticed that the State Government failed to utilize the available central funds of ₹ 134.10 crore, as only ₹ 52.07 crore (39 per cent) was spent during 2005-10.

To sum up, the budgetary provisions were grossly under utilized. As against the budget provisions of ₹ 1177.43 crore for the State, Central and Shared Schemes during 2005-10, the amount released was ₹ 544.65 crore (46 per cent) and the amount spent was ₹ 313.68 crore only (58 per cent of amount released) leaving huge budgetary savings of ₹ 863.75 crore (73 per cent), which affected the envisaged delivery of the schemes.

Manpower management

2.2.7 Deployment of adequate manpower is required for smooth running of the schools and improving the quality of education in the government schools. As intimated by DPI (SE) against 74198 sanctioned posts of teachers 17366 posts (23.40 per cent) were vacant.

There was 23 per cent shortage of teachers in the State

The posts have been sanctioned with reference to one teacher for 40 students in classes 6th to 10th each and one teacher for 60 students at the plus two level.

The position of shortage in teaching staff in the six test-checked districts is given in **Table 2.16**.

Table 2.16: Vacancies in teaching cadre in the six test checked districts

Sr. No.	District	Category of posts	Number of posts sanctioned	Number of posts filled	Number of vacant posts	Percentage of shortage
1.	Amritsar	Master	2962	2554	408	13.77
		Lecturers	840	488	352	41.90
2.	Fatehgarh Sahib	Master	1187	1060	127	10.70
		Lecturers	265	206	59	22.26
3.	Gurdaspur	Master	4034	3692	342	8.48
		Lecturers	877	612	265	30.22
4.	Ludhiana	Master	5172	4383	789	15.25
		Lecturers	1037	695	342	32.98
5.	Mansa	Master	1369	953	416	30.39
		Lecturers	330	148	182	55.15
6.	Ropar	Master	1286	1122	164	12.75
		Lecturers	307	257	50	16.28
Total		Master	16010	13764	2246	14.03
		Lecturers	3656	2406	1250	34.19

Source: DEOs

The shortage in Master cadre (Graduate teachers) in the six test checked districts ranged between 8.48 and 30.39 *per cent* and in the Lecturers cadre it ranged between 16.28 and 55.15 *per cent*. The shortages were very acute in Mansa, a backward district but less in Ropar and Fatehgarh Sahib districts which are very close to the State Capital Chandigarh.

On this being pointed out (October 2009 to May 2010), the DEOs stated (March 2010 to June 2010) that the matter would be taken up with the higher authorities. The DGSE stated (October 2010) that the State Government had already advertised 7654 posts in various cadres in September 2009 and the appointment letters could not be issued due to the pending litigation. Further the litigation was over and the appointment letters would be issued by 31 October 2010 or so. The fact, however, remains that there would still be 9712 vacancies after filling up of the 7654 posts.

The shortage of teaching staff has the risk of depriving the students of education by affecting their pass percentage, enrollment and drop out rate etc. as discussed in paragraphs 2.2.11 and 2.2.12.

Incorrect deployment of Lecturers

2.2.8 As per the rationalization policy (June 2008) of the department, no stream such as science, commerce should be started in the schools where the number of students enrolled for such streams is less than 10. Scrutiny of records revealed that in four out of the six test-checked districts, there was deployment of the lecturers in the stream of commerce and mathematics in the schools in which there were no students in these streams as detailed in **Table 2.17**.

Table 2.17: Lecturers deployed in the school having no student in the stream

Sr. No.	District	No. of schools involved	No. of lecturers deployed and the stream	No. of students enrolled	Since when deployed
1.	Amritsar	4	6 (Commerce)	Nil	2005-06
2.	Gurdaspur	1	1 (Mathematics)	Nil	2005-06
3.	Ludhiana	1	1 (Mathematics)	Nil	2008-09
4.	Mansa	5	7 (Commerce)	Nil	2007-08
	Total	11	15		

Source: DEOs

Deployment of teaching staff was not based on norms

Further in Amritsar district, three posts of commerce lecturers in three schools³⁹, with strength varying from 10 to 37 students, were lying vacant since 2005-06, whereas six commerce lecturers were deployed in four⁴⁰ other schools where there were no students in the stream.

On being pointed out, it was stated by the DEOs that the matter would be taken up with the higher authorities for rationalization. The reasons for deployment of the teachers in schools having no students in the streams were called for from the DGSE (September 2010). Reply was awaited.

Non-posting of chowkidars in the schools

2.2.9 Regular chowkidars are required to be deployed in the schools for watch and ward purposes and to avoid any theft/loss of properties.

Fifty one per cent of the schools did not have chowkidars

Scrutiny of records in the six districts revealed that out of 1040 High and Senior Secondary schools, 533 (51 per cent) schools⁴¹ did not have chowkidars. As costly computers and EDUSAT equipment etc. were installed in the schools, deployment of chowkidars was necessary to safeguard the property. Audit revealed theft of computers (38) in 16 schools in Amritsar district, two schools in Gurdaspur district and theft of EDUSAT equipment in one school in Ludhiana district during November 2006 to March 2010, which could be avoided had chowkidars been posted in the schools.

On this being pointed out (January 2010 to May 2010), the respective DEOs/Principals admitted (March 2010 to June 2010) that the thefts took place due to non-posting of the chowkidars. The DGSE stated (October 2010) that the posts could not be filled up as the Department of Finance issued instructions that in case the post remained vacant for the period of six months, the same stood abolished automatically. It was further stated that these posts would be revived.

The reply is not acceptable because when there was no ban on recruitment, the posts should not have been allowed to remain vacant beyond six months.

³⁹ GSSS, Bhakna, Jandiala Guru and Tarsika.

⁴⁰ GSSS, Bohru, Vachhoa, Gago Mahal and Dam Ganj.

⁴¹ Amritsar :113 schools, Fatehgarh Sahib:39 schools, Gurdaspur:89 schools, Ludhiana:87 schools, Mansa:141 schools and Ropar:64 schools.

Effectiveness of Education

Performance of the students at the State level

2.2.10 The pass percentage of regular students at the State level in respect of 8th, 10th and 12th classes during the period 2005-10 is given in **Table 2.18**.

Table 2.18: Number of students appeared and passed in Board examinations

Year				10 th class			12 th class		
	No. of students appeared	No. of students passed	Percentage	No. of students appeared	No. of students passed	Percentage	No. of students appeared	No. of students passed	Percentage
2005-06	385657	250525	64.96	282841	170556	60.30	192725	135707	70.41
2006-07	411653	227992	55.38	275120	179058	65.08	180768	124420	68.83
2007-08	437497	292526	66.86	270013	202565	75.02	189327	141029	74.49
2008-09	404924	263664	65.11	234473	207062	88.31	187807	137212	73.06
2009-10	376009	280988	74.73	276252	224664	81.33	209528	151065	72.10
Total	2015740	1315695	65.27	1338699	983905	73.50	960155	689433	71.80

Source: Punjab School Education Board (PSEB), Mohali

The pass percentage of the 12th class was stagnant around 72 per cent during the past five years

It may be observed that the State had Board examinations at three stages i.e. 8th, 10th and 12th classes. The pass percentage of the 12th class, the ultimate stage of secondary education, was practically stagnant around 72 per cent during the past five years, implying scope for improvement in performance. The pass percentage of 10th class showed increasing trend during 2005-06 to 2009-10.

The break up of pass percentage in the 12th class among the students of Scheduled Castes and General Category is given in **Table 2.19**.

Table 2.19: Category wise result of 12th Class Board examination

Year	I-Scheduled Castes					
	Boys			Girls		
	No. of students appeared	No. of students passed	Pass percentage	No. of students appeared	No. of students passed	Pass percentage
2006-07	24535	12072	49.20	22315	13663	61.23
2007-08	23822	13793	57.90	21639	14478	66.91
2008-09	13292	7013	52.76	11584	7506	64.80
2009-10	34895	18752	53.74	31180	20661	66.26
II-General Category						
2006-07	88441	48849	55.23	79121	56781	71.76
2007-08	98896	62059	62.75	86003	65071	75.66
2008-09	98996	59989	60.60	86458	64326	74.40
2009-10	109277	64107	58.66	91446	68863	75.30

Source: Punjab School Education Board (PSEB), Mohali

It is evident from the **Table 2.19** that though the pass percentage of SC boys and girls increased from 49.20 to 53.74 per cent and 61.23 to 66.26 per cent respectively during the period 2006-10, they were far below the State average of 72 per cent. Since 36 per cent of the total students enrolled in 6th to 12th classes belong to the SC category, special efforts are needed to improve their performance.

Performance of students in test-checked schools

2.2.11 It was noticed that 48 out of the 148 schools test checked in the six districts had pass percentage of less than 40 in one or more years in the 8th, 10th and 12th classes during the period 2005-09 as given in **Table 2.20**.

Table 2.20: Number of schools having pass percentage less than 40 per cent

District	No. of schools checked	Number of schools having poor performance (< 40 per cent pass)	Year	Pass percentage in 8th class	Pass percentage in 10th class	Pass percentage in 12th class
Amritsar	15	5	2005-06	1.26 to 37.50	---	---
			2006-07	17.82 to 35.0	---	---
			2007-08	20.00***	---	---
			2008-09	---	---	31.42 ***
Fatehgarh Sahib	14	1	2006-07	0.00***	---	---
Gurdaspur	39	12	2005-06	16.66 to 32.6	5.00***	---
			2006-07	13.33 to 39.0	36.00 ***	---
			2007-08	14.29 to 28.3	27.10 to 28.00	---
Ludhiana	50	18	2005-06	14.47 to 38.6	20.21 to 35.80	---
			2006-07	13.33 to 37.5	16.66 to 26.82	---
			2007-08	16.66 to 35.5	37.00***	7.69***
			2008-09	15.47 to 35.0	---	12.50***
Mansa	15	5	2005-06	36.36***	---	33.33 to 37.25
			2006-07	32.01 to 36.4	20.00***	---
			2007-08	---	37.00***	35.71 to 37.77
			2008-09	---	31.81***	27.65***
Ropar	15	7	2005-06	26.78 to 39.3	23.25 to 33	18.18 to 23.07
			2006-07	0.00 to 31.58	33.33***	27.27 to 31.03
Total	148	48				

--- Indicates that result was above 40 per cent

***Single figure represents that only one school had less than 40 per cent

Source: Test checked schools

In 48 schools, the pass percentage of 8th, 10th and 12th classes was less than 40 per cent

Against the average pass percentage of 55.38 to 74.73, 60.30 to 88.31 and 68.83 to 74.49 at the State level in classes 8th, 10th and 12th respectively during 2005-10, the same in the 48 schools in one or more years during 2005-09 was less than 40 per cent and it ranged between 0.00 and 39.39 per cent, 5 and 37 per cent and 7.69 and 37.77 per cent respectively, which shows poor performance of students in these 48 schools.

On this being pointed out, the Principals of 16 schools admitted the facts of poor performance/results and stated (October 2009 to May 2010) that most of the teaching staff was deputed for works in the offices of DGSE, DEOs and Block Primary Education Officers. The Principals of other schools did not furnish proper reply. The reply is not acceptable as shortage of staff and

inadequate infrastructure might have also contributed to the poor performance of students.

Enrollment of students in test-checked schools

2.2.12 The position of decrease in enrollment of students in 54 out of the 148 schools test-checked in the six districts in the 6th to 12th classes during the period 2005-10 is given in **Table 2.21**.

Table 2.21: Enrollment in the test-checked schools during 2005-10

Sr. No.	Name of District	Total No. of schools test-checked	No. of schools where there was decrease in enrollment	Enrollment during 2005-06	Enrollment during 2009-10	Decrease in enrollment	Percentage of decrease
1	Amritsar	15	6	2755	2094	661	24.00
	Fatehgarh Sahib	14	12	7125	5976	1149	16.12
3	Gurdaspur	39	18	9942	7409	2533	25.48
4	Ludhiana	50	12	5710	4795	915	16.02
5	Mansa	15	1	599	456	143	23.87
6	Ropar	15	5	2192	1830	362	16.51
	Total	148	54	28323	22560	5763	20.34

Source: Test checked schools

Decrease in enrollment ranged between 16.02 and 25.48 per cent in 54 out of 148 schools test-checked

The decrease in enrollment in the 54 government schools in the test checked schools/districts ranged between 16.02 and 25.48 *per cent* during the period 2005-10. In the remaining 94 schools no decrease in enrollment was noticed.

On this being pointed out (October 2009 to May 2010), the school heads stated (October 2009 to May 2010) that decrease in enrollment in the government schools was due to upgradation of the feeder schools, presence of private schools in the same vicinity and lack of infrastructure.

Infrastructure

2.2.13 To achieve the objective of imparting quality education, existence/creation of infrastructure such as classrooms, desks, benches, toilets, playgrounds etc. are essential in every school. Test check of records relating to these facilities in the six districts revealed that there was shortage of infrastructure in the schools as detailed in **Table 2.22**.

Table 2.22: Position of infrastructure in the schools in test-checked districts

Name of District	Total number of schools	No. of schools having shortage of desks	No. of schools having shortage of class rooms	No. of schools having no play ground	No. of schools having no/improper toilet facilities
Amritsar	195	44	188	53	45
Fatehgarh Sahib	76	45	--	--	--
Gurdaspur	247	110	8	--	30
Ludhiana	329	--	--	74	--
Mansa	102	27	--	27	--
Ropar	91	--	80	--	43
Total	1040	226	276	154	118

Source: DEOs

**Shortage of desks,
class rooms and other
basic amenities in the
schools**

Above data revealed that 22 per cent of the total schools in the six districts had shortage of desks; 27 per cent of the schools did not have enough class rooms; 15 per cent of the schools had no play ground and in 11 per cent of the schools there were no or only improper toilet (not covered and no water supply) facilities. In the test checked 148 schools in six districts the position was as given in **Table 2.23**.

Table 2.23: Position of infrastructure in the test-checked schools

Name of district	Total No. of schools	No of test-checked schools	No of schools having shortage of desks	No. of schools having shortage of class rooms	No. of schools having unsafe building	No. of schools having no play ground
Amritsar	195	15	7	4	5	5
Fatehgarh Sahib	76	14	9	--	--	--
Gurdaspur	247	39	24	15	7	3
Ludhiana	329	50	3	5	3	1
Mansa	102	15	13	8	2	--
Ropar	91	15	11	5	3	1
Total	1040	148	67	37	20	10

Source: Test checked schools

Data in the **Table 2.23** and **Appendix 2.9** revealed that:

- in 67 (45 per cent) schools, there was shortage of desks;
- in 37 schools (25 per cent), there was shortage of classrooms and
- 20 schools (14 per cent) were functioning in unsafe buildings.



GSSS Wādala Granthian, Gurdaspur district and GSSS Tajpur, Ropar district had unsafe buildings and improper toilet facilities respectively



GSSS Wādala Granthian and GSSS Nangal Bhur in Gurdaspur district are some of the schools which had shortage of class rooms and desks

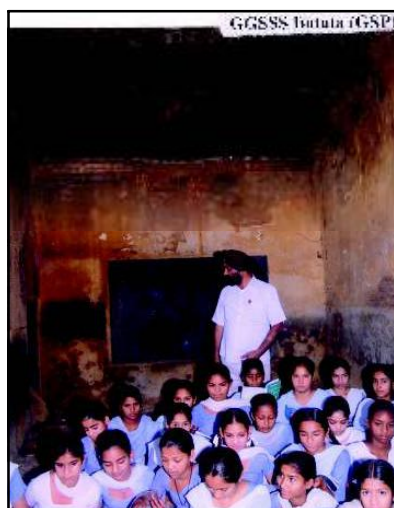
Thus, in the era of modernization and the country aspiring to become knowledge hub of the world, absence of the above mentioned infrastructural facilities resulted in denial of basic and conducive environment to the students for learning.

In the exit conference held in October 2010, the DGSE stated that gaps would be covered at the earliest.

Functioning of the schools in unsafe buildings

One hundred and fifty schools were functioning in unsafe buildings in three districts

2.2.14 In three out of the six test-checked districts, 150⁴² school buildings had been declared unsafe by the PWD authorities, but the schools/classes were still running in the same buildings exposing the students to the risk of any mishap apart from breeding insecurity among the students.



Schools having unsafe buildings

On this being pointed out, it was stated by the DEOs that the matter would be taken up with the PWD authorities. The DGSE stated (October 2010) that the Department of School Education had made reference to the Public Works Department (B&R) to give their opinion on the condition of these buildings and on their report, these school buildings shall be taken up either for repair or for the construction of new buildings in a phased manner.

Programme Management

Non-achievement of targets of vocational education

2.2.15 Keeping in view the National Policy of Education (1986), the Government of India launched (1987-88) a centrally sponsored scheme of Vocationalisation of Education on sharing basis (75:25) between the Government of India and State Government. The main objective of the scheme was diversification of education opportunities so as to provide individual employability, to reduce mismatch between demand and supply of skilled manpower and to provide an alternative for those pursuing for higher education. The National Policy of Education stipulated that 25 per cent of

⁴² Amritsar:8, Gurdaspur:105 and Mansa:37.

students enrolled at secondary (11th and 12th) level classes, were to be diverted to different vocational courses such as Horticulture, Textile designing, Food preservation etc. The GoI stopped financial assistance from the session 1997-98 and thereafter the scheme was being run by the State Government.

Shortfall of 80 per cent in achievement of targets of vocational education

The details of total number of students required to be trained, actually trained and the shortfall during the period 2005-10 is given in **Table 2.24**.

Table 2.24: Shortfall in vocational training

Year	Total number of 11 th & 12 th class students in the State	Number of students to be trained	Number of students trained	Shortfall	Percentage of shortfall
2005-06	327976	81994	16924	65070	79.36
2006-07	344666	86166	15681	70485	81.80
2007-08	343450	85862	15681	70181	81.74
2008-09	377973	94493	21281	73212	77.48
2009-10	421912	105478	21138	84340	80.00
Total	1815977	453993	90705	363288	80.00

Source: Statistical abstracts of Punjab, DPI (SE) & DGSE

Against the target of 453993 students to be trained in vocational trades during the period 2005-10, only 90705 students were trained resulting in shortfall of 363288 students (80 per cent). Thus, the objective of vocational training which is essentially skill development was broadly not achieved.

On this being pointed out (October 2010), no reply was furnished by the DPI (SE) (October 2010).

Non-disbursement of stipend to the students

2.2.16 To encourage the students for enrollment in government schools, various types of scholarships are given to them. The funds are released by the Director, Welfare of Scheduled Castes and Backward Classes to DPI (SE). Position with regard to the budget allotment and expenditure thereagainst during 2008-10 is given in **Table 2.25**.

Table 2.25: Budget allotment, expenditure and coverage of students under various schemes

(₹ in crore)									
Sr. No.	Name of the scheme	Year	Demand	Budget Allotment	Expenditure	Excess(+) Saving(-)	No. of Students to be covered	No. of Students actually covered	Percentage of coverage
1	Special grant to SC	2008-09	0.30	0.24	0.03	(-)0.21	7534	1092	14.49
		2009-10	0.47	0.24	0.16	(-)0.08	15134	8735	57.72
2	SC Brilliant Students	2008-09	1.09	0.15	0.04	(-)0.11	2569	382	14.87
		2009-10	0.32	0.15	0.10	(-)0.05	9066	2074	22.88
3	Post matric exam fee	2008-09	1.00	1.00	0.80	(-)0.20	36890	28376	76.92
		2009-10	7.42	1.00	0.84	(-)0.16	59359	37978	63.98
4	Raj Vidayak Bhalai scheme	2008-09	21.09	10.50	10.50	Nil	996174	403732	40.53
		2009-10	22.09	10.50	10.45	(-)0.05	602562	379490	62.98
5	Post matric stipend Scheme OBC	2008-09	3.50	0.50	0.16	(-)0.34	23406	4525	19.33
		2009-10	2.57	0.50	0.43	(-)0.07	26381	3161	11.98
6	Stipend to denotified castes	2008-09	0.21	0.21	0.004	(-)0.21	2273	163	7.17
		2009-10	0.23	0.03	0.02	(-)0.01	1492	796	53.35
Total			60.29	25.02	23.53	(-)1.49	1782840	870504	48.83

Source: DPI (SE), Punjab

Short release of funds under various stipend schemes resulted in denial of assistance to students

Scrutiny of records revealed that against the total demand of ₹ 60.29 crore in respect of all the schemes for the period 2008-10, only ₹ 25.02 crore (41 per cent) was allotted resulting in short allotment of ₹ 35.27 crore. Out of ₹ 25.02 crore, the DPI (SE) could utilize ₹ 23.53 crore resulting in saving of ₹ 1.49 crore. From the above data, it is further evident that in the case of schemes at serial numbers 1, 2, 5 and 6 the coverage of students in the year 2008-09 was very low ranging from 7.17 to 19.33 per cent only resulting in denial of incentives to the needy students inspite of availability of funds with the department. On being pointed out (July 2010), the DPI (SE) stated (July 2010) that the expenditure was incurred less during 2008-09 and 2009-10 due to non-passing of bills by the treasuries on account of imposition of ban by the Government of Punjab. The reply is not acceptable as copy of the Government orders imposing ban, if any, was not produced to Audit.

Denial of benefits to the SC girl students for pursuing 10+2 education

2.2.17 In order to check the high drop out rate, to encourage higher education and increase literacy amongst the Scheduled Caste girl students at the Senior Secondary level, a scheme for providing encouragement award to the SC girl students who take admission in 11th class was framed (2007-08) by the Government of Punjab, Department of Welfare of Scheduled Castes and Backward Classes. Under the scheme, each SC girl of 11th class was to be provided a lump sum amount of ₹ 3000 every year. Apart from this, all SC girl students studying in 11th and 12th class would be provided bicycles free of cost if the facility of higher education is not available in their villages. The position of funds allocated/received and spent vis-à-vis the number of students covered is given in **Table 2.26**.

Table 2.26: Funds received, spent and coverage of students

(₹ in crore)						
Name of the scheme	Year	Approved outlay	Funds received	Funds utilized	No. of students to be covered	No. of students actually covered
Encouragement Award to S.C. girls for pursuing 10+2 education	2007-08	1.00	Nil	Nil	2500	Nil
	2008-09	1.00	0.50	0.38*	2500	2500
	2009-10	1.00	1.00	Nil	2500	Nil

@* ₹ 1500 per student

Non-release/short release of funds and non-passing of bills by the treasuries resulted in denial of the envisaged benefits to the SC girl students.

Scrutiny revealed that:

- (i) in the year 2007-08, though an outlay of ₹ one crore was approved by the Planning Department, no funds were released by the State Finance Department;
- (ii) in 2008-09, against the approved outlay of ₹ one crore, an amount of ₹ 0.50 crore was released. Out of which ₹ 0.38 crore were utilized by giving ₹ 1500 instead of ₹ 3000 per student resulting in denial of the balance benefit of ₹ 1500 to each student. The facility of bicycle to the students was also not provided due to non-passing of bills by the treasuries for ₹ 0.12 crore and
- (iii) in 2009-10, despite a budget provision of ₹ one crore, the intended benefit was not provided as treasuries had not passed the bills.

The reasons for non-release/short release of funds were called for from the Finance Department (September 2010) and Director, Welfare of Scheduled Castes and Backward Classes (September 2010). Reply was awaited (November 2010).

Denial of benefit of free text books to the SC girl students

2.2.18 Under the scheme of free text books launched in 2003-04, free text books were to be given to the SC girl students studying in 11th and 12th classes and belonging to the below poverty line category so as to relieve the parents/guardians of these students from the financial burden. The position of funds allocated/received and spent during 2005-10 is given in **Table 2.27**.

Table 2.27: Utilization of funds under the free text book scheme

(₹ in lakh)					
Name of the Scheme	Year	Approved outlay	Revised Outlay	Funds released	Funds utilized
Free text books to S.C. students studying in +1 & +2 classes (S.C. girl students living below poverty line)	2005-06	30.00	--	Nil	Nil
	2006-07	50.00	0.10	Nil	Nil
	2007-08	80.00	--	12.50	4.29
	2008-09	80.00	55.18	Nil	Nil
	2009-10	80.00	56.53	56.53	Nil
Total		320.00	111.81	69.03	4.29

Source: Director, Welfare of Scheduled Castes and Backward Classes

The data in **Table 2.27** reveals that:

Non/short release of funds and non-passing of bills by treasuries resulted in depriving the facility of free books to SC girl students

- (i) in the years 2005-06, 2006-07 and 2008-09, no funds were released by the Finance Department despite budget allocation;
- (ii) in the year 2007-08, against the approved outlay of ₹ 80 lakh, only ₹ 12.50 lakh (16 *per cent*) were released. Out of which ₹ 4.29 lakh (34 *per cent*) only were spent and the balance amount of ₹ 8.21 lakh was not cleared by the Finance Department and
- (iii) in 2009-10, the Finance Department released ₹ 56.53 lakh (71 *per cent*) out of the approved outlay of ₹ 80.00 lakh, which could not be utilized as the bills were not cleared by the treasuries.

Thus, it is evident that out of the approved outlay of ₹ 3.20 crore, funds of ₹ 4.29 lakh (one *per cent*) only were actually utilized during 2005-10 thereby depriving SC girl students of the facility and defeating the very purpose of the scheme.

The reasons for non-release/short release and non-utilization of funds were called for from the Finance Department and the Director, Welfare of Scheduled Castes and Backward Classes, their replies were awaited (November 2010).

Non-utilization of grant due to non-appointment of Hindi and Urdu teachers

2.2.19 The Centrally Sponsored Scheme of "Appointment of Language Teachers" provided for appointment of Hindi teachers in non-Hindi speaking states, Urdu teachers in the schools of those districts which have a significant

minority population and Modern Indian Language teachers to teach a third language in the schools of Hindi Speaking States/UTs.

Non-appointment of Hindi and Urdu teachers under the scheme led to non-utilisation of GoI grant

Scrutiny of records in the office of DGSE (August 2010) revealed that GoI sanctioned (November 2009) ₹ 7.47 crore for appointment of 1168 Hindi teachers and ₹ 10.38 lakh for appointment of 42 Urdu teachers in the State and the grant was to be utilized by 31 March, 2010. The amount was drawn by the DGSE, Punjab during February and March 2010 and kept in the bank un-utilized (July 2010).

On being pointed out (August 2010), the DGSE stated (October 2010) that appointment of 455 Hindi teachers had been done in July 2010. However, the fact remains that there would be still 713 vacancies in the cadre of Hindi teachers and no appointment has been made against the 42 vacancies of the Urdu teachers.

Other points of interest

Keeping of Government money outside the Government Account

2.2.20 Rule 2.10(b)(v) of the Punjab Financial Rules, Volume I provides that no money should be drawn from the treasury unless it is required for immediate disbursement.

Scrutiny of records revealed that an amount of ₹ 84.46 lakh was released to the Land Acquisition Officer (LAO) in April 2005 by DPI (SE) towards the award announced by the LAO for the land acquired for Government Girls Senior Secondary School, Putlighar, Amritsar. ₹ 49.72 lakh were disbursed by the LAO to the land owners and the balance amount of ₹ 34.74 lakh was returned by the LAO (December 2005) to the DEO (SE), Amritsar with whom the funds are still lying (October 2010) in the form of demand draft on the plea that court case was pending for enhancement of the compensation amount. Drawal of money and keeping in the form of demand draft outside the government account was against the Financial Rules.

On being pointed out (December 2009) it was stated by DPI (SE) that the court case was pending for enhancement of compensation and the amount would be utilized as per orders of the court. Reply is not tenable as ₹ 34.74 lakh was kept in the form of demand draft out of Government accounts. The financial rules clearly stated that no money should be drawn from the treasury unless it is required for immediate disbursement.

Non-disposal of unserviceable store articles

2.2.21 Rule 15.3 of the Punjab Financial Rules, Volume I provides that unserviceable articles should be disposed of immediately to avoid further deterioration of the articles and the revenue earned should be credited into the government account.

Unserviceable store articles valuing ₹ 6.10 lakh were awaiting disposal since 1988 in 23⁴³ out of the 148 test-checked schools in the six districts. Non-disposal of the unserviceable store articles pending for a long period would result in further deterioration of the articles.

On this being pointed out (October 2009 to May 2010), the school heads stated (October 2009 to May 2010) that necessary action would be taken and the amount would be deposited into the government account.



GSSS Wadala Granthian in Gurdaspur district is one of the schools, where unserviceable articles remain undisposed

Failure to conduct physical verification of store/stock

2.2.22 Rule 15.16 of the Punjab Financial Rules, Volume I provides that physical verification of all store and stock should be made at least once in a year.

In 60⁴⁴ out of the 148 test-checked schools in six districts, physical verification of store/stock was not conducted since 1998. In the absence of physical verification, the correctness of the store and stock could not be ascertained.

On this being pointed out in audit (January 2010 to May 2010), the school authorities admitted (October 2009 to May 2010) the omission and promised to make compliance.

Non-reconciliation of deposits and withdrawals

2.2.23 Rules 2.2(v) and 2.31(a) of the Punjab Financial Rules, Volume I provide that every DDO should reconcile the figures of deposits and withdrawals with treasury every month. Audit observed that no reconciliation of deposits of ₹ 70.67 lakh by 71 schools during 2005-10 was done and withdrawals of ₹ 291.84 crore by 88 schools since 2005-06 in the six test checked districts was carried out. On being pointed out (October 2009 to

⁴³ Amritsar:3, Fatehgarh Sahib:3, Gurdaspur:5, Ludhiana:7, Mansa:1 and Ropar:4.

⁴⁴ Amritsar:8, Fatehgarh Sahib:1, Gurdaspur:20, Ludhiana:14, Mansa:6 and Ropar:11.

May 2010), the heads of schools stated (October 2009 to May 2010) that reconciliation would be done. These deficiencies have the risk of misappropriation of government money.

Monitoring and Evaluation

2.2.24 As per the Punjab Education Policy 2002, there will be a 'Jan Sampark Abhiyan' every year for one week when all officers of the State and district education administration will visit schools/villages for on the spot evaluation of existing facilities, redressal of students/teachers problems and to meet community leaders for their assessment of school education and their suggestions. The Directorate will prepare a comprehensive report on the outcome of 'Jan Sampark Abhiyan' each year incorporating the assessment, suggestions received and action taken in this regard.

Scrutiny of records of DPI (SE) revealed that no such Abhiyan was held by the department during 2005-10.

Conclusion

2.2.25 The Performance Audit of secondary education in the State disclosed that funds released for various schemes during 2005-10 were far below the budgetary provisions and were grossly under utilised. The State Government also did not utilize ₹ 124.58 crore of Government of India funds released during the said period. The short release and under utilization of the released funds adversely affected the programmes.

Twenty two *per cent* of the schools in the six test-checked districts had shortage of desks and 27 *per cent* of the schools did not have enough class rooms besides the other basic requirements such as play grounds, toilets etc. The objective of imparting vocational training to the students of classes 11th and 12th was broadly not achieved.

The pass percentage in the 12th class was stagnating during 2005-10 implying scope for improvement in the standard of education. On account of large number of vacancies of teachers, irrational deployment of the available staff, shortage of basic educational infrastructure and lack of appropriate learning environment, decrease in enrollment at the secondary school level in some schools cannot be ruled out.

Schemes formulated for the students of Scheduled Castes and Other Backward Classes in the form of cash incentive, encouragement award and distribution of free text books were not properly implemented resulting in denial of benefits to these classes.

Recommendations

The State Government needs to:

- ensure full and timely release of funds and utilization of the same for effective and timely implementation of the various schemes;
- fill up the vacancies of the teaching staff and rationalize deployment of the available staff on need basis;
- overtake gaps in basic infrastructure such as class rooms, furnitures, toilets, safe buildings etc. to modernize the schools and
- identify the chronically poor performing schools and take measures to improve them and strengthen vocational training to the students as envisaged in the scheme.

The matter was referred to the Government in July 2010; reply has not been received (November 2010).