

OVERVIEW

This Report contains results of performance audit of (i) Activities of the National Library, India (ii) Reimbursement of medical claims to pensioners under CGHS and (iii) Payment of Claims under Transport Subsidy Scheme.

MINISTRY OF CULTURE

Activities of the National Library, India

The National Library of India aims at preserving the cultural heritage of India through acquisition and conservation of all significant material produced and printed in India also foreign material required by the country. The library also renders bibliographical and documents services of current and retrospective material and also assists in research in various fields of knowledge. It also serves as a permanent repository of all reading materials produced in India and concerning India, wherever published. It functions under the Ministry of Culture, Government of India. A performance audit of the Library was conducted covering the period from 2003-04 to 2007-08.

The performance audit revealed that due to weak internal controls, absence of work norms and lack of automation, the Library has not been able to keep pace with the times in providing efficient readership services to the people. The quality of readership services provided by the National Library does not meet the requirement of modern-day readers. No centralized digital catalogue exists to enable efficient direct search.

The preservation and conservation practices of the Library are old and inadequate to preserve and protect the life of the precious books. Rare books and manuscripts in the library are not documented and accessioned properly, making them vulnerable to loss and theft. Periodic physical verification of the books is not conducted and therefore the actual number of books/documents in the possession of the library is not known. The digitization of books remained incomplete for want of supervision and monitoring. Out of an estimated 25 lakh books in the library, in the last nine years, the Library could digitize only 9141 books.

The Library is not well equipped and prepared for emergency situations like fire etc. to face emergency fire incidents. The fire extinguishers, mounted in different locations of the Library, had not been serviced and recharged for over five years. Security arrangements in the library are not adequate.

Though the Library is legally entitled under the Delivery of Books and Newspapers (Public Libraries) Act, 1954, to receive a free copy from the publisher of every publication in India, this provision of the law was not complied with by a majority of Indian publishers. Although the Library was aware of such significant default, the government had not initiated suitable penal action under Section 5 of the Act. The repository services of the Library, so far as collection of all significant printed materials produced in the country is concerned, is thus seriously frustrated. Moreover, there is lack of transparency in the procedure regarding purchase of foreign books and journals. There are significant delays in processing unprocessed books in the Library affecting timely availability of contemporary books to the readers.

MINISTRY OF HEALTH AND FAMILY WELFARE

Reimbursement of medical claims to pensioners under CGHS

The Central Government Health Scheme (CGHS), covers 24 cities of the country and provides comprehensive medical care including indoor and outdoor treatment facilities to Central Government employees and civilian pensioners through a network of dispensaries, polyclinics, laboratories etc. In addition, CGHS refers, where necessary, cases to State/ Central Government hospitals and referral hospitals. CGHS also has a panel of private hospitals and diagnostic centres that are recognized for extending services to the CGHS beneficiaries. The recognized private hospitals and diagnostic centres are required to extend credit facility to the pensioners.

The performance audit of reimbursement of medical claims to pensioners disclosed that the CGHS had not stipulated any time frame for settlement of medical claims of pensioners. The system of reimbursement suffered from delays in settlement of medical claims to the pensioners. Inordinate delays were also observed in granting of permission by the CGHS authorities to pensioners for expensive/unlisted treatment procedures. In many cases, the permission applications were pending for more than two years.

The medical reimbursement procedures were not transparent. Except for Delhi, a formal system for communicating the status of reimbursement of medical claims to the pensioners was not in place in the CGHS covered cities audited.

The causes for delay in settlement of claims were indifferent handling of cases by the CGHS authorities resulting in claims and files getting misplaced; forwarding of claims by local CGHS offices to Director (CGHS), Delhi for unnecessary clarifications; lack of effective initial scrutiny of claims by CGHS authorities leading to avoidable correspondence at the time of processing of claims and inadequate monitoring and accountability procedures for negligent and insensitive disposal of claims.

The effectiveness of the system of credit facility by recognized private hospitals was hampered due to lack of awareness among pensioners about extension of credit facility and substantial reduction in the number of recognized private hospitals in recent years.

The system did not afford adequate opportunity to the pensioners for registering their grievances/complaints. The grievance redressal system was not functional in five out of eight cities audited.

The medical claim reimbursement system, therefore, needs to be improved.

MINISTRY OF COMMERCE & INDUSTRY

Payment of Claims under Transport Subsidy Scheme

The Government of India introduced the Transport Subsidy Scheme in 1971, with a view to promoting industrialization of hilly, remote and inaccessible areas. Under the scheme, transport subsidy on movement of raw materials and finished goods to and from designated railheads is allowed to industrial units located in selected areas.

The performance audit of payment of claims under the Transport Subsidy Scheme revealed that despite issue of detailed guidelines and instructions from time to time by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, there were significant systemic deficiencies and irregularities in the implementation of the scheme.

Procedures for pre-registration of units, periodic monitoring, physical inspection of units and receipt of information regarding movement of raw materials/finished goods, which were necessary to ensure the authenticity and genuineness of claims, were highly deficient. Audit scrutiny revealed numerous cases of non-compliance with the scheme guidelines and irregular/inadmissible payments. Cross check by audit of the details recorded in the

subsidy claims with those indicated in the records of other Departments (Vehicle Licensing, State Excise and Taxation, Sales Tax and Central Excise Departments) also revealed serious instances of fictitious and doubtful payments.

While the Ministry has accepted most of the recommendations made by audit for strengthening the implementation of the scheme, and indicated that it had issued necessary directions to the State Governments and implementing agencies, it is the Ministry's responsibility to ensure and verify actual compliance with these directions. This is particularly so, in view of the inadequate follow-up action on the previous audit findings on this scheme, even after eight years.

The Ministry needs to take a proactive role to ensure that leakages and irregular payments are minimised, so as to serve the scheme's larger objective of promoting industrialisation of hilly, remote and inaccessible areas.