

Chapter-5 Social Services

Various flagship programmes like Sarva Shiksha Abhiyan (SSA), National Rural Health Mission (NRHM), National Rural Drinking Water Programme (NRDWP), Total Sanitation Campaign (TSC), Old Age Pension Scheme, Integrated Child Development Scheme (ICDS) and Uttarakhand Decentralisation Watershed Development Programme (UDWDP) were implemented in the district. Out of these, three schemes namely NRHM, NRDWP and an externally aided project, namely UDWDP, were selected for detailed scrutiny and results thereof are discussed in this chapter.

Health Services

5.1 National Rural Health Mission

Government of India (GOI) launched (April 2005) National Rural Health Mission (NRHM) for providing accessible, affordable, accountable, effective and reliable health care facilities in the rural areas with community participation. In Uttarakhand it was launched in October 2005.

In Nainital, the programmes were to be implemented through District Hospitals (Male & Female), five sub district Hospitals¹², four Community Health Centres (CHCs), 19 Primary Health Centres (PHCs), 136 Sub Centres (SCs). Of these, one district hospital, four sub district hospitals, one CHC, four PHCs and 24 Sub Centres were selected for test-check. The implementation of various Disease Control Programmes (DCPs) were to be supervised by the respective heads of the DCPs.

The District Health Mission (DHM) under the Chairperson, Zila Parishad (ZP) was the apex body at the district level to control, guide and manage all public health institutions in the district. The District Health Society (DHS) was to prepare the annual plans and proposals for consideration and approval of DHM. The Chief Medical Officer (CMO) headed the executive body of DHS.

5.1.1 Planning

As per guidelines, the Perspective Plan was required to be prepared for the entire mission period (2005-12). It was observed that no such plan was prepared and the fact was also confirmed by the DHS (June 2012).

5.1.1.1 District Health Society (DHS)

The Governing body of the DHS was required to meet at least once in every three months as envisaged in the bylaws to provide valuable inputs, monitoring, framing policies and guidance for the preparation and implementation of Annual Working Plans.

¹² Including one Base Hospital

Although DHS was registered in December 2005 but its registration had not been renewed since July 2007. It was further seen that the Governing Body of the DHS, Nainital did not meet as per bylaws. Against the total of 20 meetings required, only six meetings were held during the period 2007-08 to 2011-12. On this being pointed out, the facts were confirmed (June 2012) by the DHS but failed to provide any reasons for not holding the meetings. Thus, the scheme lacked valuable inputs, monitoring and guidance from the said body.

5.1.1.2 District Health Action Plan

The District Health Action Plans (DHAPs) were required to be prepared on the basis of the Village and Block Health Action Plans (BHAPs) and approved by the District Health Mission¹³ (DHM) before submission to the State Health Society (SHS).

Audit scrutiny revealed that in all the five years, the DHAPs were prepared without receipt of Village and BHAPs and were submitted to the State Health Society without approval of DHM. No DHAP was provided to audit for the year 2007-08.

5.1.1.3 Institutional arrangements for monitoring

Monitoring and planning committees¹⁴ at district, block and PHC levels to ensure regular community based monitoring of activities and facilitating relevant inputs for integrated planning covering other determinants of health like drinking water, sanitation *etc.* had not been formed.

5.1.1.4 Community participation

The mission activities were to be converged with programmes of other departments and working of non-government stakeholders, Village Health and Sanitation Committees (VHSCs) and *Rogi Kalyan Samities* (RKSS) or *Chikitsa Prabandhan Samities* (CPSs). As per guidelines, VHSCs and RKSSs/ CPSs at village and CHC levels were to be formed by 2008 and 2009 respectively for planning and monitoring.

Scrutiny revealed that 1,078 VHSCs¹⁵ were formed against 1,082 revenue villages in the year 2009-10, with a delay of upto two years, due to late approval accorded by the State Government. Further, funds of ₹ 1.09 crore in 2009-10 could also not be utilized by the VHSCs due to its late release¹⁶ by DHS.

¹³ Zila Panchayat Adhyaksh, District Magistrate as convener and all relevant departments, NGOs, private professionals *etc.*

¹⁴ District Committee: 30 *per cent* members of Zilla Parishad members, 25 *per cent* health officials, 15 *per cent* members of Block health committees, 20 *per cent* NGOs/ eminent citizens, and 10 *per cent*-members of CHCs RKSSs.

Block Committees: 30 *per cent* members of Block Panchayat, 20 *per cent* members of PHC health committees, 20 *per cent* NGOs/ eminent citizens, 20 *per cent* health officials and 10 *per cent* members of PHCs/ RKSSs.

PHC Committee: 30 *per cent* members of Panchayat Samities, 20 *per cent* members of village health sanitation committees, 20 *per cent* NGO/ eminent citizen, 20 *per cent*- health officials.

¹⁵ Reduced to 1,071 in 2010-11.

¹⁶ January and February 2010.

Thus, due to delay in formation of the VHSCs and late release of funds, the villages were not only deprived of untied grants of ₹ 10,000 each but the role of VHSC in taking initiative for nutrition; sanitation; and Information, Education & Communication (IEC) activities and other public health measures also remained unfulfilled for more than two years. However, RKSs/ CPSs in all four CHCs were formed well in time.

5.1.2 Financial Management

The details of funds available and expenditure incurred under NRHM during 2007-08 to 2011-12 in the district is shown in **Table 5.1** below:

Table 5.1: Funds available and expenditure incurred under NRHM during 2007-08 to 2011-12

(₹ in crore)

Year	Available fund (includes CB and interest) ¹⁷	Expenditure	Unspent at the close of year	Expenditure (Per cent)
2007-08	4.17	3.07	1.10	74
2008-09	7.60	5.92	1.68	78
2009-10	10.75	6.38	4.37	59
2010-11	14.03	11.14	2.89	79
2011-12	15.67	11.12	4.55	71

Source: CMO, Nainital

The above table shows that utilisation of NRHM funds was 59 to 79 per cent of the total available funds during 2007-12, leaving an unspent balance of ₹ 4.55 crore at the close of March 2012. Further, it was observed that out of ₹ 3.22 crore released to VHSCs during 2009-10 to 2011-12, utilisation certificates of ₹ 1.80 crore remained pending as of June 2012 and yet the entire amount was booked as final expenditure in the books of accounts.

5.1.2.1 Irregular release of funds

A State Level Training Centre at Motinagar, Haldwani costing ₹ 2.88 crore was approved on 23 November 2006. Records revealed that even after incurring an expenditure of ₹ 3.50 crore, the centre had not been completed (June 2012) despite scheduled date of completion being December 2010. Further, scrutiny revealed that estimates of the building were submitted for revision¹⁸ twice during the period 2009-10 and 2010-11. However, the Department, in anticipation of approval of the revised estimates, irregularly released (February 2010) ₹ 75 lakh in excess of the approved estimates.

5.1.2.2 Blockade of funds

An amount of ₹ 6.80 lakh¹⁹ released for the construction of a residential building of G.B.Pant Hospital, Nainital was lying unutilized in the current account of CMO, Nainital since 2007 due to failure of the Director, Medical Health and Family Welfare in finalizing the construction agency.

¹⁷ Mismatch in opening and closing balance of 2008-09 and 2009-10.

¹⁸ Ist revised estimate on March 2010 for ₹ 3.78 crore and IInd in October 2010 for ₹4.12 crore.

¹⁹ Excludes ₹ 20 thousand utilized on survey work.

5.1.3 Infrastructure

5.1.3.1 Status of Health Centres

As per census 2011, the total population of the district was 9.55 lakh. Out of this, 5.83 lakh (61 per cent) population was rural. Accordingly, a total of 194 SCs, 29 PHCs and seven CHCs were required²⁰ to be set up in the district. The status of the infrastructure at the end of 2011-12 against the requirement is depicted in **Table-5.2** below:

Table 5.2: Shortfall in Health Centres

Name of Health Centres	Requirement	Available	Shortfall
Community Health Centre	07	04	03
Primary Health Centre	29	19	10
Sub-Centre	194	136	58

As can be seen from the above table there was shortage of 58 Sub-Centres, 10 PHCs and three CHCs in the district as of March 2012.

In order to reduce the gaps in the number of CHCs, upgradation works of four PHCs/ additional PHCs²¹ into CHC were taken up between 2004 and 2006 and the construction works of the same were completed²² between 2008 and 2012. Audit scrutiny revealed that these centres were not functioning as CHCs (as of March 2012) due to non-sanctioning of requisite staff for these CHCs.

5.1.3.2 Basic minimum infrastructure at CHCs/ PHCs/ SCs

Test-check of one CHC, four PHCs and 24 Sub-Centres showed deficiencies in infrastructure and basic health care facilities as can be seen in **Table 5.3** below:

Table 5.3: Deficiency in the availability of infrastructure and basic health care facilities in Health Centres

Particulars of infrastructure						
Availability of infrastructure facilities in the test checked health centres	CHCs		PHCs		SCs	
	1	%	4	%	24	%
(i) Status of Infrastructure	Centres where services was not available					
Labour Room	-	-	-	-	18	75
Separate ward for men and women	-	-	2	50	NA	NA
Operation theatre	-	-	-	-	NA	NA
Residential facilities for staff	-	-	1	25	8	33
Government Building	-	-	-	-	8	33
Power supply	-	-	-	-	7	29

²⁰ One SC for 3,000 population, one PHC for 20,000 population and one CHC for 80,000 population.

²¹ Main buildings of PHC, Bhimtal, Add. PHC Ramgarh, Suyalbari & Kaladungi.

²² PHC, Bhimtal in 2010, Add. PHC Ramgarh in October 2008, Suyalbari in June 2011 & Kaladungi in 2011-12.

Water Supply	-	-	-	-	13	54
No provision of storage of water	-	-	2	50	24	100
Separate utilities for men and women	-	-	2	50	20	83
Nurse Rest Room	-	-	2	50	NA	NA
(ii) Basic health care services						
New born care	-	-	-	-	NA	NA
24X7 deliveries	-	-	-	-	NA	NA
Intra- natal examination of gynaecological conditions	-	-	2	50	NA	NA
Cataract Surgery	-	-	3	75	NA	NA
Family planning (Tubectomy and Vasectomy)	-	-	-	-	NA	NA

*Source: Result of survey and health centres records
NA-Not applicable and (-) stands for having facility*

The following deficiencies were also noticed in the health centres:

- In the sampled CHC, operations were not conducted despite the presence of Operation Theatre (OT) as no Anaesthetist was posted in the Health Centre.
- The Operation Theater of the CHC was not equipped with items like Cardiac Monitor, Ventilator, EMO Machine, Vertical High Pressure Sterilizer, Shadow less Lamp for Ceiling Track Mounted, Defibrillator, OT care/ fumigation apparatus and Horizontal High Pressure Sterilizer. Further, the CHC had X-ray Machine but it was also non-functional since August 2011 due to non-posting of X-Ray technician in the health centre (June 2012).
- PHC, Bailparao (Ramnagar) was provided X-ray machine and Semi Auto Analyzer worth ₹ 3.24 lakh in March 2005 and July 2005 respectively but these equipments were non-functional (July 2012) due to non-availability of X-ray and lab-technician.

5.1.3.3 Maintenance of cold chain storage

Cold chain management was to be ensured in all the CHCs and PHCs to support the immunization programme. Availability of cold chain was a prerequisite to maintain the potency of the vaccines. Test-check of records of Dy. CMO, Immunization revealed that out of 1830 pieces²³ of cold chain equipments such as large Ice Line Refrigerators (ILR), Deep Freezers (DFs), stabilizers, cold boxes and vaccine carriers, only 1233 items were functional and 597 items were non-functional in the district as of June 2012. Scrutiny of records further revealed that five cold chain points²⁴ were partially functional due to damaged ILRs and Deep freezer. Annual maintenance contract for maintaining the cold chain equipments was not done in the district. Further, only one refrigerator mechanic was available for the maintenance of the cold chain. The Dy. CMO, Immunization stated (July 2012) that demand had been placed to the State Immunization Officer for replacement of damaged cold chain equipment and the process for Annual Maintenance Contract (AMC) of the equipments will be initiated.

²³ Excludes Ice Packs.

²⁴ Kania, Motahald, Chorgaliya, Ramgarh and Lalkuan.

5.1.4 Human Resources

5.1.4.1 Insufficient Doctors in CHCs and PHCs

As per Indian Public Health Standards (IPHS) norms, seven specialist doctors *viz.* Physician, General Surgeon, Obstetrician/ Gynaecologist, Paediatrician, Dentist, Anaesthetist and Eye Surgeon were to be posted at each CHC and two Medical Officers at each PHC.

Test-check of records of CMO revealed the following:

- Out of four CHCs, two were not having Paediatricians, two were not having General Surgeons and two were not having Gynaecologists. No Anaesthetist, Eye Surgeon or Physician were provided to any CHCs (March 2012). In the test checked CHC no Anaesthetist, Physician, Paediatricians or Eye Surgeon were posted.
- Eleven out of 19 PHCs/ Additional Primary Health Centres had only one Medical Officer (MO) while two²⁵ had no MO posted (March 2012). All four test checked PHCs were provided with two medical officers as per IPHS norms.

5.1.4.2 Deployment of Staff Nurse and ANM

As per IPHS norms, nine staff nurse in each CHC, three Staff nurse in each PHC and 2 ANMs in each Sub-Centre was required to be posted. Audit noticed that the sanctioned strength to these health centres were not provided as per IPHS norms. Against the required sanctioned strength of 93 Staff Nurses in four CHCs and 19 PHCs/ APHCs and 272 ANMs for 136 SCs only 39 regular posts of staff nurse and 173 ANMs were sanctioned in the district. It was further noticed as under:

- None of the CHCs were provided with the required nine Staff Nurses. In the test checked CHC, three staff Nurses were posted as against the required nine.
- Twelve out of 19 PHCs/ Additional PHCs did not have any Staff Nurse. Three staff nurses in each test checked four PHCs were posted as per IPHS norms.
- Two out of five PHCs²⁶ working as 24x7 with delivery facility did not have three Staff Nurses.
- Only 19 SCs out of total 136 SCs were provided with two ANMs. Out of the test checked 24 SCs only one SC was having more than one ANM posted.

5.1.5 Performance Indicators

Eleventh Five Year Plan and NRHM had a time bound goal to be achieved by 2011–12 for the following indicators.

- Reducing Maternal Mortality Rate (MMR) to 100 per 1,00,000 live births.
- Reducing Infant Mortality Rate (IMR) to 28 per 1,000 live births.
- Reducing Total Fertility Rate (TFR) to 2.1.

²⁵ Add. PHC, Unchakot and Add. PHC Josuda.

²⁶ PHC Okhalkanda and Dhari.

NRHM had launched a number of initiatives such as safe motherhood through Ante-Natal Care (ANC), immunization and family planning to reduce MMR, IMR and TFR. However, it was observed that targets for MMR and IMR could not be achieved as discussed in the succeeding paragraphs.

5.1.5.1 Antenatal Care of pregnant women

In order to provide safe motherhood, pregnant women were to be registered and provided with three antenatal checkups, 100 days intake of Iron Folic Acid (IFA) tablets to protect pregnant women from anaemia and two doses of Tetanus Toxoid (TT). The detail of antenatal care provided to pregnant women during 2007-12 is shown in **Table 5.4** below:

Table 5.4: Position of antenatal care

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Registered pregnant women	20,598	20,785	20,794	20,854	20,870	1,03,901
Provided with three ANC's	NA	18,811 (91%)	17,232 (83%)	17,104 (82%)	17,881 (86%)	71,028
Provided two doses of TT	19,321 (94%)	19,743 (95%)	20,561 (99%)	20,457 (98%)	20,672 (99%)	1,00,754
Provided with 100 IFA tablets ²⁷	8,910 (43%)	3,138 (15%)	13,049 (63%)	15,923 (77%)	2,660 (13%)	43,680

Source: CMO, Nainital

As can be seen from the above table, the administration of two doses of Tetanus Toxoid (TT) had almost been achieved. The marginal difference was justified by Dy CMO, Immunization on account of migrations and pregnant women preferring to go to their maternal place for better care.

In the records of the CMO, the overall shortfall in providing ANC to pregnant women was 9 to 18 *per cent* and in respect of IFA the shortfall was 23 to 87 *per cent*. Audit observed that the main reason for shortfall in providing IFA was non-availability of adequate stock of IFA in the Central Medical Store Department.

As per Annual Health Survey, 2011 of Registrar General of India, the district had not achieved target of Maternal Mortality Rate and Infant Mortality Rate which stood at 183 and 31 respectively.

5.1.5.2 Institutional deliveries

One of the important interventions of the Reproductive and Child Health (RCH) programmes were to promote institutional delivery rather than domiciliary delivery in order to reduce maternal mortality and neo natal mortality. The detail of total deliveries carried out in the district during 2007-12 is given in the **Table 5.5** below:

²⁷ Excludes pregnant ladies given initial dose of IFA.

Table 5.5: Position of institutional delivery in the district

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12
Total deliveries (TD)	16,796	17,847	17,203	16,330	15,542
Institutional deliveries (ID)	6,295	7,874	9,006	9,318	9,835
Per cent of ID against TD	37	44	52	57	63
Per cent of Domiciliary deliveries against TD	63	56	48	43	37

Source: CMO Nainital

The above table shows that there is a continuous increase in institutional deliveries which is appreciated.

5.1.5.3 Janani Suraksha Yojana

Janani Suraksha Yojana (JSY) was introduced under NRHM to encourage pregnant women to opt for institutional delivery by providing cash assistance of ₹ 1,400 and ₹ 1,000 to mothers in rural and urban areas respectively and ₹ 600 to Accredited Social Health Activist (ASHA). This assistance was to be provided within seven days of the delivery.

Records of the test checked PHCs revealed that payments to 611 beneficiaries were made with the delay ranging from one to six months. No payments were made in 17 cases during the period 2008-09 to 2011-12. No initiative was taken by the Medical Officers in-charge (MOIC) to make payment to these 17 beneficiaries. The MOIC, while accepting the facts, attributed (June 2012) the delay to non-availability of funds under JSY and delay in submission of requisite papers by the beneficiaries.

In the exit conference, the Chief Medical Officer while accepting the fact stated that action will be taken for early release of payments to these 17 beneficiaries.

5.1.5.4 Administering Vitamin A

In the district, there was a shortfall in achievement of target fixed for administering the first dose of Vitamin A. The shortfall ranged between 8 and 92 per cent during the period 2007-08 to 2011-12 as can be seen in the **Table 5.6** below:

Table 5.6: Administering Vitamin A

Year	Target	Achievement (per cent)
		1 st Dose
2007-08	18,968	5,388 (28%)
2008-09	18,371	1,460 (8%)
2009-10	19,500	17,015 (87%)
2010-11	19,143	17,573 (92%)
2011-12	18,905	8,462 (45%)

Source: CMO Nainital

As can be seen from the above table, the targets were not achieved in any of the years. On this being pointed out, the Dy. CMO, Immunisation attributed the shortfall in achievement to the shortage of Vitamin A. Audit observed that the targets were not achieved despite availability of stock of Vitamin A during the period 2009-10 to 2011-12.

5.1.5.5 Health and Family Welfare

Terminal Methods and Spacing Methods are used to control the total fertility rate and improving the couple protection ratio. The detail of targets and achievement during 2007-12 under these methods is given in the **Table 5.7** below:

Table No 5.7: Targets and Achievement under Terminal and Spacing Method

Year	Terminal Method		Spacing Method (IUD)	
	Target	Achieved (<i>per cent</i>)	Target	Achieved (<i>per cent</i>)
2007-08	2,805	2,865(102)	7,000	6,869(98)
2008-09	3,393	3,086(91)	7,490	7,000(93)
2009-10	3,009	2,707(90)	7,490	6,866(92)
2010-11	2,950	2,548(86)	7,078	7,144(101)
2011-12	3,100	2,587(83)	9,551	8,406 (88)

Source: CMO Nainital

As can be seen from the above table that targets in respect of total sterilization for the period 2008-09 to 2011-12 were never achieved and the achievement ranged between 83 and 91 *per cent*. The CMO stated (June 2012) that due to geographical conditions, shortage of doctors and prevalence of alternative modern contraceptives, the targets under sterilization could not be achieved.

As per Annual Health Survey, 2011 of Registrar General of India, the district had achieved the target of TFR by reducing it to 2.1, which is appreciated.

5.1.6 National Programme for Control of Blindness

5.1.6.1 Achievement of target

The National Programme for Control of Blindness (NPCB) aimed to reduce the prevalence of blindness to 0.8 *per cent* by 2007 through increased cataract surgery, eye screening of school children, collection of donated eyes, creation of donation centres, eye bank and strengthening of infrastructure *etc.*

Audit scrutiny revealed that the district had achieved the targets set for cataract surgery during the period 2007-08 to 2011-12 and the achievement ranged between 102 and 120 per cent which is appreciated.

5.1.6.2 Distribution of free spectacles

The programme envisaged screening of school children for refractive errors and free distribution of spectacles to the students having refractive errors. Out of 65,492 students screened in 825 schools of the district during 2007-12, 3,115 students were found with refractive errors and only 457 (15 *per cent*) students were provided with free spectacles. Further, the targets fixed for screening children for the year 2010-11 and 2011-12 were also not achieved. The CMO stated that the targets could not be achieved due to availability of only four Ophthalmic Assistants in eight blocks, geographical conditions of the district and long distances between the schools.

5.1.7 National Leprosy Eradication Programme

The National Leprosy Eradication Programme (NLEP) aimed at eliminating leprosy by the end of Eleventh Plan Period and to ensure that the leprosy prevalence rate is less than one per 10,000. The total number of leprosy patients undergoing treatment in the district during 2007-12 was 237 out of which 181 were identified during the last five years. The rate of prevalence of leprosy in the district during 2007-12, was 0.52, 0.25, 0.23, 0.22 and 0.23 per 10,000 population respectively.

The district achieved the goal of Leprosy elimination during the last five years, which is appreciated.

5.1.8 Ayurveda Yoga Unani Siddha and Homoeopathy

In Nainital District, thirteen Ayurveda Yoga Unani Siddha and Homoeopathy (AYUSH) wings were functioning in eleven PHCs and two CHCs against the sanctioned 14 wings under NRHM. The reason for non-functioning of one AYUSH wing was that Doctor and Pharmacist were not posted since January 2011.

5.1.8.1 Human resources for AYUSH

As per the guidelines, each wing of PHC was to be provided with one Doctor, one Pharmacist and one Ward Boy and each CHC with two Doctors, two Pharmacists and two Ward Boys to run the AYUSH wings.

Scrutiny of records of the District Ayurvedic and Unani Officer (DAO), Nainital revealed the following deficiencies:

- Two CHCs were provided with only one Doctor and one Pharmacist which was contrary to the guidelines.
- The appointments of Doctors and Pharmacist were made on contractual basis with a delay ranging from 6 to 33 months.
- AYUSH wings functional in two PHCs²⁸ were not provided with Doctors at all and were being run by Pharmacists since 2010.
- The agreements of deployed Doctors and Pharmacists were not renewed since March 2012. However, they were performing their duties without renewal of agreement till the date of audit (July 2012) which was highly irregular.

The DAO, Nainital stated (July 2012) that all the decisions related to the posting of staff and other matters, as pointed out by audit, were taken by the Director, Ayurvedic and Unani (DAU).

5.1.8.2 Creation of infrastructure

To provide adequate infrastructure to AYUSH wing, District Ayurvedic and Unani Officer (DAO), Nainital was directed (January 2008) by the DAU to prepare estimates at a cost of

²⁸ PHC, Okhalkanda since September 2010 & PHC, Kaladungi since July 2010.

₹ five lakh and ₹ three lakh for each functional CHC and PHC respectively for building repair, renovation, alteration and partitioning *etc.*

Scrutiny of records revealed that the estimates for construction of nine AYUSH wings were prepared and submitted by DAO (March 2008) to the DAU for sanction. No action was initiated by DAU on these estimates and the DAO resubmitted estimates for seven wings in June 2011. These estimates were yet to be sanctioned by the DAU and meanwhile the AYUSH wings were functioning with inadequate space.

In exit conference, the District Ayurvedic Officer stated that directions were issued to get estimates prepared from an authorized construction agency instead of Junior Engineer, Health Department. Further, it was also stated that the estimates of two wings could not be prepared due to non-availability of land for the said purpose.

5.1.8.3 Equipment lying idle

Audit scrutiny revealed that purchases of equipment and furniture for the AYUSH wings were made by the Directorate without any actual demand being received from them. Audit noticed that many equipment and furniture worth ₹ 6.87 lakh purchased by the DAU were lying idle as can be seen in the photographs below. On this being pointed out, the DAO and concerned MOIC of the AYUSH wings accepted (July 2012) the facts and attributed it to insufficient space and non-utility of some equipment²⁹ meant for emergency cases. Further, it was also noticed that two AYUSH wings³⁰ functioning since May 2010 were not provided basic furniture³¹ as demanded by them (April 2011 to 2012) which reflects that the purchasing were done without planning.



Partition kept unused at PHC Garam Pani



Nadi Shwedan Yantra kept packed at CHC Garam Pani

Recommendations

The State Government/ District Administration may consider to ensure:

- Equipping all health centres with adequate and skilled man power as per IPHS norms.
- Community involvement at every stage of planning, implementation and monitoring of the programme.

²⁹ Wheel chair, Dressing Drum, Sterilizer and Cylinder Trolley *etc.*

³⁰ Kaladungi and Suyalbari.

³¹ Doctors' table and chair, visitors chair *etc.*

Drinking Water

5.2 National Rural Drinking Water Programme

Accelerated Rural Water Supply Programme (ARWSP) was reintroduced with Rajiv Gandhi National Drinking Water Mission (RGNDWM) in 1991 with the following objectives:

- To ensure coverage of all rural habitations especially to reach the un-reached with access to safe drinking water.
- To preserve quality of water by institutionalising water quality monitoring and surveillance through a Catchment Area approach.

The ARWSP was renamed (April 2009) National Rural Drinking Water Programme (NRDWP) and its guidelines further envisaged:

- Delivery of services by the system for its entire design period of quality of water in conformity with the prescribed standards both at the supply and consumption points.
- To provide enabling environment for Panchayati Raj Institutions and local communities to manage their own drinking water sources and systems.
- To provide access to information through online reporting mechanism with information placed in public domain to bring in transparency, accountability and informed decision making.

Under NRDWP, GOI was to release funds for implementation of Rural Water Supply (RWS) schemes in the ratio of 50:50 i.e. the GOI was to provide an amount equal to the amount invested by the State Government. In the programme, 15 *per cent* of the allocation was earmarked for Operation and Maintenance (O&M) and 35 *per cent* was to be spent on the coverage of SC/ ST habitations.

In Nainital District, the schemes under NRDWP were implemented by three divisions³² of Uttaranchal Peyjal Sansadhan Vikas Avam Nirman Nigam (UJN). The completed multi village water supply schemes were handed over to Uttaranchal Jal Sansthan (UJS) for O&M. O&M of single village water supply schemes was the responsibility of Village Water and Sanitation Committee (VWSC) of GPs under supervision of the Rural Development Department (RDD).

5.2.1 Coverage of habitations

The target of the Eleventh Five Year Plan was to provide safe and potable water for all by 2009 and ensure that there were no slip-backs of habitations by the end of the Eleventh Plan. Audit scrutiny revealed that as on March 2012, out of 2,748 habitations of the district, 347 (SC-44; ST-2; Gen-301) remained partially covered. The details of partially covered habitations are depicted in **Table 5.8** below:

³² Construction Division, Peyjal Nigam, Bhimtal, Construction Division, Peyjal Nigam, Haldwani and Construction Division, Peyjal Nigam, Ramnagar.

Table 5.8: Coverage of Habitation

Total habitation	Fully covered as on		Number of partially covered habitations as of March 2012 disaggregated on population coverage percentage				
	April 2007	March 2012	Total	0-24	25-49	50-74	75-99
2748	1,852	2,401	347	113	192	18	24

Source: Divisional data and Integrated Management Information System (IMIS)

Further, it was noticed that 108 habitations slipped back from Fully Covered (FC) to Partially Covered (PC) during 2010-12 due to population migration, drying of source, less supply at delivery point and age of system *etc.* Thus, the target set under Eleventh Plan could not be achieved in the district.

The Executive Engineers (EEs) stated that all the habitations could not be covered due to non-availability of sufficient technical staff and higher per capita cost of the schemes.

5.2.2 Dovetailing of schemes under NRDWP

The Government of India (GOI) allowed (March 2008) the State Government to dovetail State sponsored Rural Water Supply (RWS) schemes with NRDWP with the following conditions:

- i. RWS schemes should be covering NC/ PC habitations;
- ii. RWS schemes should be ongoing; and
- iii. RWS schemes were to be selected after the approval of the State Level Scheme Sanctioning Committee (SLSSC) headed by the Chief Secretary, Government of Uttarakhand.

A total of 35 State RWS schemes {20 under Minimum Need Programme (MNP) and 15 under State Sector Rural (SSR)} were dovetailed with NRDWP. Out of these, 22 schemes pertained to sampled blocks of which ten schemes of 24 GPs were selected for detailed audit scrutiny. Test-check of the dovetailed schemes under NRDWP revealed the following:

- Five schemes³³ costing ₹ 3.61 crore were dovetailed even as these schemes were completed and handed over to Uttarakhand Jal Sansthan/ Gram Panchayat before March 2008. Out of these five schemes, two pertained to Fully Covered habitations. Besides, one schemes *viz.* Dabaliya rain water harvesting scheme costing ₹ 12.15 lakh was also dovetailed although it pertained to FC habitation.
- 13 State Sponsored RWS schemes costing ₹ 8.76 crore were not considered for dovetailing despite being ongoing schemes for which only ₹ 4.18 crore was released till March 2008.

The EEs accepted the above facts and stated that the decision for dovetailing of State RWS schemes was taken at the State level. The reply was not acceptable as the Managing Director, Uttarakhand Jal Nigam was also a member of the SLSCC.

³³ Kanakpur scheme (₹ 98.35 lakh), Dharampur Auliya scheme (₹ 82.15 lakh), Dhamola scheme (₹ 67.71 lakh), Titoli scheme (₹ 17.18 lakh) of CD, Ramnagar and Fatehpur part- I scheme (₹ 95.97 lakh) of CD, Haldwani.

5.2.3 Financial Management and control

The details of budgetary allotment and expenditure incurred on all the schemes under NRDWP during 2007-08 to 2011-12 is shown in the **Table 5.9** below:

Table 5.9: Allotment and Expenditure incurred (*₹ in crore*)

Financial year	Opening balance	Receipt	Total available funds	Expenditure	Closing balance
2007-08	3.56	9.30	12.86	6.37	6.49
2008-09	6.49	3.01	9.50	8.33	1.17
2009-10	1.17	0.94	2.11	2.97	(-)0.86
2010-11	(-)0.86	1.41	0.55	1.06	(-)0.51
2011-12	(-)0.51	3.90	3.39	3.09	0.30
Total		18.56		21.82	

Source: Divisional figures

During the period 2007-08 to 2011-12, 47 schemes against a total of 51 schemes were completed under NRDWP. An expenditure of ₹ 21.82 crore was incurred against the available funds of ₹ 22.12 crore on these schemes. No new schemes under NRDWP were sanctioned during 2007-10, while 35 RWS schemes were dovetailed with NRDWP in the year 2007-08 and three new schemes³⁴ under NRDWP were sanctioned by GOI in 2010-12.

5.2.3.1 Excess deduction of centage charges

As per the instructions issued by the State Government, departmental centage was to be charged/ deducted according to decided norms of 12.50 *per cent* of the basic cost of State sponsored RWS schemes. Scrutiny of four dovetailed schemes of sampled blocks³⁵ revealed that the divisions deducted excess centage charges amounting to ₹ 7.68 lakh against the norms as detailed in **Table 5.10** below:

Table 5.10: Excess deduction of Centage Charges (*₹ in lakh*)

Name of scheme	Sanctioned cost			Expenditure incurred on Centage charges	Excess Centage charges
	Basic cost	Centage charges	Total		
Motinagar part – I	88.48	11.06	99.54	12.44	1.38
Damuadunga part – II	88.74	11.09	99.83	12.34	1.25
Fatehpur part I	85.31	10.66	95.97	13.12	2.46
Kaniya chilkiya Zone A	88.47	11.06	99.53	13.65	2.59
Total	351.00	43.87	394.87	51.55	7.68

Source: Divisional figures

On this being pointed out, the EEs replied that expenditure incurred on the schemes was within the sanctioned cost. The reply was not acceptable as excess centage charges were deducted against the norms.

³⁴ CD, Haldwani was sanctioned two schemes in 2010-12 while Ramnagar was sanctioned one scheme in 2010-11.

³⁵ Bhimtal, Haldwani, Ramgarh and Ramnagar block.

5.2.3.2 Excess expenditure on Work Charged Establishment

In State Sponsored Schemes, provision for Work Charged Establishment (WCE) @ two per cent of the Basic Cost (BC) is included in the estimates.

While scrutinising the schemes of the selected blocks, it was noticed that an amount of ₹ 41 lakh was charged as WCE in excess of the norms as detailed in the **Table 5.11** below:

Table 5.11: Excess expenditure on work charged Establishment (₹ in lakh)

Name of scheme	Basic Cost (BC) as per sanction	Amount of WCE included in BC	Total WCE charged on BC	Excess WCE
Fatehpur part - II	88.71	1.68	6.39	4.71
Damuadunga part - II	88.74	1.69	2.50	0.81
Motinagar part II	88.22	1.67	5.73	4.06
Paniyali part II	88.72	1.68	3.77	2.09
Nathuakhan	183.11	3.64	19.48	15.84
Dungro-mungro	162.22	3.34	11.31	7.97
Mauna	35.40	0.65	3.77	3.12
Kulgad sirsa	35.41	0.65	2.18	1.53
Dharampur auliya	73.02	1.39	2.26	0.87
Total	843.55	16.39	57.39	41.00

Source: Divisional figures.

In exit conference, the Executive Engineer while admitting the facts stated that expenditure on WCE was incurred on actual basis. The reply was not acceptable as the WCE was charged beyond the prescribed limit of two per cent of the basic cost of estimates resulting in an excess expenditure of ₹ 41 lakh.

5.2.4 Programme Implementation

5.2.4.1 Physical progress of schemes

As per DPRs/ estimates, the State Sponsored schemes were to be completed within two years. It was noticed that the completion period of the schemes ranged between 20 to 83 months in 34 schemes out of 35 test checked schemes as can be seen in the **Table 5.12** below:

Table 5.12: Physical progress of schemes

Division	Plan	No. of Schemes	Sanction period	Range of completion period (in months)	Incomplete schemes
CD, Haldwani	MNP	06	2004-07	30 to 66	0
	SSR	01	2000-01	63	0
CD, Bhimtal	MNP	07	2004-07	20 to 65	0
	SSR	05	2005-07	29 to 68	1
CD, Ramnagar	MNP	07	2001-07	30 to 83	0
	SSR	09	2003-07	28 to 57	0

Source: Divisions records

The divisions admitted the facts and stated that schemes could not be completed in time due to delay in release of funds to the divisions by State Government/ MD, UJN.

5.2.4.2 Closing of accounts of schemes

As per departmental procedure, the executing divisions send Advice of Transfer Debit (ATD) to the Finance Director, UJN for closing of accounts of the scheme and after receipt of Advice of Transfer Credit (ATC) the accounts of schemes are closed.

Scrutiny of records of test checked divisions revealed that out of total 34 handed over schemes, accounts of only 27 schemes were closed with delay ranging from two to 59 months from the date of handing over of the schemes.

In the test checked Gram Panchayats, there was a delay in closing the accounts of eight schemes while the accounts of two schemes were still to be closed as indicated in the **Table 5.13** below:

Table 5.13: Delay in closing of accounts

Name of division	Name of schemes	Date of				Delay in months from	
		Sanction	Completion	Handing over	Closure of accounts	Completion	Handing over
Construction Division, Ramnagar	Dharampur Auliya	31.05.03	02/2006	03/2006	02/2011	59	58
	Gojani	22.09.03	06/2008	06/2009	03/2011	32	20
	Kaniya Zone 'A'	03.08.01	07/2008	06/2009	02/2011	30	19
	Dhamola	31.05.03	01/2007	NA	01/2011	47	NA
Construction Division, Haldwani	Fatehpur part I	15.09.00	12/2005	07/2007	01/2010	48	29
	Moti nagar part I	03.09.04	03/2010	06/2010	07/2011	15	08
	Paniyali part II	22.06.06	05/2009	07/2009	08/2011	26	24
	Fatehpur part II	25.09.06	03/2009	07/2009	08/2011	28	24
Construction Division, Bhimtal	Nathuakhan	11.07.05	01/2011	03/2011	Not closed	--	--
	Mungro Dungro	25.05.05	01/2011	03/2011	Not closed	--	--

Source: Divisional figures

It can be seen from the above table that there was a delay ranging from eight to 58 months in closing the accounts of eight schemes from the date of handing over of the schemes. On this being pointed out, the EEs stated that accounts could not be closed due to pending adjustment of materials booked on the schemes. The reply is not acceptable as the delay in closing the accounts of the schemes could provide scope for irregular adjustments.

5.2.4.3 Operation and Maintenance of the schemes

Operation and Maintenance (O&M) work of Single Village water supply scheme (SVS) was entrusted to the concerned Gram Panchayat/ Village Water Sanitation Committee (GP/ VWSC). Funds were released for the purpose of O&M of these SVSs through District Development Officer (DDO) by the Commissioner, RDD on cost sharing basis of 90:10.

Test-check of records of DDO, Nainital revealed that O&M works of 20 SVSs were sanctioned during 2009-10 at an estimated cost of ₹ 45.54 lakh³⁶ in order to ensure continuous drinking water supply to 878 families. It was noticed that only 12 works were completed till July 2010 at a cost of ₹ 19.70 lakh. The remaining eight SVSs³⁷ costing ₹ 25.84 lakh (excluding 10 per cent

³⁶ Excludes 10 per cent share of SVS.

³⁷ Okhalkanda 6 and Bhimtal 2.

community contribution) were to be completed by March 2011. However, no record was available (July 2012) with the DDO regarding status of completion of these works.

It was noticed that an amount of ₹ 13.10 lakh was not released (July 2012) by RDD for want of UCs amounting to ₹ 12.74 lakh. On this being pointed out, the DDO stated that letters to furnish UCs had been sent to the concerned VWSCs.

5.2.5 Coverage of Rural population

The status of coverage of rural population of the district with the normative requirement of 40 Liter Per Capita Per day (lpcd) of water supply at the close of Eleventh Five year Plan is shown in **Table 5.14** below:

Table 5.14: Coverage of Rural Population

District/ Block	Total population				Population fully covered				Shortfall (Per cent)
	SC	ST	General	Total	SC	ST	General	Total	
Nainital	1,23,495	4,649	4,19,006	5,47,150	94,400	3,865	2,91,880	3,90,145	29
Sampled blocks									
Bhimal	14,341	72	43,384	57,797	13,393	72	37,263	50,728	12
Haldwani	25,558	887	1,57,834	1,84,279	9,160	297	65,375	74,832	59
Ramgarh	11,714	54	30,200	41,968	11,289	54	26,763	38,106	09
Ramnagar	28,471	3,366	63,800	95,637	20,394	3,172	49,343	72,909	24
Total	80,084	4,379	2,95,218	3,79,681	54,236	3,595	1,78,744	2,36,575	38

Source: IMIS

It can be seen from the above table that 29 per cent of the rural population in the district and 38 per cent of the rural population in the sampled blocks were not provided the minimum of 40 lpcd of drinking water. Further, audit noticed that in 50 localities of the sampled blocks, drinking water had to be supplied by water tankers in summer 2011-12.

5.3 National Rural Drinking Water Quality Monitoring and Surveillance Programme

The National Rural Drinking Water Quality Monitoring and Surveillance Programme (NRDWQM & SP) was launched in February 2006 with the prime objective of institutionalisation of community participation and involvement of PRIs for water quality monitoring and surveillance. The guidelines envisaged providing one Field Test Kit (FTK) to each GP to test chemical parameters of all sources, Human Resource Development (HRD) activities aimed to impart training to the PRIs functionaries in water quality monitoring and surveillance and specific Information, Education and Communication (IEC) activities involving PRIs. The programme was implemented by Project Management Unit (PMU), *Swajal Project* at the State level and through District Project Management Unit (DPMU) at the District level. The programme was fully funded by GOI.

5.3.1 Utilization of funds

The NRDWQM & SP was initiated in the year 2005-06 whereas the funds were released to the DPMU for the first time in the year 2008-09. The details of year-wise allotment and expenditure incurred there against are shown in **Table 5.15** below:

Table 5.15: Utilisation of funds (₹ in lakh)

Year	Opening balance	Released fund	Interest	Total fund	Expenditure				Closing balance
					IEC	HRD	M&S ³⁸	Total	
2008-09	Nil	4.57*	0.06	4.63	0.02	1.39	0.12	1.53	3.10
2009-10	3.10	9.90 [#]	0.05	13.05	--	1.05	--	1.05	12.00 [@]
2010-11	9.00	4.47 ^{\$}	0.15	13.62	--	12.00	--	12.00	1.62
2011-12	1.62	0	0.03	1.65	1.17	0	--	1.17	0.48

Source: figures taken from DPMU

* Includes IEC: ₹ 2.23 lakh, HRD: ₹ 1.89 lakh, M&S: ₹ 0.45 lakh; # Under HRD; \$ Includes IEC: ₹ 1.47 lakh and HRD: ₹ 3 lakh.

@ ₹ 3 lakh was surrendered to PMU.

From the above table it may be seen that an amount of ₹ 16.23 lakh were available under the programme against which an expenditure of ₹ 15.75 lakh was incurred, leaving an unspent balance of ₹ 0.48 lakh at the end March 2012.

5.3.2 Programme implementation

5.3.2.1 IEC Activities

As per guidelines, the main purpose of IEC activities was to bring awareness about water quality monitoring and surveillance at all levels i.e. district, block and especially at GP level through various mediums like advertising through hoardings, folk media/ village performance functions, audio-visual programmes, inter personal communication (door to door interaction), mass media campaign (GP and Block level), wall painting, distribution of posters and pamphlets, radio talk and audio visual clippings etc.

Test-check of records at blocks and GPs level revealed that only ₹ 2,080 out of total available funds amounting to ₹ 3.70 lakh was expended on folk media, village performance, functions, distribution of posters/ pamphlets during the period 2008-11 and ₹ 1.17 lakh (32 per cent) was utilised by DPMU in the year 2011-12. The annual targets of 500 for inter-personal communication at GP level were not achieved during the period 2008-12. The shortfall ranged between 19 to 72 per cent.

The Project Manager (PM), DPMU replied that IEC activities were done under a World Bank Aided programme called Sector Wide Approach (SWAp). The reply was not acceptable as IEC activities under SWAp were limited to only a few habitations.

³⁸ Monitoring and surveillance.

5.3.2.2 HRD activities

Under NRDWQM & SP guidelines, HRD activities aimed to impart training to district, block and GP level functionaries in respect of water quality issues including health related diseases, water quality monitoring, sanitation and hygiene. Further, four persons at district, five at block level and at least five persons at GP level preferably school teachers, health workers, Anganwadi workers were to be trained for this purpose.

It was noticed that training at district and block level were imparted as per norms. Further, scrutiny of records revealed that DPMU misreported (March 2011) that all 460 GPs had been covered despite the fact that five GPs had not been covered for HRD training. The following short comings were noticed:

- In 131 GPs out of 455 GPs in the district, only 445 functionaries (68 *per cent*) were provided training against the requirement of providing training to a minimum of 655 functionaries.
- Preference in training for water quality monitoring and surveillance was to be given to school teachers, health workers (ASHA) and Anganwadi workers. It was found that out of selected 24 GPs, training to ASHA in 22 GPs, teachers in 24 GPs and Anganwadi workers in 21 GPs was not provided.

The Project Manager, DPMU replied (August 2012) that all functionaries could not participate in HRD training due to difficult terrain of the district. The reply was not acceptable as 68 *per cent* functionaries who resided in these very GPs participated in the training programmes.

5.3.2.3 Distribution of Field Test Kits

Field Testing Kits (FTKs) were to be distributed by DPMU to 460 GPs for testing the quality of water sources. Test-check of records revealed that 495 FTKs out of 515 FTKs³⁹ were provided to 460 GPs by DPMU (March 2012). Further, scrutiny revealed that the reagent⁴⁰ of 186 distributed FTKs were expired on March 2010 and July 2011 as these were procured by the PMU in 2008-09 and 2010-11 respectively with expiry date of reagent of each FTK being after one year. Moreover, the reagent had not been procured for refilling of FTKs till the date of audit (August 2012).

While accepting the facts in exit conference, the District Project Manager stated that refills for 311 FTKs have now been distributed (January 2013) and assured that regular tests in all sources will be carried out to check out chemical and bacteriological contamination.

³⁹ 36 FTKs in 2008-09; 150 FTKs in September 2010; and 329 FTKs in October 2011.

⁴⁰ Chemicals in FTKs which are used in water testing to show the level & type of contamination.

5.3.3 Water Quality Testing of Water Source

Programme guidelines envisaged that all sources would be tested once a year for chemical contamination and twice a year (pre and post monsoon) for bacteriological contamination by GPs. Audit scrutiny revealed the shortfall in number of tests to be carried out in respect of chemical and bacteriological testing of water sources in the district is given in the **Table 5.16** below:

Table 5.16: Status of water testing

No. of water source	No. of tests to be carried out(2008-12)		No. of tests conducted (2008-12)		Contaminated sources	
	Chemical	Bacteriological	Chemical	Bacteriological	Chemical	Bacteriological
2,690	10,760 (2690x4)	21,520 (2690x8)	1,465	1,465	0	0
Short fall in per cents			(86%)	(93%)		

Source: Data provided by DPMU

It is evident from the above table that only 14 *per cent* and seven *per cent* sources were tested for chemical and bacteriological contamination respectively in four years. However, as per water testing report uploaded in the IMIS it was noticed that eight out of 115 sources were contaminated with faecal coliform in 2011-12. On this being pointed out, the DPMU while accepting the fact stated that all water sources could not be tested due to non availabilities of FTKs at GP level.

Recommendations

The State Government/ District Administration may consider to ensure:

- *Fixing timeline for covering all habitations with safe and potable drinking water.*
- *Conducting regular testing of Water quality as per norms to ensure supply of safe and potable drinking water to the people.*

Watershed Development

5.4 Uttarakhand Decentralised Watershed Development Project

An agreement for borrowing loan amounting to ₹ 405 crore from the World Bank for implementation of Uttarakhand Decentralised Watershed⁴¹ Project (UDWDP) was signed between World Bank and Government of Uttarakhand on 30 July 2004. The period of agreement was from 24 September 2004 to 31 March 2012. The project was to be implemented by Uttarakhand Watershed Management Directorate (WMD). The focus of this project was on development of rural population and watersheds with special emphasis on enhancement of productivity through socially inclusive, institutionally and environmentally sustainable approaches. Therefore, areas of the State facing problems like erosion, poverty and lack of infrastructure

⁴¹ The term watershed refers to the geographic boundaries of a particular water body, its ecosystem and the land that drains to it.

facilities were chosen to select the target Gram Panchayats. The project had three components; Watershed treatment; enhancing and improving livelihood opportunities with a focus on increasing income levels and institutional strengthening.

In Nainital District, the project authority selected (December 2004) 28 GPs of Okhalkanda and six GPs of Dhari blocks for implementing the project⁴². Out of these, four Gram Panchayats (GPs)⁴³ were selected for audit.

5.4.1 Planning

5.4.1.1 Annual Working Plan

The loan agreement entered into between the State Government and the World Bank envisaged that “Uttarakhand shall (a) Not later than January 31 each year, furnish to the association for its review and comments, a proposed annual work programme and budget for the following fiscal year, giving details of its proposed work programme activities and budget estimates for the project and (b) proceed thereafter to implement the annual work programme and budget, taking into account such comments as may have been made thereon by the Association.”

Scrutiny of the process of preparation and implementation of Annual Work Plan (AWP) showed that the prescribed procedure for budget estimation and actual expenditure was not followed. The details of AWP during the period 2007-08 to 2011-12 are shown in the **Table 5.17** below:

Table 5.17: Approval of AWP (₹ in crore)

Year	Budgeted Estimates Submitted	Proposed AWP	Post facto approval of AWP based on Actual Expenditure [next FY]
2007-08	4.50	6.58	5.64(09.06.2008)
2008-09	6.80	6.29	4.75(02.09.2009)
2009-10	6.00	5.57	5.84(23.08.2010)
2010-11	4.00	2.45	4.42(28.06.2011)
2011-12	3.60	8.06	6.82(19.07.2012)
Total	24.90	28.95	27.47

It is evident from the above table that during 2007-08 and 2011-12, against BE of ₹ 4.50 crore and ₹ 3.60 crore, the WMD proposed an amount of ₹ 6.58 crore and ₹ 8.06 crore in the AWP respectively. Further, even the amount approved in the AWP could not be utilised by the Deputy Project Director (DPD) and expenditure of only ₹ 5.64 crore and ₹ 6.82 crore could be incurred in 2007-08 and 2011-12 respectively. It was further noticed that the DPD incurred excess expenditure against the Budget Estimates submitted during 2007-08 and 2011-12. DPD stated that the budget was utilized according to budget released by controlling authority. This indicated that Annual Work Plans were not need based.

The AWP was being approved *post facto* by the State Steering Committee on the basis of actual expenditure incurred by the project authority.

⁴² Revised to 39 GPs of Okhalkanda and Dhari Block in May 2006.

⁴³ Manjuli, Dholigoun, Kaana and Talla Kanda.

5.4.1.2 Selection of watershed areas

While selecting watershed areas under the project, a weightage of 50 per cent was to be given to erosion intensity, 25 per cent to socio-economic status of communities and 25 per cent to caste and remote villages. Areas where any such schemes were already in operation and areas falling under National Parks and Sanctuaries were to be excluded for coverage under the project.

Scrutiny of base data/ information for selection of watersheds at Deputy Project Director (DPD), UDWDP Nainital revealed that the selection of Okhalkanda block was not made on the basis of points earned on the above mentioned three parameters. There was only a database⁴⁴ available for eight hilly districts of the State showing categories of the erosion intensity of agriculture, forest and blank land use, under which the selection of these blocks in the district was made. It was noticed that in the two selected sub watershed⁴⁵ areas, three micro watersheds namely; *Dautagad*, *Khujetigad* and *Sunkot* involving 16 GPs⁴⁶ of Okhalkanda block had not earned any points under erosion intensity⁴⁷, which had a weightage of 50 per cent in selection, while no detailed data of socio-economic and backward and deprived areas parameters⁴⁸ (which had a weightage of 25 per cent each) were available in the DPD office.

On this being pointed out, the DPD replied that the selection of blocks and GPs was made by the WMD on the basis of fixed parameters. The reply of the DPD is not acceptable as the DPD/WMD failed to furnish the detailed information of socio-economic status of communities and caste and remote villages', on which the selection of the blocks and areas of GPs were made. Thus, the selection of micro watersheds (blocks and areas of GPs) in Nainital district was not done in a transparent manner.

5.4.2 Project Implementation

5.4.2.1 Cost escalation of ₹2.37 crore

The project was target oriented with a fixed time frame for completion of each component. Audit revealed that works proposed in the AWP of the district could not be completed within the stipulated period despite availability of adequate funds and were completed with a delay of two years. This forced WMD to revise the time schedule of Gram Panchayat Watershed Development Plans and resulted in cost escalation of ₹2.37⁴⁹ crore in respect of works undertaken by the GPs.

In the four test checked GPs, an excess expenditure of ₹25.60 lakh was incurred due to revision of Standard Schedule of Rates (SSR) as detailed in **Appendix 5.1**.

⁴⁴ Prepared by Forest Department in January 1992.

⁴⁵ Ladhia and Kalsagola.

⁴⁶ Dautagad-4GPs, Khujetigad-5 GPs, Sunkot-7 GPs=16 GPs.

⁴⁷ Erosion Intensity of Agriculture, Forest and blank land.

⁴⁸ BPL families, SCs, STs and women etc. in accordance to the last paragraph of para 2.2 of the operational guidelines.

⁴⁹ Original approved cost ₹12.02 crore & revised to ₹14.39 Crore in respect of works of thirty nine village Panchayats.

5.4.2.2 Component wise expenditure of the district

As per the Project Approval Document (PAD), the Deputy Project Directors (DPDs) were required to incur expenditure on the above three components in the ratio of 63:16:19 and two *per cent* of the total funds were earmarked for physical and financial contingency. During the entire project period (2005-12), DPD, Nainital incurred total expenditure of ₹ 46.75 crore in the ratio of 61:29:10 on these components. The component wise expenditure incurred by the DPD during 2005-12 is shown in **Appendix 5.2**. The DPD attributed the disproportionate expenditure on need and demands.

Low expenditure on 'Institutional Strengthening' could deprive the department of consolidating the gains made during the project period and reaping long term benefits.

5.4.2.3 Irregular revision of budget caps of selected GPs

As per Operation Manual for implementation of UDWDP, the ceiling for allocation of funds to a GP was to be fixed as per standard formula of calculation. Paragraph 7.1 also envisaged that if any shortcoming is found or if the GPWDP proposes to spend beyond the financial ceiling set for the GP, then the DPD will send it back to the Water and Watershed Committee (WWC) with written observations and recommendations for carrying out necessary changes in the proposal.

It was noticed that the Government of Uttarakhand approved (December 2004) budget caps of ₹ 9.80 crore for the implementation of the project⁵⁰ in the district and accordingly the DPD was directed to prepare the Gram Panchayat Watershed Development Plans (GPWDP). Details of actual expenditure incurred under GPWDPs of selected GPs are given in **Table 5.18** below:

Table 5.18 : Budget caps of GPs

(₹ in crore)

Name of the GP	Approved budget cap	GPWDP Outlay	Revised budget cap	Additional works approved	Revised enhanced Cap	Actual Expenditure incurred
Year	Dec. 2004	NA*	Jan.2010	June 2010	June 2010	Mar. 2012
Manjuli	0.48	0.48	0.68	0.29	0.97	0.89
Dholigaon	0.46	0.51	0.60	0.11	0.71	0.69
Katna	0.54	0.60	0.67	0.17	0.84	0.91
Talla Kanda	0.38	0.42	0.45	0.11	0.56	0.69
Total	1.86	2.01	2.40	0.68	3.08	3.18

Source: DPD records

*NA=Not Available

It is evident from the above table that contrary to the provisions and approved budget caps, the GPWDP outlays were arbitrarily enhanced on the basis of revised budget caps. The DPD justified the enhancement and attributed it to the devaluation of Indian Rupee (INR) against the US\$ and increase in SSR (Standard Schedule of Rates). The reply was not acceptable because as per standard formula, budget caps were to be based on population and area of GPs and were not linked to the devaluation of INR and revision of SSR.

⁵⁰ For the entire project period of 2005-12.

5.4.3 Impact analysis

As per the project agreement, a third party midterm and final review/evaluation was assigned to M/s Energy and Resources Institute (TERI), New Delhi. Component wise significant results are being narrated below:

Watershed treatment: This improved the productive potential of natural resources. The increase in irrigated area (21 per cent) and value (27 per cent) were significantly higher than the target values.

Enhancing and improving livelihood opportunities: Holdings of improved breed of cows and buffaloes increased by 19 per cent and 191 per cent respectively, while dependency on fodder from forests and feed purchased from market had declined by eight per cent and five per cent respectively.

Institutional Strengthening: Enhancing the capacity of GPs and village community members led to a sharp increase in the participation in Gram Sabha and Gram Panchayat meetings.



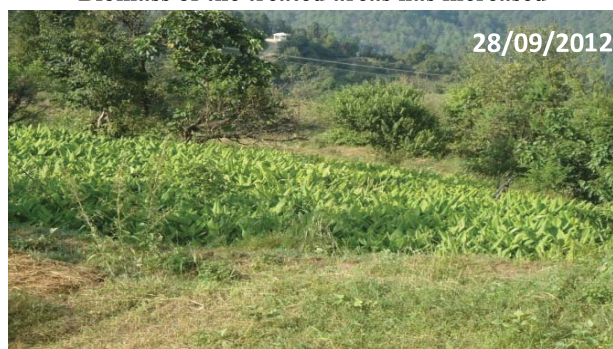
Traditional Naulas have been renovated



Biomass of the treated areas has increased



Livestock of improved breeds increase



Farming of cash crops

During joint physical inspection (September 2012) of the test checked GPs, performance of sub components were found satisfactory.