

# **CHAPTER-I**

## **SOCIAL SECTOR**



## CHAPTER I – SOCIAL SECTOR

### 1.1 Introduction

This Chapter of the Audit Report for the year ended 31 March 2020 deals with the findings on audit of the State Government's auditable entities under Social Sector.

**Table 1.1.1** provides the net budget provision and expenditure of major State Government departments under Social Sector during the year 2019-20:

**Table 1.1.1**

(₹ in crore)

Sl. No.	Name of Department	Budget Provisions (Original and Supplementary)	Expenditure
1.	Education, Sports & Youth Affairs & Arts and Culture	2774.18	2010.39
2.	Health & Family Welfare	1148.91	866.29
3.	Public Health Engineering	609.99	484.50
4.	Urban Development	288.99	92.23
5.	Social Welfare	1626.11	1581.41
6.	Labour	136.78	36.94
7.	Housing	25.19	19.69
8.	Information and Publicity	23.30	13.42
9.	Secretariat Social Services	2.91	1.09
	<b>Total</b>	<b>6636.36</b>	<b>5105.96</b>

Source: Appropriation Accounts 2019-20.

#### 1.1.1 Planning and conduct of Audit

Audit process starts with risk assessment of various departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls and concerns. During 2019-20, we conducted Audits involving expenditure of ₹ 1471.72 crore (including expenditure pertaining to previous years audited during the year) of the State Government under Social Sector. The chapter contains two Compliance Audit paragraphs, as discussed in the succeeding paragraphs.

## COMPLIANCE AUDIT PARAGRAPHS

### SOCIAL WELFARE DEPARTMENT

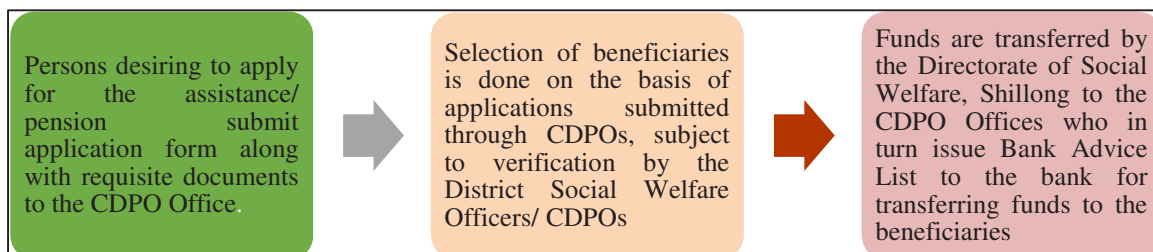
#### 1.2 Implementation of Chief Minister's Social Assistance Scheme in Meghalaya

##### 1.2.1 Introduction

The Chief Minister's Social Assistance Scheme (CMSAS) was launched in Meghalaya after enactment of the Chief Minister's Scheme for Social Assistance to the Infirm, Widows and the Disabled Rules, 2012. These Rules were amended in December 2015 and renamed as the Chief Minister's Scheme for Social Assistance to Infirm, Single Mothers and Persons with Disabilities (Amendment) Rules, 2015. The aim of the scheme is to provide social security by giving financial assistance in the form of pension to Infirm, Single Mothers and Persons with Disabilities (PwD), belonging to poor and marginalised sections of the society, having an income not exceeding ₹ 36000/-per annum. The pension/assistance payable to each person (Infirm/Widows/PwD) has been fixed at ₹ 500/- per month. The scheme is implemented by the Social Welfare Department, Government of Meghalaya with the assistance of the Child Development and Project Officers (CDPOs) at the block levels.

The process of operation of the CMSAS is shown below:

Chart 1.2.1



Audit on implementation of CMSAS covering the period from 2017-18 to 2020-21 (upto July 2020) was conducted during April 2021, to assess whether the scheme implementation was consistent with scheme guidelines and intended objectives are achieved. For the purpose of this audit, three<sup>1</sup> districts (out of eleven) were selected using Probability Proportionate to Size (PPS) with volume of expenditure determining the size and from the three selected districts, eight<sup>2</sup> CDPO blocks were selected using Simple Random Sampling Without Replacement (SRSWOR) method.

<sup>1</sup> Ri-Bhoi, East Khasi Hills and West Jaintia Hills.

<sup>2</sup> Umsning, Umling, Mawrykneng, Myllem, Shillong Urban, Pynursla, Khadarshnong Laitkroh and Thadlaskein.

## 1.2.2 Physical and Financial coverage of the Scheme

**1.2.2.1 Physical coverage:** As on 31.07.2020, there were 1,10,187 beneficiaries under the CMSAS. The sub-scheme wise position of beneficiaries during the period from April 2017 to July 2020 is given in the table below:

**Table 1.2.1: Coverage of beneficiaries during 2017-21**

Particulars	No. of beneficiaries covered				
	Existing as on 1.4.2017	New addition during 2017-21	Total	Deletion during 2017-21	No. of beneficiaries as on 31.07.2020
Single Mother	30284	4147	34431	158	34273
Infirm	53573	9136	62709	-	62709
Disabled	11695	1510	13205	-	13205
<b>Total</b>	<b>95552</b>	<b>14793</b>	<b>110345</b>	<b>158</b>	<b>110187</b>

Source: Data furnished by the Directorate of Social Welfare, Shillong.

**1.2.2.2 Budget allotment and Expenditure:** The budget allotment and expenditure of CMSAS during April 2017 to July 2020 is given in the table below:

**Table 1.2.2: Budget allotment and Expenditure during 2017-21**

(₹ in crore)

Year	Budget allotment				Actual expenditure			
	Single Mother	Infirm	PwD	Total	Single Mother	Infirm	PwD	Total
2017-18	18.17	32.14	7.02	57.33	18.05	32.00	6.95	57.00
2018-19	18.17	32.14	7.32	57.63	18.07	31.91	7.05	57.03
2019-20	18.17	32.14	7.32	57.63	19.34	34.97	7.66	61.97
2020-21 (July 20)	6.85	12.54	2.64	22.03	6.86	12.54	2.64	22.04
<b>Total</b>	<b>61.36</b>	<b>108.96</b>	<b>24.30</b>	<b>194.62</b>	<b>62.32</b>	<b>111.42</b>	<b>24.30</b>	<b>198.04<sup>3</sup></b>

Source: Information furnished by the Director, Social Welfare Department, GoM.

Of the total budget allocation of ₹ 194.62 crore over the period of April 2017 to July 2020, the GoM spent ₹ 62.32 crore (32 per cent) on single mothers' assistance, ₹ 111.42 crore (57 per cent) for the assistance of infirm and ₹ 24.30 crore (12 per cent) on the assistance of PwDs.

## 1.2.3 Audit Findings

The audit findings are discussed in the succeeding paragraphs:

### 1.2.3.1 Undue delay in release of funds

As per the CMSAS Guidelines, funds will be placed at the disposal of the CDPOs of all 41 ICDS Projects in the State, which will be deposited in the Nationalised Bank available at the Block level. Payment of pension/assistance will be made on a quarterly basis. Monthly disbursement may also be made if so desired.

Contrary to the Guidelines, Audit observed that the financial assistance/pension to the beneficiaries under CMSAS was released for five to nine months at a time and there

<sup>3</sup> Due to increase in number of beneficiaries during the year 2019-20, actual expenditure exceeded the budget allotment.

were undue delays in release of funds by the Directorate of Social Welfare to the CDPO Offices ranging between two to 16 months as detailed below:

**Table 1.2.3: Delay in release of funds by the Directorate**

Sl. No.	Period for which Fund was Sanctioned	Date of RTGS by the Directorate	Number of months for which pension/ assistance released at a time	Delay in release calculated from last quarter (months)
1.	April 2017 to October 2017	02-11-18	7	10 to 16
2.	November 2017 to March 2018	20-12-18	5	9 to 12
3.	April 2018 to December 2018	20-12-18	9	6
4.	April 2018 to October 2018	27-05-19	7	5 to 11
5.	November 2018 to March 2019	31-05-19	5	2 to 5

Source: Sanctions orders issued by the Directorate of Social Welfare.

Further, the CDPOs on their part further delayed payment of pension/financial assistance to the beneficiaries ranging between 10 and 1078 days as detailed below:

**Table 1.2.4: Delay in release of funds by the CDPOs**

Sl. No.	Name of the selected District	Name of the selected CDPOs	Delay in release of funds to the beneficiaries (days)	
			Single Mothers & Infirm	PwDs
1.	East Khasi Hills	Shillong Urban	14 to 200	14 to 206
		Mylliem	22 to 473	12 to 120
		Khadarshnong Laitkroh	113 to 256	60 to 164
		Pynursla	64 to 90	38 to 232
		Mawryngkneng	Records not available	Records not available
2.	Ribhoi	Umsning	15 to 432	10 to 451
		Umling	14 to 1078	14 to 433
3.	West Jaintia Hills	Thadlaskein	Records not available	Records not available

Source: Sanctions orders issued by the Directorate of Social Welfare and Advice List sent to Banks.

Thus, delay in release of funds at the Directorate and at CDPOs level resulted in delay in the monthly pension/assistance reaching the beneficiaries' account.

The Director of Social Welfare stated (February 2022) that release of funds to the CDPOs depends on the timely sanction of funds. During 2017-18, no sanction was received for pension and sanction for 2017-18 and 2018-19 was received from the State Government only in 2018-19, hence the delay. The Director further stated that steps have been taken to release the fund regularly and payment of pension should be made on the first week of every month.

**Recommendations:**

- 1. The Government should release funds to the Department on time so that pension/assistance is available to the beneficiaries as per the time schedule prescribed under CMSAS guidelines.*
- 2. The CMSA scheme should be brought under direct benefit transfer (DBT) mode thereby eliminating the requirement of intermediary level of district and block officers.*

### 1.2.3.2 Payment of CMSAS benefits to the tune of ₹ 74.22 lakh to the beneficiaries by bearer cheques

As per CMSAS Guidelines, beneficiaries applying for pension/ assistance under CMSAS were mandatorily required to submit their bank account details for transfer of funds to their respective bank accounts.

Scrutiny of records of the selected 8 CDPOs out of 41 revealed that during the period April 2017 to July 2020 covered under audit, the CDPO, Mawryngkneng Block had issued 1907 bearer cheques amounting to ₹ 74.22 lakh for payment of pensions/assistances to beneficiaries under the CMSAS as detailed below:

**Table 1.2.5: Payment by bearer cheques**

Year	No. of bearer cheques issued to the beneficiaries	Amount (₹)
2017-18	160	7,42,000
2018-19	1616	61,43,500
2019-20	85	3,85,500
2020-21 (up to July 2020)	46	1,50,500
<b>Total</b>	<b>1907</b>	<b>74,21,500</b>

Source: Bank Statement, Cash Book and Bank Passbook.

The CDPO, Mawryngkneng Block stated (July 2021) in its reply that during the time of implementation of CMSAS under Mawryngkneng Block, most of the beneficiaries under Infirm, Widow and Disabled categories were yet to open bank account in the public sector bank / post office. This resulted in issue of bearer cheque to the tune of ₹ 74.22 lakh to be withdrawn in cash by 1907 beneficiaries. The reply further stated that direct account transfer system was implemented from the year 2017-18 onwards.

Reply of the CDPO, Mawryngkneng indicates that opening of bank account or post office account as prescribed in the guidelines was not made mandatory to the beneficiaries applying for receiving the intended pension/assistance under CMSAS. The CDPO also failed to produce actual payee receipt (APR) to prove the actual payment to the beneficiaries. Further, payment of financial assistance/pension to the beneficiaries in the form of bearer cheque system continued till the time of audit despite Jan Dhan Scheme being implemented in the State, where a basic savings bank deposit (BSBD) account can be opened in any bank branch or Business Correspondent (Bank Mitra) outlet, by persons not having any other account.

The Director of Social Welfare also stated (February 2022) that the seriousness of the lapses being pointed out by Audit has been noted and assured to issue instructions to all CDPOs to streamline the system for effective implementation of the scheme.

#### **Recommendation:**

- 1. Awareness drive regarding opening of bank accounts under Jan Dhan Scheme should be taken up so that financial assistance to the beneficiaries may be extended by way of bank transfer.**

**1.2.3.3 Deficiency in record maintenance, inefficient fund management and poor implementation of the CMSAS resulted in blockage of funds to the tune of ₹ 4.90 crore**

Audit observed that the CDPO of Thadlaskein block did not have proper records management system for efficient utilisation and implementation of CMSAS during the period of audit. The Office of the CDPO, Thadlaskein Block did not maintain a cash book for the CMSAS till the date of audit (April 2021). Further, the CDPO could not produce the bank advice lists issued for disbursement of financial assistance/pension during the period of audit. Though all the transactions of the Scheme were effected through banks, in the absence of cash book and bank advice lists, Audit could not vouchsafe the disbursement of funds to the beneficiaries by the CDPO Office in accordance with the funds released from the Directorate in terms of period and number of beneficiaries.

The Office of the CDPO, Thadlaskein Block has been maintaining two bank accounts i.e. a savings account as well as a current account for the implementation of the CMSAS. Though the Directorate intimated (August 2020) regarding change of primary account for CMSAS from savings to current account, both the accounts are still in operation having huge cash balances till the date of audit.

The CDPO, Thadlaskein while accepting the audit observation stated (July 2021) that proper cash book shall henceforth be maintained to record all transactions as per disbursement of funds to the beneficiaries. Regarding non-production of the bank advice list, it was stated that the audit observation was noted and the same would be rectified. It was further assured that the deficiency in record maintenance, inefficient fund management and poor implementation of the CMSAS would not happen again.

Further scrutiny of the sanction orders issued by the Directorate of Social Welfare and bank statements of CDPOs, Thadlaskein and Mawryngkneng revealed that the funds received from the Directorate of Social welfare were not disbursed fully resulting in blockage of funds of ₹ 2.84 crore and ₹ 2.06 crore respectively by the two blocks (as on 31 July 2020) as detailed in tables below:

**Table 1.2.6: Funds position of Thadlaskein CDPO (₹ in lakh)**

Year	Opening Balance	Receipts	Total	Total funds released to Beneficiaries (%)	Closing Balance
2017-18	37.55	185.13	<b>222.68</b>	180.44 (81)	42.24
2018-19	42.24	539.72	<b>581.96</b>	313.44 (54)	268.52
2019-20	268.52	210.79	<b>479.31</b>	222.45 (46)	256.86
2020-21 (up to July 2020)	256.86	48.83	<b>305.69</b>	22.02 (07)	283.67
<b>Total</b>	<b>605.17</b>	<b>984.47</b>	<b>1589.64</b>	<b>738.35 (46)</b>	

Source: Bank Statement of the CDPO, Thadlaskein Block.



**Table 1.2.7: Funds position of Mawryngkneng CDPO (₹ in lakh)**

Year	Opening Balance	Receipts	Total	Total funds released to Beneficiaries (%)	Closing Balance
2017-18	9.45	86.21	<b>95.66</b>	84.10 (88)	11.56
2018-19	11.56	207.18	<b>218.74</b>	64.65 (30)	154.09
2019-20	154.09	116.68	<b>270.77</b>	49.10 (18)	221.67
2020-21 (upto July 2020)	221.67	37.04	<b>258.71</b>	52.46 (20)	206.25
<b>Total</b>	<b>396.77</b>	<b>447.11</b>	<b>843.88</b>	<b>250.31 (30)</b>	

Source: Cash book of CDPO, Mawryngkneng Block.

It is seen from **Tables 1.2.6 & 1.2.7** above that the CDPOs Thadlaskein and Mawryngkneng could not fully utilise the available funds. During the period from April 2017 to July 2020, the CDPO Thadlaskein had utilised ₹ 7.38 crore (46 per cent) out of the total available fund of ₹ 15.89 crore, while the CDPO Mawryngkneng utilised ₹ 2.50 crore (30 per cent) out of ₹ 8.44 crore. Failure to fully utilise the available funds by both the CDPOs had led to persistent savings during the period under review, and thereby resulted in blockade of funds amounting to ₹ 4.90<sup>4</sup> crore as of July 2020.

Audit observed that among the factors leading to the accumulation of unspent balances, a key factor was lack of efforts by the CDPO Blocks in identification, rectification and regular updation of the details of the beneficiaries whose intended benefits were not transferred on account of defects or closure of the bank accounts. Further, in the absence of bank advice lists showing release of funds to the beneficiaries, Audit could not vouchsafe whether funds were actually released to the beneficiaries fully in accordance with the sanctions received from the Directorate of Social Welfare. As such, possibility of non-release of funds to eligible beneficiaries for certain periods cannot be ruled out.

The CDPO, Thadlaskein while accepting the audit observation stated (July 2021) that the:

- i. Office would maintain a proper cash book of all transactions as per disbursement of funds to the beneficiaries in accordance to funds released by the Directorate.
- ii. Directorate office has been intimated regarding change of the primary account for CMSAS from saving to current account vide letter no. ICDS/T/CMSAS/ISMD/2/2012/261-263 dt. 26.08.2020 and the CDPO Thadlaskein currently functioned only from the current account.
- iii. Audit observation on non-production of the bank advice list was noted and the same would be rectified.
- iv. Deficiency in record maintenance, inefficient fund management and poor implementation of the CMSAS would not happen again.

The CDPO, Mawryngkneng while accepting the audit observation stated (July 2021) in her reply that absence of sincere effort by the dealing assistant for identification,

<sup>4</sup> CDPO Thadlaskein: ₹ 2.84 crore + CDPO Mawryngkneng: ₹ 2.06 crore.

rectification and regular up-dation of the details of the beneficiaries coupled with inoperative bank accounts resulted in blockade of funds.

The Director of Social Welfare also stated (February 2022) that the CDPO, Mawryngkneng has been instructed to immediately verify all the genuine beneficiaries and start making the payments. He further added that the Department has seriously viewed the matter and necessary steps will be taken to ensure that the scheme is implemented effectively for the benefit of beneficiaries.

**Recommendation:**

- Records in the form of cash book, bank advice lists and statement of failed transactions should be mandatorily maintained by the CDPOs for ensuring appropriate financial control over CMSAS fund.**

**1.2.3.4 Payment of ₹ 49.20 lakh due to duplication of beneficiaries**

As per the CMSAS Guidelines, there shall be regular verification of pensioners/beneficiaries under the scheme by Officers deputed for the purpose by the Competent Authority.

Scrutiny (April 2021) of beneficiary list with the bank advice list<sup>5</sup> revealed that 252 beneficiaries (Single Mothers, Infirm and PwDs) in six out of eight selected CDPO had been paid the monthly pension benefits for more than once, resulting in double payments to the tune of ₹ 49.20 lakh during the period covered by audit as detailed below:

**Table 1.2.8: Double payment to beneficiaries under CMSAS (₹ in lakh)**

SL. No.	Name of the selected District	Name of CDPO/ block	No. of duplicate Single Mother Beneficiaries	Amount of double payment	No. of duplicate Infirm Beneficiaries	Amount of double payment	No. of duplicate PwD Beneficiaries	Amount of double payment	Total Double Payment (5+7+9)
1	2	3	4	5	6	7	8	9	10
1.	East Khasi Hills	Shillong Urban	5	1.00	4	0.81	0	0	1.81
		Mylliem	10	2.33	10	2.85	21	2.99	8.17
		Khadarshnong Laitkroh	1	0.48	4	1.01	3	1.12	2.61
		Mawryngkneng	26	3.63	40	7.27	22	4.14	15.04
2.	Ribhoi	Umsning	5	1.19	8	2.54	2	0.49	4.22
3.	West Jaintia Hills	Thadlaskein	25	4.64	63	11.74	3	0.97	17.35
<b>Total</b>			<b>72</b>	<b>13.27</b>	<b>129</b>	<b>26.22</b>	<b>51</b>	<b>9.71</b>	<b>49.20</b>

Source: Records of selected CDPOs.

Duplication of beneficiaries resulting in double payment of ₹ 49.20 lakh was due to maintenance of beneficiary data in MS-Word format and absence of unique ID in the form of EPIC/Registration number which did not give any scope for detection of duplicate entries.

The CDPOs concerned stated (July-December 2021) that necessary rectifications in the beneficiary list and adjustment of excess amount paid to beneficiaries shall be carried

<sup>5</sup> list sent to the bank for transferring funds to the beneficiaries.

out after due verification at the field level. Further communication from the CDPOs concerned is yet to be received (February 2022).

### **1.2.3.5 Double payment of ₹ 3.41 lakh to PwD beneficiaries**

Scrutiny of records pertaining to transfer of funds under CMSAS to Persons with Disabilities (PwD), it was observed that CDPO, Myllem Block transferred ₹ 15.78 lakh to 825 PwDs beneficiaries during March 2020 to June 2020. Further scrutiny of records revealed that the CDPO, Myllem Block again released ₹ 3.41 lakh to 682 PwDs beneficiaries for the month of March 2020, who had actually been paid. This resulted in double payment of pension/assistances to 682 PwDs to that extent. The position of release of double payment to 682 PwDs for the month of March 2020 is given in **Appendix-1.2.1**.

The CDPO, Myllem Block while accepting the audit observation stated (March 2021) that the excess payments made to 682 PwDs beneficiaries would be adjusted from their subsequent monthly pensions/ assistance. Further communication from the CDPO is yet to be received (February 2022).

#### **Recommendations:**

- 1. Online registration of beneficiaries and providing of unique ID to each beneficiary should be set up to avoid duplication. Existing beneficiaries' records may be converged with the online database.**
- 2. The double benefits paid may be adjusted from subsequent instalments.**

### **1.2.3.6 Non-payment of benefits to the tune of ₹ 68.01 lakh due to failed bank transactions**

As per the CMSAS Guidelines, payment of pension/assistance shall be credited into the Public Sector Bank/Post office accounts of the beneficiaries. The guidelines further envisaged that the District Co-ordination and Monitoring Committee shall be constituted in each District to review and monitor the implementation of the scheme. The Committee will co-ordinate with various agencies and stakeholders to ensure that the identification of beneficiaries and disbursement of pension/assistance are smooth and transparent at all levels within its jurisdiction.

Scrutiny of records<sup>6</sup> in the test-checked CDPOs revealed that during April 2017 to July 2020, an amount of ₹ 68.01 lakh sanctioned towards payment of pension/assistance to 1041 beneficiaries under CMSAS had not been credited to the beneficiaries' bank account on account of failed bank transactions. The detail position is given in the table below:

<sup>6</sup> Particularly 'Refund entries' in the cash books and bank statements.

**Table 1.2.9: Details of failed bank transactions in three selected districts**

(₹ in lakh)

Sl. No.	Name of the selected District	Name of the selected CDPO Block	Amount of failed and non-rectified transactions	No. of beneficiaries denied intended benefit
1.	East Khasi Hills	Shillong Urban	4.14	64
		Mylliem	15.88	39
		Khadarshnong Laitkroh	0.63	11
		Pynursla	1.80	NA
		Mawryngkneng	13.50	328
2.	Ribhoi	Umsning	8.56	258
		Umling	1.24	NA
3.	West Jaintia Hills	Thadlaskein	22.26	341
<b>Total</b>			<b>68.01</b>	<b>1041</b>

Source: Cash Books and Bank Statements of the CDPO Offices.

The reasons for these failed transactions were stated due to incorrect bank account details, etc. However, record showing action taken by the CDPOs to resolve the problem was neither found on records nor initiative taken to inform the concerned beneficiaries for providing the correct bank account details found on records.

Audit further observed that in none of the test-checked districts, District Co-ordination and Monitoring Committee was constituted. Thus, in absence of a Committee to co-ordinate various agencies and stakeholders to ensure that the identification of beneficiaries and disbursement of pension/assistance are smooth and transparent at all levels, 1041 beneficiaries were deprived of the intended benefits during the period under audit.

The CDPOs while accepting the audit observation stated (April-December 2021) that efforts would be made to rectify the bank accounts of the beneficiaries whose benefit could not be transferred to their account after due verification of the beneficiaries. Regarding non-constitution of the District Co-ordination and Monitoring Committee, the Director of Social Welfare stated (February 2022) that the committee comprising of all bank managers in the district and block will be constituted to ensure smooth payment of the amounts to the beneficiaries.

**Recommendation:**

- 1. CDPOs should reconcile failed transactions with the banks, intimate closure/defects in the bank account to the beneficiaries and assist the beneficiaries in correction of the same in co-ordination with the banks.**

**1.2.3.7 Irregular expenditure of ₹ 22.91 lakh due to extension of CMSAS benefits to ineligible beneficiaries already covered under other schemes**

As per the CMSAS Guidelines, the existing database of the Block MIS for the Indira Gandhi National Widow Pension Scheme (IGNWPS) and Indira Gandhi National Disability Pension Scheme (IGNDPS) will be taken into account to **avoid duplication**. Further, the Persons with Disabilities who are receiving unemployment allowances will not be eligible to apply for pension under CMSAS.

Scrutiny of database of the C&RD Blocks for the IGNWPS with the Single Mother beneficiaries list of the CMSAS under eight selected CDPO Blocks revealed that 41 beneficiaries (Single Mothers) have been extended benefit of ₹ 5.23 lakh under both the schemes during the period April 2017 to July 2020.

Similarly, scrutiny of database of the C&RD Blocks for the IGNDPS with the PwD beneficiaries list of the CMSAS under eight selected CDPO Blocks revealed that 15 beneficiaries had been extended benefit of ₹ 2.12 lakh under both the schemes.

Further, scrutiny of the list of PwD beneficiaries provided by the CDPOs receiving benefit under CMSAS with the list of PwD beneficiaries receiving unemployment allowances from the Office of the District Social Welfare Officer, it was observed that 55 PwD beneficiaries were extended benefits of ₹ 15.56 lakh of both schemes which was not permitted as per the Guidelines.

The position of 111 ineligible beneficiaries who received financial assistance/pension of ₹ 22.91 lakh under CMSAS is detailed below:

**Table 1.2.10: Beneficiaries receiving dual assistance (₹ in lakh)**

Sl. No.	Name of the selected District	Name of the selected CDPO	No. of Beneficiaries receiving assistance under two schemes	Amount
<b>Single Mothers</b>				
1.	East Khasi Hills	Myllem	6	0.79
		Khadarshnong Laitkroh	3	0.41
		Pynursla	4	0.61
2.	Ri-Bhoi	Umsning	12	0.62
		Umling	8	0.44
3.	West Jaintia Hills	Thadlaskein	8	2.36
<b>Sub-Total</b>			<b>41</b>	<b>5.23</b>
<b>Infirms</b>				
1.	East Khasi Hills	Khadarshnong Laitkroh	2	0.15
		Mawryngkneng	1	0.15
2.	Ri-Bhoi	Umsning	4	0.24
		Umling	3	0.19
3.	West Jaintia Hills	Thadlaskein	5	1.39
<b>Sub-Total</b>			<b>15</b>	<b>2.12</b>
<b>Persons with Disabilities</b>				
1.	East Khasi Hills	Shillong Urban	20	5.88
		Myllem	11	3.56
2.	Ribhoi	Umsning	6	1.44
		Umling	14	3.84
3.	West Jaintia Hills	Thadlaskein	4	0.84
<b>Sub-Total</b>			<b>55</b>	<b>15.56</b>
<b>Grand Total</b>			<b>111</b>	<b>22.91</b>

Source: Beneficiary Details from the C&RD Blocks and CDPO Offices.

From the above, it can be seen that due to extension of CMSAS benefits to 111 beneficiaries who were already availing benefits under IGNWPS (41), IGNDPS (15) and unemployment allowances (55), has resulted in irregular expenditure to the tune of ₹ 22.91 lakh.

The Director of Social Welfare, Meghalaya Shillong stated (February 2022) that the CDPOs have been instructed to strictly comply with the guidelines and ensure that before payment to the beneficiaries, step should be taken to verify the list of beneficiaries of the C&RD Blocks.

**Recommendations:**

1. *Online registration of beneficiaries and providing of unique ID to each beneficiary should be set up to avoid duplication. Existing beneficiaries' records may be converged with the online database.*
2. *The double benefits paid may be adjusted from subsequent instalments.*

**1.2.3.8 Poor monitoring and supervision of the CMSAS**

As per the CMSAS Guidelines, there shall be regular verification of pensioners/beneficiaries under the scheme by Officers deputed for the purpose by the Competent Authority. The Director of Social Welfare shall have over-all charge of the CMSAS to the Infirm, Widows and the Disabled. Necessary instructions for its proper implementation and procedures to be followed shall be issued from time to time. The District Co-ordination and Monitoring Committee shall be constituted in each District to review and monitor the implementation of the Scheme. The Committee will co-ordinate with various agencies and stakeholders to ensure that the identification of beneficiaries and disbursement of pension/assistance are smooth and transparent at all levels within its jurisdiction.

The deficiencies observed in the monitoring and supervision of the CMSAS in eight selected CDPO Blocks of three districts are detailed below:

- District Co-ordination and Monitoring Committee was not constituted in any of the sampled districts to review and monitor the implementation of the Scheme.
- There was absence of regular verification of pensioners/beneficiaries under the scheme by Officers deputed for the purpose by the Competent Authority.
- There was lack of co-ordination between the CDPO Block and the field officials (Anganwadi Workers) who are responsible for verification/addition/deletion of pensioners/beneficiaries under the scheme.
- Routine identification, verification, updating and deletion of pensioners/beneficiaries under the scheme by the CDPOs was not done.
- No steps/actions were taken by the CDPOs for rectification/deletion of pensioners/beneficiaries under the scheme whose pension could not be transferred due to error in bank account details or closure of bank accounts.

While accepting the audit observation, the Director of Social Welfare, Meghalaya Shillong stated (February 2022) that the District Co-ordination and Monitoring Committee and Block Level Co-ordination Committee comprising of all bank managers in the District and Block will be constituted to ensure smooth payment of the amount to the beneficiaries. The co-ordination between the Supervisor, Anganwadi Workers and ASHA will be strengthened. Regular review meeting with the CDPOs will be made to streamline the implementation of the scheme.



**Recommendation:**

1. ***Strengthening of field staff and constitution of District Co-ordination and Monitoring Committee should immediately be undertaken in each District for proper implementation of the scheme.***

**1.2.3.9 Non-implementation of CMSAS in DBT mode**

As decided in the meeting held on 06 February 2017 regarding implementation of e-District Governance under Social Welfare Department, both NIC and IT Department were supposed to start implementation of DBT with the Office of the CDPOs immediately. Audit however, observed (April 2021) that the CMSAS has not been brought under the purview of DBT resulting in the following deficiencies:

- There was no mechanism for online registration of beneficiaries. Thus, data was not readily available with the Directorate of Social Welfare on total number of applications received, accepted and rejected during the year. The process of selection of beneficiaries is being done at the Block level by the CDPOs manually which is cumbersome and time taking.
- The process of disbursement of benefits directly to the beneficiaries has not fully been achieved due to non- implementation of DBT. Payments were first released by the Directorate to the CDPOs and then to the beneficiaries by the CDPOs with the help of bank advice lists. As such, the benefit was not transferred into the bank account of the beneficiary directly from the payment gateway (PFMS *etc.*) from the Bank account of the Directorate, Social Welfare Department (Nodal Authority). This resulted in undue delay in release of intended benefits to the beneficiaries as pointed out in ***Para 1.2.3.1.***
- There was no system in place to identify deceased beneficiaries from Registrar General of India/Local Bodies/Hospitals/Crematorium, *etc.* records and exclude them from the database so as to ensure stoppage of benefit payment. As such, there was no mechanism to check undue payment to migrated/ deceased beneficiaries except on manual reports from the Anganwadi Workers (AWWs), Local Headman/relative of the deceased.
- As per the minutes of the meeting held (24 November 2020) between the Social Welfare Department and the NIC regarding CMSAS, EPIC and address of the beneficiary were supposed to be included in the format of the excel sheet of beneficiary data. However, audit scrutiny revealed that apart from the list of beneficiaries containing name, address and bank account number in the electronic format (MS-Word), no registration number/ unique identification number/EPIC number allotted to the existing beneficiaries were available in the beneficiary details. Non-availability of these important details of beneficiaries provided scope for duplication of beneficiaries and fund pilferage which have been discussed in ***Paragraph 1.2.3.4 and 1.2.3.5.***

- There was no mechanism for identification, rectification and regular updation of the details of the beneficiaries whose intended benefits could not be transferred on account of defects/closure of the bank accounts as pointed out in **Para 1.2.3.6**.

The Director of Social Welfare stated (February 2022) that the Department in collaboration with NIC is under process for providing a DBT platform for the CMSAS.

**Recommendation:**

1. ***The CMSA scheme should immediately be brought under the DBT mode for simplifying the registration process, eliminating the intermediaries and duplication of beneficiaries.***

#### **1.2.4 Conclusion**

Implementation of CMSAS in the three selected districts has been found deficient in many respects. There was undue delay in payment of pension/assistance since there was delay in release of funds by the Directorate of Social Welfare and CDPOs. Payments to the beneficiaries were made through bearer cheque, a system fraught with risk of payments not reaching the enlisted beneficiary. Audit noticed deficiencies in record maintenance, including maintenance of beneficiary data which resulted in double payments and irregular payments to beneficiaries already availing benefits under other Schemes. In the overall analysis, audit concluded that the implementation of CMSAS was fraught with these deficiencies, in a big measure, due to non-implementation of the Scheme in DBT mode, which would have helped in streamlining the procedure of identification/registration of beneficiaries, processing of payments to the intended beneficiaries and minimising the intermediary levels in transfer of funds.

#### **1.2.5 Recommendations**

**Government should consider:**

1. ***Setting up online registration of beneficiaries and providing a unique ID to each beneficiary to avoid duplication. Existing beneficiaries' records may be converged with the online database.***
2. ***To link beneficiary details with Aadhar to weed out the persons availing benefits under multiple schemes.***
3. ***Implementing the direct beneficiary transfers through DBT mode thereby completely eliminating the requirement of intermediary level of district and block officers to handle cash payments.***
4. ***Constitution of District Co-ordination and Monitoring Committee immediately in each District to review the implementation of the scheme.***
5. ***The double benefits paid may be adjusted from subsequent instalments and responsibility be fixed after detailed investigation.***



## PUBLIC HEALTH ENGINEERING DEPARTMENT

### 1.3 Excess expenditure

**In implementing the projects under Greater Shillong Water Supply Project, Public Health Engineering Department prepared Detailed Project Reports without ascertaining the actual distance of stone and sand quarries and resulting in excess payment of ₹ 1.71 crore on account of lump sum price being paid for carriage of stone chips and sand, instead of actual distance based carriage.**

The North Eastern Council (NEC), Ministry of Development of North Eastern Region (MDoNER) accorded (February 2014) Administrative Approval for ‘creating necessary infrastructure for storage of water to meet the emergency need of the State Capital-Shillong’ at a total cost of ₹ 15.00 crore under the Anti Erosion of Flood Control and River Management & Water related schemes. The project was sanctioned with a fund sharing ratio of 90:10 between the NEC and the Government of Meghalaya.

The objective and scope of the project was to construct six RCC Reservoirs at different strategic locations in the vicinity of the existing Zonal Reservoirs of GSWSP<sup>7</sup> (Phase I,II & III) for additional storage of drinking water to meet the emergency need of the State Capital-Shillong in the event of any eventuality like breakdown in water works, power supply system, *etc.* The supply to these emergency storage reservoirs shall be from the existing supply lines of GSWSP and the outlet of these Reservoirs shall also be linked with the existing distribution Networks of the GSWSP. The strategic locations, capacity, specification, estimated costs and population coverage is shown in the table below:

**Table 1.3.1**

Sl. No.	Location	Capacity (ML)	Staging Height (m)	Amount (₹ in lakh)	Population (2011 census)
1.	Mawpat	1.00	3.00	260.14	16,057
2.	Laban/Lumparing	0.80	On ground	205.79	45,055
3.	Bara Bazaar	1.00	3.00	267.19	51,072
4.	Mawroh	1.00	3.00	260.84	42,748
5.	4 <sup>1/2</sup> Mile	1.00	3.00	286.76	93,820
6.	Risa Colony	0.80	3.00	219.28	18,175
<b>Total</b>				<b>1500.00</b>	<b>2,66,927</b>

Source: Detailed Project Report.

The project was implemented by the Executive Engineer (EE), Public Health Engineering (PHE), Electrical Division, Mawphlang. Scrutiny (August 2020) of records of the EE, PHE, Electrical Division, Mawphlang revealed the following:

- Final Work Orders for construction of all the six reservoirs were awarded (July 2015) to six contractors on lump sum contract basis with directions to complete the work within 12 months from the date of issue of the work orders i.e. all the six reservoirs were due for completion in July 2016. The status of the six reservoirs as of August 2020 is detailed below:

<sup>7</sup> Greater Shillong Water Supply Project (GSWSP).

**Table 1.3.2: Details of work order issued and present status.**

Sl. No.	Location of the reservoir	Work Order No. & Date	Name of contractor	Present status/ Date of completion
1.	Mawpat	CE/PHE/TB:328/2013-14/45 dated 03/07/2015	Shri B.S. Lyngdoh, Mawlai Mawroh, Shillong-8	Completed in March 2019
2.	Laban/ Lumparing	CE/PHE/TB:328/2013-14/48 dated 06/07/2015	Shri D.C. Khongsit, Mawlai Motsyiar, Shillong-17	Ongoing (20%)
3.	Bara Bazaar	CE/PHE/TB:328/2013-14/46 dated 03/07/2015	Shri Donbert Pyrbot, Qualapatty, Shillong-2	Completed in July 2020
4.	Mawroh	CE/PHE/TB:328/2013-14/49 dated 09/07/2015	Shri Robertson Lamare, Jaiaw Laitdom, Shillong-2	Ongoing (80%)
5.	4½ Mile	CE/PHE/TB:328/2013-14/47 dated 06/07/2015	Shri T.S. Pariat, Cleve Colony	Completed in August 2020
6.	Risa Colony	CE/PHE/TB:328/2013-14/44 dated 03/07/2015	Shri Specialist Longtrai, Lummawbah, Shillong-5	Completed in August 2019

- The NEC released its total share of ₹ 13.50 crore in 3 (three) instalments<sup>8</sup>, whereas the State Government has released ₹ 1.20<sup>9</sup> crore out of its matching share of ₹ 1.50 crore. The balance amount of ₹ 0.30 crore has not been released by the State Government till the date of Audit (August 2020).

Further scrutiny of records revealed that the overall financial progress of the project was ₹ 14.70 crore (August 2020), of which, a total amount of ₹ 2.62 crore was incurred towards an item viz 'Extra carriage of Earth, Sand, Stones aggregates, stone chips and building stones, beyond the initial lead of 200m including loading and unloading' as detailed below:

**Table 1.3.3: Details of stone chips and sand extracted from various locations.**

Sl. No.	Location	Stone chips				Sand				Total amount paid (6+10)
		Quarry Distance (in km)	Qty. utilised (in M <sup>3</sup> )	Rate/unit	Amount paid (4x5)	Quarry Distance (in km)	Qty. utilised (in M <sup>3</sup> )	Rate/unit	Amount paid (8x9)	
1	2	3	4	5	6	7	8	9	10	11
1	Mawpat	33	553.01	2791.10	1543506	80	324.85	6701.50	2176982	3720488
2	Laban/ Lumparing <sup>10</sup>	75	371.37	6285.50	2334246	80	183.57	6701.50	1230194	3564440
3	Bara Bazaar	80	595.06	6701.50	3987795	80	326.79	6701.50	2189983	6177778
4	Mawroh <sup>11</sup>	33	813.82	2791.10	2271453	80	432.88	6701.50	2900945	5172398
5	4½ Mile	33	544.75	2791.10	1520452	80	325.72	6701.50	2182813	3703264
6	Risa Colony	39	529.67	3290.30	1742773	81	311.10	6784.70	2110720	3853493
<b>Total</b>			<b>3407.68</b>		<b>13400225</b>		<b>1904.91</b>		<b>12791638</b>	<b>26191863</b>

As can be seen from the table above, the distance of carriage charges of stone chips and sand for the six locations ranged between 33 to 80 km and 80 to 81 km respectively even though the six reservoirs of the project are located within a radius of 3 to 4 km (approximate) in the Shillong city. The DPR also did not contain the details of quarries from where stones and sands were to be obtained and map showing location of the project sites and quarries was also not attached with the DPR. On this being enquired (27.08.2020) the EE, PHE (Electrical), Mawphlang, stated that Umphyrnai quarry and

<sup>8</sup> ₹ 5.40 crore on 28.02.2014; ₹ 5.40 crore on 20.05.2019 and ₹ 2.70 crore on 24.02.2020.

<sup>9</sup> ₹ 0.60 crore on 18.07.2018 and ₹ 0.60 crore on 20.12.2019.

<sup>10</sup> 10% physical progress.

<sup>11</sup> 83% physical progress.

Khri river were selected for stones and sand respectively, since the materials conform to the required quality and furnished the actual distance of the quarries which ranged from 21 to 29 km for stone chips and 71 to 85 km for sand.

The reply of the EE is not tenable because

- i) The DFO (Territorial), Shillong confirmed (9.12.2021) that there is no mining lease holder in the name of Umphyrnai quarry and in regard to sand quarry the DFOs stated that no Sand mining lease has been granted by the Division.
- ii) Further, PHE in its reply (02.02.2021) stated that it has no approved list of quarry for sand and stone chips and the Department utilised the approved list of the State PWD and as per approved lists of quarries obtained (November 2020) by Audit from the CE, PWD, it is noted that the name of Khri river and Umphyrnai quarry were not included. The PWD approved list, however, includes Laitkor quarry for stone chips and Umtyngar quarry for sand indicating a distance of 12 km and 22 km respectively.
- iii) The EE could not produce record of evidence like receipts for purchase of the materials and transport challans to prove that the sand and stone were actually procured and transported by the contractors from Khri river and Umphyrnai quarry respectively.

It is pertinent to mentioned that for construction of a similar nature of water supply scheme viz ‘**Augmentation of Umpling Water Supply Scheme**’, located within the areas covered by GSWSP and which involved construction of Reservoirs, the Division had selected Laitkor quarry for stone and Umtyngar quarry for sand.

From the above, it appears that the sand and stone chips were not actually procured from the Khri river and Umphyrnai quarry, but procured from the nearby quarries. This had been possible because of the non-inclusion of the names and distances of the quarries in the DPR as well as due to absence of monitoring by the EE, PHE (Electrical) Division, Mawphlang.

Thus, Audit concluded that had Laitkor quarry for ‘stone chips’ and Umtyngar quarry for ‘sand’, been indicated in the DPR as had been indicated in the case of ‘Augmentation of Umpling Water Supply Scheme’, the expenditure on carriage charges of stone and sand for the project could have been limited to ₹ 47.19 lakh and ₹ 43.90 lakh respectively instead of ₹ 134.00 lakh for stone and ₹ 127.92 lakh for sand. This could have been avoided had the DPR of the project been prepared after ascertaining the details of the stone quarries and sand by the EE, PHE (Electrical) Division, Mawphlang or had the CE, PHED, Shillong detected and rectified the same, while vetting/approving the DPR. Thus, due to failure of both the EE, PHE(Electrical) division, Mawphlang and the CE, PHED, Shillong, the Department had incurred excess expenditure to the tune of ₹ 1.71 crore (**Appendix 1.3.1**).

The matter was reported to the State Government (September 2021); reply is awaited.

