

**Chapter V**  
**Social Sector**



## CHAPTER-V SOCIAL SECTOR

### 5.1 Introduction

The Chapter contains findings based on audit of the State Government departments under Social Sector.

Social Sector is one of the most important sectors of any economy. It includes components which play an important role in the contribution of human resource development. Education, health and medical care, training, water supply and sanitation, housing conditions, *etc.* are some of the components which contribute to the enhancement of human capital. Since human capital refers to the productive capacities of human beings as income producing agents in the economy and may be defined as a stock of skills and productive knowledge embodied in people, there is a direct relationship between social sector and growth of an economy.

Government of Manipur has accorded due importance to Sector in the State by allocating a significant part of its financial resources to this sector. **Table No. 5.1.1** gives the expenditure incurred during the last five years by some of the major departments under Social Sector.

**Table No. 5.1.1 Expenditure of major departments during 2014-19**

(₹ in crore)

Years	Education	Community & Rural Development	Medical Health & Family Welfare	Total on Social Sector (In per cent)	Total Expenditure
2014-15	1,085.53	102.69	578.04	3,373.55 (37.97)	8,884.61
2015-16	1,053.35	672.20	485.66	3,255.28 (35.78)	9,098.16
2016-17	1,115.64	781.68	479.56	3,375.68 (31.11)	10,852.06
2017-18	1,263.75	942.72	583.13	4,505.71 (39.53)	11,397.17
2018-19	1,369.25	922.83	614.33	4,653.17 (31.89)	14,590.22

*Source: Appropriation Accounts.*

During 2018-19, GoI transferred ₹ 55.92 crore directly to different implementing agencies out of which, ₹ 20.30 crore (36 per cent) pertained to Social Sector as detailed in **Appendix 5.1**.

**Table No. 5.1.2** provides Department-wise details of budget provision and expenditure incurred by 17 departments pertaining to Social Sector during 2018-19.

**Table No. 5.1.2 Budget Provision and Expenditure of departments during 2018-19**

(₹ in crore)

Sl. No.	Department	Budget Provision	Expenditure
1	Community and Rural Development	1,819.85	922.83
2	Adult Education*	1,523.54	1,369.25
3	Education (Schools)*		
4	Education (University)*		
5	Technical Education*		
6	Tribal Affairs and Hill and Schedule Castes Development	923.94	667.47
7	Medical Health and Family Welfare	774.02	614.33
8	Municipal Administration Housing and Urban Development	688.46	264.85
9	Social Welfare	414.91	255.86
10	Minorities and Other Backward Classes	293.82	178.14
11	Relief and Disaster Management	165.20	64.98
12	Panchayat	105.22	79.32
13	Consumer Affairs, Food and Public Distribution	102.07	92.32
14	Youth Affairs and Sports	87.81	85.22
15	Labour and Employment	86.85	21.07
16	Arts and Culture	31.58	27.18
17	Information and Publicity	10.79	10.35
<b>Total</b>		<b>7,028.04</b>	<b>4,653.17</b>

Source: Budget Documents and Appropriation Accounts.

\* Separate information not available.

As it can be seen from table above, there was savings of ₹ 2374.87 (33.79 per cent) crore from Budget provision of above mentioned departments, Labour and employment had the maximum savings of ₹ 65.78 crore (75.73 per cent) followed by Municipal Administration, Housing and Urban Development ₹ 423.61 crore (62 per cent) and Relief and Disaster Management ₹ 100.22 crore (61 per cent) against their respective Budget provisions. Thus, the Budget Provisioning may be done more realistically by the departments.

### 5.1.1 Planning and execution of Audit

Compliance audit of Social Sector is conducted in accordance with the Annual Audit Plan approved by the Comptroller and Auditor General of India. Topicality, financial profile, social relevance, internal control system of the units and occurrence of defalcation/ misappropriation/ embezzlement as well as past audit findings form the basis of risk assessment for selection of auditable entities.

After completion of the compliance audit, Inspection Reports (IRs) are issued to the heads of units as well as to the concerned heads of departments. In the light of replies received, audit observations are reviewed and settled if action taken by the audited entities is satisfactory. However, if no action is taken or action taken is not sufficient, the audit findings are retained and units are advised to take further remedial measures. However, some serious and selected audit findings are processed for inclusion in the Audit Report of the Comptroller and Auditor General of India for placing of the same before the State Legislative Assembly as mandated by the Constitution.

Keeping in view the importance accorded to the Social Sector by the State, we in Audit also accorded due importance to the Social Sector in our Annual Audit

Plan. Out of total 254 units selected for the compliance audit during 2018-19, we conducted audit of 120 units (47 *per cent*) pertaining to the Social Sector. As of March 2019, 109 IRs containing 788 paras involving expenditure of ₹ 5,431.22 crore including expenditure of the previous years of the State Government under Social Sector were issued to the Unit heads with copies to the heads of the departments concerned.

This chapter contains one Performance Audit *viz.* ‘Performance Audit on Umbrella Schemes of Education for Scheduled Caste, Scheduled Tribe and Other Backward Classes Students’ and four Compliance Audit Paragraphs as discussed in succeeding paragraphs.

## PERFORMANCE AUDIT

### DEPARTMENT OF OTHER BACKWARD CLASSES AND SCHEDULE CASTE AND DEPARTMENT OF TRIBAL AFFAIRS AND HILLS

#### 5.2 Performance Audit Report on Umbrella Schemes of Education for Scheduled Caste, Scheduled Tribe and Other Backward Classes Students

#### *Highlights*

Education is not only a basic requirement but it is also the most effective instrument for social equality and empowerment of a society. The Centre and the State Governments have the Constitutional responsibility of promoting education in the society in general and among the Scheduled Castes (SCs), the Scheduled Tribes (STs) and Other Backward Classes (OBCs) in particular. Various educational schemes *viz.* grant of scholarships, construction of hostels, coaching classes, setting up of special schools are implemented to upgrade their education levels and generate self-confidence and self-reliance among the students belonging to these categories.

A Performance audit to assess the effectiveness of government efforts to promote education among SC, ST and OBC students by way of scholarships and hostel facilities was carried out for the period 2014 to 2019. Some of the major findings of the Performance Audit are as follows:

- *There was no disbursal of scholarship funds under SC Pre-Matric Scholarship Scheme, since the Department failed to demand Committed Liability through State Budget resulting in non- receipt Central Funds in 2017-18 and 2018-19.*

*(Paragraph 5.2.6.1)*

- *The number of rooms provided in the DPRs/ Estimates were insufficient to accommodate 100 students per hostel thereby accommodating total 307 (43.85 *per cent*) students only instead of the sanctioned 700 students.*

*(Paragraph 5.2.6.3)*

- *Three newly constructed hostels Yairipok, Kakching and Thoubal were not furnished by the Department as they did not send the proposal for furnishing of the hostels to GoI. Resultantly, two of these hostels remained unoccupied while in the third hostel, 'students' had to sleep on floors for want of basic amenities. Due to improper selection of village Behiang for ST Girls and Boys Hostel, the constructed hostel lay vacant and unoccupied since November, 2018.*

*(Paragraph 5.2.6.4)*

- *The State Government delayed distribution of scholarship funds ranging from two months to 19 months, despite receipt of GoI funds.*

*(Paragraph 5.2.7.2)*

- *The Departments concerned failed to ensure disbursement of scholarships to 3,448 students into their bank accounts on account of failed transactions resulting in funds of ₹229.57 lakh lying undisbursed with the Banks.*

*(Paragraph 5.2.7.3)*

- *Lack of awareness about the scheme amongst students, especially in remote areas led to less coverage of potential students under the scheme.*

*(Paragraph 5.2.8.2)*

- *Post-Matric OBC students residing in hostels were deprived of their full scholarships as the scholarship was paid at the rate applicable to day scholars.*

*(Paragraph 5.2.8.3)*

- *There were huge delays in construction of hostels for SC, ST and OBC students ranging from 18 to 72 months.*

*(Paragraph 5.2.8.4)*

- *There was complete absence of monitoring of the Schemes by the State Government. Evaluation of outcomes of the schemes was also not carried out.*

*(Paragraph 5.2.9.1)*

### **5.2.1 Introduction**

The SCs, STs and OBCs constitute 97 per cent<sup>122</sup> of total population of Manipur. Education among these categories of the population is incentivised through various educational schemes like grant of various types of scholarships, construction of hostels, coaching classes, setting up of special schools, etc. There are about 23 educational schemes implemented in India for promotion of education among SC, ST and OBC categories of which, the category-wise list of 13 schemes being implemented in Manipur is given in the following table.

<sup>122</sup> SC- 3.41 per cent, ST- 40.88 per cent and OBC-52.7 per cent.

**Table No. 5.2.1 List of educational schemes implemented in Manipur for SC, ST and OBC**

SC	ST	OBC
i. Pre-Matric Scholarship scheme	i. Pre-Matric Scholarship scheme	i. Pre-Matric Scholarship scheme
ii. Post-Matric Scholarship scheme.	ii. Post-Matric Scholarship scheme	ii. Post-Matric Scholarship scheme
iii. SC Hostels under Babu Jagjiwan Ram Chhatrawas Yojana	iii. Hostels for ST iv. Eklavya Model Residential Schools v. Ashram Schools * vi. Vocational Training Centres in Tribal areas *	iii. Post-Matric Scholarship scheme for EBC students ** iv. CSS Hostels for OBC students

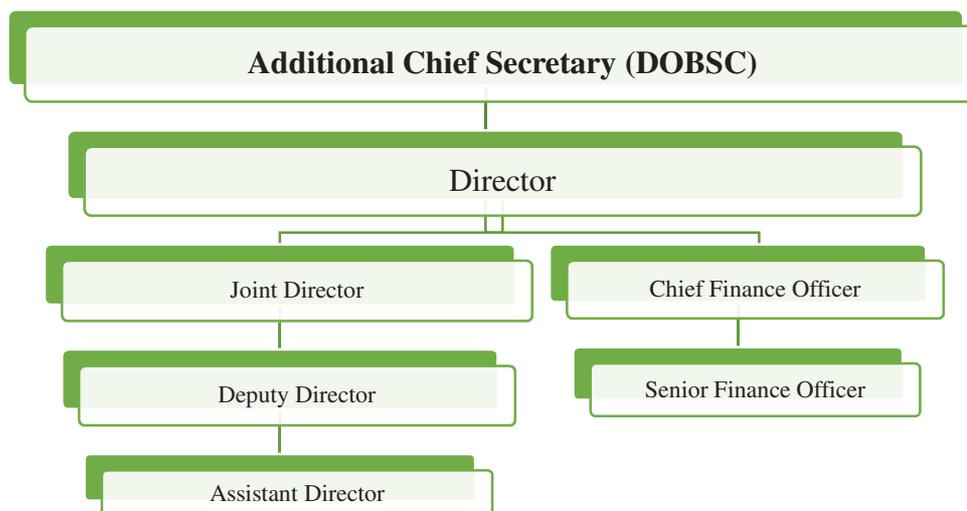
\* During audit period, no fund was released for these schemes.

\*\* The scheme was implemented in the State from 2017-18 onwards.

Thus, it can be seen that the scholarship schemes (pre and post- matric) and hostel accommodation schemes are common across all categories of beneficiaries. The Scholarship Schemes were introduced with the objective to provide financial assistance to the parents of SC/ ST/ OBC children for education of their wards and to enable students to complete their education without dropping out. The schemes for construction of Hostels were to create a congenial atmosphere free from domestic chores so that students are able to concentrate on learning. These measures were expected to increase enrolment, contain drop outs and spread education among the weaker sections of society.

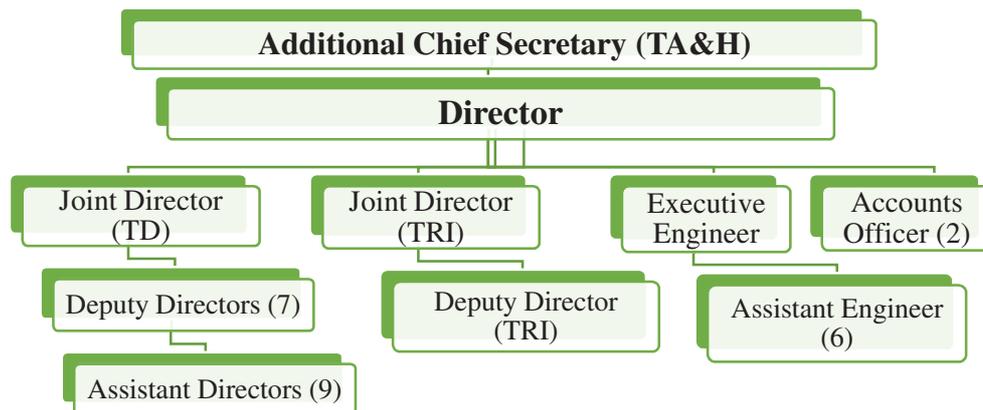
The Ministry of Social Justice and Empowerment (MSJE), GoI provides Central Assistance (CA) to the State Government for implementation of SC and OBC Scholarship schemes as well as funds for construction of the Hostels. At the State level, the schemes of SCs and OBCs are implemented by the Department of Other Backward Classes and Scheduled Castes (DOBSC). The organisational structure of the Department is given below.

#### Organogram of DOBSC, Manipur



Ministry of Tribal affairs (MOTA), GoI provides CA for implementation of schemes related to ST students. At the State level, the schemes for ST category are implemented by the Department of Tribal Affairs and Hills (TA&H). The Organisational structure of the Department is given in the chart as follows.

### Organogram of TA&H, Manipur



All the Schemes under these two Departments are implemented at Directorate level as there are no district or lower level institutional arrangements for implementation of these schemes.

#### 5.2.2 Schemes objectives, Funding Pattern, eligibility criteria and application procedure

The objectives, funding pattern and upper limit of income of the parents/ guardians of nine schemes covered in the PA is shown in the table below.

**Table No. 5.2.2 Scheme objectives, funding pattern and criteria**

Sl. No.	Categories	Objectives	Funding pattern (in per cent)		Upper limit of income per annum (in ₹)	
			Central	State	Since	
<b>Pre-Matric Scholarship</b>						
1	SC	(a) To support SC/ST children studying in classes IX and X and (b) To improve participation of SC/ST children in classes IX and X of the Pre-Matric stage.	100	CL <sup>123</sup>	July 2012	2,00,000
2	ST		90	10	September 2017	250000
3	OBC	To provide benefit/ financial assistance to weaker Section amongst OBCs children.	50	50	NA	44500
					2017-18	250000
<b>Post-Matric Scholarship</b>						
4	SC	(a) Financial assistance to SC/ ST/ OBC students	100	-	July 2010	250000
5	ST		90	10	July 2010	200000
6	OBC	(b) To complete Post-Matric or post-secondary education.	100	-	July 2011	100000
					Sept 2018	150000
<b>Hostel schemes</b>						
7	SC *	To provide hostel facilities for SC/ ST/ OBC boys and girls studying in middle schools, Higher Secondary Schools, Colleges and Universities to pursue their education career and also to contain their dropout rates.	90	10	-	-
8	ST *		90	10	-	-
9	OBC		90	10	-	-

\* In case of SC Girls Hostel and ST Girls Hostel, 100 per cent Central fund is given.

<sup>123</sup> Expenditure incurred by a State/UT on the scheme during the terminal year of any Plan period (erstwhile five-year plan periods) is termed as 'committed liability' (CL) of that State/UT and is required to be borne by it for each of the years during the next Plan period from its own budgetary provisions (Only for SC Pre- Matric). In this case, the CL is ₹ 38.92 lakh.

The Departments invite applications from beneficiaries of different institutions, after scrutiny of applications; institutions forward the applications to Department with recommendations for sanctions.

**Table No. 5.2.3 Statement showing rates of scholarship of schemes**

**(A) Pre- Matric SC & ST**

(₹ per annum)

	Scholarship		Book Grant		Total scholarship	
	Days scholar	Hosteller	Days scholar	Hosteller	Days scholar	Hosteller
<b>ST Pre matric</b>	1,500	3,500	750	1,000	2250	4,500
<b>SC Pre matric *</b>	1,500 (2,250)	3,500 (5,250)	750 (750)	1,000 (1,000)	2,250 (3000)	4,500 (6,250)

\*Figures in bracket w.e.f. Sep 2017.

Note: For both Day Scholar & Hosteller, Pre-Matric Scholarship for SC & ST is given to students studying in Class IX & X only.

**(B) Pre- Matric OBC**

(₹ per annum)

	Scholarship	Ad Hoc grant	Total scholarship
	Days scholar		
<b>Class I-V</b>	250	500	750
<b>Class VI-VIII</b>	400	500	900
<b>Class IX-X</b>	500	500	1,000
	Hosteller		
<b>Class III- VIII</b>	2,000	500	2,500
<b>Class IX-X</b>	2,500	500	3,000

Note: Pre Matric Scholarship for OBC is given only to Class I to X students. However, Hostellers are paid from class III onwards.

The rates of scholarship under Post-Matric Scholarship Schemes vary as per the courses selected by the students as mentioned in the Scheme Guidelines. The total number of Students awarded in the State during the audit period are as mentioned in the table below.

**Table No. 5.2.4 Total Number of Students awarded Pre and Post Matric Scholarship**

Year	Pre matric			Post Matric		
	SC	ST	OBC	SC	ST	OBC
2014-15	839	38,015	NA	4,247	59,024	6,715
2015-16	1,249	18,004	92	5,243	46,683	4,309
2016-17	1,367	14,063	930	6,002	39,184	8,888
2017-18	-	16,713	1,118	6,320	56,038	10,471
2018-19	-	-	-	-	22,644	11,873
<b>Total</b>	<b>3,455</b>	<b>86,795</b>	<b>2,140</b>	<b>21,812</b>	<b>2,23,573</b>	<b>42,256</b>

As it can be seen from above table, 92,390 Pre-matric students and 2,87,641 Post-Matric students were awarded scholarship during 2014-19.

### 5.2.3 Audit Objectives

The Performance Audit of Umbrella Schemes of Education for SC, ST and OBC was taken up with objective to assess:

- whether adequate Planning for implementation and provisions in the annual budgets was made;

- whether the financial management including releases and utilisation of funds was efficient and in conjunction with the stated objectives;
- whether the implementation of the scheme was effective and ensured transparency in processing of applications and timely disbursement of fee-reimbursement to eligible students; and
- whether the internal controls and monitoring mechanism were adequate.

#### **5.2.4 Audit Criteria**

The audit criteria were derived from the following schemes' guidelines issued by the MSJE and MOTA, GoI:

- i. Post-Matric Scholarship scheme for SC, ST and OBCs (Both December 2010 and April 2018);
- ii. Pre-Matric Scholarship scheme for SC, ST and OBCs (Both July 2012 and September 2017);
- iii. Centrally Sponsored Scheme of Hostels for ST Boys and ST Girls;
- iv. Babu Jagjivan Ram Chhatrawas Yojana;
- v. Sponsored Scheme of Construction of Hostels for OBC Boys and Girls;
- vi. Departmental instructions and manuals, if any, on the scheme;
- vii. General Financial Rules 2005 and 2017;
- viii. CPWD Works Manual; and
- ix. Manipur Schedule Rates.

#### **5.2.5 Audit Scope and methodology**

A Performance Audit (PA) of the schemes under implementation in Manipur for promotion of education in SC, ST and OBC categories was undertaken for Comptroller & Auditor General of India's Audit Report 2019.

The PA coverage was restricted to nine schemes (as listed in **Table No. 5.2.2**) that were under implementation during 2014-19 for promotion of education among SC, ST and OBC students. It involved scrutiny of records of Department of TA&H and DOBSC (erstwhile MOBC), physical verification of assets and facilities created, in addition to surveying of selected beneficiaries and other parties.

##### ***Sampling of Scholarship schemes (for six schemes)***

Out of the nine districts<sup>124</sup> (five Hills districts and four Valley districts) in the State, four districts<sup>125</sup> (two each from Hills and Valley districts) were selected, based on Probability Proportionate to Size without Replacement (PPSWOR).

<sup>124</sup> Imphal West, Imphal East, Thoubal, Bhisnupur, Churachandpur, Senapati, Chandel, Tamenglong and Ukhul.

<sup>125</sup> **Hill districts**-Churachandpur and Senapati; **Valley districts**-Imphal West and Thoubal.

Further, selection was based on population of STs and SCs only as district wise break up of OBCs population was not given in census report 2011.

For each selected districts, five institutes/ schools/ colleges each for Pre-Matric and Post-Matric scholarships were selected through PPSWOR. Accordingly, 40 institutes/ schools/ colleges were selected for scrutiny. The Principals of these 40 institutes were surveyed about effectiveness in implementation of scheme.

### ***Sampling of Hostel schemes (for three schemes)***

Audit observed that there were 31 hostels<sup>126</sup> which were approved/ sanctioned/ constructed during the period covered by audit, out of which, works of 16 hostels<sup>127</sup> were completed and that of 15 hostels<sup>128</sup> were ongoing. Out of these, 10 hostels (five completed<sup>129</sup> and five incomplete) were selected as sample based on random selection method, ensuring at least one hostel each for SCs, STs and OBCs was selected from both categories.

All the selected hostels were physically verified. List of the 10 selected hostels is given in **Appendix 5.2**.

The Performance Audit commenced with an Entry Conference on 03 June 2019 with the Departments responsible for implementation of the schemes wherein the audit objectives, scope and methodology were explained. Thereafter, records relating to the implementation of schemes at the Department level and implementing agencies/ colleges/ schools/ hostels were examined between June to October 2019. PA team also interacted with the Principals from the selected institutes.

The draft Audit Report was issued (December 2019) to the Department for their comments. An Exit Conference was held (January 2020) with the Nodal Departments. The views expressed during the Exit Conference and replies received from the Departments have been incorporated appropriately in the Report.

## ***Audit findings***

### **5.2.6 Planning**

The audit findings of the PA on Umbrella Schemes of Education for SC, ST and OBC Students are discussed in the succeeding paragraphs. The planning exercise in the Department was deficient as they did not assess the demand for funds under these two important Schemes, thereby failing to execute the Schemes and depriving beneficiaries of the Scheme benefits.

<sup>126</sup> Eight hostels for SCs, nine for STs and 14 for OBCs.

<sup>127</sup> Six hostels for SCs, one for STs and nine for OBCs.

<sup>128</sup> Two hostels for SCs, eight for STs and five for OBCs.

<sup>129</sup> During audit, it was seen that out of the five hostels stated as completed by the Department, one hostel, viz. OBC Boys Hostel at Sangaiyumpham, Thoubal was found incomplete as on September 2019 (95 per cent completed).

**a. Scholarship Schemes**

**5.2.6.1 Deprivation of SC Pre-Matric Scholarship due to non-inclusion of Committed Liability in the State budget**

The Pre-Matric Scholarship Scheme for SC students studying in class IX and X was introduced during the first year of XII five-year plan (2012-17). The expenditure incurred in the terminal year of a five-year plan *i.e.* 2016-17 for XII five-year plan, was termed as Committed Liability (CL) of the State Government. As per para 15<sup>130</sup> of the Scheme guidelines, the State was eligible for Central funding over and above CL for the succeeding plans provided the CL is borne by State through their own budget.

For the year 2016-17, the DOBSC assessed the fund requirement as ₹ 38.92 lakh however, no expenditure could be incurred under SC Pre-Matric Scheme as the funds were released by the GoI during the year 2017-18.

The Department, however, instead of proposing to the State Government to include CL in the State budget for succeeding years, demanded funds from MSJE, GoI. The Ministry did not release the CA.

Thus, had the Department planned it according to the Scheme Guidelines and demanded the funds from the State Government, SC students would not have been deprived of the scholarship for two consecutive years.

The Department admitted during the Exit Conference (January 2020) that there was confusion in computation of CL due to change in definition of CL in the revised Scheme Guidelines and they have sought clarification from the Ministry which is still awaited. Further, the Department admitted that they did not raise demand of CL to the State Budget. The Department's reply on confusion in computation of CL is not tenable since the Scheme guidelines and income limits were well known to them.

**5.2.6.2 Non implementation of Book Bank Scheme<sup>131</sup>**

As per the scheme guidelines for SC and ST scholarship, Book banks are to be set up in all the Medical, Engineering, Agriculture, Law and Veterinary Degree colleges and Institutes imparting Chartered Accountancy, MBA and alike Management courses and Polytechnics where SC/ST students are in receipt of the Post-Matric Scholarship. There were eight institutions in Manipur which provided the above mentioned courses. The number of SC and ST students availing scholarship in any of the above mentioned courses during the period 2014-15 to 2018-19 from these Institutes is as shown in the table as follows.

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<sup>130</sup> Read with para 14.1 of the Scheme Guidelines.

<sup>131</sup> CA will be provided to buy books ranging from ₹ 2,400 to ₹ 7,500 for one set of books (one set per student or one set for two students) depending on the course pursued by the SC and ST students.

**Table No. 5.2.5 Institutes and number of SC and ST students availing scholarship**

SN.	Name of Institute	2014-15	2015-16	2016-17	2017-18	2018-19
1	Govt. Polytechnic, Imphal	83	120	148	179	186
2	ICM	10	15	11	20	20
3	JNIMS, Porompat	160	174	185	194	214
4	LMS Law College, Imphal	132	170	281	215	189
5	MIT, Takyel	61	48	68	87	85
6	Manipur Tech. Univ.	0	0	25	56	77
7	NIT	31	42	76	46	78
8	RIMS, Imphal	95	96	100	92	94
	<b>Total</b>	<b>572</b>	<b>665</b>	<b>894</b>	<b>889</b>	<b>943</b>

\* SC and ST Post-Matric scholarship for 2018-19 is not yet disbursed (July 2019).

Test check of records revealed that the implementing departments did not forward any proposal to the Ministries for implementation of Book Banks scheme in Manipur and hence did not receive any funds. Due to poor planning on the part of the Department, eligible students were denied scheme benefits.

Accepting the audit observation (January 2020), the Department stated that the eligible institutes will be contacted for implementation of the Book bank Scheme. The reply does not address lapses of the past.

#### b. *Hostel Schemes*

##### 5.2.6.3 Deficient planning of hostel building design

a) The scheme for construction of Hostels for SC, ST and OBC students under Centrally Sponsored Scheme aims to provide hostel facilities so as to encourage students belonging to the targeted groups to pursue their education and also to contain their dropout rates. As per the sanction accorded by MOTA and MSJE, the inmate capacity for all the 10 sampled hostels was for 100 students per hostel.

Audit scrutiny revealed that in seven out of the 10 selected hostels, the number of rooms provided in the DPRs/ Estimates were insufficient to accommodate 100 students per hostel as shown in the table below.

**Table No. 5.2.6 Details showing insufficient rooms provided in DPRs/ Estimates**

Sl. No.	Name of Hostel	Sanctioned inmate capacity	Room description	No. of rooms	Total inmate capacity (4x5)	Shortage (3-6)
1	2	3	4	5	6	7
1	OBC Girls Hostel at Lilong Haoreibi College, Thoubal	100	3-bedded	12	36	37
			9- bedded (dormitory)	3	27	
			<b>Total</b>	<b>15</b>	<b>63</b>	
2	SC Girls Hostel at Kha Manipur College, Kakching	100	3- bedded	12	36	64
			<b>Total</b>	<b>12</b>	<b>36</b>	
3	SC Girls Hostel at Azad High School, Yairipok	100	3- bedded	12	36	64
			<b>Total</b>	<b>12</b>	<b>36</b>	
4	ST Girls and Boys Hostel at Behiang Village, Churachandpur	100	4- bedded	6	24	64
			3- bedded	4	12	
			<b>Total</b>	<b>10</b>	<b>36</b>	
5		100	3- bedded	12	36	64

Sl. No.	Name of Hostel	Sanctioned inmate capacity	Room description	No. of rooms	Total inmate capacity (4x5)	Shortage (3-6)
1	2	3	4	5	6	7
	OBC Boys Hostel at Sangaiyumpham, Thoubal		<b>Total</b>	<b>12</b>	<b>36</b>	
6	SC Girls Hostel at Leimaram High School, Bishnupur	100	3- bedded	12	36	64
			<b>Total</b>	<b>12</b>	<b>36</b>	
7	ST Girls and Boys Hostel at Tadubi Mao MaramGovt H/S, Senapati	100	2- bedded	8	16	36
			6- bedded	8	48	
			<b>Total</b>	<b>16</b>	<b>64</b>	
<b>Total</b>		<b>700</b>			<b>307</b>	<b>393</b>

*\* As provided in the DPRs/ Estimates; or calculated according to the size and dimension of the rooms and taking into account the provisions of furniture items such as chair, table etc. for the inmates.*

As seen from the above table, the number and dimension of rooms provided in the DPRs of seven hostels were actually accommodating 36 to 63 students per hostel, total 307 (43.85 per cent) students only instead of the sanctioned 700 students. The copies of proposals sent to the Ministries, along with the detailed annexes specified in the scheme guidelines, were not found in Departments' records. As such, despite the insufficient number of rooms provided in the DPRs to accommodate 100 students per hostel, the basis on which these seven hostels were sanctioned by the concerned Ministry could not be ascertained from the records provided to audit.

The Departments stated (January 2020) that the number of rooms constructed was as per the DPRs, which were approved by the concerned Ministries. Further, the Departments stated that though the Ministries had sanctioned 100-bedded hostels, the construction of the hostels as per plinth area was not enough to accommodate 100 beds. However, each hostel would be able to accommodate 100 students by providing tier system of bed or mat-cum-mattress system on the floor.

**b)** As per the Guidelines on hostel schemes for SC, ST and OBC students, essential features were to be incorporated while planning, designing and executing hostel buildings like boundary walls, two rooms set for hostel warden, a kitchen, a common room, one room set for Chowkidar, etc. Further, few rooms/ blocks should be constructed barrier free and facilities like ramps, etc. incorporated in the design of construction for convenience of students with disabilities.

Audit observed that these essential facilities for safety of students and support staff were not incorporated in the hostel buildings design as shown in the table below.

**Table No. 5.2.7 List of essential facilities not incorporated in Hostel buildings design**

Sl. No.	Name of Hostel	Essential features not incorporated in the building design	Implication
1	ST Girls and Boys Hostel at Behiang, Churachandpur.	Boundary walls, two rooms set for hostel warden, one room set for chowkidar, barrier free rooms, ramps, <i>etc.</i> not provided in the design.	<ul style="list-style-type: none"> <li>• No safety for student occupants especially girls</li> <li>• No accommodation for warden and chowkidar affecting proper functioning of hostels</li> <li>• Difficulties for disabled students.</li> </ul>
2	ST Girls and Boys Hostel at Tadubi Mao MaramGovt High School (HS), Senapati.		
3	ST Girls and Boys Hostel at Maram near Don Bosco College, Senapati.		
4	Construction of SC Girls Hostel at Azad HSYairipok, Imphal East.	One room set for chowkidar, barrier free rooms, ramps, <i>etc.</i> not provided in the design.	<ul style="list-style-type: none"> <li>• No accommodation provided for chowkidar which could affect proper security/maintenance of the hostels; and</li> <li>• Difficulties for disabled students.</li> </ul>
5	Construction of SC Girls Hostel at KhaManipur College, Kakching.		
6	Construction of SC Girls Hostel at Leimaram HS, Leimaram, Bishnupur.		
7	OBC Girls Hostel at Lilong Haoreibi College, Thoubal.	Barrier free rooms, ramps, <i>etc.</i> not provided in the design.	<ul style="list-style-type: none"> <li>• Difficulties for disabled students.</li> </ul>
8	OBC Girls Hostel in T.G Higher Secondary School, Imphal West.		
9	OBC Boys Hostel at Sangaiyumpham, Thoubal.		
10	OBC Boys Hostel in Azad Higher Secondary School, Imphal East.		

The Departments admitted (January 2020) the absence of essential features and facilities in the design of the hostel buildings and assured that such mistakes would not be repeated in future.

The fact, however remains that deficient DPRs were prepared which resulted in not only lesser number of rooms than the allowed, but also the essential features were not incorporated in the design, thereby depriving students of the full benefits of the scheme.

#### **5.2.6.4 Non-functional hostels due to improper planning and non-submission of proposal to furnish the hostels**

Out of the four completed hostels, we noticed that only one hostel<sup>132</sup> was functioning and occupied, even though the rooms were not furnished with basic furniture items such as beds, tables, chairs, *etc.* The remaining three completed hostels remained unoccupied as discussed in the succeeding paragraphs.

- The MOTA, GoI had sanctioned ₹ 184.50 lakh for construction of ST Girls and Boys Hostel for 100 students at Behiang Village, Churachandpur during 2017-18. The construction of the hostel was completed in October 2018 and inaugurated in November 2018. However, the hostel remained non-functional with no occupant. As per UDISE<sup>133</sup> data, schools in and around the vicinity of Behiang village were only up to class VIII standard

<sup>132</sup> “SC Girls Hostel at Azad High School, Yairipok, Imphal East” constructed at a project cost of ₹ 178.18 lakh and completed in February 2018.

<sup>133</sup> Unified District Information on School Education (UDISE).

and most of the students were minors and from the local area. As a result, the hostel has been lying vacant and un-occupied since last 10 months (September 2019). Thus the selection itself of this village was flawed.

- b) As per the MSJE Guidelines for SC and OBC hostels, a one-time grant<sup>134</sup> would be provided to the implementing agencies for making provisions of essential hostel furniture and equipment such as cot, table, chair, *etc.* This one-time grant shall be released after full utilisation of the Central and State Share of the construction cost and completion of construction of the hostel in all respects. However, this provision is not provided in the scheme for ST hostels.

Audit scrutiny revealed that for the three completed hostels that were sanctioned by MSJE (1- OBC and 2- SC), the DOBSC did not submit any proposal to the Ministry for one-time grant for purchase of the essential hostel furniture and equipment. Resultantly, during the joint physical verification (September 2019), it was found that all the three completed hostels were without any furniture items, as shown in the table below.

**Table No. 5.2.8 List of completed OBC and SC hostels without furniture**

(₹ in lakh)

Sl. No.	Name of Hostel	Inmate capacity	Actual no. of occupants	Applicable one-time grant from the Ministry	Audit observation
1	SC Girls Hostel at Azad High School, Yairipok	100	100 students	5.00	There were no beds, chairs, tables, <i>etc.</i> and the occupants had to sleep on the floor.
2	SC Girls Hostel at Kha Manipur, Kakching	100	No occupants	5.00	Hostels were not furnished, which could be one of the reasons for non-occupancy by the students.
3	OBC Girls Hostel at Lilong Haoreibi College, Thoubal	100	No occupants	2.50	
<b>Total</b>		<b>300</b>		<b>12.50</b>	

As seen from the above table, out of the three completed SC and OBC hostels, only SC Girls Hostel at Azad High School, Yairipok was found occupied by students. However, essential requirement of furniture items such as beds, chairs, tables, *etc.* were not provided to the occupants, thereby depriving the students of these basic facilities provisioned under the scheme. The remaining two hostels were found unfurnished as shown in the pictures below.

<sup>134</sup> ₹ 5000 per student for SC hostels; ₹ 2,500 per hostel seat for OBC hostels.

## Photograph No. 5.2.1 Photographs showing unfurnished Hostels



The Department accepted (January 2020) the audit observation and stated that proposals for furnishing the completed hostels would soon be submitted to the Ministry as well as to the State Government. The Lilong Haoreibi College further added (17 February 2021) that they have taken up (09 February 2021) the issue of necessary infrastructure/ furniture with the Director, Minority Affairs and in the meantime, one teacher has been engaged as Warden of the hostel.

### 5.2.7 Financial management

#### 5.2.7.1 Funding Pattern under Scholarship Schemes

Out of the nine schemes covered in PA, three scholarships schemes were fully funded by the Central Government and remaining three scholarships and three hostel schemes were on cost sharing basis between the Central and State Governments.

#### Fully funded by Central Government

The receipts and expenditures for the fully centrally funded scholarship schemes are given in the following table.

**Table No. 5.2.9 Fund Receipts and Expenditure Statement for SC Pre and Post-Matric and OBC Post-Matric**

(₹ in lakh)

Year	OB	SC Pre-Matric		OB	SC Post-Matric		OB	OBC Post-Matric	
		Fund Receipts	Exp.		Fund Receipts	Exp.		Fund Receipts	Exp.
2014-15	0.00	28.13	26.66	0.00	1,193.50	756.34#	531.00	598.00	811.00*
2015-16	1.47	0.00	1.46	437.16	620.32	958.43	318.00	602.62	0.00
2016-17	0.01	0.00	0.00	99.05	583.31	682.34	920.62	471.00	217.63
2017-18	0.01	38.92	38.93	0.02	750.56	43.15	1,391.62	622.37	2,013.99
2018-19	0.00	0.00	0.00	707.43	754.00	678.20	802.00	653.32	1,275.69
<b>Total</b>		<b>67.05</b>	<b>67.05</b>		<b>3,901.69</b>	<b>3,118.46</b>		<b>2,947.31</b>	<b>3,478.31</b>

*Source: Finance Accounts and Detailed Appropriation Accounts.  
(Exp.: Expenditure)*

*# Entire expenditure is made for scholarship distributed for previous years.*

*\* Includes expenditure of ₹ 386.49 lakh for previous years.*

As seen from above, under SC Pre-Matric Scholarship Scheme, the funds for 2016-17 were received in 2017-18. There was no disbursement since 2017-18 since the Department did not receive Central Funds due to non-inclusion of the committed liability in the State budget. Under SC Post-Matric and OBC Post-

Matric Scheme, expenditure included payments of scholarships for previous years also which indicated delays in disbursement of scholarships.

### Funding shared between Central and State Governments

Fund receipts and expenditure of the schemes for which the funding is shared by both Centre and State governments are discussed below:

#### ST Pre-Matric

The details of funds received and expenditure incurred under ST Pre-Matric Scholarship Scheme during the period 2014-15 to 2018-19 were as under.

**Table No. 5.2.10: Funds Received and Expenditure incurred**

(₹ in lakh)

Year	Receipts			Expenditure	Closing Balance
	Opening Balance	CS	SS		
2014-15	829.70	496.05	0.00	829.67	496.08
2015-16	496.08	0.00	0.00	496.04	0.04
2016-17	0.04	867.38	200.37	812.67	255.12
2017-18	255.12	619.09	80.91	700.83	254.29
2018-19	254.29	773.00	85.89	340.06	773.12
		<b>2,755.52</b>	<b>367.17</b>	<b>3,179.27</b>	

Source: Finance Accounts and Detailed Appropriation Accounts.

In can be seen from the table above, that the State Share for 2014-15 and 2015-16 was not allocated in the State Budget. Further, the State was not able to fully utilise the funds received from GoI during the year in which they were received. The State failed to utilise the Central funds received during 2018-19 as the entire funds of ₹ 773.00 lakh was lying unspent as of September 2019.

#### ST Post-Matric

The details of funds received and expenditure incurred under ST Post-Matric Scholarship Scheme during the period 2014-15 to 2018-19 were as under.

**Table No. 5.2.11 Fund Received and Expenditure incurred**

(₹ in lakh)

Year	Receipts			Expenditure	Closing Balance
	Opening Balance	CS	SS		
2014-15	1,293.47	3,615.48	0.00	4,895.88	13.07
2015-16	13.07	3,588.00	0.00	3,587.82	13.25
2016-17	13.25	3,385.20	1,008.47	1,970.22	2,436.70
2017-18	2,436.70	6,382.55	599.63	5,508.79	3,910.09
2018-19	3,910.09	2,026.76	899.97	6,823.41	13.41
	<b>Total</b>	<b>18,997.99</b>	<b>2,508.07</b>	<b>22,786.12</b>	

Source: Finance Accounts and Detailed Appropriation Accounts.

It is evident from the table above that the State Share for the 2014-15 and 2015-16 was not allocated in the State Budget. During the years 2016-17 and 2017-18, the State failed to fully utilise the funds received from GoI leading to huge closing balances at the close of these years.

#### OBC Pre-Matric

The details of funds received and expenditure incurred under OBC Pre-Matric Scholarship Scheme during the period 2014-15 to 2018-19 were as under.

Table No. 5.2.12 Fund Received and Expenditure incurred

(₹ in lakh)

Year	Receipts			Expenditure	Closing Balance
	Opening Balance	CS	SS		
2014-15	51.99	100.00	0.00	51.99	100.00
2015-16	100.00	0.00	0.00	0.00	100.00
2016-17	100.00	0.00	0.00	0.00	100.00
2017-18	100.00	0.00	18.85	18.85	100.00
2018-19	100.00	0.00	19.99	49.01	70.98
		<b>100.00</b>	<b>38.84</b>	<b>119.85</b>	

Source: Finance Accounts and Detailed Appropriation Accounts.

It can be seen from the table above that the State Government did not disburse scholarships during 2015-16 and 2016-17, despite availability of funds to the tune of ₹ 1.00 crore which was received during 2014-15 from GoI.

### 5.2.7.2 Delay in release of Central Assistance by State to the implementing Department

For effective implementation of the scholarship schemes, it is necessary that the required funds are released on time by the Centre as well as the State.

However, audit found that scholarship amount released by the GoI was not timely authorised for utilisation to the Department by the GoM which resulted in delays in disbursement of the scholarship to the students.

#### (a) ST Pre-Matric

Details of the fund released by the Ministry along with the fund authorisation by the GoM to the Department for ST Pre-Matric Scholarship Scheme are given in Table No. 5.2.13.

Table No. 5.2.13 Delay of CA released during Audit Period by the State Government

(₹ in lakh)

Academic Year	CA released by Ministry		Fund release by State		Delay in months
	Amount	Date of release	Amount	Date of release	
2014-15	496.05	September 2014	496.03	October 2015 to March 2016	13 to 18
2016-17	255.04	December 2016	226.76	August 2017	8
			28.29	October 2017	10
2018-19	773.00	March 2019	-	Not disbursed up to September 2019	9

Source: Departmental Records.

As seen from the table above, the GoM released funds to the implementing Department after eight to 18 months from the date of release of funds by the Ministry resulting in late disbursement of scholarship to the students.

#### (b) ST Post-Matric

Details of the funds released by the Ministry along with fund authorisation by the GoM to the Department for the year 2016-17 is given in the table below.

**Table No. 5.2.14 Delay of CA released during Audit Period by the State Government**

(₹ in lakh)

Year	CA Releases		Releases by GoM		Delay in months
	Amount	Date	Amount	Date	
2016-17	3385.2	July 2016 to October 2016	961.73	September 2016 to November 2016	2 to 8
			1636.76	August 2017	10 to 13
			753.32	October 2017	12 to 15
			33.64	February 2018	16 to 19

Source: Departmental Records.

During 2016-17, the State Government released funds after lapse of two to 19 months after its release by the Ministry. Late release of funds by the Ministry as well as the State Government resulted in delay in disbursement of scholarship. The Principals/ Heads of the Schools also admitted the delayed credit of scholarship amount into the students' account.

### 5.2.7.3 Scholarship funds not disbursed into beneficiaries account

Test check of records revealed that the payment of SC, ST and OBC Pre and Post-Matric scholarship are made to the beneficiaries account (s) through e-payment from bank based on the advice of the Department. To confirm the actual payment of scholarship money to the beneficiary accounts, the bank should in turn furnish Unique Transfer Receipts (UTRs) for each advice. However, the Departments had no records of UTRs received, if any. In absence of UTRs, the Departments had no mechanism in place to ascertain if the scholarship amounts have actually reached the beneficiary or not.

Scrutiny of Bank statements for the period from 2014-15 to 2018-19 revealed that cases of unsuccessful transfer of scholarship amounts are reflected as credit transaction in the bank account of the Department. Audit observed that due to 3,448 cases of unsuccessful/ failed transactions by bank an amount of ₹ 229.57 lakh remained undisbursed as on 31 March 2019 as detailed in **Appendix 5.3**, which is a gross irregularity depriving the needy students/ beneficiaries. Moreover, Audit could not assess the number of students affected by these failed transactions due to non-availability of records with the Departments. The Departments are also yet to analyse the details of failed transactions to credit the amount to the beneficiaries' account.

In reply, the Departments stated that the matter has been taken up with the concerned banks and the details will be furnished to audit as and when received (February 2021); reply of which is still awaited.

Absence of an adequate mechanism in place to confirm the actual payment/transfers of scholarship to the students' account led to not only denial of scholarship to the students but also reflected on the inefficiency and indifference on the part of the implementing Departments.

While accepting the audit observation (January 2020), the Departments stated that they will look into the matter and come up with eventful/alternative solution to ensure that the scholarship reaches the targeted students.

#### 5.2.7.4 Funding Pattern under Hostel Schemes

The total project cost for the ten selected hostels was ₹ 2,115.68 lakh out of which, ₹ 1,900.47 lakh was borne by the Centre and the remaining ₹ 215.21 lakh by the State Government. Details of fund receipts and expenditures are given in *Appendix 5.4* and summarised in the table below.

**Table No. 5.2.15 Details of funds released and expenditure incurred for ten hostels as on September 2019**

Project cost			CS released to State	Funds released by the State to implementing Department			Total Expenditure (CS + SS)
CS	SS	Total		CS	SS	Total	
1,900.47	215.21	2,115.68	1,868.97	1,786.15	159.00	1,945.15	1,785.13

(₹ in lakh)

As seen from the above table:

- Out of the total approved cost of ₹ 21.16 crore, the Department received an amount of ₹ 18.69 crore (out of Central Share of ₹ 19.00 crore), leaving an unreleased balance of ₹ 31.50 lakh.
- Of the total CS received from the Centre of ₹ 18.69 crore, the State had released ₹ 17.86 crore to the implementing Departments and the remaining amount of ₹ 82.82 lakh, for three hostels<sup>135</sup>, had not been released (September 2019).
- Out of the total expenditure of ₹ 1,785.13 lakh for 10 hostels, an amount of ₹ 183.05 lakh remains parked under 8449 - Other Deposits.

#### 5.2.7.5 Non-maintenance/ opening of separate bank account of scheme

The Finance Department, GoM's OM No.1/95/99/-D/IF dated 18 April 2009 requires that the DDO accounts are not to be used for any transaction under any circumstances other than the salary and personal entitlements and no bills are to put for drawal and credited to DDO account other than salary and personal entitlement bills. As per Finance Department, GoM's OM No.3/263/2017-D/IF dated 18 April 2017, all the Departments/agencies implementing the schemes were directed to open a separate account for each scheme in any of the eligible banks operating in the State which has been empanelled by Finance Department, in addition to the DDO accounts of the Department.

The DOBSC and DTA&H, Government of Manipur, implemented scholarship schemes for SC, ST and OBCs in the State. Audit found that the transactions of drawal and disbursement of the scholarship funds of both the Departments was done through the DDO accounts in violation of the orders of GoM. The DOBSC opened separate bank accounts for scholarship schemes *w.e.f.* September 2018, after a lapse of seventeen months from date of orders of the GoM, whereas TA&H Department did not maintain separate bank accounts for the scholarship schemes till date (July 2020).

<sup>135</sup> OBC Boys Hostel at Sangaiyumpham, Thoubal- ₹ 5.64 lakh, ST Girls and Boys Hostel at Tadubi Mao Maram Govt High School, Senapati- ₹ 38.59 lakh, ST Girls and Boys Hostel at Tadubi Mao Maram Govt High School, Senapati- ₹ 38.59 lakh.

While accepting the audit observation (January 2020), the Department of TA&H assured that separate bank account for scholarship scheme would be opened.

## **5.2.8 Implementation of Scheme**

### **a. Scholarship Schemes**

#### **5.2.8.1 Non-Revision of Income Ceiling**

The Pre-Matric Scholarship Scheme for SC Students studying in Classes IX and X was introduced during the first year of XII plan *i.e.* 2012-13 for which the Guidelines became effective from July 2012. As per the Guidelines, annual income of the parents should not exceed ₹ 2.00 lakh. The income ceiling was revised to ₹ 2.50 lakh per annum under the revised guidelines issued in 2017 and became effective from 19 September 2017.

Test check of records of DOBSC revealed that the Department published notices inviting applications for Pre-Matric Scholarship for 2017-18 (12 October 2017) & 2018-19 (10 January 2019). In both the notices, the annual income ceiling of the parents/ guardians was published as ₹ 2.00 lakh instead of the revised annual income ceiling of ₹ 2.50 lakh. The Department did not issue/ publish revised notice or corrigendum informing scheme beneficiaries about the revised income ceiling. While admitting the audit observation in Exit Conference (January 2020), the Department stated that strict adherence to the latest Scheme Guidelines would be effected henceforth.

#### **5.2.8.2 Coverage of SC, ST and OBC students in Pre-Matric Scholarship**

SC and ST Pre-Matric Scholarship schemes cover classes IX and X whereas OBC Pre-Matric scholarship covers from classes I to X. As per the Scheme Guidelines, for the purpose of effective implementation of the schemes, states may formulate guidelines for assessing the eligibility of beneficiaries and institutes and also work out suitable modalities for Direct Benefit Transfer (DBT). This shall be in accordance with the objectives of the scheme provided that the states shall not be at liberty to impose any guidelines which enhances or has the effect of enhancing the liability of the Centre under the scheme.

Audit found that DOBSC and DTA&H did not collect any data regarding enrolment of SC/ ST/ OBC students studying at Pre-Matric/ Post-Matric, from schools/ colleges/ institutes. In absence of the relevant data, the Departments could not work out the yearly fund requirements. Resultantly, the coverage of the schemes was limited to the applicants, who applied for the scholarship. The records of the two Departments and the information collected from the Unified District Information on School Education (UDISE)<sup>136</sup> revealed that the number of SC/ ST/ OBC students studying in the Government Schools availing

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<sup>136</sup> UDISE is a database about Schools in India. It was developed at the Department of School Education, MHRD, GoI and maintained by National Informatics Centre, GoI. The database maintains information on number of Schools, Students, Teacher, School infrastructure *etc.*

scholarship was very less compared to the actual number of these categories of students enrolled in the Government Schools as shown in the table below.

**Table No. 5.2.16 Total number of students awarded scholarship during 2014-2018**

Year	Total No of Students who are awarded Pre Matric Scholarship			No. of Students From Govt. School			No. of Students From Other than Govt. Schools <sup>137</sup>		
	SC	ST	OBC	SC	ST	OBC	SC	ST	OBC
2014-15	839	38,015	NA	106	1,862	NA	733	36,153	NA
2015-16	1,249	18,004	92	210	2,652	0	1,039	15,352	92
2016-17	1,367	14,063	930	298	650	58	1,069	13,413	872
2017-18	-	16,713	1,118	204	1,442	86	880	15,271	1,032
<b>Total</b>	<b>4,539</b>	<b>86,795</b>	<b>2,140</b>	<b>818</b>	<b>6,606</b>	<b>144</b>	<b>3,721</b>	<b>80,189</b>	<b>1,996</b>

The Principals/ Heads of the Schools admitted that no sensitisation program about the scheme was carried out at the institute level and emphasised that such program may be organised in future to spread awareness about the Scheme. Lack of awareness about the scheme in students, especially in remote areas turned out to be main reason for less coverage of students in the scheme.

While admitting the audit observation in Exit Conference (January 2020), both Departments stated that UDISE database would be utilised in future for identification and assessment of potential beneficiary students for Scholarship purposes from 2019-20 onwards. Further the Departments also stated to have initiated sensitisation/ awareness programs for various scholarship schemes to cover more students in future.

#### **b. Hostel Schemes**

##### **5.2.8.3 Denial of full Post-Matric scholarship benefit to OBC Hostellers**

The OBCs Post-Matric Scholarship Scheme is a Central Scheme, fully funded by the MSJE, GoI and it covers OBC students studying in Post-Matriculation or Post-Secondary stage. During the period from 2014-15 to 2018-19, the DOBSC implemented the Post-Matric Scholarship scheme for OBC students in the State. The rate of monthly Scholarship (Maintenance allowances) ranged from ₹ 260 to ₹ 750 per month for Hostellers and ₹ 160 to ₹ 350 for the Day Scholars.

Test check<sup>138</sup> of application forms and records of disbursement of scholarships during the years 2015-16 to 2017-18 revealed that the 140 Hostellers were paid at the rate admissible to the Day Scholars instead of their entitled amount. Similarly, during 2018-19, 2,064 hostellers out of total 11,873 hostellers<sup>139</sup> were paid at Day Scholars' rate. Thus, funds released were of ₹ 230.55 lakh, against entitled funds of ₹ 287.13 lakh resulting in short disbursement of ₹ 56.59 lakh to 2,204 hostellers.

Scrutiny of records of the Department *w.r.t.* the funds demand sent to the Ministry every year revealed that the fund requirement for both Day Scholars and Hostellers was assessed at the rates payable to Day Scholars only. It was

<sup>137</sup> Private Schools, Central Schools and students studying outside Manipur.

<sup>138</sup> 100 forms each year from 2015-16 to 2017-18, physical forms were checked.

<sup>139</sup> Data checked from National Scholarship Portal.

also seen that except for the year 2018-19, the Ministry had sanctioned funds that was demanded by the State in full. As a result, Hostellers were paid at the rate of the Day Scholars instead of their entitled amount. Thus, insufficient demand/ proposal of funds for the hostellers resulted in denial of entitled benefits to 2,204 hostellers amounting to ₹ 56.59 lakh.

During Exit Conference (January 2020), the Department admitted the fact and stated that demand for funds was made as per the notional allocation of the Ministry and demand of funds over the notional allocation was not sanctioned by the Ministry. As such, fund received were inadequate and hostellers were paid at the rate payable to the Day Scholars. Further, the Department admitted that it did not collect/ maintain database of the students which would help in assessing the actual yearly requirement. The reply of the Department was not based on facts as the Department requisitioned funds based on the rates payable to Day Scholars only.

#### **5.2.8.4 Delay in construction of Hostels for SC, ST and OBC students**

As per Scheme Guidelines, the timelines for completion of hostels for SC, ST and OBC students are as shown in the table below.

**Table No. 5.2.17 Prescribed Timeline for completion of Hostels**

Category of Hostel	Timeline for completion
SC Hostels	Within two years from date of sanction of project
ST Hostels	Within two years from date of release of CA
OBC Hostels	Within 18 months from award of work order or two years from release of first instalment of CA, whichever is earlier

Audit observed that there were delays in transfer of funds, short release of funds by the State to the implementing Departments and delay in award of works as discussed below:

- (a) In all the 10 selected hostels, there were delays in transfer of funds by the State to the implementing Departments ranging from 1 to 35 months from the date of release of funds by the Ministries concerned, as shown in **Appendix 5.5**. This had invariably hampered the timely completion of hostels as it was seen that only one<sup>140</sup> out of the 10 sampled hostels was completed within the stipulated timeline of 24 months from the date of release of CA. Of the remaining nine hostels, three were completed with time overruns ranging from 18 to 72 months from the stipulated timeline while the six hostels remained incomplete (September 2019) beyond the stipulated date of completion. Out of these six incomplete sampled hostels, two hostels were executed departmentally by the District Rural Development Agency (DRDA), Imphal East. Construction work of the remaining four hostels were awarded to contractors after a delay ranging from 5 to 22 months from the sanctioned date/ release of CA. However,

<sup>140</sup> "ST Girls and Boys Hostel at Behiang Village, Churachandpur".

there were no recorded reasons for the delay in transfer of funds by the State to the implementing Departments and award of works.

- (b) Under the funding of the MSJE, two OBC hostels<sup>141</sup> to be completed by November 2018, were constructed at a total project cost of ₹ 770.00 lakh. Out of the total State Share of ₹ 140.00 lakh, the State had released only ₹ 70.00 lakh (March 2019) and the remaining ₹ 70.00 lakh had not been released as on September 2019. In this regard, it was seen that both the hostels remained incomplete even after a delay of 10 months from the stipulated completion date. However, there was no recorded reason for short release of the State Share by the State.
- (c) One 100 bedded hostel<sup>142</sup> was sanctioned by the MoTA for ₹ 1.45 crore during 2014-15. The Ministry had released the sanctioned amount of ₹ 1.45 crore in January 2015. However, the work for construction of the hostel was awarded in November 2016 after a delay of 22 months from the date of sanction, with a stipulation to complete by January 2017. It was seen that the construction work had not started as of April 2018, the Department (TA&H) issued a Show Cause Notice to the contractor (April 2018). The contractor assured that the work would commence from May 2018. However, during the joint physical verification (September 2019), it was seen that construction of the hostel was yet to commence at the selected site, even after delay of 32 months from the Ministry's stipulated completion date (January 2017). Despite this, the Department had not initiated any action against the defaulting contractor.

The failure of the implementing Departments to comply with the Ministry Guidelines for timely completion of the sanctioned hostels deprived the SC, ST and OBC students of the benefits of hostel facilities.

During the exit conference (January 2020), both the Departments accepted the audit observation. However, specific reasons for delays in issue of work orders and non-completion of hostels in time were not furnished.

## 5.2.9 Quality and Monitoring Mechanism

### 5.2.9.1 Non assessment of impact of implemented Scholarship Schemes

The financial prudence requires that after implementing a scheme for some time, the funding and implementing organisations would like to know the outcomes of their schemes. This also helps the implementing organisations in identifying planning deficiencies or implementation problems so that suitable remedial measures could be taken to make their schemes more efficient and effective. The scheme guidelines for SC and OBC also required MSJE to

<sup>141</sup> 1) OBC Girls Hostel at TG Higher Sec School, Imphal for ₹ 385.00 lakh (Centre Share- ₹ 315.00 lakh and State Share - ₹ 70.00 lakh) and 2) OBC Boys Hostel at Azad Higher Sec. School, Yairipok for ₹ 385.00 lakh (Centre Share - ₹ 315.00 lakh and State Share - ₹ 70.00 lakh).

<sup>142</sup> "ST Girls/ Boys hostel at Maram near Don Bosco College, Senapati".

conduct evaluation of the schemes. However, ST scholarship scheme guidelines were silent on this.

In respect of all the scholarship schemes implemented in the State for SC, ST and OBC students, Audit observed that there were no records pertaining to the evaluations, if any, conducted by the concerned Ministry to assess the outcomes and impacts created by the schemes. The implementing Departments did not maintain any database to assess whether the schemes had actually benefitted the target students *vis-à-vis* their completion of education without dropping out.

The Departments accepted (January 2020) that presently there was no system in place to assess the outcomes of implemented schemes. However, the matter would be looked into and expertise in this particular field would be consulted for carrying out assessment of outcomes of the schemes. The audit advised that the Departments should consider requesting the Development, Monitoring and Evaluation Office, Niti Aayog which has programme evaluation as their mandate, for evaluation and assessment of their programmes.

#### **5.2.10 Conclusion**

The Performance audit of the Implementation of the Umbrella Schemes for Education of SC, ST and OBC Students brought out poor planning as the State neither had any database of eligible students nor had they prepared any action plan for assessing the estimated number of beneficiaries for timely coverage.

The planning and budgeting for scholarship schemes by the Department was deficient since Committed Liability from State Government was not provided for, leading to non- receipt of central funds and denial of Scholarship to SC Pre-Matric Students for the years 2017-18 and 2018-19. Similarly, the implementing departments did not take steps for implementation of Book Banks scheme in the State thereby denying the scheme benefits to eligible students. In seven out of the 10 selected hostels, the number of rooms provided in the DPRs/ Estimates were insufficient to accommodate 100 students per hostel thereby accommodating total 307 (43.85 *per cent*) students only instead of the sanctioned 700 students. The Department did not make provisions for furnishing of hostels and essential features like boundary walls, room for hostel warden, *etc.* there not provided for at the planning stage. Completed hostels remained unoccupied and non- functional even after lapse of one to two years from the date of their completion.

The State Government delayed release of funds for scholarship schemes by two to 19 months since its receipt from the GoI resulting in delayed disbursement of scholarship to students. For the period covered by the Performance Audit, the Departments had not analysed the details of 3,448 failed bank transactions which led to funds of ₹ 229.57 lakh not getting credited into beneficiaries' account thereby, depriving the needy students/ beneficiaries of scholarship funds. TA&H Department did not maintain separate bank accounts for the scholarship schemes till date (July 2020).

Lack of awareness about the scheme in students, especially in remote areas turned out to be main reason for less coverage of students in the scheme. Insufficient demand/ proposal of funds for the hostellers from GoI resulted in denial of entitled benefits to 2,204 hostellers amounting to ₹ 56.59 lakh. The State Government failed to adhere to the completion timelines for construction of hostels, as a result of which only one out of 10 sampled hostels could be completed in time.

Further, the State Government did not conduct any Social Audit to evaluate and assess the impact of the scholarship and hostel schemes. As such, the extent to which the implemented schemes actually benefitted the targeted category of students could not be ascertained in audit.

### 5.2.11 Recommendations

The State Government may consider to:

- *Prepare database of potential SC/ST/OBC students in collaboration with the line Departments viz. Education Department, etc. and make use of the UDISE database;*
- *Give wide publicity to the scholarship scheme through Headmasters/ Principals of schools/institutes to spread awareness so that the benefit of the schemes reaches to more students;*
- *The Department may improve its budgeting process and prepare Budget strictly as per Scheme guidelines and income limits be revised as per GoI guidelines;*
- *Ensure timely release of funds to implementing Department for efficient and effective implementation of the Schemes;*
- *Institute monitoring mechanism to ensure successful transfer of funds to the bank account of beneficiaries by ensuring that UTRs are received from the Banks and the information is tallied in the Department with the number of cases authorised;*
- *Conduct proper need/demand based survey before constructing new hostels;*
- *Strengthen monitoring mechanism to ensure timely completion of hostels. Further, the State should fulfil its responsibility of operationalisation, management and maintenance of the completed hostels; and*
- *Conduct Social Audit of the implemented schemes to assess the performance of the schemes and the extent to which these schemes have benefitted the target group of students.*

**COMPLIANCE AUDIT PARAGRAPHS**

**DEPARTMENT OF EDUCATION (SCERT)**

**5.3 Idle expenditure**

**The Department took up Construction of Block Institute of Teacher Education (BITEs) at Moreh, without finalising the land acquisition resulting in idle expenditure of ₹ 3.84 crore.**

The Centrally Sponsored Scheme on restructuring and reorganisation of teacher education emphasised on establishment of Block Institute of Teacher Education (BITEs) to ensure access to good quality teacher education facilities and to facilitate the entry of talented persons, particularly from the SC/ ST and minority concentration areas into the teaching profession. BITEs are pre-service elementary teacher educational institutions which are to be established in the block areas having highest concentration of SC/ST and minority communities.

Based on the proposal of State Council of Education Research and Training (SCERT), Manipur, GoI had approved (June 2014) the construction of six BITEs<sup>143</sup> at a unit cost of ₹ 561.00 lakh (₹ 504.90 lakh as CSS and ₹ 56.10 lakh as State share) and released the Central share in three instalments<sup>144</sup> during the period June 2014 to March 2018. As per the Guidelines of the Scheme, the State Government was to earmark and allocate land for establishment of the BITEs.

During test check of records of SCERT for the period from April 2014 to March 2018, audit noticed that SCERT released funds of ₹ 383.68 lakh<sup>145</sup> to Education Engineering Wing (EEW) of Education (School) Department, Government of Manipur for “Establishment of New Institute Building for Block Institute of Teacher Education (BITE) at Moreh”.

Further scrutiny showed that construction of BITE at Moreh was taken up (October 2015) on a private land for which the acquisition process was still not complete as the compensation dues were not yet settled. As a result, the

<sup>143</sup> One each in Chandel, Churachandpur, Senapati, Tamenglong, Thoubal and Ukhrul Districts.

<sup>144</sup> 1<sup>st</sup> Instalment-30 June 2014; 2<sup>nd</sup> instalment-30 March 2016 and 3<sup>rd</sup> installment-12 March 2018.

<sup>145</sup>

Sl. No.	Bill No. and Date	Amount (in ₹)	Sanction Order and date	Remarks
1	387 of 20/03/15	15915000	No. 15/1/2015-S/SCERT/BITE(M) Dt. 21.2.15	1 <sup>st</sup> Installment
2	418 of 27/03/15	4888000	No. 15/1/2015-S/SCERT/BITE(M) Dt. 21.2.15	1 <sup>st</sup> Installment
3	280 of 30/03/17	398000	No. 15/1/2015-S/SCERT/BITE(M) Dt. 28.3.17	2 <sup>nd</sup> Installment
4	282 of 30/03/17	17167000	No. 15/1/2015-S/SCERT/BITE(M) Dt. 28.3.17	2 <sup>nd</sup> Installment
<b>Total</b>		<b>3,83,68,000</b>		

construction work was obstructed by the land owner and was halted in April 2016 after completion of almost 70 *per cent* of the work as reported by EEW. Even though the Director, SCERT brought the matter to the knowledge of the State Government (December 2017), no action was taken up by the State Government (January 2020) to settle the dispute between the land owner and the Government.

Thus, State Government's failure to ensure availability of encumbrance free land led to an unfruitful expenditure of ₹ 383.68 lakh on construction. This deprived the youth from SC, ST and minority communities of the intended benefits.

During a meeting (December 2020), SCERT agreed that there was an informal agreement with land owner initially and the work had stopped due to non-finalisation of land compensation. Further, the Department stated that they are pursuing the matter with higher authority for finalisation of land compensation or bring the matter to mutually agreeable conclusion. As the negotiation with the land owner is in progress, no budgetary allotment was made in the budget 2019-20. However, the State Government had not furnished any reply (December 2020).

**Recommendation:** State Government may fix responsibility of the officer concerned who ordered commencement of the construction work without ensuring clear title of the land in favour of the Government.

## DEPARTMENT OF LABOUR AND EMPLOYMENT

### 5.4 Idle expenditure

**The Directorate of Craftsmen and Training, Manipur made unfruitful expenditure of ₹ 450.00 lakh on construction of an Industrial Training Institute at Jiribam that remained unoccupied for seven years since its handing over in July 2012.**

As per Rule 26 (iv) of General Financial Rules, 2005, as adopted by Government of Manipur, the duties and responsibilities of a controlling officer, in respect of funds placed at his disposal, are to ensure that adequate control mechanism is functioning in his department for prevention, detection of errors and irregularities in the financial proceedings of his subordinate offices and to guard against waste and loss of public money.

Audit scrutiny (January 2019) of records of the Superintendent, Industrial Training Institute (ITI), Jiribam showed that the Planning Commission (State Plan Division) GoI approved (September 2008)<sup>146</sup> the project "Establishment of new ITI at Jiribam" at a cost of ₹ 450.00 lakh and released the first instalment of ₹ 315.00 lakh (70 *per cent* of approved project cost). GoI released<sup>147</sup> the second and final instalment of ₹ 135.00 lakh in March 2009.

<sup>146</sup> Vide No. M-13048/16(MN) 2008-09SP-NE dated 12 September 2008.

<sup>147</sup> Vide no. M-13048/16(MN)2008-09-SP-NE dated 04 March 2009.

The main purpose for establishment of new ITI at Jiribam was to enhance the vocational training in the State by creating a full-fledged ITI by providing facilities in seven new trades *viz.* (i) carpenter, (ii) computer operator and programming assistant, (iii) diesel mechanic, (iv) dress making, (v) radio and television mechanic, (vi) refrigeration and air conditioning and (vii) welder in addition to the two trades *viz.* stenography and wireman, that were already available at the institute which existed in rented house since its inception in 1980 and not yet affiliated to the National Council for Vocational Training (NCVT), DGE&T, Ministry of Labour as it did not have its own building.

The work was entrusted (August 2009) to the Manipur Police Housing Corporation (MPHC) Limited. Subsequently, the Directorate of Craftsman and Training (ITI), Manipur deposited ₹ 368.08 lakh to MPHC in January 2010 after deduction of tax components.

MPHC Limited started (June 2010) and completed (May 2012) the construction works and furnished handing over notes in July 2012. However, the Directorate had not taken over the possession of the newly constructed ITI building at Jiribam even after seven years of its handing over, as on the date of audit without any recorded reason.

A joint physical verification (JPV) carried out (January 2019) by the audit team with the Superintendent-in-charge revealed that the constructed building of ITI, Jiribam stood abandoned with broken doors, overgrown grass penetrating the rooms which were without window screen/ glasses, cracked floor, and ceiling with leakages. Electrical fittings/ wirings, fans and other fixtures, sanitary items were not found and the floor was not cemented. The following photographs depict the condition of the ITI building, Jiribam:

**Photograph No. 5.4.1 Photographs showing dilapidated condition of ITI**



*Side view of ITI, Jiribam*



*Room in Southern Block*



Electrical Machine Box



Western side of Administrative Block

Thus, expenditure of ₹ 450.00 lakh on establishment of new ITI at Jiribam was idle and unfruitful as the constructed buildings remained un-occupied for more than seven years since its completion, defeating the objective of enhancing the vocational training in the State by creating a full-fledged ITI, Jiribam.

Government admitted the audit observation (January 2020) and stated that the building could not be utilised for want of manpower for ITI and the condition of the building had deteriorated in absence of maintenance. The Government also stated that necessary steps would be taken up to make the ITI, Jiribam functional.

**Recommendation:** State Government may fix responsibility and accountability for this case and take steps to make the building functional at the earliest.

## DEPARTMENT OF LANGUAGE PLANNING AND IMPLEMENTATION

### 5.5 Idle Expenditure

**An expenditure of ₹ 42.30 lakh incurred by Department of Language Planning and Implementation in translation work of 15 subjects in Meetei Mayek (MM) script proved idle and unfruitful as the text books meant for introduction from academic session 2016-17 were not approved by the State Government.**

As per Rule 26 (iv) of General Financial Rules, 2005 the duties and responsibilities of a controlling officer in respect of funds placed at his disposal are to ensure that adequate control mechanism is functioning in his department to guard against waste of public money. An idle expenditure that had not been fruitfully utilised can be construed as temporary waste of public money and therefore needs to be avoided.

The Department of Language Planning and Implementation (DLPI), Manipur was created (February 2013)<sup>148</sup> for Development of Manipuri Language and Tribal Dialects of Manipur. Under the initiative “Promotion and Development of Manipuri Language”, DLPI set a target of production of Manipuri Medium

<sup>148</sup> Upgraded from Language Cell of the Department of Education (Schools) as per State Cabinet Decision on 19 February, 2013 and bifurcated from the Department of Education (Schools) during September 2013.

textbooks from Classes XI to Graduate level for which production of books in Meetei Mayek (MM) script up to Class XII were to be ready by April 2016.

Accordingly, Government of Manipur sanctioned (March 2015) ₹ 42.30 lakh<sup>149</sup> during 2014-15 for translation of 15 subjects of classes XI and XII in MM script under the Council of Higher Secondary Education Manipur (COHSEM) meant to be introduced from academic session 2016-17 onwards. This was required as 2,866 students (academic session 2014-15) and 2,479 students (academic session 2015-16) had appeared in matriculation examination in MM script. However, information regarding the number of students appearing for examination in MM script at higher secondary levels in or after academic session 2016-17 was not furnished, though repeatedly called for.

On scrutiny of records (August 2018), Audit noticed that the funds were disbursed<sup>150</sup> (March 2015) for payment of translation fees, hiring of hall, purchase of stationery, snacks, data entry works, etc. The text-books to be translated were of National Council of Educational Research and Training (NCERT) publications and private publishers. As of date (January 2020), copyright for publication of the books in MM script had been given (January 2017) by NCERT only and the private parties are yet to give the copyrights for publications.

The translation works were delayed and could be completed by the end of 2016. Accordingly, the Education Department, School section submitted (August 2016) a Cabinet Memo to the Government for introduction of the subjects in MM script during academic session 2017-18, however, no decision had been taken as on date (January 2020) for introduction of the textbooks. Thus, the text books meant for introduction from academic session 2016-17 could not be introduced till date (January 2020) resulting in idle and unfruitful expenditure of ₹ 42.30 lakh for more than three years.

On this being pointed out, the Department admitted the audit observation and stated (January 2020) that efforts would be made to obtain the approval of the Government and introduction and publication of the textbooks would be made as soon as Cabinet approval is obtained.

The matter was referred to the Government; however, their reply is awaited (July 2020).

**Recommendation:** *The Government needs to expedite the printing of books in Meetei Mayek, so that students may be encouraged to take up the language as envisaged under Promotion and Development of Manipuri Language initiative.*

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<sup>149</sup> Vide order no. 29/12/2005-SF(S) dated 20.03.2015.

<sup>150</sup> In two bills viz. ₹ 40.23 lakh vide Bill No. 8 dated 25.03.2015 and ₹ 2.07 lakh vide bill No. 9 dated 25.03.2015.

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**MEDICAL HEALTH AND FAMILY WELFARE DEPARTMENT**


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**5.6 Unfruitful expenditure**
**Jawaharlal Nehru Institute of Medical Sciences failed to put Oxygen Generation Plant (OGP) into use leading to unfruitful expenditure of ₹ 1.11 crore.**

Rule 26 (iv) of General Financial Rules, 2005 states that the duties and responsibilities of a controlling officer in respect of funds placed at his disposal is to ensure that adequate control mechanism is functioning in his department for prevention, detection of errors and irregularities in the financial proceedings of his subordinate offices and to guard against waste and loss of public money.

Test check of records (February 2019) of the Director, Jawaharlal Nehru Institute of Medical Sciences (JNIMS), Porompat showed that supply order (March 2011) for purchase/ installation of Oxygen Generation Plant (OGP)<sup>151</sup> was placed for JNIMS campus to M/s Narula Udyog (India) Private Limited, New Delhi<sup>152</sup> at a total cost of ₹ 1.11 crore. The OGP was subsequently delivered and installed inside JNIMS campus on 04 January 2014.

The installed capacity of the OGP was 900 cylinders per month (30 per day) which was sufficient to cater to the average monthly requirement of the Hospital which stood at 715 per month. However, the OGP could be put to use for ten months' period from January 2015 to October 2015 and produced only 156 numbers of D-Type oxygen cylinders against its capacity to produce 9000 cylinders (900X10 months).

Further scrutiny showed that due to power fluctuations, the air compressor<sup>153</sup> of the OGP got damaged and the OGP could not be put to use since 25 October 2015. The efforts made by the Institute to get the air compressor repaired were not on record.

While admitting the matter pointed out in audit (July 2019), the Director, JNIMS stated (November 2019) that the OGP remained non-functional as the payment between the JNIMS and the supplier (Narula Udyog Limited) could not be settled.

Thus, the OGP installed at a cost of ₹ 1.11 crore has been non-functional since October 2015 defeating the purpose of production of in-house oxygen. Further, the Institute was still heavily dependent on the oxygen supplied by private

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<sup>151</sup> 30 cylinders per day capacity inclusive of Compressed air source, Air cleaning system, Oxygen, Nitrogen separation system, Oxygen purifying device, buffer tank, Temperature test device and control system, Bus bar and Oxygen Compressor, Cylinder filling system and 50 D type cylinders.

<sup>152</sup> Vide order no. K/15/JNIMS/Procur.III/DHS-2010 dated 14<sup>th</sup> March 2011.

<sup>153</sup> As reported by the Technician on 09.11.2015.

firm<sup>154</sup> for which an expenditure of ₹ 10 lakh per month<sup>155</sup> on an average was being incurred.

The matter was referred to the Government (July 2019); reply has not been furnished (July 2020).

***Recommendation:*** *Responsibility of the officials accountable for non-repairing of the plant and wasteful expenditure of ₹ 1.11 crore may be fixed.*

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<sup>154</sup> M/s Den Gas agency, Uripok Machin, Imphal, Manipur.

<sup>155</sup> @ ₹ 1400 per cylinder.