

Chapter II

Social Sector

CHAPTER II SOCIAL SECTOR

2.1 Introduction

This 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.

Table 2.1.1 gives the expenditure incurred during the last five years under Social Sector.

Table 2.1.1: Expenditure incurred by major departments under Social Sector during 2017-22

(₹ in crore)

Years	Education	Community & Rural Development	Medical Health & Family Welfare	Total on Social Sector (In per cent)	Total Expenditure
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
2019-20	1,471.16	1,017.35	665.69	4,817.07 (28.06)	17,165.50
2020-21	1,540.92	1,917.63	962.38	6,534.62 (28.93)	22,505.98
2021-22	1,725.22	2,129.83	1,073.46	6,792.93 (25.29)	26,855.94

Source: Appropriation Accounts.

Table 2.1.2 provides Department-wise details of budget provision and expenditure incurred by the 17 departments pertaining to Social Sector during 2020-21 and 2021-22.

Table 2.1.2: Budget Provision and Expenditure of departments under Social Sector during 2020-21 and 2021-22

(₹ in crore)

Sl. No.	Department	2020-21			2021-22		
		Budget Provision	Expenditure	Savings	Budget Provision	Expenditure	Savings
1	Adult Education*	2,376.24	1,540.92	835.32	2,567.85	1,725.22	842.63
2	Education (Schools)*						
3	Education (University)*						
4	Technical Education*						
5	Community and Rural Development	3,409.04	1,917.63	1,491.41	7,217.64	2,129.83	5,087.81
6	Tribal Affairs and Hill Development	987.46	742.39	245.07	802.14	573.89	228.25
7	Medical Health and Family Welfare	1,099.74	962.38	137.36	1,482.94	1,073.46	409.48
8	Municipal Administration Housing and Urban Development	889.73	330.04	559.69	749.73	243.46	506.27
9	Social Welfare	657.34	360.16	297.18	748.60	451.19	297.41
10	Minorities and Other Backward Classes and Schedule Castes	744.30	267.32	476.98	806.03	209.73	596.30
11	Panchayat	242.82	131.66	111.16	152.94	112.75	40.19
12	Relief and Disaster Management	123.78	50.14	73.64	158.56	34.67	123.89
13	Consumer Affairs, Food and Public Distribution	86.3	52.88	33.42	82.17	48.08	34.09
14	Youth Affairs and Sports	80.88	52.31	28.57	146.05	66.63	79.42
15	Labour and Employment	87.72	69.45	18.27	374.23	42.93	331.30
16	Arts and Culture	60.09	45.48	14.61	81.78	67.43	14.35
17	Information and Publicity	12.88	11.86	1.02	17.15	13.66	3.49
	Total	10,858.32	6,534.62	4,323.70	15,387.81	6,792.93	8,594.88

* Separate information not available.

Source: Budget Documents and Appropriation Accounts.

As can be seen from **Table** above, there was overall savings of ₹ 4,323.70 crore (39.82 *per cent*) crore during 2020-21 and ₹ 8,594.88 (55.86 *per cent*) during 2021-22 against Budget provision under Social Sector. In terms of percentage of savings, Department of Minorities and Other Backward Classes had the maximum savings of ₹ 476.98 crore (64.08 *per cent*) followed by Municipal Administration, Housing and Urban Development ₹ 559.69 crore (62.91 *per cent*) and Relief and Disaster Management ₹ 73.64 crore (59.49 *per cent*) against their respective Budget provisions during 2020-21.

During 2021-22, Labour and Employment Department accounted for the maximum savings of ₹ 331.30 crore (88.53 *per cent*) followed by Relief and Disaster Management ₹ 123.89 crore (78.13 *per cent*) and Minorities and Other Backward Classes ₹ 596.30 crore (73.98 *per cent*).

2.1.1 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, Audit accorded importance to the Social Sector in Annual Audit Plan. During 2020-21, we conducted audit of 32 units involving expenditure of ₹ 4,443.82 crore including expenditure of the previous years. As of March 2022, 29 IRs containing 176 paras were issued to the State Government with copies to the heads of the departments concerned.

During 2021-22, we conducted audit of 37 units pertaining to the Social Sector involving expenditure of ₹ 1054.67 crore including expenditure of the previous years. As of March 2022, 19 IRs containing 123 paras were issued to the State Government with copies to the heads of the departments concerned.

Year-wise details of expenditure audited in respect of Social Sector during 2020-21 and 2021-22 are shown in **Appendix 2.1**.

This chapter contains one Compliance Audit paragraph as discussed in succeeding paragraph.

COMPLIANCE AUDIT

SOCIAL WELFARE DEPARTMENT

2.2 Blockage of fund

Social Welfare Department had blocked funds amounting to ₹ 8.08 crore meant for construction of Anganwadi Centre Buildings for three to four years.

Rule 70 (ii) and (iii) of the General Financial Rules 2017 (as adopted by Government of Manipur) stipulates that the Secretary of a Department as its Chief Accounting Authority shall be responsible and accountable for financial management of his Department for the effective, efficient, economical and transparent use of the resources of the Department and complying with performance standards.

The Ministry of Women and Child Development (the Ministry), GoI targeted to construct two lakh Anganwadi Centre buildings (AWCBs) @ ₹ 4.5 lakh per unit across the country under Integrated Child Development Services Scheme in a phased manner (XIIth Plan period from 2012-2017) in order to facilitate better delivery of services to children under the Integrated Child Development Scheme (ICDS) Mission. Accordingly, 2000 AWCBs²⁸ were to be constructed in Manipur under Phase V and VI of the Scheme. The scheme was funded between the Centre and State in 90:10 ratio and funds released were to be utilised within the current financial year or within six months from the date of release. Timely construction of the AWC buildings is vitally important as AWCs are socially relevant mechanisms and instruments to deliver child care.

Scrutiny of records (September – October 2020) of the Director, Social Welfare Department (SWD) revealed that an amount of ₹ 60.75 crore was released (2013-2017) by the Ministry under Phase V and VI of the Scheme. The State Government also released its share of ₹ 4.06 crore under Phase V. The details of release of funds are as given in the following **Table**.

²⁸ 1000 AWCBs each under Phase V and VI.

Table 2.2.1: Details of release of funds for construction of AWCBs

₹ in crore)

Fund (Date) released by Ministry/ State Govt.		Fund (Date) released to Implementing Agency ²⁹ (through SWD)		Fund yet to be released to Implementing Agency		Delays in release of funds to Implementing Agency (in months)		Remarks
Centre Share	State Share	Centre Share	State Share	Centre Share	State Share	Centre Share	State Share	
Phase V - First Instalment								
20.25 (29.10.13)	4.06 (19.03.18)	20.25 (29.09.15)	Nil*	-	4.06	-	-	-
Phase V - Second & Final Instalment								
20.25 (8.3.16)		14.36 (24.01.18)		3.12		49 ³⁰	30 ³¹	Cost of 77 AWCBs ³²
		0.87 (24.03.18)						
		1.90 (16.02.19)						
40.50	4.06	37.38	Nil	3.12	4.06	-	-	-
Phase VI - First Instalment								
20.25 (31.5.16)	(2.25) (Yet to be released)	19.35 (24.07.20)	Nil	0.90		47 ³³	NA**	CS for 22 AWCBs ³⁴
60.75	4.06	56.73	Nil	4.01	-	-	-	-

* Deposited (April 2018) in MH 8449. ** State is yet to release its share for Phase VI.

Status of release of funds for AWCBs: Under Phase V, the total fund released was ₹ 44.50 crore (₹ 40.56 crore, Central Share & ₹ 4.06 crore, State Share). Against the available fund, Centre Share of ₹ 3.12 crore and State Share of ₹ 4.06 crore (cost of 77 AWCBs) was blocked by the State Government for 49 months and 30 months respectively till date of audit (October 2020). However, Utilisation Certificates (UCs) submitted by the Department showed that Centre Share of ₹ 40.50 crore³⁵ was released (November 2015 and July 2018) to the Works Agency. This tantamount to furnishing of incorrect UCs to the Ministry.

Further, under Phase VI, the State Government had blocked ₹ 0.90 crore of Centre Share (cost of 22 AWCBs) for 47 months till date of audit (October 2020). The State Share of ₹ 2.25 crore was yet to be released as of date of Audit. No UCs for Phase VI was produced during Audit.

Thus, altogether ₹ 8.08 crore³⁶ for construction of AWCBs has been blocked by SWD for three to four years.

²⁹ DRDAs.

³⁰ October 2016 (six months from date of release) to October 2020 (date of audit).

³¹ May 2018 to October 2020 (Date of Audit).

³² ₹ 312 lakh divided by ₹ 4.05 lakh.

³³ December 2016 (six months from date of release) to October 2020 9 (date of audit).

³⁴ ₹ 89 lakh divided by ₹ 4.05 lakh.

³⁵ UC for ₹ 20.25 crore was given November 2015 and UC for ₹ 20.25 crore was given in July 2018.

³⁶ ₹ 3.12 crore + ₹ 4.06 crore + ₹ 0.90 crore.

Status of Construction of the AWCs: As per records maintained by the Department (September 2020), out of the 1000 AWCs to be constructed under Phase V, 779 AWCs were completed and 171 AWCs were completed upto 90 per cent. Joint physical verification (February 2023) of 43 AWCs in two districts constructed under Phase V revealed that the AWCs were constructed as per the estimated plinth area and were functioning. However, there were no separate bifurcation of kitchen in 29 AWCs and store room in 33 AWCs. No toilet was constructed in 27 AWCs. The number of windows were less than the construction estimates in 40 AWCs.

Construction of the remaining 50 AWCs were yet to be taken up till date of audit (October 2020). No records on status of construction of the AWCs under Phase VI was produced to Audit.

While accepting the audit observation, the Department stated (November 2022) that the delays in construction of the AWCs under Phase V were due to delay in authorisation/ sanction of fund by Finance Department as well as due to disputes in site selection for construction of a few AWCs. Under Phase VI, the delays were due to revision of guidelines for construction of AWCs, revision of estimate of works by DRDA³⁷ and geo-tagging of the selected site of 1000 AWCs across the State by Deputy Commissioners concerned. In case of State Share, the delay was due to shortage of fund which was later met from a loan from NABARD.

The reply of the Department suggests that the Finance Department failed to timely sanction the fund and there was delay in release of State share which resulted in non-construction/ late commencement of work. Such lapses in implementation of a socially important issue is a matter of concern as this has prevented children from receiving intended benefits of the scheme.

Recommendations:

The State Government should ensure that:

- i. Anganwadi Centre buildings are completed on priority basis with all facilities such as provision of toilets, kitchen, store rooms etc. and make these Centres functional without further delay;***
- ii. Funds are released timely as non-release of funds would impact timely completion of these AWC buildings; and***
- iii. Regular monitoring and supervision of construction works must be done since the scheme is socially important.***

³⁷ District Rural Development Agency.