

CHAPTER III : CIVIL DEPARTMENTS

SECTION-A : REVIEWS

Panchayat and Rural Development Department

3.1 Rural Housing (Indira Awas Yojana)

Highlights

IAY was introduced in 1985-86 as a part of Rural Landless Employment Guarantee Programme (RLEGP). It was merged into Jawahar Rojgar Yojana (JRY) from April 1989 and assistance was extended to non-SC/ST families living below poverty line. It was made an independent scheme in January 1996. The programme suffered due to lackdaisical approach in implementation as the funds allotted were not utilised fully; cases of inflated progress reports were also noticed. 13 to 25 per cent new houses and 12 to 27 per cent of houses under the scheme 'Upgradation Assistance' were lying incomplete. Even those shown as complete were devoid of sanitary latrines and smokeless chulhas, which were integral part of the dwelling units. Involvement of outside agencies was also noticed despite a complete ban on their engagement.

- **Rs.1.01 crore were irregularly charged as administrative expenses.**

(Paragraph 3.1.5[i])

- **Out of Rs.7.75 crore irregularly diverted towards Jawahar Rojgar Yojna, Rs.1.13 crore is still outstanding for recovery.**

(Paragraph 3.1.5[ii])

- **Expenditure figures reported were inflated by Rs.3.48 crore.**

(Paragraph 3.1.5 [iii])

- **Funds of Rs.6.15 crore were irregularly paid to the contractors and outside agencies in contravention of the provision of the scheme.**

(Paragraph 3.1.7 [ii])

- **37579 dwelling units were sanctioned and constructed at a cost of Rs.71.71 crore which were irregularly allotted in the names of male members instead of female or in joint names.**

(Paragraph 3.1.10)

A. Indira Yojana	Awass
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3.1.1 Introduction

With a view to providing houses to Scheduled Caste (SC), Scheduled Tribe (ST) and Freed Bonded Labourers (FBL) living below poverty line (BPL), Indira Awas Yojana (IAY) was launched in 1985-86 as a component of the Rural Landless Employment Guarantee Programme (RLEGP) a fully funded scheme of the Central Government. With the merger of RLEGP and National Rural Employment Programme (NREP) into Jawahar Rojgar Yojana (JRY) on 1st April, 1989, it became a component of JRY. It was delinked from JRY and became an independent scheme with effect from 1st January, 1996. Expenditure under this scheme was shared between Central and State in the ratio of 80:20 upto March 1999 and 75:25 thereafter. 20 per cent of available funds were to be utilised for conversion of kutcha houses into semi-pucca/pucca houses. 40 per cent of IAY allocation to be utilised on non-SC/ST households and 3per cent for physically and mentally challenged persons subject to fulfilment of other conditions. Apart from the Indira Awas Yojana (IAY) the Government announced a National Housing and Habitat Policy in 1998 for providing houses for all under which the following housing schemes were inter-alia made operative from April 1999:

- (i) Pradhan Mantri Gramodaya Yojana (Gramin Awas) and
- (ii) Credit-Cum-Subsidy Scheme for Rural Housing.

3.1.2 Organisational structure

At the State level the scheme was supervised, monitored and evaluated by the Department of Panchayat and Rural Development headed by the Secretary and assisted by Development Commissioner. At the district level, the implementation of the scheme was co-ordinated through the DRDA now known as Zila Panchayat (ZP), functioning under Chairmanship of the District Collector/Chief Executive Officer (CEO). At the block level, the scheme was implemented by CEO, Janpad Panchayat and at village level by Sarpanch of Gram Panchayat.

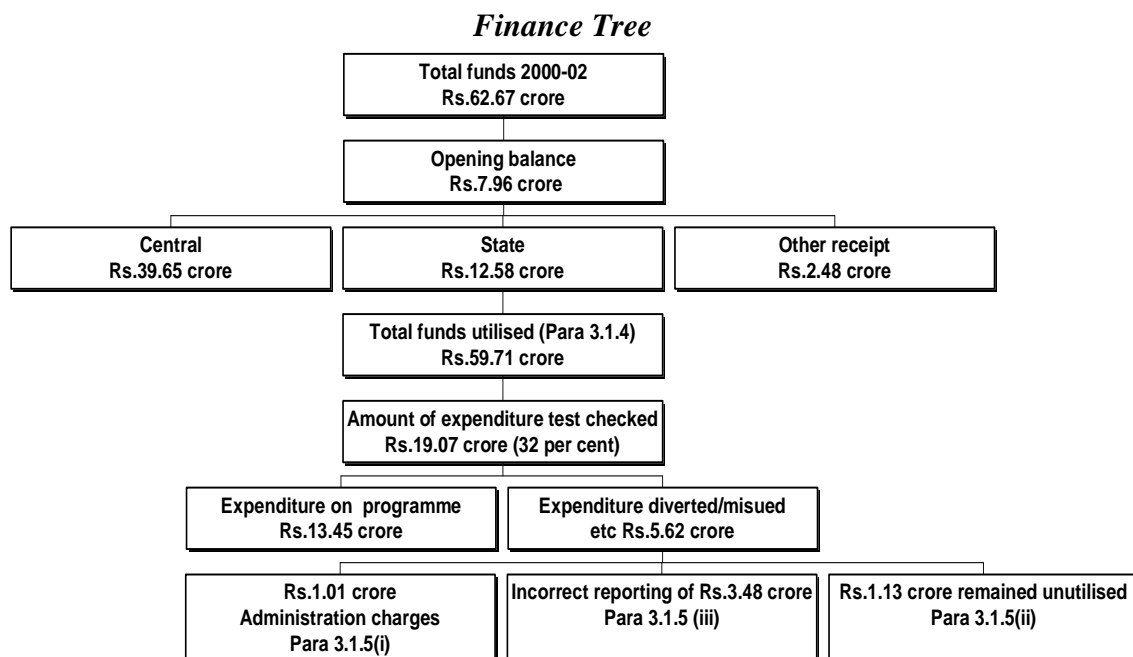
3.1.3 Coverage

Test-check of records in the office of the Development Commissioner, Chhattisgarh, Raipur (DC) for the period of 2000-2002, four⁹ out of 16 DRDAs and twelve¹⁰ out of 45 Janpad Panchayats for 1997-2002 was carried

⁹ 1-Ambikapur : 19, 2-Bilaspur : 10, 3-Kanker : 7 and 4-Rajnangaon : 9.

¹⁰ 1-Ambikapur, 2-Balarampur, 3-Bhaiyathan, 4-Odgi, 5-Pratappur and 6-Udaipur of Ambikapur, 7-Masturi and 8-Mungeli of Bilaspur, 9-Charama, 10- Kanker of Kanker, 11-Chouki and 12-Rajnandgaon of Rajnandgaon.

out during December 2001 to May 2002. Irregularities noticed are mentioned in the succeeding paragraphs.



3.1.4 Financial Outlay and Expenditure

(Rupees in crore)

Year	Category of houses	Opening balance	Receipt of Funds		Other receipts	Total	Expenditure	Closing balance	Percentage of savings
			Central	State					
2000-2001	New	6.75	17.13	5.09	1.34	30.31	25.62	4.69	15
	Upgradation	1.21	4.16	1.22	0.01	6.60	6.12	0.48	7
2001-2002	New	2.66	15.10	5.16	0.60	23.52	22.88	0.64	3
	Upgradation	0.41	3.26	1.11	0.53	5.31	5.09	0.22	4

The reason for differences in figures of opening and closing balances for both new and upgradation category of houses in 2001-2002, were being enquired from ZP offices as stated by the DC.

3.1.5 Irregularities on the financial matter in the test checked districts

**Irregular charge of administrative expenses on IAY funds
Rs.1.01 crore**

In the test checked districts the following irregularities were noticed:

(i) The IAY did not provide for administrative expenses to be charged on the scheme but in 3 ZPs, it was noticed that Rs.1.01 crore were irregularly charged.

Out of Rs.7.75 crore diverted from IAY funds to other schemes, Rs.1.13 crore is still outstanding

(ii) In ZP (DRDA) Ambikapur Rs.7.75 crore were irregularly diverted to other schemes (EAS, Old Age Pension, IRDP and JRY) of which Rs.6.62 crore were received back after a delay of 1 to 14 months. The amount of Rs.1.13 crore (JRY-November 98) was still (April 2002) outstanding.

The CEO of Z.P Ambikapur stated that the amounts have been refunded. The refund entries were, however, not borne in the records of ZP.

Reporting of inflated expenditure of Rs.3.48 crore

(iii) Unutilised funds received back from the implementing agencies or beneficiaries were taken back in the accounts of all the DRDAs test checked and shown as other receipts. These other receipts were again utilised on the scheme. Such a practice resulted in inflation of expenditure by Rs.3.48 crore.

3.1.6 Physical Target and Achievement

Physical targets and achievements under IAY were as under:-

Year	Category of houses	Incomplete houses of previous years	Target of the year	Total houses to be completed	Houses completed	Incomplete houses	Percentage of completion
2000-2001	New	5255	10907	16162	12089	4073	75
	Upgra-dation	2375	5455	7830	5688	2142	73
2001-2002	New	6753	10757	17510	15255	2255	87
	Upgra-dation	3374	5378	8752	7741	1011	88

It is clear from the above that there were differences of 2680 new and 1232 upgradation category of houses between the opening and closing balances in both the years which was attributed by the DC to the faulty figures furnished by ZPs.

The position of physical targets fixed under IAY in the test checked districts and achievements thereagainst was as under:

Year	Category of houses	Incomplete houses of previous years	Target	Total houses to be completed	Houses completed	Houses remained incomplete	Percentage of completion
1997-98	New	15006	10745	25751	14581	11170	57
1998-99	New	11170	14042	25212	13380	11811	53
1999-2000	New	11811	3993	15804	12986	2818	82
	Upgradation	--	2028	2028	531	1497	26
2000-2001	New	3247	3725	6972	4656	2316	67
	Upgradation	1497	2207	3704	2285	1419	62
2001-2002	New	2376	2988	5364	4516	848	84
	Upgradation	1419	1572	2991	2508	483	84

3.1.7 Implementation of the scheme

Delay in selection of beneficiaries

(i) Scrutiny of records and information furnished by six¹¹ Janpad Panchayats of Rajnandgaon district revealed that the selection of beneficiaries was made late by Gram Panchayats and proposals were also submitted late by Janpad Panchayats to ZP. The funds of Rs.7.99 crore were, irregularly released to the implementing agencies in anticipation of selection of beneficiaries. Against the target of 4820 (4013 new + 807 upgraded) beneficiaries only 4437 (3630 new + 807 upgraded) could be identified by the end of March 2002.

¹¹ Chhuria, Chouki, Dongargaon, Dongargarh, Khairagarh and Mohala.

(ii) The dwelling units under IAY were to be built on individual plots of beneficiaries in the main habitation of the village. The houses could also be built in cluster within the habitation so as to facilitate the development of infrastructure. In case the houses were not built in cluster or micro-habitats, Rs.2500 provided for development of infrastructure and common facilities should be paid to beneficiaries. Except technical assistance to the beneficiaries, contractors, departmental as well as private agencies were not to be involved in the construction.

Rs.6.15 crore were irregularly paid to contractors, departmental and private agencies

Records of the four ZPs revealed that houses were not built in clusters or in micro-habitation. It was observed that instead of making payment to beneficiaries, funds of Rs.6.15 crore, for construction of houses, sanitary latrines, smokeless chulhas and for other infrastructural common facilities were irregularly paid to contractors, departmental as well as private agencies (*Appendix-XIX*).

The CEO Ambikapur stated that water facility to beneficiaries living in tolas, paras and majaras was entrusted to Public Health Engineering Department (PHED) being a technical department. The CEO Bilaspur stated that common facilities like drinking water, electrification, sanitary pan sets etc. were organised through contractors and CEO Rajnandgaon stated that the funds relating to development of infrastructure were paid to the concerned executing agencies as per instructions of State Government.

The replies were not acceptable as involvement of outside agencies was in contravention of the provisions of IAY, and payment was to be made only to the beneficiaries through Janpad Panchayats.

3.1.8 Non-provision of smokeless Chulhas

In 29 to 53 per cent houses in the state and in 14 to 99 per cent houses in test checked districts smokeless chulhas were not provided in the IAY houses.

3.1.9 Non construction of sanitary latrines

Sanitary latrines were not constructed in 7 to 94 per cent of new houses and 13 to 47 per cent in upgraded houses.

3.1.10 Irregular allotment of houses in the name of males

It was revealed that 11300 houses costing Rs.19.42 crore were allotted / financed solely in the names of male members of household beneficiaries in the state. Records of selected DRDAs revealed that 26279 houses costing Rs.52.29 crore were allotted/financed solely in the names of the male members.

3.1.11 Inventory Register

Scrutiny of records of the districts and blocks revealed that no inventory register of houses was prepared and maintained by any of the implementing agencies.

The CEO Ambikapur and Bilaspur stated that instructions regarding maintenance of village wise inventory registers have been issued.

3.1.12 Monitoring

For the success of the scheme the implementing agencies at State, District and Block levels were required to co-ordinate, monitor and evaluate the implementation of the scheme. Monitoring of Rural Development Programmes at various levels was the responsibility of State/ District/ Block Level Officers and Co-ordination Committees to be formed for the purpose. But it was noticed that no such committees were formed and hence physical verification of houses constructed/upgraded under IAY and monitoring of the scheme at State and District levels was not done. The fact was also admitted by D.C. & Z.P. Ambikapur. The socio-economic evaluation of the scheme to assess its impact was also not found to have been done at any time.

B. Pradhan Mantri Gramodaya Yojana

3.1.13 To supplement the efforts under IAY a new initiative was announced in April 1999 "Gramin Awas Yojana" as a part of the Pradhan Mantri Gramodaya Yojana (PMGY) for providing rural shelter with emphasis on extending maximum benefit to the rural poor from 2000-2001.

The scheme is fully financed by the Union Government and funds for the scheme was to be released to in two instalments. The second and subsequent instalment was to be released after utilisation certificates and Audit Reports have been received. The release of funds was as under:

3.1.14 Financial

(Rupees in crore)

Year	Central Government	State Government	Expenditure	Balance
2000-2001	4.71	--	--	4.71
2001-2002	3.51	6.46	6.08	0.38
Total	8.22	6.46	6.08	0.38

3.1.15 Physical

Year	Houses	Target	Achievement
2001-2002	New	2663	1761
2001-2002	Upgradation	1142	725

The Central Government (GOI) released the grant of Rs.8.22 crore of which Rs.6.46 crore were released to twelve Zila Panchayats (DRDAs) for construction of 2663 new houses and for upgradation of 1142 old houses. DRDAs spent (March 2002) Rs.5.03 crore on new houses and Rs.1.05 crore on upgradation leaving a balance of Rs.0.38 crore with DRDAs and Rs.1.76 crore with State Government. Thus grant of Rs.2.14 crore remained unutilised (March 2002). Category of houses constructed/ upgraded i.e. for Scheduled

Caste, Scheduled Tribe, Freed Bonded Labourer, allotted in the names of wife, husband or both, sanitary latrines, smokeless chulhas etc. were not furnished.

C. Credit-Cum-Subsidy Scheme

3.1.16 To meet the needs of a large majority of beneficiaries through banks "Credit cum Subsidy Scheme (CCSS)" under the National Housing and Habitat Policy 1998, was launched in 1999. The expenditure on the scheme was to be shared in ratio of 75:25 by Central and State Governments. Subsidy that could be given under the scheme was upto Rs.10,000 and loan upto Rs.40,000 per household.

Against the available funds of Rs.1.39 crore subsidy of Rs.1.23 crore was paid to the 1231 beneficiaries and only 842 houses could be completed.

Monitoring of Rural Development Programmes at various levels was the responsibility of State/ District/ Block Level Officers and Coordination Committees were to be formed for the purpose. No such committees were formed.

The above points were referred to the Government in August 2002; reply had not been received (February 2003)

3.2 Swarnajayanti Gram Swarozgar Yojana

Highlights

The Swarnajayanti Gram Swarozgar Yojana was introduced from April 1999 to raise the assisted families above the poverty line in three years by providing them with income generating assets through a mix of bank credit and Government subsidy. Test check of the implementation of the scheme in five sample districts revealed that families actually covered were less than targeted income accrued from projects was much less than projected, project reports prepared were less than completion and assistance extended for some activities was less than approved cost. Cases of excess expenditure on training, subsidy and on infrastructure development were also observed. Over reporting of financial achievements was noticed and focus was also not laid on group approach as required under the scheme.

-- Expenditure reported was inflated to the extent of Rs.5.73 crore by three DRDAs which included Rs.0.64 crore irregularly incurred on administration by DRDA Bastar. Besides Rs.2.66 crore was incurred in excess on the development of infrastructure.

(Paragraph 3.2.5 [iii] and [vi])

-- 10,429 untrained Swarozgaris were provided assistance and 13,063 were provided training without assistance being extended.

(Paragraph 3.2.6)

-- Out of 11,722 Self Help Groups (SHGs) formed in 5 test checked districts only 375 SHGs could start economic activities.

(Paragraph 3.2.7 [a][ii])

-- As against the envisaged coverage of 1.10 lakh below poverty line (BPL) families in 5 sample districts actual coverage was only 24,398.

(Paragraph 3.2.8.3)

-- Cash credit was sanctioned to 251 SHGs out of 492 with a delay ranging upto six months.

(Paragraph 3.2.9)

-- **Rs.2.49 crore was irregularly spent from infrastructure fund on special project in Bastar district. Central assistance of Rs.2.15 crore remained unutilised.**

(Paragraph 3.2.10)

3.2.1 Introduction

To overcome the inherent problems of Integrated Rural Development Programme (IRDP) and allied programmes, Government of India consolidated these programmes and restructured the self-employment programmes as Swarnajayanti Gram Swarozgar Yojana (SGSY) from 1 April 1999. SGSY aimed at bringing every assisted family above the poverty line in three years with the focus on group approach by providing them income generating assets through a mix of bank credit and government subsidy.

This was a holistic programme covering all aspects of self employment such as organisation of the poor into self-help groups, extending training, credit, technology, infrastructure and marketing. The objective of the scheme was to bring poor families above the poverty line in three years. The effort under SGSY was to cover 30 per cent of the poor families in each block in the next five years and to ensure that the family had a monthly net income of at least Rs.2000 per month excluding repayment. The expenditure on the programme is shared in the ratio of 75:25 between Government of India (GOI) and the States.

3.2.2 Organisational set up

At the State level, the Department of Panchayat and Rural Development is responsible for implementation of the scheme, assisted by Development Commissioner, who is responsible for planning, coordination and monitoring of the scheme. The implementation of the scheme at district level was with the District Rural Development Agency (DRDA) now known as Zila Panchayat. Activities taken up under the SGSY are implemented by the Chief Executive Officer (CEO), Janpad Panchayat at block level.

3.2.3 Audit Coverage

A review of implementation of the scheme from 1999-2002 was conducted during December 2001 to September 2002 in the office of The Development Commissioner (DC), 5 District Rural Development Agencies (DRDAs) and 17¹² out of 50 Block Development Officers(BDO)/Chief Executive Officers, Janpad Panchayat in 5 districts (Durg, Bastar, Janjgir-Champa, Raigarh and Raipur). The results of the test check are mentioned in the succeeding paragraphs.

¹²

Bastar, Farasgaon, Jagdalpur, and Kondagaon of Bastar district, Berala, Dhamdha and Durg of Durg district, Akaltara, Baloda and Jaijapur of Janjgir-Champa district, Baramkela, Gharghoda and Raigarh of Raigarh district and Baloda Bazar, Bilaigarh, Kasdol and Simga of Raipur district.

3.2.4 Planning

(a) Selection of Beneficiaries

(i) For the identification of potential swarozgaris, a three member team consisting of BDO or his representative, the banker and the surpanch were required to visit each of the habitation in a Gram Panchayat. Evidently the involvement of the banker in the process was intended to secure the bank's assistance in deserving cases. But it was noticed that in 17 Janpad Panchyats, the Banker's participation was marginal. A consequence of the lack of full participation by the banker was reflected in the rejection of the large number of beneficiaries by the banks while sanctioning loans. Out of 12637 cases proposed in 14 Janpad Panchayats only 5748 cases were sanctioned by Banks. Better participation of Bankers in the process of identifying beneficiaries could have resulted in better results.

Less sanction of proposals for taking up key activities by the banks

(ii) According to guidelines, among the total number of swarozgaris covered, at least 50 per cent should be SC/ST, 40 per cent women and 3 per cent disabled. The districts wise details were as shown below:

In sample districts shortfall in coverage of women and disabled Swarozgaris'

Sl. No	Year	No. of Beneficiaries	No. of SC/ST and percentage		No. of women and percentage		No. of disabled and percentage.	
			Number	Per cent	Number	Per cent	Number	Per cent
1	1999-2000	4340	2335	53.80	456	10.50	1	(0.02)
2.	2000-2001	7312	3794	51.88	1051	14.37	2	(0.02)
3.	2001-2002	9133	5005	54.80	961	10.52	11	(0.12)
		20785	11134	53.56	2468	11.87	14	(0.06)

Thus, percentage of women and disabled swarozgaris was very low compared to the norm of 30 and 3 per cent respectively.

(b) Selection of key activities

The scheme necessitated detailed planning at DRDA level for key activity selection. The key activities identified for each block should be based on local resources, aptitude/skill of the beneficiaries, available infrastructure in terms of production, training and backup marketing facilities. The key activities so selected would normally be valid for five years. Project reports were to be prepared for each key activity with a net income of at least Rs.2000 per month per family, in the third year. The key activities selected could be reviewed after two years.

A perusal of the selection of key activities, provision of assistance and accrual of income from the key activities revealed the following deficiencies:

(i) Information regarding income generated for each key activity was not available with the blocks. However, information made available by 125 swarozgaris of 14 blocks of four sample districts revealed that the gross income earned was upto Rs.500 in 8 cases (6 per cent) between Rs.501 to Rs.1000 in 6 cases (5 per cent), between Rs.1001 to Rs.1500 in 17 cases (14 per cent), between Rs.1501 to Rs.2000 in 81 cases (65 per cent). Gross income of more than Rs.2000 per month per family was reported in 13 cases (10 per

Projected level of income in respect of 125 Swarozgaris not achieved

cent) only. This clearly indicated that the intended objective of getting sustainable income was not achieved by the swarozgaris.

(ii) In Janjgir-Champa district, the key activities were selected by DRDA instead of by blocks.

(iii) Key activities were to be preferably taken up in clusters so that the backward and forward linkages could be effectively established. Of 1586 villages selected for SGSY only in 195 villages (12.29 per cent) of Durg district key activities were taken up in clusters.

(c) **Project reports**

Preparation of incomplete project reports

Block SGSY Committee was responsible for the preparation of Project Reports for each key activity. It was observed that project reports prepared in 17 blocks of 5 test checked districts were not having complete details of training and technology required to be provided to swarozgaris, availability of market and infrastructure that needs to be provided the cost involved, etc. Out of 136 project reports, 117, 85, 102 and 93 project reports did not have details of infrastructure, training, marketing and skill development respectively.

Disbursement of amount less than the project cost

As per scheme guidelines, entire cost of the approved project was to be financed; under financing was not allowed under any circumstances. Test check revealed that the banks disbursed only Rs.51.03 lakh to 246 swarozgaris in 11 blocks against the project cost of Rs.95.98 lakh leaving Rs.44.95 lakh under financed. As the project cost for each activity was approved on the basis of investment required and net income accruable to the swarozgaris/SHGs, downsizing of investment by the banks had not helped the swarozgaris in crossing the poverty line.

3.2.5 Financial outlay and expenditure

The DRDAs were allowed to incur expenditure on the following components at specified percentages.

Name of the component	Expenditure allowed (Percentage of the allocation)
Training	10
Infrastructure fund	20
Revolving funds	10
Subsidy for economic activity	60

A risk fund consumption credit could be created with 1 per cent of SGSY fund at district level to provide risk fund assistance to banks distributing consumption loans. Funds for administration were provided separately as grants for "DRDA Administration". Funds for taking up special projects under SGSY were released separately by GOI.

The records revealed that separate accounts for each fund were not operated by any of the five DRDAs test-checked.

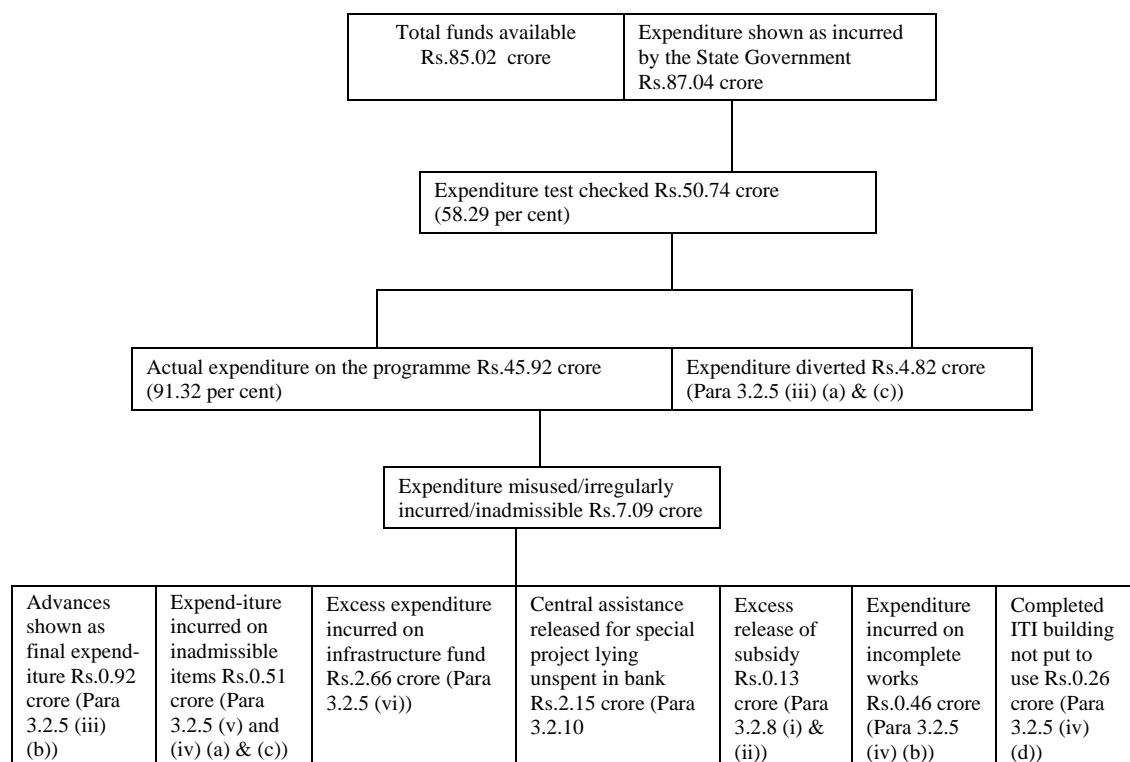
The details of release of funds under SGSY and expenditure incurred, as reported by DRDAs were as under:

(Rupees in crore)

Year	Opening balance	GOI share released	State share released	Other receipt	Total funds available	Expenditure	Savings
1999-2000	-----Not available ¹³ -----						
2000-2001	28.20 ¹⁴	16.33	4.62	11.45	60.60	48.16	12.44
2001-2002	14.74 ¹⁴	14.67	4.33	5.42	39.16	38.88	0.28

A finance tree indicating the expenditure reported and test-checked along with the amount diverted, misused etc. is given below:

FINANCE TREE



Perusal of connected records revealed the following irregularities:

Central assistance short released due to less utilisation of SGSY funds

- (i) As per scheme guidelines, central funds were required to be released in two instalments. Release of first instalment was to be completed by the end of May each year. Release of second instalment was based on the prescribed proforma. Scrutiny of the records revealed that in 2000-2001, Durg and Raigarh DRDAs did not receive first central instalment of SGSY funds because they could spend only 42.24 per cent (Raigarh) and 28.39 per cent (Durg) of total available funds during 1999-2000. In 2001-2002 the first

¹³ Chhattisgarh State was formed on 1-11-2000.

¹⁴ Reconciliation with departmental figures awaited.

instalment of central assistance to three out of five test checked DRDAs was released late ranging from 5 to 7 months.

Delay in release of State share by 22 months

(ii) In Durg district, second instalment of Central share of Rs.135 lakh pertaining to the year 1999-2000 was released in March 2000 but matching share of State Government of Rs.44.73 lakh was released only in January 2002 i.e after a delay of 22 months.

(iii)(a) The expenditure of Rs.12.75 crore (2000-01 Rs.7.50 crore; 2001-02 Rs.5.25 crore) reported as incurred by DRDA, Raipur included Rs.4.18 crore transferred to newly formed districts.

(b) Bastar and Raipur DRDAs paid Rs.91.53 lakh as advance to various executive agencies and treated it as final expenditure. CEO, DRDA Bastar and Raipur stated in May 2002 that Utilisation Certificates were awaited.

(c) In Bastar, Rs.63.77 lakh was diverted towards "Administration of DRDA" which was not admissible.

(iv) Funds available under the Jawahar Gram Samridhi Yojana, Employment Assurance Scheme and other Centrally Sponsored Scheme should be exploited for infrastructure creation before utilisation of SGSY infrastructure fund. The infrastructure thus created should be available for full utilisation by the swarozgaris and the infrastructure fund should not be utilised for creation of infrastructure of general nature.

Expenditure incurred on inadmissible items

(a) DRDA Durg sanctioned Rs.14.80 lakh out of SGSY fund to Assistant Director, Horticulture, Durg for implementing "Indira Hareli Saheli Yojana". The expenditure incurred on the State scheme was inadmissible.

Infrastructure fund was used for augmentation of assets of State Government

(b) In Raipur district, Rs.12.69 crore was released for the construction of 53 fish ponds, 20 veterinary dispensaries and 12 training centres. Records revealed that out of 85 works, 33 works (fish ponds: 7; veterinary dispensaries: 14 and training centres:12) remained incomplete as of June 2002 after incurring an expenditure of Rs.46.34 lakh. The utilisation of SGSY fund for the above purposes was irregular.

(c) In Raigarh district, Rs.32.32 lakh were paid to Assistant Director, Horticulture, Raigarh for the development of nurseries. This was irregular.

ITI building constructed out of infrastructure fund was not put to use

(d) Mini Industrial Training Institute (ITI) building constructed by the Executive Engineer, Rural Engineering Services Division, Janjgir at Kharod Village was stated to be completed by spending Rs.26 lakh out of SGSY funds only also the building remained unutilised as of August 2002.

(v) DRDA, Raigarh sanctioned in December 2000 a loan of Rs.4 lakh to 11 Bal Ashram of Raigarh district which was irregular and the loan so disbursed was not received back as of June 2002.

(vi) Test-check of records in DRDAs Durg, Janjgir-Champa, Bastar and Raipur revealed that as against Rs.6.89¹⁵ crore permissible on creating infrastructure, actual expenditure was Rs.9.55¹⁶ crore resulting in excess expenditure of Rs.2.66 crore on infrastructure.

3.2.6 Training

Training needs both in terms of technical and managerial skill were to be ascertained and the number of swarozgaris needing skill upgradation were to be identified. The basic orientation programme is to be given to every swarozgari after the loan is sanctioned and before its disbursement. Skill development programmes were to be organised for those swarozgaris who need additional skill development for the identified activities. For imparting skill development training, Government institutions like Engineering Colleges, ITIs, Polytechnics, Universities and NGOs were required to be approached. 10 per cent of SGSY fund was required to be set aside in separate head of account namely 'SGSY Training Fund'.

The details of swarozgaris who were identified and those who participated in basic orientation training programmes are given in the table below:

Untrained swarozgaris got assistance whereas trained swarozgaris deprived of the benefit

Sl. No.	Name of the district	No. of swarozgaris identified (individual +SHG)	No. of swarozgaris assisted (individual +SHG)	No. of swarozgaris trained (individual +SHG)	Short fall (-)/ Excess (+)
1.	Bastar	48177	6109	11848	(+)5739
2.	Durg	19578	4375	466	(-) 3909
3.	Janjgir-Champa	16698	2360	7051	(+)4691
4.	Raigarh	21965	7230	710	(-) 6520
5.	Raipur	33989	4324	6957	(+) 2633
	Total	140407	24398	27032	

Loan was disbursed to 10,429 swarozgaris without providing them basic orientation programme training by DRDA Durg and Raigarh, whereas 13,063 swarozgaris who were not assisted were provided training in Bastar, Janjgir-Champa and Raipur district.

Excess expenditure incurred on training of swarozgaris

(i) Against 1,40,407 swarozgaris required to be trained only 27,032 were actually trained in 5 sample districts. As against the maximum admissible amount of Rs.25 per trainee per day, expenditure ranging from Rs.161 to Rs.4788 per trainee was incurred. This not only led to a wholly unjustifiable excess expenditure of Rs.1.42 crore, it also showed range of misapplication of valuable training resources. The DRDAs sought to evade the issue by shifting the responsibility for excess expenditure to NGOs who provided training for the capacity building of SHGs. Audit scrutiny of the payment process however brought out that the payment was to be made in four instalments, on the basis

¹⁵ Durg: Rs.103.66 lakh; Janjgir-Champa: Rs.47.32 lakh; Raipur: Rs.346.20 lakh, Bastar: Rs.192 lakh

¹⁶ Durg : Rs.134.16 lakh; Janjgir-Champa : Rs.96.31 lakh; Raipur : Rs. 316.19 lakh, Bastar: Rs.408.40 lakh

of actual progress and not in one lump. Further, the expenditure was to be booked under Revolving Fund and not under training fund. Abnormally high per capita expenditure on training could also be due to lesser number of trainees actually trained while funds have been released for a much larger number. Large scale mismanagement of training resources cannot be ruled out.

(ii) Rs.1.10¹⁷ crore spent on construction of 3¹⁸ Mini ITIs and Rs.0.12 crore incurred on pay and allowances of the staff posted there proved unfruitful as training was not started after 1 April 1999 in two ITIs and construction of Mini ITI, Kota remained incomplete as of March 2002.

3.2.7 Formation of Self Help Groups

As per the progress reports of 5 sample districts on SGSY, the physical achievement under the programme during 1999-2002 were as under:

Sl. No.	Name of the district	Number of self help groups			Number of swarozgaris			Percentage of members covered under SHGs.
		Formed	Taken up economic activity	Provided with revolving funds	Trained	Received Government subsidy		
						In groups	Individually	
1	Bastar	4366	130	596	11848	1292	4817	21.15
2.	Durg	1571	48	508	466	507	3868	11.59
3.	Janjgir-Champa	1493	78	173	7051	592	1768	25.08
4.	Raigarh	1511	36	361	710	375	6855	5.19
5.	Raipur	2781	83	610	6957	847	3477	19.59
	Total	11722	375	2248	27032	3613	20785	14.81

Focus was not laid on group approach

(i) SGSY lays emphasis on the group approach under which the rural poor were to be organised into self help groups. It was observed that focus was not laid on group approach as only 14.81 per cent of the total swarozgaris could be covered in groups.

(ii) Out of 11,722 groups formed in five sample districts only 375 (3.20 per cent) could start economic activity.

In sample districts less groups for women were formed

(iii) 50 per cent of the groups were required to be formed exclusively for women as per the information supplied by three (Raipur, Bastar and Durg) districts the women groups actually formed during 1999-2002 were 3230 (37.05 per cent) against 8718 SHGs formed.

Negligible involvement of independent agency for grading of groups

(iv) To ensure that SHGs evolved into a good group and were ready to go into the next stage of evaluation, a grading exercise was to be carried out by an independent agency at the end of six months from the formation of SHG. It was observed that an independent agency was utilised in only one out of 17 blocks test checked. Also out of 11722 SHGs only 3094, 526 and 375 graduated through the three stages.

¹⁷ Building:Rs.0.92 crore, Tools and Plants: Rs.0.17 crore and Furniture:Rs.0.01 crore

¹⁸ Sarangarh, Katghora, Kota.

3.2.8 Programme implementation

The programme envisaged payment of subsidy for economic activities on the following norms.

For SC/ST swarozgaris, 50 per cent of the project cost subject to a maximum of Rs.10,000/- (ii) For other swarozgaris, 30 per cent of the project cost subject to a maximum of Rs.7,500 and (iii) for SHGs, 50 per cent of the project cost subject to a maximum of Rs.1.25 lakh.

The programme also contemplated formation of groups with 10 to 20 persons and in the case of minor irrigation activity, the minimum number of members was five.

(i) In Baloda Bazar and Simga blocks of Raipur district a lift irrigation project costing Rs.76.88 lakh including laying of pipes for water distribution was approved. The project beneficiaries included 91 general category members of 7 SHGs (total 158 members). These general category members were also sanctioned subsidy at the rate of 50 per cent by the DRDA Raipur. Rs.9.28 lakh subsidy was paid in excess to 91 member of 7 groups.

(ii) Similarly in 9 blocks of 5 sample districts, subsidy at the rate of 50 per cent instead of 30 per cent was paid to general category individual swarozgaris for taking up minor irrigation activity. This had resulted in excess payment of subsidy of Rs.3.89 lakh.

3.2.8.1 Recovery of loan

Poor recovery of SGSY loan

None of the DRDAs test checked had information regarding the amount to be recovered and actually recovered. In 13 out of 17 blocks selected, against Rs.170.82 lakh recoverable only Rs. 63.63 lakh could be recovered as repayment of loan during the last three years.

3.2.8.2 Physical verification of assets

Assets procured by swarozgaris were not found at their working place

For ensuring that swarozgaris were properly managing their assets an annual physical verification of assets was to be conducted at the end of each year.

While conducting physical verification of assets procured by the swarozgaris, it was observed that assets worth Rs. 8.98 lakh pertaining to 33 swarozgaris of 3 blocks were not found.

CEO, DRDA, Raigarh stated (July 2002) that action against the defaulters should be taken by the block level committee and the respective banks and not by DRDA.

3.2.8.3 Shortfall in coverage

Coverage of BPL families was less than the targets

The objective of SGSY was to cover 30 per cent of BPL families in each block during the first five years and to raise them above poverty line. According to the survey, the number of families below poverty line in the state was 14.29 lakh. The total number of BPL families in five sample districts was 6.08 lakh. Accordingly 1.10 lakh BPL families should have been covered during the first three years. However, the number of BPL families (at the rate of 1 person per family) covered as reported by the districts was only 24,398 (22 per cent) leaving a shortfall of 85,128 families (78 per cent). The shortfall in coverage ranged between 73 and 86 per cent in these districts.

3.2.9 Non-payment / delayed payment of revolving fund by the banks

Every SHG in existence for at least a period of six months which has the potential of a viable group was eligible to receive a revolving fund of Rs.25,000/- in the second stage from the banks. Rs.10,000/- was to be paid by DRDA to the banks. The revolving fund was to provide loans to members and also increase the per capita loan.

Non-payment of cash credit to 241 groups and payment with a delay of 1-6 months to 251 groups

Reserve Bank of India (February 2000) directed all the banks to sanction cash credit limit of Rs 15,000 immediately after the SHGs were sanctioned revolving fund of Rs 10,000 by the DRDAs. According to the information furnished by 14 out of 17 selected blocks of 5 sample districts, it was observed that 492 SHGs were sanctioned revolving fund. Of these only 251 were sanctioned cash credit by the banks and that too after a delay of 1 to 6 months.

State share not released

3.2.10 Special project

Government of India, Ministry of Rural Development, sanctioned (March 2000) a project under SGSY named 'Van Dhan' aimed at the development of tribals by forming 600 SHGs to benefit 6000 members. The approved cost of the special project was Rs.16.50 crore (loan: Rs.9 crore and subsidy: Rs.7.50 crore) to be shared between Centre and State in the ratio of 75:25. Government of India released first instalment of Rs.2.81 crore being 50 per cent central share of Rs.5.62 crore in March 2000. State share of Rs.187.50 lakh, which was required to be released within 15 days was not released (June 2002).

Less utilisation of Central assistance

Of the 600 SHGs to be formed, only 192 group based cases were submitted to banks during 1999-2000. The banks actually disbursed assistance to only 169 groups of which 109 groups were financed from special project fund and 60 groups were financed from regular SGSY fund. Out of Rs.2.82 crore received from GOI only Rs.66.62 lakh (23.66 per cent) were disbursed to 109 SHGs as subsidy upto March 2001. Balance amount of Rs.2.15 crore was lying unspent as of March 2002. Interest of Rs.8.63 lakh was earned by DRDA Bastar on this unspent amount.

The turn over of the Van Dhan SHGs was around Rs.18.74 crore and Rs.1.32 crore were earned by them as commission upto March 2001. During 2001-

2002 TRIFED¹⁹ did not involve itself in procurement and value addition as it was not able to manage the goods procured during 2000-01. As a result the SHGs were not able to sell their minor forest produce.

Irregular utilisation of infrastructure fund under special project

Further, for transporting this non-timber forest produce, DRDA Bastar provided 14 trucks at a cost of Rs.55.51 lakh in April 2000 for use by Van Dhan SHGs. Similarly, Kanker DRDA also provided 7 trucks costing Rs.27.75 lakh. An expenditure of Rs.3.80 lakh was also incurred on registration and insurance of these trucks and Rs.161.73 lakh on sheds constructed for keeping minor forest produce. Thus the entire expenditure of Rs.2.49 crore was irregularly incurred out of SGSY infrastructure fund.

The Van Dhan Scheme which functioned well till March 2001, failed later because the TRIFED withdrew and the scheme did not have adequate support.

3.2.11 Monitoring and evaluation

(i) Meetings at district level were not held as per schedule in 4 out of 5 sample districts during 1999-2002. The shortfall ranged between 4 to 10 meetings against 12.

Information on monitoring not available with DRDAs. Field visits by BDOs fell short

(ii) While information regarding monitoring of implementation of SGSY at DRDA level through field visits by the Chairman DRDA, Project Director, DRDA, Project Officer and Project Economist and SDMs was not available with the DRDAs, the BDOs had carried out 4886 field visits for monitoring and physical verification of assets of the swarozgaris during 1999-2002 in 14 test checked blocks of four districts against the requirement of 10,080 field visits.

(iii) Evaluation studies on the implementation of the programme was not conducted by the State Government.

(iv) A Vikas Patrika containing details of the project, assets, income generated etc was required to be maintained at Block level. Information with regard to preparation and maintenance of 'Vikas Patrika' was not available with the implementing agencies. Progress of the SGSY could thus not be monitored as envisaged. Reasons for non preparation of Vikas Patrika were not furnished.

The above points were referred to Government in September 2002; reply had not been received (January 2003).

¹⁹

Tribal Cooperative Marketing Development Federation of India.

Public Health and Family Welfare Department

3.3 Dispensaries for the Welfare of Backward Areas

Highlights

The scheme aimed at providing medical facilities to predominantly tribal areas of the state. Though an amount of Rs.17.90 crore was spent in two years

(2000-02) the development of health infrastructure in these areas was far from satisfactory inasmuch as even the first phase of construction of Community Health Centres (CHCs) were not completed resulting in non-extension of radiological/ operation facilities etc. Acute shortage of specialists prevailed in District Hospital (DH) (20-65 per cent) and in CHCs (28 to 60 per cent) resulting in low percentage of bed occupancy in CHCs. Twenty eight per cent Primary Health Centre (PHC) remained without doctors. Some of the significant observations are as under:

- The budget provision fell short by 53 per cent of the actual requirement.

(Paragraph 3.3.4)

- For providing basic medical care in rural areas only 114 Community Health Centres were established as against the requirement of 170 .

(Paragraph 3.3.5)

- 4 hundred bedded hospitals and one upgradaded (hundred to three hundred) bed hospital remained incomplete after incurring an expenditure of Rs.3.90 crore.

(Paragraph 3.3.6[a] [i]&[ii])

- Extra cost of Rs 19.61 lakh was incurred on irregular purchase of medicines.

(Paragraph 3.3.9[ii][b])

- Minimum and Maximum stocks of life saving medicines for prevention of epidemics were not fixed. Store keepers were not trained in inventory control.

(Paragraph 3.3.9[iii])

- **Under Jeevan Jyoti Scheme expenditure incurred was not commensurate with physical performance.**

(Paragraph 3.3.11)

3.3.1 Introduction

Prior to its formation (1 November 2000) Chhattisgarh State was a part of Madhya Pradesh State. It comprises 146 blocks out of which 85 blocks are tribal covering an area of 32.87 lakh sq. km. As per 1991 census total population of the State was 176.15 lakh of which about 33 per cent was tribal. For the welfare of these classes special provisions were made in the State budget by introducing a Scheme "Dispensaries for the welfare of backward classes". The entire expenditure of hospitals of backward districts of the State including medicines and diet to the patients is funded under non-plan expenditure.

Government of composite Madhya Pradesh (January 1991) had adopted a 5 tier system of health care namely Sub Health Centre, Primary Health Centre, Community Health Centre, Civil Hospital and District Hospital without any specific provision for dispensaries for backward areas as such. The funds allotted under the scheme were spent inter-alia on running of district hospitals and community health centres (established and working) in tribal areas of the State.

3.3.2 Organisational set up

The overall monitoring and supervision of the scheme at State level rested with the Secretary, Public Health and Family Welfare Department (Department). The scheme was implemented in the State by the Director, Public Health and Family Welfare (Director) who is assisted by two Joint Directors at Directorate level and Chief Medical and Health Officer (CMHO) and Civil Surgeon (CS) cum Superintendent of the district hospital at the district level.

3.3.3 Audit coverage

The scheme was in operation in all the 16 districts of Chhattisgarh State but maximum allotments were provided to 5 predominantly tribal districts viz. Ambikapur, Dantewara, Jagdalpur, Jashpur and Raigarh. A test check of the records in the office of Director, Public Health and Family Welfare Raipur, Chief Medical and Health Offices Ambikapur, Dantewara, Jagdalpur, Jashpur and Raigarh and Civil Surgeon-cum-Superintendent of District Hospitals (DH) at Ambikapur, Jagdalpur and Raigarh along with records of Civil Hospital Jashpur (CH) Community Health Centres (CHCs) and Primary Health Centres (PHCs) in these districts was conducted between February and August 2002. The period covered under review was from April 1997 to March 2002.

3.3.4 Finance

Year wise details of budget provisions and expenditure were as under:

(Rupees in lakh)

Year	Budget provision	Expenditure ²⁰ (Departmental)	Savings(-)/excess(+) (Percentage)
November 2000 to March 2001	325.78	441.15	(+)115.37 (35)
2001-02	843.35	1348.64	(+)505.29 (60)
Total	1169.13	1789.79	(+)620.66 (53)

It would be seen that the allotment was short of requirement to the extent of 53 per cent in both the years.

The budget provision and expenditure in 5²¹ test-checked districts was as follows:

(Rupees in lakh)

Year	Budget provision	Expenditure	Saving (-)/ Excess (+)	Percentage excess/saving
1997-98	745.43	817.84	72.41 (+)	10
1998-99	674.19	1065.65	391.46 (+)	58
1999-2000	858.76	1049.26	190.50 (+)	22
4/2000 to 10/2000	857.19	769.13	88.06 (-)	10
11/2000 to 3/2001	247.67	425.53	177.86 (+)	72
2001-2002	497.80	1131.03	633.23 (+)	127
Total	3881.04	5258.44	1377.40 (+)	

The excess expenditure ranged from 10 to 127 per cent which remained to be regularised.

3.3.5 Establishment of Medical Institutions in Tribal areas of the State

The Minimum Need Programme started in 1974-75 envisaged a network of basic services and facilities in the field of health, nutrition, environmental improvement and water supply. Under this programme one Sub Health Center (SHC) for every 3000 population, one Primary Health Center (PHC) for every 20000 population and one Community Health Center (CHC) for every 80,000 population in tribal areas was to be established.

²⁰ Departmental figures not reconciled with Accountant General.

²¹ Ambikapur, Dantewara, Jagdalpur, Jashpur and Raigarh.

The position of requirement and establishment of health institutions in the State as on February 2003 was as under:

Shortage in establishment of CHCs / PHCs ranged between 10 and 33 per cent of requirement.

Sl. No.	Category	Required	Established	Shortage (percentage)
1.	CHC	170	114	56 (33)
2.	PHC	572	513	59 (10)
3.	SHC	3850	3818	32 (1)

The above table indicates that there was shortage of 33 and 10 per cent in establishment of CHCs & PHCs respectively.

Sanctions for opening of 9 CHCs, 25 PHCs and 12 SHCs during 2001-2002 are awaited (February 2003) from Government.

3.3.6 Upgradation of Primary Health Centers to Community Health Centres

(a) Construction

(i) Government (April 1998) sanctioned upgradation of 39 PHCs to CHCs of 8 districts which were subsequently allocated to Chhattisgarh State. In the first phase administrative sanction for construction of 10 bedded wards, Operation Theatres and Dark Rooms at a cost of Rs.13.45 lakh per CHC was issued for Rs.5.25 crore.

The details of the 31 works falling in the five districts test-checked are as under:

Construction of CHC buildings was incomplete for more than two and half years after incurring expenditure of Rs.2.77 crore

(Rupees in lakh)

Sl. No.	Name of District	Number of works	Amount allotted		Letter of credit issued		Expenditure incurred	
			2000-01	2001-02	2000-01	2001-02	2000-01	2001-02
1.	Ambikapur	10	45.00	23.50	45.00	23.50	--	44.38
2.	Dantewara	5	47.00	103.73	38.80	79.93	7.10	79.19
3.	Jagdalpur	9	58.00	145.23	34.00	76.00	5.00	128.18
4.	Jashpur	5	3.00	13.00	3.00	13.00	--	6.21
5.	Raigarh	2	22.03	10.95	21.47	10.95	2.94	3.85
	Total	31	175.03	296.41	142.27	203.38	15.04	261.81

Of the 31 CHCs only two were completed but even these were not handed over to the Department. Works at Darbha in Jagdalpur, Dharamjaigarh in Raigarh and Kunkuri in Jashpur district were not started due to non-availability of site. Balance 26 works were still in progress (September 2002) even after a lapse of more than two and half years after incurring an expenditure of Rs.2.77 crore against sanctioned amount of Rs.4.17 crore. One work at Bhairamgarh (Dantewara) was stated to have been delayed by contractor and 5 works (Jagdalpur) were delayed due to revision of estimates awaiting sanction.

4-Hundred bedded hospitals remained incomplete after incurring an expenditure of Rs.80 lakh

(ii) Government accorded sanction in 1998 for construction of four 100 bedded hospitals at Sitapur (Rs.2.38 crore) Wadrafnagar (Rs.2.22 crore) Dantewara (Rs.2.50 crore) and at Narayanpur (Rs.2 crore) respectively. Government of Chhattisgarh in addition accorded sanction of Rs.60 lakh for upgradation of a 100 bedded hospital to 300 bedded hospital at Raigarh. The position is as detailed in the following table:

<i>(Rupees in lakh)</i>								
Sl. No.	Name of 100 bedded Hospital	Date/years of sanction	Amount sanctioned	Due date of completion as per contract	Allotment	LOC Received	Expenditure upto March 2002	Remarks
1.	Sitapur (Ambikapur)	28-8-98 (1998-99)	237.50	28-4-2003	} 76.00	} 73.00	11.93	No reasons for delay were intimated.
2.	Wadraf nagar (Ambikapur)	28-8-98 (1998-99)	220.50	28-4-2002				
3.	Dantewara	15-9-98 (1998-99)	250.00	26-2-2004	134.90	86.14	39.59	Delay occurred due to late finalisation of tender (8/2001)
4.	Narayanpur (Jagdapur)	15-9-98 (1998-99)	200.00	5-3-2004	28.00	21.00	17.43	Revised estimates were sent to DHS, Raipur (10/2001) sanction still awaited.
	Total		910.00		238.90	180.14	79.99	
5.	D.H. Raigarh (Upgradation of 100 bedded Hospital to 300 bedded)	14-12-2000 2000-01	60.00	8-1-2003	43.52	38.09	32.71	No reasons for delay were intimated
	Grand Total		970.00		282.42	218.23	112.70	

It was noticed that out of four works which were sanctioned during 1998-99, against the allotment of Rs.2.39 crore, letter of credit (LOC) for Rs.1.80 crore only was issued and expenditure of Rs.79.99 lakh (45 per cent) was incurred (March 2002). In respect of DH Raigarh LOC for Rs.38.09 lakh was issued and expenditure of Rs.32.71 lakh was incurred (March 2002). Incomplete works deprived the local residents of the medical facilities.

(b) Avoidable Expenditure on Pay and Allowances

Rs.69.60 lakh on pay & allowances of upgraded CHCs remained unfruitful for want of infrastructure facilities

Besides upgrading 65 Primary Health Centres in the erstwhile state including 39 PHCs of 8 districts of Chhattisgarh, Government also sanctioned (March 1998) creation of posts (Asstt. Surgeon-3, Staff Nurse-4, Radiographer-1, Pharmacist cum Store Keeper-1 and Class-IV-3) for each Community Health

Centre. Scrutiny of records in 34²² CHCs revealed that construction of 30 Bedded Wards, Operation Theatres, Dark Rooms/X-ray rooms were not completed and/or clinical, pathological and radiological facilities were not available. Despite non availability of infrastructural facilities 13 Asstt. Surgeons, 19 Staff Nurses and 6 Class-IV were appointed in 18 CHCs and an avoidable expenditure of Rs.69.60 lakh was incurred on pay and allowances during June 1998 to March 2002.

3.3.7 Man power

(i) Shortage of Specialists

Government sanctioned (1997) the redistribution of posts of Specialists and Asstt. Surgeons in health department. In the six district hospitals 76 posts of specialists²³ were sanctioned.

The vacancy position of specialists in the three District Hospitals was as follows:

District hospitals and CHCs remained without specialists.

Sl. No.	District Hospital	Post of specialist sanctioned	Working position	Duration of vacancy	Percentage of vacancy
1.	Ambikapur	10	4 to 6	6 months to 60 months	40 to 60
2.	Jagdapur	17	6 to 8	7 months to 60 months	53 to 65
3.	Raigarh	5	4 to 5	44 months	20

In Ambikapur no specialist was posted in Radiology, Anaesthesia, Ear, Nose and Throat, Pathology and Orthopaedics Department during the last 5 years although one post was sanctioned in each branch. No specialist was sanctioned in Psychology, Dental and Skin branches either. Similarly, in Raigarh district specialist posts in Anaesthesia, Radiology, Pathology, Ear, Nose and Throat, Orthopaedics, Psychiatrist, Dental and Skin branches were not sanctioned. Against one post of specialist sanctioned in Medicine, 2 specialists were posted in DH Ambikapur during 1998-02 whereas in DH Jagdalpur against 2 sanctioned post of specialist in Medicine, 1 post remained vacant during 1997-99 and both during 1999-02. In Jagdalpur though one post of specialist each in Ear, Nose and Throat, Orthopaedics, Psychiatrist, Dental and Skin branches was sanctioned no specialist was posted. Further, against two posts of specialists sanctioned each in Medicine, Pediatrics and Gynaecology only one specialist was in position in Medicine, during 1997-99, where as both the posts in Pediatrics and Gynaecology remained vacant during 1999-02 in Jagdalpur.

In Jashpur Civil Hospital against four posts of Specialists sanctioned in Medicine, Surgery, Paediatrics and Gynaecology no specialist was in position.

²² Ambikapur -10, Dantewara- 5, Jagdalpur-9, Jashpur-5, Raigarh-2, Raipur-1, Kanker-2

²³ Ambikapur-10, Bilaspur-22, Durg-17, Jagdalpur-17, Raigarh-5 and Rajnandgaon-5 (Medicine-10, Surgery-10, Paediatrics-10, Gyaenecology-10, Anaesthesia-5, Ophthalmology-6, Radiology-4, Pathology-4, Ear, Nose and Throat-4, Orthopaedic-4, Psychiatrist-3, Dental-3, Skin-3)

Scrutiny of the records in 4 test-checked districts revealed that against the provision of posting of 4 clinical specialists in each CHC, none was posted by Government in 10 CHCs of three districts (Dantewara-4, Jagdalpur-4 and Jashpur-2) during 1997-2002 though 22 posts were duly sanctioned for them. In Ambikapur and Raigarh district only 27 posts were sanctioned in 12 CHCs and 1 to 3 doctors were in position in each district.

CMHO Dantewara stated that patients preferred treatment at nearby Apollo Hospital Bachel and District Hospital at Jagdalpur. The reply confirmed that due to non-availability of specialists patients preferred treatment in other hospitals.

(ii) *Shortage of Assistant Surgeons in PHCs and CHCs*

(a) *Public Health Centres*

In test-checked districts shortage of Asstt. Surgeons in PHCs during was as under:

Sl. No.	Name of District	Number of Posts sanctioned	In position					Percentage of shortage
			1997-98	1998-99	1999-2000	2000-01	2001-02	
	CMHO							
1.	Ambikapur	65	45	53	57	52	53	12 to 31
2.	Dantewara	38	30	29	29	29	21	21 to 45
3.	Jagdalpur	54	46	46	43	35	38	15 to 35
4.	Jashpur	27	--	--	17	17	16	37 to 41
5.	Raigarh	42	35	32	33	35	36	14 to 24

(b) *Community Health Centres*

Sl. No.	Name of District	Number of Posts sanctioned	In position					Percentage of shortage
			1997-98	1998-99	1999-2000	2000-01	2001-02	
	CMHO							
1.	Ambikapur	73	36	37	38	43	45	38 to 51
2.	Dantewara	52	22	22	21	21	23	56 to 60
3.	Jagdalpur	36	21	22	21	26	23	28 to 42
4.	Jashpur	34	--	--	17	19	20	41 to 50
5.	Raigarh	34	23	23	22	22	21	32 to 38

CMHOs stated (September 2002) that postings/appointments are done at Government level. Delay was also attributed to non-finalisation of division of cadre between MP and Chhattisgarh.

(iii) *PHCs without Doctors*

According to the staffing pattern sanctioned under Minimum Needs Programme one doctor was to be provided to each PHC.

Shortage of Asstt. Surgeons in PHCs and CHCs ranged between 12-45 per cent and 28-60 per cent respectively

80 PHCs were without doctors. Rs.3.23 crore spent on other staff was infructuous.

Scrutiny of records of CMHOs of 7 districts revealed that 80²⁴ out of 285²⁵ PHCs (28 per cent) were functioning without doctors for periods ranging from 6 months to 5 years. An expenditure of Rs.3.23 crore was incurred on pay and allowances of other/non-medical staff, including cost of medicines of Rs.15.27 lakh supplied during 1997-02 for running these PHCs. In Jagdalpur and Raigarh alternative arrangement for providing the services of doctors on two days in a week was stated to have been made but no substantiating record was available.

(iv) Utilisation of Indoor Bed Capacity

Scrutiny of records of DHs and CHCs of 3 districts relating to bed occupancy revealed as under :-

		<i>(In per cent)</i>				
Sl. No.	Name of District	1997	1998	1999	2000	2001
1.	Ambikapur					
(i)	DH	51	78	89	88	77
(ii)	CHCs	23	10	15	16	19
2.	Jagdalpur					
(i)	DH	98	98	98	96	92
(ii)	CHCs	48	25	26	27	21
3.	Raigarh					
(i)	DH	80	88	103	102	100
(ii)	CHCs	9	12	5	7	4
4.	Jashpur					
(i)	CH	--	--	8	12	13
(ii)	CHCs	--	--	7	7	5
5.	Dantewara ²⁶					
(i)	CHCs	15	12	11	18	18

Audit Scrutiny revealed that percentage of bed occupancy in DHs was higher in comparison to that in CHCs which was mainly due to non-posting of specialists in CHCs, non-completion of construction of 30 bedded wards, operation theatres and dark rooms and non-availability of radiological facilities etc. In fact in none of the CHCs, the bed occupancy crossed 27 per cent except for CHC Jagdalpur where it was 48 per cent in 1997. Thus patients were compelled to go to district hospital or elsewhere for treatment.

CMHO Ambikapur and Jashpur admitted that due to absence of specialists/Asst Surgeons serious patients were not interested in admission. CMHO Dantewara however mentioned the disinclination of tribal population for hospitalization. CMHO Raigarh attributed the poor bed occupancy to referring of patients to nearby CH/DH. According to CMHO Jashpur, it was

²⁴ Dantewara-13, Jagdalpur-16, Jashpur-15, Kanker-7, Korba-7, Korla-10 and Raigarh-12

²⁵ Ambikapur-65, Dantewara-34, Jagdalpur-54, Jashpur-25, Kanker-21, Korba-29, Korla-18, Raigarh-39

²⁶ 100 bedded Hospital's building was under construction at Dantewara

due to non-availability of all medical facilities and availability of a mission hospital in the area.

3.3.8 *Idle outlay on X-ray machines*

(a) Sanctions for construction of 117 darkrooms/ X-ray rooms in 41 PHCs at a cost of Rs.1 lakh each was issued. It was, however, noticed that out of 16 works sanctioned 6 were not started, 3 not completed and 7 handed over to the department. These works were handed over after a delay of 3 to 9 months. No reasons for delay in handing over were intimated.

(b) Scrutiny of records of 10 districts revealed that in 52²⁷ CHCs/ PHCs, X-ray machines costing Rs.87.75 lakh purchased between September 1995 and 1998-99 were not put to use for want of darkrooms (23), want of radiographers (3), want of repairs (7) and for want of dark rooms and radiographers (19).

(c) Audit scrutiny revealed that 8 radiographers were posted²⁸ where X-ray machines were not in working order during April 1997 to March 2002. Rs.14.36 lakh spent on their salaries was infructuous. Their services were not utilised elsewhere either.

Idle of 8 radiographers meant infructuous expenditure of Rs.14.36 lakh

3.3.9 *Medicines*

(i) *Norms per patient*

Government orders provide for supply of medicines at rates not exceeding Rs.0.50 and Rs.2.50 per outdoor and indoor patient per day respectively. Scrutiny of records of 3 DHs and one CH revealed that average expenditure ranged from Rs.3.10 to Rs.28.40.

The norms were fixed in October 1980 and have not been revised even after a lapse of about 22 years and despite assurance to PAC (August 1993). Thus any sum allotted to CMHO/Civil Surgeon for the purchase of medicines is being spent without any realistic norms fixed for expenditure.

(ii) *Purchase of medicines*

As per the purchase policy framed by Government in August 2001 medicines which were manufactured by Government undertakings were to be purchased from them and other medicines from reputed firms. These purchases were to be made by observing store purchase rules and after proper approval by district committee. Following irregularities were noticed in the purchase of medicines:

²⁷ Ambikapur-6, Bilaspur-5, Dantewara-3, Durg-3, Jagdalpur-10, Jashpur-8, Kanker-6, Kawardha-3, Raipur-1 and Raigarh-7

²⁸ Dantewara-1, Jagdalpur-1, Jashpur-1 Raigarh-3 and Bilaspur-2.

(a) Scrutiny revealed that medicines worth Rs.8.33 lakh²⁹ were purchased from local firms without inviting tenders/quotations. Batch numbers and expiry date of medicines were missing in the purchase bills/ stock registers.

CMHO, Dantewara stated that the supplier was the authorised distributor of manufacturing company which was not on record. Non-recording of batch numbers and date of expiry of medicines was attributed to over sight.

(b) Further, price lists from all Government undertakings were not obtained resulting in purchase of medicines at higher rates involving excess expenditure of Rs.19.61 lakh³⁰.

CMHO, Dantewara stated that purchases were made at higher rates in emergency cases. CMHO, Jagdalpur stated that excess payment occurred due to non-availability of revised rates of undertakings. CMHO, Raigarh intimated that purchases were made on the basis of quality.

Director after considering the explanation furnished by CMHO, Ambikapur, stated (May 2002) that recovery will be effected from concerned supplier.

(iii) Stock of life saving drugs

**Minimum
&
Maximum
stock of life
saving
drugs not
prescribed**

In terms of Government orders (August 1984) every CMHO/C.S was to ensure that sufficient quantity of life saving drugs and medicines for prevention of epidemics were available in stock in the hospitals.

Audit scrutiny revealed that neither the list of life saving drugs and medicines nor minimum and maximum stock limit was prescribed by Director, CMHO and CS. Store keepers of all these units were not trained in inventory control either.

(iv) Ambulances

**Hospital
ambulances
misused**

Government instructions of November 1980 stipulate that hospital ambulances were to be used (1) to transport patients and (2) to transport doctors and staff from their residence to attend emergency cases in hospitals outside their duty hours.

In DH, Jagdalpur, Civil Hospital, Jashpur and 5 CHCs audit scrutiny revealed that 7 Ambulances covered a total distance of 1.23 lakh km, out of which only 2 per cent was for transportation of patients, 14 per cent for transportation of doctors and nurses and 84 per cent for other purposes (implementation of schemes). No recovery from patients was effected in any district.

²⁹ Ambikapur: 6.23 lakh and Dantewara : 2.10 lakh.

³⁰ Ambikapur- Rs.0.52 lakh, Dantewara-Rs.0.376 lakh, Jagdalpur- Rs. 0.48 lakh, Jashpur-Rs.2.32 lakh and Raigarh- Rs.15.91 lakh.

3.3.10 Diet

The cost of diet per patient was fixed at Rs.8 per day, which may vary by 10 to 15 per cent according to market rates. This scale which was to be reviewed after every 5 years had not been revised even after a lapse of 19 years.

Following irregularities were noticed:

Prescribed diet could not be provided to rural in-patients for want of kitchen / cooking staff

(i) Out of budget allotments of Rs.22.07 lakh provided to 52 CHCs³¹ of 5 test-checked districts only Rs.6.36 lakh could be utilised.

CMHO Jagdalpur stated that due to non-posting of cook and helper, budget provision could not be utilised. CMHO Dantewara, stated that there was no space for cooking and patients were also not interested to take cooked food from hospitals as per their social tradition. Reply was not tenable, as milk/bread or fruits could have been provided to the indoor patients. CMHO Jashpur stated that the matter was brought to the notice of Director whereas CMHO Ambikapur stated that expenditure on diet was incurred in one CHC only. No reasons for non-distribution in other CHCs were furnished. CMHO Raigarh attributed reasons for less utilisation of budget to non-availability of indoor patients which is contrary to recorded figures, of indoor patients.

(ii) In 7 CHCs where diet was not being supplied to indoor patients, seven cooks and one helper were engaged, for which expenditure of Rs.12.76 lakh was incurred which was irregular.

The CMHO, Dantewara, Jashpur and Raigarh stated (May 2002 & September 2002) that services of cook and helper were utilised on other work similar to their post. The statements of CMHOs were also upheld by Director. But since no meals were cooked and served, expenditure on their salaries was rendered infructuous.

3.3.11 Jeevan Jyoti Mobile Dispensaries Scheme

Jeevan Jyoti Scheme expenditure was not commensurate with physical performance

With a view to provide medical facilities to the tribal people living in remote and inaccessible areas, Jeevan Jyoti Mobile Dispensaries Scheme (JJMDS) was launched during the year 1988-89 under the supervision and control of CMHOs. Each CHC was to be provided with one mobile unit.

Each mobile unit was required to visit six haat bazars (weekly market) in a block in a week to provide medical treatment on the spot and transport serious and emergent cases to hospitals where facilities for proper treatment existed. For this purpose each mobile unit was to be provided with one Doctor, Staff Nurse, Compounder or Dresser and Class-IV and provision existed for incurring annual expenditure (POL Rs.25000, Medicines Rs.30,000 and Contingencies Rs.10,000).

³¹

Ambikapur-18, Dantewara-9, Jagdalpur-11, Jashpur-7 and Raigarh-7

Scrutiny of the records revealed that as against targetted visits to Haat Bazars achievements were as follows:

Sl. No.	Name of District	Number of CHCs	Target visits @ 6 per week per block (52X6=312)	1997-98	1998-99	1999-2000	2000-2001	2001-2002	Total	Percentage of overall Physical performance
CMHO		NO. OF ACTUAL VISITS (PERCENTAGE)								
1.	Ambikapur	8	2496	NA	NA	NA	NA	1706 (68)		
2.	Dantewara	10	3120	*	*	*	994 (32)	1048 (34)		
3.	Jagdalpur	22 (upto 1998-99 and 7 from 1999-2000 to 2001-02)	6864	2430 (35)	2062 (30)	--	--	--		
			2184			1214 (50)	889 (40)	882 (40)		
4.	Jashpur	3	936	713 (77)	696 (75)	725 (78)	663 (71)	682 (73)		
5.	Raigarh	3	936	242 (26)	301 (32)	319 (34)	336 (36)	231 (25)		
Total				3385	3059	2258	2882	4549		
Targets of Visits				8736	8736	4056	7176	9672	38376	42
Actual Visits				3385	3059	2258	2882	4549	16133	

* The figures of Dantewara for the year 1997-98 to 1999-2000 stands include in figures of Jagdalpur

Thus achievement ranged from 25 in Raigarh (2001-2002) to 68 in Ambikapur (2001-2002). The overall percentage of visits worked out to 42 per cent.

The details of allotments/expenditure under Contingencies, POL and Medicines during 1997-2002 were as under:

(Rupees in lakh)

Sl. No.	Name of office (CMHO)	Contingencies		POL		Medicines		Overall percentage of expenditure
		Allotment	Expenditure (per cent)	Allotment	Expenditure (per cent)	Allotment	Expenditure (Per cent)	
1.	Ambikapur	5.10	3.05 (60)	13.24	9.64 (73)	11.39	10.78 (95)	
2.	Dantewara	2.57	1.33 (52)	9.46	8.41 (89)	15.99	14.44 (90)	
3.	Jagdalpur	3.44	3.44 (100)	10.06	10.06 (100)	13.37	11.75 (88)	
4.	Jashpur	0.33	0.31 (94)	0.71	0.71 (100)	0.09	0.03 (33)	
5.	Raigarh	2.94	1.97 (67)	5.40	5.28 (98)	8.12	8.01 (99)	
Total		14.38	10.10	38.87	34.10	48.96	45.01	87

Thus utilisation of funds ranged from 33 to 100 per cent which indicates that expenditure on contingencies, POL and Medicines was on higher side as compared to physical visits of mobile units.

CMHO of 4 districts stated that due to non-availability of vehicles, shortage of doctors, rough roads and inaccessibility of localities during the rainy season the scheme could not be implemented effectively.

3.3.12 Inspection and Monitoring

The MP Medical Manual enjoins upon the Director to inspect once a year every district hospital and issue an inspection note to the Civil surgeon. CS

should inspect every month one branch of the district hospital so that each branch gets inspected once in every six months.

**No inspection by
Director/Civil
Surgeon**

In test checked districts no inspection of CMHO/CS offices was conducted by Director since formation of State. However, Director intimated that inspections were conducted by him but only oral instructions were given and no inspection notes were issued. No returns were prescribed by Director to obtain information from CMHO/CS to have effective control over them. There was thus lack of control at Directorate level.

3.3.13 Conclusion

The scheme was initiated with the noble ideal of providing medical facilities to the population residing in backward areas. This objective could not be achieved due to inadequate budget provisions and non-completion of basic infrastructure. Four 100 bedded hospitals, one upgraded hospital and 26 Community Health Centres buildings were still to be completed even after incurring an expenditure of Rs.3.90 crore. The number of specialists was inadequate as 20 to 65 per cent of posts lay vacant for 6 to 60 months in District Hospitals. In addition twenty eight per cent Primary Health Centres were running without doctors. There was mismatch of radiological facilities as well. Diet as prescribed could not be provided to rural in-patients for want of kitchen/cooking staff etc. resulting in surrender of 71 per cent of allotment.

Women and Child Development Department

3.4 Special Nutrition Programme

Highlights

The Supplementary Nutrition Programme (SNP) was launched to control protein calorie malnutrition in children below 6 years of age and expectant women and nursing mothers. Though the programme had been in operation since 1970-71, it suffered from a number of shortcomings in its implementation. Due to insufficient provision of funds and inadequate survey of beneficiaries, the percentage of coverage was 23 in Rural 16 in Urban and 28 in Tribal Project areas against the norm of 40 in rural and urban areas and 75 in tribal areas respectively. Supplementary Nutrition was required to be provided to the beneficiaries for a minimum of 300 days in a year, whereas it was not provided at all in 558 out of 19286 Anganwadis (AWs) and provided for less than 200 days in 4604 AWs during 2001-2002. The coverage of severely malnourished children was below seven per cent. The programme failed to achieve the objective of improving the health status of malnourished children, pregnant women and lactating mothers.

- **Thirty two per cent of allotments remained unutilised .**

(Paragraph 3.4.5[a])

- **Against 23.45 lakh eligible children and mothers only 10.41 lakh could be covered.**

(Paragraph 3.4.6 [c][i])

- **3 to 11 per cent Anganwadis did not distribute supplementary nutrition.**

(Paragraph 3.4.7 [ii])

Rs.8.97 lakh short realised from suppliers affected Anganwadis in processing the food.

(Paragraph 3.4.8 [v])

Non-conversion of 30 Special Nutrition (feeding) Centres into Anganwadis resulted in avoidable expenditure of Rs.34.86 lakh.

(Paragraph 3.4.9 [i])

Of Rs.12 crore released during 2001-02 under Pradhan Mantri Gramodaya Yojna, Rs.7.73 crore remained unutilised.

(Paragraph 3.4.10 [i])

3.4.1 Introduction

The Special Nutrition Programme was launched by the Government of India (GOI) in 1970-71 with the object of providing supplementary nutrition to children below 6 years of age, expectant women and nursing mothers and was transferred to the State Sector under Minimum Needs Programme as Supplementary Nutrition Programme, a component of Integrated Child Development Services (ICDS) being run by Government of India.

The main objectives of Supplementary Nutrition Programme was to improve the nutritional and health status of beneficiaries by providing supplementary nutritional intake of 300 calories and 10 grams of protein for children between 6 months to 6 years of age and 600 calories and 20 grams of protein for severely malnourished children and expectant women and nursing mothers belonging to low income group families. The supplementary nutrition was to be provided for 300 days in a year.

These objectives were to be achieved through Anganwadis (AWs) for every 1000 population in rural and urban areas and between 300 to 700 population in tribal areas. The coverage of children under 6 years of age and all nursing and expectant mothers was expected to be 40 per cent, in rural and urban areas and 75 per cent in tribal areas.

3.4.2 Organisational set up

The Special Secretary cum Director of Women and Child Development Department (Director) was responsible for implementation, co-ordination and monitoring of the Programme at State level. At district level the District Programme Officer (DPO), District Women and Child Development Officer (DWCDO) and at block level Child Development Project Officer (CDPO) were responsible for implementation and co-ordination of the Programme. The focal point of delivery of the services for providing supplementary nutrition was Anganwadi. By November 2000 there were 152 ongoing projects (20289 AWs) divided into 117 Co-operative for American Relief Everywhere (CARE) projects (15775 AWs) and 35 non-CARE projects (4514 AWs) under its jurisdiction. In addition 30 and 55 special nutrition feeding centres were functioning in Surguja and Rajnandgaon districts which remained to be merged with ICDS.

3.4.3 Audit coverage

Test-check of records for the period 1997-2002 was conducted during April to May 2002 in the offices of Director Raipur, DPOs in four districts viz. Durg, Jagdalpur, Raipur and Surguja covering 63 projects including 8427 AWs. The significant points noticed are mentioned in the succeeding paragraphs.

3.4.4 Implementation/Funding

(i) Implementation

Out of the total population of 34.70 lakh children below six years age and expectant women and 8.32 lakh nursing mothers as per Census 2001 the number of eligible beneficiaries worked out to 18.95 lakh children and expectant women and 4.50 lakh nursing mothers.

(ii) Funding

For the beneficiaries of 117 CARE projects nutritional food was supplied free of cost. The budget provision was to be made for these projects at the rate of Re.0.35 per beneficiary per day (Re.0.15 for transportation of CARE commodity and Re.0.20 for fuel and condiments) and for the beneficiaries of 35 non-CARE projects at the rate of Re.1 per beneficiary per day for supply of supplementary nutrition food by local arrangement. Accordingly, funds required for 23.45 lakh beneficiaries (17.02 lakh: CARE and 6.43 lakh: non-CARE) worked out to Rs.37.16 crore (Rs.17.81 crore for CARE beneficiaries and Rs.19.29 crore for non-CARE beneficiaries) for 300 days in a year.

3.4.5 Budget Outlay and Expenditure

(a) The details of budget allotment and expenditure were reported as follows:

Cumulative saving of Rs.20.76 crore due to improper planning

<i>(Rupees in lakh)</i>				
Year	Budget allotment	Expenditure	Saving(-)	Percentage
1997-98	1047.67	551.54	(-)496.13	47
1998-99	764.92	576.63	(-)188.29	25
1999-2000	740.12	596.32	(-)143.80	19
2000-01 ³²	441.99 (upto 10/2000)	218.57	(-)223.42	27
	924.55 (Nov. to March)	783.36	(-)141.19	
2001-02	2641.86	1758.27	(-)883.59	33
Total	6561.11	4484.69	(-)2076.42	32

The following observations were made:

(i) Against the requirement of Rs.37.16 crore State Government provided Rs.25.77 crore only (excluding administrative charges) which was sufficient for 208 days as against the commitment of 300 days.

(ii) Despite lower allocation as per norms there were persistent savings ranging between 19 and 47 per cent which indicated lesser coverage of beneficiaries and lower number of days for which supplementary nutrition was offered. Scrutiny revealed that 827 to 4675 AWs remained inoperative which also contributed to huge savings.

The Director stated that non-availability of CARE food and scarcity of staff were the main factors for these huge savings whereas DPOs of the test

³² Allocation in Chhattisgarh State started from November 2000 i.e. from the date of its formation.

checked districts attributed savings to (i) delay in purchase of salt and jaggery (ii) interruption in supply of CARE food and insufficient supply and (iii) delay in reallocation of funds by the district authorities. It is apparent that the Director failed to ensure running of all Anganwadis for the full 300 days.

(iii) Against the norm of Rs.0.20 per beneficiary per day for fuel, salt and jaggery fixed by GOI which worked out to Rs.500 per AW per month (reckoning 100 beneficiaries in each AW), the State Government fixed Rs.300 per Anganwadi per month for 25 feeding days in CARE projects (transportation from project headquarter to AWs: Rs.50, fuel for cooking: Rs.125 and salt and jaggery : Rs.125) without taking into consideration the actual number of beneficiaries enrolled. This worked out of Re.0.12 per beneficiary per day which was grossly inadequate.

(b) Diversion of funds

Rs.95.76 lakh were diverted for the purchase of furniture, utensil etc.

Under the ICDS scheme non-recurring expenditure of Rs.1000 for each AW was admissible for purchase of basic equipment. Commissioner, Women and Child Development, Bhopal irregularly diverted Rs.95.76 lakh (1997-98) allocated for supplementary nutrition on purchase of furniture, dari, utensils etc. Due to diversion of funds the beneficiaries in 13069 AWs were deprived of the benefits of the scheme.

3.4.6 Programme implementation

(a) Establishment of Anganwadis

The number of AWs sanctioned and functioning was as follows:

Year	Number of Projects	Number of AWs sanctioned	Number of AWs functioning
1997-98	131	17744	13069
1998-99	152	20289	16781
1999-2000	152	20289	17243
2000-2001	152	20289	19084
2001-2002	152	20289	19462

Out of 20289 AWs sanctioned till March 2002, distribution of Supplementary Nutrition was yet to be started in 827 AWs (March 2002).

(b) Survey and Identification of Beneficiaries

Survey of all the families was to be conducted in the the project area for identification of eligible beneficiaries and enroll them for providing supplementary nutrition. This survey was to be followed by a repeat survey once in every quarter. The state level position of beneficiaries surveyed, identified and enrolled was not made available.

The position of total population of children, expectant women and nursing mothers eligible, identified and enrolled during 1997-2002 in four test checked districts was as follows:

(In lakh)

Year	Population of (children/mothers)	Beneficiaries surveyed (percentage)	Beneficiaries identified and enrolled (percentage)
1997-98	17.65	4.50 (25)	3.34 (19)
1998-99	17.96	7.54 (42)	5.84 (33)
1999-2000	18.27	7.74 (42)	5.67 (31)
2000-01	18.59	9.49 (51)	6.71 (36)
2001-02	18.91	9.54 (50)	6.92 (37)

9.37 lakh beneficiaries were left uncovered

(i) The above table revealed that as against 18.91 lakh population (children and mothers), 9.54 lakh were surveyed and 6.92 lakh beneficiaries were enrolled leaving 9.37 lakh population (50 per cent) unsurveyed. Even the repeat surveys conducted were ineffective as the percentage of survey remained at 42 per cent during 1998-2000 and 50 per cent during 2000-02.

(ii) Out of 4414 villages in Durg, Jagdalpur and Surguja districts, families of 780 smaller 'villages', 'tolas' and 'falias' situated in remote areas of the existing AWs were not surveyed. DPO Durg and Jagdalpur stated (April / May 2002) that the survey was conducted only in those villages where AWs were actually located and adjoining 'tolas', 'falias' were left due to hilly track while DPO Surguja did not furnish specific reasons.

(iii) For conducting survey each AW was to be supplied with the basic equipment viz. weighing machines, tri colour strips for ascertaining the level of mal nutrition and growth chart for monitoring progress of health status. In 19462 AWs of the State 11753 weighing machines and 11784 growth charts were supplied. Tri colour strips were not supplied at all and 40 per cent of AWs were operating without basic equipment. In Surguja district, 3308 weighing machines supplied (November 1999) were reported defective. Due to non-availability of basic equipment in requisite numbers the identification of beneficiaries was not done effectively.

Poor coverage of beneficiaries in tribal areas

(c) *Coverage of Beneficiaries*

(i) During 2001-02 the coverage of beneficiaries in the State was as under :

(Figures in lakh)

Nature and No. of Project	Population as per census 2001			Population to be covered (Percentage)	No. of beneficiaries actually covered (Percentage)
	Children below 6 years of age	Expectant women and nursing mothers	Total population		
Rural (61)	16.83	3.98	20.81	8.32 (40)	4.72 (23)
Urban (6)	3.38	0.99	4.37	1.75 (40)	0.69 (16)
Tribal (85)	14.49	3.35	17.84	13.38 (75)	5.00 (28)
Total (152)	34.70	8.32	43.02	23.45	10.41 (44)

Against a population of 43.02 lakh, 23.45 lakh beneficiaries were to be covered as per norms. But only 10.41 lakh (44 per cent) beneficiaries were covered. Despite significant tribal population there was poor coverage (28 per

cent) in tribal areas. Director stated (May 2002) that the proposal for opening additional AWs had been submitted to GOI.

(ii) The position of coverage in four test-checked districts were as under:

(Figures in lakh)

Year	Rural				Urban				Tribal			
	Population as per census 2001		Population to be covered as per norms 40 per cent	Number of beneficiaries actually covered under SNP (percentage)	Population as per census 2001		Population to be covered as per norms 40 per cent	Number of beneficiaries actually covered under SNP (percentage)	Population as per census 2001		Population to be covered as per norms 75 per cent	Number of beneficiaries actually covered under SNP (percentage)
	Children below 6 years of age	Expectant and Nursing mothers			Children below 6 years of age	Expectant and Nursing mother			Children below 6 years of age	Expectant and Nursing mothers		
1997-98	5.85	1.40	2.90	0.31 (4)	2.20	0.59	1.12	0.29 (11)	6.23	1.38	5.71	1.62 (21)
1998-99	5.95	1.42	2.95	1.53 (21)	2.23	0.61	1.14	0.30 (10)	6.35	1.40	5.81	1.98 (26)
1999-00	6.05	1.43	2.99	1.10 (15)	2.26	0.63	1.16	0.30 (10)	6.46	1.43	5.92	1.97 (25)
2000-01	6.15	1.45	3.04	1.78 (23)	2.29	0.66	1.18	0.43 (15)	6.58	1.46	6.03	2.07 (26)
2001-02	6.26	1.46	3.09	1.89 (24)	2.32	0.68	1.20	0.45 (15)	6.70	1.49	6.14	2.40 (29)

The coverage of beneficiaries in rural areas was 4 to 24 per cent, in urban areas 10 to 15 per cent and in tribal areas it was 21 to 29 per cent as against the norms of 40, 40 and 75 per cent respectively with reference to total number of children (below 6 years) and expectant women and nursing mothers. Despite establishment of projects in each block with buildings, vehicles, furniture and equipment by GOI, 13.04 lakh beneficiaries in the State (5.69 lakh beneficiaries in test checked districts) were deprived of the benefits of the programme.

(d) Status of severely malnourished children

Children who are under-weight and found to suffer from third and fourth grade of malnutrition require special care and were to be given therapeutic food (highly nutritious ready to eat food).

As against 1.53 lakh only 9875 (6.25 per cent) severely malnourished children were benefited

Information collected in four test checked districts revealed that in 63 projects as against 1.53 lakh (calculated at the norm of 10 per cent of children population as per national index) only 9875 children were enrolled under this category and double ration was provided to them instead of therapeutic food. Thus the programme failed to make desired impact in improving the health status of the severely malnourished children.

3.4.7 Quantity of food

(i) Inadequate supply of food

As per norms 65 gram corn soya blend (CSB) and 8 gram salad oil in CARE projects and 80 gram dalia/bread in non CARE projects were to be provided each day. Accordingly the quantity of food required for feeding 23.45 lakh beneficiaries and the quantity of food for 300 days actually received/procured during 2001-02 was as under:

Short supply of food for supplementary nutrition

CARE projects				Non-CARE projects	
Quantity of food	Number of beneficiaries (in lakh)	CSB (in MT)	Salad Oil (in MT)	Number of beneficiaries (in lakh)	Dalia/bread (in MT)
Required	17.02	33189.000	4084.800	6.43	15432
Received/procured (percentage)	--	12289.300 (37)	1486.123 (37)	--	7398 (48)

It is clear from the table that the quantity of food received/procured was 37 and 48 per cent of the actual requirements in CARE and non-CARE projects respectively. Though the material supplied was enough only for 9.38 lakh beneficiaries it was utilised for feeding 10.41 lakh beneficiaries. This resulted in interruption in supply and also led to the denial of supplementary nutrition to 13.04 lakh beneficiaries in the State.

(ii) Interruption in supply of supplementary nutrition

Scrutiny revealed that supplementary nutrition was not provided for the prescribed 300 days as follows:

Sl. No.	Categories	State Level data on Anganwadis					Data on Anganwadis in test checked districts				
		Number of AWs Yearwise					Number of AWs Yearwise				
		1997-98	1998-99	1999-2000	2000-01	2001-02	1997-98	1998-99	1999-2000	2000-01	2001-02
1.	Number of Anganwadis functioning	13069	16781	17243	19084	19462	4485	6313	6551	7542	7784
2.	Number of AWs reporting	11622	15654	16316	18797	19286	4485	6313	6551	7542	7784
3.	Number of AWs not reporting (percentage)	1447 (11)	1127 (7)	927 (5)	287 (2)	176 (1)	--	--	--	--	--
4.	200 days to 300 days (percentage)	8756 (67)	11327 (67)	11572 (67)	13264 (69)	14124 (73)	3096 (69)	4764 (75)	4784 (73)	5640 (75)	5573 (72)
5.	Less than 200 day (percentage)	2107 (16)	2390 (15)	3225 (19)	4928 (26)	4604 (23)	920 (21)	949 (15)	1313 (20)	1680 (22)	1897 (24)
6.	Number of AWs who did not provide SN even for a day (Percentage)	759 (6)	1937 (11)	1519 (9)	605 (3)	558 (3)	469 (10)	600 (10)	454 (7)	222 (3)	314 (4)

Interruption ranging from 1 to 200 days in supply of CARE food

It would be seen from the above Table that 3 to 11 per cent of AWs in operation did not distribute supplementary nutrition even for a single day during 1997-02. Further as 15 to 26 per cent AWs could distribute nutritional food only for less than 200 days in a year. Thus 67 to 73 per cent AWs only could provide feeding for more than 200 days. The situation in the test checked districts was similar. The DPOs attributed this to the irregular supply of CARE commodities to the AWs. The Department thus failed to ensure regular supply of nutritional food in not providing alternative arrangements in CARE projects.

3.4.8 Quality of food

(i) Non-supply of weaning food

As per GOI norms weaning food in the form of milk or milk powder or any other food easily swallowable and nutritive was to be supplied to children in

Failure to supply weaning food

the age group of 6 months to one year. In test checked districts it was noticed that children upto 1 year were supplied corn soya blend, salad oil (in CARE projects) and dalia/bread in others that could not be termed as weaning food as the same were not easily swallowable. Director, while admitting (February 2002) that weaning food was not being provided to children of 6 months to 1 year age group did not furnish any reason therefor. Thus, the children upto 1 year of age in the State were deprived of supplementary nutrition.

(ii) *Inadequate supply of salad oil*

Short supply of salad oil in CARE projects.

Test check of records of 10 projects (9:Jagdalpur,1:Durg) revealed that 129.466 MT corn soya blend and 6.028 MT salad oil was supplied in the ratio of 21:1 in Jagdalpur district from September 1997 to March 1998 and May to October 2001 against the required ratio of 8:1. Similarly, 6.459 MT corn soya blend and 0.536 MT salad oil was supplied in the ratio of 12:1 in Bemetara project (Durg) in July 2001. The failure of Director in monitoring the short supply of salad oil resulted in distribution of corn soya without desired taste and nutrition, defeating the objective of providing tasty and nutritive food to malnourished children.

(iii) *Loss on jaggery spoiled in storage*

Loss of Rs.12.51 lakh due to spoiling of 864.59 quintals jaggery in storage.

Jaggery and salt was to be purchased at district level and supplied to the AWs with the intent of making food tasty in CARE fed projects.

Scrutiny revealed that out of total supply of 2249.68 quintal, only 1385.09 quintal jaggery could be utilised upto February 1998. Government had to incur a loss of Rs.12.51 lakh as jaggery weighing 864.59 quintal got spoilt in storage. No responsibility was, however, fixed for the loss to the Government.

It was further noticed that funds (Rs.42.73 lakh) allocated for 1998-99 remained unutilised due to ban on purchase of jaggery. Consequently 2306.425 MT corn soya blend and 260.313 MT salad oil were distributed without jaggery and salt in 1106 AWs (9 projects) during December 1997 to March 1998 and in 1636 AWs (14 projects) during 1998-99.

(iv) *Supply of tasteless Panjiri*

Irregular expenditure of Rs.26.59lakh on supply of sugar deficient Panjiri in three tribal projects of Surguja district

Test check of records of DPO Surguja revealed that expenditure of Rs.26.59 lakh was incurred on purchase of 215.5 MT panjiri (64.25 MT for 30 special nutrition feeding centres in Ambikapur during 1997-2000, 100.45 MT for Surajpur project during 1999-2000 and 50.80 MT for Ramanuj Nagar project during 1999-2000). 10 samples of panjiri were drawn between February 1998 to March 2000. The test reports of these samples indicated that though the samples had the requisite protein and calorie content it was tasteless due to deficiency of requisite sugar content.

DPO Surguja replied that analysis reports were received late from the laboratory and the deficiency in panjiri was brought to the notice of the Collector who directed the plant representative to supply tasty panjiri subsequently. The supply of tasteless panjiri however continued from February 1998 to March 2000. No penalty was imposed on the supplier.

(v) **Short realisation of fuel, jaggery, salt and transportation charges from suppliers**

As per State Government order Rs.300 per month was to be recovered from suppliers towards the cost of fuel, jaggery, salt and transportation for each Anganwadi.

Test check of records of DPO Durg and Raipur revealed that as against Rs.44.08 lakh (Rs.24.51 lakh: Durg and Rs.19.57 lakh: Raipur) required to be collected from the suppliers on the basis of number of anganwadis, only Rs.35.11 lakh (Rs.18.13 Lakh: Durg and Rs.16.98 lakh: Raipur) could be collected from the suppliers.

Short realisation of Rs.8.97 lakh from suppliers in Durg and Raipur districts

Food commodity stock accumulated due to excess procurement based on inflated enrolment of beneficiaries instead of actual consumption resulted in non-placing of monthly indents for 2 and 4 months in Raipur and Durg districts respectively. The cost of fuel, salt, jaggery etc. amounting to Rs.8.97 lakh (Rs.6.38 lakh Durg and Rs.2.59 lakh Raipur) could thus not be deducted from the bills of suppliers.

DPOs stated that the supply orders were made on the basis of demand through indents by the project officers on monthly basis. These being unrealistic resulted in undue benefit to the suppliers on the one hand and deprived the Anganwadis of necessary ingredients of fuel, salt and jaggery needed for preparation of food.

3.4.9 Other points of interest

(i) **Non-conversion of special nutrition feeding centres into AWs**

The benefit of free supply of CARE food not availed due to non-conversion of special nutrition feeding centres into AWs in Ambikapur ICDS project

As per GOI guidelines existing special nutrition feeding centres were to be merged under ICDS projects. It was observed that 30 such centres being run under DPO Surguja in the urban slums of Ambikapur were not merged and converted into AWs covered under CARE, even after opening of ICDS project in Ambikapur in 1995-96. Had this been done the expenditure of Rs.34.86 lakh incurred on distribution of Panjiri to 6000 beneficiaries during 1997-02, could have been avoided. Scrutiny further revealed that no records were maintained by these centres and none of them ever furnished any physical progress reports. Reduction in supply of panjiri resulted in decrease in feeding days from 173 days in 1999-2000 to 21 days in 2001-02. DPO Surguja stated that due to regular receipt of the budget allotment, these feeding centres were continued. The reply was not tenable in view of GOI guidelines and meagre supply of nutritional food. Thus, due to non-merger of these centres into ICDS, the beneficiaries of these centres were deprived of the nutritional food.

(ii) **Idle retention of sale proceeds and delay in disposal of empty bags and pails**

Sale proceeds of empties of Rs.27.86 lakh deposited in Bank and empties worth Rs.11.64 lakh not disposed of

Government of Madhya Pradesh fixed (January 1998) a minimum sale price for empties at Re.0.40 per bag and Rs.20 per pail. As against 1196887 bags and 183616 pails worth Rs.39.50 lakh generated during 1997-2002 in 4 test checked districts, empties worth Rs.27.86 lakh only were disposed of upto

March 2002. Further, the sale proceeds collected were deposited and were still held in bank accounts of the respective CDPOs.

Though orders were issued by GOI in August 1986 in consultation with the State Government for part utilisation of sale proceeds for replacement of articles and upkeep of the stores in the AWs, no amount was however spent. Further empties worth Rs.11.64 lakh were still lying undisposed in AW's stock. The objective of resource generation from sale of empties for upgrading the existing facilities in AWs thus was not fulfilled.

Vouchers for fuel expenses of Rs.3.35 crore not maintained

(iii) Non-maintenance of account records of fuel charges

Scrutiny of records revealed that expenditure of Rs.3.35 crore was incurred during 1997-2002 on fuel charges for which no records were maintained by AWs. The correctness of expenditure could thus not be verified.

Population yardsticks of GOI not strictly adhered while opening of 649 AWs in Durg and Raipur districts

(iv) Improper establishment of AWs in rural areas

Under the ICDS scheme an AW in rural areas was to be opened for average population of 1000. Records of seventeen projects Durg (7) and Raipur (10) revealed that 649 AWs were established on the recommendation of Janpad Panchayats where population of villages was far below the GOI norms as depicted below :

Year of opening of AWs	No. of villages having population upto 300 where AWs established	No. of villages having population 301-500 where AWs established	No. of villages having population 501-700 where AWs established	No. of villages having population 501-830 where AWs established
1997-98	08	72	159	93
1998-1999	10	40	69	51
1999-2000	04	32	46	20
2000-2001	01	11	23	10
Total	23	155	297	174

This resulted in extra expenditure (recurring/non-recurring) on these AWs and also led to poor coverage due to non-availability of beneficiaries required as per norms (78 beneficiaries per 1000 population). DPOs stated that the proposals were prepared at the block level on the basis of socio economic and geographical backwardness of the villages. The reply was not tenable as GOI norms were not followed.

3.4.10 Nutrition under Pradhan Mantri Gramodaya Yojna

(i) Inflated proposal for availing the grant from GOI

Availing of excess GOI grant of Rs.6.15 crore during 2001-2002 by inflating the numbers of children

Under Pradhan Mantri Gramodaya Yojna (PMGY) additional supplementary nutrition was available to children below 3 years of age especially in rural areas. PMGY was implemented in 35 (29 rural + 6 urban) projects having a beneficiary population of 266399 children (census 2001) in 0-3 years age group at a cost of Rs.18.93 crore per annum. The proposal submitted, however, projected 357128 children costing Rs.25.08 crore per annum resulting in inflated proposal by Rs.6.15 crore. GOI released (August 2001) Rs.12 crore for 6 months, of which Rs.7.73 crore remained unspent at the end of March 2002.

(ii) Irregular selection of urban projects

As per GOI guidelines children (0-3years), living in rural areas who come from tribal families, scheduled castes, landless labourers, slum dwellers and those living below the poverty line were to be focussed as a target group.

It was observed that all the AWs of 6 urban projects and special nutrition (feeding) centres of two districts i.e. Rajnandgaon and Surguja which were already covered under SNP were selected under PMGY for coverage. Thus due to dual coverage in test checked districts an avoidable expenditure of Rs.47.53 lakh (Rs 23.89 lakh in 2 urban projects of Durg, Rs. 15.14 lakh in one urban project of Raipur and Rs. 8.50 lakh on feeding centres of Surguja) was incurred on urban areas.

3.4.11 Monitoring

Monitoring of supplementary nutrition programme was to be done through Monthly Progress Reports (MPRs).

Test check revealed that as many as 1447 AWs in 1997-98, 1127 AWs in 1998-99, 927 AWs in 1999-2000, 287 AWs in 2000-2001 and 176 AWs in 2001-2002 did not furnish MPRs and this fact was confirmed by the Director in his reply (May 2002).

A community based monitoring mechanism as envisaged in the constitution of Bal Vikas Mahila Samitis at the village, the block and the district level was to be set up to monitor the programme.

3.4.12 Evaluation of the programme

The programme was neither evaluated by the State Government itself nor was evaluation got done through any independent agency to ascertain its impact.

3.4.13 Conclusion

The programme aimed at improving the nutrition level of children below six years of age and expectant women and nursing mothers. Funds amounting to Rs.17.58 crore were spent on the programme during 2001-02, which failed to achieve its objectives due to coverage of only 44 per cent of the eligible beneficiaries. 13.04 lakh children and mothers remained uncovered largely due to ineffective surveys. The nutritional food supply in 605 to 1937 AWs remained suspended during 1997-2002. Besides, 20 per cent AWs could distribute supplementary nutrition for less than 200 days in a year as against 300 days envisaged. Thus implementing/monitoring agencies could not give thrust to the programme and ensure desired results.

The above points were referred to the Government in October 2002; reply had not been received (February 2003).

SECTION-B AUDIT PARAGRAPHS

Forest Department

3.5 Non-adherence of norms leading to excess expenditure

Unfruitful expenditure on marking of trees without felling, avoidable expenditure without transportation of felled material and excess expenditure on production of timber amounting to Rs.1.01 crore.

Coupes due for felling are usually demarcated/marked one year before the year in which these are due for felling. In December 1999 Hon'ble Supreme Court imposed a ban on felling which was conditionally lifted in September 2000. The Chief Conservator of Forests (Working Plan) Madhya Pradesh, Bhopal clarified (December 1999) that in Forest Division, Durg only dead dying, deceased, malformed trees can be felled. The Addl. Principal Chief Conservator of Forests Chhattisgarh, Raipur, issued instructions (March 2001) to lift the ban on felling in the new State of Chhattisgarh except Bastar Division and Durg District. Regular felling in Durg District continued to be still banned. As per departmental instructions (January & June 1984) coupes due for felling in a year should be completely worked and the felled material should be transported from the coupes to depots in the same year to avoid extra expenditure on reconstruction of extraction paths, watch and ward etc. Further, for production of timber a ceiling on labour was fixed at 12.5 mandays per cubic metre in February 1997 which was effective from the forest year 1996-97.

Following irregularities were noticed during test check in audit (December 2000 to April 2002).

(i) In forest divisions, Kawardha and Rajnandgaon (Durg Circle) an expenditure of Rs.15.39 lakh was incurred during 1999-2002 on demarcation of timber coupes and marking of 1,16,980 trees which were not felled. Similarly in Durg division though regular felling was prohibited, expenditure of Rs.4.35 lakh was incurred on marking of 1,40,254 trees. Since the marked trees were not felled the expenditure of Rs.19.74 lakh had become infructuous.

The Conservator of Forests stated (March 2002) that the implementation of working plans was never banned and hence marking, demarcation, cutting back etc. had to continue. He further added that the ban on felling has been lifted and all the trees marked are being felled in 2001-2002. The reply is not tenable as regular felling in Durg Division is still banned (January 2003). DFO Kawardha stated (April 2002) that no expenditure was incurred either on marking of regular coupes or on dying, deceased and malformed trees, which is not borne by records. DFO Rajnandgaon while furnishing (April 2002) the details of expenditure of Rs.8.59 lakh on marking during 1999-2000 did not furnish the number of trees felled rendering the expenditure on marked trees nugatory.

(ii) Records of 3 forest divisions³³ during December 2000 and 2001 revealed that an expenditure of Rs.5.99 lakh was incurred during 1997-2001 on reconstruction of extraction path, fire protection watch and ward etc. as 523.456 cu m timber, 109 fuel stacks and 1071.305 sale units of bamboo were not transported from the coupes worked out during 1994-2000.

³³ *Bilaspur (General), Khairagarh (Production) and East Surguja (General).*

On this being pointed out DFO (Production) Khairagarh stated that expenditure was due to non-transportation of felled material by haulage contractor from whom penalty of Rs.13,887 had since been recovered. DFO East Surguja stated (December 2000 and April 2002) that forest produce could not be transported due to hilly area, naxalite problem and untimely rains. DFO Bilaspur stated (January 2002) that forest produce could not be transported due to non-sanction of tender and old trucks being off the road as per Government decision. The replies are not tenable since the Department should not have felled the trees if it could not arrange to transport the timber from coupes to depot.

(iii) Records of Forest Division viz. Kawardha and South Surguja, revealed (December 2000 and January 2001) that an expenditure of Rs.2.13 crore, excluding transportation cost, was incurred during 1996-2000 on production of 19360.691 cu. m. of timber, which was Rs.75.67 lakh more than the admissible limit of Rs.137.17 lakh.

Divisional Forest Officer, South Surguja attributed the excess expenditure to the forest area being remote and hilly and labour being arranged from far off places while Divisional Forest Officer, General Division Kawardha stated (January 2001) that the prevailing labour rate was high at Rs.70.12 per day. The replies are not tenable as even after considering the labour rate of Rs.70.12 per day the excess expenditure in General division Kawardha works out to Rs.17.40 lakh. Further the reasonableness of the expenditure incurred was neither ascertained by the competent authority, nor was the excess expenditure regularised.

The matter was reported to Government/Principal Chief Conservator of Forests (February 2002, April 2002 & between February 2001 and March 2002); their replies had not been received (February 2003).

Panchayat and Rural Development Department

3.6 Expenditure on execution of inadmissible works

Rs.60.02 lakh were spent under Employment Assurance Scheme (EAS) on inadmissible works

Employment Assurance Scheme (EAS) was launched by Government of India (GOI) with effect from 1st September 1993 to provide gainful employment during lean agriculture season. According to the guidelines of EAS, projects relating to Water Shed Development, and construction of Primary Schools and Anganwadi buildings could be taken up under EAS with the approval of Zila Panchayat. All the works to be taken up were to be labour intensive and the ratio of wages of unskilled labour to equipment and material components should be 60:40 and works requiring larger component of materials like cement, steel etc. should not be sanctioned/ executed.

Test check (July 2001) of the records of the office of the Executive Engineer Rural Engineering Services (EE, RES) Janjgir revealed that 13 works (6 buildings and 7 bridges) on which expenditure of Rs.34.32 lakh was incurred, were not covered under EAS guidelines. Further, of the total expenditure of Rs.34.32 lakh incurred on construction, the expenditure on material component was Rs.25.90 lakh (75 per cent) against the permissible limit of 40 per cent which meant normative labour could not be given gainful employment.

Similarly, test check (December 2001) of records of the office of the Chief Executive Officer (CEO) Baloda Bazar District Raipur revealed that Rs.25.70 lakh was sanctioned (November 2001) and paid to Sarpanches of Gram Panchayats for surfacing 47 play grounds which was not within the objectives of the scheme.

EE, RES replied that these works were sanctioned by Zila Panchayat and that prescribed ratio of wages to material component could not be maintained in construction of buildings and bridges. The CEO Baloda Bazar stated that works were being executed as per directions of the District Collector. The replies indicate that the above works should not have been undertaken under EAS.

The matter was referred to Government (August 2002 and February 2002); reply has not been received (February 2003).

Scheduled Tribes, Scheduled Castes, Backward Classes and Minorities Welfare Department

3.7 Non-utilisation of funds received for the establishment of Sanitary Marts

Non-implementation of scheme of establishment of Sanitary Marts resulted in blocking of Rs.18.17 crore

To improve economic condition of scavengers and to uplift their social status, Government of India introduced in January 2000 a new concept of scavenging through 'Sanitary Marts' under National Scheme for Liberation and Rehabilitation of Scavengers (NSLRS). The scheme provides 100 per cent central assistance for training and subsidy and 49 per cent assistance for Margin Money loan. 51 per cent Margin Money loan was to be funded by State Government. This Sanitary Mart is a shop-cum-service centre where sanitary needs of common men could be met. The scheme was to be implemented through Chhattisgarh State Scheduled Caste Finance and Development Corporation (CSCFDC).

Government of India, Ministry of Social Justice and Empowerment approved (March 2001) setting up 318 Sanitary Marts to assist 7950 scavengers during 2000-2001 on the basis of proposal submitted by CSCFDC in February 2001.

The funds provided to CSCFDC and funds utilised was as under:

(Rupees in lakh)

Sl. No.	Funds Provided			Interest earned	Total amount	Expenditure	Balance
	By	Date	Amount				
1.	GOI	3-4-2001	1500.00	139.56	1639.55	23.73 ³⁴	1615.82
2.	GO MP	26-3-2001	79.50	5.75	85.25	3.60 ³⁵	81.65
3.	GOCG	20-3-2002	121.64	--	121.64	2.00 ³⁵	119.64
	Total		1701.14	145.31	1846.44	29.33	1817.11

Thus, negligible progress was made by the CSCFDC, in establishing Sanitary Marts and Rs.18.17 crore remained unutilised. Managing Director CSCFDC, Raipur stated (August 2002) that the slow progress was mainly due to non-availability of suitable sites for establishment of Sanitary Marts. He further stated that the scavengers were not interested in taking loans in groups. This being the ground reality inflated proposals should not have been sent by CSCFDC for Government of India funding or excess funds should have been returned to Government of India in time.

The matter was referred (July 2002) to the Government for comments but reply is still awaited (February 2003).

³⁴ Training: Rs.10.08 lakh; subsidy: Rs.11.90 lakh and Margin Money : Rs.1.75 lakh.

³⁵ Margin Money.

School Education Department

3.8 Blocking of funds Rs.91.40 lakh

Blocking of Rs.91.40 lakh for more than three years resulted in loss of Rs.14.31 lakh to Government on account of interest liability on ways and means advances/overdrafts.

Government of India released grants to State Government, on the recommendation of the Tenth Finance Commission (TFC), during the period 1996-2000, for providing water facilities in primary and middle schools, sanitation facilities in Girls middle schools and Promotion of Girls Education.

Records of District Rural Development Agency (DRDA) now Zila Panchayat, Jagdalpur and further information collected (May 2002) revealed that Commissioner Public Instructions (CPI) Madhya Pradesh Bhopal allotted Rs.91.40 lakh to Collector Jagdalpur during 1998-99 for three districts (Jagdalpur: Rs.74 lakh, Kanker:Rs.8.40 lakh and Dantewara: Rs.9 lakh). Despite ban imposed (August 1998) by CPI to incur expenditure from the funds allotted, Collector Jagdalpur withdrew Rs.91.40 lakh and deposited (January 1999) them in a bank in the account of DRDA Jagdalpur.

CPI again provided (March 2000) funds of Rs.85.20 lakh (Rs.74 lakh for drinking water and sanitation facilities and Rs.11.20 lakh for promotion of girls education) through bank draft separately for Jagdalpur district and instructed that Rs.91.40 lakh allotted earlier if drawn should be deposited into Treasury to avoid double expenditure. Rs.9.40 lakh were also provided separately to Kanker (Rs.8.40 lakh for drinking water and sanitation facilities and Rs.1 lakh for promotion of girls education) Dantewara was also provided Rs.10 lakh (Rs.9 lakh for drinking water and sanitation facilities and Rs.1 lakh for promotion of girls education) during 1998-99.

Despite the aforesaid instructions of CPI, Rs.91.40 lakh were not deposited into Treasury and were lying (May 2002) in Bank. This dual issue of sanction through Treasury and Bank Draft resulted not only in blocking of funds but also loss of interest of Rs.14.31 lakh calculated at the rate at which State Government had to pay interest on ways and means advances and overdrafts taken from Reserve Bank of India.

The Chief Executive Officer DRDA Jagdalpur accepted the facts (May 2002) and stated that Rs.91.40 lakh for the year 1998-99 drawn but not deposited in Treasury were still lying in Bank for want of permission of Government to spend it on the works sanctioned during 1997-98.

The matter was referred to Government (May 2002); reply had not been received (February 2003).