

CHAPTER-III

PERFORMANCE APPRAISALS

PANCHAYAT AND RURAL DEVELOPMENT DEPARTMENT

3.1 *Pradhan Mantri Gram Sadak Yojna*

Highlights

With a view to providing road connectivity to the unconnected rural habitations, the Government of India (GOI) launched (25 December 2000) a Centrally Sponsored Programme (fully funded) named "Pradhan Mantri Gram Sadak Yojna" (PMGSY) to be implemented by the State Governments. The objective was to provide All Weather Road (AWR) connectivity to all unconnected habitations having population of above 1,000 by the end of 2003 and to habitations having population of 500 to 999 (including habitations in tribal and hilly areas having population 250 to 499) by the end of 2007. In Chhattisgarh State, 2,604 habitations had to be provided AWR connectivity by 2003 and 11,157 habitations by 2007 by constructing 24,484 km of new roads. Only 311 roads were constructed upto March 2004. Inadequacies in road selection, Detailed Project Reports (DPR) and supervision and quality control, faulty estimation and delayed execution of works was observed. The following major deficiencies were noticed.

- As against 2,604 habitations to be connected by 2003, the Government of Chhattisgarh (GOCG) obtained sanctions only for 673 roads upto March 2004 for connecting 1,549 habitations at a cost of Rs.673.43 crore. However only 311 roads were completed providing actual connectivity to 624 habitations at a cost of Rs.320.03 crore.

(Paragraph 3.1.6)

- Many Water Bound Macadam (WBM) roads were selected for upgradation in the initial phase instead of constructing new roads.

(Paragraph 3.1.7)

- Cost of survey for preparing DPRs amounting to Rs.99.04 lakh was rendered wasteful as GOCG had engaged consultants again to frame DPRs for the same set of roads.

(Paragraph 3.1.7)

- **Project reports were not properly prepared and consequently, the GOCG had to bear increased cost of Rs.47.65 crore over and above the cost approved by the GOI.**

(Paragraph 3.1.8)

- **Deviations from specifications as provided in approved estimates in eight roads resulted in extra cost of Rs.7.01 crore, which is required to be borne by GOCG.**

(Paragraph 3.1.8)

3.1.1 Introduction

Rural road connectivity is a key component of rural development, both social and economic. Notwithstanding the efforts made over the years at the State and Central Government levels through different programmes, about 40 per cent¹⁹ of the habitations in the country are still unconnected by All Weather Roads (AWRs). In Chhattisgarh State 79 per cent²⁰ habitations (having population 250 and above) were unconnected by AWR.

With a view to redressing this situation, Government of India (GOI) launched the fully funded “Pradhan Mantri Gram Sadak Yojna” (PMGSY) in December 2000. It was a Centrally Sponsored Scheme to provide road connectivity to rural habitations.

The State of Chhattisgarh with 16 Districts came into existence with effect from 1st November 2000. The State has a meagre 25.98 km of roads per 100 sq. km as against the national average of 74.90 km. The average of Water Bound Macadam (WBM)-Class-I and Bituminous (BT) roads was just 8.05 km and 17.93 km per 100 sq. km as against the national average of 32.50 km and 42.40 km per 100 sq. km respectively.

The position of habitations and road connectivity in the State as on 1st April 2000 was as under:

Particulars	Number of habitations and population					Total
	1000 +	500 to 999	250 to 499 (Tribal and hilly area)	250 to 499	Less than 250	
(i) Total number of habitations	4046	7706	5701	2382	9709	29544
(ii) Connected	1442	1393	857	258	1392	5342
(iii) Balance unconnected	2604	6313	4844	2124	8317	24202

¹⁹ Para I of guidelines issued (Dec-2000 & Jan-2003) by GOI.

²⁰ Based on information supplied by the CEO, PMGSY, GOCG

3.1.2 Organisational set-up

The Government of Chhattisgarh (GOCG) declared the Panchayat and Rural Development Department (P&RDD) as the Nodal Department and the Secretary, P&RDD as the Nodal Officer for implementation of the PMGSY in the State. Road construction is done by 16 Engineering divisions called Programme Implementation Units (PIUs) reporting to a PMGSY cell headed by a Chief Engineer (CE). The cell is under the administrative control of the Nodal Department.

3.1.3 Programme Management

As per objectives of the PMGSY, all the 2,604 unconnected habitations having population of 1,000 and above in the state were to be provided connectivity through AWR by the end of 2003 and further 11,157 habitations were to be provided connectivity by the end of 2007.

Based on the GOI instructions, GOCG prepared the Core Network plan of roads for the entire State according to which about 24,484 km of new roads (AWR) were required to be constructed. Further 12,785.60 km of existing WBM roads were required to be upgraded to the prescribed specifications (AWR) for achieving the targets of PMGSY in the State.

The GOI fixed the following order of priority for selection of roads.

Priority	Population size habitations	Category	No of unconnected habitations in Chhattisgarh
I	1000 above	New connectivity	2604
II	500-999	-do-	6313
III	250-499 in tribal areas	-do-	4844
IV	Upgradation of existing WBM roads	Upgradation	

The Guidelines envisaged that the Nodal Department would identify a State level Autonomous Agency (Society etc.) with a distinct legal status under its control for receiving funds from GOI. Further, the State would identify suitable Executing Agency (EA) for implementation of the programme. The EA would have a "Programme Implementation Unit" (PIU) in each district headed by an officer of the rank of Executive Engineer (EE).

Initially the Chhattisgarh Infrastructure Development Corporation (CIDC), a State level autonomous Agency of GOCG was declared (March 2001) the "State Rural Road Authority" (EA) but later (December 2001) the P&RDD withdrew the work from CIDC and retained with itself.

The GOCG constituted (February 2003) an autonomous body namely the "Chhattisgarh Rural Road Development Authority" (CGRRDA) and registered (March 2003) it as a society. The proposal of providing autonomy to the CGRRDA was under consideration (January 2005) of the Finance Department.

A State level autonomous agency for accounting and implementation of the programme never became fully functional.

3.1.4 Audit objectives

The main audit objectives were to assess:

- The planning process for the programme including selection of roads and preparation of DPRs.
- Extent to which implementation was as per specifications and work was carried out economically.
- Mechanism for supervision and quality control of road works.

3.1.5 Scope and audit coverage

The records of six PIUs²¹ out of 16 and those of the CE, PMGSY (CGRRDA), Raipur, covering the period from December 2000 to March 2004 were test checked between March 2004 to July 2004.

3.1.6 Financial Management and Physical Progress

Cent per cent funds for construction of PMGSY roads based on cost estimates (Project Reports) are provided by the GOI as Additional Central Assistance (ACA). The cost of implementation of the programme viz. Establishment and Administrative expenses, preparation of block-wise/district wise Master Plan, Core Network of roads, Detailed Project Reports (DPRs) containing cost estimates, cost of supervision and quality control, cost escalation over and above the approved estimates, if any, are to be borne by the State Government i.e. GOCG.

Based on the proposals of GOCG, the GOI approved construction of 673 roads having length 4,140.10 km at an estimated cost of Rs.673.43 crore during 2000-04.

GOI approved construction of 673 roads upto March 2004 at a cost of Rs.673.43 crore

Funding, targets and achievements

Position of roads and its cost approved by the GOI, funds released, expenditure incurred by the State, actual completion of roads and AWR connectivity provided during 2000-01 to 2003-04 was as below (as on 31 March 2004).

²¹ Bastar, Bilaspur, Durg, Raigarh, Rajnandgaon and Raipur

(Rs. in crore)

Year	No. of road approved by GOI	Cost approved by GOI	Habitations to be connected having population (eligible category)			Fund received from GOI including interest earned	Expenditure incurred	Physical progress		
			1000 & above	Below 1000	Total			Roads completed	Connectivity provided to the habitation having population (eligible category)	
									Above 1000	Below 1000
2000-01	112	91.92	168	181	349	92.41	102.21	104	154	164
2001-02	268	203.49	306	203	509	206.62	163.50	207	228	78
2002-03	--	--	--	--	--	5.23#	--	--	---	--
2003-04	293	378.02	282	409	691	173.88	53.97	--	--	--
Administrative grant	--	--	--	--	--	1.09	0.35	--	--	--
Interest earned on FDR	--	--	--	--	--	5.86#	--	--	--	--
Total	673	673.43	756	793	1549	485.09	320.03	311	382	242
# Interest earned									Total 624 (March 2004.)	

Only 311 roads (March 2004) were constructed out of 673 sanctioned by GOI.

It was observed that out of 673 approved roads only 311 roads could be completed as of March 2004 providing actual connectivity to only 382 habitations (against target of 756) having population more than 1,000 and incidental connectivity to 242 habitations (against target of 793) having population below 1,000 at a cost of Rs.320.03 crore.

On this being pointed out in audit, the CE stated that the GOI has fixed the allocation at Rs.87 crore every year to the State where as the total requirement is Rs.6,765 crore for achieving the targets. The matter was being pursued with GOI for more allocation to achieve the targets.

The reply was not acceptable as the funds actually provided by the GOI were based on DPR submitted by State and approved by GOI. Further, as against Rs.485.09 crore provided by GOI, expenditure incurred up to March 2004 was only Rs.320.23 crore. Thus, the State Government did not utilise the available funds fully.

Drawal of State funds by PIUs

Rupees 3.56 crore was drawn from the treasury in lump sum and kept in savings bank accounts of which Rs.51.21 lakh was lying unspent.

The GOCG made budgetary provision for administrative expenses, survey work, quality control, preparation of DPRs, procurement of equipment etc. In test check of six PIUs it was seen that Rs.3.56 crore upto May 2004 was drawn from the treasury in lump sum and kept in savings bank accounts from which expenditure was subsequently being incurred on requirement. This expenditure should have been incurred through treasury as and when payments were to be made. A sum of Rs.51.21 lakh was lying unspent in the saving accounts (May 2004).

In reply the EE, PIUs and the CE expressed (July 2004) difficulties about non-availability of funds in time for payment to consultants. The reply was not acceptable as this practice was contrary to the financial rules and bypassed the additional scrutiny of the treasury.

3.1.7 Planning of the programme

In addition to 673 roads approved upto 2003-04, another 359 roads having length 1,872.72 km with an estimated cost Rs.412.59 crore were also approved for the year 2004-05 to provide connectivity to 681 habitations.

Apart from PMGSY, 528 habitations are being provided with AWR connectivity through other Plan Schemes.

Apart from PMGSY works, 281 habitations having population more than 1,000 as well as 247 habitations having populations below 1,000 are being provided AWR connectivity through other Plan schemes of the State. Since these roads are being constructed by other departments, there was overlapping in some cases causing dual connectivity as described later.

The GOCG did not frame any strategic plan to achieve the target of providing AWR connectivity to 2,604 habitations by end of 2003 and 11,157 habitations by the end of 2007.

Selection of roads

Guidelines envisage that upgradation of existing WBM roads is not central to the programme and cannot exceed 20 per cent of the State's allocation while unconnected habitations in the State still exist. However, GOCG started the scheme with approval of Rs.91.92 crore for 112 roads from the GOI during the year 2000-01 which were all existing WBM roads and not a single new road was taken up. An expenditure of Rs.102.21 crore was incurred on these roads up to March 2004.

BT road repaired for Rs.3.14 crore in violation of norms of PMGSY.

PMGSY guidelines do not permit repair of Black Topped (BT) roads, even if the surface condition is bad. However, an existing BT road (Pokhra to Kopra in District Raipur), having length of 26.5 km was also selected (2000-01) in violation of the norms of PMGSY and completed at a cost of Rs.3.14 crore.

On this being pointed out in audit, it was stated that the priority had not been decided by the GOI at the time of submitting the proposals for 2000-01 works and these were prepared in a very short period. The reply was not tenable as the priority for new connectivity was well defined in the initial instructions.

Delay in setting up of Programme Implementation Units (PIUs)

Guidelines envisage that the State Government would identify a suitable agency for implementation of the programme. A Programme Implementation Unit (PIU), entirely dedicated towards the PMGSY programme had to be set up in each district and was to be manned by competent technical personnel from amongst the available staff or through deputations.

Supervision and quality control of road works were adversely affected by delay in setting up PIUs and inadequate staff.

Though the PMGSY was launched with effect from 25th December 2000, the PIUs were constituted in June 2001 and came into independent existence in May 2002. In the meantime, the works were managed by the Rural Engineering Services (RES) Divisions existing in the district. PIUs were not equipped with adequate staff, which affected the progress and quality of work.

On this being pointed out in audit, it was stated that the proposal of staff was under consideration (January 2005) of the Finance Department, GOCG.

Detailed Project Report (DPR)

The guidelines provide that the concerned PIU will prepare the Detailed Project Report (DPR) for each proposed roadwork after proper survey of road alignment and submit it to the State Technical Agency (STA) who will scrutinise the design and cost estimates and submit it for approval by GOI. The DPR for the projects approved for the year 2000-2001 to 2004-05 were prepared by the PIUs with the help of staff of Rural Engineering Services (RES) Divisions of GOCG in the districts after conducting the survey at a cost of Rs.1.20 crore from April 2000 to March 2004. The works were approved by the GOI based on these DPRs.

Subsequently, the GOCG decided (February 2003) that the DPRs prepared were not based on detailed survey. It was decided (March 2003) to utilise the services of consultants for preparation of DPR (2003-04 & 2004-05) with adequate survey of the road alignment at an estimated cost of Rs.2.38 crore (May 2003 to September 2003). In test-check of six PIUs it was observed that the revised DPRs were not finalised as of May 2004, whereas the construction agencies had already executed the road works valued at Rs.76.79 crore till May 2004 on the basis of the old DPRs. Thus the very object of engaging the consultants for preparation of revised DPRs was defeated.

The consultants were also doing survey and preparing DPRs for a set of roads for which a sum of Rs.99.04 lakh had already been incurred on survey by the PIUs for proposed (2003-04 and 2004-05) works. This expenditure was thus rendered wasteful.

On this being pointed out in audit, GOCG stated that the DPR submitted to GOI was correct as per the then site conditions. Due to delay in sanction of works and heavy rains during 2003-04, the site conditions changed due to which the decision for preparation of revised DPRs through consultants was taken.

The reply was not acceptable because the proposal for consultants was moved in February 2003 i.e. much before the commencement of the rainy season.

3.1.8 Implementation of the programme

Unrealistic estimates

Guidelines provide that the PIU will prepare a DPR for each roadwork based on actual survey, collection and analysis of data required for the design of pavement and cross drainage (CD) structures. Audit scrutiny revealed that the number of CD structures in works of 2000-01 increased from 360 as mentioned in DPR to 795. Similarly in 2001-02 works, the CD structures increased from 1,537 in the DPR to 1,899 along with the changes in other items of work. This resulted in increase of cost from Rs.91.92 crore to Rs.117.93 crore in works approved for 2000-01 and from Rs.203.49 crore to 225.13 crore in works of 2001-02. Thus the DPR of works for 2000-01 and 2001-02 proved to be unrealistic despite expenditure of Rs.3.48 lakh and

Rupees 99.04 lakh incurred on survey for 2003-05 works was rendered wasteful as survey was repeated.

The DPR of 2000-01 and 2001-02 prepared with expenditure of Rs.20.93 lakh proved to be unrealistic.

Rs.17.45 lakh respectively on their preparation. Further GOCG had to bear increased cost of Rs.47.65 crore over and above cost approved by GOI.

On this being pointed out, GOCG stated (October 2004) that the proposal was made on the basis of the available data. After sanction of work, the working estimate was prepared on the basis of site condition. The reply was not acceptable because had the DPR been based on proper survey, major variations such as number of CD structures could have been avoided.

Expenditure over and above the approved estimates

The guidelines envisaged that if the value of tenders received is above the estimates that has been cleared by the Ministry, the difference (tender premium) will be borne by the State Governments. Similarly any cost overrun, either due to time over run or for any other reason whatsoever, would have to be borne by the State Governments.

Expenditure of Rs.34.35 crore on tender premium and cost overrun were incorrectly charged to PMGSY.

Audit scrutiny revealed that tender premium (rates above Schedule of Rates) amounting to Rs.24.06 crore was paid to contract agencies upto March 2004 for execution of works valued at Rs.87.30 crore approved in 2000-01 and Rs.167.93 crore for works approved in 2001-02. Similarly, the expenditure (including tender premium) on 104 completed works and eight incomplete works of 2000-01 (May 2004) increased from the approved of cost Rs.91.92 crore to Rs.102.21 crore. The entire expenditure (including tender premium) was charged to the PMGSY funds and no efforts were made to allocate the amount of tender premium and cost overrun to State funds/by contra entry to PMGSY funds.

On this being pointed out in audit, the CEO stated that the proposal for revised cost estimates had been sent to GOI and if additional funds are not received, it will be borne by the GOCG. The reply was not acceptable because the amount of Rs.34.35 crore should have been booked ab initio in the State accounts as per guidelines. The reply was also silent on the reasons for high value of tenders and cost overrun which brought this liability on the GOCG.

Delay in Contracting and Execution

Guidelines envisaged that on clearance of the project proposals (road works), the work would be awarded to contract agencies within 120 days and would be completed within nine months from the date of award. In exceptional cases, this period could be extended upto 12 months.

In none of the cases time limit for contracting and execution of works was observed.

In none of the road works executed this time limit was observed either at Government level to finalise the contract agencies or at the PIU level for construction of roads. The finalisation of contract agencies took between seven and 12 months while completion of works was delayed for upto three years.

Eight roads approved in March 2001 and 61 roads approved in October 2001 were incomplete as of March 2004.

Eight roads approved in March 2001 and 61 roads approved in October 2001 were incomplete (March 2004). Two hundred and ninety three road works approved in 2003-2004 (176 in March 2003 and 117 in December 2003) were also under construction.

On this being pointed out in audit, the Government of Chhattisgarh (GOCG) stated (October 2004) that the agencies could not be decided in a single notice inviting tenders (NIT) and took time in finalisation. The execution of works was delayed due to arduous conditions like Naxal activities, non-availability of material in reserved forest area and abandonment of works by some agencies which had to be awarded to other agencies. It was also stated that sanctioned works would be completed by June 2005. The reply was not acceptable as the tenders for works approved in March 2001 and October 2001 were decided in October 2001 and November 2002 indicating delays of three and nine months respectively. These works were also not completed by the contract agencies within the stipulated time of completion. The GOI had also cautioned that delayed execution could hold up further sanctions and consequently, no projects were approved by GOI for the year 2002-03.

Plantation

No plantation was done in five PIUs despite specific conditions in the contract agreement.

Guidelines provide that the planting of fruit bearing and other suitable trees, on both sides of the roads would be one of the contract conditions. Cost of plantation was to be borne by the State Government.

Test-check of records in six PIUs revealed that only one PIU (Rajnandgaon) planted 6,019 saplings along 19 road sides (length 120.27 km). No plantation was done in other five PIUs despite specific conditions in the contract agreement.

On this being pointed out in audit, the CEO stated that as per the discussions with the officers of GOI, plantation work was not to be executed. The reply is not acceptable as the non-execution of plantation work was in violation of the contract.

Deviation from specifications provided in approved estimates

Deviations from approved specifications resulted in extra cost of Rs.7.01 crore in eight road works.

Guidelines envisage that road works shall be executed in accordance with the specifications approved by the Ministry of Rural Development. Any cost over run for any reason whatsoever, would have to be borne by the State Governments. It was noticed that deviations from approved specifications were made resulting in extra cost of Rs.7.01 crore in eight road works. This expenditure is required to be transferred to GOCG from PMGSY account.

Use of superior specification ignoring the recommendation of State Technical Agency (STA)

One road having length of 7.73 km was constructed with completely altered specification.

The Rural Road Manual provides for carriageway width of 3.75 mts with 20 mm thick open graded premix carpet (OGPC) and seal coat. The construction of a 7.73 km long existing WBM road (Nandini-Khundini Deorijhal-Ahiwara road) in Durg district, approved by GOI in 2000-01 at a cost of Rs.58.65 lakh, was awarded (January 2002) to a contractor. During execution the

specifications were completely revised. The formation width of the road was increased from 7.5 mts to 12 mts and carriageway width from 3.75 mts to 5.50 mts. The crust thickness was also changed from 400 mm to 825 mm with 120 mm thick bituminous layer (85 mm dense Bituminous Macadam and 35 mm Bituminous concrete).

Despite observations of STA, road executed on revised norms resulting in an excess expenditure of Rs.3.07 crore.

The State Technical Agency (STA), to whom revised estimate was submitted, had opined (30 August 2002) that such specifications did not conform to the norms of PMGSY. Despite observations of STA, the PIU got the road executed on revised norms at a cost of Rs.3.66 crore (against approved cost of Rs.58.65 lakh) thus resulting in an excess expenditure of Rs.3.07 crore. The entire amount was debited to the PMGSY account without prior consent of the GOI.

On this being pointed out in audit, GOCG stated (October 2004) that the proposal was made in a short period but during execution it was observed that the road was in Industrial/Mines area. Therefore the crust was designed considering the heavy traffic intensity. The reply is not acceptable as the object of PMGSY was to provide AWR connectivity to unconnected habitations for which roads with the specifications fixed for PMGSY were considered adequate. Therefore execution of this high specification road with PMGSY funds disregarding the observations of STA was in violation of GOI instructions.

Upgradation with superior specifications

One existing WBM road was incorrectly upgraded with superior specification of BM resulted in extra cost of Rs.17.10 lakh.

The execution of seven roads of 2000-01 in Rajnandgaon district was awarded (December 2001) to a contractor, which included one 10.4 km long existing WBM road (Dongargarh to Bortalab, approved cost Rs.95.91 lakh). During execution of the road, the CE, PMGSY allowed execution of 50 mm thick Bituminous Macadam (BM) deviating from the approved provisions of 20 mm thick OGPC and seal coat. The road was completed at a cost of Rs.1.13 crore resulting in extra cost of Rs.17.10 lakh.

On this being pointed out in audit, the EE, PIU, Rajnandgaon stated (June 2004) that the crust of the road was designed on general basis and during execution the items were revised on the basis of site conditions.

The reply was not acceptable as the preparation of DPR on general basis was in violation of GOI instructions.

Expenditure on superior specification in disregard to traffic survey

Three roads were constructed with superior specification resulting in extra cost of Rs. 3.36 crore.

In three road works of Raipur district namely Chhura to Rajim (length 41 km, approved cost Rs.3.70 crore), Pokhra to Kopra (length 22.50 km, approved cost Rs.2.50 crore), and Tarrighat to Panduka (length 10.40 km, approved cost Rs.90.45 lakh), the provision of BT layer in DPR was made for 20 mm thick OGPC sealed with premix type -B sealcoat. During execution of work this item was completely revised to 50 mm thick Bituminous Macadam (BM) and 25 mm thick Semi Dense Bituminous Concrete (SDBC) and roads were completed at a cost of Rs.10.46 crore resulting in extra cost of Rs.3.36 crore

(Rs.10.46 crore- Rs.7.10 crore). This was also charged to the PMGSY funds without prior approval of the GOI. The change in specifications was on the plea of traffic intensity. It was, however, seen that the maximum traffic intensity was 1099 Passenger Car Unit (PCU) whereas the E-in-C, PWD, GOCG has prescribed the revised specifications for State roads if traffic intensity exceeds 2000 PCU. The approval for revised estimates was obtained (January 2003) from STA but approval from GOI was not received (November 2004).

On this being pointed out in audit, the EE PIU, Raipur stated that the upgradations were in the interest of work and for the safety of the road. The reply is not tenable as the superior specifications adopted had no correlation with the safety of roads. Further, superior specifications of BM and SDBC were not required for the roads having traffic intensity of 1,099 PCU.

Adoption of superior specification in violation of approved estimates resulted in extra cost of Rs.41.42 lakh.

One existing 12 km long WBM road (Chaitma to Tiwarta) in Korba district was split into three parts for upgradation under PMGSY. The approved estimates provided 20mm thick OGPC and type-B seal coat over the WBM Grading-II. During execution the District Collector observed (December 2002) that on up gradation, the road would be utilised by trucks carrying coal and other material and therefore 50 mm thick BM and 20 mm thick MSS be provided. The existing road was having (November 2002) traffic intensity of only 66 PCU. Despite low traffic intensity, the CE, PMGSY allowed (January 2003) the superior specification of 50 mm thick BM and 20 mm MSS which resulted in extra cost of Rs.41.42 lakh. The entire expenditure was irregularly debited to PMGSY funds.

On this being pointed out in audit, the EE, PIU, Korba stated (October 2004) that this road provides the shortest distance to colliery area and heavy traffic was anticipated for which BM & MSS was necessary.

The reply is not tenable as the traffic intensity on the roads was only 66 PCU, which did not qualify for the use of BM and MSS.

Non-recovery of advances and other dues from the defaulting agency

Construction of 10 roads of 2000-01 estimated to cost Rs.4.74 crore in Janjgir-Champa district was awarded (November 2001) to a contractor with completion period of nine months. During the currency of the contract, the agency was paid (February to May 2002) mobilisation, machinery and other advances amounting to Rs.1.34 crore. Due to unsatisfactory progress of work, the contract was rescinded (February 2003) after part execution of the work valued at Rs.1.13 crore. The payment made to the contractor in the last running bill was adjusted against the dues. Thereafter the balance of the work was awarded to four different agencies at the risk and cost of the original contractor for which the department had to incur an excess expenditure of Rs.1.04 crore, which is also recoverable from the first agency. Further the competent authority had imposed penalty of Rs.26.62 lakh on the defaulting contractor for delay in work .

Rupees 1.77 crore was recoverable from defaulting contractor.

It was observed that the PIU could recover only Rs.1.10 crore against the advances leaving Rs.24.35 lakh un-recovered. Further interest of Rs.22.14 lakh on advances (as of September 2004) was also recoverable. Thus total recovery against the contractor was Rs.1.77 crore²².

On this being pointed out in audit, EE, PIU, Janjgir-Champa stated (October 2004) that action for issue of RRC (Revenue Recovery Certificate) was in process.

Excess expenditure incurred on shorter road length

Against 27 km road length, work was executed for 24.135 km

A 27 km long existing WBM road in Marwahi constituency of Bilaspur PIU was approved in 2000-01 at an estimated cost of Rs.1.70 crore. The work was awarded (December 2001) to an agency with completion period of nine months. The contractor was paid Rs.1.71 crore and the road was reported to be complete. Audit scrutiny revealed that the work executed was only of 24.135 km in length as against approved length 27 km appearing in the Administrative Approval (AA), estimates and DPR. No information was available regarding the balance of 2.865 km.

On this being pointed out in audit, the EE, PIU, Bilaspur stated (April 2004) that the work was actually executed upto 24 km length but no comments were offered for the remaining portion of the road. The reply confirms that Rs.1.71 crore was incurred on construction of 24 km road against the approved cost of Rs.1.70 crore for 27 km.

Excess booking under PMGSY

The expenditure of Rs.53.76 lakh on partial construction of a road transferred to another project has not been excluded from PMGSY.

A six km long road (Usad to Kansabahara) in Bilaspur district was approved in 2001-02 at an estimated cost of Rs.1.14 crore. After incurring an expenditure of Rs.53.76 lakh the incomplete road was transferred (October 2003) to the Public Works Department (PWD) as the road was declared by the GOCG as a part of East-West Corridor Project of the State. Consequently the expenditure booked under PMGSY was required to be reversed.

On this being pointed out in audit, the EE PIU stated (April 2004) that the road was transferred to the PWD for execution as a part of Corridor Project. No comments were, however, offered on the requirement to transfer the expenditure from PMGSY to concerned scheme (corridor project).

3.1.9 Supervision and quality control

Guidelines for PMGSY provide that the roads constructed under the programme should be of very high standard and therefore three-tier quality control (QC) mechanism was prescribed. The EE, PIU functions as the first tier of QC. In the second tier, State Government is required to set up QC units for the entire State to function as State Quality Control Monitors (SQM) independent of the EE, PIU. The third tier of the QC is with the National Rural Road Development Agency (NRRDA), Ministry of Rural Development, GOI

²² (Rs.134.08 -109.73 + 22.14 + 26.62 + 104.15 =Rs.177.26 lakh)

which regulates the periodical inspection of the National Quality Control Monitors (NQMs).

The GOCG decided to utilise the services of consultants not only for quality control but also for full supervision of PMGSY works to assist the EE, PIUs in discharging their duties as the first tier of QC. The second tier QC unit for the State was setup by GOCG in October 2004; there was no second tier QC during the period from 2000-01 to September 2004.

Performance of QC consultants

For works approved during 2000-01

The total supervision and full QC for construction and upgradation of 2000-01 works in the entire state was entrusted (December 2001) to a single consultant M/s RITES Ltd., New Delhi at the rate of 3.42 *per cent* of the value of work done by the civil construction agencies without invitation of open tenders.

Despite construction supervision and QC measures, 38 roads were ranked average and one road poor by the NQMs

The consultant had to provide the services from layout stage to the finishing stage including recording of the measurements, total construction supervision and assuring the QC. Despite full construction supervision and QC measures, 38 roads were ranked average and one road as poor by the NQMs.

On this being pointed out in audit, the CEO stated that about 90 *per cent* work was awarded to the construction agencies and technical staff for construction supervision and QC was not available. Therefore QC work was awarded to a GOI organisation without invitation of tenders but after negotiation of rates. The reply was silent on the low rating of road quality.

For works approved during 2001-02

Services for QC consultant was not available during February to May 2002.

Due to unsatisfactory performance of the consultants, the Nodal Officer proposed supervision and QC work through his own staff for 2001-02, but it did not materialise. Hence individual district wise consultants for QC work were engaged (May 2002 to July 2002) for 2001-02 at an estimated cost of Rs.1.64 crore. In the mean time the work orders to the construction agencies were also issued between February 2002 and May 2002. Thus, there were no QC consultants for works executed during February 2002 and May 2002 nor were the PIUs equipped with sufficient technical staff for QC.

During periodical inspection, 119 roads were ranked as average and 12 roads as of poor quality.

The NQM, during their periodical inspection, ranked 119 roads constructed upto March 2004 as average roads and 12 roads as of poor quality.

On being pointed out in audit, it was stated that the organisational set up of PMGSY was being strengthened and supervision was being done internally. Thus, only QC work was awarded to the consultants. The reply is not convincing in view of poor quality of roads.

For works approved during 2003-04

Work worth Rs.19.19 crore was executed on 110 roads during July to December 2003 when there was no QC consultant.

The policy of QC consultants was again modified and consultants were engaged again for supervision of construction as well as QC work. The 16 districts were divided into three groups. Proposals were invited (July 2003) and agencies fixed (December 2003) at an estimated cost of Rs.10.44 crore. The GOCG took six months time in arranging the consultants. In the meantime work orders to construction agencies were also issued in July 2003 and October 2003. Consequently there were no QC consultants between July 2003 and December 2003 during which works valued Rs.19.19 crore was executed by construction agencies on 110 roads which were in progress.

On this being pointed out in audit, it was replied that the existing staff was not adequate to perform full supervision of the awarded works which led to the use of the consultants. Thus the decision on supervision and QC kept varying from year to year and no clear policy emerged in four years. Consequently, many of the constructed roads were of average or poor quality as graded by NQMs.

3.1.10 Conclusions

The State could not fully utilise the scheme for providing necessary road connectivity. The number of roads constructed was far below the requirement of the State. Inadequate preparation and planning resulted in faulty road selection and faulty DPRs. Delays and faulty estimation were major bottlenecks in implementation. There were instances of roads of superior specification being constructed irregularly from the scheme funds. The system of supervision and quality control remained unregulated and unstable resulting in low quality rating of many roads.

3.1.11 Recommendations

Based on the above observations, the following recommendations are made:

- ❑ Selection of roads should strictly follow the order of priority fixed by the GOI. Roads providing new connectivity only should be selected.
- ❑ The DPR being the key base document should be realistic and prepared after actual survey and collection of data.
- ❑ Adherence to technical specifications may be strictly ensured and all additional costs on account of superior specification roads may be ascertained and booked to the State.
- ❑ Work of contract agencies should be properly monitored so that time schedule is adhered to and penal provisions for delay are strictly enforced.
- ❑ Quality control mechanism is required to be streamlined as per the provisions so as to ensure quality roads under PMGSY.

**PUBLIC HEALTH AND FAMILY WELFARE
DEPARTMENT**

3.2 Audit of Public Health and Family Welfare Department

Highlights

The Public Health and Family Welfare Department provides health services through a network of hospitals and health centres and implements various schemes to achieve the goals envisaged in the National Health Policy, 1983 and the National Population Policy, 2000. The expenditure on health care in the State was Rs.646.90 crore during 2001-04. There was shortfall in creation of three-tier health infrastructure. The bed population ratio remained very low at 30 per lakh as against the all India Average of 92. Demographic goals of Family Welfare Programme were not achieved. Deficient financial management resulted in large savings and unnecessary supplementary grants while there were many shortfalls in providing services and equipment. Some key observations were as follows:

- Targets fixed for achieving infant mortality rate, crude birth rate, and couple protection rate by 2000 were not achieved even in 2004.

(Paragraph 3.2.7)

- Excess and irregular expenditure of Rs.1.11 crore on compensation, drugs, POL charges and motivation charges were incurred in excess of norms under FWP.

(Paragraph 3.2.7)

- Grants-in-aid worth Rs. 1.47 crore from Empowered Action Group (EAG) fund was misutilised and equipments worth Rs.84.09 lakh were lying idle.

(Paragraph 3.2.7)

- X-ray machines worth Rs.2.08 crore were purchased but not put to use.

(Paragraph 3.2.9)

3.2.1 Introduction

The National Health Policy (NHP) 1983 envisaged attainment of the twin objectives of 'Health for All' and a 'Net Reproductive Rate of Unity' (NRR-1) by 2000 AD. The National Population Policy 2000 (NPP) also provided priority in allocation of funds for improving health care infrastructure.

In 16 districts of Chhattisgarh there are only eight District Hospitals (DH) and 15 Civil Hospitals (CH). There are 116 Community Health Centres (CHC), 516 Primary Health Centres (PHC) and 3,818 Sub Health Centres (SHC) for providing medical aid to 219.39 lakh population of the State as against 4,114 SHCs, 652 PHCs and 163 CHCs justified as per norms under the Minimum Needs Programme. The State has five hospitals per thousand sq.km as against the national average of 12 (2002). The bed population ratio is only 30 per lakh against a requirement of 100 envisaged in the VII five year plan.

3.2.2 Organisational set up

The Public Health and Family Welfare Department (Department) is headed by the Secretary and the Directorate. The Directorate is managed and controlled by the Director, Public Health and Family Welfare (PHFW), Additional Director and Joint Directors. There are Chief Medical and Health Officers (CMHO) and Civil Surgeons (CS) at the district level, Block Medical Officers at Block level and multipurpose health workers below them.

3.2.3 Programme Management

The Department was responsible for providing health care to the community and was administering various health programmes.

Audit examination covered three such programmes namely (a) Family Welfare Programme; (b) *Rajiv Jeevan Rekha Kosh*; (c) Empowered Action Group (EAG) Activities Fund.

3.2.4 Audit objectives

The objectives of the review were to assess:

- ❑ Implementation of the Family Welfare Programme and other schemes like *Rajiv Jeevan Rekha Kosh* and EAG.
- ❑ Administration of hospitals and health centres by the Department.
- ❑ Financial management, man power deployment and procurement procedures in the Department.

3.2.5 Audit Coverage

The review covered the period April 2001 to March 2004 by a test check of the records of 10 DDOs²³ out of 43 in five districts and the office of the Director, PHFW, Raipur.

3.2.6 Financial outlay and control of expenditure

The Department controls expenditure under Grant No.19: Public Health and Family Welfare. The Family Welfare Programme (FWP) is wholly financed by the GOI but routed through the State budget.

The details of provision and expenditure pertaining to the Department were as follows:

(Rupees in crore)

Year	Budget provision			Expenditure			Savings (-)
	Central Share	State Share	Total	Central Share	State Share	Total	
2001-02	116.32	114.33	230.65	63.89	143.06	206.95	(-) 23.70
2002-03	114.43	161.95	276.38	55.99	160.21	216.20	(-) 60.18
2003-04	96.07	174.55	270.62	64.53	159.22	223.75	(-) 46.87
Total	326.82	450.83	777.65	184.41	462.49	646.90	(-) 130.75

Budgetary and financial control by the department was found to be deficient as is evident from the following:

- ❑ Large savings in all the three years. Reasons for savings were not intimated by the Department as of December 2004.
- ❑ Supplementary grant of Rs.1.34 crore and Rs.18.63 lakh during 2002-03 and 2003-04 under Grant number-19 had remained unutilised.
- ❑ In four districts, C.S. and CMHO purchased medicines worth Rs.52.30 lakh without budget allocation during November 2000 to March 2004.
- ❑ Transfer of Rs.2.80 crore pertaining to "extension of medical facilities in tribal area," a Centrally Sponsored Scheme, to Civil Deposits in the month of March 2004.

Medicines worth Rs.52.30 lakh purchased without budget allocation.

Fund worth Rs.2.80 crore pertaining to a Centrally sponsored scheme was kept under Civil Deposits.

3.2.7 Programme Implementation

Performance of Family Welfare Programme (FWP)

The objectives of the FWP were to (a) bring down birth and infant and maternal mortality rates through various family planning (FP) measures, (b) persuade people to adopt small family norms and (c) provide the incentive of medical services and medicines free of cost at the doorstep to the acceptors of FP measures.

²³ Five CMHO and five CS-viz. Durg, Jagdalpur, Raigarh, Raipur and Rajnandgaon districts

As per census 2001, the population of the State was 207.96 lakh, whereas the DHS estimated that the population as of 2004 was 219.39 lakh. Thus, the population grew at an average of 1.80 *per cent* per year as against the targeted annual natural growth rate of 1.2 *per cent* (to be achieved by 2000 AD).

Short achievement of demographic goals

Demographic goals²⁴ for Crude Birth Rate (CBR) of 21 per thousand, Crude Death Rate (CDR) of nine per thousand, Infant Mortality Rate (IMR) below 60 per thousand and Effective Couple Protection Rate (CPR) of 60 *per cent* were to be achieved by the year 2000. The year wise achievements in the State during four years ending 2004 were as follows:

Sl. No.	Indicators	Targets upto year 2000	Achievements during			
			2001	2002	2003	2004
1.	CBR	21 per thousand	26.5	25	22.9	24.5
2.	CDR	9 -do-	8.8	8.7	NA	NA
3.	IMR	60 -do-	77	73	73	73
4.	CPR	60 <i>per cent</i>	45	50.58	57.82	58.13

Targets for CBR, IMR and CPR set for 2000 not achieved by 2004.

It is evident from the data that despite receiving yearly assistance from GOI, the CBR, IMR and CPR levels targeted for 2000 could not be achieved by 2004. Reasons for non-achievement of goals were not furnished by the Director. A check in audit revealed that the data of CPR had not been correctly computed and compiled raising doubts on the accuracy of figures of CPR which had been communicated to GOI.

Inflated reporting of couple protection rate (CPR)

Year wise details of number of eligible couples effectively protected by all methods during 2000-04 as reported are shown below:

Year	Number of eligible couples to be protected	Protected by				Total protected couples	Actual CPR
		For limiting births	For spacing births				
		Sterilisation with percentage	No. of IUD users with percentage	No. of OP users with percentage	No. of CC users with percentage		
2000-01	3410356	106996 (3.1)	106540 (3.1)	156192 (4.5)	279897 (8.2)	649625	19.05
2001-02	3528173	98368 (2.7)	104643 (2.9)	170433 (4.8)	284539 (8.1)	657983	18.6
2002-03	3535676	115298 (3.2)	102347 (2.8)	234179 (6.6)	383550 (10.8)	835374	23.6
2003-04	3599659	115848 (3.2)	99136 (2.7)	205197 (5.7)	342106 (9.5)	762287	21.1
Total	14073864	436510 (3.1)	412666 (2.9)	766001 (5.4)	1290092 (9.1)	2905269	20.6

CPR of 58.13 *per cent* reported to GOI whereas actual CPR was only 21.1 *per cent*.

The above data shows that during 2000-04 the actual CPR (total protected couples divided by total number of couples eligible for protection) remained around 20 *per cent* (18.6 to 23.6). Thus, in 2003-04 against CPR of 21.1 *per cent*, the department communicated a figure of 58.13 *per cent* to GOI. The basis of computation of 58.13 *per cent* as the CPR were awaited from the Department. Similar differences between the reported figures and the figures calculated above for CPR for the years 2001-03 also need clarification.

²⁴ The scientific study of the change in number of birth, deaths, diseases etc. in a community over a period of one year.

Net reproductive rate of unity (NRR-1)

The acceptance level of spacing methods in the State is still very low. Only 21 per cent of the couples are protected by various family planning methods.

NRR-1 means attaining the norm of two children by each couple. NHP-1983 provides that NRR-1 is achieved when the CPR reaches 60 per cent. Test-Check of records showed that the acceptance level of spacing methods in the State is still very low. As mentioned earlier, CPR was only 21 per cent in 2003-04. Thus the NRR of the State was much higher than the goal of one.

The Department had intimated NRR as one to GOI on the basis of CPR-58.13, which was factually incorrect.

Non-maintenance of ECR/TCR registers

Details of eligible couples are to be noted in a prescribed Eligible Couples Register (ECR) and further details are to be noted in a separate register called Target Couple Register (TCR), which is to be used by the departmental staff to motivate the targeted couples for sterilisation. It was however, noticed that in the test checked districts, these ECRs and TCRs were not maintained.

Birth control measures

Though GOI did not fix any target, the State Government targets for various birth control measures and their year-wise achievement are given below:

Year	Sterilisation		IUD acceptors		Oral Pills users		Conventional contraceptive (CC) Users	
	Target	Achievement (*)	Target	Achievement (*)	Target	Achievement (*)	Target	Achievement (*)
2000-01	120666	106996 (89)	161572	106540 (66)	196132	156192 (80)	403240	279897 (69)
2001-02	109316	98368 (82)	138351	104643 (65)	218337	170433 (87)	357531	284539 (71)
2002-03	109779	115298 (96)	132980	102347 (63)	220072	234179 (119)	366604	383550 (95)
2003-04	115608	115848 (96)	128393	99136 (61)	196665	205197 (104)	357802	342106 (85)
Total	455369	436510 (90)	561296	412666 (63)	831206	766001 (92)	1485177	1290092 (80)

(*) Percentage with reference to base year 2000-01

The target from 2000-01 were not upgraded despite increase in population every year.

Analysis of the target and achievement in respect of various FP methods revealed that the target from 2000-01 were mostly not upgraded despite increase in population every year. On the contrary the service need/targets were actually lowered in 2001-02 onwards as compared to the base year 2000-01.

Lower coverage of acceptors with upto two children adversely affected efforts to control the growth rate

Test-check of records of five districts (Durg, Jagdalpur, Raigarh, Raipur and Rajnandgaon) revealed that of 1.04 lakh sterilisations (2001-04), 63 per cent were conducted in respect of couples who had already three or more children as against the requirement of sterilisation after two children as envisaged in the programme. The requirement of sterilisation of couples, who had two children, was with a view to control the further growth. As only 37 per cent of the couples covered had upto two children and the balance of 63 per cent were couples who had three or more children, the objective of the programme to control the growth rate was not achieved to the extent envisaged.

Gender imbalance

As per census 2001, the sex ratio in Chhattisgarh is 1,000 male:990 female. Analysis of sterilisation data for the period 2000-04 revealed that of 4,36,510 total sterilisation cases male sterilisation was 11,237 (2.57 per cent) whereas female sterilisation was 4,25,273 (97.43 per cent). The highly skewed figures show that the planned parenthood programme is extremely one sided and that adequate male participation could not be ensured.

Non-achievement of goal of health for all (HFA)

One of the goals of NHP-1983 was to reduce the number of under weight births (below 2.5 kg.) to 10 per cent of total births by 2000 AD. The NPP 2000 provided that the FWP should be linked to supplementary nutritional programmes already in operation to cover nutritional deficiencies in expectant mothers. However, the records of the Department did not show any evidence of any action on establishing this linkage. Analysis of records of health institutions of test-checked districts showed that the percentage of under weight neo-natals ranged between 31 and 37 during 2001-04 as detailed below:

Sl. No.	Items	2000-01	2001-02	2002-03	2003-04
1.	Number of births in which weight was recorded	1,96,771	2,06,090	1,45,419	2,09,647
2.	Number of under weight neo-natal	73503	73525	51965	64159
3.	Percentage	37	36	36	31
4.	Number of deaths (0-1 year Neo-natal)	7362	7773	6400	8064

Para No.3.4.13 of CAG's Audit Report ending March 2002 had mentioned low coverage of only 44 per cent of expectant mothers under the Integrated Child Development Scheme (ICDS). The consequences of the low coverage were evident in the high average percentage of under weight babies in the test-check districts (31 to 37 per cent). Moreover, there were 29,599 infant deaths in these districts during 2000-04 for which low nutritional level of expecting mothers is a contributory factor. Thus, the Department failed to establish the critical linkage as envisaged in NPP 2000.

The FWP Department has not managed to encourage adequate male participation in its planned parenthood programme.

The average percentage of under weight babies in the test-check districts remained around 35 per cent, besides 29,599 infant deaths.

Unsafe deliveries by untrained birth attendant (UBA)

Only 14,702 *dais* were available for 19,720 villages as against requirement of 39,440 *dais*. Of this, 6,624 were trained and 8,078 (55 per cent) were untrained.

NPP-2000 provides for availability of two *dais*²⁵ per village for safe pre-natal, natal and post natal health care. Test-check of records revealed that only 14,702 *dais* were available for 19,720 villages as against the requirement of 39,440 *dais*. Of the 14,702 *dais*, 6,624 were trained and 8,078 (55 per cent) were untrained. No *dai* was posted in 5,018 (25 per cent) villages and consequently 14 to 18 per cent of deliveries are being conducted (2000-04) by Untrained Birth Attendant (UBA). DHS stated that this was due to lack of awareness. Reply was not tenable as awareness generation and provision of facilities for safe deliveries are the responsibility of the Department.

Non-refund of unspent balance of miscellaneous purpose fund

Rupees 3.40 crore accrued out of the fund made available by GOI was neither utilised nor returned.

As per FW Programme, a Miscellaneous Purpose Fund (MPF) was required to be created out of funds received for sterilisation at the rate of Rs.80 per case of sterilization to be utilised for ex-gratia payment in case of death during sterilisation, purchase of equipment, community award, evaluation expenses, award to employees and workers and strengthening of information system. Unutilised balance, if any, was to be credited to Government of India. During 2000-04, Rs.3.40 crore had accrued out of the amount made available by Government of India but this amount was neither utilised for the purposes mentioned above nor credited to Government of India. Moreover, GOI was not even apprised of this fact at the time of sending of utilisation certificates.

DHS stated that funds were not utilised due to absence of any information about its use from the composite State of MP.

Excess expenditure on drugs and dressings etc.

Excess expenditure of Rs. 65.50 lakh on drugs and dressings for VT and TT operations.

□ According to the Government of India Circular (March 2001), expenditure on drugs and dressing for Vasectomy (VT) and Tubectomy (TT) operations may be incurred upto Rs.25 and Rs.60 per case respectively out of central share. Test-check of records revealed that expenditure on drugs and dressing was incurred at the rate of Rs.40 and Rs.80 per VT and TT operation respectively resulting in excess expenditure of Rs.65.50 lakh²⁶ during 2001-04.

Excess expenditure of Rs.45.61 lakh in excess of norms.

□ State Government (August 1997) had prescribed the norms for payment of compensation to acceptors of sterilisation and for drugs and dressing expenditure, to be charged from central share and Petrol, Oil and Lubricants (POL) charges from State share in budget provisions. Test-check of records of five selected CMHO for 2000-04 revealed that excess expenditure of Rs.14.06 lakh on compensation, Rs.17.85 lakh on drugs and dressings and Rs.13.70 lakh on POL had been incurred as shown in ***Appendix 3.1***.

Short payment of compensation to acceptors

²⁵ Birth attendants in villages

²⁶ 8,143 cases @ Rs.15 + 3,21,371 cases @ Rs.20=Rs.65.50 lakh

Short payment of Rs.3.54 crore to acceptors due to non-adoption of enhanced rates.

Government of India in its MOHFW Circular (12 March 2001) enhanced the rate of compensation to male and female acceptors of sterilisation. The minimum compensation was payable at the rate of Rs.150. Test-check of records of CMHOs and DHS revealed that compensation for sterilisation was paid to male and female acceptors at the rate of Rs.140 and Rs.40 respectively in place of enhanced rate of Rs.150 during 2001-04. This resulted in short payment of Rs.3.54 crore to 8,143 male and to 3,21,371 female acceptors.

DHS stated that payment at enhanced rate to acceptors had not been made for want of orders from the State Government.

Unauthorised payment of motivation fee

Although the composite State of Madhya Pradesh had ordered (6 August 1997) that the payment of motivation fee for promoters under FWP be dispensed with, it was noticed that CMHO, Raigarh (Rs.2.13 lakh), Durg (Rs.2.04 lakh) and Rajnandgaon (Rs.0.44 lakh) had paid Rs.4.61 lakh as motivation fee and for other inadmissible miscellaneous item like stationary etc. during 2001-03.

Misutilisation of EAG fund and idle outlay on equipment

Government of India, Ministry of Health and Family Welfare (GOI) provided (November 2001) grants-in-aid (GIA) of Rs.1.47 crore under the Empowered Action Group (EAG) activities of family welfare programme to the reproductive child health (RCH) societies of the State for (a) extension of RCH camps in outreach districts, (b) repairs and extension of health centres and functioning of nurses training centres, (c) training of *Dais* and (d) procurement of drugs, medicines and contraceptives.

Equipment worth Rs.84.09 lakh issued (between October and December 2002) to eight CS and one CMHO were lying idle for want of necessary infrastructure and qualified staff.

Test-check (October 2003 -August 2004) of the records of CS Ambikapur, Dhamtari, Korba, Jagdalpur, Kanker, Raigarh and the DHS revealed that instead of providing the stipulated facilities in the districts, the DHS purchased (August 2002) equipment like incubator (60), warmer (60), neo-natal resuscitation trolley (130), apnea monitor (60) worth Rs.1.47 crore without any requisition and supplied to District Hospitals. Further, the availability of infrastructure was not ascertained and consequently 189 items of equipment worth Rs.84.09 lakh issued (between October and December 2002) to eight CS and one CMHO were lying idle (August 2004) for want of necessary infrastructure and qualified staff. Thus the purchase of equipment was not only irregular but also unfruitful.

On this being pointed out, CSs stated (August 2004) that the equipment could not be put to use for want of space as well as non-posting of Child Specialist and other staff. DHS stated that the equipment were purchased to reduce the IMR.

Reply of DHS was not tenable as the purchases were not permitted from the EAG funds. These irregularly purchased equipment also remained unutilised.

3.2.8 Rajiv Jeewan Rekha Kosh

With a view to providing financial assistance to such patients whose treatment was not possible in State Government Hospitals, a Centrally Sponsored Scheme known as National Illness Assistance Fund was set-up in October 1996. Assistance was to be provided to the patients living below poverty line (BPL) who were suffering from major life threatening diseases. State Government changed its name to *Rajiv Jeewan Rekha Kosh*. Review of the scheme revealed the following irregularities.

Short contribution by State Government

The short contribution of Rs.2 crore by State Government affected the implementation of the scheme

Under this scheme, contribution from GOI and State was to be received in a 50:50 ratio. Even though GOI allocated Rs.4 crore for the scheme during the period 2001-04, the State Government could provide only Rs.2 crore. This short contribution by State Government adversely affected the implementation of the scheme.

Adjustment of advances not monitored

The assistance was in the form of advances to hospitals for incurring expenditure on behalf of patients. The adjustments of advance and balance, if any, was to be monitored by the DHS. Scrutiny of records revealed that:

No information in Department for utilisation of Rs.3.77 crore.

- Cheques worth Rs.5 crore were issued to 42 Hospitals (*Appendix 3.2*) between October 2001 and March 2004 but the Department could produce adjustment accounts for Rs.1.01 crore only as of August 2004. An amount of Rs.22.07 lakh was refunded to the Department and there was no information with the Department for the remaining Rs.3.77 crore. Neither the accounts for said amount were available with the Department nor could it show evidence of refund by the hospitals as of August 2004.
- Cheques worth Rs.15.80 lakh were lying in deposit account with the Apollo Hospital, Bilaspur as the patients for whom these cheques were sent did not turn up for treatment. No action was taken by the Department to get the amount back.

In reply DHS stated that the accounts would be reconciled.

3.2.9 Hospital Administration

Shortage in establishment of medical institutions in the State

Under the Minimum Needs Programme (MNP), minimum basic services are to be provided to the rural population by providing required health infrastructure with reference to norms of requirement fixed for a specific population size. One Sub Health Centre (SHC) for every 5000 population (3000 for tribal areas), one Primary Health Centre (PHC) for every 30000 population (20000 for tribal areas) and one Community Health Centre (CHC) for 1,20,000 population (80,000 for tribal areas) were to be established by 2000 AD in a phased manner. These were to act as centres for providing basic minimum health care facilities to the target population. The position of centres established in the State was as shown below:

Sl.No.	Category	Required as per norms	Established	Shortage percentage	Population uncovered (in lakh)
1.	SHC	4114	3818	296(7)	14.80
2.	PHC	652	516	136(21)	40.80
3.	CHC	163	116	47(29)	56.40

There was seven per cent, 21 per cent and 29 per cent shortage in establishment of SHC, PHC and CHCs respectively.

The above table indicates that there was seven *per cent*, 21 *per cent* and 29 *per cent* shortage in establishment of SHC, PHC and CHCs respectively depriving the people of the basic minimum health care facilities to that extent.

Considering a total of 6,632 beds in the clinical hospitals in the State (Medical college hospital-1,137, district hospitals-1,429, civil hospitals-552, and community health centre-3,514) for providing indoor health care delivery as of March 2004, the bed capacity worked out to only 30 beds per lakh. The national average was 92 (2002) and the working group of the VII Five Year Plan had recommended 100 beds per lakh.

Irregular establishment of dispensaries

In Raigarh district, five dispensaries sanctioned (March 1990) for the Scheduled Caste population in rural area were actually established (1990-91) in the urban area and wards close to well equipped DH. One dispensary sanctioned for ward No. 10 of Raigarh city was not established as of March 2004.

CS, Raigarh stated that dispensaries meant for rural SC area were established in urban area as per direction of the then MLA. This was a clear violation of government sanction.

Infrastructure for indoor health care

For purpose of clinical treatment, PHCs refer patients to CHCs which act as First Referral Units (FRU). However, patients who cannot be treated at FRUs are referred to District Hospitals which act as Second Referral Units (SRU).

- Out of 16 districts in the State, eight Districts²⁷ had no district hospital as Second Referral Unit (SRU). DHS stated that the proposal for sanction of DH was under consideration (May 2004) of Government.
- Of the 15 Civil Hospitals (CH), 13 CH were categorised as SRUs. But no specialists were posted.
- Similarly, of the 116 Community Health Centres, 79 CHC having bed strength of 2,368 beds neither provided specialist treatment nor dealt with referral cases but had been incorrectly categorised as First Referral Unit (FRU) for providing four types of (Medicine, Surgery, Paediatrics and Gynaecology) clinical facilities.

Of the 116 CHC, 79 CHC having 2,368 beds neither provided specialist treatment nor dealt with referral cases

²⁷ *Bilaspur, Dantewada, Kanker, Kawardha, Korea, Janjgir, Jashpur and Mahasamund*

Misutilisation and idling of vehicles

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

Ambulances used for 5.71 lakh km in violation of instructions.

Audit scrutiny of log books for the period from November 2000 to March 2004 revealed that 66 Ambulances in test checked districts performed journeys covering a total distance of 5.71 lakh km. in violation of above instructions. Thirty two *per cent* was for transportation of doctors and nurses within duty hours and not for emergency in hospital, 24 *per cent* was for ministers tours, 28 *per cent* was for carrying of patients for which charges worth Rs.8.06 lakh (calculated at the rate of Rs.5 per km) were not recovered and 16 *per cent* for other inadmissible purposes.

It was noticed that nine vehicles worth Rs.49.94 lakh received under FWP were allotted to private institutions and other bodies though the utilisation certificates sent to GOI had wrongly indicated that the vehicles had been put to use for family planning programme. DHS stated (May 2004) that action to take the vehicles back would be initiated but the vehicles were not taken back as of June 2004.

Eighty seven vehicles worth Rs.4.85 crore were lying idle for want of drivers

Test-check of records of CMHO/CS revealed that 87 vehicles worth Rs.4.85 crore²⁸ received as grants-in-aid from GOI were lying idle for want of posting of drivers.

Idle X-Ray Machines

Eighty one X-ray machines worth Rs.2.08 crore were non-functional

Scrutiny of reports furnished by the field units to DHS revealed that 65 machines worth Rs.1.02 crore purchased during 1995 to 2000 were not put to use due to non-posting of radiographers (20), non-sanction of post of radiographer (11), Non-construction of dark room and non-availability of power supply (7), and technical defects (19). Eight machines worth Rs.6.49 lakh were lying idle without any stated reasons. However, DHS made further purchase of 16 X-ray machines worth Rs.1.06 crore during March 2003 and none were installed. At CHC Gunderdehi (Durg) one of the 16 machines had been provided in addition to an existing 60MA X-ray machine, which was already functioning well and the daily average of X-ray per day at this place was one. Thus, the expenditure on purchase of X-ray machines worth Rs.2.08 crore without ensuring proper infrastructure for making machines functional resulted in idle outlay besides depriving general public of X-ray facilities.

In reply, DHS stated that action to repair the defective machines and to install the above machines were being taken. The reply underscored the absence of efforts from 1995 to 2004 to make the machines functional.

Functioning of Blood Banks without license

²⁸ Durg (14) Rs.0.93 crore, Jagdalpur (15) Rs.0.68 crore, Raigarh (17) Rs.1.04 crore, Raipur (24) Rs.1.44 crore and Rajnandgaon (17) Rs.0.76 crore

Blood Banks need license from the Controller, Food and Drugs, as required under the Drugs and Cosmetics Rules 1945. The Supreme Court of India in May 1997 instructed that the Blood Banks which do not have registration according to the prescribed norms, should stop working by May 1997.

Blood banks in seven districts were not established

Test-check of records of CS, Durg, Raigarh, Jagdalpur and Rajnandgaon revealed that Government run blood banks continued functioning without renewal of licenses during 2001-04, transfusing 27,999 blood bags. Moreover, in seven districts²⁹ blood banks were not established as of July 2004.

3.2.10 Procurement of medicines and equipment

Avoidable extra cost in purchase of medicines

Purchase of costlier medicines resulted in excess payment of Rs.43.17 lakh

As per the Chhattisgarh State Store Purchase Rules, 2002 purchase of medicines was to be made at competitive rates from Government undertakings. Scrutiny of records of DHS, CMHOs/CSs revealed that the DHS had purchased (2001-04) medicines from *Madhya Pradesh Laghu Udyog Nigam* (MPLUN) at old and higher rates instead of the prevailing reduced rates of MPLUN which came into effect from 7 February 2001. This resulted in extra expenditure of Rs.21.44 lakh.

Despite being a member of district level purchase committee formed by the CMHO, Raigarh, the CS, Raigarh did not purchase medicines at the cheaper rates determined by the district level purchase committee. Instead, his office called for separate quotations and purchased (2001-04) medicines at higher rates incurring extra expenditure of Rs.9.68 lakh.

CMHO, Durg did not collect the prevailing rates (7 February 2001) of MPLUN and purchased costlier medicines during 2001-04 from other Government undertakings resulting in extra payment of Rs.10.19 lakh.

Further CMHO, Raigarh, did not collect rates of all Government undertakings and consequently purchased medicines at higher rate during 2001-04 incurring extra expenditure of Rs.1.86 lakh

Purchase of intravenous (IV) sets at higher rate

Purchase of IV sets at higher rate resulted in excess payment of Rs.2.14 lakh.

CS, Raigarh had purchased (2001-04) 18,500 Intravenous sets at a much higher rate (Rs.17.75 per piece) as compared to the rate (Rs.6.20 per piece) at which CMHO, Raigarh had purchased the same item at the same station during the same period. This resulted in extra cost of Rs.2.14 lakh.

CS, Raigarh stated that IV sets having good quality were purchased for use for children. Reply was not tenable as the IV set, at same place and other places also were purchased by the CMHO and CS at cheaper rate for use for children.

3.2.11 Human Resource Management

Government had not prepared the staffing pattern for its hospitals and health centres. The sanctioned and the working strength at the time of restructuring

²⁹ Dhamtari, Dantewada, Jashpur, Janjgeer, Korea, Kawardha and Mahasamund

(November 2000) of State had been adopted. Sanctioned and working strength showing shortages in respect of Specialist (Sp), Post Graduate Medical Officer (PGMO), Medical Officer (MO) and Multi Purpose Workers (MPW) as of June 2004 were as follows:-

Sl. No.	Type of centre & hospitals	Number of centre and hospital	Name of post	Sanctioned number	Men in position (August 2004)	Shortage
1.	Sub Health Centre	3818	MPW	7636	5782 341 ³⁰	1854
2.	PHC	516	MO	614	536 22 ³⁰	78
3.	CHC	116	SP MO	174 491	59 395	115 96
4.	Civil Hospital	15	SP MO	18 97	8 75	10 22
5.	District Hospital	8	SP & PGMO MO	170 185	97 160	73 25

It was observed that the multipurpose workers (MPW) in some sub centers exceeded the sanctioned strength by 341 MPW. But there was overall shortage of 1,854 MPW under the Department. Similarly the Medical Officers (MO) in some of PHCs exceeded the sanctioned strength by 22 MO while there was overall shortage of 78 MO.

Of 116 CHCs, specialists were not deployed in 66 and in 12 CHCs only two specialists were provided as against requirement of four.

In eight DH, 73 posts of specialists were lying vacant, which adversely affected the clinical health care delivery services.

In eight DH, 73 posts of specialist were lying vacant.

³⁰ *Men in position in excess of sanctioned strength in some units although there is overall shortage in the cadre*

Irregular attachment of nurses sanctioned for rural areas in urban hospitals and offices

Salary of Rs.79.74 lakh disbursed to nursing staff posted in excess of sanctioned strength.

It was noticed that 26 nurses whose posts had been sanctioned for distant rural blocks like Bilaigarh, Chhura, Gariyaband, Kasdol, Lawan, Mainpur and Deobhog for providing nursing facilities to the rural population were posted in urban health centres and in the office of CMHO, Raipur in addition to sanctioned posts. This action deprived rural population of nursing facilities and also resulted in unauthorised payment of salaries amounting to Rs.79.74 lakh to the staff during 2001-04.

CMHO stated (April 2004) that posting of excess staff was made as per orders of higher authorities but could not produce any orders.

Unfruitful expenditure on training

With a view to filling up vacant posts of female multipurpose workers (FMPW), the DHS, MP advised (October 2000) all CMHO including six CMHO of subsequently formed Chhattisgarh State to organise training for FMPW for a duration of 18 months with a stipend at the rate of Rs.1500 pm.

FMPW were trained but not appointed to vacant posts resulting in unfruitful expenditure of Rs.2.64 crore (stipend).

Test-check of records of FMPW training centres revealed that the training was imparted to 978 fresh candidates between December 2000 and March 2004. Stipend amounting to Rs.2.64 crore was paid to them. However, none were appointed against the vacant posts of FMPW.

In reply DHS stated (May 2004) that due to ban on recruitment, appointment of trained FMPWs was not made.

Thus, the objective of filling up of vacant posts was defeated besides incurring infructuous expenditure of Rs.2.64 crore.

3.2.12 Conclusions

The National Health Policy if implemented in a proper way can play a major role in bringing the State at par with developed States in terms of health indicators. Audit scrutiny revealed that the medical infrastructure (including manpower) was inadequate for providing appropriate medical facilities. This problem was compounded by deficiencies in procurement and distribution of medical items, unregulated creation of infrastructure and ineffective manpower deployment. Consequently, delivery of services has been deficient as evident from low utilisation of indoor facilities and low achievements in FWP.

3.2.13 Recommendations

- The department needs to reassess its strategy for covering eligible couple protection to achieve the goal of 60 *per cent* coverage.
- The assistance provided under *Rajiv Jeevan Rekha Kosh* to different hospitals may be strictly monitored and their timely adjustment should be ensured.
- Payments made in respect of compensation made to acceptors and other expenditure should be regulated as per prescribed norms.
- Proper maintenance of records/registers like ECR,TCR etc., should be ensured to motivate the targetted couple for adopting various methods of family planning.
- Staff should be redeployed to achieve optimum utilisation and machinery and equipment should be got installed on priority basis.

**PUBLIC HEALTH AND FAMILY WELFARE
DEPARTMENT**

3.3 Working of Indian System of Medicines and Homeopathy

Highlights

In Chhattisgarh, the Directorate of Indian System of Medicine and Homeopathy (ISM&H) has the responsibility of providing medical treatment through the systems of Ayurveda, Unani, Homeopathy, Yoga and Naturopathy. Poor infrastructure, high establishment cost and negligible expenditure on medical facilities were observed in audit. Financial and operational management of the Department were deficient. Thirteen to 58 per cent of funds allocated for purchase of medicines were not utilised. Pharmacy was not modernised and quality control of medicines was not ensured. Due to lack of infrastructural facilities, adequate health care facility was not being made available.

- Thirty bedded hospital at Ambikapur was not functional even after 25 years of sanction.

(Paragraph 3.3.6)

- Sixty one of the 63 buildings sanctioned in 2002 were incomplete till date.

(Paragraph 3.3.7)

- One hundred and forty eight dispensaries in six districts were running without doctors, and an unfruitful expenditure of Rs.4.73 crore was incurred on pay and allowances of para medical staff.

(Paragraph 3.3.8)

- The cost of medicines, produced during the period 2000-04 ranged from a meagre 17 per cent to 54 per cent of the overall running cost of the pharmacy.

(Paragraph 3.3.10)

- Pharmacy machinery worth Rs.80.21 lakh was either not received or not installed hampering strengthening and modernisation of the pharmacy.

(Paragraph 3.3.10)

- **Quality of teaching was adversely affected in Government Ayurvedic Medical College due to non-posting of eight professors, nine readers and 12 lecturers as required under the Central Council of Indian Medicine (CCIM) norms.**

Paragraph 3.3.11)

3.3.1 Introduction

The Directorate of Indian System of Medicine and Homeopathy (Directorate) is entrusted with the responsibility of providing medical treatment through Ayurvedic as well as other systems of medicine like Unani, Homeopathy, Yoga and Naturopathy. Provision of medical facilities, prevention of diseases, production, procurement and distribution of medicines, imparting medical education and training are the main objectives of the department. The department provides medical facilities through eight hospitals (six District Ayurvedic Hospitals, one Ayurvedic College Hospital and One District Homeopathy Hospital) and 690 dispensaries (632 Ayurvedic, Six Unani and 52 Homeopathic) in the State. There is also a Drug Testing Laboratory attached with the Ayurvedic pharmacy in the State.

3.3.2 Organisational set-up

At the Government level, the Secretary, Health heads the Department. The Director, Indian System of Medicine and Homeopathy (ISM&H), Raipur functioning under the Public Health and Family Welfare Department is the Apex field authority assisted by 16 District Ayurved Officers (DAO) who exercise control over hospitals and dispensaries functioning in the respective districts. One Government Ayurvedic Medical College engaged in imparting education and one Ayurvedic Pharmacy engaged in production of medicines are functioning under the Director.

3.3.3 Audit objectives

The main audit objectives were to assess:

- The extent and quality of service rendered by the department in promotion of good health through the ISM&H System.
- The quality and infrastructure for teaching and training available under the ISM&H.
- Mechanism for manufacture and quality control of drugs under ISM&H.

3.3.4 Audit coverage

The working of the Directorate for the period from the year 2000-01 to 2003-04 was reviewed during March-June 2004 through test check of records in the offices of eight DAOs³¹ out of 16. Information was also collected from the

³¹ *Ambikapur, Dhamtari, Durg, Jagdalpur, Kanker, Korba, Raipur and Rajnandgaon*

Directorate as well as the Ayurvedic College and Pharmacy, Raipur. The audit findings are discussed in the succeeding paragraphs.

3.3.5 Financial outlay and expenditure

The department incurs expenditure under the major Head 2210 Medical and Public health under grants No. 79, 80 and 41. The details of allotment and expenditure are given below:

(Rupees in crore)

Year	Budget provision	Supplementary provision	Reappropriation	Total provision	Total expenditure	Excess (+) Saving (-)
2000-01	8.54	--	--	8.54	6.68	(-) 1.86
2001-02	23.57	2.32 ³²	--	25.89	20.91	(-) 4.98
2002-03	28.36	0.07	--	28.43	20.21	(-) 8.22
2003-04	26.97	3.04 ³²	(-) 5.17	24.84	24.69	(-) 0.15

Budgetary and financial control by the department was deficient as evident from:

- Budgetary proposals were made on incremental basis without receipt of monthly expenditure statements, detailed estimates and nominal rolls from the drawing and disbursing officers.
- Recourse to unnecessary supplementary grants of Rs.1.21 crore during 2001-02 and Rs.14.45 lakh during 2003-04 under grant number 79.
- Non-maintenance of expenditure control register by the Directorate to keep watch over progress of expenditure in sub units.
- Savings of Rs.15.21 crore during 2000 to 2004 under grants No. 79, 80 and 41.

The ISM&H was allotted only nine per cent of the total health budget of Rs.856.81 crore during the period 2001-04.

The ISM&H was allotted only nine per cent (Rs.79.16 crore) of the total health budget of Rs.856.81 crore while 91 per cent (Rs.777.65 crore) was allotted for Allopathy during the period 2001-04.

Pay, allowances and wages of staff ranged from 83 to 92 per cent of the total expenditure during 2001-04.

It was seen (**Appendix 3.3**) that the expenditure on pay, allowances and wages of staff ranged from 83 to 92 per cent of the total expenditure during 2001-02 to 2003-04. Expenditure on medicines and equipment ranged between four and 11 per cent during the same period. The quality of medical services was affected adversely due to negligible expenditure on medicines.

³² The provision of supplementary grant of Rs.1.21 crore of Rs.2.32 crore and Rs.14.45 lakh of Rs.3.04 crore was made unnecessarily.

Under utilisation of medicine budget*(Rupees in lakh)*

Year	Allotment	Expenditure	Surrender	Percentage of surrender of allotment
2000-01	35.77	27.71	08.06	23
2001-02	246.60	214.11	32.49	13
2002-03	232.02	143.05	88.97	38
2003-04	316.90	133.53	183.37	58

Thirteen per cent to 58 per cent of the budget allotment for purchase of medicines was not utilised during 2000-04.

As seen from the above table, 13 per cent to 58 per cent of the budget allotment for purchase of medicines was not utilised during 2000-01 to 2003-04. In reply, the Department stated that this was due to delay in supply of medicines by firms. The low use of medicines adversely affected the health care efforts.

3.3.6 Delivery of health services

There were six District Ayurvedic Hospitals in the State with a sanctioned bed strength of 180. Against this, the actual bed availability was only 95. Against available bed days of 1,00,375 the actual utilisation was 16,119 only that worked out to 16.05 per cent (*Appendix 3.4*).

An analysis of this data revealed the following:

Seventy five to 98 per cent bed capacities available in the six districts were not utilised during 2000-04.

Seventy five to 98 per cent bed capacity available in the six districts³³ were not utilised between 2000-01 and 2003-04. This was mainly due to poor clinical facilities, non-availability of medicines, shortage of nursing staff and absence of compounders etc.

Expenditure of Rs.19.76 lakh for the period 2001-04, on the pay and allowances on para medical staff and others engaged for in patients was infructuous.

Though a 30 bedded hospital was sanctioned in 1979 at Ambikapur the same was not functional till December 2004. Thus, an expenditure of Rs.19.76 lakh for the period 2001 to 2004 (December 2004) on the pay and allowances of nursing staff (3), ward boy (2), washerman (1), kitchen servant (1), cook (2) engaged for inpatients was infructuous.

The financial rules provide that store and stock accounts be prepared annually at the district as well as State level and physical verification conducted yearly. However, the stores and stock accounts were not prepared nor any physical verification conducted at any level. Absence of such a fundamental control left open the scope for misutilisation and pilferage of medicines. It was seen that medicines amounting to Rs.81,107 was issued to Balangi dispensary (District Ambikapur) vide voucher No.4 dated 26 June 03 and medicines worth Rs.51,290 were issued to Neelkanthpur dispensary (Ambikapur district) vide voucher No. 02/26 June 03 but they were not taken in the stock register of dispensaries as of December 2004.

³³

Ambikapur, Bilaspur, Durg, Dallirajhara (Durg), Jagdalpur, Raigarh & Raipur

It was further observed that the proper register, recording, receipts of medicines and their issuance were not maintained in all the dispensaries of Durg and Dhamtari districts.

3.3.7 Construction of dispensaries

Non-completion of 61 buildings compelled the Department to run 39 dispensaries in rented buildings.

The Government allotted Rs.2.38 crore to the Public Works Department (PWD) in December 2002 which was also drawn in 2002-03 for construction of 63 dispensary buildings to be completed within one year. Of these, only two dispensary buildings (Bastar District) could be completed (construction cost Rs.7.55 lakh) upto March 2004. Non-completion of 61 buildings compelled the Department to run 39 dispensaries in rented buildings. Thirteen dispensary buildings could not be started because of non-availability of land for construction and nine dispensaries were running in Janpad Panchayat buildings. The balance of Rs.2.30 crore was left with the PWD as of December 2004.

3.3.8 Non-posting of adequate staff

Twenty five per cent of the sanctioned posts remained vacant. There were 100 per cent vacancies in 29 categories (involving 68 posts).

Against 3,411 sanctioned posts as in July 2004, 844 posts (25 per cent) were vacant. There were 100 per cent vacancies in 29 categories. There were no Pathologists, Radiologists, Casualty Officers and Scientific Officers etc. against 68 sanctioned posts for these categories of specialists. Category wise vacancy position was as under:-

Category	Sanctioned Strength	Working Strength	Vacant post	Percentage of vacant posts
Medical	714	503	211	30
Para Medical	858	633	225	26
Others	1839	1431	408	22
Total	3411	2567	844	25

Thirty per cent of medical and 26 per cent para medical posts were vacant with consequent effect on quality of service rendered.

A large number of dispensaries in six districts were running without any doctor. However, an expenditure of Rs.4.73 crore was incurred on pay and allowances of para medical staff in these dispensaries during the period 2001-2004, as detailed below:

Dispensaries without any Doctor

Sl. No.	Name of district	Dispensaries without any doctor				Expenditure on support for the four years (Rs. in lakh)
		2000-01	2001-02	2002-03	2003-04	
1.	Raipur	--	27	28	29	68.05
2.	Dhamtari	12	12	11	11	50.48
3.	Jagdalpur	--	28	28	7	80.92
4.	Janjgir-Champa	29	30	27	32	102.84
5.	Durg	31	32	32	37	60.60
6.	Bilaspur	32	32	32	32	110.38
	Total	104	161	158	148	473.27

Further, it was noticed that in the Dhamtari district, four dispensaries³⁴ were running without deployment of regular medical and para-medical staff. However, part-time compounders in those four dispensaries were deployed for a day or two per week.

In 10 dispensaries in Champa-Janjgir district and seven dispensaries in Ambikapur only group 'D's (sweepers) were posted. Infructuous expenditure of Rs.14.79 lakh (2000-04) in Champa-Janjgir district and Rs.7.01 lakh (2000-2002) in Ambikapur district were incurred on the salary and wages of these group 'D' (sweepers).

It was, however, seen that no attempt was made by the Department to rationalise the posting of the paramedical and other staff from these dispensaries to the dispensaries which were actually functioning but had vacancies.

3.3.9 Lack of basic amenities in dispensaries

Scrutiny of records revealed that most of the dispensaries out of 690 were lacking in basic essential amenities like electricity (199), water connection (626), toilets (392) and residential accommodation (473) making the service rendered by them inadequate.

3.3.10 Production and quality control of drugs

The Department has one Ayurvedic Pharmacy at Raipur for manufacturing pure and reliable Ayurvedic medicines for supply to Government Hospitals and dispensaries. The Director was required to prepare a schedule for manufacture of medicines by the pharmacy. The Directorate did not fix any schedule or target for manufacture of medicines (2000-04), or keep the details of production nor monitored the working of the pharmacy.

Prohibitively higher cost of production in pharmacy

(Rupees in lakh)

Year	Operational cost	Cost of medicine produced	Cost of medicine as percentage of running cost
2000-01	62.37	17.64	28
2001-02	49.86	08.27	17
2002-03	60.04	28.64	48
2003-04	83.03	44.50	54

The cost of medicine produced during the period 2000-04 ranged from a meagre 17 per cent to 54 per cent of the running cost of the pharmacy.

The cost of medicines produced during the period 2000-04 ranged from a meagre 17 per cent to 54 per cent of the running cost of the pharmacy. Thus the operation of the pharmacy was not cost effective. The Department stated that due to shortage of machinery and equipment medicines could not be manufactured.

Non-testing of raw herbs and finished medicines in Drug Testing

³⁴

Barna, Fursia, Singpur and Umargaon

Laboratory (DTL).

The Drugs and Cosmetics Act, 1940, provides for testing and analysing Ayurvedic, Siddha and Unani drugs. The pharmacopoeial standards for ayurvedic formulations issued by the GOI lays down the extent and nature of tests to be conducted on the raw herbs and finished drugs.

A Drug Testing Laboratory was functioning at Raipur College to carry out quality control tests of raw herbs purchased as well as the finished products manufactured in the Pharmacy. The method of standardisation of products was to be as per monograph of Ayurvedic pharmacopoeia of India. No instructions were issued by the Director on functioning of the DTL.

Out of 250 samples of herbs and 686 samples of finished goods, only six samples were tested during 2000-04.

Scrutiny of records revealed that during 2000-04, while 250 samples of herbs and 686 samples of finished goods were required to be sent to DTL for testing, only six samples were tested. In the absence of tests by DTL the quality of raw herbs and finished products could not be assured.

The Department replied that there was no regular staff for testing of samples in the DTL and services of part time lecturers were utilised for test purposes.

Unfruitful expenditure on purchase of machinery

Government of India had provided Rs.1.25 crore in November 2000 for purchase of machinery for the pharmacy at Raipur.

Amount of Rs.1.25 crore provided by GOI in November 2000 for purchase of machinery not yet gainfully utilised (December 2004).

An advance payment of Rs.80.21 lakh was made (2003-04) to the Hospital Services Consultancy Corporation Limited, Noida, (UP) (HSCC) for purchase of machinery. Machinery worth Rs.40.04 lakh was received and installed, machinery worth Rs.28.32 lakh was received but not installed and machinery worth Rs.11.85 lakh was not supplied by the firm till December 2004. Even the installed machinery could not be put to use due to non-availability of trained operators. The department stated that some machinery were uninstalled due to non-availability of adequate buildings.

The reply of the department was an acceptance of faulty planning as trained operators and building availability were essential prerequisites that should have been ensured before orders for purchase of machinery were placed.

Infrastructure for education under the system

3.3.11 Functioning of Ayurvedic college Raipur

The Ayurvedic College and Hospital, Raipur imparts education in Ayurveda System of Medicines. The administrative control of the College is vested in the Secretary, Health Medical Education and Family Welfare Department, who is assisted by the Director, *Desi Chikitsa* and the Principal, Ayurvedic College.

The Central Council of Indian Medicine (CCIM) established under the Central Council of Indian Medicine Act 1970, prescribed standards with regard to teaching facilities, student bed ratio, number of Para Medical and non-Para

Medical staff and other necessary infrastructure for the colleges and attached hospitals. The standards were not followed as discussed below.

Student bed ratio below the norms

As against the norms, of 275 beds required for the 55 sanctioned seats of students, only 110 beds were available.

According to the norms prescribed by the CCIM, the student bed ratio should be 1:5. However, to begin with 1:3 bed ratio may also be acceptable and there should be at least 100 beds in a Hospital to start a new Ayurvedic College. As per these norms, 275 beds are required for the 55 sanctioned seats of students. The bare minimum requirement at the ratio of 1:3 is 165 beds. However, only 110 beds were available at the Ayurvedic College Hospital Raipur, which is below the norms. Due to shortage in bed strength, the quality of training given to students remained deficient.

Low bed occupancy in hospital

The occupancy of beds in the Hospital attached to the Ayurvedic college is shown below:

Name of College	Year	Beds available	Occupancy capacity in a year (Beds x 365)	Actual occupancy in a year	Percentage of actual occupancy
Government Ayurvedic College, Raipur	2000-01	110	40150	15184	38
	2001-02	110	40150	13753	34
	2002-03	110	40150	11613	29
	2003-04	110	40150	12541	31

The opportunity of practical experience was limited by low bed occupancy ranging from 29 to 38 per cent.

The table discloses that the bed occupancy was very low ranging between 29 per cent (2002-03) and 38 per cent (2000-01). This implied that the students had limited exposure to gain practical experience by treating patients.

Sub-standard diet to the patients

Quality of diet was not monitored and provided at very low cost due to non revision of rates from 1983.

The Public Health and Family Welfare Department (July 1983) had prescribed the cost per diet for indoor patients at Rs.8 per day. The scale and cost of diet were to be reviewed in 1988 but had not been reviewed as of July 2004. Thus, the diet cost of Rs.8 per day was a meagre amount in 2000-04 and the prescribed diet including milk, fruit, *gud* and ghee could have not been supplied at this rate. There was no system to check the protein and calorie content of the diet served to the patients and the quality of the cooked food was also not being tested.

The Department admitted that neither the protein and calorie content nor the quality of the cooked food served to the patients was tested. The rates have not been revised and diets were provided within the sanctioned cost.

The dietary needs of indoor patients remained totally neglected.

Inadequate teaching staff in college

In view of the acute shortage of teaching staff, quality of education imparted was affected adversely.

As per CCIM norm, 14 Professors, 14 Readers and 30 Lecturers were required whereas nine posts of Professor, 19 posts of Reader and 28 post of Lecturer were sanctioned. However only six professors, five Readers and 18 Lecturers were actually posted. In view of the acute shortage of teaching staff, the quality of education imparted was adversely affected.

Only five to seven seats were filled up against 20 seats in postgraduate classes.

During 2001-04, out of 20 seats in postgraduate classes, only five to seven seats were filled up every year. There was no admission during 2000-01. In view of the poor intake and lack of essential infrastructure and staff, the continuation of postgraduate classes required a review.

Shortage of medical and para medical staff

As per CCIM norm 176 posts of Medical, Para Medical and other category of staff were to be sanctioned for the Medical College. The State Government sanctioned only 75 posts against which 39 persons were actually in position affecting the quality of practical training and proper functioning of the Medical College Hospital.

Non-preservation and promotion of herbal garden

Even after lapse of seven years, no medicinal plants were planted thus denying the students of an important educational tool.

The Central Council of Indian Medicine has prescribed setting up of a Herbal Garden for Ayurvedic Colleges and attached Hospitals. This should be in proximity to the college and all possible medicinal plants should be grown in the Herbs Garden for identification and demonstration. The Government Ayurvedic College possesses 10 acre of land for the herbal garden. An amount of Rs.5 lakh was received from Central Government for development of garden on 25th August 1998. The expenditure was incurred on fencing, shaping of land and digging of water well. However, even after lapse of seven years no medicinal plants were planted, thus the very objective of having such herbal garden in the proximity of college and Hospital was defeated and denied the students of an important educational tool.

The department stated that no herbs were planted because no further grant was received from Government. Thus, the initial expenditure of Rs.5 lakh remained unfruitful due to lack of followup on developing the garden.

Non-functioning of X-Ray machine

Pay and allowances of Rs.7.57 lakh of two idle X-ray technicians was infructuous.

The sole X-Ray Machine in Ayurvedic College became non-functional in 1987 and was lying idle ever since and no new machine was installed. Two X-Ray technicians were drawing pay and allowances without any work. Thus, pay and allowances for the period 2001 to 2004 amounting to Rs.7.57 lakh was infructuous.

On being pointed out in audit the Department stated that matter was referred to the Government (May 2001) but reply is still awaited.

3.3.12 Internal control system

Out of the 18 units to be audited in a year only one unit was audited during the period 2001-04 by internal audit wing.

An Internal audit wing has been set up in the department for conducting the internal audit of field units. Out of the 18 units to be audited in a year only one unit was audited during the period 2001-04.

The Director stated that audit of units could not be completed due to shortage of staff.

Sixteen IRs containing 40 paragraphs involving an amount of Rs.11.30 crore were outstanding for compliance.

Of the Inspections Reports (IRs) issued by the Accountant General as at the end of the December 2003, 16 IRs containing 40 paragraphs involving an amount of Rs.11.30 crore relating to the Director and its subordinate offices were outstanding for compliance. This pendency was indicative of *lackadaisical* attitude towards settlement of outstanding observations on the part of the Director and its subordinate offices.

3.3.13 Conclusions

Despite the importance of promoting low cost and easily accessible treatment especially for the poor populace of Chhattisgarh, Indian Systems of Medicine and Homeopathy were languishing due to low allotment of funds as compared to allopathic system, shortage of staff, infrastructure and diagnostic facilities in various secondary/tertiary institutions and also inefficient functioning of the established facilities. The teaching and training facilities for ISM&H suffered due to low bed occupancies and inadequate staff. The production of drugs was very marginal and the testing of drugs so produced was also very low.

3.3.14 Recommendations

- ❑ The health care delivery system of ISM&H is suffering in several key areas due to inadequate funds; the State should consider a review of allocation of funds.
- ❑ The system of drug testing is languishing due to shortage of staff and equipment. The drug testing laboratory needs to be modernised to ensure effective quality control of drugs.
- ❑ Basic infrastructural facilities and staff may be ensured in all existing dispensaries/hospitals before sanctioning new ones.
- ❑ Fund allotted for construction of dispensary buildings should be optimally put to use and construction expedited.

LABOUR DEPARTMENT

3.4 Implementation of the Child Labour (Prohibition and Regulation) Act, 1986

Highlights

Prohibition of employment of children below 14 years of age in hazardous employments and regulation of working conditions of children in non-hazardous occupations are the main features of the Act. The Department of Labour at State Government level was the implementing agency. In the State, 104 special schools under five National Child Labour Projects (NCLPs) were opened during 1995-96. Nine Hundred and Ninety Six children were found working in hazardous occupations (April 1997). To eliminate the child labour from hazardous occupations, regular inspections of such establishments was an essential aspect. However, enforcement machinery for implementation of the Act and mechanism to ascertain the extent of children employed in various occupations was not devised. The target of inspection by labour inspectors fixed by Labour Commissioner in January 2004 could not be achieved. The following key audit findings emerged during the review.

- NCLP Bilaspur incorrectly included Rs.9.34 lakh in the utilisation certificate for the year 2002-03 sent to the Government of India.

(Paragraph 3.4.8)

- Bank interest of Rs.9.36 lakh earned was not included in the utilisation certificate by NCLP, Durg.

(Paragraph 3.4.8)

- Against prescribed 25,600 inspections during January 2001 to April 2004 only 10 *per cent* (2,456) inspections were carried out by inspectors notified under the Child Labour Act.

(Paragraph 3.4.7)

- Ineligible children were provided education in the special schools functioning under NCLPs.

(Paragraph 3.4.9)

- Non-utilisation and improper utilisation of funds provided for awareness generation.

(Paragraph 3.4.9)

3.4.1 Introduction

Extreme poverty, lack of opportunity for gainful employment and uncertainty of income are generally recognised as the main reasons for the wide prevalence of child labour in India. Elimination of child labour and compulsory primary education are concerns of the whole nation.

The Government of India (GOI) enacted the Child Labour (Prohibition and Regulation) Act, in 1986 (Act). The Child Labour (Prohibition & Regulation) Rules were framed in 1988 by the Central Government. In exercise of the powers conferred by the Act, the Madhya Pradesh Government framed the Madhya Pradesh Child Labour (Prohibition and Regulation) Rules, 1993 which have been adopted by the newly formed Chhattisgarh State in October 2002.

Prohibition of employment of children below 14 years of age in hazardous employments,³⁵ regulation of working conditions of children in non-hazardous establishments and punishment of offenders are the main features of the Act. Any person, police officer or inspector may file a complaint of commission of an offence under this Act in any court of competent jurisdiction.

To rehabilitate children working in hazardous occupations, they were to be trained in the special schools opened under the National Child Labour Projects (NCLP) and then mainstreamed to formal schools.

3.4.2 Organisational set-up

Provisions of the Act are implemented by the Principal Secretary of Labour Department and the Labour Commissioner of the State. They are assisted by four Assistant Labour Commissioners³⁶ and five Labour Officers³⁷. National Child Labour Projects are operational in five districts and are implemented by the project societies chaired by District Collectors.

3.4.3 Audit objectives

The review on implementation of the Child Labour (Prohibition & Regulation) Act 1986, was aimed at assessing:

- Difficulties in implementation of certain provisions of the Act and Rules.
- Mechanism for regulation and prohibition of employment of children in various occupations.
- Mainstreaming of children in regular education system.
- Monitoring the implementation of the provisions of the Act.

³⁵ As notified by GOI from time to time

³⁶ Bilaspur, Raipur, Durg and Korba

³⁷ Bilaspur, Durg, Raigarh, Rajnandgaon and Surguja

3.4.4 Audit coverage

All the five NCLPs³⁸ functioning in the State, District Labour Offices of the same five districts and office of the Labour Commissioner, Chhattisgarh were covered in the review. Thirty five out of 104 special schools running under NCLPs were also covered. The period covered under the review was 1999-2004. Results of test check in audit are discussed below.

3.4.5 Difficulties in implementing certain provisions of the Act and Rules

As per Section 24 of Madhya Pradesh Shops and Establishment Act, 1958 adopted in Chhattisgarh, no child shall be required or allowed to work in any establishment. The Child Labour Act prohibits employment only in hazardous occupations and regulates employment of children in non-hazardous occupations. Such inconsistency between a State Act and the Central Act makes implementation of the Acts difficult.

The provisions of Child Labour Act are not applicable to factories defined under the Factories Act. However, as per Section 15 of Child Labour Act any person who is found guilty of an offence committed under Section 67 of the Factories Act is liable for penalties provided in the Child Labour Act. Section 67 of Factories Act, 1948 provides that no child who has not completed his 14th year shall be required or allowed to work in any factory. The violation under the Factories Act is required to be enforced by the factories inspectors and not by officers notified as inspectors under the Child Labour Act. To this extent violations under Factories Act remain outside the purview of inspectors under the Child Labour Act.

Ambiguity in definition of "Child Labour " in the Act.

As per proviso to section 3 of the Child Labour Act, nothing in the section shall apply to children employed in a family enterprise. Consequently, labour inspectors found children working in Kosa silk and Bidi industry (Raigarh), but no action could be taken against the employers who were able to legally justify the employments based on the above provision.

3.4.6 Prohibitory functions under the Act

Under the Child Labour Act, employment of children below 14 years in notified hazardous industries is punishable by imprisonment from three months to one year or by fine upto Rs.20,000 or both. The Hon'ble Supreme Court (1996) has given detailed directions on rehabilitation of child labour withdrawn from hazardous occupations.

A Survey conducted in April 1997, 996 children working in hazardous occupations and 644 children working in other occupations were identified.

The one and only survey at the State level for identifying child labour was conducted by a team constituted by District Collectors in April 1997 in compliance of the Supreme Court directives. It identified 996 children working in hazardous occupations under 494 employers and 644 children working in non-hazardous occupations.

³⁸

Child labour rehabilitation-cum-welfare fund was constituted only in two districts.

Records of Labour Commissioner, Raipur showed that all 996 children were withdrawn from hazardous occupations. Based on Supreme Court directives, Child Labour Rehabilitation-cum-Welfare Fund were constituted in only two districts (Bilaspur and Raigarh) in March 1998. Compensation amount of Rs.4 lakh collected from 20 employers (1: Bilaspur, 19: Raigarh) was deposited in this fund. Show cause notices for recovery of Rs.20,000 per child were issued for all 996 children to the concerned 494 employers. As many as 458³⁹ employers contested their liabilities but information regarding further prosecution/conviction/acquittal was still awaited (January 2005). It was further noticed that the Labour Commissioner did not make any periodic compilation of data to monitor action on identified defaulters such as number of children detected in surveys, total defaulters, number of show cause notices issued, number of cases sent for prosecution, results thereof, etc. Nine hundred and thirteen children out of 996 were enrolled in special schools run by district project societies of the State in 1997-98. Moreover, 400 adult members⁴⁰ of the families whose children were withdrawn from hazardous occupations were offered some form of livelihood by the State Government (upto 2003-04) but the remaining 596 families could neither be provided with alternative employment nor did the State Government contribute Rs.5000 for each child towards the Child Labour Rehabilitation-cum-Welfare Fund (fund) (June 2004). During the last five years no efforts to provide alternative employment were made by the Government even though several schemes had been sanctioned under various rural development agencies.

3.4.7 Regulatory functions under the Act

Non-compliance of the provisions of the Act, renders employers liable for imprisonment for a term not exceeding one month or with a fine upto Rs.10,000 or with both.

Sections 6 to 13 of the Act deal with the regulation of working conditions of children in establishments where there is no prohibition on employment of children. Every employer, if he employs a child in his establishment (a) cannot take work from a child for more than five hours in a day; (b) shall furnish a written notice to the inspector concerned, containing name, situation and nature of occupation of the establishment; (c) every employer in respect of children employed shall maintain a register containing details such as name, date of birth of child, working hours and such other particulars as may be prescribed; the register should be made available for inspection by the inspector at all times; and (d) every employer shall display a notice containing an abstract of Sections 3 and 14 of the Act. In case of non-compliance of the said provisions, the employers are liable for imprisonment for a term not exceeding one month or a fine upto Rs.10,000 or both.

³⁹ Details of recoveries from 16 employers awaited by the Department
⁴⁰ Bastar: 174, Bilaspur:28, Raigarh:172, Janjgir:9, Korba:17

It was observed in audit that owners of the establishments did not furnish the prescribed written notices to the inspectors in any of the test-checked districts. No mechanism to ascertain the extent of children employed in various occupations was devised in any district.

Between January 2001 and April 2004, 2,456 establishments were inspected in the State and 136 employers were prosecuted in court of law for non-compliance of various provisions of the Child Labour Act.

Inadequate inspection of establishments by Labour Inspectors.

In January 2004, the Labour Commissioner, Chhattisgarh fixed a target of 10 inspections per inspector per month. In the absence of the targets for the period upto January 2004, the extent to which there was shortfall in actual number of inspections could not be worked out. However, on the basis of the norm of 10⁴¹ inspections per month per inspector 25,600 inspections were to be carried out and only 2,456 were actually carried out, indicating a shortfall of 23,144 for the period January 2001-April 2004. This translated to a shortfall of 90 *per cent* in the number of prescribed inspections by the inspectors during January 2001 to April 2004 in the State. Moreover, 21 posts of labour inspectors were lying vacant in the State which led to shortfall in the number of inspections by labour inspectors and ineffective implementation of the regulatory functions envisaged in the Act.

Thus the implementation of the regulatory functions under the Act was ineffective due to inadequate number of inspections in the State.

3.4.8 Functioning of National Child Labour Projects (NCLPs)

The NCLPs were set up with the primary objective of rehabilitating children withdrawn from hazardous employment. In each NCLP area, a project society under the Chairmanship of the District Collector is required to undertake activities such as the establishment of special schools, provision of other welfare measures like skill/craft training, supplementary nutrition, stipend, health care etc. to children withdrawn from employment.

Being a fully funded Central Sector Project, the funding is done by the Ministry of Labour (MOL), GOI directly to the district project societies. The details of grants-in-aid released by GOI to all the five district project societies of the State and expenditure incurred during 1999-2000 to 2003-04 by them was as under:

⁴¹ Ten inspections per month by 64 inspectors in 40 months

Consolidated account of Grant Receipt and Expenditure for the period from 1999-2000 to 2003-04 for all the five districts

(Rupees in lakh)

Year	Opening Balance	Grant released by GOI	Other receipt	Total receipts	Total expenditure	Closing balance
1999-2000	62.37	72.31	4.91	139.59	90.26	49.33
2000-2001	49.33	137.50	4.22	191.05	106.31	84.71
2001-2002	84.71	105.65	3.90	194.26	160.25	34.01
2002-2003	34.01	187.04	4.87	225.92	190.70	35.24
2003-2004	35.24	154.74	1.58	191.56	167.43	24.13
	62.37	657.24	19.48	739.09	714.96	24.13

Out of total expenditure of Rs.7.15 crore during 1999-2000 to 2003-04, Rs.4.70 crore (66 per cent) was incurred on stipend, nutrition, administrative and other expenditure and the remaining Rs.2.45 crore (34 per cent) was spent on pay and allowances of instructors and staff of NCLPs. Stipend aggregating to Rs.21.30 lakh was diverted towards food expenses in Raigarh district during 1999-2002. It was paid subsequently in March 2003 after delay of more than a year.

Incorrect inclusion of Rs.9.34 lakh in the utilisation certificate (UC)

Utilisation certificate included a liability of Rs.9.34 lakh.

The annual accounts (2002-2003) of NCLP, Bilaspur included an amount of Rs.9.34 lakh representing a liability on account of honorarium of instructors, stipend, nutrition and vocational material of special schools. This amount was wrongly included as expenditure in the utilisation certificate for Rs.32.83 lakh sent to GOI (November 2003). In reply the project Director stated that the claims submitted by NGOs running the schools were under scrutiny. This indicated that an incorrect utilisation certificate was sent to the Government of India.

Bank interest excluded from UC

Bank interest of Rs.9.36 lakh earned was not included in the utilisation certificate.

In violation of the provisions of the schemes, bank interest amounting to Rs.9.36 lakh earned in NCLP, Durg from 1995-96 to 2002-03 was not included in the receipt under the utilisation certificate submitted to the GOI, Ministry of Labour (as clarified by Chairman NCLP, Durg in June 2004).

3.4.9 Programme management

Date of commencement of NCLPs, registration of district project societies and number of schools run by them was as under:

Sl. No.	Name of district	Date of commencement of NCLP	Date of registration of district project society	No. of special schools		Number of children enrolled				
				Sanctioned by GOI	Operational (as of 6/2004)	1999-2000	2000-01	2001-02	2002-03	2003-04
1.	Bilaspur	30 Jan 96	5 Oct.95	25 school of 100 children each	12 (100 children each)	1042	1054	1130	1073	1108
2.	Durg	12 Oct 95	12 Oct 95	40 schools of 50 children	40 (50 children each)	1130	2343	2000	1710	1922
3.	Raigarh	01.Aug.96	7 Sept.95	10 schools of 100 children	15 (50 children each)	575	700	731	729	748
4.	Rajnandgaon	6 Nov.95	20 Oct.97	40 school of 50 children each	19 (50 children each)	912	820	680	475	674
5.	Surguja	6 Jan 96	26 Sept. 97	24 schools of 100 children	18 (100 children each)	929	977	970	1083	1151
	Total			139	104	4588	5894	5511	5070	5603

The table indicated large variation in number of children enrolled in special schools. The Project Directors attributed this to migration and non-availability of children eligible for enrollment in special schools.

Enrollment of ineligible children in schools

Special schools provided education mainly to ineligible children.

Of the 139 special schools sanctioned, 104 had been opened upto June 2004. They were managed either by Project Societies directly or by NGOs. The special schools were sanctioned to provide education only to children withdrawn from hazardous employment and to mainstream them in the regular educational system.

During the sole survey conducted in April 1997, only 996 children were found working in hazardous occupations in the State of which 913 were enrolled in special schools in 1997-98. In subsequent years no other centralised survey was conducted. The agencies running the special schools conducted occasional local area surveys and enrolled children. These children were not employed in hazardous occupations but were mostly doing *kabadi* work, agricultural work with adults of their family, domestic work etc. and were not eligible for study in the special schools. Thus, after the initial enrollment of 913 eligible children, the five NCLPs made no effort to extend the benefits to other deserving children withdrawn from hazardous occupation. The schools continued to function by enrolling and spending major portion of Rs.7.15 crore on children who were not eligible to study in these schools. Inaction in conducting survey and identifying eligible children resulted in infructuous expenditure on ineligible children in schools and denial of education to intended beneficiaries.

Staff in position

All 18 schools of Surguja district were running without vocational instructors during the period 1999-04

Against the sanctioned strength of 54 educational instructors in 18 special schools of Surguja project society, only 27 instructors (50 per cent) were in position. All 18 schools of Surguja district were running without vocational instructors during the period 1999-04. No vocational training was imparted to the children, yet vocational material worth Rs.3.65 lakh was purchased during 1999-2003 in NCLP, Surguja.

Likewise in Rajnandgaon 16 schools out of 19 were without vocational instructors.

Failure of awareness generation programme

Out of Rs.15 lakh received for awareness generation, Rs.10.52 lakh remained unspent in three project societies.

Rupees 5 lakh were received in each of five NCLPs of the State during 1995-96 to 1996-97 for awareness generation. It was envisaged that awareness could be generated through print and electronic media, wall painting, street corner meetings, debates, quiz contest etc. In three project societies an amount of Rs.10.52 lakh⁴² (out of Rs.15 lakh received) could not be spent. In NCLP, Raigarh, Rs.2.82 lakh was spent during 1996-99 on purchase of furniture, repairing of typewriters, hire charges of vehicles, salaries etc. which was not admissible under the activity. Further, the Surguja society did not submit yearwise utilisation certificates of funds received (Rupees five lakh) to the MOL, GOI till May 2004. The awareness generation programme thus remained a non-starter.

Main streaming

It was envisaged that children studying in special schools would pass a class V level examination with three years of instructions and join the mainstream education by getting admission to Class VI. Scrutiny revealed that:

A total of 26,666 children⁴³ were enrolled during 1999-2004 in the NCLP schools, 3,514 children appeared in Class V exam and only 2,401 (68 per cent) could finally get admission in mainstream schools in class VI during this period. The mainstreaming was stated to be 100 per cent in Durg district whereas in Bilaspur, Rajnandgaon and Surguja it was only 51 per cent indicating that mainstreaming was deficient in these districts. Further, in Raigarh, NCLP, 396 children reported to have been brought into mainstream appeared to be overstated as only 238 children had appeared in class V examination.

There was absolutely no record of tracking the further progress of the mainstreamed children though this was required under the scheme.

3.4.10 Monitoring and evaluation

In order to ensure that the objectives of the Act are achieved in an effective manner, the various regulatory functions require close monitoring by Government/Head of Department.

State Monitoring Committee for monitoring the implementation of NCLP was not constituted.

State Monitoring Committee for monitoring the implementation of NCLP was not constituted. Database of establishments employing child labour, number of children employed in various occupations, influx of new child labour or reduction in number of child labour etc. was not developed. In fact, monthly or periodical monitoring was never done at State level. No periodical meetings to monitor/evaluate the problem were held in the State.

⁴² Bilaspur Rs.2.52 lakh lying unspent, Surguja Rs.5 lakh lying unspent in the bank accounts and Rajnandgaon Rs.3 lakh refunded to Government of India.

⁴³ Bilaspur 5,407, Durg 9,105, Raigarh 3,483, Rajnandgaon 3,561 and Surguja 5,110

3.4.11 Conclusions

The inconsistency between the State Act and the Central Act hampered implementation of the Act. The mechanism for enforcement of the provisions of the Act was deficient and 21 posts of Labour Inspectors as against 85 sanctioned posts were lying vacant in the State. Since the 1997 survey, no further systematic efforts were made to ascertain the extent of children employed in various hazardous occupations. Of 996 children identified as working in hazardous occupations, only 400 members of the families were offered some form of livelihood and the remaining 596 families were not provided alternate employment. Of 139 special schools sanctioned for these children, only 104 schools had been opened. Out of the children enrolled in special schools, many had not been mainstreamed. Due to enrollment of a large number of ineligible children in NCLP schools, the objective of opening of NCLP schools specifically for the children withdrawn from hazardous occupations was negated. In the absence of structured monitoring mechanism as well as periodical surveys, the implementation of the provisions of the Act remained directionless.

3.4.12 Recommendations

- ❑ To strengthen the enforcement machinery, adequate arrangements and appropriate funding should be provided with proper monitoring for ensuring prescribed number of inspections.
- ❑ Detailed and periodic survey should be done to identify child labour.
- ❑ To generate empathetic response against the evil of child labour, full utilisation of money received in NCLPs for awareness generation may be ensured.