

## CHAPTER III

### CIVIL DEPARTMENTS

#### SECTION-A : REVIEWS

#### HEALTH DEPARTMENT

#### National Programme for Prevention and Control of Diseases

##### 3.1 National Tuberculosis Control Programme (NTCP)

National Tuberculosis Control Programme (NTCP) introduced in Goa since 1963 is implemented as a 100 percent centrally sponsored scheme. The State had not spent Rs.66.34 lakh received as grants during 1996-97 - 2000-01. The targets prescribed were unrealistic and not based on survey/prevalence of disease. On an average about 70 beds per month in TB Hospital, Margao were utilized against availability of 160 bed strength during 1996-2001. The percentage of TB defaulter patients was 55 during 1996-2001 and infructuous expenditure on partial treatment of defaulters was Rs.3.82 crore (approx.). Evaluation of the programme was not carried out to ensure effective implementation.

#### Highlights

- Revised NTCP was not implemented in the State of Goa.  
(Paragraph 3.1.4)
- There was unspent grant of Rs. 66.34 lakh during 1996-97-2000-01.  
(Paragraph 3.1.5 – 3.1.9)
- About 70 beds were utilized in the T B Hospital, Margao out of 160 bed strength during 1996-2001.  
(Paragraph 3.1.10)
- Targets fixed were unrealistic and not based on survey/prevalence of disease.  
(Paragraph 3.1.11 – 3.1.13)
- Evaluation of the programme was not carried out to ensure effective implementation.  
(Paragraph 3.1.14, 3.1.15)

## **Introduction**

3.1.1 The National Tuberculosis Control Programme (NTCP) was launched by Government of India in the year 1962. In 1992 it was reviewed by a committee of experts. Based on the findings of this review committee, a revised strategy for National Tuberculosis Control Programme was evolved with emphasis on cure of infectious cases through short course of chemotherapy to achieve a cure rate over 85 per cent. Emphasis was also laid on the augmentation of case finding activities to detect 75 per cent of estimated cases only after having a desired cure rate. The NTPC was introduced in the state of Goa in the year 1963 as a centrally sponsored scheme with 100 per cent finance from the Government of India.

## **Organizational set up**

3.1.2 The Chief Medical Officer (CMO) is in charge of implementation for NTCP in the State of Goa under the overall supervision of the Director of Health Services, Panaji. The Chief Medical Officer is assisted by one Health Officer at State Headquarters, Panaji. The implementation of the programme is done in six hospitals, including two T B Hospitals located in North and South Goa, four Community Health Centres and twenty one Primary Health Centres in the State which are divided into ten x-ray centers and 21 microscopic centres. The technical monitoring of these centres is done by the Chief Medical Officer at the District Tuberculosis Centre, Panaji. Goa being a small state District Tuberculosis Officer (DTO) and Programme Officer (CMO) is one and the same.

## **Audit Coverage**

3.1.3 A review of the implementation of the programme in the state was conducted during April to June 2001 with test check of records maintained at the Directorate of Health Services, Panaji, Chief Medical Officer, National Tuberculosis Control Programme, State Headquarters at Panaji, T B Hospital and Urban Health Centre, Margao, Community Health Centre, Ponda and six Primary Health Centres at Chinchinim, Cortalim, Betki, Corlim, Candolim and Bicholim with coverage of 33 per cent expenditure under the programme in the state.

## **Implementation of the programme**

3.1.4 As per the National Tuberculosis Control Programme, each district should have one District Tuberculosis Centre (DTC) which acts as a referral centre and also as the headquarters. At the Sub-District level a T B unit (TU) should be created for about 5 lakh population. Each TU comprises of one Medical Officer, one Senior T B Laboratory Supervisor (STLS) and a Senior Treatment Supervisor (STS) both with formal training and orientation of the

revised NTCP. As Goa's population as per 1991 census is 11.69 lakh and the State has two districts, and as such at least two T B Units with above staff in each district were required. However there were no T B Units in Goa. It was stated that the proposal for another DTC in South Goa was submitted by the CMO, NTCP to the higher authorities in March 2001. As regards to non-establishment of T B Units it was further stated (March 2001) that the revised NTCP had been introduced by Government of India in the state of Goa only in August 2001.

### Financial performance

3.1.5 The budget provision and expenditure incurred under Plan and Non-Plan schemes during 1996-97 to 2000-01 was as under\*:

**TABLE 3.1**

Year	Plan			Non-Plan			Total		
	Budget provision	Expenditure	Excess(+) Savings (-)	Budget provision	Expenditure	Excess(+) Savings(-)	Budget provision	Expenditure	Excess(+) Savings(-)
(Rupees in lakh)									
1996-97	1.00	0.98	(-) 0.02	20.76	21.41	(+) 0.65	21.76	22.39	(+) 0.63
1997-98	7.19	6.87	(-) 0.32	24.70	22.55	(-) 2.15	31.89	29.42	(-) 2.47
1998-99	2.90	2.86	(-) 0.04	34.96	31.14	(-) 3.82	37.86	34.00	(-) 3.86
1999-00	3.12	3.07	(-) 0.05	32.80	24.06	(-) 8.74	35.92	27.12	(-) 8.79
2000-01	1.10	--	(-) 1.10	35.04	29.77	(-) 5.27	36.14	29.77	(-) 6.37
<b>Total</b>	<b>15.31</b>	<b>13.78</b>	<b>(-) 1.53</b>	<b>148.26</b>	<b>128.93</b>	<b>(-) 19.33</b>	<b>163.57</b>	<b>142.71</b>	<b>(-)20.86</b>

3.1.6 The plan provision was mainly for the implementation of the scheme and fully funded by Government of India and Non-Plan provision was for pay and allowances, contingencies etc. to be met from State finances.

3.1.7 Out of the total grants of Rs.1.64 crore provided by the Central and State Government from 1996-97 to 2000-01 the department had spent Rs.1.43 crore during the above period and leaving unutilized grant of Rs.20.86 lakh (Central Grant Rs. 1.53 lakh and State Grant Rs.19.33 lakh) till March 2001. It was stated (June 2001) that the unutilized grants were due to transfer of surplus B C G Technicians to Anti-Malaria Section of Directorate of Health Services, Panaji in April 1998. Further one post of Health Officer attached to this programme was shifted to Primary Health Centre, Sanquelim in the year 2001.

3.1.8 The state Government is having a T B Hospital at Margao under the control of the Director of Health Services, Panaji. The entire expenditure of

\* The figures in the above table were taken from Detailed Appropriation Account of the Government of Goa

the hospital was met from the State funds. The budget provision and expenditure incurred by the above hospital during 1996-97 to 2000-01 was as under:

**TABLE 3.2**

Year	Plan Expenditure			Non-Plan expenditure			Total expenditure		
	Budget provision	Expenditure	Excess(+) Savings (-)	Budget provision	Expenditure	Excess(+) Savings(-)	Budget provision	Expenditure	Excess(+) Savings(-)
(Rupees in lakh)									
1996-97	9.87	9.20	(-) 0.67	82.12	82.86	(+) 0.74	91.99	92.06	(+) 0.07
1997-98	12.05	11.22	(-) 0.83	88.30	85.91	(-) 2.39	100.35	97.13	(-) 3.22
1998-99	15.80	14.11	(-) 1.69	116.11	115.13	(-) 0.98	131.91	129.24	(-) 2.67
1999-00	15.70	13.52	(-) 2.18	115.40	115.10	(-) 0.30	131.10	128.62	(-) 2.48
2000-01	17.15	11.54	(-) 5.61	125.49	93.92	(-) 31.57	142.64	105.46	(-) 37.18
<b>Total</b>	<b>70.57</b>	<b>59.59</b>	<b>(-) 10.98</b>	<b>527.42</b>	<b>492.92</b>	<b>(-) 34.50</b>	<b>597.99</b>	<b>552.51</b>	<b>(-) 45.48</b>

3.1.9 It was noticed that out of Rs.5.27 crore provided by the State Government during 1996-97 to 2000-01, the department had spent Rs.4.93 crore during the above period leaving unspent grant of Rs.34.50 lakh as on 31 March 2001. It was stated in June 2001 that savings were due to vacancies of various posts.

#### **Under-utilization of bed strength of T B Hospital, Margao**

3.1.10 T B Hospital, Margao is functioning since pre liberation days (i.e. 1961) with bed strength of 160 patients. Subsequently (May 2001) 30 beds were earmarked exclusively for Drug Detoxification Centre Ward (DDC). The actual occupancy of bed strength was 60 to 70 patients per month on an average. This had resulted in under-utilization of hospital infrastructure. It was stated by the Medical Superintendent of the T B Hospital (June 2001) that patients preferred to be treated under domiciliary treatment rather than hospitalization. Secondly due to short course chemotherapy there were fewer complicated cases of empyema, hydropneumo thorax etc. and 30 beds were given (May 2001) for Drug Detoxification Centre (DDC) ward. Despite transfer of 30 beds for DDC ward still there remained 130 beds and occupancies thereof ranged between 46 to 54 per cent only.

#### **Targets and achievements of the programme**

3.1.11 The tuberculosis patients (T B) are detected either originally or after reference from referral centers with the help of sputum examination and x-rays. Once the patient is identified as positive, treatment is given immediately.

The treatment renders the patients non-infectious within 3 months and the minimum period of treatment is one year.

3.1.12 The targets and achievements under case detection, case treatment and cases discharge during 1996-97 to 2000-01 were as under:

**TABLE 3.3**

Year	Case detection		Case treatment		Case discharged	
	Target	Achievement	Target	Achievement*	Target	Achievement*
(In numbers)						
1996-97	2000	2867	2000	3222	2000	1475
1997-98	1844	2866	1844	2321	1844	1199
1998-99	1874	2649	1874	2822	1874	1620
1999-00	1874	2306	1874	2498	1874	1448
2000-01	1874	2443	1874	2647	1874	1453

3.1.13 Audit scrutiny revealed that the average detection of T B cases during 1996-97 to 2000-01 was for 2626 cases per year, against which target prescribed was for 1893 T B cases. Accordingly the target prescribed is on lower side and has no relevance to actual detection of T B cases. The targets are required to be prescribed on the basis of survey and on realistic basis considering actual achievements and prevalence of disease. The prescription of lower targets for detection and treatment has resulted in exhibition of higher achievements viz. 123 per cent to 161 per cent. However the percentage of achievement of target under cases discharged is very less during 1996-97 to 2000-01 and is ranging from 65 per cent to 86 per cent.

### Defaulters

3.1.14 The position of defaulter T B patients during 1996-97 to 2000-01 was as under:

**TABLE 3.4**

Year	No. of patients treated	No. of defaulters	Percentage of defaulters
(In numbers)			
1996-97	3222	1756	55
1997-98	2321	1409	61
1998-99	2822	1916	68
1999-00	2498	1165	47
2000-01	2447	1117	46
<b>Total</b>	<b>13310</b>	<b>7363</b>	

3.1.15 The audit scrutiny of Primary Health Centres and hospitals revealed that there were average 55 per cent defaulters as compared to number of patients treated who have not availed of continuous treatment. Further their

\* Covers backlog of patients uncured.

addresses were not properly noted in the treatment cards. As a result defaulters could not be contacted for continuation of treatment. It was noticed that the percentage of patients discontinuing regular treatment was extremely high. This is a very serious matter because all the patients discontinuing T B treatment become potential carriers of the disease and it will only spread the disease further rather than controlling effectively the spread of disease. All the expenditure on the medicines supplied to the discontinuing patients and other laboratory expenditure on them has become infructuous. Roughly calculated, the expenditure on these patients is Rs.382.37 lakh. It is therefore recommended that the State Government should take extreme care while registering the patients in recording full details of the patients including the address, telephone number etc. so that they could be traced out and persuaded to complete the treatment without which the society will be further endangered.

### **Monitoring and evaluation**

3.1.16 The programme is monitored by monthly and quarterly progress reports. The National Tuberculosis Institute, Bangalore had observed from the quarterly reports of the programme that improvement in sputum examination and establishment of District Tuberculosis Centre in South Goa District were required. Evaluation of the programme is yet to be carried out to assess its impact.

## 3.2 National Programme for the Control of Blindness

The National Programme for Control of Blindness (NPCB) was launched by the Government of India in 1976. NPCB is introduced in the State of Goa in 1981 as a 100 percent centrally sponsored scheme. The targets prescribed were not realistic and based on assessment/survey during 1996-2001. The unspent grant of Rs.6.16 lakh was not refunded or adjusted from the release of grants. Further evaluation of the programme was not carried out to ensure effective implementation.

### Highlights

- Unspent grant of Rs.6.16 lakh was not refunded or adjusted from the release of grants.  
(Paragraph 3.2.7)
- Targets prescribed were not realistic and based on assessment/survey.  
(Paragraph 3.2.8, 3.2.9)
- NPCB programme did not cover population of 1.63 lakh out of 11.69 population of Goa State due to shortage of staff.  
(Paragraph 3.2.10)
- Mobile unit was not functioning during 1996-97 to 2000-2001 depriving door treatment to the needy and poor.  
(Paragraph 3.2.11)
- NPCB training was not given to the ophthalmic staff during 1996-97 to 2000-01.  
(Paragraph 3.2.12)
- Evaluation of the programme was not carried out to ensure effective implementation.  
(Paragraph 3.2.14)

### Introduction

3.2.1 The National Programme for Control of Blindness (NPCB) was launched by the Government of India in the year 1976 as a 100 per cent Centrally Sponsored Programme with the aim to reduce blindness from 1.4 per

cent to 0.3 per cent population by 2000 AD by providing eye-care facilities at Primary Health Centres (Primary Level), District Hospitals (Secondary Level), mobile unit and teaching institutions like Goa Medical College. The programme was introduced in the State in 1981.

### **Organizational set up**

3.2.2 The programme is implemented under the overall supervision of the Director of Health Services, Panaji. The Chief Medical Officer is the Programme Officer and is assisted by three ophthalmic surgeons at two District Hospitals and one Community Health Centre and one District Blindness Control Society (DBCS) and 16 ophthalmic Assistants attached to 14 Primary Health Centres. Further Goa Medical College (GMC) with operation theatre facilities carrying out all cataract and other eye surgeries.

### **Audit Coverage**

3.2.3 A review of the implementation of the programme in the State was conducted during April to June 2001 with the test check of records maintained at the Directorate of Health Services, Panaji, Chief Medical Officer, Ophthalmic Cell (NPCB), Panaji, 2 District Hospitals at Margao and Mapusa, 1 Community Health Centre at Ponda and Six Primary Health Centres at Chinchinim, Cortalim, Betki, Corlim, Candolim and Bicholim, covering 33 per cent expenditure under the programme in the state.

### **Financial performance**

3.2.4 The budget provision and expenditure incurred under Plan and Non-Plan schemes of NPCB during 1996-97 to 2000-01 was as under:

**TABLE 3.5**

Year	Plan			Non-Plan			Total		
	Budget Provision	Expenditure	Excess(+) Savings(-)	Budget Provision	Expenditure	Excess(+) Savings(-)	Budget Provision	Expenditure	Excess(+) Savings(-)
(Rupees in lakh)									
1996-97	6.11	5.76	(-) 0.35	16.24	16.00	(-) 0.24	22.35	21.76	(-) 0.59
1997-98	8.11	7.34	(-) 0.77	20.42	20.01	(-) 0.41	28.53	27.35	(-) 1.18
1998-99	7.45	7.02	(-) 0.43	21.10	18.82	(-) 2.28	28.55	25.84	(-) 2.71
1999-00	9.15	8.58	(-) 0.57	21.30	21.75	(+) 0.45	30.45	30.33	(-) 0.12
2000-01	8.07	4.61	(-) 3.46	26.13	19.54	(-) 6.59	34.20	24.15	(-) 10.05
Total	38.89	33.31	(-) 5.58	105.19	96.12	(-) 9.07	144.08	129.43	(-) 14.65

(Source: *Appropriation Accounts of Government of Goa*)



3.2.5 The expenditure against plan to be financed by Government of India was mainly for the implementation of the programme and non-plan was for pay and allowances, contingencies etc. to be met out of State's own resources.

3.2.6 It was noticed that during the year 1996-97 to 2000-01 the department received total grants of Rs.1.44 crore from the State Government, out of which it spent Rs.1.29 crore and balance of Rs.14.65 lakh were not utilized till 31 March 2001. It was stated in May 2001 that grants were not utilized due to retirement of 3 ophthalmic assistants and one statistical assistant.

3.2.7 There was budget grant of Rs.1.44 crore during 1996-97 to 2000-01. This amount included a central assistance of Rs.0.39 crore in cash against which an amount of Rs.0.33 crore was spent leaving adjusted balance of Rs.0.06 crore. The department stated that unspent balance would be adjusted in future grants.

### Target and Achievement – Cataract Surgery

3.2.8 The main aim of the programme was to reduce the blindness from 1.4 per cent to 0.3 per cent population by 2000 AD. The number of cataract operations proposed and actually performed during 1996-97 to 2001-01 were as under:

**TABLE 3.6**

Year	No. of DBCS in the state	No. of cataract surgery proposed/targeted in the year	No. of cataract surgery actually performed in the year	Percentage of achievement
(In numbers)				
1996-97	1	5000	4093	82
1997-98	1	5600	4767	85
1998-99	1	5600	4472	80
1999-00	1	6500	4743	73
2000-01	1	6750	5000	74
<b>Total</b>		<b>29450</b>	<b>23075</b>	

3.2.9 It was noticed that as against 29450 cataract surgeries targeted during 1996-97 to 2000-01, 23075 surgeries were actually performed during the above period. The percentage of achievement ranged from 73 per cent in the year 1999-2000 to 85 per cent in 1997-98. The targets prescribed were not based on the assessment/survey. The same was required to be fixed on actual conditions. Further there was no follow up of cataract operations to ensure success of operations done. It was stated (June 2001) that there was no gross shortfall in achievement of the target during the above period. The departmental contention cannot be accepted in audit as targets were required to be fixed on prevailing health situations and follow up action was felt necessary to ensure satisfactory results of operations already done to assess whether the objectives of reduction in blindness from 1.4 per cent to 0.3 per

cent was achieved. The department stated that survey would be conducted to find out blindness cases in future.

#### **Non-coverage of population for programme**

3.2.10 It was noticed that the Primary Health Centre, Corlim was not sending progress reports of NPCB to the Chief Medical Office, NPCB, Panaji since November 1999 on the grounds of non-availability of required staff. This had resulted in not providing benefits of the programme to 0.73 lakh population of Corlim Primary Health Centre during November 1999 to June 2001. Further population of 0.90 lakh was also not covered due to shortage of 3 Ophthalmic Assistants at Pernem, Valpoi and Bicholim.

#### **Non-functioning of Mobile Unit**

3.2.11 The Ophthalmic Cell was having one mobile unit since 1981 under its control. This unit was entrusted with the work of conducting cataract surgery and treatment at camps in Goa. The mobile unit consisted of one Ophthalmic Surgeon, one Ophthalmic Assistant, one Nurse and one Driver. It was noticed in audit that this mobile unit was not functioning since 1996. The department stated that cost effectiveness in cataract surgery was better in base hospitals than in field hospital and people of Goa are fully aware of intra-ocular lens implantation for cataract surgery and prefer this to the previous techniques. It was further stated that services of mobile unit were utilized for mini camps held at various Primary Health Centres to cater to the needy public patients. The reply furnished was not tenable as only 25 mini camps were held during 1998-99 as verified from the log book of mobile van. Further two mega camps at Community Health Centre and District Hospitals and one at Goa Medical College were held during 1997-98 and 1998-99. Thus the mobile van and staff concerned were not fully utilized for purpose for which they were intended.

#### **Training under National Programme for Control of Blindness**

3.2.12 As per the National Programme for Control of Blindness, the training to eye surgeons in Intra-ocular lens surgery (IOL) was given by Director General of Health Services, Ministry of Health and Family Welfare. Similarly at District level training was to be given to health workers, ophthalmic assistants, operation theatre assistants etc. It was noticed that three surgeons attached to the District Hospitals, one Jr. Surgeon attached to Community Health Centre at Canacona and 19 Ophthalmic Assistants, Health workers, Nurses, Operation Theatre Assistants attached to Primary Health Centres were not trained.

### **Non-utilization of grants of District Blindness Control Society**

3.2.13 The District Blindness Control Society (DBCS) had received central grants of Rs.12.53 lakh (including unspent balance of Rs.2.88 lakh brought over from earlier year) from Ministry of Health and Family Welfare, New Delhi during 1996-97 to 2000-01 for utilization in eye camps, purchase of medicines, intra-ocular lens transplantation, spectacles and for routine cataract surgery done at Goa Medical College for needy patients. The DBCS had spent an amount of Rs.8.47 lakh leaving a balance of Rs.4.06 lakh to be spent as on March 2001. It was stated in July 2001 that balance amount could not be utilized in 2001-02.

### **Evaluation**

3.2.14 Monitoring of the programme was done by sending monthly, quarterly returns to the Director General of Health Services, New Delhi. However, it was noticed in audit that the monitoring of the programme was however restricted to the performance of cataract operations only. Further no evaluation was undertaken to ensure effective implementation of the programme and the results thereof for remedial action. The department stated that no evaluation was done at any time between the period 1996-97 to 2001 by the State Government or any agency appointed by State. The department however not furnished any reasons (June 2001) for not having done the evaluation.

3.2.15 The matter was reported to Government in July 2001 and their reply has not been received (January 2002).

**SECTION-B : PARAGRAPHS**

**AGRICULTURE DEPARTMENT**

**3.3 Irregular release of payment for non-standard manure**

**The Director of Agriculture released payment of Rs. 21.06 lakh for 643 MT of Semi Organic Manure, though the manure supplied was declared as non-standard, resulting in unauthorized benefit to the supplier**

3.3.1 In order to provide Semi Organic Manure (SOM) mixture to the cashew growers free of cost for maintenance of the new cashew plantation under the centrally sponsored scheme of Integrated Development Programme of Cashew, the Director of Agriculture (DA) invited tenders in July 1998, for supply of 850 Metric Tons (M T) of SOM. The Notice Inviting Tender (NIT) provided that 50 *per cent* payment for the supply would be made on receipt of the material and the balance payment would be settled after confirmation of the specified quality standard of the material from reputed analytical laboratory or Government Quality Testing Laboratory. In case the material did not meet the required specifications, the balance 50 *per cent* payment would not be admitted and the Earnest Money Deposit (EMD) of the tenderer would be forfeited.

3.3.2 The tender was awarded to firm 'B' at a negotiated rate of Rs. 6,550 per M T and orders were placed by the Directorate of Agriculture in August 1998 for supply of 643 M T of SOM. The SOM was received during August – September 1998 and 50 *per cent* payment amounting to Rs. 21.06 lakh was made between September 1998 and November 1998.

3.3.3 Meanwhile two samples of the SOM supplied were sent (September 1998) by the Director of Agriculture to the Central Fertilizer Quality Control and Training Institute (CFQCTI), Faridabad, a Government of India organization, for quality testing of the samples. The analysis report of the SOM samples received (October 1998) from the institute indicated that the samples were not according to specifications and were non-standard. As the balance payment was to be settled, the Director of Agriculture referred (March 1999) the matter to the Development Commissioner (DC) pointing out that the material supplied was non-standard as per the report. The DC directed (May 1999) to constitute a committee to examine the technical aspect of the SOM purchased.

3.3.4 Though the committee comprising Director ICAR, Deputy Director of Agriculture (Ext.) and Deputy Director of Animal Husbandry was constituted (May 1999), the committee did not function and no report was submitted. The DC did not pursue the matter further and in November 1999, the supplier approached the Government for releasing the balance payment.

3.3.5 It was noticed in audit (March 2001) that the Director of Agriculture released (December 1999 – January 2000) the balance payment of Rs. 21.06 lakh and EMD of Rs. 0.75 lakh to the firm on the ground that the SOM supplied was standard within the permissible tolerance limit.

3.3.6 In view of the fact that the report from Government Laboratory had specifically declared the SOM supplied as non-standard, and in the absence of any report from the technical committee, the payment of Rs. 21.06 lakh and release of EMD of Rs. 0.75 lakh to the firm was irregular and amounted to unauthorized benefit to the supplier.

3.3.7 The Government stated (August 2001) that the variation in the nutrient content of the manure supplied was within the tolerance limit specified under Fertilizer Control Order and therefore payment was made. The reply is not tenable as the payment was against the conditions specified in the NIT and in spite of the findings of the CFQCTI. Moreover the committee specifically constituted for this purpose had not furnished any report. In view of this the action of the Director of Agriculture was not in order.

## HEALTH DEPARTMENT

### 3.4 Avoidable payment of escalation charges

**Delay in placing adequate funds for the work and frequent revision of architectural drawings resulted in delay in completion and consequent avoidable expenditure of Rs.9.59 lakh on escalation charges.**

3.4.1 On behalf of the Institute of Psychiatry and Human Behaviour (IPHB), Executive Engineer of the Public Works Division-XIX, Bambolim awarded (April 1997) the work of Construction of Out Patient Department of IPHB at Bambolim (estimated cost Rs.113.59 lakh) to a contractor for Rs.117.21 lakh to be completed by September 1998. The IPHB was to place the required funds with the PWD for execution of the work. The value of work done up to stipulated date of completion was to the extent of Rs.22.63 lakh only. The Director, IPHB did not arrange adequate funds resulting in non-payment of bills in time for the work done to the contractor. The Public Works Department extended the period of completion of work up to December 1999 without levy of compensation. Further at the instance of IPHB, the PWD revised the architectural drawings successively in October 1999, January 2000 and in March 2000 and granted further extension up to April 2000 also without levy of compensation. The work was completed in October 2000 and Rs.115.39 lakh was paid to the contractor up to October 2000 including Rs.14.11 lakh towards escalation charges.

3.4.2 Audit scrutiny (December 2000) revealed that the contractor had to be paid escalation charges amounting to Rs.9.59 lakh towards additional cost of labour and material incurred by him during the extended period of work from October 1998 to April 2000, which could have been avoided had the IPHB

anticipated full scope of work at the estimation stage itself, arranging adequate funds and timely completion of the necessary formalities instead of on *ad hoc* basis.

3.4.3 The matter was referred to Government in August 2001. Secretary (Health) did not give specific reply (January 2002).

### **3.5 Idle investment on residential quarters at PHC Casarvarne**

#### **Lack of proper co-ordination between the Health Department and Public Works Department had resulted in blocking Government funds of Rs.29.13 lakh for about two years**

3.5.1 In order to provide residential accommodation to the staff of Primary Health Centre, Casarvarne in Pernem Taluka, the Government sanctioned, in July 1994, the construction of 4 'C' type and 1 'D' type quarters at an estimated cost of Rs.34.22 lakh. The construction work was taken up in January 1997 and completed in December 1998 at a cost of Rs.29.13 lakh. The completion certificate was issued by Public Works Department in November 1999 without water supply and electricity arrangements. As a result the quarters remained unoccupied (April 2001) resulting in idle investment of Rs.29.13 lakh for the period from January 1999 to April 2001.

3.5.2 The lack of proper co-ordination between the Health Department and Public Works Department for completion of quarters for occupation had resulted in idle investment of Rs.29.13 lakh besides recurring avoidable payment of Rs.0.94 lakh on House Rent Allowance and licence fee.

3.5.3 Government stated (July 2001) that the Public Works Department (PWD) issued completion certificate in November 1999 without completing the works in all respects. Defects noticed were rectified by PWD and quarters were completed in all respects only in February 2001 and the possession of the quarters was taken in March 2001. The fact however remains that there was lack of co-ordination between the Health and PWD Departments, which resulted in delay of two years in getting the works rectified.

## **INDUSTRIES AND MINES DEPARTMENT**

### **3.6 Under utilisation of training facilities of Leather Production cum Training Centre**

#### **Training infrastructure created at a cost of Rs.15.92 lakh remained largely unutilised due to faulty estimation of need for such training.**

3.6.1 The Government of Goa signed (July 1996) a Memorandum of Understanding (MOU) with the Central Leather Research Institute (CLRI),

Chennai to start a Leather Training cum Production Centre (LTPC) with the objective of training the unemployed youth of Goa and to equip them with self-employment or suitable employment. Accordingly the Centre was established in the premises of Director of Industries and Mines, Panaji in November 1997 with machinery and equipment worth Rs. 15.92 lakh.

3.6.2 The Institute had a capacity to train 2 batches each of 6 months duration with intake capacity of 40 trainees per batch. The institute started the training programme from June 1998 and trained only 8 candidates in 2 batches during the year 1998-99. An expenditure of Rs.1.01 lakh towards stipend, material and travelling allowances etc. was incurred under the programme. Audit scrutiny revealed (March 2001) that after working for a year the Centre remained non-functional for two years due to poor response for the course as well as demand for the leather goods thereby resulting in blocking of Government funds. The Centre had also not made any efforts for production of leather goods.

3.6.3 In June 2001 the department restarted the training programme in leather production with response from only 11 candidates for the course. Thus failure to assess the need for training and demand for leather goods in the market before establishment of centre had resulted in locking up of Government funds of Rs.15.92 lakh.

3.6.4 The matter was referred to Government in July 2001 and their reply has not been received (January 2002)

## LEGISLATURE DEPARTMENT

### **3.7 Avoidable expenditure of Rs.7.80 lakh**

#### **Award of work of cleaning of Legislative Assembly Complex to a higher tenderer resulted in avoidable expenditure of Rs.7.80 lakh for a period of one year**

3.7.1 The Legislature Department invited (February 2000) tender for cleaning of Legislative Assembly complex at Porvorim for a period of one year. Of the seven tenders received, the first three lowest offer of Rs.0.37 lakh, Rs.0.50 lakh and Rs.0.60 lakh per month were not accepted on the ground that the tenderers did not have sufficient experience in the line.

3.7.2 The fourth lowest negotiated offer of Firm 'D' for Rs.1.25 lakh per month was accepted and the work was awarded (March 2000) for a period of one year. The contract was further extended (April 2001) upto March 2002 at the same rates.

3.7.3 Audit scrutiny (December 2000) revealed that the third lowest tenderer who had quoted Rs.0.60 lakh per month also had sufficient experience in the field. Rejection of their offer and award of the work to the fourth lowest

tenderer at a higher rate of Rs.1.25 lakh per month resulted in an avoidable expenditure of Rs.7.80 lakh for the period from March 2000 to February 2001.

3.7.4 The department stated (December 2000) that the three lowest offers were only for supply of labour and for executing a job of such a large nature, experienced companies/ organisations using mechanised system would be suitable. The reply of the department is not tenable, as the third lowest tenderer, had sufficient equipment and experience in the field as was indicative from the experience certificates furnished by them. Further, they were also holding ISO 9002 certificates, which proves that the firm is well established and capable of doing such job. These factors were apparently not considered by the Department.

3.7.5 The matter was referred to Government in October 2001 and their reply has not been received (January 2002).

## **YOUTH AFFAIRS DEPARTMENT**

### **3.8 Injudicious retention of Government money outside Government Account**

**Release of Rs.50 lakh from Contingency Fund of the State for paying to a private organisation for the purpose of acquiring land for construction of a cricket ground resulted in retention of Government money outside Government account and also interest cost of Rs.11 lakh to the Government.**

3.8.1 The Secretary (Sports) communicated (January 2000) to the Director of Sports and Youth affairs the decision of the cabinet to grant Rs.50 lakh to Goa Cricket Association (GCA) for acquiring land for construction of a cricket stadium of international standard in Goa.

3.8.2 There was no provision for such a scheme in the budget proposal of Directorate of Sports and Youth Affairs (DSYA). The DSYA, therefore, obtained (February 2000) Rs. 50 lakh from Contingency Fund of the State and released (February 2000) it to Sports Authority of Goa (SAG) as a grant and the SAG in turn released (March 2000) the same to GCA.

3.8.3 It was noticed that the GCA had not utilised the funds as of January 2002.

3.8.4 Land Acquisition Act 1894 empowers only the State Government to acquire land for public purpose. Therefore, instead of acquiring land and handing it over to the association, drawal of Rs. 50 lakh from Contingency Fund without any urgency and releasing it to a private organisation was irregular. The GCA had also not returned the amount back to the department as it cannot acquire land being a private organisation. This had resulted in injudicious retention of Government money to the extent of Rs. 50 lakh for a



period of 22 months and also interest cost of Rs. 11 lakh on the said amount considering the average rate of interest at 12 per cent on the borrowings by the Government for meeting its requirements.

3.8.5 The Director of Sports and Youth Affairs stated (July 2001) that the Government has since decided to acquire the land for the purpose at the cost of GCA and the land acquisition process was in progress. The reply of Director of Sports and Youth Affairs is silent about the source of funds from which the cost of land will be met as neither the GCA had returned the money to the department nor any action has been initiated by the department to get back the same.

3.8.6 The matter was referred to Government in July 2001 and their reply has not been received (January 2002).

## ALL DEPARTMENTS

### **3.9 Failure of senior officials to enforce accountability and protect the interest of Government.**

3.9.1 The Principal Director of Audit (PDA) arranges to conduct regular inspection of the Government departments to test check the transactions and verify the maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed up with Inspection Reports when important irregularities etc. detected during the inspection are not settled on the spot. These Inspection Report reports are issued to the Head of Office inspected with a copy to the next higher authorities. The rules/orders of the Government provide for prompt response by the executive to the Inspection Reports issued by the PDA to ensure rectificatory action in compliance of the prescribed rules and procedures and accountability for the deficiencies, lapse etc. noticed during his inspection. The Heads of offices and next higher authorities are required to comply with the observations contained in the Inspection Reports and rectify the defects and omissions promptly and report their compliance to the PDA. Serious irregularities are also brought to the notice of Head of office and the Department by the office of the Principal Director of Audit. A half yearly report of pending Inspection Reports is sent to the Secretary of the Department in respect of pending Inspection Reports to facilitate monitoring of the audit observations in the pending Inspection Reports.

3.9.2 Inspection Reports issued upto December 2000 pertaining to 32 departments disclosed that 573 paragraphs relating to 304 Inspection Reports remained outstanding at the end of 30<sup>th</sup> June 2001. There are however 2 Inspection Reports and 2 paragraphs pending for more than 10 years. Year-wise position of the outstanding Inspection Reports and paragraphs are given below:

**TABLE 3.7**

<b>Year</b>	<b>Inspection Reports</b>	<b>Number of paragraphs</b>
Upto 1996-97	78	111
1997-98	52	76
1998-99	54	96
1999-2000	87	203
2000-01	33	87
<b>Total</b>	<b>304</b>	<b>573</b>

3.9.3 Even the initial replies, which are required to be received from the Head of the offices within six weeks from the date of issue of Inspection Reports were not received in respect of 3 offices issued during 2000. As a result, the following serious irregularities commented upon these Inspection Reports were not looked into as on June 2001.

**TABLE 3.8**

<b>Sr. No</b>	<b>Nature of irregularities</b>	<b>No. of paragraphs</b>	<b>Amount (Rs. In lakh)</b>
1	Blocking of funds due to delay in completion of work either due to paucity of funds, non supply of material, delay on the part of the contractor etc.	4	2904.70
2	Avoidable expenditure due to change in designs, or acceptance of single tenders above market rate, despite recommendation of WAB for retendering.	4	86.64
3	Non recovery of amount spent by Government on behalf of consumers, farmers etc.	3	76.72
4	Theft cases, missing articles etc.	4	4.30
5	Unserviceable articles	3	12.61
6	Extra expenditure due to re-tendering or termination of contracts.	4	36.55

3.9.4 A review of the Inspection Reports which were pending due to non receipt of replies, revealed that most of the Heads of offices, whose records were inspected by the Pr. Director of Audit had failed to discharge due responsibility as they did not send any reply to a large number of Inspection Reports/paragraphs indicating their failure to initiate action in regard to defects, omissions and irregularities pointed out in the Inspection Reports by Pr. Director of Audit. The secretaries of the Department who were informed of the position through half yearly reports also failed to ensure that the concerned officers of the department take prompt and timely action.

3.9.5 The above also indicate in action against the defaulting officer and thereby facilitating the continuation of serious financial irregularities and loss to the Government though these were pointed out in audit.

3.9.6 It is recommended that Government should re-look into this matter and ensure that procedure exists for (a) action against the officials who failed to send replies to Inspection Reports/Paragraphs as per the prescribed time schedule; (b) action to recover loss/outstanding advances over payments in a

time bound manner and (c) revamping the system of proper response to the audit observations in the department.

### 3.10 Misappropriation, Losses etc.

3.10.1 Cases of misappropriation, losses etc. of Government money reported to audit up to the end of March 2001 and on which final action was pending at the end of June 2001, were as follows:

**TABLE 3.9**

		Number of cases	Amount (Rs. in lakh)
1	Cases Reported upto the end of March 2000 but outstanding at the end of June 2000.	19	31.41
2	Cases reported during April 2000 to March 2001	4	12.21*
3	Cases disposed of till June 2001.	7	21.03
4	Cases reported upto March 2001 but outstanding at the end of June 2001	16	22.59*

3.10.2 Department wise analysis of the outstanding cases is given in the Appendix – III. The period for which these were pending are given below:

**TABLE 3.10**

		Number of cases	Amount (Rupees in lakh)
1	Over five years up to (1995-96)	10	9.85
2	Exceeding three years but within five years (1996-97 to 1997-98)	2	0.53
3	Up to three years (1998-99 to 2000-01)	4	12.21*
	Total	16	22.59*

3.10.3 The reasons for which the cases were outstanding are as follows:

**TABLE 3.11**

		Number of cases	Amount (Rs. in lakh)
1	Awaiting departmental and criminal investigation	2	0.24
2	Departmental action initiated but not finalised.	4	1.14
3	Criminal proceedings finalised but execution of certificate cases for the recovery of amount pending.	3	12.62
4	Awaiting orders for recovery or write off	3	0.97
5	Pending in the courts of law.	4	7.62
	Total	16	22.59*

\* In respect of two cases for the year 2000-01 amount is yet to be assessed

### **3.11 Incomplete Projects**

As on 31<sup>st</sup> March 2001, there were 24 Incomplete Projects in which Rs.15.20 crore were blocked. This showed that the Government was spreading its resources thinly without any returns. The major projects involved were (i) Construction of Institute of Psychiatry and Human Behaviour, Bambolim (Rs.3.98 crore), (ii) Rajiv Gandhi Kala Mandir, Ponda (Rs.3.15 crore), (iii) Government Higher Secondary School, Altinho (Rs.1.14 crore), (iv) Goa Science Centre (Rs.1.64 crore), (v) Special Repairs Programme in K.M. 18 to 28 in Panvel – Panaji Sector of NH 17 (Rs.1.23 crore), (vi) Additions to ITI Farmagudi (Rs.84.57 lakh), (vii) Computerisation of land records and survey maps (Rs.96.40 lakh).

### **3.12 Write off of losses**

3.12.1 During the year 2000-01, losses amounting to Rs.13.48 lakh in 1078 cases were written off by competent authority. The number of write off of cases is more as compared to last financial year, which were 193. The write off instances are maximum in the department of Industries & Mines amounting to Rs.6.89 lakhs. The losses had arisen due to death of animals, normal wear and tear of furniture, library books, laboratory equipment, stationery items, non-postal judicial and non-judicial stamp papers, irrecoverable loans to Scheduled Caste loanees under special component plan loan scheme, time barred medicines, planting materials, unviable paddy seeds etc.

3.12.2 The department-wise details of write off are given in Appendix – IV.