

OVERVIEW

This Audit Report contains performance appraisals of four Centrally Sponsored/Funded Programmes: (i) National Disease Control Programme (ii) Non-formal Education Programme (iii) Accelerated Rural Water Supply Programme and (iv) Accelerated Urban Water Supply Programme.

Ministry of Health and Family Welfare (Department of Health)

National Disease Control Programme

National Disease Control Programme is a cluster of programmes, which have commenced at different periods of time, with different methodologies and approaches. These programmes are aimed at the treatment, prevention and control of major diseases like Cataract Blindness, Tuberculosis, Leprosy and Acquired Immune Deficiency Syndrome (AIDS) in the country. Schemes relating to two of these major diseases, namely Blindness and Tuberculosis were selected for review in audit. The significant shortcomings noticed are detailed below:

National Programme for Control of Blindness

- The programme aimed to bring down the rate of prevalence of blindness from 1.4 to 0.3 *per cent* by 2000 A.D. The target fixed at 600 cataract operations per lakh population per year was not achieved. The rate of success/failure of the cataract operations was not measurable as no record was available with the states.
- The reach of the programme left more than 70 lakh prospective beneficiaries untargeted. In terms of delivery, the programme relied more on private sector for its success as only 21 to 26 *per cent* cataract operations in project states and 11 to 28 *per cent* cataract operations in non-project states were performed by the Government sector.
- Shortfall in surgeries performed by Government doctors ranged between 19 and 98 *per cent* and underutilisation of ophthalmic beds was between 8 and 90 *per cent*. The programme failed to succeed in mobilizing the base hospital approach and greater reliance was placed on camp approach.
- Village wise blind registers were not maintained. Shortfall in the deployment of Mobile Units ranged between 9 and 45 *per cent* in project states. Shortfall in surgeries performed in Mobile Units ranged between 24 and 100 *per cent*.
- No new eye banks were opened. Only 55 and 45 *per cent* of eyes collected by Government and voluntary sector respectively were utilised for keratoplasty.

- Unspent grants of Rs 30.89 crore were lying with District Blindness Control Societies. 106 annual statements of accounts and 129 UCs relating to grants released up to 1999-2000 were not received.

National Tuberculosis Control Programme

- The reach of the programme was inadequate. The performance of NTP States was poor. Under RNTCP, the cure rate was below the stipulated rate. The defaulter rate could not be minimised.
- The grants released to District Tuberculosis Control Societies were utilised only to the extent of 13 to 27 *per cent* during 1996-97 to 2000-01. Grants to DTCS for assistance to NGOs could only be utilised to the extent of 12 *per cent*.
- Management of drugs at MSDs/States was not efficient. Time expired anti-TB drugs worth Rs 1.87 crore were lying with MSDs/DTCs. Substandard drugs worth Rs 34.33 lakh had been purchased by different States/MSDs. 48 utilisation certificates involving grant of Rs 52.53 crore for purchase of anti TB drugs were not received.
- World Bank aid to RNTCP increased from Rs 37.07 crore to 71.01 crore over the five years under review, while the Government's commitment level to the programme was limited to about 24 *per cent* of the expenditure in the same period. However, only 20 *per cent* of World Bank aid had been utilised after completion of four years of the total project period of five years.
- Shortfall in supervisory visits undertaken by states ranged between 3 and 100 *per cent*. No evaluation of the programme was done at state level.

**Ministry of Human Resource Development
(Department of Elementary Education and Literacy)**

Non-Formal Education Programme

Despite the considerable expansion of formal education, large groups of children in school going age still remain outside the formal system of education. In order to reach this large segment of marginalized children, a Centrally Sponsored Scheme of Non-Formal Education (NFE) was launched in 1979-80. This review summarizes the significant findings of audit in regard to the implementation of the Scheme in respect of 20 States and 2 Union Territories (UTs) covering the period from 1995-96 to 1999-2000.

- Short release of central funds along with the short releases by the States led to a weakened resource base for the scheme.
- Target of opening 3.50 lakh NFE Centres per year by the end of VIII Five Year Plan remained unattained. Up to 1999-2000, grants were provided for 2.93 lakh centres in the state sector and the voluntary sector. In most

of them study material was either not procured or provided only at the end of the session.

- The Scheme adopted the strategy of condensed course of five-year duration – two years for Class I to V and three years for Class VI to VIII to cover the syllabi of eight years (Class I to VIII) with the help of specially designed educational curriculum. But in most States/UTs, this strategy was not implemented.
- Non-enrolment of children in NFE Centres as per norms of the Scheme deprived 43.59 lakh children of its benefits during 1995-96 to 1999-2000.
- The pass percentage of NFE learners in five States/UT was below 17 *per cent*. Records of lateral entry of NFE learners into the main stream of formal education were not maintained in most of the States.
- Grants, totalling Rs.24.74 crore released to eight States for opening night centers, were unwarranted since the centres in these States were running during daytime.
- The implementation of the scheme in voluntary sector was required to be monitored through quarterly progress reports. This proved a failure because no mechanism to verify the authenticity of facts given in such progress reports existed. The Village Education Committees were not constituted as required.

**Ministry of Rural Development
(Department of Drinking Water Supply)**

Accelerated Rural Water Supply Programme

The programme aimed to ensure coverage of all rural habitations, especially those hitherto un-reached and not having access to safe drinking water; sustainability of the systems and sources and preservation of quality of water by institutionalising water quality monitoring and surveillance, through a catchment area approach.

Impact assessment of ARWSP by independent sources revealed the re-emergence of problem villages and shortcomings in critical parameters of adequacy, regularity, quality, distance of source of water, etc. in many States. Despite the added thrust given to the programme since 1999, planning and implementation suffered on account of neglect of priority areas like sustainability, community participation, operation and maintenance, etc. Poor fund management led to large amounts being diverted or retained in deposits, apart from expenditure being incurred in excess over approved norms.

- About 20,073 habitations did not have any source of water. 1.55 lakh habitations remained only partially covered. Re-emergence of 73,197 problem habitations in 7 States, negated the impact of the programme. Inadequate maintenance of water sources resulted in failure of a substantial number of hand pumps installed. In 13 States, water modes, set up at a

cost of Rs 369.20 crore were non-operational. Water treatment plants, installed at a cost of Rs 16.32 crore to control fluorosis, excess iron and salinity were non-functional. Poor performance of water quality testing laboratories defeated the objective of providing safe drinking water to the rural population in the affected areas.

- Rs 283.90 crore were spent on coverage of partially covered habitations during 1997-2001, contrary to the priority norms even though there were habitations having no source of drinking water.
- Significant components of the Programme such as Human Resource Development and Information, Education and Communication failed to achieve the objectives of creating awareness on use of safe drinking water and imparting training to the local population.
- Application of funds without adequate planning and scientific identification of water sources led to abandonment of 2,371 schemes midway in 19 States, costing Rs 197.52 crore. Scientific methods of source selection were not adopted in 10 States, causing failure of the schemes and rendering Rs 64.71 crore wasteful.
- Diversion of funds of Rs 86.15 crore to activities not connected with the programme, unauthorised retention of funds of Rs 393.77 crore in Civil/Revenue/Public Works Deposit, inflated financial achievement of Rs 307.69 crore, excess expenditure of Rs 191.41 crore met from ARWSP funds instead of from State Plan funds, materials costing Rs 68.79 crore purchased in excess of requirements were amongst the shortcomings noticed in programme implementation.

**Ministry of Urban Development and Poverty Alleviation
(Department of Urban Development)**

Accelerated Urban Water Supply Programme

The basic objectives of the programme included the provision of safe and adequate water supply facilities to entire towns with a population of less than 20,000 in the country within a fixed time frame, improvement of the environment, quality of life and socio-economic conditions with a view to increasing productivity for sustained economic development.

The implementation of the Programme was deficient in critical areas. No effective system to identify towns/schemes was instituted in most States. Towns in which water availability was already in excess of the prescribed limit of 70 LPCD as well as ongoing schemes under the State plans or those financed with assistance from HUDCO were also included under the Programme. Financial resources were improperly managed and excess releases of funds to non-performing States resulted in accumulation of unspent balances. Shortfalls in contributing the matching States's share led to non-realisation of the programme objectives. Proper monitoring was lacking, both at the Ministry and State levels. Crucial aspects of the programme like

community participation; adoption of a realistic tariff structure and establishment of the sustainability of the schemes were neglected in most schemes. The Ministry did not evaluate the programme to assess its impact.

- Only 575 schemes were sanctioned, while a total of 2151 small towns were to be covered. Of these, 200 schemes had been completed/commissioned, 274 schemes were ongoing and 101 were to be taken up as of March 2001.
- Of the total Central and State assistance of Rs 479.14 crore released up to March 2001, Rs 329.45 crore were spent, leaving an unspent balance of Rs 149.69 crore (31.24 *per cent*). Rs 55.73 crore were diverted to activities not connected with the Programme, retained in deposits or were misutilised etc.
- Against the total Central share of Rs 265.57 crore, matching State Share and ULB's contribution fell short by Rs 51.38 crore. There were delays in release of funds to the executing agencies by the State Governments, ranging from 2 to 60 months and short/non-release of funds to the implementing agencies aggregating to Rs 55.41 crore.
- Against 1025 problem towns identified in 18 states, only 201 such towns in 15 States had been covered. In Sikkim, Assam and Bihar, none of the 98 problem towns identified were covered. In the States of Gujarat, Rajasthan, Jammu & Kashmir, Karnataka and Arunachal Pradesh, problem towns were not identified.
- Asset maintenance was poor. Inventory records were not maintained and assets were not handed over to the communities.
- Tariff structure had either not been evolved or was inadequate to meet expenditure on the operation and maintenance of the schemes.
- Quality of water supplied was neither tested nor maintained in six States namely Karnataka, Orissa, Tamil Nadu, Uttar Pradesh, Manipur and Himachal Pradesh.