

## PREFACE

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution of India.
2. Chapter I deals with the findings of performance audit in Panchayat and Rural Development; Public Health and Family Welfare; Public Works; Revenue and School Education Departments. Chapter II deals with findings of transaction audit in Farmers Welfare and Agriculture Development; Finance; Home ; Housing and Environment; Law and Legislature (Election Work); Medical Education; Narmada Valley Development; Panchayat and Rural Development; Public Health Engineering; Public Health and Family Welfare; Public Works; Revenue; Urban Administration Development and Water Resources Departments. Chapter III deals with the integrated audit of the Public Health Engineering Department.
3. Reports containing (a) observations on the finances of the State Government, (b) observations arising out of audit of Statutory Corporations, Boards and Government Companies and (c) observations on revenue receipts of the State Government are being presented separately.
4. The cases mentioned in this Report are among those which came to notice during the course of test audit of accounts for 2008-09 as well as those which had come to notice in earlier years but were not included in previous Reports. Matters relating to the period subsequent to 2008-09 have also been included, wherever necessary.

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**OVERVIEW**

The Report includes three chapters containing five reviews, one long paragraph and 24 paragraphs dealing with the results of performance audit of selected programmes and schemes as well as audit of the financial transactions of the Government.

The audit has been conducted in accordance with the Auditing Standards prescribed for the Indian Audit and Accounts Department. Audit samples have been drawn based on statistical sampling methods as well as on judgement basis. The specific audit methodology adopted for programmes and schemes has been mentioned in the reviews. The audit conclusions have been drawn and recommendations made, taking into consideration the views of the Government.

A summary of the important findings is given below:

***1. National Rural Health Mission***

The National Rural Health Mission (NRHM) was launched in April 2005 by the Government of India to bring about significant improvements in the health status of the rural population. The Mission sought to provide universal access to equitable, affordable and quality health care facilities in rural areas.

A performance audit of implementation of NRHM revealed that baseline surveys were not completed, Perspective Plans for the Mission and Annual Plans for districts, blocks and villages were not prepared regularly. The objective of the Mission to bring all health care activities under one umbrella was not achieved. The State Government did not contribute its share of 15 *per cent* funds during 2007-08. Funds amounting to Rs 2.12 crore were diverted from NRHM's funds to a State scheme during 2007-08. Funds remained unspent at the State Health Society/ District Health Societies level, thus defeating the goal of improving public spending in the health sector. None of the health care centres in the State were upgraded as per the Indian Public Health Standards. Despite provision of contractual appointments, there was a shortage of medical and para-medical staff. In 10 out of 12 test-checked districts, 101 Primary Health Centres were functioning without doctors. The fifth module training was not imparted to any of the Accredited Social Health Activists in the State. In the test-checked districts, 49 to 58 *per cent* of pregnant women were not registered in health centres during their first trimester. Targets set for spacing and terminal methods for family planning were not achieved. The current status of maternal mortality rate and infant mortality rate in the State remained high. Spectacles were not supplied to 30,715 out of 57,191 children suffering from refractive errors during 2005-09 in the test-checked districts. Due to non-formation of monitoring and planning committees, appraisal and evaluation of activities could not be ensured.

***(Paragraph 1.1)***

## **2. Construction and Maintenance of Roads and Bridges under the Build- Operate and Transfer scheme**

The Government decided to involve private investors under the scheme called Build, Operate and Transfer (BOT) for construction and improvement of roads and bridges. It also decided to strengthen, widen and improve 15 State roads by providing subsidy upto 66 *per cent* of the estimated cost to private investors by issue of bonds and borrowings through the Madhya Pradesh Infrastructure Improvement Fund Board (MPIIFB). The investor was authorised to recover the capital invested by collecting toll tax from the users. This type of scheme was commonly called bond BOT. Initially, the schemes started in the year 2000 with 14 works which included strengthening and widening of five roads, construction of five bypasses and four bridges under BOT at a cost of Rs 176.03 crore and strengthening and widening of 13 existing State Highways at an estimated cost of Rs 901.52 crore, with Government support of Rs 462.74 crore as subsidy under bond BOT through the Madhya Pradesh Road Development Corporation. Due to improper location of a toll booth on the Satna-Amarpatan road, users not using the toll road also had to pay toll tax. Cases of delays in construction of roads were observed. The Dhar-Gujri road under BOT was delayed by 1594 days. In respect of 10 roads under bond BOT, the delays ranged from 486 to 1860 days.

Improper bid evaluations led to extra toll collection of Rs 315.90 crore. Authorisation of toll collection on incomplete roads not safe for commercial operation, resulted in undue benefit of Rs 9.96 crore to the investors. Cases of sub-standard work involving Rs 18.05 crore and incorrect sanction of 804 extra days of toll collection, resulted in additional toll collection amounting to Rs 15.76 crore. A case of undue advantage to investors due to non-renewal of road surfaces in five years amounting to Rs 43.49 crore and another of non-measurement of maintenance work of Rs 71.89 crore were also noticed.

*(Paragraph 1.2)*

## **3. Calamity Relief Fund**

The Calamity Relief Fund (CRF) was constituted by the Government of India with the specific objective of providing immediate relief to victims of natural calamities. The Fund was created with 75 *per cent* assistance of the Central Government and 25 *per cent* contribution from State funds.

Audit of CRF revealed that Rs 1.80 crore assigned for relief works was not utilised as of March 2009 and was available with the executive agencies. Irregular transfer of Central funds of Rs 4.31 crore to State revenues was also noticed. Irregular payments of relief amounts of

Rs 15.21 crore were made in Balaghat and Panna districts. Payments of relief assistance of Rs 20.73 crore to victims of natural calamities were delayed by one to 36 months, thus defeating the main objective of the CRF guidelines. During 2004-05, Rs 4.73 crore was spent on 114 relief works in 13 *tehsils*, which were not affected by drought. Cases of excess expenditure on material components and expenditure in excess of administrative approvals were also noticed.

(Paragraph 1.3)

#### **4. Information Technology Audit of 'Panchlekha' Software of Directorate, Panchayati Raj**

The 'Panchlekha' software was designed for financial accounting in Panchayati Raj Institutions (PRIs) with the objective of effective management of funds provided to the PRIs by various agencies. The Directorate, Panchayati Raj, assigned the task of development of software to the National Informatics Centre and that of purchase of hardware and creation of infrastructure for Panchlekha to the National Informatics Centre Services Inc., a Government of India enterprise under the National Informatics Centre. Maintenance of accounts in the prescribed format was not done and monthly data was not fed into the software. Provision for compilation of data was not available at the district level. The department utilised Rs 10.43 crore on purchase of hardware and training and creation of infrastructure for implementation of the software in the State. However, due to absence of input data from *Gram Panchayats* and *Gram Sabhas* in the accounting proformas at the district level, the system was not functional. Thus, the entire expenditure incurred on implementation of the software proved to be unfruitful.

(Paragraph 1.4)

#### **5. Information Technology Audit of Headstart programme of Rajiv Gandhi Shiksha Mission**

The Government launched a computer education programme called Headstart for schoolchildren during the year 2000. The project was intended to bridge the digital divide with the objective of familiarising schoolchildren in rural areas with Information Communication Technologies. As on date, 3,361 Headstart Centres had been established in the State and the total expenditure incurred on the project during the last five years ending 2008-09 was Rs 41.28 crore.

The *Rajya Shiksha Kendra*, Bhopal allots contingency funds to all the Headstart centres in the State. Though 42 out of 64 Headstart centres of Bhopal district and 40 out of 77 Headstart centres of Vidisha district were not functional due to various reasons, funds continued to be provided to all of them. Further, 10 out of 11 Headstart centres were non-functional due to unrepaired hardware in the absence of annual maintenance contracts and lack

of power supply. Inadequate supply of educational compact discs and non-availability of trained teachers were also observed at the centres. Science clubs were not formed at the centres as envisaged in the programme. Due to inadequate security of the equipment procured, 199 personal computers, two monitors, 48 uninterrupted power supply units, three batteries and 12 printers were stolen from 117 Headstart centres.

*(Paragraph 1.5)*

## **6. *Integrated Audit of Public Health Engineering Department***

The Public Health Engineering Department provides safe drinking water to the rural and urban population of the State. Integrated audit of the department revealed inadequate financial controls, poor operational and material management, deficient contract management and lack of an internal control mechanism. There were persistent savings ranging between Rs 65.11 crore and Rs 241.64 crore during 2004-09. Cases of parking of Rs 43.31 crore under 'Civil Deposits' to avoid lapse of funds during 2005-06 and 2006-07 were observed. Contrary to provisions of the Madhya Pradesh Works Department Manual, Rs 154.48 crore was allotted during the last 10 days of the financial years during 2005-08. In Katni Division, works of laying water pipelines under 32 rural piped water supply schemes valuing Rs 1.55 crore were executed departmentally without the approval of the competent authorities. Articles valuing Rs 19.72 crore were not utilised in 18 separate divisions. In 11 divisions, physical verification of articles under material-at-site accounts had not been done since November 2007. In six divisions, articles valuing Rs 2.68 crore were irregularly purchased from the Madhya Pradesh State Consumer Co-operative Federation without inviting tenders. There was no internal audit wing in the department and inspection of divisional offices by the authorities was not being done regularly.

*(Paragraph 3.1)*

## **7. *Audit of Transactions***

Audit of financial transactions of various departments of the State Government and their field functionaries revealed instances of losses, wasteful/excess expenditure, avoidable expenditure and other irregularities involving Rs 152.88 crore.

Some of the important findings are given below:

Non-observance of codal provisions led to embezzlement of Rs 5.12 lakh in the office of the District Election Officer, Sheopur.

*(Paragraph 2.1.1)*

Fraudulent drawal of Rs 31.51 lakh in the office of the Deputy Director, Agriculture, Satna for payment of subsidy on distribution of seeds to farmers was noticed.

*(Paragraph 2.1.3)*

Chief Medical and Health Officers (CMHOs) failed to submit insurance claims as per the prescribed procedure which led to a loss of Rs 5.38 crore under the *Vijaya Raje Janani Kalyan Beema Yojna*, as the claims were rejected by the Insurance Company.

*(Paragraph 2.1.5)*

Adoption of incorrect base indices for calculation of escalation costs resulted in excess payment of Rs 52.18 lakh to contractors.

*(Paragraph 2.2.2)*

Incorrect estimation of earthwork led to incorrect evaluation and finalisation of a tender at an additional cost of Rs 1.06 crore.

*(Paragraph 2.2.8)*

Executive Engineer, Madhya Pradesh Housing Board division Katni executed (November 2002) a sale deed for purchase of disputed land for Rs 6.72 crore by changing the payment terms stipulated in the agreement executed in January 2002. This led to undue benefit to the seller and idling of land.

*(Paragraph 2.4.1)*

# CHAPTER I

## Performance Audit

### Public Health and Family Welfare Department

#### 1.1 National Rural Health Mission

##### Highlights

*The National Rural Health Mission (NRHM) was launched (April 2005) by the Government of India for providing equitable, affordable and effective health care facilities to the rural population. Performance audit of the Mission revealed that household surveys were not conducted and there were inadequacies in conducting of facility surveys. Perspective Plans were not prepared and there was absence of community participation in planning. There was lack of physical infrastructure, basic medical facilities and human resources. The maternal and infant mortality rates were higher than the targets envisaged by the Mission. There were cases of non-payment and delayed payment of cash assistance to beneficiaries under the Janani Suraksha Yojna. The important audit findings are indicated below:*

**Household surveys to assess health care needs were not conducted and facility surveys to assess the baseline status of public health facilities were partially conducted.**

*(Paragraph 1.1.6.1)*

**Perspective Plans for the Mission period were not prepared by the District Health Societies. There was lack of community involvement in preparation of Annual Plans at each level.**

*(Paragraph 1.1.6.2)*

**The State Government did not contribute its share of Rs 83.44 crore during 2007-08 and National Rural Health Mission funds amounting to Rs 2.12 crore were spent on a State sector scheme.**

*(Paragraphs 1.1.8.3 and 1.1.8.4)*

**A total unspent balance of Rs 195.86 crore was lying in banks at the district and State levels. Advances amounting to Rs 133.20 crore were pending for adjustment or recovery as of March 2009.**

*(Paragraphs 1.1.8.5 and 1.1.8.6)*

**None of the health centres had been upgraded to Indian Public Health Standards. Seventeen test-checked Community Health Centres declared as Comprehensive Emergency Obstetric and Neonatal Care, did not have the required infrastructure. Twenty five test-checked Primary Health Centres were found to be non-functional or partially functional due to insufficient staff and physical infrastructure while 101 Primary Health Centres were found to be functioning without doctors.**

*(Paragraphs 1.1.9.3, 1.1.9.4 and 1.1.9.5)*

**Against the requirement of 44,379 Accredited Social Health Activists (ASHAs), only 42,777 were selected and none of these had been imparted the fifth module of training so far. ASHAs were mostly functioning as motivators under the *Janani Suraksha Yojana* leaving other functions unattended.**

*(Paragraph 1.1.9.6)*

**The incidence of maternal and infant mortality in the State remained high.**

*(Paragraphs 1.1.11.3 and 1.1.12)*

**The immunisation effort declined during 2007-09. Family Planning activities fell short of targets.**

*(Paragraphs 1.1.12 and 1.1.13)*

**The incidence of mortality in malaria cases increased during 2005-08. Tuberculosis cure at the State level was below the prescribed norm. Against 57,191 students with refractive errors, only 26,476 students were provided free spectacles.**

*(Paragraphs 1.1.14.1, 1.1.14.2 and 1.1.14.4)*

**Monitoring Committees to review the activities of the Mission were not formed at the PHC, CHC, district and State levels.**

*(Paragraph 1.1.16)*

### **1.1.1 Introduction**

The National Rural Health Mission (NRHM) was launched (April 2005) by the Government of India (GOI) throughout the country with special focus on 18 States. Madhya Pradesh was one of the States selected for implementation of the programme. The main objectives of NRHM were to provide equitable, affordable, reliable and effective health care facilities to poor and vulnerable sections of the rural population. NRHM laid emphasis on reductions in the Maternal Mortality Rate (MMR), the Infant Mortality Rate (IMR) and the Total Fertility Rate (TFR), while carrying forward the Government's efforts in the field of prevention and control of communicable, non-communicable as well as endemic diseases with the involvement of the community in planning and monitoring. The key strategy of the Mission was to bridge gaps in health care facilities, facilitate decentralised planning in the health sector and provide an overarching umbrella for the existing programmes of the Health and Family Welfare Department including Reproductive and Child Health-II and various disease control programmes. It sought to provide health to all in an equitable manner through increased outlays, horizontal integration of existing schemes, capacity building and human resource management.



### 1.1.2 Organisational Set-up

At the State level, NRHM functions under the overall guidance of the State Health Mission (SHM), headed by the Chief Minister. The activities under the Mission are carried out through the State Health Society (SHS). The Governing Body of the SHS is headed by the Chief Secretary. The Executive Committee of the SHS is headed by the Principal Secretary, Public Health and Family Welfare Department. The State Programme Management Support Unit (SPMSU) acts as the Secretariat to SHS and is headed by the Mission Director.

At the district level, there are District Health Societies (DHSs) headed by the respective District Collectors who act as chairpersons of the DHS and their Executive Committees are headed by the respective Chief Medical and Health Officers (CM&HOs).

### 1.1.3 Audit Objectives

The objectives of the performance audit were to assess whether:

- the planning process at the village, block, district and State levels were adequate;
- community participation in planning, implementation and monitoring was as per guidelines;
- the funds provided were adequate and the utilisation of funds was efficient and effective;
- capacity building and strengthening of physical and human infrastructure were as per the Indian Public Health Standards (IPHS)<sup>1</sup>;
- the systems and procedures of procurement of drugs and services provided were economical and adequate;
- the information, education and communication (IEC) programme was effective in raising health awareness and
- the monitoring and evaluation process ensured accessible, effective and reliable health care for the rural population.

### 1.1.4 Audit Criteria

The audit criteria adopted for arriving at the audit conclusions were the following:

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<sup>1</sup> A set of standards envisaged to improve the quality of health care delivery in the country under the National Rural Health Mission.

- The GOI framework for implementation of NRHM,
- Guidelines issued by GOI for various components, disease control programmes, financial aspects, etc,
- Orders and instructions issued by the State Government,
- State Programme Implementation Plans (PIP) and Annual District Action Plans,
- Indian Public Health Standards for upgradation of health centres.

### **1.1.5 Scope and Methodology of Audit**

Performance audit of the records of the State Mission Directorate, 12 out of 48 District Health Societies (DHSs), 35 out of 333 Community Health Centres (CHCs), 68 out of 1,155 Primary Health Centres (PHCs) and 134 out of 8,860 Sub Centres (SCs) in 12 districts, selected on the basis of the Probability Proportional to Size method (**Appendix 1.1**) was carried out for the period 2005-06 to 2008-09 during April to November 2009. An entry conference was held with the Mission Director on 6 March 2009, during which the audit objectives and criteria were discussed. An exit conference was held with the department on 12 December 2009 during which the audit findings were discussed.

### **Audit Findings**

#### **1.1.6 Planning**

NRHM envisaged a decentralised and participatory planning process with a bottom-up approach from the village level to the State level with involvement of the community at the field level. The State and districts were required to prepare Perspective Plans for the Mission Period (2005-12). Action Plans for each year were to be prepared by SHS by consolidating all the district level Plans to enable interventions in the health sector.

##### **1.1.6.1 Baseline surveys**

**Household surveys were not conducted and facility surveys were done partially.**

As per NRHM guidelines, household surveys at the village, cluster and block levels were to be conducted for preparing comprehensive District Action Plans. Facility surveys were required to be carried out to ascertain the facilities available at the SC/PHC/CHC level. Fifty *per cent* of these surveys were required to be completed by 2007 and 100 *per cent* by 2008. These surveys were to be conducted through the community by involving Accredited Social Health Activists (ASHAs)<sup>2</sup>, Anganwadi workers (AWWs), Auxiliary Nursing Midwives (ANMs) etc. It was found that household surveys were not

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<sup>2</sup> *Village level female health workers who work as an interface between the households and the public health system.*

conducted at any level in the State. Facility surveys were not conducted at any of the 8860 SCs and were conducted at only 353 out of 1155 (30.56 per cent) PHCs and 313 out of 333 (94 per cent) CHCs in the State. This fact was also acknowledged during the exit conference.

### 1.1.6.2 Framing of Action Plans without community involvement

**District Perspective Plans were not prepared at any of the districts.**

Household and facility surveys constitute the baseline for preparation of Village Health Action Plans by the Village Health and Sanitation Committees (VHSCs). The gaps in health care facilities identified through the baseline surveys were to be addressed by devising suitable intervention strategies. Village Health Action Plans were to indicate the financial and physical targets and to form the basis for preparation of Health Action Plans at the block and district level and the Perspective Plan and PIP for the State as a whole.

It was noticed in audit that Health Action Plans were not prepared for the years indicated in **Table 1.1**.

**Table 1.1 : Non-Preparation of Health Action Plans**

Nature of Plan	Year-wise figures of units which did not prepare Annual Action Plans	Authorities responsible for preparing the Plans
Village Health Action Plan (55392 villages)	2006-07 (54229 villages), 2007-08 (51625 villages) and 2008-09 (46917 villages)	Village Health and Sanitation Committee
Block Health Action Plan (313 blocks)	2005-06 (all blocks), 2006-07 (209 blocks) and 2007-08 (82 blocks)	Block Health Monitoring and Planning Committee.
District Health Action Plan (48 districts)	2005-06 (43 districts) and 2006-07 (12 districts)	District Health Monitoring and Planning Committee.

(Source: Data furnished by State Health Society)

Not conducting household surveys and the inadequate number of facility surveys impaired the planning process and rendered the assessment of progress during NRHM difficult. Perspective Plans of NRHM for a seven-year time-frame (2005-12), outlining the resource and activity needs, which were required to be prepared by each district, were also not prepared by any of the 48 districts of the State. Reasons for not conducting baseline surveys and not preparing Village Action Plans and Perspective Plans in the districts were not furnished by the SHS.

Village Health and Sanitation Committees (VHSCs), responsible for preparation of Village Health Action Plans, were formed in 25,368 (46 per cent) out of 55,392 villages only. Block and district level Monitoring and Planning Committees, represented by community based organisations<sup>3</sup> which were responsible for preparation of the respective Annual Action Plans had not been formed. Even at the State level, the Monitoring and Planning Committees had not been formed. Thus, planning was done without involvement of grassroot participation and the objective of community

<sup>3</sup> Panchayati Raj Institutions and Non-Government Organisations.

participation in planning, implementation and monitoring as envisaged by the NRHM was not fulfilled. The department agreed with the observations of Audit.

### **1.1.6.3 Fixing lower targets**

**Targets fixed by Government of India in respect of maternal mortality rate and infant mortality rate, were reduced by the State.**

NRHM envisaged the reduction of MMR to 100 per one lakh live births and IMR to 30 per 1000 live births by 2012. However, the State PIP (2006-2012) fixed the goal of reduction of MMR to less than 220 per one lakh live births and IMR to 60 per 1000 live births. Both these targets were far below the targets envisaged under NRHM.

On being asked, the SHS replied (October/November 2009) that due to shortage of manpower, it was not possible to achieve NRHM targets and hence, they had to be slashed down. The department also endorsed the above perception of SHS during the exit conference.

### **1.1.6.4 Integration of existing health care programmes under NRHM**

**Convergence and financial integration of National Disease Control Programmes with National Rural Health Mission were not done.**

NRHM aimed at an architectural correction in the health care delivery system by converging the various standalone national disease control programmes (NDCPs) of the Ministry of Health and Family Welfare (MOH&FW) viz. RCH-II, the Vector Borne Disease Control Programme, the Tuberculosis, Leprosy and Blindness Control Programmes and the Integrated Disease Surveillance Project. The individual bank accounts of these NDCPs were to be closed on 31 March 2007 after transferring the balance amounts to the account of the SHS. The funds for NDCPs were to be routed through the SHS from April 2007. Scrutiny of records revealed that the NDCPs had not been merged and the funds were being released to the respective societies by GOI directly and not through the SHS. It was also noticed that the SHS was not involved in planning and monitoring of NDCPs. Thus, the objective of bringing all the health care activities under one umbrella for better planning and monitoring was not fulfilled.

While confirming (November, 2009) the above facts, the SHS stated that reasons for non-merger would be intimated to Audit in due course.

### **1.1.7 Rogi Kalyan Samitis**

**There were deficiencies in the working of Rogi Kalyan Samitis at the Community Health Centre and Primary Health Centre levels.**

Rogi Kalyan Samitis (RKSs) were meant to serve as a mechanism for involving users of health facilities in the upgradation and maintenance of health centres. These RKSs were to be constituted for health care centres up to the PHC level with local elected representatives, health officials, leading members of the community including SC/ST/OBC/minorities/NGOs, local CHC/PHC in-charges and leading donors. The Governing Bodies and Executive Bodies of RKSs were required to review the functioning of health care facilities on a regular basis. Recommendations were to be given by RKSs to DHSs for improvement of the health care system on which timely action was required to be taken by the respective DHSs. The RKSs were to develop

and prominently display the charter<sup>4</sup> of citizens' health rights outside the health centres so as to make health care users aware of the health rights and facilities available. Compliance with the citizens' charter was to be ensured through operationalisation of grievance redressal mechanisms. Monitoring committees were to be constituted by RKSs to visit hospitals and collect patient feedback on which remedial action was required.

In the 12 districts test-checked in audit, the following points were observed:

- In nine<sup>5</sup> PHCs, RKSs had not been formed. Meetings of the Governing Bodies and Executive Bodies were not held as per the prescribed norms.
- None of the 106 RKSs checked during audit had recommended any improvement in the health care system to the DHSs.
- The citizens' charter was displayed in district hospitals (DHs) only. No citizens' charter was displayed in six CHCs and 42 PHCs.
- Monitoring committees had not been constituted. Records of patient feedback and action taken thereon were not maintained in the RKSs at the level of PHCs, CHCs and DHs.

Thus, the RKSs failed to fill the gaps in public health facilities and suggest remedial action for the same. During the course of discussion in the exit conference, the department agreed with the audit observation.

## **1.1.8 Financial Management**

### ***1.1.8.1 Funding pattern***

The Government of India provided 100 *per cent* grant-in-aid to the State for the years 2005-06 and 2006-07. During the Eleventh Plan (2007-12), the contribution was to be in the ratio of 85:15 between the Centre and the State. Funds were to be released by GOI to the State through two separate channels, viz. the State Finance Department for Family Welfare and directly to the SHS and other disease control societies on the basis of approved PIPs.

### ***1.1.8.2 Financial Outlay and Expenditure***

Expenditure on the Family Welfare Programme was incurred by the Government against the budget provision, which was reimbursed by GOI on the basis of Audit Certificates issued by the Principal Accountant General.

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<sup>4</sup> A document representing a systematic efforts to focus on the commitment of the organisation towards its citizens.

<sup>5</sup> Bharoli, Bolkhedanau, Jawasia Kumar, Jhutawad, Karoli, Khadan Bujurge, Masod, Royalbeda and Singhana.

The position of budget provisions, expenditure incurred and releases made by GOI to the State Finance Department under the Family Welfare Programme during 2005-06 to 2008-09 was as given in **Table 1.2**.

**Table 1.2: Financial Outlay and Expenditure incurred under Family Welfare Programme**

(Rupees in crore)

Year	Budget Provision	Expenditure	Receipts from GOI (reimbursements)
2005-06	169.41	113.24	60.58
2006-07	143.62	131.19	95.52
2007-08	180.71	158.15	172.33
2008-09	195.01	156.61	127.21

(Source: Directorate, Health Services, Bhopal)

Audit observed that Rs 103.55 crore had not been reimbursed to the State Government by GOI as of March 2009, of which Rs 20.57 crore was reimbursed (November 2009) by GOI during 2009-10.

The position of funds released by GOI directly to various societies for the various components of NRHM and other disease control programmes and the expenditure thereagainst during 2005-06 to 2008-09 was as given in **Table 1.3**.

**Table 1.3: Financial Outlay and Expenditure incurred under various components of NRHM and various NDCPs**

(Rupees in crore)

Sl. No.	Component	2005-06		2006-07			2007-08			2008-09			
		Release	Expenditure	Opening balance	Release	Expenditure	Opening balance	Release	Expenditure	Opening balance	Release	Expenditure	Unspent Balance
1.	State Programme Management Unit (SPMU)												
	(a) Routine Immunization	8.56	0.27	8.29	5.38	3.60	10.07	7.40	9.88	7.59	4.60	12.06	0.13
	(b) Pulse Polio Immunization	8.80	8.34	0.46	20.30	19.96	0.80	10.97	10.52	1.25	19.57	18.78	2.04
	(c) RCH Flexi Pool <sup>6</sup>	56.96	25.03	31.93	97.16	122.55	6.54	262.87	327.93	-58.52	316.84	344.82	-86.50
	(d) NRHM Flexi Pool <sup>7</sup>	32.00	0.47	31.53	140.88	47.74	124.67	202.53	102.83	224.37	157.51	122.60	259.28
	(e) State Share	--	--	--	--	--	--	--	--	90.00	--	90.00	
2.	Disease Control Programmes	26.18	13.93	12.25	25.00	24.31	12.94	29.98	26.50	16.42	26.74	31.57	11.59
	<b>Grand Total</b>	<b>132.50<sup>8</sup></b>	<b>48.04</b>	<b>84.46</b>	<b>288.72</b>	<b>218.16</b>	<b>155.02</b>	<b>513.75</b>	<b>477.66</b>	<b>191.11</b>	<b>615.26</b>	<b>529.83</b>	<b>276.54</b>

(Source: State Health Society and NDCP Societies, Bhopal)

<sup>6</sup> RCH II Flexi Pool : Discretionary resources made available to the States with the flexibility to make plans and for utilisation for maternal health, child health, family planning, tribal health etc., according to their needs.

<sup>7</sup> NRHM Flexi Pool : Discretionary resources made available to the States with the flexibility to make plans and for utilisation of corpus grants to Rogi Kalyan Samitees, untied grant, annual maintenance grant, etc.

<sup>8</sup> Includes receipts during the year and opening balance (Rs 8.81 crore) as on 01.04.2005. In case of disease control societies, releases include receipts from GOI and other receipts such as interest. (Other receipts 2005-06 : Rs 0.94 crore, 2006-07 : Rs 1.07 crore, 2007-08 : Rs 0.82 crore and 2008-09 : Rs 1.03 crore).

Audit observations on the above are discussed in the succeeding paragraphs:

### 1.1.8.3 Non-contribution of funds by the State Government

**State did not contribute its share of 15 per cent of funds during 2007-08.**

As per NRHM guidelines, the State was to contribute 15 per cent of the required funds from the Eleventh Plan Period (2007-12). However, as against Rs 472.80 crore released by GOI under the three components of NRHM (RCH-II, NRHM and Immunisation) in 2007-08, the State did not contribute its share of Rs 83.44 crore. The State, however contributed Rs 90 crore during 2008-09. During the exit conference, the department agreed with the audit observation.

### 1.1.8.4 Utilisation of NRHM Funds on State Sector Scheme

**Expenditure of Rs 2.12 crore was incurred on a State Sector Scheme viz. the Rajya Bimari Sahayata Yojna, despite non-approval by Government of India.**

The *Rajya Bimari Sahayata Yojna*, a State Sector Scheme, was included by the SHS in the PIP of 2007-08 but was not approved by GOI. Despite non-approval by GOI, an expenditure of Rs 2.12 crore was incurred on the scheme from NRHM funds in the State, which included Rs 52.87<sup>9</sup> lakh incurred in the test-checked districts. At the exit conference, the department agreed with the audit observations and stated that the said amount would be recouped to NRHM funds.

### 1.1.8.5 Unspent balances

Government of India released grants-in-aid to the SHS on the basis of the PIPs duly approved by the National Programme Coordination Committee (NPCC). Subsequently, funds were released by the SHS to the DHSs with instructions to utilise the entire grants in the respective financial years.

**Rupees 195.86 crore was lying unspent in banks as of 31 March 2009.**

During the test check of records, it was found that Rs 167.31 crore was lying unspent at the SHS level while Rs 28.55 crore<sup>10</sup> was lying unspent at the district level in banks as of 31 March 2009. The SHS attributed the non-utilisation of funds to releases made by GOI at the fag end of the financial year. At the exit conference, the department agreed with the audit observations and assured utilisation of unspent funds.

<sup>9</sup> Betul: Rs 5.00 lakh, Bhand : Rs 5.51 lakh, Bhopal : Rs 5.65 lakh, Dhar: Rs 5.00 lakh, Gwalior: Rs 4.76 lakh, Indore: Rs 5.00 lakh, Khargone: Rs 0.60 lakh, Morena: Rs 6.90 lakh, Raisen: Rs 4.80 lakh, Shahdol: Rs 4.65 lakh and Ujjain: Rs 5.00 lakh.

<sup>10</sup> Betul: Rs 3.56 crore, Bhand: Rs 0.83 crore, Bhopal: Rs 1.41 crore, Dhar: Rs 2.32 crore, Gwalior: Rs 5.82 crore, Indore: Rs 1.70 crore, Khargone: Rs 0.61 crore, Mandla: Rs 1.16 crore, Morena: Rs 2.16 crore, Raisen: Rs 2.36 crore, Shahdol: Rs 1.85 crore and Ujjain: Rs 4.77 crore.

### 1.1.8.6 Outstanding advances

An amount of Rs 133.20 crore was outstanding for adjustment as of 31 March 2009.

The SHS releases funds to DHSs and other programme implementation agencies as advances under NRHM. These advances are to be adjusted after submission of accounts. As per the Financial Management Report<sup>11</sup> ending 31 March 2009, an amount of Rs 133.20 crore was shown as outstanding for adjustment/ recovery at the SHS level. Similarly, in the test-checked districts, advances amounting to Rs 18.74<sup>12</sup> crore as on 31 March 2009 were outstanding for adjustment/recovery. No specific reason was given by the SHS for the huge outstanding advances and it was stated (November 2009) that instructions had been issued to DHSs for adjustment of the advances within three months. During the exit conference, the department also endorsed the above reply of the SHS.

### 1.1.8.7 Non-release of untied and maintenance grants/corpus grants

Regular annual untied, maintenance and corpus grants were not released to Community Health Centres/Primary Health Centres and Rogi Kalyan Samitis.

As per the norms of the Mission, annual untied and maintenance grants are to be released to SCs, PHCs and CHCs for maintaining physical structures and meeting local health needs. Similarly, corpus grants are to be released to registered RKSs to carry out the functions entrusted to them. The prescribed grants fixed under NRHM are given in **Table 1.4**.

**Table 1.4 : Untied and maintenance grants**

(In Rupees)

Centres	Untied Grant	Maintenance Grant	Corpus Grant to RKS
SC	10000	10000	Nil
PHC	25000	50000	100000
CHC	50000	100000	100000
DH	Nil	Nil	500000

(Source: NRHM Guidelines)

During scrutiny of records in the test-checked health centres, it was noticed that untied grants, maintenance grants and corpus grants were not released to some health centres during 2005-09 as shown in **Table 1.5**.

**Table 1.5: Non-release of grants to health centres**

(Figures in numbers)

Year	Untied grants			Maintenance grants			Corpus grants to RKS		
	CHC	PHC	SC	CHC	PHC	SC	DH	CHC	PHC
2005-06	35	67	74	35	67	130	9	33	67
2006-07	6	27	30	10	23	121	1	7	36
2007-08	6	30	42	8	34	83	2	5	21
2008-09	7	21	72	8	19	94	3	12	32

(Source: Test-checked health centres)

<sup>11</sup> A quarterly statement sent by the SHS to GOI showing the release of funds by GOI, expenditure incurred and unspent balances and advances.

<sup>12</sup> Betul: Rs 1.66 crore, Bhand :Rs 1.89 crore, Bhopal: Rs 0.67 crore, Dhar :Rs 2.29 crore, Gwalior: Rs 0.74 crore, Indore: Rs 0.34 crore, Kargone: Rs 4.37 crore, Mandla: Rs 1.61crore, Morena: Rs 1.21 crore, Raisen: Rs 0.05 crore, Shahdol: Rs 1.89 crore and Ujjain: Rs 2.02 crore.



Further, it was found that untied and maintenance grants of Rs 35.45 lakh during the period 2005-09 were utilised for other purposes such as purchase of furniture, stationery, drugs, construction works etc. On this being pointed out, the respective CM&HOs stated that in future, the grants would be utilised as per the guidelines of the Mission.

Audit scrutiny of the grants released revealed the following:

- Corpus grants were released to non-registered RKSs in eight<sup>13</sup> test-checked health centres;
- Against the entitled grant of Rupees five lakh, an amount of Rs 20 lakh was released to the RKS at District Hospital, Mandla during 2006-2007.
- VHSCs were entitled to annual untied grants of Rs 10000 which were to be used for setting up revolving funds at the village level for providing referral and transport facilities for emergency deliveries; meeting the immediate financial needs for hospitalisation as well as ensuring that public health activities at the village level receive priority attention. VHSCs were formed in 6,021 out of 11,950 (50 per cent) villages but untied grants of Rs 10,000 each were released in favour of only 4,459<sup>14</sup> VHSCs. No revolving fund was set up by any VHSC.

**Revolving funds were not set up by any Village Health and Sanitation Committee.**

The SHS stated (November 2009) that funds were released from the flexi pool to DHSs and the reasons for non-release of funds by them to the health centres would be obtained from DHSs. Regarding the excess corpus grant to the RKS District Hospital, Mandla, the CM&HO stated (August 2009) that the matter would be investigated. At the exit conference, the department stated that suitable action would be taken in the matter.

#### **1.1.8.8 Diversion of funds**

**Amounts of Rs 58.52 crore (2007-08) and Rs 27.98 crore (2008-09) were diverted from the National Rural Health Mission flexi pool to the Reproductive and Child Health flexi pool.**

As per Rule 26 (ii) of General Financial Rules 2005, funds were required to be spent for the purpose for which they were earmarked and any diversion of funds required the approval of the competent authority. However, during 2007-08 and 2008-09, SHS incurred expenditure of Rs 58.52 crore and Rs 27.98 crore respectively in excess of the available funds under the RCH flexipool by diverting funds from the NRHM flexipool without obtaining the approval of GOI. In reply, SHS stated (November 2009) that the diversion of funds was due to excess expenditure under the *Janani Suraksha Yojna*<sup>15</sup> (JSY) activities and that the position had been intimated to GOI through the Financial Management Report.

<sup>13</sup> CHC-Bichhiya, PHCs-Anjanika, Babalia, Bharveli, Bhaura, Bijadehi, Pathasihora, Sijhaura.

<sup>14</sup> Betul 895, Bhind 360, Bhopal 350, Dhar 516, Gwalior 254, Indore 371, Khargone 690, Mandla 45, Morena 69, Raisen 180, Shahdol 643 and Ujjain 86.

<sup>15</sup> The Janani Suraksha Yojana (JSY) is a safe motherhood scheme under NRHM, with the objective of reducing maternal and neonatal mortality by promoting institutional deliveries among poor pregnant women.

The diversion of substantial amounts of funds without obtaining the approval of GOI indicated improper application of resources. Various lapses noticed in the implementation of JSY have been commented upon in para 1.1.11.2. During the exit conference, the department agreed with the audit observations.

### **1.1.9 Capacity Building**

NRHM stipulates upgradation of public health facilities on the basis of IPHS. Infrastructure, personnel, equipment and status of management standards for different level health centres have also been defined appropriately under IPHS.

#### **Physical Infrastructure**

##### *1.1.9.1 Shortage of Health Centres*

To ensure greater access and proper implementation of various services, NRHM envisages setting up of health institutions on the basis of population norms. NRHM set the target of providing one Sub Centre (SC) for a population of 5,000 (3,000 in tribal areas), one PHC for a population of 30,000 (20,000 in tribal/ desert areas) and one CHC for a population of 1,20,000 (80,000 in tribal/desert areas). However, as compared to the population norms, shortage of 59 CHCs, 481 PHCs and 1,279 SCs was noticed in audit as shown in **Table 1.6**.

**Table 1.6 : Status of Health Centres**

**There was shortage of 59 Community Health Centres, 481 Primary Health Centres and 1,279 Sub Centres in the State.**

Sl. No.	Centres	Number of health centres required as per population of Census 2001	Actual number of health centres	Shortage	Percentage
1	CHCs	392	333	59	15
2	PHCs	1636	1155	481	29
3	SCs	10139	8860	1279	13
	<b>Total</b>	<b>12167</b>	<b>10348</b>	<b>1819</b>	

(Source: Data collected from SHS)

In the 12 test-checked districts, there was shortage of CHCs by 25 per cent, PHCs by 30 per cent and SCs by 16 per cent against the requirement as per the population norms. Despite four years of operation of NRHM, the number of health centres fell short of the prescribed norms. The department stated (November 2009) that efforts were being made to open more health centres.

##### *1.1.9.2 Construction of Buildings*

**Construction of 36 health centre buildings remained incomplete after spending Rs 2.01 crore.**

During scrutiny of records of the test-checked districts, it was found that construction works of one CHC, four PHC and 31 SC buildings remained incomplete after spending Rs 2.01<sup>16</sup> crore. Out of 32 completed SC buildings, 12 buildings costing Rs 67.51 lakh were not taken over by the department. Construction works of 66 SC buildings, one PHC building and one CHC building had not been undertaken. The Secretaries, DHSs stated (November 2009) that action would be taken to complete the works as soon as possible.

<sup>16</sup> CHC: Rs 63.68 lakh, PHC: Rs 54.28 lakh, SC: Rs 83.46 lakh.

Even after four years of commencement of NRHM, several health centres, particularly SCs, were functioning without buildings. In the test-checked districts, it was noticed that out of 2,384 SCs, 816 SCs<sup>17</sup> were functioning without their own buildings. Thus, the required infrastructure for providing rural health care was found to be inadequate. At the exit conference, the department agreed with the audit observations.

### 1.1.9.3 Upgradation of Health Centres

The Mission provided for upgradation of the existing facilities for delivery of better health services in rural areas. It also envisaged the provision of 24x7 delivery and emergency services at the CHC/PHC level. Audit observed the following:

- During 2005-09, none of the health institutions (CHCs, PHCs and SCs) had been upgraded as per IPHS.
- Out of 82 CHCs declared as first referral units (FRU)<sup>18</sup> during 2005-06, 16 (20 per cent) were partially functional and 66 (80 per cent) were non-functional.
- Out of 499 CHCs and PHCs declared as 24x7 centres during 2005-06, 115 (23 per cent) were non-functional.

**82 Community Health Centres declared as first referral units were partially functional/ non-functional and 115 health centres declared as 24x7 centres were non-functional.**

On this being pointed out, the department stated (November 2009) that the health centres were partially functional/non-functional due to shortage of manpower.

### 1.1.9.4 Deficiencies in the selected Community Health Centres and Primary Health Centres

NRHM aimed to provide 30-bedded indoor facilities along with well-equipped operation theatres and specialists/doctors to provide health services at CHCs. Laboratory services, X-ray facilities and blood storage facilities were also required to be provided at each CHC. Similarly, PHCs providing health care facilities were to have sufficient physical infrastructure and staff as per the norms.

Scrutiny of records of the 35 test-checked CHCs and 68 test-checked PHCs in 12 districts revealed that the basic infrastructure and health services/facilities were not available as per the IPHS in any of the CHCs and PHCs as shown in **Appendix 1.2.**

<sup>17</sup> Betul -55 (263), Bhind-68 (186), Bhopal-6 (63), Dhar-128 (399), Gwalior- 8(101), Indore -34(111), Khargone -58(276), Mandla -25(248), Morena -72(196), Raisen-96(175), Shahdol-119(194) and Ujjain-147(172).

<sup>18</sup> FRU provides basic Emergency Obstetric Care for women and Acute Respiratory Infection treatment for children.

**In test-checked Community Health Centres and Primary Health Centres, basic infrastructure, health services/facilities were not available as per Indian Public Health Standards.**

Out of the 35 test-checked CHCs, 17 CHCs were declared as Comprehensive Emergency Obstetric and Neonatal Care (CEmONC) Centres. Each CEmONC Centre was to have basic amenities like emergency obstetric care included facilities for Caesarean sections with blood transfusion facilities and specialists (gynaecologists, anaesthetists, paediatricians etc.) for conducting surgeries. However the requisite specialists/facilities were not found to be available in the CHCs as shown below:

**Table 1.7 : Non-availability of specialists/facilities in CHCs declared as CEmONCs**

Sl. No.	Specialists/facilities not available	Number of CHCs
1.	Gynaecologist	8
2.	Anaesthetist	13
3.	Paediatrician	9
4.	Blood Storage	13
5.	Caesarean Section	14

(Source: Records of test-checked CHCs)

Out of the 68 test-checked PHCs, 25 PHCs were found to be non-functional/partially functional due to insufficient human and physical infrastructure as analysed below:

- Seven<sup>19</sup> PHCs were found to be non-functional due to non-availability of doctors as well as physical infrastructure.
- Eighteen<sup>20</sup> PHCs were partially functional due to inadequate/non-availability of staff, inadequate physical infrastructure/health facilities. In eight<sup>21</sup> PHCs, no institutional deliveries were being carried out.

#### **1.1.9.5 Manpower Management**

Public health services in rural areas are delivered through SCs, PHCs, and CHCs. The NRHM framework and IPHS emphasised capacity building of manpower and setting benchmarks for medical personnel at SCs, PHCs and CHCs. As per the IPHS, each SC was to have two Auxiliary Nursing Midwives (ANM) and one multi-purpose worker (MPW-Male). CHCs/PHCs were to have posts of specialists, medical officers and para-medical/ support staff as shown in the following table.

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<sup>19</sup> Bara, Barkhedidev, Ketoghan, Kuchwara, Nayakpura, Rasmohni and Rayalbeda.

<sup>20</sup> Andarh, Badud, Balwada, Barha, Bolkhedanau, Bamhauri, Bharoli, Bharveli, Dhamarra, Javasiya Kumar, Kariyawati, Khadan Bujurg, Khargone, Masod, Pathasihora, Sijhaura, Sivna and Umarban.

<sup>21</sup> Andarh, Badud, Balwada, Barha, Bolkhedanau, Dhamarra, Khadan Bujurg and Javasiya Kumar.

Table 1.8 : Manpower earmarked as per IPHS

Name of Health Centres	Medical Staff		Para-Medical staff	
	Name of post	Number of posts	Name of post	Number of post
CHC	General Surgeon, Physician, Obstetrician / Gynaecologist, Paediatrician, Anaesthetist, Eye Surgeon, Public Health Programme Manager	7	ANM/MPW (Female), Public Health Nurse, Dresser, Pharmacist/Compounder, Laboratory Technician, Radiographer, Ophthalmic Assistant, Outpatient Department Attendant and OT Attendant	9
	Medical Officers (General duty Officer)	6	Ward boys, Staff Nurse	2 7
<b>Total</b>		<b>13</b>		<b>18</b>
PHC	Medical Officer	2	Pharmacist, Health Worker (female), Laboratory Technician,	3
			Health Assistant (one male, one female) Staff Nurse	2 3
<b>Total</b>		<b>2</b>		<b>8</b>

(Source: Indian Public Health Standards)

The sanctioned strength of medical and para-medical staff and persons-in-position in SCs, PHCs, CHCs and district health institutions in the 12 test-checked districts during 2005-06 and 2008-09 were as shown in **Table 1.9**.

Table 1.9 : Status of Manpower

Name of District	2005-06				2008-09			
	Manpower Sanctioned	Men-in-position	Vacancies	Percentage of Vacancies	Manpower Sanctioned	Men-in-position	Vacancies	Percentage of Vacancies
Betul	752	615	137	18	905	729	176	19
Bhind	354	74	280	79	600	461	139	23
Bhopal	233	169	64	27	253	207	46	18
Dhar*	1132	74	1058	93	1289	1002	287	22
Gwalior	320	297	23	7	349	282	67	19
Indore	365	310	55	15	437	350	87	20
Khargone	930	669	261	28	1143	751	392	34
Mandla	808	577	231	29	823	643	180	22
Morena	601	488	113	19	722	549	173	24
Raisen	728	492	236	32	887	481	406	46
Shahdol	558	398	160	29	1078	587	491	46
Ujjain	460	381	79	17	581	378	203	35

(Source: Data furnished by DHSs)

Note: -\* Complete information for the year 2005-06 was not made available as the records were seized by Lokayukt.

Shortage of manpower ranged between 18 to 46 per cent during 2008-09.

Out of 297 Primary Health Centres in 10 out of 12 test-checked districts, 101 Primary Health Centres were running without doctors.

The cadre-wise position is given in **Appendix 1.3**. Audit observed that in three districts viz. Gwalior, Raisen and Ujjain, the staff deployed in 2008-09 was less than the corresponding staff of 2005-06 though there was an increase in the number of sanctioned posts. Of the total sanctioned posts, there was a 93 per cent shortage of anaesthetists, an 81 per cent shortage of gynaecologists and a 74 per cent shortage of paediatricians as of March 2009 in the test-checked districts. In 10 out of 12 test-checked districts, 101<sup>22</sup> out of total 297 PHCs were running without doctors despite provision for deployment of contractual staff under NRHM.

<sup>22</sup> Betul-12 (33), Bhind-6 (20), Dhar-12 (47), Indore-3 (26), Khargone-20 (54), Mandla-13 (30), Morena-5 (16), Raisen-9 (19), Shahdol- 14 (30) and Ujjain-7 (22).

On this being pointed out, the SHS stated (November 2009) that appointment of 400 post-graduate medical officers (PGMOs) and 400 medical officers (MOs) was planned for 2005-06 but only 94 PGMOs and 325 MOs joined (November 2009). The shortage was attributed to attractive salaries offered in the private sector and lack of basic amenities in rural areas.

Deficiencies noticed in test-checked CHCs, PHCs and SCs included the following:

- One hundred and four SCs were functioning with just one ANM/MPW (Female) against the required two; 10 SCs were functioning without an ANM/MPW (Female) and 64 SCs were functioning without an MPW (male).
- Due to the absence of staff, three SCs (Goyala Bujurg, Helapbada and Indokh) were found to be non-functional.
- Against the requirement of 136 Medical Officers, only 65 (48 *per cent*) were posted in the test-checked PHCs. Against the requirement of 544 paramedical staff, only 170 (31 *per cent*) were posted.
- Seventeen PHCs had only one paramedical staff member each. In two<sup>23</sup> PHCs, laboratory technicians were not available whereas two laboratory technicians, one each in the PHCs at Berkhedidev and Pichhore were sitting idle, as there were no laboratories there.
- Against the requirement of 455 doctors, only 144 doctors (32 *per cent*) were posted in 35 CHCs. In eight<sup>24</sup> CHCs there was an acute shortage of supportive staff ranging between six and 11 whereas in seven<sup>25</sup> CHCs, there was surplus staff ranging between three and 14.
- Twenty-five CHCs had no gynaecologist, 23 CHCs had no paediatrician, and 31 CHCs had no anaesthetist.
- In six<sup>26</sup> CHCs, radiographers were sitting idle due to non-availability of X-ray facilities, whereas in the CHCs at Jharda and Ghatia, X-ray facilities were available but no radiographers were posted there.

During the exit conference, the department agreed with the audit observations and stated that efforts were being made to fill up the vacant posts.

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<sup>23</sup> *Bhora, Devgarh.*

<sup>24</sup> *Begumganj (7), Ghatia (11), Jharda (8), Mohana (7), Narayanganj (6), Noorabad (6), Pahargarh (9) and Singhpur (8).*

<sup>25</sup> *Badwah (14), Bareli (3), Dabra (14), Lahar (7), Manawar (14), Mehgaon (8) and Sanwer (5).*

<sup>26</sup> *Badwah, Beohari, Bakaner Pahargarh, Sanwer and Tirla.*

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### 1.1.9.6 Accredited Social Health Activist (ASHA) Scheme

NRHM envisaged providing of a trained female ASHA in each village in the ratio of one per 1,000 population. She was to be chosen by and was to be accountable to the village panchayat to act as an interface between the community and the public health system. An ASHA had to function as an honorary worker and was entitled to performance-based compensation for universal immunisation, referral transport and escort services under RCH-II, construction of household toilets and other health care delivery programmes. As per norms, 44,379 ASHAs were required in the State. Of these 17,751 (40 per cent) were required to be selected by 2006, 31065 (70 per cent) by 2007 and 44,379 (100 per cent) by 2008. All ASHAs were to be imparted 23 days induction training in five modules by 2009. The position of selection and training of ASHAs was as shown in **Table 1.10**.

**Table 1.10 : Status of training imparted to ASHAs**

Year	Number of ASHAs selected	Number of ASHAs trained				
		Ist Module	II <sup>nd</sup> Module	III <sup>rd</sup> Module	IV <sup>th</sup> Module	V <sup>th</sup> Module
2005-06	12979	8366	-	-	-	-
2006-07	19302	8500	-	-	-	-
2007-08	8219	18271	23909	22543	8464	-
2008-09	2277	3597	7238	7583	13915	-
<b>Total</b>	<b>42777</b>	<b>38734</b>	<b>31147</b>	<b>30126</b>	<b>22379</b>	<b>-</b>

(Source: - Data collected from SHS)

Scrutiny of records revealed that: -

**The required numbers of ASHAs were neither selected nor fully trained.**

- against the target of 44,379 ASHAs, 40,500 ASHAs (91 per cent) were selected by the end of 2007-08 and 1,602 were still to be selected (November 2009);
- against 42,777 ASHAs selected, training up to the first, second, third and fourth modules was not imparted to 4,043, 11,630, 12,651 and 20,398 ASHAs respectively. The fifth module of training was not imparted to any of the ASHAs.

It was further observed by Audit that:

- ASHAs were to be provided drug kits consisting of ORS, contraceptives and a set of 10 basic drugs. Though drug kits were provided to ASHAs during 2006-08, replenishment of the drugs in the kits was not done.
- ASHAs were primarily functioning as motivators for bringing pregnant women for institutional deliveries, leaving their other functions mostly unattended.

Thus, the shortfall in selection and training of ASHAs affected programme implementation and deprived the rural population of necessary health care as envisaged through ASHAs.

The department stated (November 2009) that non-selection of ASHAs was due to non-availability of eligible candidates and shortfall in training was due to non-availability of master trainers and modules. The fifth module of training was planned to be started in 2009-10. At the exit conference, the department also endorsed the audit objections.

### **1.1.10 Procurement**

#### ***1.1.10.1 Procurement of kits***

**Drug kits procured in excess of sanction.**

The Ministry of Health and Family Welfare sanctioned (March 2006) purchase of drug kits for providing to ASHAs, PHCs and CHCs with the names and quantities of drugs. Scrutiny of records of SHS revealed (August 2009) that 42,022 drug kits costing Rs 16.58 crore as shown in **Appendix 1.4** were purchased for the year 2006-08 in excess of the sanctioned numbers of 11,240 drug kits. At the exit conference, the department did not give any plausible reason for excess procurement of drug kits.

#### ***1.1.10.2 Purchase of drugs for kits in excess of norms***

**Drugs purchased in excess of norms.**

GOI had fixed not only the rate but also the quantity of drugs to be procured for each drug kit. Scrutiny of the final rate list of each kit along with quantities of drugs to be purchased, however, revealed that there were differences in the quantities of drugs, which were actually purchased for the concerned kit vis-à-vis those fixed by GOI. The cost of the excess quantity of drugs actually purchased for the respective kits was Rs 2.97 crore as detailed in **Appendix 1.5**. At the exit conference, the department failed to justify the excess procurement.

#### ***1.1.10.3 Quality test***

**Non-testing of quality of drugs.**

To ensure the quality of the drugs, the department was to conduct inspection, random sampling and testing at the pre-despatch stage at the manufacturers' as well as at the consignees' end and at the district headquarters as per the provisions of Para 6.1 of the GOI's guidelines<sup>27</sup>. The Public Health and Family Welfare Department had decided (June 2006)<sup>28</sup> to provide one *per cent* of the cost of drugs to the Madhya Pradesh Laghu Udyog Nigam (MPLUN) for conducting the quality testing of drugs.

Scrutiny (August 2009) of records of the MPLUN relating to quality testing of drugs<sup>29</sup> revealed that 95305 drug kits for the year 2006-08 (cost: Rs 52.38 crore as detailed in **Appendix 1.6** were supplied by M/s Karnataka Antibiotics

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<sup>27</sup> *GOI's guidelines issued (June 2006) for the State Governments for procurement of drugs under NRHM & RCH programmes.*

<sup>28</sup> *New drug-policy approved by the Government of M.P. Public and Family Welfare Department Vide their order no. F12-66/2000/Seventeen/Med-3 dated 6<sup>th</sup> June 2006.*

<sup>29</sup> *Records of quality testing of drugs like certificates of analysis issued by the laboratories and inspection reports issued by the MPLUN.*



and Pharmaceuticals Limited (KAPL) under NRHM in 48 districts. However, no batch was got tested by MPLUN at the consignees' end or at the district headquarters after receipt of the drug kits. Only tests at the pre-despatch stage were got conducted by MPLUN.

The Directorate of Health Services (DHS) identified M/s Rights, New Delhi as the testing laboratory and MPLUN was directed (December 2006) by the DHS to conduct quality tests through this laboratory. Scrutiny (August 2009) of records revealed that MPLUN conducted quality tests at the pre-despatch stage through four laboratories<sup>30</sup> selected by it. These laboratories had not been identified by the DHS. As such, the instructions issued for quality testing were not followed. At the exit conference, the department agreed with the audit observations and assured remedial measures in future.

#### 1.1.10.4 Equipments lying idle

**Equipment for Community Health Centres lying idle.**

During the check of records of Khargone, Mandla, Morena and Shahdol districts, it was observed that equipment worth Rs 64.07 lakh<sup>31</sup>, procured for CHCs under the Sector Investment Programme<sup>32</sup> and supplied to different CHCs, was lying idle since 2005-06 due to non-posting of specialists/doctors/experts to operate the same.

### Reproductive and Child Health

#### 1.1.11 Maternal Health

##### 1.1.11.1 Antenatal Care

All pregnant women were to be registered within 12 weeks of the start of their pregnancy so that antenatal checkups and immunisation could be done in time.

Scrutiny of records of test-checked districts revealed low registration of pregnant women in the first trimester (within 12 weeks) as shown in the **Table 1.11**.

**Table 1.11: Status of registration of pregnant women**

(Figures in lakh)

Year	Total registered pregnant women	Number of women registered within first trimester	Shortfall (per cent)
2005-06	6.25	3.18	3.07 (49)
2006-07	6.26	2.63	3.63 (58)
2007-08	6.60	3.11	3.49 (53)
2008-09	6.46	3.00	3.46 (54)

(Source: -Data furnished by DHSs)

**Forty nine to 58 per cent pregnant women were not registered during their first trimester.**

<sup>30</sup> Laboratories selected by the MPLUN: (i) M/s Choksi Laboratories limited, Indore (MP), (ii) M/s Anusandhan Analytical & Biochemical Research Laboratory Pvt. Ltd., Indore (MP), (iii) M/s Bangalore Test House, Bangalore (Karnataka) (iv) M/s ITL Lab. Pvt. Ltd. Dehli.

<sup>31</sup> Khargone: Rs 20.56 lakh, Mandla: Rs 3.00 lakh, Morena: Rs 23.79lakh and Shahdol: Rs 16.72 lakh.

<sup>32</sup> An European Commission assisted programme.

The shortfall was due to lack of awareness and failure on the part of ASHAs and ANMs. In reply, the SHS stated (November 2009) that focus on IEC and micro birth planning through ASHAs needed to be strengthened.

As per the Mission guidelines, two doses of tetanus toxoid (TT) and a daily dose of iron-folic acid (IFA) tablet were required to be administered to anaemic expecting mothers for a period of 100 days. However, it was observed that during 2005-09, 20 to 38 *per cent* of registered pregnant women in four districts<sup>33</sup> were not provided IFA tablets and 10 to 20 *per cent* of registered pregnant women in two<sup>34</sup> districts were not given TT. In reply, the SHS stated (November 2009) that the reason for the shortfall was the short supply of TT and IFA tablets by GOI.

#### ***1.1.11.2 Institutional Delivery and Janani Surksha Yojana***

As explained earlier, the *Janani Suraksha Yojana* (JSY) is a safe motherhood scheme under NRHM, implemented with the objective of reducing maternal and neonatal mortality by promoting institutional deliveries among poor pregnant women.

Under the scheme, cash assistance was to be disbursed within seven days of delivery to the mother at the health centre on her registration for delivery. The motivator<sup>35</sup> was to be paid cash compensation for her stay with the pregnant woman at the health centre, her post-natal visits to the beneficiaries and the newborn's immunisation for Bacillus Calmette Guerin (BCG). Physical verification of five *per cent* of JSY cases was to be done by nodal officers of JSY at the district level.

Details of registered pregnant women, the total number of deliveries, institutional deliveries and the number of women who benefited under JSY in the State are given in **Table 1.12**.

**Table 1.12 : Status of institutional deliveries and cash assistance paid under *Janani Suraksha Yojana*.**

<b>Year</b>	<b>Total registered pregnant women</b>	<b>Total number of deliveries</b>	<b>Total number of institutional deliveries (percentage in bracket)</b>	<b>Number of beneficiaries paid compensation under <i>Janani Suraksha Yojana</i></b>
2005-06	2075162	1716355	599199 (35)	68252
2006-07	2054641	1776016	919386 (52)	397442
2007-08	2116163	1824962	1296740 (71)	1106239
2008-09	2066001	1751443	1378880 (79)	1148831

**(Source: Data furnished by SHS)**

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<sup>33</sup> *Bhind, Bhopal, Gwalior and Raisen.*

<sup>34</sup> *Gwalior (18 per cent) and Indore (13 per cent).*

<sup>35</sup> *Motivator can be ASHAs, Anganwadi workers and other equivalent workers engaged for institutional deliveries under JSY.*

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During scrutiny of records in test-checked districts, the following points were observed:

- Institutional deliveries had increased from 35 to 79 *per cent*, indicating an upward trend. However, no assistance was paid to 600 (Gwalior 37, Indore 281, Morena 183 and Shahdol 99) beneficiaries during 2007-09 due to lack of funds.
- Assistance of Rs 3.96 crore was paid to 25,650<sup>36</sup> beneficiaries during 2007-09 with delays ranging from one to four months due to paucity of funds. In 1,543 cases during 2008-09, payments were made in the subsequent financial year (2009-10) by the district hospital, Khargone.
- In Bhind, an amount of Rs 6.92 lakh was distributed to 539 beneficiaries during 2008-09 without getting receipts.
- Nodal officers did not conduct physical verification of beneficiaries.
- Delays in payment of cash compensation to motivators and payments without ensuring post-natal care and immunisation were also noticed in the test-checked districts of Indore, Khargone and Morena.
- To promote institutional delivery, the *Janani Express Yojana* (a State scheme) was launched (July 2006) for providing 24 hour transport facilities to pregnant women. It was noticed that during 2007-09, of the total institutional deliveries, only 5989 (three *per cent*) and 5596 (seven *per cent*) women benefited under the scheme in the Indore and Morena districts respectively.

### 1.1.11.3 Maternal deaths

**Maternal deaths were not reviewed and maternal mortality rate was alarmingly high.**

Maternal death review committees were to be constituted at each district for conducting reviews of maternal health services. Quarterly meetings were to be held at the district level and maternal death cases were to be reported to the Chief Medical and Health Officers (CM&HOs) of the districts within 24 hours of the deaths. It was found that in nine test-checked districts, these committees had been constituted. There were 1377<sup>37</sup> maternal deaths during 2005-09 but no deaths were reported to the CM&HOs within 24 hours except in district Shahdol, where 55 deaths were reported (2008-09). Quarterly meetings were not held at regular intervals. While NRHM targeted MMR at 100 per one lakh live births by 2012, the State had targeted MMR at 220 by 2012 against which the current MMR of the State which was high at 379. Despite the increase in

<sup>36</sup> Betul (484 cases, Rs 6.89 lakh), Bhind (125 cases, Rs 1.72 lakh), Bhopal (41 cases, Rs 0.46 lakh), Dhar (4719 cases, Rs 69.23 lakh), Gwalior (537 cases Rs 7.12 lakh), Indore (49 cases, Rs 0.55 lakh), Khargone (12560 cases, Rs 206.50 lakh), Mandla (356 cases, Rs 4.99 lakh), Morena (1480 cases, Rs 21.61 lakh), Raisen (528 cases, Rs 7.91 lakh), Shahdol (4657 cases, Rs 67.07 lakh), Ujjain (114 cases, 1.69 lakh).

<sup>37</sup> Betul (152), Bhind (42), Bhopal (269), Dhar (125), Gwalior (21), Indore (162), Khargone (89) Shahdol (393) and Ujjain (124).

the number of institutional deliveries, the post-delivery mortality remained alarmingly high, raising questions about the quality of maternal health care available in the State.

The department stated (November 2009) that ante-natal checkups could be improved by giving focus on IEC and micro birth planning through involvement of ASHAs and ANMs for which instructions had been issued (August 2009) to CM&HOs.

### **1.1.12 Immunisation and child health**

Vaccines<sup>38</sup> under routine immunisation programmes were provided under the RCH programme. Pulse Polio campaigns were also undertaken for eradication of polio. The targets and achievements for administration of Diphtheria Tetanus (DT), Tetanus Toxoid-TT (10), Tetanus Toxoid-TT (16)<sup>39</sup> in the State during 2005-09 were as shown in **Table 1.13**.

**Table 1.13 : Targets and achievements of immunisation**

(Figures in lakh)

Year	DT		TT (10)		TT (16)	
	Target	Achievement	Target	Achievement	Target	Achievement
2005-06	17.43	15.06 (86)	17.51	14.21 (81)	16.53	12.61 (76)
2006-07	19.08	15.32 (80)	19.17	14.81 (77)	18.10	13.05 (72)
2007-08	18.02	16.01(89)	18.02	15.52 (86)	18.02	13.79 (77)
2008-09	18.02	10.94 (61)	18.02	12.98 (72)	18.02	11.81 (66)

(Source: Data collected from SHS)

**Targets for immunisation were not achieved.**

Shortfalls in immunisation increased during 2008-09 in the State. From the above table, it may be observed that the achievement in immunisation reduced during 2008-09 as compared to the year 2007-08. Similarly, in the test-checked districts also, the shortfall in immunisation increased from 19 to 38 per cent (DT), 22 to 23 per cent (TT-10) and 28 to 30 per cent (TT-16) during 2007-09. The SHS stated (October 2009) that the targets could not be achieved due to irregular and short supply of DT and TT vaccines by GOI.

It was further observed that 29519<sup>40</sup> cases of neonatal death were reported in the test-checked districts. The IMR in the State was 72 in 2008 against the NRHM target of 30 and the State Government target of 60 per thousand live births upto 2012. In reply, the SHS stated (November 2009) that efforts were being made to reduce the IMR upto 60 per thousand live births by 2012.

<sup>38</sup> BCG, DPT, DT, Measles, OPV, and TT.

<sup>39</sup> DT, TT (10) and TT (16) administered to children at the age of 5,10 and 16 years respectively.

<sup>40</sup> Betul (4064), Bhand (3691), Bhopal (612), Dhar (2763), Gwalior (1176), Indore (1533), Khargone (2835), Mandla (2343), Morena (779), Raisen (1499), Shahdol (4316) and Ujjain (3908).

### 1.1.13 Family planning programme

The family planning programme under the Mission included terminal methods to control the total fertility rate and spacing methods to improve couple protection ratios to achieve the goal of population stabilisation. The terminal methods of family planning included vasectomy for males and tubectomy for females.

At the State level, the targets, achievements and shortfalls in respect of the terminal method and the spacing method during 2005-09 were as follows:

**Table 1.14 : Targets and Achievements of Family Planning**

Year	Sterilisation			IUD Insertion			Oral Pill Users			Condom Users		
	T	A	S	T	A	S	T	A	S	T	A	S
2005-06	582942	367465	215477	602800	453311	149489	706216	554204	152012	1479273	1295407	183866
2006-07	582942	366842	216100	663095	461264	201831	776840	558736	218104	1775127	1357963	417164
2007-08	582942	458196	124746	729409	501433	227976	854526	615133	239393	1952641	1710016	242625
2008-09	582000	440531	141469	619900	495247	124653	830500	628882	201618	1861300	1599254	262046

(Source: Data furnished by SHS)

**T-Target, A-Achievement, S-Shortfall**

There were shortfalls in achievement of sterilisations ranging from 21 to 37 *per cent*. The share of male sterilisations was only three to eight *per cent* against the norm of eight *per cent* in 2007-08 and 10 *per cent* in 2008-09. There were shortfalls in achievement of the targets fixed for spacing methods. During 2005-09, at the State level, the shortfalls as against the targets were 20 to 31 *per cent* in respect of IUD insertions, 22 to 28 *per cent* in respect of oral pill users and 12 to 23 *per cent* in respect of condom users.

**The family planning programme was not carried out effectively.**

In the test-checked districts, male sterilisations were below 10 *per cent* in nine<sup>41</sup> districts and 10 to 20 *per cent* in three districts. In eight districts, female sterilisations decreased in 2008-09 as compared to 2007-08 except in four districts<sup>42</sup>. The targets and achievements of the test-checked districts are given in **Appendix 1.7**. The shortfalls against the targets ranged from 18 to 45 *per cent* in 10 districts<sup>43</sup>. The shortfalls were mainly due to shortage of staff (anaesthetists), conducting of sterilisations only in family planning camps, insufficient publicity and lack of adequate training to medical and para-medical staff. The shortfalls as per the fixed targets in the distribution of oral pills ranged between 23 to 60 *per cent* in six<sup>44</sup> districts while the shortfalls in use of condoms were 4 to 69 *per cent* in nine<sup>45</sup> districts. The shortfalls in IUD insertions were 10 to 48 *per cent* in 11 districts during 2005-09.

<sup>41</sup> Betul, Bhind, Bhopal, Dhar, Indore, Khargone, Morena, Raisen and Ujjain.

<sup>42</sup> Dhar, Indore, Mandla and Ujjain.

<sup>43</sup> Betul, Bhind, Bhopal, Dhar, Indore, Khargone, Morena, Raisen, Shahdol and Ujjain.

<sup>44</sup> Gwalior, Mandla, Morena, Raisen, Shahdol and Ujjain.

<sup>45</sup> Bhind, Dhar, Gwalior, Khargone, Mandla, Morena, Raisen, Shahdol and Ujjain.

The department stated (October 2009) that attempts were being made to achieve the targets fixed under the programme.

At the State level, different activities were planned under the family planning programme (population stabilisation) during 2007-09 as shown in **Appendix 1.8**. During 2007-08, only four out of the 14 planned activities, and in 2008-09, only eight out of 18 activities were undertaken. None of the planned activities were accomplished except the one relating to IEC on promotion of family planning during 2007-08 and the one meant for providing of non-scalpel vasectomy services during 2008-09. Against six and five training programmes planned for 2007-08 and 2008-09 respectively, only one training programme was conducted.

Moreover, as per the orders of the Supreme Court, State and District Quality Assurance Committees were to be formed to ensure observation of national norms of family planning as well as to conduct reviews of death cases occurring due to family planning operations. Though the committees were stated to have been constituted by SHS, no records regarding holding of regular meetings as required were available with it.

The Total Fertility Rate (TFR) of the State was 3.1 in 2008 against the NRHM target of 2.1 upto 2012.

The department stated (November 2009) that the TFR could be reduced by providing IUD training, organising camps, promoting public-private partnership and sterilisations during the post-partum period.

### **1.1.14 National Disease Control Programmes**

#### **1.1.14.1 National Vector Borne Disease Control Programme**

The National Vector Borne Disease Control Programme (NVBDCP) seeks to control vector-borne diseases by reducing mortality and morbidity due to malaria, filaria, kala azar, dengue, chikungunia and Japanese encephalitis in endemic areas by close surveillance, control of breeding of mosquitoes, flies etc. through indoor residual spraying of larvicides and insecticides and improving diagnostic and treatment facilities at health centres.

Under NVBDCP, all areas having an annual parasite index (API)<sup>46</sup> of two and above were required to be covered under compulsory residual spraying of Dichloro Diphenyl Trichloroethane (DDT) and Anti-larva solution (ALS). However, 6.35 per cent and 6.26 per cent (average) houses were not provided DDT and ALS as shown in the **Table 1.15**.

**Table 1.15 : Shortage of DDT and ALS spray**

Year	No. of districts having API of two and above	DDT Spray			ALS Spray		
		No. of houses targeted	No. of houses where spraying was done	Shortfall (per cent)	No. of houses targeted	No. of houses where spraying was done	Shortfall (per cent)
2005	14	530885	497161	33724 (6.35)	686587	649080	37507 (5.46)
2006	13	317551	298630	18921 (5.96)	918623	851751	66872 (7.28)
2007	09	204105	190354	13751 (6.74)	978649	909530	69119 (7.06)
2008	10	221182	207134	14048 (6.35)	323516	306575	16941 (5.24)

(Source: -Director of Health Services, M.P., Bhopal)

<sup>46</sup> Positive malaria cases per thousand population.

Required spraying of Dichloro Diphenyl Trichloroethane and Anti-larva solution was not done.

As per NRHM guidelines, the malaria mortality rate was to be reduced by 10 *per cent* during 2007-08.

There were 53 deaths due to malaria during 2008 against 44 deaths reported in 2005 in the State. There were seven deaths due to malaria during 2008 against two deaths reported in 2005 in four<sup>47</sup> test-checked districts. Thus the reduction of the mortality rate by 10 *per cent* during 2007-08 could not be achieved.

#### **1.1.14.2 Revised National Tuberculosis Control Programme**

**Shortfall noticed in smear positive cases.**

The objectives of the Revised National Tuberculosis Control Programme (RNTCP) were to achieve and maintain detection of at least 70 *per cent* of new smear positive cases and a cure rate of at least 85 *per cent* among newly detected infectious (new smear positive) cases of tuberculosis. At the State level, the status of the detection rate was 53 to 56 *per cent* while the cure rate was 78 to 83 *per cent* during January 2005 to December 2008. Seventy *per cent* detection rate in new smear positive cases was not achieved in the test-checked districts except in Gwalior and Mandla and the 85 *per cent* cure rate was achieved only in Gwalior, Indore, Khargone and Mandla out of the 12 test-checked districts.

#### **1.1.14.3 National Programme for Control of Blindness**

**Targets of cataract operations were not achieved due to shortage of doctors and para-medical staff.**

The main objective of the National Programme for Control of Blindness (NPCB) was to reduce the prevalence of blindness cases by 0.8 *per cent* by 2007 through increased cataract surgeries. The required cataract surgery rate was fixed as 0.006, i.e. 600 cataract operations per lakh population per year in the State. Against the targets fixed for operation of 600 per lakh population, a total of 455 in 2005-06, 502 in 2006-07 and 534 in 2007-08 per lakh population operations were performed in the State.

Scrutiny of records of the test-checked districts revealed that the targets fixed for the operations from 2005-06 to 2008-09 could not be achieved in any of the districts except for Ujjain as shown in **Table 1.16**.

**Table 1.16 : Shortfall in cataract operations**

Name of District	Betul	Bhind	Bhopal	Dhar	Gwalior	Indore	Khargone	Mandla	Morena	Raisen	Shahdol
Target for operation	18500	29000	59000	20000	67000	111000	20000	15000	25000	16000	11500
Achievement	15693	26108	57682	17863	61883	107348	15933	12806	24657	12578	9443
Shortfall	2807	2892	1318	2137	5117	3652	4067	2194	343	3422	2057

(Source: -Data collected from DHSs)

The Director (Blindness Control) stated (November 2009) that the targets of operations could not be achieved due to shortage of eye specialists/eye surgeons and para-medical staff.

<sup>47</sup> In 2008 (Bhopal – 2, Dhar – 2, Morena – 2, Raisen – 1) and in 2005 (Bhopal – 1 and Dhar – 1).

#### ***1.1.14.4 Refractive error detection and free distribution of spectacles***

**30,715 students suffering from refractive errors were not provided free spectacles.**

The National Programme for Control of Blindness envisaged training of teachers in Government and Government-aided schools in screening of refractive errors amongst students and free distribution of spectacles to students having such errors. Scrutiny of records in the test-checked districts revealed that 23,977 teachers were trained for screening of refractive errors. Out of the 30.59 lakh students examined, 57,191 had refractive errors but only 26,476 students were provided free spectacles as detailed in **Appendix 1.9**. During the exit conference, the department stated that the matter regarding non-providing of spectacles to all the students having refractive errors would be examined.

#### **1.1.15 Information Education and Communication**

**Information Education and Communication activities were not carried out effectively.**

The Information Education Communication (IEC) strategy under NRHM aimed to spread awareness on the preventive aspects of health care and dissemination of information regarding availability and access to quality health care for poor women and children in rural areas. The awareness in respect of the above aspects was to be spread through television/radio/songs/dramas/hoardings/ wall paintings/advertisements in the print media and printed material in regional languages as well as by organising health *melas* and health camps. Scrutiny of records of 12 test-checked districts revealed the following:

- Village health and nutrition days were to be organised in every village by ANM with the help of Anganwadi workers and ASHAs. During 2005-06, such days were not organised in any district. These were organised only in one<sup>48</sup> district during 2006-07, in three<sup>49</sup> districts during 2007-08 and in four<sup>50</sup> districts during 2008-09.
- Health camps were to be organised regularly in remote areas for providing necessary health services to people living there. Such camps were organised only in Khargone district during 2005-06. In the subsequent years, the camps were held only in a few districts<sup>51</sup>.
- Training under IEC was organised in Bhind and Ujjain districts during 2005-06 and 2008-09 respectively for development of knowledge/skills of IEC personnel at the State/district/ block levels.
- Evaluation was stated to have been done by Block Medical Officers to assess the impact of various IEC activities on rural population only in

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<sup>48</sup> *Betul.*

<sup>49</sup> *Betul, Indore and Ujjain.*

<sup>50</sup> *Betul, Gwalior, Indore and Ujjain.*

<sup>51</sup> *2006-07(Khargone, Morena and Shahdol), 2007-08 (Gwalior, Indore, Khargone Morena and Shahdol), 2008-09 (Gwalior, Indore, Khargone and Ujjain).*

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Indore and Raisen districts. However, no evaluation reports were produced to Audit.

### 1.1.16 Monitoring

Monitoring is a critical and analytical tool for measuring the impact of schemes and programmes and adopting correctional approaches. The focus of monitoring should be to assess the progress so that mid-course corrections can be effected through the problem-solving approach. NRHM envisaged an intensive accountability framework through a three-pronged process of community-based monitoring, external surveys and stringent internal monitoring. Monitoring and Planning Committees as prescribed under NRHM were not formed at the block and district level to monitor the activities and utilisation of funds as well as to review the functioning of different health centres. Various monitoring committees such as RKS Monitoring Committee, Maternal Death Review Committee and Quality Assurance Committee had not been formed or were not functional to monitor the different activities under NRHM. Community action was to be channelised through public hearings (*Jan Sunwai*) or public dialogue (*Jan Samvad*), which were required to be held at the PHCs, CHCs and at the district level once or twice in a year with open access to all. These were meant to enable the general public and various groups and organisations to give independent feedback about the status of health services in these areas. No *Jan Sunwai/Jan Samvad* was held at any level in the test-checked districts.

### 1.1.17 Evaluation

An independent evaluation of the implementation of NRHM was required to be done by the Planning Commission and other reputed bodies, viz., the International Population Research Centre, the Indian Institute of Management, the Institute of Public Auditors of India, etc., but no such independent evaluation had been conducted by these agencies.

### 1.1.18 Conclusion

The Mission failed to conduct household and facility surveys, which constituted the basis for realistic health planning. The annual State and District PIPs were formulated without inputs from the lower levels. The Perspective Plans for the Mission period were not prepared by the District Health Societies. There was no community participation in planning and monitoring of activities. Diversion of NHRM funds to another scheme indicated inadequate control over financial management. Shortfalls in the availability of health centres, manpower and infrastructure affected the progress of the Mission in providing quality health care. All selected ASHAs were not trained and the fifth module training for them was not started in the State. Drug kits were procured in excess of sanctions and norms. Late registration of pregnant women at health centres was also noticed. Assistance under the *Janani Suraksha Yojana* was not provided to the beneficiaries in time. Family

planning programmes were not carried out effectively as there were shortfalls in spacing and terminal methods of family planning. The tuberculosis cure rate at the State level was below the prescribed rate. Village health and nutrition days and health camps were not organised in all the test-checked districts. No evaluation was done to assess the impact of various IEC activities. Due to non-formation of monitoring and planning committees, appraisal and evaluation of activities could not be ensured.

### **1.1.19 Recommendations**

- Perspective Plans for each district should be prepared after conducting household surveys and facility surveys.
- Planning should follow a bottom-up approach and community involvement should be ensured in the planning process.
- Regular release of untied and maintenance grants to health centres should be ensured.
- Construction of the required health centres should be taken up on priority basis. Health facilities should be provided at all health centres as per the Indian Public Health Standards (IPHS).
- Vacant posts of medical and para-medical staff should be filled up as per IPHS and all selected ASHAs should be fully trained as soon as possible.
- Registration of all pregnant women in the first trimester should be ensured and payment to motivators under *Janani Suraksha Yojana* should be made only after ensuring post-natal checkups.
- Information, Education and Communication activities such as organising of village health and nutrition days and health camps should be strengthened to spread health care awareness amongst the rural population.
- Monitoring and supervision of Mission activities should be strengthened by establishing monitoring and planning committees at each level as envisaged in the NRHM guidelines.

## Public Works Department

### 1.2 Construction and maintenance of Roads and Bridges under the Build-Operate and Transfer scheme

#### *Highlights*

*The Government of Madhya Pradesh started involving private sector investment as a source of funding for construction and maintenance of roads and bridges since 1992. Construction and improvement of a total 23 roads and four bridges was taken up under the Build, Operate and Transfer and the bond Build, Operate and Transfer scheme at a cost of Rs 1077.55 crore during 2000-03. Private investors were authorised to collect toll from users as per rates approved by the Government for periods ranging from 1,311 to 5,440 days, to recover their investments. Some important findings of the performance audit of these works are given below:*

**The construction of Satna and Katni bypasses was taken up under the Build, Operate and Transfer (BOT) scheme. Due to faulty location of the toll booth on the Satna bypass, light vehicles not entering the bypass had to pay toll tax.**

*(Paragraph 1.2.7.1)*

**Bid evaluation was not transparent. Huge differences between total project costs and toll income led to extra toll collection estimated at Rs 315.90 crore.**

*(Paragraph 1.2.8.1)*

**Out of 10 roads taken up under BOT, completion of one road was delayed by 1594 days. Out of 13 roads taken up under bond BOT, completion of nine roads was delayed from 486 to 1860 days while one road was still to be completed.**

*(Paragraph 1.2.11.1)*

**Private investors were permitted to collect toll of Rs 8.24 crore even before completion of the projects, which was contrary to the provisions of the agreements. Though the Hoshangabad-Harda-Khandwa Road was not completed for commercial operations, the investor was allowed by the department to collect toll of Rs 1.72 crore.**

*(Paragraphs 1.2.11.2 and 1.2.11.3)*

**Lack of quality control measures led to substandard works of Rs 18.05 crore. Renewal and maintenance works of Rs 71.89 crore were neither monitored nor confirmed through measurement books.**

*(Paragraphs 1.2.11.5 and 1.2.13)*

**The private investors failed to hand over the Ratlam-Jaora-Levad Road and the Indore-Ujjain Road as per approved designed specification hence, the Government had to spend Rs 6.17 crore on premature renewal and Rs 5.82 crore on repairs of the roads.**

*(Paragraph 1.2.14)*

**Private investors were given undue benefits for extra toll collection of Rs 15.76 crore due to sanction of extra toll days and unauthorised financial aid of Rs 3.27 crore.**

*(Paragraphs 1.2.8.2, 1.2.9.1 and 1.2.10.1)*

**The private investor for the Dhar-Gujri road committed breach of agreement and collected extra toll of Rs 6.29 crore in violation of agreement provisions.**

*(Paragraph 1.2.11.2)*

### **1.2.1 Introduction**

Public Private Partnerships (PPP) offer a unique and innovative method for involving the private sector in nation building activity and in accelerating the delivery of public goods and high quality services through joint enterprises. PPPs enable the Government to build additional social facilities like roads, flyovers etc. without resorting to additional resource mobilisation.

The Government decided (1992) to involve private investors<sup>52</sup> for construction of roads and bridges and improve most of the existing roads and authorised them to recover their invested capital by levying toll taxes for using the services. This method was commonly known as the Build, Operate and Transfer (BOT) scheme. In 2001, it decided to strengthen, widen and improve 15 existing roads by providing subsidy<sup>53</sup> of upto 66 *per cent* of the estimated cost to private investors out of the funds collected from issue of bonds and borrowings through the Madhya Pradesh Infrastructure Improvement Fund Board (MPIIFB) and in return, authorise the investors to recover their investments by collecting toll tax from users. This type of scheme was called the bond BOT scheme.

During 2000 to 2003, the Government started 14 works as shown in **Appendix 1.10** under BOT at an estimated cost of Rs 176.03 crore, which included strengthening and widening of five existing roads, construction of three bypasses at Dewas, Katni and Satna, construction of two bypasses on National

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<sup>52</sup> *'Investors' are termed as 'entrepreneur' in Public Works Department (PWD) and as 'concessionaire' in PWD National Highway (NH) and Madhya Pradesh Rajya Setu Nirman Nigam (MPRSNN) (now Madhya Pradesh Road Development Corporation (MPRDC)).*

<sup>53</sup> *Share of Government support to an investor under bond BOT.*

Highway (NH) No.7 and four<sup>54</sup> bridges. Two bypasses on NH No.7 were under the control of the Ministry of Road Transport & Highways (MORT&H). The responsibility of the State PWD was limited to inspections during the construction period and full supervision during the operation and maintenance period. Government also undertook 13 projects under bond BOT for strengthening and widening of existing State highways (SH) at an estimated cost of Rs 901.52 crore with Government support of Rs 462.74 crore as subsidy (ranging from 33.46 per cent to 63 per cent of the estimated cost of each project) through the Madhya Pradesh Road Development Corporation (MPRDC) earlier known as Madhya Pradesh Rajya Setu Nirman Nigam Ltd. (MPRSNN). The works under BOT were taken up through the Public Works Department (PWD) and the works under bond BOT were taken up through MPRDC. The details of these works are shown in **Appendix 1.10**.

### 1.2.2 Organisational set-up

Both PWD and MPRDC are headed by the Principal Secretary, PWD. In the PWD, the Engineer-in-Chief (E-in-C) is the apex level officer followed by Chief Engineers (CE), Superintending Engineers (SE) and Executive Engineers (EE). MPRDC is headed by a Managing Director (MD) cum Secretary, PWD who is assisted by a CE and Divisional Managers.

Apart from the above, an independent Engineer and a Supervision and Quality Consultant (SQC) are also engaged in each case by the MORT&H and MPRDC respectively for supervision, monitoring and quality control of the works.

### 1.2.3 Audit Objectives

The objectives of the performance audit were to assess whether:

- the selection of roads and bridges and overall planning were done as per the guidelines of the programme approved by MORT&H and the State Government;
- the fund management for bond BOT projects was as per the guidelines;
- the execution of the agreements was as per the rules and took care of all aspects of the works including fixing of concession periods;
- the execution of works was carried out in an economical and efficient manner and
- an effective system of quality control and monitoring was in existence.

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<sup>54</sup> Bridge on Balaghat-Seoni Road, Bilaspur-Mandla Road, Chhindwara-Nagpur Road and Chhindwara-Narsinghpur Road.

#### **1.2.4 Audit Criteria**

The audit findings were benchmarked against the following criteria:

- Instructions and specifications issued by MORT&H for construction and maintenance of roads and bridges under BOT;
- Instructions issued by the State Government for implementation of BOT projects;
- Recommendations and publications of the Indian Roads Congress (IRC) and
- Provisions of agreements governing execution and maintenance of roads and bridges.

#### **1.2.5 Scope of audit**

The schemes were in operation in 11<sup>55</sup> out of 50 districts of the State. Twelve<sup>56</sup> divisions of PWD including two divisions of PWD (NH) and five divisions of MPRDC were involved in the work. PWD covered 10 roads and four bridges in 12 divisions and MPRDC covered 13 roads in five<sup>57</sup> divisions.

Records of all 14 BOT works of PWD and 13 works of bond BOT of MPRDC were reviewed between February and October 2008 and between May and October 2009, covering a period from 2004 to 2009.

An entry conference was held with the E-in-C, PWD. An exit conference was held with the Principal Secretary, Finance and Secretary, PWD. Results of test check are included in the succeeding paragraphs.

#### **1.2.6 Fund Management**

Under BOT, the investor financed the entire expenditure on a project without any financial aid from the Government. For bond BOT, the Government provided financial aid as subsidy up to 66 *per cent* of the project cost. In order to mobilise resources for infrastructural projects including roads, the Government established the Madhya Pradesh Infrastructure Improvement Fund Board (MPIIFB) in 2000. The Board raised Rs 79.95 crore in 2001 through bonds and borrowed (2003) Rs 420.05 crore as loan from the Housing and Urban Development Corporation Limited (HUDCO) for road works under bond BOT. Based on the progress of work, MPRDC released the subsidy to

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<sup>55</sup> *Burhanpur, Dewas, Dhar, Indore, Jabalpur, Katni, Ratlam, Rewa, Satna, Seoni, and Ujjain.*

<sup>56</sup> *PWD, Burhanpur (B/R) Dn, Dewas (B/R) Dn, Dhar (B/R) Dn, Indore-II (B/R) Dn, Jabalpur (Bridge), Jabalpur (NH), Katni (B/R) Dn, Ratlam (B/R) Dn, Rewa (NH), Satna (B/R) Dn, Seoni (Bridge) and Ujjain (B/R) Dn.*

<sup>57</sup> *Bhopal, Indore, Jabalpur, Rewa and Ujjain.*

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the investors in 10 equal instalments as per the agreements on the basis of work done, duly checked by the supervision quality consultant.

The details of funds provided by MPIIFB to MPRDC and the subsidy paid by them is given in **Table No.1.17**.

**Table No.1.17: Fund Management**

(Rupees in crore)

Year	Funds received from MPIIFB for bond BOT projects	Expenditure on payment of Subsidy	Savings (-) Excess (+) under bond BOT projects
<b>MPRSNN</b>			
2001-03	80.19	62.66	(-)17.53
2003-04	97.50	89.21	(-) 8.29
2004-05 up to 11/2004	68.03	93.50	(+)25.47
<b>MPRDC</b>			
2004-05	103.16	83.93	(-) 19.23
2005-06	56.27	56.60	(+) 0.33
2006-07	0.00	14.51	(+) 14.51
2007-08	0.00	0.00	0.00
2008-09	0.00	0.00	0.00
<b>Total</b>	<b>405.15</b>	<b>400.41</b>	

(Source: - Information supplied by MPRDC)

Audit observed that the funds remained underutilised during 2001-02 to 2004-05. The Chief Engineer, MPRDC stated that underutilisation of funds was due to slow progress of work by the investors. The reply is not acceptable because no action was taken against the defaulting investors during that period.

## 1.2.7 Project Formulation

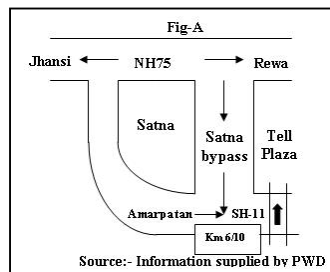
### 1.2.7.1 Selection of roads

The established procedure for PPP project formulation in Government of India (GOI) envisaged that the sponsoring Ministry/ State must identify the projects to be executed through BOT and undertake preparation of strategic plans, detailed project reports (DPR), feasibility reports and concession agreements along with other subsidiary agreements, with the assistance of legal, financial and technical experts. For BOT works, the estimates and the DPRs were prepared by the PWD. The DPRs included work to be executed, detailed estimates, drawings, details of existing roads, bridges and culverts, traffic survey data, toll rates and proposed cash flow statements.

For bond BOT works, the DPRs were prepared by technical consultants. Each such DPR included a socio-economic profile, traffic analysis, survey and investigation, design standard, cost estimate, specification and design.

The projects taken up by the PWD were justified on account of paucity of funds, inconvenience to the public, traffic congestion etc. The projects taken up by MPRDC under bond BOT were undertaken following the directions of the Government.

Scrutiny revealed that project preparation of two bypasses taken up under BOT was not as per MORT&H guidelines as detailed below:



**Satna bypass:** Construction of the Satna bypass<sup>58</sup> (length 7.35 km) was taken up (June 2000) under BOT with the justification of avoiding traffic congestion in Satna city. MORT&H guidelines required that for construction of a new bypass, origin and destination surveys should be done for correct judgment of traffic to be routed over it and for identification of the correct location of toll

plaza. Contrary to these requirements, the traffic was counted at one km beyond the bypass on km 6/10 of Satna-Amarpatan section of SH-11 and this length was included with the bypass in the estimate to arrive at a reasonable toll collection period to make the project feasible and accordingly, the toll plaza was installed there. Consequently, users of SH-11 coming to Amarpatan via Satna and back had to unnecessarily pay toll tax at the toll plaza even though they were not using the bypass.

**Due to improper location of toll booth, users not using the toll road had to pay toll tax.**

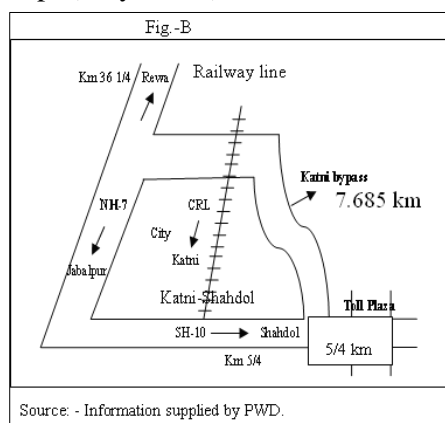
According to a note submitted (January 2002) by the EE, PWD Division, Satna, if the toll booth was to be shifted to the Satna-Amarpatan junction or beyond, the department would have to arrange for a permanent barrier on the Satna-Amarpatan section to disallow the passage of commercial vehicles and to allow passage of small utility vehicles to Satna city. According to this arrangement, toll collection would decrease from Rs 29,225 to Rs 23,104 per day due to non-levy of toll on traffic not using the bypass for Satna. Consequently, the investor would recover his project cost including profit in 15 years instead of 3,190 days as provided in the concession agreement. The decrease in toll revenue on account of light vehicles not using the bypass would work out to Rs 3.35 crore in 15 years. The EE further mentioned that if the contract was to be closed, claim of Rs 4.96 crore would have to be paid to the investor. No decision on this matter had been taken as of July 2009 even after a complaint (April 2005) by the Collector, Satna to the Secretary, PWD.

On this being pointed out by Audit, the E-in-C, PWD stated (November 2008) that the bypass was constructed to avoid traffic congestion in Satna city. The users of heavy vehicles had to be routed through the bypass as they were prohibited from entering the city. The reply does not address the issue of levy of toll charges on vehicles not using the bypass. The situation could have been avoided if proper survey was conducted and location of toll plaza was fixed adjacent to the bypass.

<sup>58</sup> Takes off at km 167/10 of NH-75 (Satna-Rewa section) and joins at km 6/2 of SH-11 (Satna-Amarpatan section).



**Katni bypass:** Construction of the Katni bypass<sup>59</sup> (length 7.86 km) was taken up (May 2000) under BOT at an estimated cost of Rs 4.73 crore. The



justification given for construction of the bypass was to avoid traffic congestion in Katni city. MORT&H guidelines required that for construction of a new bypass, origin and destination survey should be done for correct judgment of the traffic to be routed over it. Contrary to these requirements, the traffic was counted at km 5/4 of SH-10 and the toll plaza was installed there.

Consequently, users from Shahdol to Katni and vice-versa, though not using the bypass, were required to pay toll tax at the toll plaza. Complaints were made (April 2004) by the public to the Chief Minister and through publication (April 2006) in a local newspaper but the status of the project had not changed (July 2008).

On this being pointed out, the E-in-C, PWD stated (November 2008) that during project preparation, it was considered that the traffic would follow the bypass. The reply is not acceptable because it does not address the issue of levy of toll charges from vehicles not using the bypass. This situation could have been avoided had the toll plaza been installed at the correct location.

## 1.2.8 Project implementation

### 1.2.8.1 Bid evaluation

For BOT works, bids were invited for the operational period<sup>60</sup> in number of days. In respect of five BOT roads, the operational period started after completing the specified initial work of the first six months, after which toll collection was to be authorised. The investors also had to complete the specified works of each subsequent year and maintain the roads during the operational period. The operational period of three bypasses started after completion of the works in 16 to 24 months. In the case of two bypasses on NH-7, the investors were required to offer a total concession period including the construction period of 24 months. In the case of bond BOT schemes, the concession period<sup>61</sup> was fixed at 5,440 days, including construction periods of 15 to 24 months and the investors were required to offer the amount of subsidy for the specified works.

<sup>59</sup> Takes off at km 36 1/4 of NH-7 (Jabalpur- Rewa section) and joins at km 5/4 of SH-10 (Katni-Shahdol section).

<sup>60</sup> Period of operation and maintenance during which the investor collects the toll.

<sup>61</sup> Concession period included construction and operational period.

For BOT works in PWD, bids were evaluated on the basis of the total project cost (TPC) as cash outflow and toll revenue as cash inflow<sup>62</sup>. The element of profit was not accounted for. The reasonable period of operation was considered as that period in which the investor fully recovered his total project cost from the toll revenue. The cash inflow continued even after the project cost was fully recovered and the bid of the investor who offered the lowest operation period was accepted.

MORT&H, in their instructions, mentioned (January 1997) that evaluation of bids should be carried out on the principle of least cost to the users. However, no specific instructions were issued by the Government in this regard. Therefore, while preparing cash flow statements for seven road projects under BOT, the PWD considered rates of interest ranging from 16 to 18 *per cent* on investment and 0.00 to 18 *per cent* on toll income respectively. The expenditure was shown as TPC, which was indicated as cash outflow and similarly total income from toll collection was indicated as cash inflow. For bond BOT roads, bid evaluation was done through financial consultant who justified the bid of Dewas-Ujjain-Badnagar Road with a rate of interest of 14 *per cent* on investment. The details of calculations were however not found attached with the note.

**The bid evaluation did not follow the principles of the least cost to the users.**

Scrutiny of the cash flow statements for seven BOT roads and two bond BOT roads as per the procedure adopted by PWD (at an uniform rate of 14 *per cent* interest on investment, 8.5 *per cent* interest on toll revenue and 10 *per cent* profit margin accepted by MORT&H for rate analysis) revealed that the bid evaluation did not provide economic cost (toll fee) to the users. The period of toll collection was not restricted to the time when the investor would fully recover the TPC and the bids of investors who offered lowest days for toll collection and asked for lowest amounts of subsidy were accepted. Thus, there were huge differences between TPC and toll income, indicating scope for extra toll collection of Rs 315.90 crore as shown in **Table No.1.18**.

Details in respect of the remaining projects of BOT / bond BOT were not provided to Audit.

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<sup>62</sup> *Toll collection every year and interest on it.*

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Table No. 1.18 : Bid evaluation statements

(Rupees in crore)

Sl.No	Name of Road	Toll days	Estimated Cost of the road	Total Project Cost	Estimated Toll Income	Scope for extra toll collection	Percentage of extra toll collection
<b>PWD</b>							
1	Dhar -Nagda	1539	4.88	7.57	9.30	1.73	22.85
2	Ratlam-Levad	1311	10.55	19.81	29.40	9.59	48.41
3	Indore-Ujjain	2419	5.68	12.20	17.27	5.07	41.56
4	Dewas by Pass	3922	34.22	112.52	209.28	96.76	85.99
5	Satna by pass	3190	3.27	10.31	12.71	2.40	23.28
6	Katni by pass	3941	4.73	18.62	31.78	13.16	70.68
7	Burhanpur-Khandesh	1977	3.48	5.15	5.97	0.82	15.92
<b>Total</b>			<b>66.81</b>	<b>186.18</b>	<b>315.71</b>	<b>129.53</b>	
<b>MPRDC</b>							
8	Ujjain- Jhalawad	5440	66.70	194.03	310.10	116.07	59.82
9	Hoshnagabad-Pachmarhi	5440	57.60	112.47	182.77	70.30	62.50
<b>Total</b>			<b>124.30</b>	<b>306.50</b>	<b>492.87</b>	<b>186.37</b>	
<b>Grand Total</b>						<b>315.90</b>	

Source:-Information supplied by PWD and MPRDC

On this being pointed out in audit, the E-in-C, PWD stated (November 2008) that the maintenance cost, expenditure on toll collection and interest on capital would reduce the net toll income considerably, which, perhaps had not been considered by Audit. The CE, MPRDC stated (November 2009) that in BOT projects, the risk of traffic and cost escalation had been transferred to the investor and the toll revenue was only an estimation. The reply is not tenable because while calculating the total project cost, the element of maintenance cost, expenditure on toll collection and interest on investment etc. had already been included. As regards price variation, the rates of toll were increased by seven *per cent* every year. Further, a substantial portion of financial risk had already been taken care of by MPRDC by providing subsidy as shown in **Appendix 1.10**.

### 1.2.8.2 Undue benefit to the investor by extending concession period

As per the standard agreement for BOT projects, in case an investor failed to execute any activity within 15 days of being informed or served a notice, the investor was liable for penal action, which in addition to forfeiture of performance security, would result in the Governments taking over the right of toll collection till such period as they might decide. The investor would have no claim on the toll collected by the department during that period. In the event of any violation of agreement conditions, the Dispute Redressal Committee<sup>63</sup> (DRC) was to determine (rescind) the agreement and take over the site.

<sup>63</sup> The agreement provided for formation of a Committee headed by the CE as chairman with two SEs and one EE as members for issue of completion certificate and settlement of disputes within 60 days by mutual understanding. The committee was called Dispute Redressal Committee.

**Benefit of Rs 2.55 crore to an investor due to 312 days of additional toll collection.**

Initial work amounting to Rs 1.40 crore of the Nagda-Dhar Road (km 69/10 to km 92/4) was completed in May 2002 and toll collection was authorised to the investor from July 2002. The investor failed to execute some portion of the works included in the agreement and demanded (August 2002) revision of design and restoration (February 2003) of the toll collection rights, which had been stopped (November 2002) by the EE. The matter remained under consideration of the High Court of Indore and an Arbitration Tribunal from December 2002 to April 2005. The estimate was revised from Rs 4.87 crore to Rs 14.63 crore at the instance (April 2005) of the Arbitration Tribunal and toll collection rights were restored to the investor in July 2005. However, the investor again failed to complete the work as per the revised scope of work. The investor approached (July 2008) the district court for release of payment for the extra work done as per the revised design but the court rejected (April 2009) the case. The EE and the Collector, Dhar, approached the DRC and the Government to take penal action against the investor for breach of agreement for collecting toll without executing the work. No action had been taken by the department. The investor again filed (July 2009) a writ petition in the High Court of Indore, for payment for the extra work. As per the CE's recommendations (July 2009), the Government agreed (July 2009), to award 229 extra days for toll collection, in adjustment of the original work of Rs 2.62 crore done as per the agreement and additional work of Rs 3.51 crore. The Government directed (July 2009) that the extra days may be calculated as per the agreement. The investor was authorised (July 2009) by the EE to collect toll for the extra 229 days, after which the writ petition was withdrawn (July 2009).

Against the actual expenditure of Rs 6.13 crore (Rs 2.62 crore on original work and Rs 3.51 crore on additional work upto April 2008), the collection of toll by the investor worked out to Rs 12.49 crore.

In order to provide the extra 229 days, the department added 691 days for additional work of Rs 3.51 crore as per clause 22.7 of the conditions of contract and deducted 462 days for work amounting to Rs 2.25 crore not done as per the original agreement though there was no provision in the agreement for deduction in toll days for the work not done by the investor. The net effect was that the toll days increased from 1489 to 1718 days up to 17 March 2010.

Scrutiny by Audit revealed that the investor disregarded the agreement from 2005 to 2008 and failed to execute the work awarded (2001) as per the original agreement and the revised (April 2005) design. As per the cash flow statement (2001) forming part of the bid evaluation documents, the investor had fully recovered his investment of Rs 2.62 crore as per the original work in 715 days. Therefore, the total days of toll collection came to 1,406 days, including 691 days for additional work done as calculated by a departmental committee. Thus the investor was given undue benefit of 312 days i.e. 1718 days minus 1,406 days in which extra collection of toll by the investor worked out to Rs 2.55 crore.

On this being pointed out in audit, the EE stated (September 2009) that on the basis of extra work, the Government sanctioned, 229 extra days of toll collection. The reply is not acceptable because instead of taking penal action for breach of agreement, the investor was given extra days of toll collection, beyond the provisions of agreement.

- As per clause 24.1 of the agreement for authorisation of toll collection, the accepted toll days had to be evaluated on the basis of work done by reducing the toll days for delayed completion and increasing the toll days in case of early completion. In case an investor was unable to execute some portion of the work due to unavoidable reasons, the DRC was to certify the reasons and decide on the issue of completion certificate of the project. The cost of such left out work was to be deposited by the investor with the department. The investor was to complete such work at the earliest and the amount deposited was to be refunded only after completion of the work.

**An investor was given benefit of 103 extra days for toll collection on early completion of work.**

The DRC for construction of Dewas bypass under BOT issued (May 2004) a completion certificate, 103 days in advance of the stipulated date of completion against a deposit of only Rs 20 lakh from the investor when the initial works of Rs 1.56 crore were not done and the cost of land acquisition amounting to Rs 2.95 crore was not deposited by the investor. The remaining items of work were still to be certified as completed even though the deposit of Rs 20 lakh was refunded (January 2005) to the investor. The Government authorised toll collection without increasing the toll days for early completion but the CE, in contravention of this, granted (May 2006), 103 extra days of toll collection as bonus for the incorrectly reported early completion of work.

As the specified works of Rs 1.56 crore were not completed and cost of land of Rs 2.95 crore was not paid (May 2004), the action of the CE to issue a completion certificate and grant extra days as bonus for early completion was incorrect and resulted in undue benefit of approximately Rs 5.66 crore to the investor as estimated toll collection at the end of the last year of the operational period.

On this being pointed out in audit, the E-in-C, PWD stated (November 2008) that the DRC had issued the completion certificate after evaluation of the remaining works. The reply is not acceptable because the cost of the remaining works as per the Measurement Book and the cost of land acquisition worked out to Rs 4.51 crore.

**An investor was given undue benefit of Rs 4.23 crore as 77 extra days of toll collection.**

- A work order for commencing the work of the Dewas bypass under BOT was issued in March 2002. As per the agreement, the investor was responsible for payment of land charges of Rs 5.77 crore. Any excess amount over Rs 5.77 crore was to be deposited with the department by the investor within 15 days. The extra land charges were to be treated as extra work and adjusted by way of allowing extra days for toll collection. The investor was also responsible for survey and design, incurring the entire project cost and removing electrical lines. It was found that the investor failed to deposit land charges and remove

electric lines and started the work after a delay of 77 days. The CE as Chairman of the DRC held the investor responsible for the delay but suggested revision of the date of the work order as June 2002. The DRC awarded (March 2006) 77 extra days for toll collection without any justification.

As the investor was responsible for the delay, no extra days should have been awarded. Thus undue benefit of Rs 4.23 crore was given to the investor.

On this being pointed out in audit, the E-in-C, PWD stated (November 2008) that the value of work had increased by more than 10 *per cent* and levels for earthwork were finalised late and therefore, 77 days were awarded. The reply is not acceptable because the works were delayed due to delay in payment of land acquisition charges for which the investor was responsible and not for the extra work in excess of 10 *per cent*.

**The concession period of an investor was not decreased for delay of 312 days which led to extra toll collection of Rs 3.32 crore.**

- The Dhar-Gujri Road from km 92/6 to km 140/4 under BOT, scheduled to be completed by February 2002, was actually completed in July 2006. Though delay of 312 days out of the total delay of 1594 days was attributable to the investor, the department did not reduce these days from the accepted toll days. This resulted in estimated undue benefit to the investor to the extent of Rs 3.32 crore due to non-deduction of toll days for delay in completion.

On this being pointed out in audit, the EE, PWD, Dhar stated (September 2009) that a proposal for termination of toll collection had been submitted (March 2009) to the DRC and the adjustment would be made at the time of final action.

## **1.2.9 Risk Allocation**

### **1.2.9.1 Undue mitigation of financial risk of the investor**

**Investor was given financial aid of Rs 1.27 crore.**

As per the agreement for construction of the Dewas bypass under BOT, the investor was to pay Rs 5.77 crore as land acquisition charges to the department. Payment in excess of Rs 5.77 crore was to be made by him within 15 days of demand by the client i.e. the department. The excess amount was to be treated as extra work which was to be adjusted by granting extra days for toll collection. The cost of land during execution increased to Rs 8.72 crore but the investor failed to deposit the balance amount of Rs 2.95 crore till completion of the work. However, the investor was allowed to deposit Rs 2.95 crore in four instalments after starting from May 2004 the toll collection upto December 2004, for which he was to be compensated by award of extra toll days after the agreed period of toll collection. It was seen that the district court of Dewas demanded (October 2007) from the department, Rs 1.27 crore from the investor for settlement of disputes of the cultivators. The investor failed to deposit the amount of Rs 1.27 crore but the same was paid (October 2007) by the EE, PWD division, Dewas without obtaining any sanction from the Government. Thus, the financial risk associated with the project was borne by

the department instead of the investor, who was given unauthorised financial aid of Rs 1.27 crore.

Admitting the facts, the E-in-C, PWD stated (November 2008) that due to excess over the agreed cost of land, allotment was made to pay the decretal charges of land acquisition. The reply was not in accordance with the provisions of the agreement which required that the amount in excess of Rs 5.77 crore was to be paid by the investor.

## 1.2.10 Viability Gap Funding and Subsidy

### 1.2.10.1 Financial aid to investors

Investor got unauthorised financial aid of Rupees two crore.

According to clause 23.2 of the standard agreement for bond BOT, MPRDC was to disburse subsidy for bond BOT works to the investors in 10 equal instalments, proportionate to the cost of the projects, subject to the actual works executed. The last instalment of subsidy was, however, payable after submission of the final bills and issue of completion certificates of the projects. It was observed that the final bill of the investor and completion certificate for the Seoni-Balaghat-Gondia Road was submitted as late as in February 2008, but the investor was paid (November 2006) an amount of Rupees two crore against the final instalment of Rs 3.48 crore. This resulted in unauthorised financial aid of Rupees two crore to the investor.

On this being pointed out in audit, the CE, MPRDC did not offer any comment.

## 1.2.11 Evaluation of Projects

### 1.2.11.1 Physical targets and achievements

As per documents/records available with the PWD, the initial work of 10 roads under BOT were shown as completed on time in all cases (except the Dhar-Gujri Road which was delayed by 1594 days) and accordingly, toll collection was authorised by the department to the investors.

In the status report (March 2008) of MPRDC for bond BOT works, out of 13 projects, 10 projects were shown as completed. In respect of the remaining three<sup>64</sup> projects, the contracts were terminated by MPRDC between May 2002 and December 2004 due to slow progress of work and failure in maintenance of the roads.

Scrutiny of records revealed that final completion certificates in respect of nine roads had been issued by MPRDC. A final completion certificate in respect of one road was still to be issued (November 2009).

<sup>64</sup> Bina-Sironj-Guna Road taken up 23 February 2003 terminated on 9 December 2004. Mandla-Kanha Road taken up 25 May 02 terminated on 8 March 2004 and Sagar-Damoh-Jabalpur Road taken up on 30 June 2005 terminated on 12 July 2007.

Delays in completion of projects with reference to the dates of the completion certificates ranged from 486 days to 1,860 days (upto November 2009) as given in **Table No. 1.19**.

**Table No. 1.19 : MPRDC Roads under bond BOT**

*(As on November 2009)*

S. No.	Name of the Road	Target date for completion as per agreement	Percentage of achievement on target date	Date <sup>65</sup> of issue of provisional completion certificate	Actual date of issue of final completion certificate	Delay in completion (days)
1	Indore –Edelabad	21.03.03	54	23.11.02 22.08.03 16.02.04	17.09.04	546
2	Ujjain-Jhalawad	15.09.03	85	19.05.03 13.02.04	14.01.05	486
3	Rewa-Amarkantak	14.07.04	66	19.05.04 25.08.04 11.11.04	03.05.07	1023
4	Satna-Umariya	14.07.04	66	20.05.04 12.03.05 18.02.05	03.05.07	1004
5	Hoshangabad-Khandwa	19.09.04	74	18.02.04 11.11.04 10.05.05	05.04.08	1294
6	Hoshangabad-Pachmarhi	28.05.05	84	24.05.05 03.07.05	Not issued	1645
7	Dewas-Ujjain-Badnagar	31.05.05	85	28.12.04 02.08.05	15.11.07	898
8	Jabalpur-Pipriya	05.01.05	54	26.05.05 07.02.06	24.02.07	780
9	Raisen-Rahatgarh	06.03.05	70	15.09.05 13.03.06	24.01.09 <sup>66</sup>	1420
10	Seoni-Balaghat-Gondia	17.09.04	19	25.10.05 22.02.08	22.10.09	1860
<b>Total</b>						<b>10956</b>

**(Source: Information/ record submitted by the MPRDC.)**

Scrutiny revealed that the delays were due to:

- delays in financial closure by investors causing delays in arranging financial packages;
- delays in acquisition of land, forest clearance and removal of utilities by the investor and MPRDC;
- delays in submission of drawings by investors;
- insufficient funds with the investors and frequent changes of EPC<sup>67</sup> contractors by the investors causing delay in implementation of projects;
- excessive rains, transporters strikes;

<sup>65</sup> The work was grouped for toll collection in 2 to 3 homogeneous section. The toll collection for each section was permitted earlier when the works were provisionally complete.

<sup>66</sup> For Raisen-Rahatgarh Road provisional completion certificate was issued (24 January 2009) without mention of actual date of completion.

<sup>67</sup> Erection Procurement and Construction.



- non-completion of pending items of provisional completion certificate by investors.

**Two or three provisional completion certificates were issued for a work instead of one final completion certificate.**

Further, as per the concession agreements, MPRDC, at the request of the investors, could issue provisional completion certificates of the projects, if all tests were completed and all parts of the highways could be legally and safely placed under commercial use, even though certain items of work were not yet complete. The remaining items were to be completed in 90 days subject to further extension of 90 days after which, the final completion certificate was to be issued. Scrutiny revealed that contrary to these provisions, provisional completion certificates were issued for two to three stretches for a project, instead of the entire project and the projects were completed with delays of 486 to 1,860 days as shown in **Table no.1.19**.

In four<sup>68</sup> cases, provisional completion certificates in different stretches were issued though major items like widening of roads, construction/ reconstruction and widening of bridges/culverts, construction of hard shoulders, construction of *pukka/kuchha* drains, wearing course (final Black Top surface), protection walls were incomplete. In the absence of these major items of work, the roads were not safe for commercial operations as per the agreements.

Admitting the delays in issuance of completion certificates, the CE, MPRDC stated (November 2009) that completion certificates could not be issued within prescribed period due to non-submission of drawings, final bill by the investor and change of scope of order, extension of time etc. by the MPRDC. He further stated that the delays pointed out by Audit were not correct as they should have been calculated by taking into consideration the date of issue of the provisional completion certificates. The reply is not acceptable because the provisional completion certificates were issued for stretches instead of for the entire project. Final completion certificates were also not issued for each stretch. Thus the investors failed to achieve the scheduled completion dates of the project and the delays were calculated up to the dates of the final completion certificates of the project.

**Liquidated damages amounting to Rs 16.52 crore on account of delays were not recovered from investors.**

Further, if the investors failed to achieve the scheduled completion dates, or extended dates, they would be liable to pay liquidated damages for the delays at Rs 20,000 per day. The projects shown in **Table no.1.19** were delayed by 295 to 1,860 days (excluding the extension of time sanctioned for 899 days). Accordingly, liquidated damages of Rs 20.11 crore were recoverable from the investors. However, only Rs 3.59 crore was recovered, which resulted in short recovery of Rs 16.52 crore as shown in **Appendix 1.11**.

On this being pointed out in audit, the CE, MPRDC stated (November 2009) that liquidated damages were charged till the date of issue of the provisional completion certificates. The reply is not acceptable because provisional completion certificates were issued for individual stretches and not for the whole project. The completion certificate for each stretch was also not issued

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<sup>68</sup> *Hoshangabad-Harda-Khandwa Road, Hoshangabad-Pipariya-Pachmarhi Road, Raisen-Rahatgarh Road and Seoni-Balaghat-Gondia Road.*

and the final completion certificates of the projects were issued with the delay of 295 to 1860 days.

### ***1.2.11.2 Breach of agreement***

**Investor collected estimated toll of Rs 8.49 crore against a work of Rs 2.20 crore.**

Initial works valued at Rs 1.92 crore of the Dhar-Gujri Road (km 92/6 to km 140/4) under BOT, scheduled to be completed by 13 February 2002, were actually completed on 8 July 2006, involving a delay of 1,594 days. The notification for toll collection was issued (8 August 2006) by the Government and the investor began the toll collection. At the request of the investor, the DRC revised (March 2007) the design and the estimate of remaining works from Rs 7.44 crore to Rs 20.29 crore. The investor failed to take up the specified works of the first and second year after toll authorisation as per the scope of work mentioned in the agreement upto March 2007 and thereafter, as per the revised design and continued to collect the toll without executing the remaining work. The Collector, Dhar reported (May 2007) the matter to the Government for taking action as per the agreement, stopping the toll collection and getting back the excess toll collected. The CE also reported (March 2009) the matter to the E-in-C, PWD. No action was, however, taken till August 2009. The investor completed works valuing Rs 2.20 crore only against the targeted work of Rs 6.01 crore but collected (upto August 2009) an estimated toll of Rs 8.49 crore. Thus failure to take penal action for breach of agreement resulted in loss of Rs 6.29 crore to the public.

On this being pointed out in audit, the EE, PWD, Dhar stated (September 2009) that a proposal for termination of toll collection had been sent (March 2009) to the DRC, but a decision was awaited. The reply is not acceptable because the investor committed a breach of agreement and the proposal for termination of contract was submitted as late as March 2009.

### ***1.2.11.3 Collection of toll on incomplete roads***

**Investor collected toll of Rs 8.24 crore without completing the balance work.**

Katni bypass under BOT on NH-7 was provisionally completed on 19 December 2007 with certain items of work like wire fencing, rectification of slopes, pitching and toe walls, aprons at slab culverts, guard stones and flood marks etc. still remaining incomplete. Toll collection was, however, authorised on 22 February 2008. As per the agreement, these items of work were required to be completed within 120 days and a final completion certificate was to be issued by the independent engineer with a copy to GOI and the State Government. It was seen in audit that as against the required date of completion (17 April 2008) the final completion certificate was issued as late as on 1 April 2009. The PWD observed (June 2009) that the pending items of fencing, plantation of 4,000 trees and 20 *per cent* boulder pitching were still to be completed. Thus the investor irregularly collected (2008-09) an estimated toll of Rs 8.24 crore on an incomplete road during its first year. As per clause 9.3 of the agreement, if the investor failed to execute the remaining works within 120 days, GOI was to get the items completed at the risk and cost of the investor. No such action was taken even after the SE, PWD reported (August 2008) the matter to the CE PWD NH Bhopal.

On this being pointed out (September 2009), the EE did not offer any specific comment.

**Toll collection of Rs 1.72 crore was allowed on incomplete work.**

- As per the DPR, a part of the 34 km Hoshangabad-Harda-Khandwa Road, taken up (May 2002) under bond BOT, was submerged (August 2004) under the Indira Sagar Project. It was, therefore, decided that this part of the road would be strengthened by the investor till submergence and thereafter, a bypass of similar length would be constructed by the Narmada Valley Development Authority (NVDA) up to the water bound macadam (WBM) level. Subsequently, it was to be converted into a bituminous road by the investor so that the bypass could be used by the public as an alternative to the submerged portion of the road. The WBM road was completed (March 2006) by NVDA after 18 months of submergence and bituminous work was completed by the investor in July 2006. Though there was only a WBM road between September 2004 and June 2006, which was not safe for commercial operation, toll of Rs 1.72 crore was collected by the investor during this period.

Admitting the fact, the Government stated (November 2008) that NVDA had failed to complete the WBM road in time and the investor could not be penalised for it. The reply is not acceptable because as per the concession agreement, only black top roads were considered as legally safe for commercial operations.

#### **1.2.11.4 Change of item of work**

**Investor got an unwarranted benefit of Rs 6.91 crore.**

According to the scope of work on Indore-Edelabad Road under bond BOT, the bituminous course was to be done by providing 130 mm thick Dense Bituminous Macadam (DBM), subject to crust design as per MORT&H specifications and approval by MPRDC. Scrutiny in audit revealed that the investor did not submit the crust design for approval of MPRDC. As per MORT&H specifications, the thickness of DBM should have been 140 mm. During the execution, the work was partly done by DBM and partly by providing a cheaper mix of Bituminous Macadam (BM) (80286.508 cu.m). Thus MORT&H specifications were not followed by the investor and resultantly gave unwarranted benefit of Rs 6.38 crore<sup>69</sup>.

According to the scope of work of the Hoshangabad-Harda-Khandwa Road under bond BOT, the investor had to provide Wet Mix Macadam (WMM) as the base course. The CE, MPRDC, however, permitted (February 2003) the investor to replace WMM with a cheaper mix of Water Bound Macadam (WBM) subject to recovery of a cost difference of Rs 53.02 lakh<sup>70</sup> from the payment of subsidy, but no such recovery had been made till date.

On these being pointed out in audit, the CE, MPRDC stated (November 2009) that the design risks lay with the investor and failure in design was also

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<sup>69</sup> 80286.508 cu.m. @ rate difference of Rs (2695-1900)= Rs 6.38 crore.

<sup>70</sup> 147287.781 cu.m @ rate difference of Rs (450- 414)= Rs 53.02 lakh.

attributable to the investor. The reply is not acceptable as any change in design was required to be approved by MPRDC. The changes of DBM to BM and WMM to WBM would ultimately reduce the total project cost and would be beneficial to the investors.

#### **1.2.11.5 Execution of below specification works**

As per the standard agreement for BOT works, investors were required to maintain the quality of work during the construction and operation period as per MORT&H specifications. It was observed in audit that these specifications were not followed by the investors during the construction and operation period.

**Improper use of material and compaction of crust of Rs 1.10 crore.**

The Satna bypass was completed (February 2002) under BOT. However, within 10 months of completion, the CE, PWD, Rewa observed (December 2002) that out of 44450 sqm. of the road, 10500 sqm worth Rs 1.10 crore was badly damaged with deep patches. The failure of the crust was due to non-compaction of earth work, use of improper material and laying of bituminous material without cleaning. Thus work amounting to Rs 1.10 crore on this stretch was substandard.

On this being pointed out by Audit, the EE stated (August 2009) that the investor had repaired the damages which were not recorded on the measurement book. The reply was not viable because dismantling and re-execution of the work was not supported by entries in the MB.

**Work of Bituminous Macadam worth Rs 11.62 crore was not done as per specifications.**

As per the agreement for the Sagar-Damoh-Jabalpur Road under bond BOT, the investor had executed 17910.30 cu.m Bituminous Macadam (BM) upto March 2006. The BM was neither covered with the next pavement course of Dense Bituminous Macadam (DBM) nor wearing course of Bituminous Concrete (BC) within 48 hours as required as per clause 504.5 of MORT&H specification. Thus the work of BM amounting to Rs 11.62 crore executed as of March 2006 was below specification and was likely to get damaged prematurely due to rains.

On this being pointed out in audit, the Government stated that the investor could not complete the work because of which, the agreement had been terminated. The fact remained that the work of BM was not done as per specifications.

**Road work worth Rs 4.31 crore was substandard.**

The Government directed (March 2004), the CEs of the respective zones to ensure inspection of quantity and quality of bond BOT roads and submit reports to the Government, E-in-C and MPRDC. Scrutiny of a report submitted to the CE by the SE, PWD, Ujjain for the Dewas-Ujjain-Badnagar Road under bond BOT revealed that with regard to the work of the sub-grade, the investor had used 20 *per cent* boulders of particle size of 75mm instead of selected soil. Hence, 40 to 60 *per cent* of the material used in the sub-base was oversize. The camber<sup>71</sup> (percentage of slope between the centre line and edges of the road crust) in BM provided was 0.60 to 4.6 *per cent* against the

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<sup>71</sup> *Cross slope of the road from the centre line.*

requirement of 2.50 *per cent* as per MORT&H specifications. Thus the work of sub-grade and BM amounting to Rs 4.31 crore was substandard.

On this being pointed out by Audit, the Government stated (November 2008) that the defects had been rectified and after confirmation through various tests, a completion certificate had been issued. The reply is not acceptable because no such rectification was shown in the measurement books.

**Rupees 1.02 crore was spent on repairs due to substandard work.**

The EE, PWD, Dhar awarded (January 2007) the work of black top (BT) patch repairs of the Ratlam-Levad-Jaora Road under BOT to two different contractors. As per the agreements, the contractors, after repairing the patches with Built Up Spray Grout (BUSG), had to cover them with Open Graded Premix Carpet (OGPC) and seal coat. However, the BUSG done after incurring an expenditure of Rs 1.02 crore had not been covered with OGPC and seal coat as per MORT&H specifications. Therefore, the work of BUSG was damaged due to rains and had to be repaired (November 2007) by the Government at a cost of Rs 61.66 lakh. Thus the execution of BUSG worth Rs 1.02 crore was substandard.

Admitting the facts, the E-in-C, PWD stated (November 2008) that sealing of patches was not done due to shortage of funds. The reply is not acceptable because the work was to be done as per specifications within the available funds.

## 1.2.12 Monitoring

### 1.2.12.1 Measurement of works

**Maintenance work of Rs 17.19 crore was not measured.**

As per clause 11 of the special conditions of contract, the actual work done on a road was to be measured, recorded in a certified measurement book and checked by departmental officers. The investors were also responsible for plantations along the roadside as well as its maintenance. In respect of six BOT roads of PWD, it was observed that works amounting to Rs 17.19 crore, which included road renewal of Rs 3.21 crore (Dewas bypass: Rs 1.60 crore and Indore-Ujjain Road: Rs 1.61 crore), road maintenance of Rs 8.62 crore (Dewas bypass: Rs 2.95 crore, Dhar-Gujri Road: Rs 1.23 crore, Ratlam-Jaora Road: Rs 0.93 crore, Indore-Ujjain Road: Rs 2.71 crore, Satna bypass: Rs 0.41 crore and Katni bypass: Rs 0.39 crore) and plantation of Rs 5.36 crore (Dewas bypass: Rs 1.07 crore, Dhar-Gujri Road: Rs 3.59 crore, Satna bypass: Rs 0.37 crore and Katni bypass: Rs 0.33 crore) were not measured.

On this being pointed out in audit, the EE PWD Ratlam stated (April 2009) that evaluation of the works was not essential as per the agreement. The EE PWD Satna stated that the measurement of maintenance was not required. The reply is not acceptable because as per the agreements, the works done by the investors were to be measured and entered in MBs which was not done.

### **1.2.13 Operation and Maintenance**

**1.2.13.1** As per MORT&H specifications and Government policy, the BT portions of the road had to be renewed in every five years. During the operation periods, the investors were required to maintain the roads regularly and periodically. It was observed that the investors had not done the work of road renewal in time and had got unwarranted benefits.

**The investor was avoiding the liability of road renewal worth Rs 80 lakh.**

Katni bypass under BOT, completed in December 2001, had to be renewed every fifth year with Bituminous Concrete (BC). Accordingly, the agreement provided for renewal of the road twice (2006-07 and 2011-2012) at a cost of Rs 1.35 crore. The investor had done the first renewal in March 2009. The delayed first renewal shifted the next renewal liability to the year 2014-2015 i.e. after the end of the concession period (2013-2014) and not only spared the investor from the second renewal but also favoured him with a benefit of Rs 80 lakh.<sup>72</sup>

On this being pointed out in audit, the EE stated (June 2009) that a proposal for penalty for delayed renewals was under consideration of the DRC. The fact remained that due to late renewal of the BT portion of the road, the investor was saved the responsibility of the second renewal.

**An investor failed to submit a maintenance manual though liability of Rs 3.09 crore had been occurred.**

The Rewa bypass under BOT on NH-7 was completed in August 2007. The investor had to submit (May 2007) a road maintenance manual before completion of the project and a renewal programme 45 days before the commencement of each financial year. Though the PWD was responsible for operation and maintenance of the bypass, the investor failed to submit any maintenance manual or a renewal programme to PWD as of July 2009 when the liability of renewal of Rs 3.09 crore had already occurred as per the agreement.

On this being pointed out in audit, the EE stated (July 2009) that the investor had not submitted the maintenance manual and renewal programme. The investor had submitted the manual to MORT&H, New Delhi. The reply is not acceptable as the PWD (NH) was responsible for supervision and maintenance of the bypass and should have issued completion certificate after obtaining the required maintenance manual.

**1.2.13.2** As per clause 18.2 of the concession agreement for bond BOT works, the investor, in consultation with the Supervision Quality Consultant (SQC), was to prepare and finalise the repair and maintenance manual for regular and periodical maintenance. For periodical maintenance, though the investors in their bids had considered the cost of BT renewal in five years in the total project cost as per MORT&H specifications and Government policy, no such provisions were made for BT renewal in the maintenance manual submitted by the investor.

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<sup>72</sup> *Included for 2011-12 in bid evaluation.*

**Maintenance and renewal work of Rs 68 crore were not ensured.**

Scrutiny in audit revealed that five out of 10 roads<sup>73</sup> having a length of 742.40 kms, provisionally completed between 2002 and 2004, were due for renewal in 2007 and 2009, involving a total cost of Rs 67.21 crore, on the basis of 30 mm thick Bituminous Concrete (BC) required for renewal at the rate of Rs 4,311 per cu.m. However, no renewal was actually done and measured. MPRDC, during June 2008 to July 2009, adopted different criteria for road renewal and directed the field units to submit the renewal programme, where the roughness index of the road surface exceeding 3500 mm per km was considered for renewal. Scrutiny revealed that according to test reports, the roughness index on 262 km length of eight roads<sup>74</sup> ranged from 3,515 mm to 7521 mm per km. Thus, as against the bid provisions of Rs 67.21 crore, the cost of renewal on the basis of roughness index was reduced to Rs 23.72 crore in the above cases, which ultimately reduced the tender project cost and extended an unwarranted benefit of Rs 43.49 crore to the investors. The renewal work actually done was also not monitored through measurements in the measurement books.

Further, the investors were required to incur Rs 44.28 crore as per the norms of Rs 45,000 per km. per year and five *per cent* price variation every year, as adopted by MPRDC, on routine maintenance of roads but no measurement records were maintained to indicate that maintenance work had actually been done by the investor.

On this being pointed out in audit, the CE, MPRDC stated that the sole criteria for maintenance of roads was the roughness index of 3500 mm per km. No minimum time for renewal was provided in the agreement. Therefore, whenever roughness changed, investors were asked to renew the roads. The reply is not acceptable because as per clause 18.2 of the agreement, the investors had to prepare maintenance manuals including the provisions for periodical renewals which were not done. No record was also maintained for renewal works actually done.

#### **1.2.14 Valuation of Assets**

As per clause 19 of the special conditions of contract, after expiry of the concession period, the facilities in sound condition, would stand transferred to the Government without any payment or other costs payable to the investors. Consequently, all rights of the investors on the assets created would stand extinguished thereafter and stand transferred to the department. It was seen in

<sup>73</sup> *Indore-Edelabad, Ujjain- Jhalawad, Rewa-Amarkantak, Satna-Maihar-Umariya and Hoshangabad-Harda-Khandwa.*

<sup>74</sup> *Hoshangabad-Harda-Khandwa Road, Hoshangabad-Pipariya-Pachmarhi Road, Jabalpur-Narsinghpur-Pipariya Road, Indore-Edelavad Road, Raisen-Rahatgarh Road, Rewa-Shahdol-Amarkantak Road, Satna-Maiher-Umariya Road and Ujjain-Jhalawad Road.*

audit that the concession periods of three roads<sup>75</sup> and two bridges<sup>76</sup> of BOT were over and the assets had been transferred to the department. In all the remaining cases, the concession period continued and in two cases, the investor failed to transfer the assets in sound condition.

**Premature renewal of roads led to extra cost of Rs 6.17 crore.**

As per the concession agreement under BOT, the investors had to maintain the roads during the operational periods as per MORT&H specifications. The investors accordingly included the cost of periodical renewal of BT surface in five years and routine maintenance every year. The Indore-Ujjain Road, having a length of 58 km, was taken up (December 1999) under BOT. According to the agreement, the investor was required to attend to renewal work of 20 *per cent* of the road length every year. Road length of 43.30 km was renewed from June 2003 to June 2007 under BOT. After the end of the concession period (August 2007), the same road was again taken up (February 2008) for renewal and heavy patch repair with State funds under the State Road Improvement Plan (SRIP). Thus the same length of 43.30 km of road was prematurely renewed within a period of one to three years against the renewal cycle of five years as per the manual of Road Maintenance by incurring an additional expenditure of Rs 6.17 crore<sup>77</sup>, indicating that renewal under BOT by the investor was not up to the mark.

Admitting the facts, the E-in-C, PWD stated (November 2008) that due to inadequate crust and negligence on the part of investor, the entire road was in a bad condition, with potholes. An enquiry was conducted by the SE. Recovery of Rs 2.35 crore was imposed on the investor and being an important road, the work was renewed under SRIP. Thus premature renewal of the road against the norms resulted in a loss of Rs 6.17 crore to the Government. However, no recovery had been made as of March 2009.

**Insufficient provisions for Black Top renewal led to extra cost of Rs 5.82 crore.**

Contrary to MORT&H specifications, provision for BT renewal of the Ratlam-Jaora-Levad road of 125.40 km length, taken up (2002-03) under BOT, was made only for 15 *per cent* of the road length every year instead of 20 *per cent* of the road length. Thus against the requirement of 100.32 km of road length to be renewed in four years (2003-2006) provision was made for only 60.91 km and as against it, actual renewal was done in 46.00 km only. The concession period was over (12 November 2006), and the road was transferred to the Government in November 2006. As a result of delay in renewal, the crust of the road was badly damaged, resulting in huge potholes and consequent traffic jams. Due to agitation by the media and public, Government spent (2006-07) Rs 5.82<sup>78</sup> crore on heavy patch repairs to make the road motorable.

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<sup>75</sup> *Burhanpur-Khandorh road 07 September 2007, Indore- Ujjain road 18 August 2007 and Ratlam- Jaora –Levad Road 13 November 2006.*

<sup>76</sup> *Bridge on Balaghat-Seoni road 16 September 2008 and bridge on KM 135/8 of Chhindwara Nagpur Road- 06 November 2006.*

<sup>77</sup> *Indore Rs 4.39 crore and Ujjain Rs 1.78 crore = Rs 6.17 crore.*

<sup>78</sup> *PWD Dhar Rs 2.55 crore and PWD Ratlam Rs 3.27 crore = Rs 5.82 crore.*

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On this being pointed out in audit, the EE stated (August 2009), that patch repairs on State highways were a continuous item of work, to allow free flow of traffic. The reply is not acceptable because the work of special repairs was done due to stoppage of work by the investor and public agitation.

### **1.2.15 Monitoring**

In PWD, the implementation of projects has to be monitored by the E-in-C and the CEs of the various zones for achieving targets and providing quality benefits. Audit, however observed that in the case of BOT projects, the progress of work was not monitored and quality of work done was not maintained. The investors got excess benefit due to sanction of extra toll days and improper bid evaluations, resulting in corresponding losses to the public. The quantity of work of road maintenance was also not evaluated. This resulted in poor progress of work in operations and maintenance during the concession period.

The CEs of PWD and MPRDC, were responsible for monitoring the scheme for timely and effective implementation and quality assurance of the works. However, the audit findings depicted a picture of failure of monitoring control, sluggish progress and poor quality control during construction as well as the operational period of the projects. The investors got extra benefits due to improper bid evaluation, toll authorisation on unsafe roads, toll authorisation on stretches instead of the complete project and change of specifications of works. Thus the extra burden was knowingly passed on to the public by the PWD and MPRDC.

### **1.2.16 Conclusion**

The department did not prescribe any guidelines for selection of the roads to be taken up under BOT and bond BOT. Despite availability of sufficient funds, the projects under bond BOT were abnormally delayed. There was no uniform procedure for bid evaluation and as a consequence, the investors took advantage of the flexible agreements. The agreements did not contain provisions for dealing with any breach of contract or deviation from the prescribed conditions including penalty at the division level, which resulted in profits to the investors and extra burden of toll tax on the general public. Undue benefits were given to the investors on account of granting of additional days for collecting toll tax, revision in scope of work, delays in renewal, defective designs and delays in handing over sites. Works were not carried out as per specifications and quality control measures were not adequate. No regular monitoring was done at the department/ division level during construction/upgradation and maintenance of roads. Though large amounts were involved for maintenance during operations, there were no recorded measurements to evaluate the work actually done. Due to ineffective contract management and monitoring of schemes, department failed to provide safe and economic road travel to users and imposed a huge burden of toll tax to the public.

### **1.2.17 Recommendations**

- Government should issue specific instructions regarding selection of roads under BOT.
- Projected toll collections should be linked to the project cost as per the agreement. The Government should formulate a policy for bid evaluation and ensure that work is executed as per the agreement.
- Contract management needs legal and technical strengthening. Adequate and effective provisions should be included in the concession agreement to safeguard Government interest.
- Progress of maintenance should be reviewed and monitored regularly by the concerned divisions during the concession periods.
- Total project costs as committed by the investors should be regularly reviewed with respect to the actual works done, to safeguard the quantity and quality of the works.

## Revenue Department

### 1.3 Calamity Relief Fund

#### 1.3.1 Introduction

Government of India (GOI), Ministry of Finance, launched a scheme for constitution and administration of a Calamity Relief Fund (CRF) with effect from April 1990 for five years, which was further extended up to 2009-2010 for providing immediate relief to victims of natural calamities e.g. cyclones, droughts, earthquakes, fires, floods, hailstorms, cloudbursts, pest attacks etc. GOI was to contribute 75 per cent of the total annual allocation of CRF in the form of Non-Plan grants and the balance 25 per cent was to be contributed by the concerned State Governments. State Level Committees (SLC), headed by Chief Secretaries of the States were to be responsible for the management of the CRF. The Revenue Departments of the States were to act as the nodal agencies for implementation of the relief works under the scheme.

Records of the Relief Commissioner who is also the Principal Secretary, Revenue Department, District Collectorates and line departments<sup>79</sup> in 12<sup>80</sup> out of 50 districts were test-checked by Audit during March 2008 to October 2009. The deficiencies noticed in management of CRF by the State Government are mentioned in the succeeding paragraphs.

#### 1.3.2 Financial Management

The details of contributions to CRF and the expenditure incurred during 2004-09 are given below:

**Table No. 1.20 : Details of receipt and expenditure under CRF**

Year	Opening balance	Share to CRF <sup>1</sup>		Total fund available	Expenditure <sup>2</sup>	Closing Balance
		Central	State			
2004-05	344.88 <sup>2</sup>	57.10	19.03	421.01	100.80	320.21
2005-06	320.21	190.67	63.56	574.44	166.37	408.07
2006-07	408.07	277.52 <sup>3</sup>	65.39	750.98	222.43	528.55
2007-08	528.55	151.48	67.32	747.35	419.88	327.47
2008-09	327.47	208.04	69.35	604.86	587.08	17.78

**Source** – 1 Records from Relief Commissioner's office.  
 2 Appropriation Account.  
 3 Rs 196.18 crore of Central share + Rs 50.49 crore advance release of first instalment of GOI share for the year 2007-08 + Rs 30.85 crore received from GOI out of National Calamity Contingency Fund (NCCF).

<sup>79</sup> Executive Engineers (EEs)- Public Works Department, Rural Engineering Services, Water Resources Department; Chief Executive Officers (CEOs)- Zila Panchayat (ZP), Janpad Panchayat (JP); Commissioner-Nagar Nigam and Chief Municipal Officers (CMOs)- Nagar Palika and Nagar Panchayat.

<sup>80</sup> Balaghat, Barwani, Chhindwara, Dhar, Gwalior, Katni, Khargone, Panna, Sagar, Seoni, Sidhi and Ujjain.

### **1.3.2.1 Unutilised funds of Rs 4.23 crore available with implementing agencies**

**Funds amounting to Rs 1.80 crore released for relief works, were lying unutilised with implementing agencies.**

District Collectors, Chhindwara, Panna, Sagar, Seoni and Sidhi released Rs 21.76 crore for relief works to implementing agencies during 2004-09 for victims of drought and for transportation of drinking water in rural and urban areas. The implementing agencies utilised Rs 19.22 crore and deposited Rs 73.54 lakh in treasury through challans. The remaining amount of Rs 1.80<sup>81</sup> crore was not utilised and was available with the implementing agencies. The said amount was to be recovered from implementing agencies and credited to the CRF. Similarly, Rs 13.04 crore was released (2006-09) to the Municipal Corporation, Bhopal for repairs of infrastructure damaged due to heavy rainfall in August 2006 and restoration of water supply. The Municipal Corporation could utilise only Rs 10.61 crore as of May 2009 and balance amount of Rs 2.43 crore which was to be refunded to CRF was available with Municipal Corporation as of August 2009. The Collectors stated (August to October 2009) that the balance amounts would be remitted shortly to the Government.

### **1.3.2.2 Parking of funds in bank accounts**

**Collectors drew Rs 1.76 crore (2004-09) for various relief works and deposited the same in bank accounts.**

According to para 38 of the Standing Instructions regarding implementation of relief works, issued by the Relief Commissioner, drawal of money in anticipation of requirements and depositing in bank was prohibited.

Scrutiny of records of the District Collectors, Balaghat, Chhindwara, Katni, Panna and Sidhi revealed that Rs 1.76<sup>82</sup> crore meant for various relief works under the scheme were deposited (2004-09) in banks by Collectors. On this being pointed out by Audit, the Collectors stated (August to October 2009) that the funds would be remitted into the Government account.

### **1.3.2.3 Diversion of Central funds into State revenue**

**Irregular transfer of Central funds of Rs 4.31 crore to State revenue.**

As stated earlier, CRF was created with shares of the Central Government and the State Government in the ratio of 75 and 25 *per cent* respectively. Para 12 of the guidelines for constitution and administration of CRF provides that unspent balances available at the end of the financial year should be the opening balance for the next financial year. During test check of the records of Collectors of 12 districts, it was found that unspent funds of Rs 5.74<sup>83</sup> crore

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<sup>81</sup> Chhindwara : Rs 32.94 lakh , Panna : Rs 92.36 lakh, Sagar : Rs 46.82 lakh, Seoni : Rs 2 lakh and Sidhi Rs 6.30 lakh.

<sup>82</sup> Balaghat : Rs 41.80 lakh ,Chhindwara : Rs 17.12 lakh , Katni : Rs 42.62 lakh, Panna : Rs 58.52 lakh and Sidhi Rs 16.32 lakh.

<sup>83</sup> Balaghat : Rs 38.79 lakh (Major Head – 0070 and 6245), Chhindwara : Rs 3.15 lakh (Major Head- 0070), Dhar : Rs 3.89 lakh(Major Head-0070), Katni : Rs 1.19 lakh (Major Head-0070), Khargone : Rs 135.92 lakh (Major Head-0070), Panna : Rs 25.65 lakh (Major Head-0070 and 0250), Sagar : Rs 334.00 lakh ( Major Head-0070 and 6245), Seoni : Rs 19.99 lakh ( Major Head – 0070 and 0250) and Ujjain : Rs 11.85 lakh(Major Head- 0058).

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(Central share: Rs 4.31 crore and State share: Rs 1.43 crore) in nine districts were credited to State revenues by various agencies. When the matter was brought to his notice, the Relief Commissioner stated (December 2009) that the matter was under consideration of the Finance Department and instructions would be issued accordingly.

### 1.3.3 Payment of cash assistance to victims

#### 1.3.3.1 Irregular payment of assistance on the basis of hypothetical loss of crops

Irregular payment of Rs 15.21 crore was made on hypothetical loss of *Kharif* crop for the year 2007.

There was no provision in the Revenue Book Circular 6-4 (RBC 6-4)<sup>84</sup> for payment of grant assistance for the loss of crops due to drought. The Revenue Department amended RBC 6-4 in December 2007 to include a provision for payment of grant assistance for crop losses due to drought. The amendment was also made retrospectively for the *Kharif* crop of 2007. The Relief Commissioner issued (March 2008) instructions that a committee of seven members in each village consisting of the *Sarpanch/Up-Sarpanch*, two *Panchs*, two respectable persons of the village, the *Patwari* and the Rural Agriculture Extension Officer may be formed to prepare a *panchnama*<sup>85</sup> and on this basis, the Revenue Officer would decide the claims for assistance after inspecting the sites.

Scrutiny of records of the Collectors, Balaghat and Panna, revealed that inspection of *kharif* crop of 2007 was not done during drought and payment of Rs 15.21<sup>86</sup> crore as grant assistance was made (March to July 2008) to farmers for loss of *Kharif* crops of 2007 on the basis of *panchnamas*. Thus the payment of relief of Rs 15.21 crore was on the basis of hypothetical loss of crop as by that time (March 2008) the *Kharif* crop was already harvested and *Rabi* crops were ready to be harvested.

When the matter was brought to the notice, the Relief Commissioner stated (December 2009) that no other alternative except *panchnamas* was available with the department for providing assistance to the farmers. The reply was not acceptable as payment of relief under CRF without site inspection was in contravention of CRF guidelines.

#### 1.3.3.2 Excess payment for crop loss due to wrong assessment

According to instructions of RBC 6-4, issued by the Relief Commissioner, the quantum of relief for crop loss was to be assessed on the basis of the areas sown and affected. Financial assistance was to be provided on the basis of actual crop loss.

<sup>84</sup> RBC 6-4 : Revenue Book Circular 6-4, issued by the Revenue Department for payment of grant assistance to victims of crop loss.

<sup>85</sup> A document prepared by a group of persons explaining factual position.

<sup>86</sup> Balaghat : Rs 1.93 crore, Panna : Rs 13.28 crore.

Scrutiny of records of districts Chhindwara and Ujjain, revealed that Rs 7.17<sup>87</sup> lakh was paid in excess during 2004-08 by *Tehsildars* for crop losses which were determined on the basis of sown/hold<sup>88</sup> areas instead of areas affected and actual crop loss. The Relief Commissioner stated (December 2009) that the cases pointed out by Audit would be investigated and action would be taken against the defaulting officials.

### ***1.3.3.3 Payment to unaffected landowners***

As per a provision mentioned in para 11 of RBC 6-4, in cases of widespread insect attacks on crops and cases where the percentage of loss of crops was 50 *per cent* and above, special assistance was to be provided to the victims in consultation with Agriculture Department. Assistance was to be given only after prior joint survey of crop losses by the Revenue and Agriculture Departments.

**Irregular payment of assistance of Rs 56.13 lakh to unaffected landowners in Dhar district.**

Scrutiny of crop loss related records in District Dhar revealed that joint teams for survey of crop losses in the district were not constituted by the Collector. According to a report sent (September 2007) by the Agriculture Department to the Collector, above 50 *per cent* crop loss was reported for 366 hectares only in one village. According to the report, Rs 9.15 lakh was payable as special grant assistance to the victims for crop losses of 366 hectares of Nalchha block of the district but Rs 65.28 lakh was disbursed for crop losses of 7102 hectares in the district, resulting in irregular payment of special grant assistance of Rs 56.13 lakh. The Relief Commissioner stated (December 2009) that the cases pointed out by Audit would be investigated and action would be taken against responsible officials.

### ***1.3.3.4 Delay in payment to victims***

According to para 6 of RBC 6-4, assistance to victims of natural calamities was to be provided by Revenue officers within 10 to 15 days of the event.

**Payment of relief of Rs 20.73 crore was delayed by one to 36 months.**

Scrutiny of records of *tehsils* of eight<sup>89</sup> out of 12 test-checked districts revealed that payment of assistance of Rs 20.73 crore was made to the victims of natural calamities viz. fire, flood, snake-bite etc. during 2004-09 after delays of one to 36 months as shown in **Appendix 1.12**. The Relief Commissioner stated (December 2009) that instructions had been issued to District Collectors to finalise the cases within the time limit fixed and pay the assistance expeditiously.

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<sup>87</sup> *Tehsil Chaurai (Chhindwara) : Rs 0.78 lakh (2004-05, 2005-06), Tehsil- Ghatia (Ujjain) : Rs 5.42 lakh and Tehsil Nagada (Ujjain) : Rs 0.97 lakh(2007-08).*

<sup>88</sup> *Hold area : The area of land possessed by the farmer.*

<sup>89</sup> *Balaghat, Barwani, Chhindwara, Khargone, Panna, Sagar, Seoni and Sidhi.*

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Delays of one to 22 months in payment of wages of Rs 5.85 crore for relief works carried out during 2004-07 in four<sup>90</sup> districts were also noticed during scrutiny of records of the Relief Commissioner, Bhopal. The Relief Commissioner stated (August 2008) that funds were allotted after getting approval of the State Level Committee. The reply is not acceptable as immediate relief was not provided to the labourers.

### **1.3.4 Notification of drought-affected areas and execution of relief works**

For declaration of drought-affected *tehsils* in the State, para two of the Standing Instructions regarding implementation of relief works envisaged that a report of each *tehsil* showing the position of rainfall, the availability of drinking water and fodder, data of sowing of rabi and *anawari*<sup>91</sup> of *kharif* crops in each *tehsil*, reasons for the drought and an Action Plan should be submitted to the State Government by the District Collector by 15 October every year. According to para 13 of these Standing Instructions, the State Government was to notify the drought-affected areas in the State.

#### ***1.3.4.1 Incorrect declaration of drought-affected tehsils and irregular expenditure on relief works***

As per para 13 of the Standing Instructions, a *tehsil* could be declared as drought-affected if it fulfilled any of the following three norms:- (i) If in a *tehsil* the rainfall as on 30 September is 25 per cent less than the average rainfall of that *tehsil*, (ii) Twenty five per cent or more villages of a *tehsil*, where the *anawari* (yield) of sample *Kharif* crop ranged between 0 to 37 per cent (0 to 50 per cent from November 2007) and (iii) Twenty five per cent or more villages of a *tehsil* where sowing was 30 per cent less in comparison to average *Rabi* crop.

It was observed that Sausar *tehsil* of Chhindwara district and Thikari *tehsil* of Barwani district were declared as drought-affected by the State Government for the year 2007-08 though they did not fulfill any of these norms. However, 11 construction works costing Rs 71.60 lakh were sanctioned by the Collectors from CRF against which Rs 68.42 lakh was incurred. The expenditure was thus irregular.

Collector, Chhindwara confirmed (August 2009) that Sausar *tehsil* was not affected by drought. Collector, Barwani stated (May 2009) that data was sent to the Government from time to time and areas were declared as drought-affected by the Government. The Relief Commissioner stated (December 2009) that the *tehsils* were declared drought-affected by the State Government and the relief works undertaken were as per rules. The reply is not acceptable

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<sup>90</sup> Katni: Rs 164.24 lakh (Delay -one month), Rajgarh : Rs 218.17 lakh (Delay- one month), Shajapur: Rs 14.94 lakh (Delay -22 months) and Sheopur: Rs 187.95 lakh (Delay- eight months).

<sup>91</sup> *Anawari* : yield or estimate of crop production.

as these *tehsils* were declared as drought-affected on the basis of visual assessment of crop loss due to drought which was not in accordance with the Standing Instructions of the Relief Commissioner.

**1.3.4.2 Execution of relief works in tehsils not declared as drought-affected**

Scrutiny of records revealed that 13 *tehsils* of four districts were not declared as drought-affected by the State Government but 114 construction works costing Rs 5.29 crore were sanctioned by the Collectors and expenditure of Rs 4.73 crore was incurred in these *tehsils* as shown in **Table 1.21**.

**Table No. 1.21 : Details of relief works executed in areas not declared as drought-affected**

**Expenditure of Rs 4.73 crore was incurred on relief works in areas not declared as drought-affected.**

(Rupees in lakh)

Name of district/year	Name of <i>tehsil</i>	No. of works sanctioned	Cost of work	Amount released			Expenditure
				Cash	Cost of foodgrain	Total	
Chhindwara 2004-05	Chhindwara	05	15.27	9.20	5.44	14.64	14.64
	Amarwada	11	30.59	12.52	14.29	26.81	26.81
	Harrai	05	10.71	2.93	6.02	8.95	08.95
	Bicchua	05	12.48	1.46	3.89	5.35	05.35
Gwalior 2004-05	Ghatigaon	41	240.30	91.08	149.22	240.30	233.36
Sidhi 2004-05	Chitrangi	07	40.67	25.93	2.57	28.50	28.44
	Devsar	11	49.46	37.84	7.35	45.19	48.65
	Majhauri	06	23.31	18.99	2.70	21.69	21.68
	Rampur Naikin	03	13.04	10.64	0.00	10.64	8.83
	Sidhi	04	20.91	17.09	2.93	20.02	20.02
	Sinhawal	03	7.82	7.16	0.00	7.16	7.64
	Baidhan,	04	23.59	16.31	3.79	20.10	19.32
Seoni 2004-05	Seoni	09	40.72	29.78	0.00	29.78	29.78
<b>Total</b>		<b>114</b>	<b>528.87</b>	<b>280.93</b>	<b>198.20</b>	<b>479.13</b>	<b>473.47</b>

(Source- Records of District Collectors and implementing agencies.)

The sanction of relief works by Collectors in areas not declared as drought-affected by the State Government and expenditure of Rs 4.73 crore incurred thereon was irregular.

The Relief Commissioner admitted (January 2009) that Ghatigaon *tehsil* was not affected on the basis of *Kharif* crops *Anawari*. The Collectors, Sidhi and Seoni stated (August and October 2009) that relief works were executed due to demands of public representatives and with a view to providing employment to the labourers. The reply is not acceptable because relief works should not have been sanctioned in *tehsils* not declared as drought-affected by the State Government.

**1.3.4.3 Expenditure on works in excess of administrative approval**

**Expenditure of Rs 13.59 lakh was incurred in excess of the administrative sanction.**

According to para 32 of the Standing Instructions of the Relief Commissioner, expenditure on construction works was not to be incurred in excess of administrative/ technical sanction for relief works and the executing department was responsible for excess expenditure, if any. Scrutiny of the records of Collector, Panna revealed that in 20 construction works executed (2005-06) by the Public Works Department, expenditure of Rs 13.59 lakh was incurred in excess of the administrative sanction. On being pointed out by Audit, the Executive Engineer, PWD, Panna stated that revised estimates were



sent (June 2009) to the Collector for sanction but approvals were awaited (August 2009).

The reply is not acceptable because expenditure by the Executive Engineer in excess of administrative approval was contrary to the Standing Instructions.

#### **1.3.4.4 Excess expenditure on materials on relief works**

According to para 25 of the Standing Instructions of the Relief Commissioner, the main objective of relief works was to create assets and generate labour-oriented employment in drought-affected areas. Accordingly, relief works sanctioned were required to have a labour component of 75 per cent and a material component of not more than 25 per cent.

**Expenditure of Rs 43.61 lakh was incurred on account of materials beyond the norms of 25 per cent.**

During scrutiny of records of relief works of the *Tehsildars* of Ghatia and Nagda in Ujjain; CEO, JP Bina, Sagar and EE, Bainganga, Balaghat, it was observed that the Collectors of Ujjain, Sagar and Balaghat had sanctioned relief works having labour components which were less than 75 per cent of the total cost of the works. Payment of Rs 43.61<sup>92</sup> lakh was made on purchase of materials beyond the norms of 25 per cent. The Collectors, Sagar and Ujjain stated (September and March 2009) that the cases would be investigated and necessary action would be taken. Collector, Balaghat stated (October 2009) that according to approved estimates, the items of works were necessary and executed. The reply of Collector Balaghat was not acceptable as it was contrary to the Standing Instructions of the Relief Commissioner.

### **1.3.5 Fraudulent payment**

#### **1.3.5.1 Payment on relief works through muster rolls**

As per the procedure laid down under the Madhya Pradesh Works Department Manual for payment through muster rolls, a Nominal Muster Roll (NMR) was to be issued for each work before starting of the work and details such as date of issue of NMR, name of work, date of sanction order, sanctioned amount, date of starting of work, etc were required to be filled up in the relevant columns. Progress of work carried out by engaging labourers through the NMR was to be shown regularly in the appropriate column. During scrutiny of records of relief works of *Tehsildars*, Ghatia and Nagda, Ujjain and CEO, JP Segaoon, Khargone, it was observed that payments of Rs 1.64 lakh<sup>93</sup> and Rs 1.46 lakh respectively were made to labourers engaged for five relief works during June 2005. It was also observed that the issue dates of the muster rolls were of a later period than the dates when the works were actually started. Further, it was noticed that payment of Rs 0.29 lakh was made to labourers for digging wells in *tehsil* Ghatia as per two muster rolls on the same date and the same labourers were shown to be engaged in the two different works. Measurement books, technical sanctions and other related records of relief works were not produced to Audit. Thus expenditure incurred on these

<sup>92</sup> Balaghat : Rs 40.11 lakh, Sagar : Rs 1.43 lakh and Ujjain : Rs 2.07 lakh.

<sup>93</sup> Ghatia : Rs 0.32 lakh and Rs 0.75 lakh, Nagda : Rs 0.57 lakh.

works on NMRs was fraudulent. It was stated (March 2009) by the Collector, Ujjain that necessary action was being taken against the concerned officials. Collector, Khargone stated (November 2009) that action was under process against the defaulters.

In five construction works executed by CEO, *Janpad Panchayat* Segaon, Khargone, the following irregularities were also noticed :

- Muster rolls used for the construction works at *Gram Panchayats* Shrikhandi, Jogwara, Dhapkanya and Sharadpura in June and July 2006 revealed doubtful payment of Rs 12.92 lakh as NMRs were not passed for payment and attendance on these NMRs were not certified by any official before making the payments to labourers.
- In 38 muster rolls, the names of the works, period of execution (in four muster rolls) and progress of work done were not mentioned.
- The payments made on the muster rolls were not acknowledged by all labourers as detailed in **Table No. 1.22**.

**Table No.1.22 : Details of non-acknowledgement of payments to labourers**

Sl. No.	Name of work	Muster roll no.	Period for which used	Total no. of labourers	Total expenditure (In rupees)	Number of labourers whose receipts were not available	Amount (In rupees)
1.	Tank Sharadpura	3034	9.7.06 to 14.7.06	36	36170	07	3010
2.	Tank Dhapkanya	3256	25.6.06 to 30.6.06	11	61520	05	27145
3.	Tank Dhapkanya	3257	4.7.06 to 14.7.06	09	50520	04	24120
4.	Tank Dhapkanya	3258 to 4615	12.7.06 to 18.7.06	418	185079	67	27112
					<b>333289</b>		<b>81387</b>

(Source - Records of CEO JP, Segaon.)

- In the NMRs given in the following table, it was seen that there were no signatures or thumb impressions in token of the labourers attendance on the first day though their names are mentioned in the muster roll. Despite their non-attendance, payments were shown as made against their names. Thus payments made to them are doubtful.

**Table No. 1.23 : Details of NMRs on which labourers were not present on first day but shown in NMRs**

Sl. No.	Name of work	Muster roll no.	Period of utilisation	Total amount paid (In rupees)	Total no. of labourers listed in the muster roll	Serial numbers of labourers not present on first day
1.	Shrikhandi Tank	3095 to 3096	13.6.06 to 18.6.06	49624	139	32, 64, 108 to 122 (Total 17 labourers)
		3097 to 3098	20.6.06 to 25.6.06	12270	45	19 to 28, 30 to 33 and 37 to 39 (Total 17 labourers)
2.	Dhapkanya Tank	3221 to 3227	25.6.06 to 30.6.06	102927	325	5 to 7, 9,10,14,15 and 24 to 341 (Total 325 labourers)
		3228 to 3257	1.7.06 to 11.7.06	148769	409	376 to 392 (Total 17 labourers)

(Source- Records of CEO JP, Segaon.)

The Collector, Khargone stated (November 2009) that action was under process against the defaulters. The Relief Commissioner stated (December 2009)

that the cases pointed out by Audit would be investigated and action would be taken against responsible officials.

### **1.3.5.2 Submission of false utilisation certificate**

**False utilisation certificate of Rs 1.13 crore was submitted for subsequent instalment.**

The Relief Commissioner allotted Rs 1.13 crore for drinking water transportation in urban areas of Ujjain district in January 2009 to the Nagar Nigam, Ujjain. The funds were to be utilised only after preparing an Action Plan for drinking water transportation in urban areas of the district. During scrutiny of records, it was observed that funds of Rs 1.13 crore were received on 16 March 2009 but the utilisation certificate (UC) for the allotted amount had already been submitted on 9 March 2009 by showing expenditure on purchase of pumps and cable for fitting on tube wells. On this being pointed out, it was intimated by the Commissioner, Nagar Nigam, Ujjain that the expenditure had been incurred on the said works but vouchers had not been presented. Thus, incorrect UC for items of works done earlier, other than transportation of drinking water was sent to the Government.

### **1.3.6 Monitoring and evaluation**

State Government could not evolve a strategy to ensure that the activities undertaken under relief measures actually led to sufficient generation of wage employment and that funds reached the target groups at the time of need. State Level Committee did not monitor the expenditure incurred on various relief activities. System for evaluation of the relief activities was not found at any level.

### **1.3.7 Conclusion**

Relief works were sanctioned in areas, which were not declared as drought affected. Cases of excess payment of grant assistance were found for loss of crops due to insect attacks. There were inordinate delays over the prescribed limits in payment of assistance and wages. Unspent amounts and fictitious payments through doubtful muster rolls were also noticed.

### **1.3.8 Recommendations**

For effective operation of the scheme and to ensure proper monitoring of CRF, the following recommendations are made:

- Identification of beneficiaries and areas for coverage of relief operation should be done with absolute transparency to achieve credibility in operation.
- An effective machinery and system to monitor provisioning and release of funds should be evolved to ensure timely availability of relief to the affected people.

- Provisions of CRF guidelines, Revenue Book Circular 6-4 and Standing Instructions should be scrupulously observed and the responsibility of persons deviating from the prescribed procedures should be fixed.
- Effective steps should be taken to start relief works immediately after occurrence of calamities.
- Relief works should be executed only in declared calamity-affected areas.

## Panchayat and Rural Development Department

### 1.4 Information Technology Audit of 'Panchlekha' Software of Directorate, Panchayati Raj

#### Highlights

*Panchlekha is a software designed for financial accounting in Panchayati Raj Institutions (PRIs) with the main objective of handling issues related to effective management of funds provided to PRIs by various agencies. A sum of Rs 10.43 crore was spent on procurement of hardware trainings and services of data entry operators. Software was developed by National Informatics Centre (NIC) and purchase of hardware and creation of infrastructure were done by National Informatics Centres Services Inc. (NISCI). Some important findings are given below:*

**Due to technical snags Panchlekha software at various Janpad Panchayats was non-functional.**

*(Paragraph 1.4.5.4)*

**Data related to income and expenditure was not maintained in required proforma. Data was being updated yearly instead of monthly basis.**

*(Paragraph 1.4.5.3)*

**Master directories were not updated at Directorate level due to the absence of central server at Directorate.**

*(Paragraph 1.4.5.6)*

**Absence of definite timeframe hampered implementation of Panchlekha Software in the State.**

*(Paragraph 1.4.5.7)*

#### 1.4.1 Introduction

**1.4.1.1** "Panchlekha" is a software designed for financial accounting in Panchayati Raj Institutions (PRIs) with the main objective of handling issues related to effective management of the funds provided to PRIs by various agencies. Eleventh Finance Commission also recommended ICT (Information & Communications Technology) based solution of fund management at PRI level. The Directorate of Panchayat and Social Justice, Government of Madhya Pradesh, renamed as Directorate Panchayati Raj (Directorate), selected the National Informatics Centre (NIC) for development of software and National Informatics Centre Services Inc. (NISCI) a Government of India enterprise under NIC for purchase of hardware and creation of infrastructure

for *Panchlekha*. For the computerisation of PRI financial accounting system a project proposal was submitted by the NIC with the estimated project cost of Rs18 crore and the Government sanctioned Rs17.82 crore for this purpose. Out of a total sum of Rs12.02 crore advanced to NICS I during the period from April 2004 to April 2006, a sum of Rs 10.43 crore was spent on procurement of hardware, trainings, services of data entry operators and other charges over four years ending December 2008 and the balance amount of Rs 1.59 crore remained unspent with NICS I.

The objectives of the computerisation of the PRI accounts are to record receipt of funds from various sources by *Gram Panchayats* and the expenditure incurred therefrom by *Gram Panchayats* under a *Janpad Panchayat* and consolidation thereof at *Zila Panchayat* and State level with due regard to efficiency and transparency. The system also helps in monitoring receipts, availability of fund and expenditure at all levels of three-tier administrative set up of PRIs i.e. *Gram Panchayat (GP)/Gram Sabhas (GS), Janpad Panchayat (JP)* and *Zila Panchayat (ZP)*. It also facilitates the generation of various reports, providing management information system for effective analysis and fund management at PRI level.

#### **1.4.1.2 “Panchlekha” – The Application Software**

“*Panchlekha*” application software works on Microsoft SQL 2000 RDBMS Desk Top/ Standard Edition on web server and Windows 2000 Server/ Windows 2000 Professional Operating System with Integrated Information Server (IIS) 5.0 to act as web server. Clients need Pentium system with Window XP platform. The software can be implemented at *Janpad Panchayat, Zila Panchayat* and Directorate Level. The subsystems of Budget distribution, accounting of Receipt and Payment through data entry and maintenance of records. These modules facilitate processing of scheme-wise as well as voucher level records. After data transfer from JPs to ZP the consolidation and compilation of data takes place at *Zila Panchayat* for further transmission to the Directorate. Reports/Query subsystem facilitates access in a user friendly and desired format as prescribed by the Comptroller and Auditor General of India on screen and hard copy. Macro-level information is made available on the net on department’s website [www.panchlekha.nic.in](http://www.panchlekha.nic.in).

For data entry in the software four modules<sup>94</sup> have been provided for input of data. The “*Panchlekha*” software package became operational from 2005.

#### **1.4.2. Organisational setup**

The Directorate of *Panchayati Raj* headed by Commissioner and assisted by Joint Director, Finance and Chief Executive Officers (CEOs) at District level and *Janpad Panchayat* level, are the administrative departments for the *Panchayati Raj* Institution in Madhya Pradesh. There were 52,700 *Gram Sabhas*, 23000 *Gram Panchayats*, 313 *Janpad Panchayats* and 48 *Zila*

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<sup>94</sup> Annual Accounts, Monthly Accounts, Monthly Others and Daily Accounts.

*Panchayats*. To implement the “*Panchlekha*” software in the state, five computers in all 313 *Janpad Panchayats* and two computers in all 48 *Zila Panchayats* along with supporting hardware were installed during the year 2005-06.

### 1.4.3 Audit objectives

1.4.3.1 Main objectives of IT audit were to assess whether -

- the prescribed purchase procedures were complied with and the IT Infrastructure created was used optimally;
- relevant rules and orders were correctly mapped into the system;
- IT controls in place were adequate and effective with regard to data completeness, accuracy and reliability;
- objectives of computerisation had been achieved or not;
- monitoring, supervision and evaluation was effective at all levels.

1.4.3.2 Examination of planning, implementation and monitoring stages of the “*Panchlekha*” software and the procedures involved therein.

### 1.4.4. Scope of audit and methodology

The scope of IT Audit of “*Panchlekha*” covered study of preparatory efforts of *Panchayati Raj* Institutions on computerisation of financial accounting system in areas such as, preparation of computer site, staff training and maintenance of hardware and software during the period 2005-09.

It was also planned to check whether the general, application and operational controls were in place. During the field visit, audit also examined the available data as regard to its completeness, accuracy and validity on the basis of computer generated reports in the form of printouts and other available means. Three districts i.e. Bhopal, Indore and Gwalior were selected for sample check in Audit of “*Panchlekha*” software.

### 1.4.5 Audit findings

1.4.5.1 Lack of an IT Policy, proper planning and monitoring at *Zila* and State level has led to poor implementation of the “*Panchlekha*” software at all the four levels of PRI. During the audit scrutiny at *Zila Panchayats* Bhopal, Gwalior and Indore and 10 *Janpad Panchayats*<sup>95</sup> thereunder, it was found that *Panchlekha* Software failed to perform at each of the four levels.

Audit observations on IT Audit of implementation of *Panchlekha* Software are elaborated in following paragraphs:

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<sup>95</sup> Berasia and Funda (Bhopal), Bhitwarwar, Dabra, Ghatigaon and Morar (Gwalior), Depalpur, Indore, Mhow and Sanwer (Indore).

## **System design deficiencies**

### **1.4.5.2 Non provision of automatic compilation facility at Zila Panchayat level**

**Provision for compilation of data was not available at Zila level.**

Two computers were provided at *Zila Panchayat* level to consolidate the data of *Panchlekha* sent by the *Janpad Panchayats*. The *Zila Panchayats* in two districts i.e. Indore and Gwalior made no efforts to get the data from the *Janpads* and consolidate for MIS purpose. The computers were being used for general office work. There was no provision in the software for the compilation of data received from various *Janpad Panchayats* at *Zila Panchayat* level. NIC was also not approached for the up gradation of the software.

On being pointed out in audit, the Department accepted the fact and stated (July 2009) that NIC would be approached to upgrade the software.

### **1.4.5.3 Input deficiencies**

**Maintenance of accounts in prescribed format was not done and monthly data was not fed in the software.**

Details regarding scheme wise monthly opening balances, budget allotted by the *Zila/ Janpad Panchayat*, monthly income and expenditure, store, movable and immovable property, road and land, details regarding bank reconciliation were to be fed in the *Panchlekha* software at *Janpad* level. This data was to be sent to *Zila Panchayat* and Directorate for compilation and further analysis. During the scrutiny of the software at selected 10 *Janpads* of Bhopal, Gwalior and Indore districts, following discrepancies were observed:

- As per directions issued by the Directorate and instructions in the user manual of *Panchlekha* Software, the accounts pertaining to PRIs were to be prepared in a ledger as per the prescribed formats. It was found that neither any *Janpad Panchayat* nor any *Gram Panchayat* was maintaining the records in prescribed Proforma.
- In place of collection of data on monthly basis, yearly data (for all the months collectively) was being collected from *Gram Panchayats/ Sabhas*. Due to nonavailability of monthly data, it could not be sent to NIC via **priasoft@mp.nic.in**, for website updation.
- Budget allocation figures are required to be fed by the *Janpad Panchayat* into the software, however it was observed that the same was not fed in all selected 10 *Janpad Panchayats* and in the absence of these figures expenditure against a particular scheme could not be monitored and validated. Scheme wise opening balances were also not fed into the software in any of 10 *Janpad Panchayats*.
- Details regarding store, movable and immovable property, road and lands etc, in respect of *Gram Panchayats/Sabhas* and *Janpad*



*Panchayats* which were to be fed at *Janpad Panchayat* level, were not entered in the *Panchlekha* data in any of 10 *Janpad Panchayats*.

- In *Zila Panchayat* Bhopal, the computer hardware for *Panchlekha* was not received though reported as having been supplied by State Directorate and no activity of “*Panchlekha*” software was performed there (March 2009). On being pointed out, the Directorate accepted the fact and stated (July 2009) that instructions in these regards would be issued to all the CEOs.
- Monitoring committees headed by Collectors were formed at *Zila* levels as per the directions from the Directorate but during the scrutiny of the records at all three selected districts it was found that committee had not met at the end of each month for the follow up and monitoring of the scheme during the years 2007-08 and 2008-09. On being pointed out Directorate stated (July 2009) that the information regarding meetings of the committees would be collected and will be intimated to Audit.
- Responsibility to ensure completeness and accuracy of the data and to validate the available data lies with the Chief Executive Officer (CEO) of concerned *Janpad Panchayats*. It was found that in none of the selected *Janpad Panchayats*, the CEO had a mechanism to check the input data for its completeness and correctness. The input forms were not checked and validated by any responsible person of the *Janpad Panchayat* and were directly received for feeding by Data Entry Operator (DEOs) who were outsourced contract employees.
- Separation of duties was essential to prevent unauthorised manipulation of data. However there was no System Administrator at *Janpad Panchayat* level and the DEOs were responsible for data feeding as well as backup of data. There was no checking of manual data regarding budget/sanction etc., with the records available at the *Janpad Panchayats*. Therefore the entire “*Panchlekha*” database was at the mercy of outsourced DEO.

Meetings of Monitoring committee formed for *Panchlekha*'s proper implementation did not organise meetings.

Data was not checked for its completeness and accuracy before feeding it into the system.

*Panchlekha* software was not found functional in seven out of 10 *Janpad* panchayats.

#### 1.4.5.4 Non functional *Panchlekha* software in *Janpad Panchayats*

Audit scrutiny at 10 *Janpad Panchayats* of the selected three districts<sup>96</sup> revealed that in seven *Janpad Panchayats* i.e. Morar, Ghatigaon, Dabra, Bhitwar, Funda, Barasiya and Sanver, the software was not working (May-June 2009). Now *Janpad Panchayat*, Funda has sorted out the problem and data entry for *Janpad* has started functioning recently (July 2009). However Data relating to *Gram Panchayat/Sabhas* was still not collected in *Janpad Panchayat*, Funda (July 2009).

On being pointed out in audit, Directorate, *Panchayati Raj* stated (July 2009) that instructions would be issued to all *Janpad Panchayats* to make the

<sup>96</sup> Bhopal, Gwalior and Indore.

software functional with the help of NIC. Instructions would also be issued for collection and feeding the data on monthly basis from the year 2009-10.

**Sanction orders were issued without complete classification of accounts.**

#### ***1.4.5.5 Sanction orders issued without complete classification***

As per the directions issued by the Directorate and instructions contained in the User Manual, the budget sanction orders issued to *Gram Panchayat* by *Janpad Panchayats* and *Zila Panchayats* must contain the complete information regarding head of account, classification details such as Major head, Minor head and Plan/Non-plan etc. But during the test-check of the records at the selected 10 *Janpad Panchayats*, it was observed that the budget sanction orders did not contain complete classification and *Gram Panchayats* were unable to fill these details.

The Directorate accepted the fact and stated (July 2009) that instructions would be issued to all CEOs *Zila Panchayats* and *Janpad Panchayats* to give complete classification of accounts in sanction orders.

**Master directories were not updated at Directorate level.**

#### ***1.4.5.6 Non-updation of Master Directories***

Master directories such as Department names, Demand numbers, Head of Account Classification, List of PRIs (*Zila/Janpad/Gram Panchayat* and *Gram Sabha*) and List of Banks, which were to be updated at Directorate level, were not updated since 2005-06. During the scrutiny of master data of the four selected *Janpad Panchayats* i.e. Indore, Mhow, Depalpur and Funda, it was observed that some of the scheme names such as Vidhayk/Sansad Nidhi, Janbhagidari Yojna, Madhya Pradesh Bhawan and Sanirman Yojna, Jalabhishek/Vriksharopan Yojna, Chanda Pathar, Kitchen Yojna etc., were found missing from the master data. Thus, data related to these schemes could not be fed into the system.

On being pointed out in audit, the Directorate stated (July 2009) that the NIC Bhopal was making additions and corrections in the Master Directories during the initial year. However after bifurcation of the office of the Director *Panchayat* and Samajik Nyay, in December 2007, server was not available with Directorate, *Panchayati Raj*. Therefore Directorate was not having upto date details of Master directories. Director stated that observations made by the audit will be sorted out with the help of NIC Bhopal.

### **Infrastructural deficiencies**

#### ***1.4.5.7 Absence of definite time frame for implementation of Panchlekha Software hampered the progress and monitoring***

**Due to indefinite time frame, project remained incomplete even after the lapse of four years.**

As per the project proposal submitted by the NICS System Requirement Specification (SRS), software development, site preparation, hardware and system software procurement, testing, installation and commissioning was targeted to be completed within six months of the transfer of fund. An advance payment of Rs 4.03 crore was made to the NICS in March 2004 for this purpose and creation of ICT infrastructure was, therefore, required to be

completed by September 2004. Pilot and State wide implementation, as per projections, required a period of further six months. Therefore, estimated timeline for the completion of the project was around March 2005. During the scrutiny of records of Directorate, it was found that no proper documentation was available at the Directorate regarding completion of the project, installation of hardware at *Zila* and *Janpad Panchayats*. The project was still not fully operational in most of the locations audited which showed that authorities at various level lacked interest in implementation of the project.

On being pointed out the Directorate stated that the *Panchlekha* project was a big scheme and a definite time frame could not be set for its implementation. Reply was not tenable, as four years was long period and inspite of availability of funds, necessary hardware/software at all the three levels, department failed to implement the scheme till date (July 2009).

#### **1.4.5.8 Failure in creation of Information and Communication Technology infrastructure at Directorate and Zila level**

**Information and Communication Technology infrastructure to manage the *Panchlekha* software was not created at Directorate level.**

- The Directorate, inspite of having required infrastructure in terms of hardware and software during the year 2006-2008, could not make use of the system due to non-availability of desired technical/professional manpower to manage the “*Panchlekha*” work as envisaged in the project proposal. Further, the Directorate’s failure to nominate a nodal officer for this purpose also hampered the project work in its initial years. Even hiring of four Data Entry Operators for *Panchlekha* work at a cost of Rs 4.11 lakh (July 2009) did not prove to be of much help as their services were not used for the monitoring and analysis of *Panchlekha* data.

On being pointed out the Directorate stated (July 2009) that the efforts were being made to create an ICT infrastructure and to install proxy server at the Directorate and a nodal officer has been appointed in September 2008.

- To create the ICT infrastructure at each District level, hardware i.e. two PCs, one DMP, one Laser Printer and one scanner were supplied to all 48 District Headquarters at the cost of Rs 45.69 lakh alongwith two UPS to each District Headquarters at the cost of Rs 12.03 lakh. Audit scrutiny revealed that the Hardware was not received in *Zila Panchayat*, Bhopal and in other two districts i.e. Gwalior and Indore the PCs were not used for *Panchlekha* purpose. A Remote Access Server was also to be installed at *Zila Panchayat* to allow the *Janpad Panchayats* to upload the data to district server but it was not installed in any of the three districts.

On being pointed out the Directorate stated (July 2009) that the efforts are being made at the Directorate level to transfer the hardware to *Zila Panchayat* offices from Joint/Deputy Director, *Panchayat* and Samajik Nayay, MP, Bhopal in which they were initially installed before the bifurcation of the Directorate.

- Further, as per proposal submitted by NIC, the services of an Assistant Programmer were also to be hired by Directorate for one year at *Zila* level offices for technical support which could be extended as per the requirements. He was to co-ordinate with *Janpad Panchayats* for timely uploading of data and generation of reports at the district level and to train the other staff members to enable them to manage the infrastructure. However, despite the availability of funds, services of assistant programmer were not hired. Due to non-posting of technical staff the software could not be implemented successfully.

On being pointed out the Directorate stated (July 2009) that the matter would be discussed with NICS and progress would be intimated to Audit.

#### **1.4.5.9 Erroneous Data, resulting in unreliable database**

As a result of poor or inadequate general controls discussed in succeeding paragraphs, following inaccuracies were noticed in the database and manual sanctions:

- *Zila Panchayat*, Indore released the fund under Indira Awas Yojna to *Gram Panchayats* of Indore and *Mhow Janpad Panchayats*. During the test-checks of data of five out of 84 *Gram Panchayats* of *Janpad Panchayat*, Indore and 10 out of 73 *Gram Panchayats* of *Janpad Panchayat* Mhow, it was found that amount shown in the report for eight GPs was not matching with the amount released by the *Zila Panchayat* for the year 2007-08 as given below:

**Table No. 1.24 : Discrepancies in amount actually released and that shown in software**

Sl. No.	Name of <i>Janpad</i>	Name of <i>Gram Panchayat</i>	Amount released by <i>Zila Panchayat</i>	Amount shown in the <i>Panchlekha</i> data
1	Indore	Narlay	25,000	37,500
2	Indore	Semlyachou	50,000	Nil
3.	Indore	Bank	25,000	Nil
4.	Indore	Sihansa	25,000	25,022
5	Mhow	Nanded	75,000	Nil
6	Mhow	Men	62,500	Nil
7	Mhow	Kalikiray	50,000	Nil
8	Mhow	Kakriya	62,500	Nil

When pointed out in Audit CEO, *Janpad Panchayat*, Mhow stated (May 2009) that in future secretaries of GPs will be instructed for correction and concerned employee will be directed to check the *Panchlekha* figure with the sanction orders. CEO, *Janpad Panchayat*, Indore (May 2009) stated that the data of computer will be corrected after comparison with records.

- During the year 2007-08 against a payment of Rupees two lakh made to the *Gram Panchayat*, *Kampel* of *Indore Janpad Panchayat* for cement concrete work, an amount of Rs 0.18 lakh only was found entered in income and expenditure columns in *Panchlekha* data. However, examination of records revealed that the whole amount of

Rupees two lakh was actually received and spent by *gram Panchayat* during the year 2007-08.

On being pointed out in audit CEO, *Janpad Panchayat*, Indore replied that the data of computer will be corrected after comparison with records.

- Amount issued under the Twelfth Finance Commission was not found in any of the five<sup>97</sup> *Gram Panchayats* of Indore *Janpad Panchayat*. In two *Gram Panchayat* i.e. Badolihoj and Rolay of *Janpad Panchayat*, Depalpur amount of Samajik Surksha Pension and Rashtriya Vridha Awastha Pension was not entered in data for the month of April 2007 and March 2008 respectively.

On being pointed out in audit CEO, *Janpad Panchayat*, Indore stated (May 2009) that the data of computer will be corrected after comparison with records. CEO *Janpad Panchayat*, Depalpur replied (May 2009) that the information would be entered after getting it from the concerned GP.

- During test-check at *Janpad Panchayat* Depalpur, Mhow and Indore, it was found that the opening balances and closing balances shown in software data and proforma provided by the *Gram Panchayats* were not matching with each other as shown in the **Appendix 1.13**.

On being pointed out CEO's *Janpad Panchayat* Depalpur, Mhow and Indore stated (May 2009) that the records in prescribed format were not made available by the *Gram Panchayats* on monthly basis and the scheme codes for some schemes were also not available. Due to this, expenditure of these schemes were entered in other expenditure. In future the errors will be rectified. While, CEOs *Janpad/Zila Panchayats* have accepted the audit observation and replied (May-June 2009) that arrangement would be made for checking the input and output documents.

**Information Technology policy, Disaster recovery and Business Continuity Planning was not formulated.**

#### ***1.4.5.10 Inadequate General Controls***

General controls include controls over data center operations, system software acquisition and maintenance, access security and application system development and maintenance. During the scrutiny of records following discrepancies were found in this respect.

- For the management of an IT project of such a magnitude the department should have formed a clear IT Policy. However during the scrutiny of the records it was observed that the Department had not formulated any IT documentation policy.
- Department did not have any Disaster Recovery and Business Continuity Plan to re-start or restore its normal operations in the event of any disaster.

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<sup>97</sup> *Bank, Kampel, Narlay, Semalyachau and Sihansa.*

**Departmental website is not working.**

On being pointed out, Joint Director (Finance) stated (July 2009) that an IT policy would be formulated after discussion with NIC, NISCI and other departments of the Government.

- In the absence of a well defined and documented backup policy, it was found in audit that the backup data for the year 2006-07 was not found in eight<sup>98</sup> out of 10 *Janpad Panchayats*. It was intimated that the data had been sent to NIC and backup was not available. However, the fact that data pertaining to the financial year 2006-07 was sent to NIC for website updation could not be verified, as the Department's website which is "*Panchlekha.nic.in*" was not working (May-June 2009).

On being pointed out the Directorate stated (July 2009) that *Zila/Janpad Panchayat* would be instructed to keep the backup data and to send a copy to directorate.

- Security policies regarding use of infrastructure, internet, virus protection, logical access controls, and physical access controls were also not formulated by the Department. It was found that data entry was done using the identity of administrator, thus user was free to use all the privileges, which were assigned to administrator such as editing, deleting and copying of data.

#### **1.4.6 Other points of interest**

##### ***1.4.6.1 Blocking of public funds***

*Panchayat* and Social Justice Department signed a MOU on 6 February 2005 with NISCI for the development of *Panchlekha* software and creation of ICT Infrastructure. However an amount of Rs 4.03 crore was paid to the NISCI on 31 March 2004 as advance well before signing of MOU. The amount of Rs 4.03 crore was lying idle at NISCI for 11 months resulting in blocking of public funds and undue advantage of interest to NISCI.

During September 2006 NISCI had submitted a utilisation certificate to the Directorate against the advance received by them. However, no efforts were made by the Department to settle the accounts with NISCI. NISCI again submitted a fresh settlement of accounts during December 2008 against the advance of Rs 12.02 crore. As per the settlement of accounts Rs 1.59 crore remained unutilised and lying with NISCI. However, after lapse of six months of submission of accounts, Department had not made any efforts to get back the remaining amount from NISCI, resulting in blockage of public funds.

On being pointed out, the Department stated (July 2009) that information regarding interest earned on the advances by NISCI was sought from the company but their response was still awaited (June 2009).

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<sup>98</sup> *Berasia, Bhitwar, Depalpur, Funda, Ghatigaon, Mhow, Morar and Sanwer.*

### 1.4.7 Conclusion

“Panchlekha” project was initiated with the objective of the computerisation of the PRI accounts to ensure recording of receipt of funds from various sources by *Gram Panchayats* vis-à-vis the expenditure incurred by *Gram Panchayat* under a *Janpad Panchayat*. Further at *Zila Panchayat* and State level, consolidation of data was to be done with due regard to efficiency and transparency. The project was expected to assist in monitoring of fund receipt, availability, and expenditure at all levels of three-tier administrative set up of PRIs i.e. *Gram Panchayat (GP)/Gram Sabhas (GS)*, *Janpad Panchayat*, and *Zila Panchayat* by facilitating generation of various reports, providing management information system for effective analysis and fund management at PRI level. However it was observed during audit that there was lack of monitoring at all levels of the Department leading to non-entering of monthly figures of income and expenditure at *Janpad Panchayat* level alongwith other vital information which were essential to monitor the progress of *Panchlekha* Software. Thus the expenditure of Rs 10.43 crore incurred on the creation of software and related infrastructure proved unfruitful.

### 1.4.8 Recommendations

- Steps should be taken to collect data in prescribed proforma from PRIs and entered on monthly basis in the system.
- A mechanism at *Janpad* level need to be established to check the input forms received from *Gram Panchayats* and *Gram Sabhas*. The input forms should be validated before they are entered in the system.
- Immediate steps should be taken to update the master data files regarding name of schemes, list of *gram Panchayats/Sabhas*, details of banks, details of classification etc., so that complete data can be entered at *Janpads*.
- Complete classification of Account Heads should be mentioned in budget allotment orders at PRIs’ level.
- Hands on training in *Panchlekha* should be imparted to *Janpad* and district officials of PRIs so that they can acquire required capability to maintain accounts in prescribed proformas.
- A well documented comprehensive IT Policy enumerating Security Controls, Physical and Logical Access Controls, Program Change Controls and Disaster Recovery and Business Continuity Plans etc., should be formulated.

## **School Education Department**

### **1.5 Information Technology Audit of Headstart programme of Rajiv Gandhi Shiksha Mission**

#### *Highlights*

*To bridge the digital divide with the specific objective of familiarising schoolchildren in rural areas with Information Communication Technology (ICT), the Government launched (November 2000) a computer enabled education programme called Headstart for schoolchildren. At present, 3,361 Headstart centres have been established in the State.*

**The Rajya Shiksha Kendra and Zila Shiksha Kendras made unjustified allotments totalling Rs 9.47 crore as contingency funds for non-functional Headstart centres.**

*(Paragraph 1.5.7.1)*

**Ten out of the 11 selected Headstart centres were non-functional due to faulty hardware in the absence of annual maintenance contracts.**

*(Paragraph 1.5.8.1)*

**Complete sets of educational Compact Discs were not available at Headstart centres, in the absence of which it was not possible for the centres to impart effective computer-assisted education.**

*(Paragraph 1.5.8.2)*

**A total of 199 personal computers, two monitors, 48 uninterrupted power supply units, three batteries and 12 printers were stolen from 117 Headstart centres due to inadequate physical security and general controls at Jan Shiksha Kendras.**

*(Paragraph 1.5.13)*

**Lack of monitoring at Zila Shiksha Kendras and Rajya Shiksha Kendra resulted in ineffective implementation of the Headstart programme in the State.**

*(Paragraph 1.5.14)*

#### **1.5.1 Introduction**

The Government launched (November 2000) a computer enabled education programme called Headstart for schoolchildren initially under the District Primary Education programme (DPEP) upto 2001-02 and under the *Sarva Shiksha Abhiyan* from 2002-03. The project was intended to bridge the digital



divide with the specific objective of familiarising schoolchildren in rural areas with Information Communication Technology (ICT). At present, a total 3,361 Headstart centres have been established in the State. The total expenditure incurred on the project during the last five years ending 2008-09 amounted to Rs 41.28 crore.

The main objective of the scheme was to cater to the needs of students from Class I to Class VIII in the following manner:-

- improving the quality of learning through use of Information Technology;
- developing Multimedia Rich Lessons (MMRL);
- redefining the pedagogic process through interactive learning and self-learning;
- familiarising primary schoolchildren with computer operations and
- providing equal opportunities for students in remote areas.

### 1.5.2 Organisational setup

The *Rajya Shiksha Kendra* (RSK), Madhya Pradesh, is the administrative department for implementation of the Headstart scheme in the State under *Sarva Shiksha Abhiyan*. It is headed by a Commissioner, who is assisted by a Manager (Finance) and District Project Co-ordinators (DPCs) at the district level. The DPCs are assisted by Block Resource Centre Co-ordinators (BRCCs) at the block level and Co-ordinators at the Headstart centre level. Programmers at the *Zila Shiksha Kendra* (ZSK)<sup>99</sup> have been nominated to look after the monitoring and implementation of the Headstart programme in their Districts. The programme has been implemented in 48 districts of the State.

### 1.5.3 Audit objectives

The main objectives of the Information Technology audit were to assess:

- whether the objectives of the Headstart scheme have been achieved and to what extent;
- whether the hardware available is sufficient and adequate in terms of the number of students in the *Jan Shiksha Kendras* (JSK)<sup>100</sup> and in the link schools<sup>101</sup>;

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<sup>99</sup> *Implementing and monitoring agency at district level.*

<sup>100</sup> *A middle school to which 10 to 12 primary schools linked under the scheme.*

<sup>101</sup> *Primary schools which were linked with JSK.*

- the prior preparedness of JSKs for implementing Headstart in terms of availability and maintenance of hardware, availability of software and educational CDs, power supply and availability of teachers;
- the adequacy and effectiveness of IT controls to ensure security of hardware and software and
- the effectiveness of monitoring, supervision and evaluation mechanisms at all levels.

#### **1.5.4 Audit scope and methodology**

The review covers the progress of various activities relating to implementation of Headstart during the period 2003-09. Two districts i.e. Bhopal and Vidisha were selected for the IT Audit of Headstart software. Five<sup>102</sup> Headstart centres of two Block Resource Centres (BRCs) i.e. Funda (Urban) and Funda (*Gramin*) of ZSK, Bhopal district and six<sup>103</sup> Headstart centres of three BRCs i.e. Basoda, Nateran and Vidisha of ZSK, Vidisha district were selected for detailed scrutiny of records related to implementation of scheme. It was also checked whether the guidelines issued by the RSK for the effective implementation and monitoring were adhered by the ZSKs and Headstart centres (HSCs).

#### **1.5.5 Audit Findings**

During the scrutiny of selected centres, it was found that all the 11 Headstart centres were non-functional due to various reasons such as faulty hardware, non-availability of educational CDs, non-availability of trained teachers and long duration of power failures.

Audit observations on the implementation of the Headstart programme are elaborated in the subsequent paragraphs:

#### **1.5.6 Planning**

Over the last five years, the RSK had neither reviewed the scheme nor taken into account the increasing numbers of students in JSKs and link schools. The number of personal computers (PCs) in each Headstart centre was only three. As the total number of students in each JSK and the link schools under it was more than 3,000, the initial estimate of three PCs for over 3,000 plus students was grossly inadequate and made it virtually impossible to design a curriculum to give two hours of computer time per week to each student of the

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<sup>102</sup> Government Middle School, Jaslok, Khajuri Sarak, Parvalia Sarak, Rasadiya and Teelakhedi.

<sup>103</sup> Government Middle School, Bagri, Madhoganj No 2, Noghai, Pachma, Pipaldhar and Shamsabad.

JSKs and one hour time per week to the link school students. This was a serious issue left unattended in planning of the Headstart programme due to which the programme failed to take off even after eight years.

On this being pointed out, the DPCs stated (August-September 2009) that the matter would be brought to the notice of the higher authorities.

### 1.5.7 Financial management

#### 1.5.7.1 Unjustified allotment of contingency funds by Zila Shiksha Kendra for non-functional Headstart centres

According to instructions issued (December 2008) by the RSK, recurring funds were not to be provided to non-functional Headstart centres.

**Contingency funds at the rate of Rs 10000 per centre were allotted to non-functional Headstart centres.**

- As per the RSK's records, there were 68 Headstart centres in Bhopal district. However, on scrutinising the records, 64 Headstart centres were found to be in existence, of which only 22 centres were functional. The RSK had allotted an amount of Rs 6.80 lakh during 2008-09 as recurring funds for the maintenance of all 68 centres in place of Rs 2.20 lakh for 22 functional Headstart centres. Thus, unjustified allotment of Rs 4.60 lakh was made to 46 non-functional Headstart centres.

**Rupees 9.47 crore was allotted without locating the actual functional Headstart centres.**

- The RSK did not have upto date information about non-functional Headstart centres and allotted the recurring funds for electricity bills, ribbons, floppies, stationery, Annual Maintenance Contracts (AMCs), purchase of batteries, insurance of hardware, etc. to all 3,361 Headstart centres of the State. During 2008-09, an amount of Rs 9.47 crore was allotted to cover the recurring items of expenditure without finding out the actual numbers of functional Headstart centres, indicating a serious lapse on the RSK's part and waste of Government funds.
- During scrutiny of the records at ZSKs, Bhopal and Vidisha, it was observed that though 42 out of 64 Headstart centres of Bhopal district and 40 out of 77 Headstart centres of Vidisha district were non-functional due to various reasons such as faulty hardware, theft, non-availability of trained teachers and power problems, contingency funds to these centres were provided by RSKs/ ZSKs. Thus there was complete lack of monitoring at the RSK/ZSKs level.

Government stated (December 2009) that contingency funds were allotted to these non-functional Headstart centres to pay electricity bills.

The reply is contradictory to the RSK's directives which allowed the allotment of contingent funds only to functional centres.

Government agreed with the audit observation and stated (December 2009) that efforts were being made at ZSK, Bhopal to get the hardware for the

remaining four new Headstart centres through Director General Supplies and Disposal (DGS&D). However, the supply was still awaited (December 2009).

### **1.5.8 Unpreparedness of Jan Shiksha Kendras to function as Headstart centres**

#### **1.5.8.1 Lack of hardware maintenance**

**Ten out of 11 Headstart centres were non-functional due to absence of annual maintenance contracts.**

- During scrutiny, it was found that in ZSK Bhopal, after the expiry (June 2008) of the AMC of 144 computers, 46 printers and 138 UPS, purchased during 2003, the contract was not renewed. AMCs for 54 computers, 54 UPS and 18 printers were not signed after the expiry of the warranty period in 2008 by ZSK, Bhopal.
- Similarly, in ZSK, Vidisha, there were no AMCs for the computers, printers and UPS installed during Phase-I in 2000 and Phase-II in 2003.
- Out of 11 centres audited, four<sup>104</sup> Headstart centres of ZSK, Bhopal and all six<sup>105</sup> centres of ZSK, Vidisha were found to be non-functional due to PCs/UPSs remaining out of order from one to six years and frequent long duration power cuts.

Thus, the absence of AMCs for repairs of hardware and inadequate power supply rendered these Headstart centres non-functional and the investment of Rs 14.05 lakh remained unfruitful in the selected 10 Headstart centres.

Government accepted (December 2009) the audit observation and stated that efforts were being made at the district level to get the AMCs finalised.

#### **1.5.8.2 Lack of educational Compact Discs**

**Complete set of educational compact discs was not found available at Headstart centres.**

The RSK provided a set of 44 CDs for educational purposes for students of each Primary and Middle level Headstart centre, covering Hindi, English, Maths, Social Science and Science. In addition to that, an additional set of 38 CDs (video films) was also provided for the help of teachers. These items of software were developed in collaboration with the Bhoj Open University. However, on examination, it was observed that the actual number of CDs distributed was much less than that reported. Details of the CDs available at selected 11 Headstart centres are as follows.

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<sup>104</sup> Government Middle School, Jaslok, Khajuri Sarak Parvalia Sarak, Teelakhedi.

<sup>105</sup> Government Middle School, Bagri, Madhoganj No 2, Noghai, Pachma, Pipaldhar and Shamsabad.

**Table No. 1.25: Position of availability of educational CDs at selected Headstart centres**

Sl No	Name of the Headstart Centre/Name of the BRC	No of items available at Headstart centre
1.	Government Middle School, Rasidiya/Funda Urban	Available but the complete set was not available.
2.	Jaslok/Funda Urban	Available but the complete set was not available. After 2006, only audio CDs were received which were not very helpful in understanding the subject.
3.	Government Middle School, Parvalia Sarak/ Funda Gramin	Five CDs were available but the complete set was not available.
4.	Government Middle School, Khajuri Sarak/Funda Gramin	Six CDs were available but the complete set was not available.
5.	Government Middle School, Teela khedi/Funda Gramin	Not available.
6.	Government Middle School, Govt. Girls PS, Shamshabad, Nateran	Nine CDs (six for PS and three for MS) were available but the complete set was not available.
7.	Government Middle School, Pipaldhar, Nateran	Eight CDs were available but the complete set was not available.
8.	Government Middle School, Pachma, Basoda	Six CDs were available but the complete set was not available.
9.	Government Middle School, Naghoi, Basoda	Six CDs were available but the complete set was not available.
10.	Government Middle School, Bagri, Vidisha	12 (nine PS and three MS) were available.
11.	Government Middle School, Madhoganj Vidisha	Six CDs were available.

Thus, in the absence of complete sets of educational CDs, it was not possible for the centres to impart effective computer-assisted education to the students. The matter was brought to the notice of the concerned DPCs and incharges of the Headstart centres. In reply, the DPCs stated (August-September 2009) that instructions would be issued to maintain the required material at the Headstart centres and that the matter would also be intimated to higher authorities.

Government stated (December 2009) that Headstart CDs were based on the number of titles in one CD and not on the number of physical CDs. One CD contained many programmes. In order to protect CDs from physical damage and becoming corrupt, educational software had also been loaded on to the hard disc. Physical damage/misplacement of CDs were also been reported. The districts were free to replicate Multimedia (MM) programmes as per their needs. The reply is not admissible as all the selected 11 Headstart centres had reported to Audit that complete sets of CDs as mentioned in Headstart's guidelines were not available with them and the number of CDs available at HSCs varied from five to 12. Study material was also not available in the Hard discs of the systems as it had been reformatted due to technical reasons.

#### ***1.5.8.3 Non-preparation of detailed timetable to extend the Headstart facility to link schools***

Headstart envisaged the maintenance of a detailed timetable for JSKs and link schools with regard to availability of teachers, number of students in the school, holidays, availability of time, CDs etc. However, during scrutiny of records, it was found that such timetables were not maintained and classes were not held for link schools at all.

**Timetable to extend the Headstart facility was not prepared at Headstart centres.**

Similarly, a register for recording the attendance of students availing of the facility of the Headstart programme was also to be maintained at each Headstart centre. This register was not maintained in any of the 11 selected Headstart centres. The Headstart programme was to be linked to the academic curriculum of the schools, which had also not been done so far. On this being pointed out, the in-charges of Headstart centres of all 11 schools replied (August-September 2009) that the programme would be prepared and registers would be maintained for the students.

The Government stated (December 2009) that the programme catered only to local schoolchildren where average enrolment was about 250. As computers were considered as teaching-learning aid devices for clarifying hard spots only, no IT curriculum had been designed. The PCs were designed on “as and when felt required by the teacher” basis. The reply is contrary to the guidelines of Headstart programme.

In respect of the non-extension of Headstart facilities to link schools, it was stated (December 2009) by the Government that initially, this activity was proposed as an extension of Headstart, but when schools reported problems in physical movement of students and problems of 6-10 year old students in travelling 8-10 km including accidents during movement, the practice was stopped. Thus, the idea did not prove to be feasible due to managerial and logistic problems. This reply indicates that while framing the objective of Headstart scheme of spreading ICT through JSKs among rural students of link schools, such issues were not taken into consideration.

### **1.5.9 Non-formation of science clubs at Headstart centres**

Headstart envisaged using the computer as an effective tool for learning about science and technology. Science clubs were to be set up at each JSK during 2004. None of the 11 Headstart centres selected in audit, however, had Science Clubs. After this being pointed out, the concerned DPCs replied (August-September 2009) that instructions would be issued to JSKs to form Science Clubs in their schools as directed by the RSK.

Government agreed (December 2009) with the audit observation and stated that a module would be incorporated for science teachers’ training at the upper primary level.

### **1.5.10 Non-availability of trained teachers in Headstart Centres**

As per the RSK’s instructions, at least two trained teachers should be available in each Headstart centre. But during audit of selected districts, it was found that in three Headstart centres namely Middle School, Shamsabad, Jaslok and Teelakhedi, only one trained teacher was available. In Middle School, Pachma, no teacher was available to use the Headstart facility. It was also seen that though teachers had got the scheduled training of 10 days imparted by RSK, it was not sufficient to make them competent trainers. They were inadequately trained to use the computers effectively for educational purposes and thus the Headstart centres could not be run successfully.

**Teachers with inadequate training were posted for students.**

Government accepted (December 2009) this observation and stated that due to transfers, promotions, retirements etc., computer trained teachers had to be replaced. The districts had already been directed to send teachers to the regional training centres for training.

**1.5.11 Reports of Block Resource Centre Co-ordinators indicated large scale non-functional centres**

**Annual Maintenance Contracts were not signed for 198 computers, 192 Uninterrupted Power Supply units and 64 printers.**

As per the RSK's, instructions, a Block level co-ordinator having working knowledge of computers or qualifications equivalent to B.Sc was to be assigned the monitoring work. He was required to meet the Headstart Co-ordinators, collect and send information in respect of non-working Headstart material to programmers/ZSK and coordinate between the JSKs and the ZSKs. He was also responsible for successful implementation of the Headstart programme in his jurisdiction. However, it was observed that no such coordinator was nominated by ZSKs, Bhopal and Vidisha. As a result of this, it was found that AMCs in respect of 198 computers, 192 UPSs, 64 printers as already mentioned in para 1.5.8., issued to various Headstart centres had not been undertaken/renewed after expiry of the warranty periods or non-renewal of AMCs. In the absence of this, out of 11 centres audited (five in Bhopal and six in Vidisha), 10 centres were non-functional as the PCs/UPSs were not working.

On this being pointed out, the DPCs replied (August-September 2009) that Block Resource Centre Co-ordinators would be instructed to effectively monitor HSCs and efforts would be made to make these Headstart centres functional.

Government stated (December 2009) that where power is amply available, Headstart centres were functional. The reply is not admissible as power failure is one out of the many reasons of non-functioning. Headstart centres faced problems such as unrepaired hardware, non-availability of trained teachers, non-availability of teaching material and also the absence of formulation of any curriculum and timetable. Keeping in view of the adverse power situation in the State, UPSs with four hour power backup had already been provided to the centres, which were also not used optimally in the centres.

**1.5.12 Delayed/unjustified purchase of Uninterrupted Power Supply units**

At ZSK, Bhopal, it was found that for the implementation of Phase III of the Headstart programme during the year 2005 in Bhopal district, 54 computers and 18 printers were purchased for installation in 18 Headstart centres costing Rs 14.64 lakh during April 2005. Scrutiny of records revealed that the procurement of UPS for these computers was made as late as in December 2006 (i.e. after 20 months from the date of purchase of hardware) at a cost of Rs 7.29 lakh when warranty of these computers and printers had already elapsed. Moreover, Headstart centres also remained non-functional during this period.

The Government replied (December 2009) that the RSK and ZSK were deciding the kind of batteries which were to be purchased, SMF or tubular. The reply is not acceptable as 20 months was a long period to decide on such an elementary issue.

It was also found that all three computers of the Headstart centre, Government Middle School, Sihoda in Berasia Block were stolen during March 2006. In spite of this, three UPSs were purchased for the centre during December 2006 and issued to it. These were lying idle at that centre till date (December 2009). Insurance claims in respect of stolen computers was made but payment was not received and repurchase of computers for the Sihoda Headstart centre was not done (December 2009).

The Government stated (December 2009) that these UPSs were purchased in expectation of receiving the insurance amounts and purchasing of computers for the Headstart centre. The computers, however, had not been purchased for Headstart centre, Sihoda, as of December 2009 and UPSs were lying idle.

#### **1.5.13 Inadequate physical security and general controls at *Jan Shiksha Kendras***

**Due to inadequate security at *Jan Shiksha Kendras*, large numbers of hardware items were stolen from Headstart centres.**

In order to avoid losses caused due to instances of theft of hardware, provision was made to insure the hardware material installed in Headstart centres. For this, each year, the RSK provided funds to the ZSKs at the rate of Rs 500 per centre for insurance. The total amount paid as premium towards insurance during the period 2003-2009 was Rs 52.13 lakh. However, it was noticed during the scrutiny of the records of the RSK that hardware viz 199 PCs, two monitors, 48 UPSs, three batteries and 12 printers had been stolen from 117 Headstart centres during the period December 2000 to May 2008 for which either insurance claims had not been made or the insurance amounts had not been realised after the lapse of periods ranging from one to eight years. The RSK did not have specific information about the exact position of insurance claims made by the various ZSKs or the affected districts. In fact, preventing theft of the IT assets should have been the main area of concern.

On this being pointed out, the RSK stated (August 2009) that in two cases, hardware material such as six computers and four UPSs was recovered. For other cases, efforts were being made at the district level.

The Government accepted (December 2009) the audit observation and intimated that instructions had also been issued (December 2009) to all the Collectors to provide security facilities and make Parent Teacher Associations (PTAs) responsible for checking theft cases.

#### **1.5.14 Lack of monitoring at *Zila Shiksha Kendra and Rajya Shiksha Kendra***

- Five Headstart centres were to be checked each month by the Programmers/ZSKs. Audit, however, observed that monthly checks were not been conducted. The DPC, ZSK, Bhopal and Vidisha



accepted (August-September 2009) the audit observation and replied that a programme would be chalked out to monitor the Headstart programme efficiently in future as directed by the RSK.

- Registers in the proforma prescribed by the RSK for keeping accounts of the material provided to Headstart centres were not maintained at all 11 selected Headstart Centres. Stock registers showing details regarding hardware, their cost and place of present installation were not found maintained at the ZSKs.
- Nodal officers were not nominated in two selected HSCs, viz Middle Schools, Naghai and Pachma. Co-ordinators were also not available at the block level. The monitoring activities were thus found to have been neglected.
- Data regarding the actual number of trained teachers and their current postings was not maintained at ZSKs, Bhopal and Vidisha. Thus there was no monitoring of their availability at the centres.

On this being pointed out, it was replied (August-September 2009) by the ZSKs, Bhopal and Vidisha that information would be collected about the current situation of the Headstart programme and efforts would be made to make the non-functional centres functional.

Government accepted (December 2009) the audit observations and assured to take alternative measures for better implementation of the Headstart programme.

#### **1.5.15 Conclusion**

Despite having invested large amounts for the creation of infrastructure for Headstart centres, the department failed to achieve the intended objectives of the Headstart programme due to a lackadaisical approach and ineffective monitoring. Forty two out of 64 Headstart centres of ZSK, Bhopal and 40 out of 77 Headstart centres of ZSK, Vidisha were non-functional due to unattended out-of-order hardware, theft, absence of teaching materials and dearth of adequately trained teachers. Infrastructure installed at the Headstart centres was inadequate to cater to the needs of the large number of students.

#### **1.5.16 Recommendations**

- Each JSK should be equipped with trained teachers, hardware in working condition and a full complement of educational CDs. For this, a comprehensive teacher's training programme and an adequate hardware maintenance arrangement should be put in place.
- Proper watch and ward of the assets of JSKs should be ensured.
- Proper monitoring of JSKs at the block and district levels should be ensured so that plans for making the non-functional centres functional can be drawn up and reviewed on a continuous basis.

## CHAPTER II

### Audit of Transactions

#### 2.1 Fraud/Embezzlement/Losses

#### Law and Legislature (Election Work) Department

##### 2.1.1 Embezzlement of Government Money

**Non-observance of codal provisions led to embezzlement of Rs 5.12 lakh in the office of the District Election Officer, Sheopur.**

Rule 53 of the Madhya Pradesh Treasury Code provides that every transaction is to be entered in the cash book as soon as it is finalised and the same is to be attested by the officer in charge of maintaining the cash book. At the end of each month, the Drawing and Disbursing officer is required to personally verify the cash balance as reflected in the cash book and record a certificate to that effect. An analysis of the closing balance is also required to be prepared. All temporary advances sanctioned are required to be adjusted within three months.

Scrutiny (September 2006) of the records of the District Election Officer, Sheopur and further information obtained during January, July and October 2009 revealed that monthly verification of closing balances and cash-in-hand was not being done.

Embezzlement of cash amounting to Rs 5.12 lakh and non-adjustment of temporary advances of Rs 8.40 lakh were noticed as discussed below.

- (i) There was a closing cash balance of Rs 426 on 29 April 2004 on page 160 of the cash book. On 7 May 2004, a new cash book was opened with 'nil' opening balance and the closing balance was not carried forward. This signified embezzlement of Rs 426.
- (ii) Against Bill number 20 dated 19 May 2004, an amount of Rs 27,125 was drawn from the treasury on 3 September 2004 but the payment was shown twice in the cash book on 12 July 2004 and 3 September 2004. No voucher for the payment said to have been made on 12 July 2004 was available. Debiting the cash book twice instead of once for Rs 27,125 and non-availability of the payment voucher indicated embezzlement of Rs 27,125.
- (iii) As per an entry on page 98 of the cash book, only Rs 4,000 was paid (16 May 2004) as advance to Shri Nand Kishore, driver. However, Rs 1,28,000 was shown as advances paid. This showed that the amount of temporary advance had been inflated by the dealing assistant by Rs 1,24,000, thus reducing cash balance to that extent, resulting in embezzlement of Rs 1.24 lakh.

- (iv) There was a closing cash balance of Rs 3,60,205 on 27 November 2004 on page 125 of the cash book. This was not carried forward to page 126 of the cash book on 28 November 2005, which signified embezzlement of Rs 3,60,205.
- (v) Temporary advances outstanding as per the cash book on 29 April 2004 and 27 November 2004 were not carried forward. Further, out of temporary advances of Rs 8.42 lakh paid during September 2003 to July 2004, only Rs 0.02 lakh had been adjusted.

Thus, non-observance of codal provisions led to the embezzlement of Rs 5,11,756 (Rs 426 + Rs 27,125 + Rs 1,24,000 + Rs 3,60,205) and failure to take appropriate action for recovery led to non-adjustment of temporary advances of Rs 8.40 lakh.

On this being pointed out in audit, the Deputy District Election Officer, Sheopur admitted (April 2008 and January 2009) the above facts and stated that the then accountant had not handed over the cash to the new accountant on 12 January 2005 and that an enquiry committee had been formed (July 2009). The Committee suggested (August 2009) to the Collector, Sheopur that a detailed enquiry of the cases by the Commissioner, Treasury & Accounts may be held.

The matter was referred to the Government in February 2009 which directed (July 2009), the Chief Election Officer, Bhopal (CEO) and the Collector, Sheopur to furnish their comments on the observations of Audit. The CEO deputed (July 2009) an Accounts Officer for the enquiry. The Accounts Officer admitted (August 2009) the facts pointed out by Audit in his enquiry report. The Deputy District Election Officer further stated (October 2009) that on the basis of this enquiry report of the Accounts Officer, an FIR was lodged (October 2009).

### **Finance Department**

#### **2.1.2 Fraudulent drawals from General Provident Fund Account**

**Fraudulent drawals of Rs 2.18 lakh from the General Provident Fund were noticed in the office of the Executive Engineer, Public Health Engineering, Jabalpur.**

As per the General Provident Fund rules, the amount available at the credit of a subscriber becomes payable to him/her on his quitting service. While processing (March 2006) the final payment case of Smt. Basanti Soni, who retired on 30 April 2001 from the Public Health Engineering (PHE) division, Jabalpur, the Accountant General (Accounts & Entitlement I, Madhya Pradesh) (AG (A&E)) found that a sum of Rs 38,322 was recoverable (as on 30 April 2001) from her due to overdrawal by her from her GPF account No.PHE/107958 (Old No.PH/NMP/1669). The authority for the final payment was, therefore, not

issued by the AG (A&E) in favour of the said subscriber. However, on verification (July 2005) of posting of debit vouchers relating to the office of the Executive Engineer, PHE Division, Jabalpur, received in the AG (A&E) office from the Jabalpur Treasury, it was found that the EE, PHE division, Jabalpur had drawn Rs 52,968 vide bill No.98 dated 11 September 2003 and Rs 1,65,400 vide bill No. 104 dated 4 December 2004 and paid the said amount to the subscriber.

As per Rule 166 of the Madhya Pradesh Treasury Code (MPTC), the Treasury Officer, while passing a bill, was required to match the signature on the payment authority with the specimen signature received in his office under Rule 158 of the rules *ibid*. Non-observance of these rules by the Treasury Officer facilitated the fraudulent drawal of Rs 2.18 lakh.

On the above facts being pointed out, the Executive Engineer, PHE Jabalpur directed (September 2005) the subscriber to deposit the said amount immediately through a challan into the State Bank of India. However, no amount had been deposited by the said subscriber till August 2009.

The matter was referred (February 2009) to the Principal Secretary, PHE Department with a copy to the Principal Secretary, Finance for their comments. Principal Secretary, PHE Department (March 2009) informed that the Engineer-in-Chief had been asked to initiate a departmental inquiry against the officials who had committed the fraud. In view of the seriousness of case, directions had been issued to lodge a complaint in the police station. Besides, instructions had also been issued to constitute a committee headed by the Joint Commissioner (Finance) to check final payment cases in one circle office/division office and two sub-division offices each month to prevent any such fraudulent drawals in future. The fact, however, remains that no FIR had been lodged in the case as of October 2009. Further, although a committee was constituted in June 2009 to conduct inspection of one circle office/division office and two sub-division offices, it had not conducted any inspection after June 2009.

## **Farmers Welfare and Agriculture Development Department**

### **2.1.3 Fraudulent drawal benefitting a private firm**

**Fraudulent drawal of Rs 31.51 lakh was made in the office of the Deputy Director, Agriculture, Satna towards payment of subsidy to the firms.**

Government gives grants for a part of the cost of notified seeds distributed to farmers through agencies or cooperatives such as MP Beej Nigam, Jila Vipnan Sangh etc. under departmental schemes such as

**Macro Management<sup>1</sup>, Integrated Grain Development Scheme (Coarse grain), ISOPOM<sup>2</sup> etc.**

Test check (August 2007) of records of Deputy Director Agriculture (DDA), Satna for the period July 2006 to July 2007 and further information collected in June 2008 and March 2009 revealed that as against the bills submitted by the MP Beej Nigam, the MP State Co-operative Marketing Federation (MARKFED) and the *Kisan Kray Vikray Sahakari Samiti* (KKVSS) for payment of subsidy on seed distribution, the technical section of DDA issued sanctions for payment of the same bills two to four times. The Accounts section prepared the bills for drawal from the treasury on the basis of the sanctions issued by the technical section. This resulted in fraudulent drawal of Rs 13.37 lakh. The amount fraudulently drawn was paid to the three abovementioned firms which led to excess payment of Rs 13.37 lakh to these firms as shown in Appendix 2.1.

The inquiry conducted (January 2009) by the Government at the instance of Audit brought out fraudulent drawals of Rs 31.51 lakh during July 2006 to March 2007. As per the inquiry report, the then Deputy Director, Agriculture (Drawing and Disbursing Officer), the Senior Agriculture Development Officer and the Accountant were all found responsible for the fraudulent drawals and recovery of the whole amount from them was recommended. Government stated (June 2009) that Rs 1.21 lakh and Rs 0.16 lakh respectively from the MP Beej Nigam and the Marketing Federation were still to be adjusted and an FIR would be lodged against the KKVSS if the amount was not deposited within 15 days.

## **Housing and Environment Department**

### **2.1.4 Loss due to waiver of lease rent**

**Irregular agreement by the Madhya Pradesh Housing Board with a private bidder for transfer of land giving benefit to the bidder in payment terms and subsequent regularisation by the Government led to a loss of Rs 6.71 crore on account of lease rent.**

Keeping in view the location and market value of 5.90 acres of land situated at Sanjay Nagar, Bhopal, a Land Reservation Committee headed by a Secretary, formed by the Housing and Environment Department decided (June 2005) that the land should be reserved for allocation to the Madhya Pradesh Housing Board (MPHB) for commercial use, provided MPHB paid premium and lease rent to the Government and arranged rehabilitation of residents of 5000 jhuggies of Bhopal city at its cost.

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<sup>1</sup> *Macro Management-Centrally sponsored scheme for all round development in agriculture through work plans prepared by the State.*

<sup>2</sup> *ISOPOM – Integrated Scheme of Oilseeds, Pulses, Oilpalm and Maize.*

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The Government of Madhya Pradesh (GOMP) Revenue Department, issued (October 2006) a sanction for allotment of land and accordingly, a lease agreement was entered into by the Government and MPH B on 20 November 2006. According to the agreement, land was leased at the rate of Rs 3.35 crores for 30 years commencing from 2006-07. Advance possession of the land was given to MPH B on 29 April 2006. MPH B paid the premium of Rs 44.78 crore and lease rent of Rs 6.71 crore for the years 2006-07 and 2007-08 to the Government.

Without obtaining Government approval, MPH B invited open tenders for transfer of the leasehold land (which was not transferable as per the terms and condition of Clause (16) of the lease deed) to a private party in September 2005, well before the actual allotment of land to the MPH B. The offer of Rs 64.56 crore of M/s Arkey Investment Private Ltd. Bhopal, the highest private bidder, was accepted (March 2006) by MPH B with an annual lease rent at 7.5 per cent of the bid amount. MPH B entered into an agreement with the private bidder in December 2006 for transfer of the land on a lease of 30 years. However, according to this agreement, the premium for the land was payable in a phased manner and the entire amount was to be paid within 18 months from the date of agreement. The lease deed was to be executed within two weeks after receipt of the full payment by June 2008 and the lease period was to commence from the date of execution of the lease deed. The private bidder paid the last instalment in June 2008 and the lease deed was executed in October 2008, with a lease period of 30 years with effect from 13 October 2008.

The time allowed by MPH B to the bidder for payment of premium of land and execution of the lease deed in the agreement dated 26 December 2006 was contrary to the conditions of its agreement of November 2006 with the Government, according to which the lease period was to commence from 2006-07. Execution of the lease deed by MPH B with the private party was in contravention of the provisions of the Government agreement and also resulted in extension of the lease period by two years, thus benefiting the private party. Further, this period of two years was also regularised by the Government by allowing extension of the lease period for two more years upto November 2038 (32 years) with waiver of lease rent for two years amounting to Rs 6.71 crore in favour of MPH B.

Thus, the irregular agreement by MPH B containing the defective clause of providing 18 months' extra time to the private party for making payment of premium for the land led to a delay in execution of the lease deed, which delayed the commencement of the lease period by two years. This resulted in a loss of Rs 6.71 crore for the Government.

The matter was referred to the Government in May 2009. The Deputy Secretary, Housing and Environment Department stated (December 2009) that the information would be furnished as soon as the same was received from the Commissioner, MPH B.

**Public Health and Family Welfare Department**

**2.1.5 Loss due to incomplete/delayed submission of insurance claims**

**Chief Medical and Health Officers failed to submit insurance claims as per the prescribed procedure which led to loss of Rs 5.38 crore under the Vijaya Raje Janani Kalyan Beema Yojna, as the said claims were rejected by the insurance company.**

In order to prevent maternal mortality and to encourage institutional deliveries, the State Government launched the *Vijaya Raje Janani Kalyan Beema Yojna* from 12 May 2006 in the State. The scheme provided for payment of Rs 50,000 for each death during delivery and Rs 1,000 each to women of Below Poverty Line (BPL) families at the time of discharge from hospitals after their deliveries. In order to cover the financial risk of the amounts paid under the scheme, the State Government entered (May 2006) into an agreement with United India Insurance Company at a premium of Rs 11 per BPL family and paid a total premium of Rs 5.93<sup>3</sup> crore for one year. Initially, the payment to the beneficiaries was to be made by the department and the insurance company was to reimburse the payment to it. The insurance policy provided for submission of claims on a prescribed form with documentary proof of (a) BPL family status, (b) three antenatal checkups (ANC) prior to delivery and (c) hospitalisation for delivery. Further, all information/ claims were to be delivered in writing to the company within 30 days of delivery. The scheme was, however, closed on 12 May 2007.

Scrutiny (March 2009) of the records of the Chief Medical and Health Officer (CMHO) Barwani and information collected from seven<sup>4</sup> other CMHOs, revealed that 23,040 beneficiaries were paid an amount of Rs 1,000 each and the claims were preferred to the insurance company. Out of 21,072 claims settled, the company rejected 8,361 claims on the ground of improper/incomplete submission (5,421 claims), late submission (2,343 claims) and not having the required ANC (597 claims) as shown in **Appendix 2.2**. Further information collected from the Director, Health Services showed that the insurance company had rejected 53,798 out of 1,60,536 claims settled (33.51 *per cent*) for the State as a whole, which led to a loss of Rs 5.38 crore.

On this being pointed out by Audit, the Director Health Services stated (May 2009) that an analysis of the rejected claims would be got done and those found admissible would be taken up for arbitration as per the conditions of the MOU between the department and the insurance company while those found inadmissible would be written off from the Government account as non-recoverable.

<sup>3</sup> Rupees 4.40 crore on 16 May 2006 and Rs 1.53 crore on 31 March 2007.

<sup>4</sup> CMHOs of Dhar, Gwalior, Indore, Khandwa, Morena, Sheopur and Shivpuri.

The reply indicates that due to the casual approach of the department in processing and finalising the claims, the Government was put to a loss of Rs 5.38 crore.

Further, during scrutiny (July 2008) of records of the Director, State Information Communication Bureau, it was observed that an expenditure of Rs 10.25 lakh was incurred on printing of forms for the scheme during May-June 2007, by which time the scheme had already been withdrawn.

Thus Government suffered a total loss of Rs 5.48 crore due to submission of delayed and incomplete insurance claims to the insurance company and printing of forms after withdrawal of the scheme.

The matter was referred (April 2009) to the Government. Reply had not been received (August 2009).

## **2.2 Excess/Wasteful/Infructuous/Unfruitful expenditure**

### **Medical Education Department**

#### **2.2.1 Optimal use of cobalt therapy unit**

**Expenditure of Rs 2.31 crore on the installation of a cobalt therapy unit, made by the Oncology Wing of Medical College, Jabalpur was rendered unfruitful as the unit was not utilised optimally in the absence of the required staff.**

Government of India, Ministry of Health and Family Welfare (Department of Health) provided grant in-aid of Rupees two crore (Rs 1.2 crore in March 2001 and Rs 0.80 crore in March 2003) under the National Cancer Control Programme (NCCP) to Medical College, Jabalpur for installation of a cobalt therapy unit. According to the conditions of the grant, one Radiotherapist, one General Duty Officer, one Registrar, two House Surgeons, one Physicist, one Physics Technician, one Mould Room Technician and one Senior Radiographer were to be appointed by the college. Besides, the use of the unit needed clearance from the Atomic Energy Regulatory Board (AERB).

Scrutiny (April 2008) of records of the Medical College, revealed that a cobalt therapy unit including Theratron 780 E cobalt therapy machine was installed there at a cost of Rs 2.31 crore in March 2007. The machine, however, was not put to use till December 2008 for want of required staff and the clearance from AERB. After this was pointed out during audit, the clearance from AERB was obtained in December 2008 and the machine was made operative in January 2009. However no operating staff was provided to operate the machine and the staff available for operating Phoenix-80 cobalt therapy machine was assigned to operate the newly installed Theratron 780 E cobalt machine. The machine was to provide radiation treatment to about 80 to 90 patients per day.



However, due to non availability of the required manpower, the capacity of the machines was not fully utilised.

The college was able to provide treatment to 40 patients per day during 6 October 2008 to 2 January 2009 with one machine and to 57 patients per day during 5 January 2009 to 20 July 2009 with two machines<sup>5</sup>. Therefore due to non-availability of trained staff, the patients were required to wait for about 40 days for availing radiation treatment and the machines remained underutilised.

The Medical College accepted (March 2009) the fact that recruitment of qualified manpower would enable providing of treatment to a larger number of patients and would reduce the waiting list. The Director, Medical Education, stated (March 2009) that a proposal for sanction of posts had been submitted to the Government in 2006 but the posts had not been sanctioned by the Government so far. The Government stated (July 2009) that the posts could not be sanctioned due to the proposal from the Director, Medical Education was not in the prescribed format.

Thus, in absence of the required staff, the cobalt therapy unit installed in Medical college, Jabalpur at a cost of Rs 2.31 crore as well as the existing Phoenix-80 cobalt therapy machine remained underutilised. Meanwhile, cancer patients were deprived of timely treatment.

## **Water Resources Department**

### **2.2.2 Excess payment to contractor**

#### **Adoption of incorrect base indices for calculation of escalation cost resulted in excess payment of Rs 52.18 lakh to a contractor.**

As per a provision of the Madhya Pradesh Works Department Manual, price escalation in works contracts is required to be determined carefully with reference to the rates notified by the Indian Oil Corporation for POL<sup>6</sup> component and by the Labour Bureau, Shimla in respect of the labour component. Clause 2.40.1 of the standard Notice Inviting Tenders regulating the payment of price escalation, provided that the amounts paid to contractors should be adjusted quarterly for increase/ decrease in the rates of labour, material and POL by adopting the indices prevalent on the date of opening the tenders and the quarters under consideration.

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<sup>5</sup> Existing Phoenix-80 cobalt therapy machine and new Theratron 780 E cobalt therapy machine.

<sup>6</sup> Petrol, Oil and Lubricant.

The agreement for rehabilitation of the Harsi Main Canal<sup>7</sup> provided that price adjustment for the labour component should be worked out at the average consumer price index for industrial workers for the Bhopal centre as published by the Labour Bureau, Ministry of Labour, Government of India.

Audit scrutiny (June 2008) of the records of EE, Harsi Water Resources division, Dabra revealed that the division erroneously adopted 553 as the base index, on the basis of the All India Price Index, whereas the base index for industrial workers at Bhopal was 575. By adopting the incorrect index, excess payment of Rs 52.18 lakh was made to the contractor.

On this being pointed out (June 2008) by Audit, the EE adjusted the excess payment from the Security Deposit (SD) of the contractor.

The procedure for recovery of excess payment against the SD was not proper as the purpose of the SD was to safeguard the interest of work and to ensure satisfactory performance by the contractor. Since the work was in progress, the recovery should have been effected from the contractor's running bills.

The matter was referred (April 2009) to the Government. Reply had not been received (November 2009).

## Narmada Valley Development Department

### 2.2.3 Extra payment of price escalation

#### **Application of incorrect dates for determination of base indices resulted in excess payment of Rs 1.82 crore towards price escalation.**

Provisions of the Works Department Manual (Manual) as well as an order (August 1993) of the State Government categorically provide for calculation of price escalation as per the base indices applicable in the month of opening of tenders.

Scrutiny of records during (May 2007 to August 2008) revealed that in four divisions (ND Dn. 18, Khargone, ND Dn. 28, Punasa and ND Dn. 21 and 27, Sanawad) of Narmada Valley Development Authority (NVDA), the clause regulating price escalation was not according to the Government orders of 1993 and the provisions of the Manual. The divisions, made payments of escalation charges under all the six agreements by adopting the month of receipt of tender as the base month. This resulted in excess payment of

<sup>7</sup> Work of rehabilitation of Harsi Main Canal in km 0 to 65 estimated at Rs 41.28 crore was awarded (March 2006) at the contracted amount of Rs 57.42 crore with a completion period of 16 months including rainy season. The contractor was paid (March 2008) Rs 66.81 crore including price escalation of Rs 6.12 crore as per 25<sup>th</sup> running account bill.

**Audit Report (Civil) for the year ended 31 March 2009**

Rs 1.82 crore towards payment of price escalation in six major works as shown below:

Sl. No..	Name of Division	Name of work (canal lining) / reaches	Agreement No.	Voucher no.	Month of receipt of tender (incorrect base month)	Month of opening of price bid (correct base month)	Escalation paid (Rs )	Escalation payable (Rs )	Excess paid (8 minus 9) (Rs )
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
1.	EE,ND 27, Sanawad	km 31.2 to 41.2	01/ 2003-04	20/March 2008	February 2003	March 2003	39,12,558	30,22,786	8,89,772
2.	EE ND Dn. 28 Punasa	km 7-17	01/ 2003-04	40/Jan 2008	February 2003	March 2003	2,32,81,471	1,57,62,401	75,19,070
3.	EE ND Dn 18 Khargone	Group I km 114 - 125	01/ 2006-07	17/March 2009	January 2006	April 2006	1,40,01,107	1,19,03,542	20,97,565
4.	EE ND Dn 18 Khargone	Group II km107- 114	01/ 2006-07	1/March 2009	January 2006	April 2006	1,45,11,044	1,17,49,410	27,61,634
5.	EE ND Dn 18 Khargone	km 125- 131	02/ 2006-07	29/Feb 2009	April 2006	August 2006	80,50,310	51,50, 539	28,99,771
6.	EE, ND 21, Sanawad	Const. of Jhirbar distributor-ies and minors	01/ 2005-06	93/March 2008	June 2005	September 2005	67,95,108	47,88, 726	20,06,382
<b>Total</b>							<b>7,05,51,598</b>	<b>5,23,77,404</b>	<b>1,81,74,194</b>

On this being pointed out in audit (between May 2007 and August 2008) the Executive Engineers (EE) replied that the payments of price escalation were regulated as per the provisions of the agreements. The EEs of Sanawad (ND-27 division) and Punasa (ND-29 division) stated that since the prequalification and price bids of the tenders were submitted by the contractors on the stipulated dates of receipt of tenders, the dates of receipt of the bids were adopted for payment of price escalation.

The replies of the EEs are not acceptable as the provisions of the agreement were to be framed in accordance with the rules and procedures prescribed in the Manual as well as the instructions issued by the Government. The adoption of an incorrect base month for making payment of price escalation, circumventing the codal provisions, resulted in undue benefit to the contractors.

The matter was reported (May 2009) to the Government. Reply had not been received (November 2009).

**Panchayat and Rural Development Department**

**2.2.4 Excess expenditure due to purchase of cement at higher rates**

**Non-observance of Store Purchase Rules led to excess expenditure of Rs 75.35 lakh on purchase of cement at higher rates by four Executive Engineers of Rural Engineering Services.**

As per Rule 14 of the Madhya Pradesh Store Purchase Rules, articles included in Annexure B of the rules were to be purchased only through the Madhya Pradesh Laghu Udyog Nigam (MPLUN) Limited. No tenders for purchase of such articles were to be called for by the competent authorities separately. As per Rule 7, in cases of purchases valuing more than Rs 50,000 each, the purchasing officers were to use the agency of the Director General of Supplies and Disposals (DGS&D) unless they could themselves purchase the materials more cheaply, or in a case of urgency, more expeditiously. However, where purchases are made through MPLUN, the above restrictions would not apply.

The Panchayat and Rural Development Department incorrectly instructed (October 2005) that cement was a reserve item and could be purchased through MPLUN. On realising this mistake, the Development Commissioner issued (September 2006) revised instructions informing that cement was a non-reserve item for purchase through MPLUN and hence may be purchased through the competitive procedure.

Scrutiny (March-June 2009) of records of Executive Engineers (EEs), Rural Engineering Services (RES), Barwani, Jhabua, Khandwa and Manawar revealed that 13200.15 MT<sup>8</sup> cement was purchased during 2006-07 to 2008-09 through MPLUN at rates higher than the rates of DGS&D, which resulted in excess expenditure of Rs 75.35 lakh as detailed in **Appendix 2.3**.

On this being pointed out, the Government stated (September 2009) that RES was involved in carrying out deposit and scheme works for which funds were not received in single instalments. As the RES was also not maintaining any stores accounts, cement was purchased by EEs as per requirements. DGS&D did not supply small quantities at work sites, but made supplies at the Headquarters. RES would have to make arrangements for transportation of cement to the various sites, if they purchased from DGS&D. When it came to the notice of the department through a Vidhan Sabha question and other sources that cement was not a reserve item, the binding on purchase of cement through MPLUN was withdrawn from 20 September 2006.

The reply is not acceptable as the rules clearly stated that cement was not a reserve item for purchase through MPLUN but the purchases through MPLUN continued even after September 2006. No efforts were found to have been made by RES divisions for purchasing cement through DGS&D or from the open market.

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<sup>8</sup> EE RES Barwani: 6011.30 MT; Jhabua: 2070.50 MT; Khandwa: 2078 MT and Manawar: 3040.35 MT.

Thus non-observance of the provisions of the MP Store Purchase Rules led to excess expenditure of Rs 75.35 lakh.

#### **2.2.5 Excess payment due to departmental negligence**

**Negligence on the part of the department in taking timely action to recover outstanding liabilities of Rs 72.84 lakh on account of excess payment/ liquidated damages against a contractor resulted in excess payment of Rs 26.27 lakh.**

The Madhya Pradesh Rural Road Development Authority (MPRRDA) awarded (May 2002) the work of construction and maintenance of eight rural roads under Pradhan Mantri Gram Sadak Yojana (PMGSY) Package No. MP 2801 of Katni District to a contractor for completion within nine months (excluding rainy season) i.e. on or before 6 May 2003. The contractor failed to complete the work within the stipulated period. Owing to slow progress of the work, the contract was rescinded (October 2007) by the General Manager (GM) of MPRRDA at the risk and cost of the defaulting contractor. The contractor's final bill for Rs 5.55 crore was passed for adjustment in April 2008.

While examining (August 2008) the final bill, Audit observed that after rescission of the contract, a total sum of Rs 72.84 lakh remained outstanding from the contractor as explained below:

- While clearing the 55<sup>th</sup> running account bill of the contractor in June 2007, the department made an excess payment of Rs 37.31 lakh on account of inflated measurement of quantities in respect of 14 items pertaining to road works. After adjustment of the inflated quantities, the final bill for minus Rs 37.31 lakh was adjusted (April 2008) as detailed in **Appendix 2.4**.
- The work was abnormally delayed for more than four years for which the Chief Executive Officer (CEO) of MPRRDA imposed liquidated damages at the rate of six *per cent* of the value of work (Rs 5.92 crore) and ordered (October 2008) recovery from the contractor. Thus an amount of Rs 35.53 lakh on account of liquidated damages remained unrecovered from the contractor.

As explained above, a total of Rs 72.84 lakh was to be recovered from the contractor. Though the department adjusted Rs 46.57 lakh<sup>9</sup>, a balance of Rs 26.27 lakh was still to be recovered.

On these being pointed out by Audit, the GM admitted (April 2009) the facts and stated that the contractor had been asked (May 2008) to deposit money for clearance of the liabilities outstanding against him. The liabilities remained unrecovered even after a lapse of one year (May 2009).

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<sup>9</sup> Security deposit : Rs 33.29 lakh, FDR : Rs 4.87 lakh and Amount held for time extension : Rs 8.41 lakh .

The reply of the GM failed to explain how recoveries amounting to Rs 72.84 lakh on account of inflated measurements and liquidated damages were not recovered in time through the running account bills.

The matter was reported (March 2009) to the Government. Reply had not been received (November 2009).

## Public Works Department

### 2.2.6 Excess payment of price escalation

#### Adoption of incorrect rate of bitumen towards payment of price escalation resulted in excess payment of Rs 58.05 lakh.

The Executive Engineer (EE), Public Works Department (B & R) Division, Balaghat, executed (April 2007 and March 2008) five<sup>10</sup> different agreements with three contractors at 9.50 to 69.93 *per cent* above the Schedule of Rates (SOR) for upgradation and bituminous renewal of five roads. The estimated cost of these five works was Rs 24.54 crore. According to the additional special condition No.2 which formed a part of all the five agreements, any variation in the cost of bitumen was payable or deductible on consumption of the same. The differences in the price of bitumen were to be worked out on the basis of basic rates<sup>11</sup> of bulk bitumen prevailing on the tender dates *vis-a-vis* any variations during the agreement period. The differences were to be calculated on the basis of the bulk supply rate chart of the Indian Oil Corporation.

Scrutiny revealed (January 2009) that while calculating price variations of bitumen, the EE considered the full rate<sup>12</sup> of bulk bitumen including taxes, duties and cess instead of the basic rates of bulk bitumen as specified in the special condition of the agreements. Thus the adoption of an incorrect rate towards price variation of bitumen resulted in excess payment of Rs 72.94 lakh as detailed in **Appendix 2.5**.

On this being pointed out, the EE replied (January 2009) that it would not have made any difference whichever rate had been adopted. However, he assured recovery of excess payment, if any, made on this account.

The reply of the EE is not acceptable because differences would certainly occur if price variations of bulk bitumen were paid to the contractors on the basis of the full rate instead of the basic rate. This was also in contravention of

<sup>10</sup> (i) Agreement No 01/07-08 (PAC Rs 10.29 crore), (ii) Agreement No.02/07-08(PAC Rs 4.94 crore), (iii) Agreement No.205/07-05 (PAC Rs 4.06 crore), (iv) Agreement No.338/07-08 (PAC Rs 2.82 crore) and (v) Agreement No.339/07-08 (PAC Rs 2.43 crore).

<sup>11</sup> Basic bulk rates – The basic rates of bulk bitumen excluding taxes.

<sup>12</sup> Full rate of bulk bitumen – The rate of bulk bitumen including taxes viz basic rate plus excise duty, cess and central sales tax.

the provisions of the contracts. However, the EE effected (November 2009) a recovery of Rs 14.89 lakh from the contractor. Recovery particulars of the remaining excess payment of Rs 58.05 lakh were still awaited.

The matter was reported (April 2009) to the Government. Reply had not been received (November 2009).

### **2.2.7 Excess payment due to less consumption of bitumen**

**For semi-dense bituminous concrete, use of five per cent bitumen by weight of total mix was approved but the contractor used only 4.37 per cent, resulting in excess payment of Rs 33.66 lakh.**

The work for improvement of the Indore- Sanwer- Ujjain Road km 1 to 36 under the State Road Improvement Programme (SRIP) with a contract amount of Rs 4.96 crore was awarded by Executive Engineer (EE), Public Works Department (PWD), Division No.2, Indore to a contractor at 33.30 per cent above the Schedule of Rates (SOR). The work order was issued (14 February 2008) for completion within five months including the rainy season. The work was completed on 30 June 2008 and the final bill for Rs 5.87 crore was paid (November 2008) to the contractor.

The specifications for road and bridge works issued by the Ministry of Road Transport and Highway (MORT&H) envisaged that for providing semi-dense bituminous concrete (SDBC) as wearing course, the contractor was required to propose a job mix formula (JMF) based on the Marshal Test<sup>13</sup>. The contractor was to ensure that the JMF was correct and truly represented the sample of materials that were to be used in the work. The approval of the JMF was based on independent testing by the Engineer-in-Charge. As per the Schedule of Rates (SOR-2007), five per cent bitumen was required for the item of SDBC. In case lesser or more bitumen was required as per the JMF, the difference of bitumen was to be paid or deducted as per the actual quantity of bitumen consumed.

As per the agreement, the contractor was required to execute 25-30 mm thick SDBC as wearing course. Accordingly, 7,871.758 cu.m SDBC was executed and was paid for as per the agreed rate of Rs 4,311 per cu.m.

Subsequently, audit scrutiny (March 2009) revealed that the contractor had submitted (28 February 2008) a JMF for SDBC, prepared by a private laboratory (Marshal Test Lab-Indore) on 23 February 2008 which was approved by the EE. As per the approved formula, the bulk density of the mix was 2.419 gm/cc and the bitumen content was five per cent by weight of the total mix. Accordingly, for 7,871.758 cu.m of SDBC, 952.089 metric tonne (MT) bitumen was required. Against this, the contractor used only 833.93 MT bitumen. Thus 118.16 MT less bitumen was used and therefore, the bitumen content of the mix worked out as 4.37 per cent instead of five per cent as per

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<sup>13</sup> *Marshal Test-A stability test generally carried out for dense graded hot asphalt mixes for determination of stability value on the flow value of the particular mix.*

the approved JMF. By short consumption of 118.16 MT bitumen, the contractor saved Rs 33.66 lakh<sup>14</sup> which was recoverable under the provisions of the SOR.

Short consumption of bitumen also raised a doubt about the quality of the work of SDBC executed at Rs 4.52 crore<sup>15</sup> as the parameters approved in the JMF were not adopted. Thus short consumption of bitumen left the work vulnerable to premature wear/tear and damage.

On this being pointed out (March 2009), the EE stated that the tests of SDBC carried out by the contractor during execution of work indicated five *per cent* bitumen content which was based at 2.221 *per cent* physical density of the mix. Hence, there was no short consumption of bitumen.

The reply is not acceptable because as per the specifications, the bitumen content was to be worked out on the basis of bulk density of the total mix. The tests carried out by the contractor during the progress of the work were not based on the Marshal Method and hence, were not reliable. Further the test reports were not signed or counter checked by the Engineer-in-Charge. The quantity of bitumen as recorded by the division was not commensurate with the parameters of the approved JMF and was below the permissible variation<sup>16</sup> limit ( $\pm$  zero point three *per cent*). Thus, less consumption of bitumen in the total mix resulted in excess payment of Rs 33.66 lakh besides execution of substandard work of Rs 4.52 crore.

The matter was referred (May 2009) to the Government. Reply had not been received (November 2009).

## Water Resources Department

### 2.2.8 Extra expenditure due to inaccurate estimation

#### **Incorrect estimation of earthwork led to incorrect evaluation of tenders, resulting in extra cost of Rs 1.06 crore.**

Earthwork and construction of 31 structures of the Purwa Main Canal (in RD km 12.8 to 31) at an estimated cost of Rs 15.10 crore was awarded (June 2004) to a contractor who was the lowest tenderer for completion by September 2005. The contractor's 45<sup>th</sup> running account bill for Rs 15.07 crore (including price escalation) was paid in March 2008.

The Engineer-in-Chief issued (September 1988) directives through a technical circular for realistic and accurate estimation of sub-soil strata, adequate sub-

<sup>14</sup> 118.16 MT @ Rs 21,368 per MT + 33.30 tender percentage = Rs 33.66 lakh.

<sup>15</sup> 7,871.758 cu.m SDBC paid @ Rs 4,311 per cu.m plus 33.30 tender percentage.

<sup>16</sup> As per the specification, the permissible variation from the JMF for bitumen content is  $\pm$  zero point three *per cent*.



surface exploration and investigation. The directives as per the technical circular were to be strictly followed for preparation of estimates for earthwork.

Scrutiny (January 2009) of records of the Executive Engineer (EE), Upper Purwa Canal Division, Rewa revealed that during execution of the work, it was observed that the quantities of excavation for all types of soil increased by 15 *per cent* (8,96,759 cu.m to 10,32,550 cu.m), the quantities of disintegrated rock and soft rock (DR/SR) increased abnormally by 238 *per cent* (51,556 cu.m to 1,74,067 cu.m), while the excavated quantities of hard rock decreased by 90 *per cent* (1,56,943 cu.m to 15,332 cu.m) *vis-à-vis* the respective estimated quantities. The abnormal variations in quantities were indicative of inadequate site inspection before preparation of the estimates. The assessment of the contractor appeared more accurate as he had quoted a rate of only Rupee one per cu.m against the estimated rate of Rs 154.56 per cu.m for excavation in hard rock and Rs 100 per cu.m against the estimated rate of Rs 68.98 per cu.m for excavation in DR/SR.

If accurate quantities indicating all types of strata were taken into consideration in the estimate after adequate and requisite subsoil exploration, the contractor who had quoted the lowest rates (L-1) amongst the four participants would not have been L-1. Instead, the second lowest (L-2) tenderer would have been the lowest tenderer (L-1) as per their quoted rates. The differences between the tendered rates of the present L-2 and L-1 resulted in extra expenditure of Rs 1.06 crore as detailed in **Appendix 2.6**.

On this being pointed out by Audit, the EE accepted (May 2009) the facts and stated that only a preliminary survey was done before calling tenders. No detailed survey had been conducted as per the specifications and the detailed estimates were prepared on the basis of some trial pits and assumption. Thus the department had to incur extra expenditure of Rs 1.06 crore due to faulty and inadequate survey.

The matter was referred (May 2009) to the Government. Reply had not been received (November 2009).

### **2.2.9 Extra expenditure due to irregular clubbing of strata for excavation**

#### **Irregular clubbing of all types of the soil and strata for excavation resulted in extra expenditure of Rs 1.03 crore.**

The construction of the balance work of the masonry dam and appurtenant works of Gulab Sagar (Mahan) project was awarded (November 2002) to a contractor for Rs 13.72 crore, which was 5.06 *per cent* below the estimated cost of Rs 14.44 crore. The estimates were based on the Unified Schedule of Rates 1998. The stipulated period of completion was 20 months including the rainy season but the work was in progress as of May 2009. The contractor's 63<sup>rd</sup> running account bill for Rs 26.05 crore was paid in March 2009.

In order to bring uniformity in clubbing of the strata, the department prescribed (December 1991) a pattern for clubbing of the strata, according to which, excavations in all types of (i) soils and moorum, (ii) soft rock and disintegrated rock (DR/SR) and (iii) hard rock (HR) were to be shown separately. In no case was HR to be clubbed with other strata.

During scrutiny (December 2008) of the records of the Executive Engineer (EE), Gulab Sagar (Mahan) Project Division, Sidhi, it was noticed that the Schedule of Quantities (forming part of the agreement) included an item for excavation, which was prepared by irregularly clubbing all types of strata<sup>17</sup> under a single item of excavation. For this, the department derived a unit rate of Rs 196.63 per cu.m for estimated excavation of 25,319 cu.m, against which the contractor quoted a rate of Rs 161 per cu.m.

During execution, the quantities of excavation increased by 611 *per cent* of the estimated quantities. Under clause 4.3.13.3<sup>18</sup> of the agreement, the department was required to pay for the increased quantities of excavation on individual estimated rates as derived by them at Rs 104.60 per cu.m for soil/moorum, Rs 122.94 for SR/DR and Rs 220.15 for HR. However, due to irregular clubbing of all types of strata, a higher rate of Rs 186<sup>19</sup> per cu.m was paid to the contractor. Thus an extra expenditure of Rs 1.03 crore (**Appendix 2.7**) was incurred on excavation of all types of soils and rocks as per the Schedule of Quantities.

On this being pointed out, the EE stated (May 2009) that in view of the lesser quantity of HR, it was clubbed with other strata for excavation just to arrive at a composite item rate and the work had been done as per the Schedule of Quantities approved by the Chief Engineer. The reply is not acceptable because the situation arose due to incorrect clubbing of strata.

The matter was referred (May 2009) to the Government. Reply had not been received (November 2009).

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<sup>17</sup> *Soil, silt, moorum, soft and disintegrated and hard rock.*

<sup>18</sup> *Any increase in executed quantity in excess of 10 per cent of the estimated quantity was payable at the estimated rate plus or minus the overall tender percentage.*

<sup>19</sup> *The payment for quantities up to 110 per cent of the estimated quantity (25,319cu.m) were to be made at the tendered rate of the contractor i.e. Rs 161 per cu.m and the quantities beyond 110 per cent were payable at the estimated rate (Rs 196.63 per cu.m) minus 5.06 tender percentage = Rs 186 per cu.m.*

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**Urban Administration Development Department**

**2.2.10 Unauthorised expenditure on transportation of mid-day meals**

**Director, Urban Administration and Development provided Rs 69.26 lakh to three Nagar Nigams towards payment of transportation cost of cooked mid-day meals to an NGO, which was contrary to the scheme guidelines.**

The National Programme of Nutritional Support to Primary Education (Mid-Day Meal scheme), was intended to boost the nutrition and education level of children through improved school attendance by providing nutritious hot meals to them within the school premises. Under the scheme guidelines, the cooking cost of Rupees two<sup>20</sup> per meal was permissible. The scheme permitted voluntary organisations, (NGOs) in urban areas to provide hot nutritious meals to schoolchildren and reimburse the costs within the overall cooking cost of Rupees two per child. The transportation cost of cooked food was not included in the list of items qualifying for payment to the implementing agency.

Scrutiny (September 2008) of records of the Commissioner, Urban Administration and Development, Bhopal revealed that the Urban Administration and Development Department signed a Memorandum of Understanding (MOU) on 26 August 2004 with Naandi Foundation (NGO) for supply of mid-day meals to school-going children in the city of Bhopal. According to the MOU, Rs 0.14 per meal was payable towards transportation of cooked food from the central kitchen of the NGO to the doorsteps of the schools. Similar arrangements were also observed for transportation of cooked mid-day meals in Jabalpur and Indore. This was contrary and irregular as per the guidelines of the scheme.

The Director, Urban Administration and Development Bhopal provided Rs 69.26 lakh (Rs 63.59 lakh during 2006-07 and Rs 5.67 lakh during 2007-08) from the State budget to Nagar Nigams, Bhopal, Jabalpur and Indore for payment to NGOs towards transportation charges. This resulted in unauthorised expenditure of Rs 69.26 lakh, involving additional financial assistance to the NGOs which was irregular.

On this being pointed out in audit, the Commissioner Urban Administration and Development M.P. Bhopal stated (April 2009) that Rs 0.14 per student per day was paid to the NGO in accordance with the order of the State coordinator, Mid-day Meal programme. The reply is not acceptable as the scheme did not provide for any such transportation charges.

The matter was reported (October 2008) to the Government. Reply had not been received (April 2009).

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<sup>20</sup> Rupees 1.50 from GOI and Rs 0.50 from State Government.

**2.3 Violation of contractual obligation/ Undue favour to contractors/ Avoidable expenditure**

**Revenue Department**

**2.3.1 Avoidable expenditure on electricity charges**

**Execution of an agreement by the Government Printing Press, Gwalior with the Madhya Pradesh Electricity Board and the MP Madhya Kshetra Vidyut Vitran Company Limited for power supply led to avoidable payment of Rs 42.12 lakh due to wrong assessment of demand.**

The Deputy Controller, Government Printing Press (GPP) Gwalior signed an agreement with the Madhya Pradesh Electricity Board in April 1988 for supply of 235 KVA High Tension (HT) power to GPP, Gwalior. A supplementary agreement with MP Madhya Kshetra Vidyut Vitran Company Limited was also executed (December 2005) for reduction in contract demand with effect from December 2005 for supply of 180 KVA HT power instead of 235 KVA HT power supply.

As per the agreements, if power consumption was less than *75 per cent* of the contract demand, the consumer was required to pay the charges for minimum *75 per cent* of the contract demand. Similarly, the consumer was also required to maintain a minimum average monthly power factor of *90 per cent*. Failure in maintaining the minimum required power factor would attract levy of additional charges by way of penalty.

Scrutiny (January 2009) of the records of GPP, Gwalior revealed that the consumption of power as well as the level of power factor were below the agreed norms. The actual consumption of power did not cross *75 per cent* of the demand stipulated in the original and the supplementary agreements during the period July 2002 to December 2008. The highest consumption was only 75 KVA. The monthly average power factor was below the stipulated *90 per cent* during the period July 2002 to December 2008 except for eight months (March to October 2007). The GPP, therefore, had to pay an additional amount of Rs 26.46 lakh during July 2002 to December 2008 towards the difference between the actual power consumed and the actual energy charges. Similarly, Rs 15.66 lakh was also paid (July 2002 to December 2008 except March to October 2007) towards penalty for not maintaining the average monthly power factor. This indicated that the original agreement was not based on proper assessment of the requirement and supplementary agreement was also not based on actual past consumption.

On this being pointed out in audit, the GPP stated (January 2009) that the supplementary agreement was made on the basis of a recommendation of the EE PWD (E & M) and that a capacitor was installed in July 2006 to maintain the power factor. It was also stated that due to low pressure of work in the press, it was not possible to avail of the contracted demand and to maintain the minimum power factor.

The reply is not acceptable as the GPP, despite less consumption in the past, did not take the same into account while executing the supplementary agreement and as a result, had to make avoidable payment of Rs 42.12 lakh.

The matter was referred (January 2009) to the Government. Reply had not been received (March 2009).

## **Water Resources Department**

### **2.3.2 Payment to a contractor for an item beyond the scope of the agreement**

#### **Sanction of an extra item for borrowed soil by a Chief Engineer without approval of the Government resulted in extra payment of Rs 53.21 lakh.**

The work of earthwork and construction of 39 structures in RD km 68.22 to 84.00 of Purwa Main Canal of Bansagar project was awarded (September 2006) to a contractor on an item rate contract of Rs 21.08 crore. The work, which was stipulated to be completed by March 2008 was still in progress and the 45<sup>th</sup> running account bill of the contractor for Rs 18.14 crore was paid in March 2009.

The Schedule of Quantities forming part of the agreement, included execution of 9,14,389 cu.m earthwork for the bund, using approved soil as per drawings and specifications with leads and lifts at an agreed rate of Rs 49 per cu.m.

Scrutiny (May 2008) of records of the Executive Engineer (EE), Purwa Canal Division No.2, Satna revealed that the contractor was paid an additional amount of Rs 53.21 lakh at Rs 12.50 per cu.m for mining 4,25,699 cu.m of approved soil borrowed by him from private landowners, without reducing the rate for earthwork. This was beyond the scope of the agreement and was inadmissible, resulting in excess payment of Rs 53.21 lakh till the 45<sup>th</sup> running account bill (March 2009).

On this being pointed out in audit, the EE stated (May 2008) that during excavation of the canal, due to incorrect estimation, adequate usable soil was not encountered. Therefore, to ensure timely completion of the work, the payment was made with the sanction of the Chief Engineer (CE).

The reply is not acceptable because as per clause 3.11 A of the agreement, the item of earthwork and its agreed rate paid to the contractor was for the complete item of the work and included management of approved borrowed soil by the contractor at his peril with all leads and lifts. Therefore, no extra payment was admissible.

Moreover, the CE was empowered to sanction extra items up to Rs 15 lakh only. Thus the sanction of the extra payment of Rs 53.21 lakh without approval of the Government was irregular.

The matter was referred (May 2009) to the Government. Reply had not been received (November 2009).

## **2.4 Idle investment/Idle establishment/Blocking of funds/Delay in commissioning equipment/Diversion of funds**

### **Housing and Environment Department**

#### **2.4.1 Blocking of funds due to purchase of disputed land**

**Execution of a sale deed for purchase of disputed land by the Madhya Pradesh Housing Board for Rs 6.72 crore with incomplete payment terms gave undue benefit to the seller and led to idling of the land without any return.**

Scrutiny (August 2008) of records of the Executive Engineer (EE), Madhya Pradesh Housing Board (MPHB), Katni revealed that the Collector Katni had informed (July 2000) the Commissioner, MPHB that there was a dispute regarding the land of M/s. Olpherts Private Limited in Madan Mohan Choubey Ward, Katni and its acquisition was not in the interest of MPHB. A notification, however, was published in the newspaper on 24 January 2002 inviting claims/objections, if any, in respect of the title of the land within a period of seven days, i.e. upto 31 January 2002. Meanwhile, the Government of Madhya Pradesh, Housing and Environment Department directed (30 January 2002) Commissioner, MPHB to maintain status quo of 5 January 2002 in respect of the land as the land dispute was pending before the court. In spite of this, the EE, Madhya Pradesh Housing Board Division No.II, Jabalpur entered into an agreement with M/s Olpherts Private Limited, Katni (vendor) on 28 January 2002 for purchase of 59 acres of land at the rate of Rs 10 lakh per acre for construction of residential units, three days before the expiry of the waiting period inviting the claims/complaints.

According to this agreement, Rs 72 lakh was to be paid by MPHB to the vendor at the time of execution of the agreement and the balance cost (Rs 5.18 crore) was to be paid on receipt of payments from prospective allottees under the MPHB Housing scheme. In the agreement, there was no mention of any date regarding the balance payments and full and final settlement of sale. The EE MPHB Katni executed the sale deed on 23 November 2002. While executing the sale deed, the condition incorporated in the agreement regarding balance payment was withdrawn by him without approval of the competent authority. Further, new conditions were inserted in the sale deed, to benefit the aforesaid vendor, according to which a balance amount of Rs 5.18 crore was to be paid on or before 31 May 2004. As a result, MPHB paid the entire amount of Rs 5.90 crore during January 2002 to September 2006. The MPHB further spent Rs 82 lakh on registration of agreement and development of land.

On being pointed out (September 2008) by Audit, the Government stated (January 2009) that the case was still pending in court for settlement of the dispute.

In view of the disputed status of the land the Housing Board is unable to use the land further till the case is settled. Thus the wrong decision of persisting with purchase of disputed land compounded further by unfavorable payment conditions rendered Rs 6.72 crore spent by the MPH B unfruitful.

### **-Medical Education Department**

#### **2.4.2 Non-upgradation of emergency treatment facilities**

**Emergency health care to patients in critical condition could not be provided at the Bhopal, Gwalior and Jabalpur Medical college hospitals, as funds for creation of such facilities remained unutilised with them.**

Government of India (GOI), sanctioned (June 2006) a one time additional Central assistance of Rs 10 crore for upgrading the treatment of serious patients at hospitals attached to the Medical Colleges, Bhopal, Gwalior and Jabalpur on the basis of a proposal by the Director Medical Education, Bhopal. The amount formed part of the Central assistance towards the Annual Plan 2006-07 of Madhya Pradesh requiring appropriation during the year.

Scrutiny (February and April 2008) of the records of the Medical Colleges at Jabalpur and Gwalior and further information collected in August 2009 revealed that the State Government sanctioned (January 2007) and provided Rs 10 crore to the Deans of the Medical Colleges (Bhopal: Rs 3.26 crore, Gwalior: Rs 3.26 crore and Jabalpur: Rs 3.48 crore) for procurement of equipment and creation of infrastructure as shown in **Appendix 2.8**. To avoid lapse of the GOI grant, Government instructed (March 2007) the Director, Medical Education to keep the amount under Civil Deposit in the names of the three Medical Colleges. Accordingly, Rs 3.26 crore each by Medical Colleges Gwalior and Bhopal and Rs 3.48 crore by Medical College, Jabalpur were drawn (March 2007) and kept under Civil Deposit. In the Medical Colleges at Bhopal and Gwalior, equipment costing Rs 1.25 crore and Rs 0.57 crore respectively were procured and put to use. The balance amount (Rs 8.81 crore) including an unpaid amount of Rs 0.63 crore was lying unutilised under Civil Deposit as of December 2009.

On this being pointed out in audit, the Deans, Medical Colleges, Gwalior and Bhopal stated (December 2008 and February 2009 respectively) that the procurement action was under process. The Dean, Medical College, Jabalpur stated (March 2009) that the work of construction of a building for emergency medical centre was in process and it would be proper to procure equipment after completion of the same. Director, Medical Education stated (August 2009) that procurement of equipment could not be made due to year-to-year changes in the purchase policy during the period 2007-08 to 2009-10. The replies are not acceptable as the work of upgradation of facilities should have been properly planned and expedited to provide immediate care to serious patients.

Thus, despite availability of funds with the department for the last two and half years, the required upgradation in medical facilities was not carried out

and patients requiring emergency treatment were deprived of the required facilities.

The matter was reported (April 2009) to the Government. Reply had not been received (November 2009).

## **2.5 Regulatory issues and other points**

### **Home Department**

#### **2.5.1 Irregular expenditure**

**Superintendents of Police, Bhopal and Gwalior, deposited receipts of Rs 1.30 crore in bank accounts instead of depositing the same in the Government account and irregularly spent Rs 90.32 lakh on towing of vehicles, etc.**

According to Section 127 of the Motor Vehicles Act, 1988, if a vehicle is authorised to be removed from a public place by a police officer, the owner of the vehicle is responsible for the towing costs, besides any other penalty. As per the provisions of the Madhya Pradesh Treasury Code (MPTC) and the Madhya Pradesh Financial Code (MPFC), when money is received on behalf of the Government, a receipt in form MPTC-6 should be issued and the amount so received should be credited to the Government account by challan. Expenditure, if any, should be incurred through budget provisions and after sanction of the competent authorities.

Scrutiny (December 2008) of the records and information collected (March and May 2009) from the office of the Superintendent of Police (SP) Bhopal, and information collected from Traffic branch of Police, Gwalior (March and May 2009) revealed that District Collector, Bhopal had issued (September 2004) an order under Clause 127 of the Motor Vehicles Act 1988 under which ad hoc rates were fixed for recovery of towing charges from vehicle owners involved in irregular parking offences. The order further stated that the amount recovered would be credited to the prescribed heads of account of the Police Department and payment for equipment, if any, hired for this purpose was to be made in consultation with the Superintendent of Police.

Orders fixing ad hoc rates towards penalty charges for towing were issued by the Collector, Gwalior in September 2004 with instructions to deposit the amount so collected in the name of the Commissioner, Nagar Nigam. Expenditure from the account could be made in consultation with the Superintendent of Police, with the approval of the Collector. The Traffic Police, Bhopal and Gwalior, accordingly collected Rs 1.30 crore as towing charges from vehicle owners till March 2009 but neither were any receipts in form MPTC 6 issued nor were the amounts credited to the Government account. Instead, the amounts were kept in bank accounts, which was contrary to the provisions of the MPTC. Further, out of the amount mentioned above,



Rs 90.32 lakh were utilised on towing of vehicles, etc and Rs 39.68 lakh (Bhopal: Rs 37.36 lakh and Gwalior: Rs 2.32 lakh) was lying unutilised in the bank accounts.

On being pointed out by Audit, the Superintendent of Police Gwalior stated (April 2009) that the money had been kept in bank accounts as per the Collector's order. The Superintendent of Police, Bhopal stated (May 2009) that the money was kept in a bank account, treating it as non-Government money.

The reply is not acceptable as the money collected under the provisions of the Motor Vehicles Act could not be treated as non-Government money. Keeping the same in bank accounts and utilising it without necessary authorisation through budget provisions was contrary to the provisions of the MPTC and the MPFC.

The matter was referred (February 2009) to the Government. Reply had not been received (September 2009).

### **2.5.2 Non-realisation of charges in respect of Armed Forces**

#### **Non-realisation of Rs 54.11 crore for deployment of Armed Forces and Government Railway Police.**

Armed forces are deployed from one State to another to maintain law and order. To bring uniformity regarding reimbursement of charges on account of such deployments, the Government of India, Ministry of Home Affairs issued (September 1995) instructions that the borrowing units should reimburse expenditure to the extent of Rs 50 lakh per quarter per battalion towards the close of June, September, December and March every year. These provisional payments were subject to adjustment on receipt of audited figures and balance amounts, if any, were to be paid within one month from the close of the relevant quarters/receipt of audited figures to the lending State Government. In case of deployments of battalions at the instance of the Ministry of Home Affairs, the claims were to be preferred to the Ministry. Failure in timely payment could lead to withdrawal of the forces from the defaulting States. Further, the Government of India, Ministry of Railway, Railway Board issued (March 1979) instructions that sharing of expenditure on hiring of Railway Police between the Railways and the State Government would be on 50:50 basis with effect from 1 April 1979.

A mention regarding short-realisation of Rs 58.49 crore on deployment of battalions to other States etc. was made in Para 3.16 of the Audit Report of the Comptroller and Auditor General (Civil) for the year ended 31 March 2001, Government of Madhya Pradesh. The Public Accounts Committee (PAC) in its 198th Report (January 2006) recommended that the outstanding amounts should be recovered immediately and steps should be taken to ensure timely settlement of dues in future.

Scrutiny (July 2008) of the records of the Superintendent, Government Railway Police and information gathered (March and September 2009) from

the Director General of Police, Bhopal revealed that though Rs 57.23 crore (97.85 per cent) out of the Rs 58.49 crore pointed out in the Audit Report was stated to have been recovered, claims for quarterly provisional payments as envisaged under Government of India instructions, were not being preferred and Rs 54.11 crore pertaining to periods from April 1982 to March 2008 were still to be recovered at the end of March 2009. Further scrutiny (December 2009) revealed that the claims preferred by the Inspector General of Police, Special Armed Forces, Bhopal had been delayed by two to 14 years after receipt of audit certificates as detailed in **Appendix 2.9**. The Director General of Police, Bhopal stated that regular correspondence was being made for recovery of the amounts.

In spite of Public Accounts Committee's recommendations, only partial recovery of the total dues pointed out in Audit Report was made and there was no improvement in recovery of claims thereafter.

The matter was reported (April 2009) to the Government. Reply had not been received (August 2009).

## Housing and Environment Department

### 2.5.3 Non-recovery of water cess

#### **The Madhya Pradesh Pollution Control Board failed to recover water cess and interest thereon totalling Rs 58.40 crore from local bodies.**

Water cess is required to be collected from all local authorities as specified in the Water Cess Act 1977. As per para 10 of the Act, in cases of delay in paying water cess, the local authorities would be liable to pay interest at the rate of two per cent per month. From 26 January 1992, the rate of interest were revised to 12 per cent per annum. Government of India vide notification (January 1980) delegated the powers to the State Government to execute the provisions of the Water Cess Act, 1977 under which, dues could be recovered as arrears of land revenue.

Mention was made in sub-paragraph 3.1.6.1 of the Audit Report of the Comptroller and Auditor General for the year ended 31 March 2000 (No. 3 Civil) regarding outstanding water cess of Rs 3.15 crore against various local bodies for the period upto 1998-99. The Public Accounts Committee, in its 334<sup>th</sup> Report (March 2007) recommended recovery of the outstanding amounts as arrears of Land Revenue to be made by fixing time limits and the action taken may be intimated to the committee.

The information collected (April 2009) from the Government of Madhya Pradesh, Housing and Environment Department and the Member Secretary, MP Pollution Control Board, Bhopal on the follow-up of the PAC recommendations revealed that neither had any time limit been fixed by the Government nor had any Revenue Recovery Certificate proceedings initiated for recovery of the outstanding dues. Meanwhile, the recoverable amount from 312 local bodies up to March 2009 had increased to Rs 58.40 crore (Rs 21.64

crore of assessed water cess up to March 2008 and Rs 36.76 crore of interest thereon up to August 2009).

On this being pointed out in audit, the department stated (July 2009) that the matter to recover the dues as arrears of land revenue was under process.

The reply may be viewed in the light of the fact that the Government had failed to take action as per the provisions of the Water Cess Act despite the PAC's recommendations and that the MP Pollution Control Board was deprived of Rs 58.40 crore which could have been useful in prevention and control of water pollution through appropriate schemes.

## **Public Health and Family Welfare Department**

### **2.5.4 Irregular financial assistance under *Bimari Sahayata Nidhi***

#### **Chief Medical and Health Officers, Rajgarh and Barwani paid irregular financial assistance of Rs 31.68 lakh due to non-observance of norms under *Bimari Sahayata Nidhi*.**

According to the *Madhya Pradesh Rajya Bimari Sahayata Nidhi Niyam 1997* as amended (January 2006), one time financial assistance up to the prescribed financial limits was payable to authorised, disease-specific hospitals for treatment of specified diseases of patients who were below the poverty line. Financial assistance upto Rs 75,000 in each case was to be sanctioned by District Level Committees<sup>21</sup> and for cases above Rs 75,000 but upto Rs 1.5 lakh, by the Management Committee.<sup>22</sup>

Scrutiny (January 2009 and March 2009) of records of the Chief Medical and Health Officers (CMHOs), Rajgarh and Barwani revealed that in 21 cases, amounts aggregating Rs 13.70 lakh were paid to hospitals not authorised for treatment of particular diseases. In 25 cases, amounts aggregating Rs 12.08 lakh were paid for treatment of diseases which were not covered under the specified diseases. In 37 cases, amounts aggregating Rs 5.90 lakh were paid in excess of the prescribed financial limits. Casewise details are given in **Appendices 2.10, 2.11 and 2.12** respectively.

On this being pointed out by Audit, the CMHOs, Rajgarh and Barwani stated (January and March 2009) that the payments had been made after approval of the cases by the District Level Committees.

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<sup>21</sup> *District level committee – Consists of Minister incharge of the district as President of the Committee and District Collector, Civil Surgeon, three non-government persons nominated by President of the committee and Chief Medical and Health Officers as members.*

<sup>22</sup> *Management committee-Consists of Minister incharge of Public Health and Family Welfare Department as President, four non-government members nominated by State Government including two members of the Legislative Assembly, Principal Secretary of Public Health and Family Welfare Department, Health Commissioner and Directors of Medical Education, Medical Services and Public Health and Family Welfare as members.*

The reply is not acceptable as the amounts sanctioned and payments made did not conform to the norms prescribed under the scheme. Thus expenditure of Rs 31.68 lakh was incurred in violation of the norms and was thus irregular.

The matter was referred to the Government in March and April 2009. The Under Secretary, Public Health and Family Welfare stated (December 2009) that the information would be furnished as soon as the same was received from the Commissioner (Health Services).

## **General**

### **2.5.5 Failure to enforce accountability and protect the interests of Government**

The Principal Accountant General (Civil and Commercial Audit), Madhya Pradesh, Gwalior (PAG) conducts periodical audit of Government departments (except Forest Department, Narmada Valley Development Department, Public Health Engineering Department, Public Works Department and Water Resources Department) to test check, inter-alia, the transactions and verify the maintenance of important accounting and other records as per prescribed rules and procedures. Irregularities detected during audit are reported through Inspection Reports (IRs) to ensure rectificatory action in compliance of the prescribed rules and procedures and accountability for the deficiencies and lapses. The Heads of Offices and next higher authorities are required to comply with the observations contained in the IRs, rectify the defects/ omissions promptly and report their compliance to the PAG as per the Regulations<sup>23</sup> on Audit and Accounts. The PAG also brings serious irregularities to the notice of the Heads of Departments. A half-yearly report of pending IRs and paras is sent to the Principal Secretary/ Secretary of the Department to facilitate monitoring of the compliance to the audit observations in the pending IRs. Besides, an annual public statement regarding pending audit observations is also made by the Head of Department.

A review of the IRs issued by the PAG upto September 2009 pertaining to Civil Departments disclosed that 23,528 paragraphs relating to 9,136 IRs remained outstanding as on 30 September 2009. This included 11,036 paragraphs of 5009 IRs outstanding for more than five years. The department-wise and year-wise position of outstanding IRs and paragraphs is given in **Appendices 2.13 and 2.14.**

The Heads of the offices whose records were audited and the Heads of Departments did not send any replies to a large number of IRs/paragraphs indicating their failure to initiate action with respect to the defects, omissions and irregularities pointed out in them. The Principal Secretaries/Secretaries of the departments who were informed of the position through half-yearly reports

<sup>23</sup> *Regulations on Audit and Accounts framed by the Comptroller and Auditor General of India (As notified in the Gazette of India on November 20, 2007).*

also did not ensure that the concerned offices of the Department take prompt and timely action.

Absence of any action against the defaulting officers facilitated the continuance of irregularities and losses to the Government despite these being pointed out in audit. It is recommended that Government should re-look into the procedure for fixing responsibility of the officials who failed to take corrective/remedial action on the audit observations and failed to send replies to IRs/paragraphs within a prescribed time. Action should be initiated to recover losses, outstanding advances, over payments, etc. in a time-bound manner and enforce accountability to ensure proper and timely response to the issues brought out in audit.

## CHAPTER III

### Integrated Audit

#### Public Health Engineering Department

#### 3.1 Integrated Audit of Public Health Engineering Department

##### *Highlights*

*The Public Health Engineering Department is the implementing agency for providing safe drinking water facilities to the rural and urban population of the State. The department also executes the works of urban water supply and sewerage schemes as deposit works on behalf of local bodies. Integrated audit of the department revealed inadequate financial controls, inadequate operational and material management, deficient contract management and lack of an internal control mechanism. A review of the functioning of the department as per its mandates and policies brought out the following shortcomings:*

**There were persistent savings ranging between Rs 65.11 crore and Rs 241.64 crore during 2004-09, indicating unrealistic budget preparation and inadequate implementation of the programme.**

*(Paragraph 3.1.6.2)*

**The department parked Rs 43.31 crore under ‘Civil Deposits’ at the fag end of the respective financial years to avoid lapse of funds during 2005-06 and 2006-07 and allotted Rs 154.48 crore during the last 10 days of the financial years 2005-08.**

*(Paragraphs 3.1.6.4 and 3.1.6.6)*

**In the Public Health Engineering Division, Katni, works of laying of pipelines under 32 rural piped water supply schemes valuing Rs.1.55 crore were unauthorisedly executed by the department.**

*(Paragraph 3.1.8.1)*

**Material worth Rs 3.79 crore and Rs 8.45 crore was lying unutilised in the stock accounts of four civil divisions and seven mechanical divisions respectively.**

*(Paragraph 3.1.9.1)*

**In seven divisions, material worth Rs 7.48 crore was lying unutilised in material-at-site accounts. No physical verification was done in another seven divisions.**

*(Paragraph 3.1.9.2)*

**In six divisions, articles valuing Rs 2.68 crore were irregularly purchased from the Madhya Pradesh State Consumer Co-operative Federation without inviting tenders.**

*(Paragraph 3.1.9.6)*

**There was no internal audit wing in the department and inspection of division offices by superior authorities was not done regularly. Audit notes had not been issued in six divisions since May 2008.**

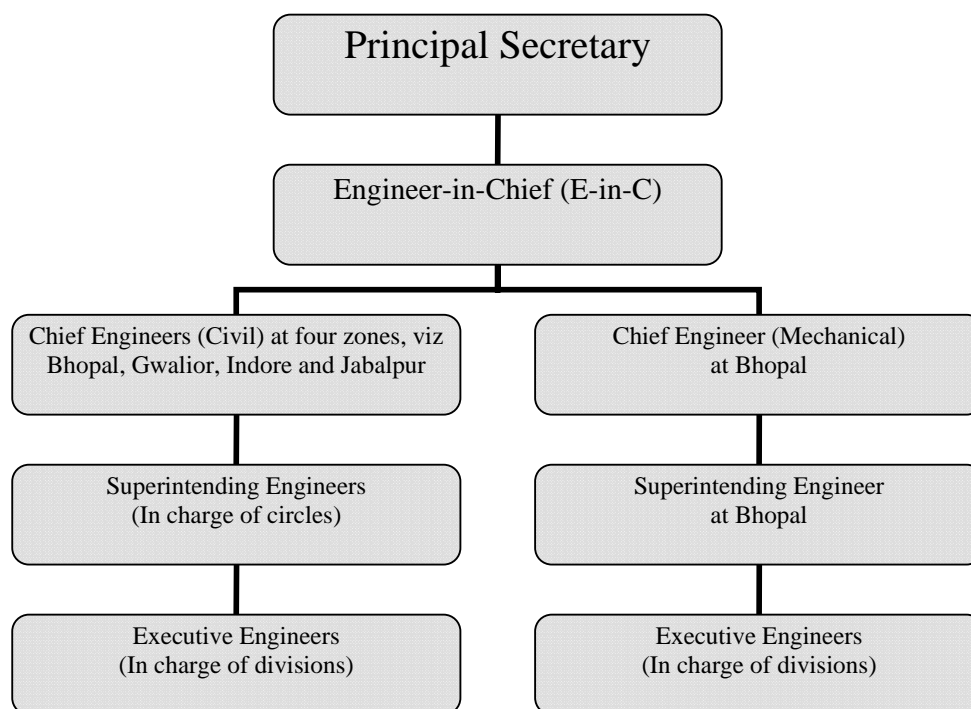
*(Paragraph 3.1.11.1)*

### **3.1.1 Introduction**

The Public Health Engineering Department (PHED) is entrusted with the work of implementation and maintenance of water supply, sanitation and groundwater recharging schemes. The schemes are implemented both in the rural and urban sectors. In the rural sector, the work includes drilling of tubewells, construction of Rural Piped Water Supply Schemes (RPWSS), water supply to fairs etc under the Accelerated Rural Water Supply Programme (ARWSP), while in the urban sector, schemes of water supply and sewerage treatment are executed under the Accelerated Urban Water Supply Programme (AUWSP).

### **3.1.2 Organisational Setup**

The department has four zones, 14 circles, 65 civil divisions and seven mechanical divisions, headed by a Principal Secretary and assisted by the following officers as shown in the organogram below:



### 3.1.3 Audit Objectives

The audit objectives were to evaluate whether:

- financial management and programme management by the department was efficient, effective and economical in respect of execution of works,
- material management was efficient and effective,
- human resource management helped in optimum utilisation of manpower,
- an internal control mechanism, including administrative and operational controls, was in existence and was effective and
- monitoring and internal audit was effective.

### 3.1.4 Audit criteria

The working of the department was evaluated with reference to the following:

- Administrative orders and programme guidelines issued by the Government of India (GOI) and the State Government.
- Provisions of the MP Works Department (MPWD) Manual, the Central Public Works Account (CPWA) Code, CPHEEO Manuals<sup>1</sup> etc.
- Survey data and detailed estimates.
- Provisions of specifications and agreements.

### 3.1.5 Scope of audit and methodology

The office of the E-in-C, four out of 18 direction offices<sup>2</sup> and 17 out of 72 divisional offices were selected on the basis of stratified random sampling. Out of the selected offices, the audit of 16 divisional offices, four direction offices and the office of the E-in-C for the period 2004-09 was carried out during March to November 2009. An entry conference was held on 15 April 2009 and an exit conference was held on 18 November 2009, with the officers of the department. Results of the exit conference have been incorporated in the relevant paragraphs.

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<sup>1</sup> Central Public Health and Environmental Engineering Organisation's (CPHEEO) (a) Manual on Water Supply and Treatment and (b) Sewerage Treatment and Sewage Manual.

<sup>2</sup> Offices of the Chief Engineers and Superintending Engineers.



### 3.1.6 Financial management and budgetary controls

The budget provisions of the department are finalised by the Finance Department on the recommendations of the State Planning Commission (SPC) and in consultation with the department. The shortcomings noticed by Audit in planning and preparation of budgets as well as expenditure control are discussed in the succeeding paragraphs.

#### 3.1.6.1 Planning

There were variations between the proposals of the department with actual allotments and expenditure.

Rules provide that budget estimates should be framed as accurately as possible and should include provisions for all commitments that can be foreseen. Budget proposals were prepared by the divisional offices and sent via the District Planning Committees (DPC)<sup>3</sup> to the SPC, after approval. Audit scrutiny revealed that in five out of the 12 divisions test-checked, there were wide variations between the proposals sent by the concerned divisions which were approved by the SPC and the allotment and expenditure incurred on the various schemes by the department, as indicated below:

**Table No.3.1 Details of variations in estimates proposed by the department with respect to allotment and expenditure**

*(Rupees in lakh)*

Name Division	No. of schemes	Year	Estimates proposed	Allotment	Expenditure	Percentage of excess(+)/ saving (-)
Chhatarpur	7	2007-08	280.00	446.80	429.09	53.25
	7	2008-09	335.00	350.97	351.09	4.80
Hoshangabad	2	2004-05	53.40	-	85.16	59.48
	1	2005-06	7.00	-	45.04	543.43
	1	2006-07	140.00	-	-	-100.00
	3	2007-08	125.00	-	222.00	77.60
Katni	6	2006-07	209.00	93.72	98.67	-52.79
	6	2007-08	254.00	70.64	206.63	-18.65
	6	2008-09	299.00	579.50	603.57	101.86
Khargone	2	2006-07	250.00	-	172.08	-31.17
	5	2007-08	165.00	-	470.50	185.15
	5	2008-09	258.00	-	219.00	-15.12
Seoni	10	2006-07	265.75	158.02	154.37	-41.91
	10	2007-08	411.10	299.60	253.21	-38.41
	10	2008-09	631.70	268.40	217.93	-65.50

(Source: Proposals sent by divisions to District Collector (DPC))

The above table indicates that the department failed to plan its activities in a systematic manner and could not assess the actual requirement of funds, which led to deficiencies in planning.

On this being pointed out, no specific reply was given by the Seoni, Hoshangabad, Chhatarpur and Khargone divisions. However, the EE, Katni division accepted the audit findings.

#### 3.1.6.2 Budget outlays

As per the Appropriation Accounts, the total budget allotment for the department during the period 2004-09 was Rs 4165.82 crore, of which

<sup>3</sup> District planning committee comprises of all the heads of offices in the district headed by collector.

Rs 814.61 crore was provided through supplementary budgets as detailed below:

**Table No. 3.2: Year-wise allotments and expenditure as per Appropriation Accounts**

*(Rupees in crore)*

Year	Budget Allotment	Supplementary Allotment	Total	Expenditure	Surrenders	Surrenders (per cent)	Total Savings	Savings (per cent)
2004-05	484.40	51.99	536.39	430.67	27.64	5.15	105.72	19.71
2005-06	578.17	118.16	696.33	631.22	0	0	65.11	9.35
2006-07	539.82	138.09	677.91	553.48	35.09	5.18	124.43	18.35
2007-08	832.43	228.63	1061.06	904.79	91.17	8.59	156.27	14.73
2008-09	916.39	277.74	1194.13	952.49	100.50	8.42	241.64	20.24
<b>Total</b>	<b>3351.21</b>	<b>814.61</b>	<b>4165.82</b>	<b>3472.65</b>	<b>254.40</b>		<b>693.17</b>	

*(Source: Appropriation Accounts)*

**Funds to the tune of Rs 693.17 crore (16.64 per cent) remained unutilised which included surrenders of Rs 254.40 crore (6 per cent).**

As evident from the above table, the department could utilise (2004-09) only Rs 3,472.65 crore (83.36 per cent). Out of the total savings of Rs 693.17 crore, Rs 254.40 crore was surrendered. The reasons for the savings were non-execution of schemes, non-accordance of administrative approvals, unrealistic estimation of schemes etc.

An analysis revealed that the department could not utilise the funds allotted under various schemes as detailed below:

**Table No.:3.3 Scheme-wise details of allotment and expenditure during 2004-09**

*(Rupees in lakh)*

Sl. No.	Scheme	Allotment	Expenditure	Total Savings	Percentage of savings
1	RPWSS	56515.40	46674.30	9841.10	17.41
2	Hand pumps (habitations/ school)	114802.00	103772.00	11030.00	9.61
3	Recharging schemes	16612.60	14987.90	1624.70	9.78
4	Schemes in water quality affected habitations	39189.10	23707.20	15481.90	39.51
5	Operation and maintenance of RPWSS	15613.30	14088.90	1524.40	9.76
6	Direction and administration	1183.26	909.92	273.34	23.10
7	Rural sanitation programmes (up to July 2007)	12945.10	4155.88	8789.22	67.90
8	Other programmes	3039.47	2861.64	177.83	5.85
9	Accelerated Urban Water Supply Programme (AUWSP)	38948.90	32468.90	6480.00	16.64
10	Tribal Sub Plan (Urban)	425.00	400.00	25.00	5.88
11	Special Component Plan(Urban)	4967.94	3859.14	1108.80	22.32
12	Installation of computers	450.00	76.16	373.84	83.08
	<b>Total for the department</b>	<b>304692.07</b>	<b>247961.94</b>	<b>56730.13</b>	<b>18.62</b>

*(Source: figures intimated by E-in-C, PHED, MP)*

Audit observed that the funds allotted for water supply schemes for quality-affected habitations<sup>4</sup>, rural sanitation, AUWSP and RPWSS remained unutilised. Further scrutiny revealed following:

<sup>4</sup> Water quality affected due to presence of arsenic, fluoride, iron and other toxic elements in the water sources.

**Funds allotted for various water supply schemes in the State remained unutilised.**

- The percentage of savings under water quality schemes during 2004-09 was 39.51. During 2007-08, despite incurring expenditure of Rs 66.69 crore in March 2008, an amount of Rs 32 crore was surrendered. The E-in-C stated (February 2009) that the works had not been taken up due to non-availability of reliable sources of water. The reply is not acceptable as the department should have ensured reliable water sources before taking up the scheme.
- Under rural sanitation programmes, the overall savings noticed were 67.90 per cent during 2004-08. An amount of Rs 27.76 crore was, however, surrendered during 2007-08 due to transfer of work to Panchayats.

### **3.1.6.3 Non-reconciliation of figures**

Financial rules require that departmental Controlling Officers should periodically reconcile departmental figures of expenditure with those booked by the Accountant General. It was found that there were discrepancies in departmental figures of allotment and expenditure compared to the figures appearing in the Appropriation Accounts for the period 2004-09, as detailed below:

**Table No. 3.4 Details of differences in figures of Departmental and Appropriation Accounts**

**There were differences of 40 per cent in expenditure figures of the department and of Appropriation Accounts.**

*(Rupees in crore)*

Year	As per Departmental Accounts		As per Appropriation Accounts		Variation of expenditure (per cent)
	Budget Allotment	Expenditure	Total Allotment	Expenditure	
2004-05	331.18	254.25	536.39	430.67	(+) 69.39
2005-06	505.91	453.02	696.33	631.22	(+)39.34
2006-07	511.93	363.40	677.91	553.48	(+)52.31
2007-08	826.56	691.04	1061.06	904.79	(+)30.93
2008-09	871.34	717.89	1194.13	952.49	(+)32.68
<b>Total</b>	<b>3046.92</b>	<b>2479.60</b>	<b>4165.82</b>	<b>3472.65</b>	<b>(+)40.05</b>

*(Source: figures intimated by E-in-C, PHED, and Appropriation Accounts compiled by A.G (A/E))*

Audit observed that there were variations of around 40 per cent in the expenditure figures of the department and those appearing in the Appropriation Accounts. The department made no efforts to set right these discrepancies.

### **3.1.6.4 Parking of funds under Civil Deposits**

**In order to avoid lapse of funds, Rs 43.31 crore was parked under 'Civil Deposits'.**

As per Rule 284 of the Madhya Pradesh Treasury Code, drawal of money in anticipation of demand and its retention in 8443-Civil Deposits to avoid lapse of funds is a serious financial irregularity. Audit noticed that a sum of Rs 43.31 crore<sup>5</sup> was drawn during 2005-07 and credited to 8443-Civil Deposits at the fag end of the respective financial years.

<sup>5</sup> 2005-06-Rs 30.00 crore (Released in January 2007) and 2006-07- Rs 13.31 crore (Released in January 2009).

On this being pointed out, the E-in-C replied that the funds had been received at the fag end of the year after re-appropriation and hence, it was impossible to incur the expenditure. Therefore, the amount was kept under Civil Deposit with the permission of the Finance Department for use in the subsequent year.

The reply is not acceptable because the funds could not be utilised even during the following financial years. The system of keeping unutilised amounts under Civil Deposit violated the essence of the budget procedure.

### ***3.1.6.5 Irregular drawals from the Contingency Fund***

As per Rule 61 of the General Financial Rules (GFRs), advances from the Contingency Fund can be obtained only for incurring unforeseen expenditure. The advances so drawn are to be recouped to the Consolidated Fund after obtaining authorisation from the legislature.

**Drawal of Rs 12 crore from Contingency Fund for committed expenditure was irregular.**

Audit scrutiny revealed that Rs 12 crore was drawn (January 2009) by the department from the Contingency Fund for paying salaries and allowances of daily wagers and work-charged staff of 36 divisions. These amounts being committed expenditure, could not be termed as ‘unforeseen expenditure’. Therefore, the drawal of Rs 12 crore from the Contingency Fund for salaries and allowances during 2008-09 was irregular. Besides, the advance had not been recouped till March 2009.

### ***3.1.6.6 Release of funds during the last week of March***

**Funds amounting to Rs 154.48 crore were allotted at the fag end of the financial years.**

As per paragraphs 4.153 to 4.155 of the MPWD Manual, final demands must be submitted by 25 January and surrenders should be made upto 25 February or upto 15 March of any year. Audit observed that the E-in-C made allotments of Rs 85.34 crore, Rs 39.69 crore and Rs 29.45 crore during the last 10 days of the financial years 2005-06, 2006-07 and 2007-08 respectively but the funds could not be utilised during the year.

In reply, the E-in-C stated (February 2009) that Rs 39.06 crore, Rs 69.59 crore and Rupees five crore were received on 30 March 2007, 29 February 2008 and 29 March 2008 respectively from the Government of India.

### ***3.1.6.7 Rush of expenditure***

**There was rush of expenditure ranging from 21 to 39 per cent at the fag end of the financial years.**

As per Rules 56 (3) and 69 of GFRs, expenditure against allotment should be incurred uniformly throughout the year. Rush of expenditure at the closing of the financial year is to be avoided.

Scrutiny of VLC<sup>6</sup> data for assessing expenditure on water supply works (excluding establishment) of the department, revealed that the expenditure

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<sup>6</sup> *Voucher Level Computerisation: Software used by the Accountant General (A&E), for compilation of accounts.*

during March ranged from 21 to 39 *per cent* as shown below:

**Table No.3.5: Year-wise details of rush of expenditure in the month of March**

*(Rupees in crore)*

Financial Year	Expenditure as per Appropriation Accounts <sup>7</sup>	Total expenditure for the year (VLC)	Expenditure in March (VLC)	Percentage of expenditure in March
2004-05	430.67	284.31	89.75	31.67
2005-06	631.22	418.61	139.91	33.42
2006-07	553.48	455.95	131.71	28.88
2007-08	904.79	740.47	288.04	38.89
2008-09	952.49	773.07	161.95	20.94

*(Source: Appropriation Accounts and VLC data provided by Accountant General (A/E), Bhopal)*

Further, the test check of eight divisions (**Appendix-3.1**) revealed the following:

- In Khargone division, out of total expenditure of Rs 4.08 crore during 2008-09 on 11 minor heads, 55.35 *per cent* was incurred during March 2009.
- In Katni division, out of the total expenditure of Rs 3.30 crore during 2008-09 on 12 minor heads, 34.29 *per cent* was incurred during March 2009.
- In Shahdol division, the expenditure during March 2008 on nine minor heads was 84 *per cent* of the total expenditure of Rs 1.93 crore during 2007-08. Further, out of the total expenditure of Rs 6.99 crore during 2008-09 under eight minor heads, 40.88 *per cent* was incurred during March 2009.
- In Chhatarpur, expenditure of Rs 3.60 crore (five minor heads) and Rs 1.55 crore (four minor heads) was incurred during March 2008 and March 2009 which was 55.57 and 47.76 *per cent* of the total expenditure.
- In Datia division, the expenditure during March 2008 and March 2009 was 67.48 *per cent* of the total expenditure for four minor heads and 57.61 *per cent* for two minor heads respectively.
- In Guna, the expenditure during March 2009 was 66.54 *per cent* of the total expenditure of Rs 61.04 lakh under three minor heads.
- In Raisen, the expenditure during March 2009 was 72.84 *per cent* of the total expenditure of Rs 1.45 crore under four minor heads.

The Executive Engineers (EE) of Chhatarpur, Katni, Khargone, Raisen and Datia stated (May 2009 to November 2009) that final allotments were received in the last two months of the financial year while the EEs, Shahdol and Guna did not offer any comments.

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<sup>7</sup> *The figures of Appropriation Accounts include expenditure on establishment also.*

### 3.1.6.8 Cash handling

**Tour advance of Rs 10.69 lakh remained unadjusted in 12 divisions.**

- As per the provisions of the MPWD Manual, officials handling cash/stores, are required to furnish security deposits for making good any loss or misappropriation. Test check, however, revealed that in four<sup>8</sup> divisions, this provision was not being adhered to.
- There was no provision in the MPWD Manual for granting tour advances from the Works cashbooks. In 12 test-checked divisions, it was noticed that a total amount of Rs 10.69 lakh<sup>9</sup> of tour advances granted from the Works cashbooks was lying unadjusted.
- As per paragraph 6.6.3 of the CPWA Code, cashbooks should be closed on the prescribed date, but when transactions are numerous, daily or weekly closing is recommended. In all the test-checked divisions, it was noticed that despite numerous transactions on daily/weekly basis, the cashbooks were being closed on monthly basis only.
- As per paragraphs 4.065 and 4.067 of the MPWD Manual, the CE/SE/EE may grant an imprest not exceeding two months' pay to any subordinate working under him for the purpose of making payments on account of the department. Audit noticed that in eight<sup>10</sup> divisions, subordinates were given reimbursement of expenditure incurred by them on imprest cash book forms, without sanction of imprest by the competent authority and without fixing any limit for expenditure.

### 3.1.6.9 Monthly reconciliation with treasury

As per paragraph 23.20.5 of the CPWA Code, the Schedule of Reconciliation of Cheques and Remittances in Form 51 is to be sent with the Monthly Accounts to AG (A&E) by Public Works divisions. Audit noticed that in 13 divisions, the figures were not reconciled and there were differences in remittances amounting to Rs 37.47 crore in Part-I (cash remittance) and

<sup>8</sup> Mechanical division, Bhopal; Narmada Division No.1 Bhopal, Indore, and Khargone.

<sup>9</sup> Mechanical division Bhopal: Rs 1.54 lakh, Chhatarpur: Rs 1.38 lakh, Datia: Rs 0.90 lakh, Guna: Rs 0.71 lakh, Hoshangabad: Rs 0.90 lakh, Indore: Rs 0.38 lakh, Jabalpur: Rs 1.16 lakh, Katni: Rs 0.08 lakh, Khargone: Rs 1.61 lakh, Raisen: Rs 0.05 lakh, Shahdol: Rs 1.04 lakh and Seoni: Rs 0.94 lakh.

<sup>10</sup> Mechanical Bhopal, Chhatarpur, Guna, Hoshangabad, Indore, Katni, Jabalpur, and Raisen.

Rs 5.08 crore in Part-II as detailed below:

**Table 3.6: Division-wise details of differences in remittances and cheques**

*(Rupees in lakh)*

Sl. No.	Name of Division	Difference in Remittance	Difference in Cheque
1	Mechanical Dn. Bhopal	416.27	136.28
2	Chhatarpur	1210.34	10.43
3	Datia	0.41	2.48
4	Guna	57.90	11.36
5	Hoshangabad	242.70	21.62
6	Indore	544.31	-5.73
7	Jabalpur	-17.83	257.24
8	Katni	274.13	6.18
9	Khargone	574.94	7.12
10	Raisen	174.37	12.91
11	Seoni	195.90	17.61
12	Shahdol	62.71	23.93
13	Vidisha	10.57	6.60
	<b>Total</b>	<b>3746.72</b>	<b>508.03</b>

Thus due to non-reconciliation of the differences with the treasury, the chances of fraud remaining undetected in respect of the unreconciled accounts of cheques issued and treasury remittances (cash) cannot be ruled out.

### **3.1.6.10 Status of accounts**

Preparation, updation and submission of accounts of the department in prescribed forms are governed by the provisions of the CPWA Code and the MPWD Manual. Maintenance of the prescribed records is essential for accounting controls.

Audit scrutiny of these records revealed the following.

**Maintenance of accounts was inadequate as forms of Works Accounts were not maintained properly and old balances remained unadjusted.**

- The Works Abstracts, (Form 33), showing transactions relating to each work during the month, were not being updated as per paragraph 10.5.1 of the CPWA Code in seven<sup>11</sup> divisions while Seoni and Hoshangabad divisions had discontinued this practice since March 2008 and December 2008 respectively without any reason.
- The Contractors' Ledgers, which were to be maintained as per paragraph 10.7.1 of the CPWA Code, were not being maintained since December 2004, August 2007 and September 2008 in Jabalpur, Hoshangabad and Raisen divisions respectively.
- Miscellaneous Works Advance (MWA) registers were to be maintained as per paragraph 13.4 of the CPWA Code. The items in the

<sup>11</sup> Narmada Division No.1 Bhopal, Chhatarpur, Datia, Guna, Jabalpur, Khargone and Vidisha.

MWA were to be cleared by actual recovery or by transfer under proper sanction or authority to the final heads of account. It was, however, noticed that in 12 divisions<sup>12</sup>, more than 2991 items valuing Rs 18.80 crore remained unadjusted since 1980.

- As per paragraph 7.3.7 of the CPWA Code, a consolidated account of the receipts, issues and balances of tools and plants should be maintained in the sub-divisional offices in Form 15 (Tools and Plant Ledger). Test check, however, revealed that in five<sup>13</sup> divisions, Form 15 was not being submitted by the sub-divisional offices to divisional offices since September 2008. Non-submission of tools and plants returns could result in pilferage and misuse of the tools and plants.
- Adjustment memos valuing Rs 4.14 crore<sup>14</sup> for 692 items received from the AG (A&E) against purchases made through the Director General of Supplies and Disposals had not been adjusted in seven divisions since 1971-72.

All the above deficiencies pointed towards weak budgetary and expenditure controls in the department.

### 3.1.7 Programme management

#### Execution

Targets for execution of various schemes are fixed by the E-in-C and the divisional offices execute the works. The observations of audit after the scrutiny of targets and achievements at the E-in-C's office for the last five years are discussed in the succeeding paragraphs.

#### 3.1.7.1 Accelerated Rural Water Supply Programme

As per a survey conducted in 2003, there were 1,26,310 habitations consisting of 19,607 not covered<sup>15</sup> and 31,376 partially covered<sup>16</sup> habitations, which were to be covered by 2007-08. The targets for drilling of tubewells under ARWSP were to be fixed by giving priority to the uncovered habitations. Audit,

<sup>12</sup> Mechanical Dn Bhopal: Rs 1.80 crore (items 32), Chhatarpur: Rs 0.43 crore (items-265), Datia: Rs 0.45 crore (items-154), Hoshangabad: Rs 0.96 crore (items- 221), Indore: Rs 0.15 crore(not available), Jabalpur: Rs 1.64 crore(not available), Katni: Rs 0.06 crore (5 items), Khargone: Rs 4.63 crore(items-506 ), Raisen: Rs 0.58 crore (items- 73), Seoni: Rs 4.86 crore (items- 1269), Shahdol: Rs 2.78 crore (items -311) and Vidisha: Rs 0.46 crore(items-57).

<sup>13</sup> Hoshangabad, Khargone, Raisen, Seoni and Vidisha.

<sup>14</sup> Mechanical Dn Bhopal: Rs 9.64 lakh (81 items -1971), Chhatarpur: Rs 95 lakh (15 items), Datia: Rs 0.40 lakh (4- items), Indore: Rs 0.07 lakh (2 items-1987), Khargone: Rs 274.18 lakh (498 items-2003), Seoni: Rs 31.42 lakh (90 items-1979) and Vidisha: Rs 3.98 lakh (2 items-1980).

<sup>15</sup> Not covered- where potable water supply is less than 10 litres per day per capita.

<sup>16</sup> Partially covered- where potable water supply is less than 40 litres per day per capita and more than 10 litres per day per capita.



however, noticed that in the case of partially covered habitations, the achievements were higher than the achievements under the habitations which were not covered, as detailed in the table below.

**Table No. 3.7: Status of habitations**

Year	Habitations	NC (in numbers)		PC (in numbers)	
		Target	Achievement	Target	Achievement
2004-05	126310	9673	5287	4327	5385
2005-06	126172	9000	6280	3807	9498
2006-07	126172	6821	5920	6373	7433
2007-08	126172	1777	1477	8223	8551
2008-09	127036	401	364	10341	10536
<b>Total</b>	-	<b>27672</b>	<b>19328</b>	<b>33071</b>	<b>41403</b>

(Source: Administrative reports of PHED)  
(NC: Un Covered; PC: Partially Covered)

The State Government had directed (August 2006) that all the not covered habitations must be covered by 01 April 2007 but the data shows otherwise. Thus by neglecting the Government's directives the uncovered habitations were deprived of safe drinking water. During the exit conference, while explaining the reasons, the E-in-C stated that uncovered habitations were located in remote areas and due to the gradual decline in water table, the status of some of the partially covered habitations changed to uncovered habitations. The reply is not acceptable since as per Government directives, priority was to be given to uncovered habitations.

### 3.1.7.2 Rural piped water supply schemes

**Rural piped water supply schemes were executed without ensuring reliable water sources.**

PHED executes rural piped water supply schemes (RPWSSs) in villages where permanent safe drinking water sources are not available. As per the guidelines of RPWSS issued by the State Government, proper survey was to be conducted for ensuring reliable water source before taking up the scheme. The RPWSS, *inter alia*, includes drilling of tubewells, laying and jointing of pipelines, construction of overhead tanks etc. After completion of the RPWSS works, PHED hands them over to the Gram Panchayats (GP) for maintenance. Under special circumstances, especially in cases of the source getting dry, the department creates new sources by drilling tubewells. On depletion of the water table, power pumps are installed in place of hand pumps.

The details of status of RPWSS executed by the department are as under:

**Table No.3.8: Status of Rural Piped Water Supply Schemes**

	Nos. of RPWSS	Closed RPWSS	Dried Sources	Percentage of closed RPWSS
December 2004	7749	1565	NA	20.20
December 2005	8146	1401	513	17.20
December 2006	8273	1246	327	15.06
December 2007	8338	1298	396	15.56
March 2009	8346	1276	531	15.29
Average	-	1357	-	16.66

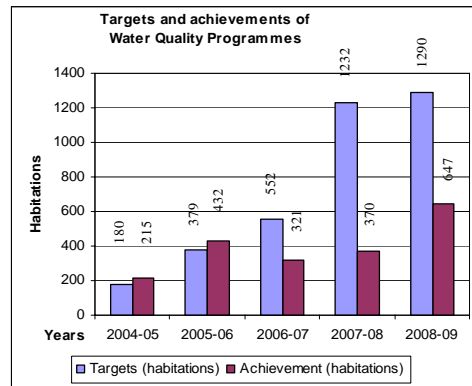
(Source: Administrative Reports of PHED)

Scrutiny revealed that 1767 RPWSS remained non-functional during 2004-09, mainly due to dried sources, indicating that these schemes were taken up without ensuring availability of reliable water sources.

During 2004-09, PHED created 1688<sup>17</sup> new sources for non-functional RPWSS due to dried sources at a cost of Rs 32.95 crore<sup>18</sup>, resulting in avoidable expenditure of Rs 32.95 crore.

### 3.1.7.3 Schemes for Water Quality affected Villages

**Abnormal delays in providing safe drinking water to quality affected habitations.**



The schemes involve supply of potable water to habitations having contaminated sources of water. Scrutiny of targets and achievements of the 'Fluorosis Control Programme'<sup>19</sup>, and 'Brackishness Control Programme'<sup>20</sup>, during the period 2004-09 revealed that the percentage<sup>21</sup> of achievement ranged between 30.03 and 119.44. It was also noticed that the achievements

were initially higher than the targets in 2004-05 and 2005-06 but reduced after 2006-07.

Audit scrutiny of the schemes under water quality affected habitations revealed the following:

- A group piped water supply scheme<sup>22</sup> conceived for supply of potable water to 74 fluoride affected villages of Jhabua district at a cost of Rs 4.61 crore was designed (2005-06) with the Mahi project as the source of water. Though PHED spent Rs 1.12 crore on laying and jointing of pipe lines for the group piped water supply scheme, the work on the identified source (Mahi project) of the water for the scheme was still in progress. Creation of infrastructure for the group water supply scheme without assured source of water rendered the expenditure unfruitful. The CE stated that the schemes were designed after written assurance from the Chief Engineer, Narmada Tapti Basin

<sup>17</sup> 2004-05: 248 nos., 2005-06: 349 nos., 2006-07: 201nos., 2007-08: 340nos., 2008-09: 550 nos. ie total 1688.

<sup>18</sup> 2004-05: Rs 135.24lakh, 2005-06: Rs 302.90lakh, 2006-07: Rs 98.82 lakh, 2007-08: Rs 977.32 lakh and 2008-09: Rs 1780.28 lakh.

<sup>19</sup> Schemes for supply of safe drinking water in habitations where fluoride is present in excess of 1.5 milligram per litre.

<sup>20</sup> Schemes for supply of safe drinking water in habitations where soluble salts are present in excess of 2000 milligram per litre.

<sup>21</sup> 2004-05: 119.44 per cent, 2005-06: 113.98 per cent, 2006-07: 58.15 per cent, 2007-08: 30.03 per cent and 2008-09: 50.16 per cent.

<sup>22</sup> A scheme for supply of drinking water to groups of habitations/ villages.

of the Water Resource Department (WRD) for providing source of water.

The reply is not acceptable as the scheme was to be taken up after ensuring availability of a reliable water source.

#### **3.1.7.4 Registration of contractors**

**There were irregularities in registration of contractors.**

Paragraph 2.099 of the MPWD Manual prescribes detailed criteria for ascertaining and assessing the professional and financial capacities of contractors. Only registered contractors are eligible to purchase tender documents and to participate in the tendering process.

Test check<sup>23</sup> of cases of registration of contractors revealed the following discrepancies:

- Registrations of contracting firms were not made on the basis of the required data viz. partnership deed, registration of service tax, PAN/TIN numbers; audited balance sheets, details of works executed in the past etc. They were made on the basis of experience certificates issued by private contractors. In one case, the E-in-C replied that the solvency of partners was treated as sufficient for registration. The CE, Indore Zone, replied that the requirement of the rules would be noted for the future.
- According to paragraph 2.100 of the MPWD Manual, yearly reviews of contractors' registrations were to be done by the department. Audit observed that no such review was being done. The E-in-C (March 2009) accepted the audit findings.
- In Shahdol, a Below Poverty Line applicant having monthly income of less than Rs 296 per month was registered as a contractor while CE, Indore Zone registered a contractor who had no rig for drilling works.

#### **3.1.7.5 Irregular acceptance of single tenders**

**Single tenders valuing Rs 14.05 crore were accepted during the first call, contrary to the codal provisions.**

As per paragraph 2.086 (2) and (4) (d) of the MPWD Manual, single tenders were not to be accepted in the first call. Audit scrutiny revealed the following:

- In six<sup>24</sup> divisions as well as Jabalpur circle and Jabalpur Zone, 332 single tenders for works aggregating Rs 14.05 crore were accepted in the first call and the works were awarded in violation of the provisions of the Manual.

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<sup>23</sup> E-in-C – 5 cases, CE Indore- 3, Shahdol -7.

<sup>24</sup> Chhatarpur: Rs 7.04 crore (129 tenders), Hoshangabad: Rs 1.22 crore (17 tenders), CE, Jabalpur: Rs 0.67 crore (9 tenders), SE, Jabalpur: Rs 1.29 crore (32 tenders), Jabalpur: Rs 0.85 crore (11 tenders), Katni: Rs 0.47 crore (22 tenders), Raisen: Rs 2.36 crore (98 tenders) and Vidisha: Rs 0.15 crore (14 tenders).

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- In three<sup>25</sup> divisions 100 pumphouses valuing Rs 29.05 lakh were procured by accepting 23 single tenders in the first call against the provisions of the Manual.

On this being pointed out by Audit, EEs, Hoshangabad, Jabalpur and Katni stated (April 2009 to July 2009) that the tenders had been accepted by the competent authorities. The EE, Vidisha stated that the tenders were published openly but no other agency existed for the work of hydrofracturing.

It was also noticed that in 49 cases, 17 contractors quoted the same rates by forming pairs for each work, thus defeating the very purpose of tendering as detailed in **Appendix-3.2**.

### Deposit works

PHED also executes water supply and sewerage treatment schemes as deposit works for local bodies and other departments. Audit scrutiny revealed the following:

#### 3.1.7.6 Excess expenditure over deposit work

Paragraph 4.167 (f) of the MPWD Manual stipulates that expenditure in excess of deposits may be incurred only with prior approval of the Government. In three divisions, an amount of Rs 3.84 crore<sup>26</sup> was spent irregularly in excess of the deposit without the prior approval of the Government.

#### 3.1.7.7 Accelerated Urban Water Supply Programme

The department executes drinking water supply schemes under the Accelerated Urban Water Supply Programme (AUWSP) with Central assistance and the State's share in urban areas of the State. The status of schemes under AUWSP are detailed below:

**Table No. 3.9: Status of schemes under AUWSP**

Year	Schemes at the beginning of the year	Schemes taken up during the year	Schemes completed during the year	Schemes under progress at the end of year	Expenditure incurred (Rupees in crore)
2004-05	75	16	06	85	58.11
2005-06	85	22	10	97	100.91
2006-07	97	01	26	72	12.68
2007-08	72	0	18	54	63.26
2008-09	54	0	22	32	70.17

(Source : Information provided by E-in-C, PHED)

<sup>25</sup> Hoshangabad: Rs 14.00 lakh (58 nos), Khargone: Rs 6.6 lakh (15 nos.) and. Seoni: Rs 8.45 lakh (27 nos.).

<sup>26</sup> Indore: Rs 0.14 crore, Seoni: Rs 3.62 crore and Shahdol: Rs 0.08 crore.

Unauthorised changes in the scope of work resulted in extra cost of Rs 38.57 lakh.

### **3.1.7.8 Barela Water Supply Augmentation Scheme**

The Barela Water Supply Augmentation Scheme for Barela town in Jabalpur district, designed for meeting a total demand of 1.32 MLD water upto 2031, was administratively approved (February 2005) by the CPHEEO for Rs 1.88 crore. Audit scrutiny of the scheme revealed the following:

➤ ***Extra cost due to unauthorised changes in scope and design of works***

As per a condition in the sanction, any change in scope/ objective/ design or estimate was to be intimated for obtaining fresh/ revised approvals. The department, however, changed the source of water on finding it to be contaminated by animal excreta from dairies. Further, the site for the water treatment plant was also shifted.

These changes resulted in enhancement of the cost of the project from Rs 1.88 crore to Rs 2.26 crore and the division executed the works without revised approval from the CPHEEO. Thus the execution of these unauthorised works resulted in an extra cost of Rs 38.57 lakh.

In reply, the EE stated (July 2009) that a revised estimate had been submitted (May 2007) to the CE for sanction and the sanction was awaited. The reply is not acceptable as the department should have prepared estimates after duly considering of all the factors for supply of safe drinking water.

## **3.1.8 Other points of interest**

### **3.1.8.1 Cases of fictitious and doubtful payments**

Audit of records of the Sub-Divisional Officer (SDO), Sleemnabad for the period March 2007 to June 2009 revealed the following:

Amount of Rs 4.80 lakh was paid as temporary advance on simple receipts without passed vouchers.

➤ **As per paragraph 6.6.12 of the CPWA Code, temporary advances are given by disbursing officers to subordinate officers for making payments against passed vouchers. Scrutiny of the cash book revealed that on the date of his retirement (30 June 2009), the SDO issued temporary advances of Rs 4,79,640 to two subordinate officers on simple receipts (each below Rs 5,000) without passed vouchers. The advance was lying unadjusted as of 13 August 2009, indicating fictitious payment of Rs 4.80 lakh.**

➤ As per paragraph 2.086 (5) (c) of the MPWD Manual, works may be taken up departmentally with the permission of the competent authority if suitable tenders are not received in two calls. It was noticed that during March 2007 to June 2009, the SDO- Sleemnabad departmentally executed the works of 32 RPWSS by engaging labourers without approval of the competent authorities and made payments of Rs 1.55 crore (**Appendix-3.3**) through vouchers below Rs 5000 and hand receipts below Rs 500 to avoid sanction of the higher authorities. Detailed scrutiny revealed the following:

### 3.1.8.2 Inflated progress of works

Payments of Rs 68.31 lakh were made without actual execution of works.

The works of 32 RPWSS were taken up departmentally by engaging labourers. Scrutiny of paid vouchers revealed that the value of works was inflated<sup>27</sup> to the extent of Rs 68.31 lakh under 27 RPWSS (**Appendix-3.4**). The cost of works was inflated due to following:



View of pipeline laid in existing drain of cement concrete road in village Khamha for which cutting of cement concrete road was shown. (Spot: main road Khamha village, August 2009)

- The actual number of labourers engaged for supply of drinking water, watchmen etc. was included in the works, for which Rs 21.93 lakh was paid under 23 RPWSS<sup>28</sup> although these items were not provided in the sanctioned estimates.
- In 20 RPWSS<sup>29</sup>, the rate of moorum bedding was incorrectly taken as Rs 155 per cu.m against the prescribed rate of Rs 17 per cu.m, thereby inflating the value of works by Rs 20.62 lakh.
- Excavation in hard rock at the rate of Rs 210 per cu m was shown under the works, despite the strata being composed of moorum mixed with boulders for which the prescribed rate was Rs 114 per cu.m, thereby inflating the value of work done by Rs 9.82 lakh in 10 RPWSS<sup>30</sup>.
- In five<sup>31</sup> RPWSS, value for refilling was shown at Rs 55 per cu.m against the payable rate of Rs 11 per cu.m as per the provisions of USR. This inflated the value of work by Rs 7.78 lakh.

<sup>27</sup> Calculated by reducing 9.09 per cent for execution of departmental work as per General Note -14 of USR (w.e.f 01-09-2002), and addition of 30 per cent of tender per cent as per current market rate for similar works in the division.

<sup>28</sup> Bachaiya, Barehata, Berkhedha, Bohariband, Bohariya, Chhapara, Chargawan, Devri, Dhoori, Gauraha, Goonda, Gudri, Khamaria, Kachargaon, Khamtara, Khamara (Bohari band), Khirhani, Mohtara, Pachpedi, pipariya Shukla, Sihundi, Sunkai and Thirri.

<sup>29</sup> Bachhiya, Barehata, Bohariband, Chargawan, Chhapara, Dhoori, Gauraha, Gudri, Gunda, Kachargaon, Khamha, Khamariya, Khamtara (Dheemerkhedha), Khirhani, Mohetara, Pachpedi, Pipariya Shukla, Sihundi, Sleemnanabad and Sunkui.

<sup>30</sup> Barheta, Bihariya, Devri, Goonda, Kachargaon, Khamha, Pipaliya Shukla, Pondi kala, Thirri and Sleemnabad.

<sup>31</sup> Barkhedha, Chapara, Chargawa, Khamtara (B'band) and Mohtara.

- Refixing of stone set in cement mortar at Rs 41 per sq.m was shown without actual purchase of cement, resulting in inflated value of Rs 5.53 lakh under eight RPWSS.

### **3.1.8.3 Doubtful payments**

- The order for laying and jointing of a pipeline for the Antarveda RPWSS was issued on 10 June 2008. The contractor was paid Rs 2.13 lakh but Rs 3.42 lakh was also spent on repair of leakage during 21 June 2008 to April 2009 without recording measurements in the MB, which pointed towards fictitious payment.
- The work of laying and jointing including testing of pipeline in Khamaria RPWSS was awarded to a contractor in August 2008. The contractor was paid Rs 1.15 lakh in March 2009. The same work was also shown to have been executed departmentally at a cost of Rs 6.70 lakh, which appeared to be doubtful.

Thus the failure of prescribed checks and monitoring from SDO level onwards led to fictitious and doubtful payments. The matter was reported (September 2009) to the Government. During the exit conference, the Principal Secretary, PHED stated that action was being taken.

### **3.1.8.4 Non-recovery of supervision charges**

**Supervision charges of Rs 88.03 lakh were not levied for non-governmental works.**

As per paragraph 2.164 of the MPWD manual, supervision charges at prescribed rate are leviable for every non-governmental work. Accordingly E-in-C directed (February 2000) that supervision charges of six *per cent*<sup>32</sup> are to be levied on execution of deposit works.

Scrutiny (May 2009 to July 2009) of the records of three<sup>33</sup> divisions revealed that supervision charges to the extent of Rs 88.03 lakh were not levied, resulting in loss to Government. The EEs in reply, assured (May 2009 and July 2009) to recover the supervision charges in future.

Thus the inadequate planning for execution of scheme besides weak operational controls and contract management not only resulted in unrealistic estimation but also in excess/inadmissible/doubtful payments.

**Stock accounts were not compiled and submission of the material-at-site account was discontinued. Material valuing Rs 19.72 crore was lying unutilised.**

## **3.1.9 Stores management**

### **3.1.9.1 Stores**

A sound system of stores management involves efficient planning of purchase requirements, economic procurement, control over issues, timely accounting and safe physical custody. Acquisition, custody and disposal of stores in

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<sup>32</sup> 3.5 per cent W.C expenditure, 1.5 per cent tools and plants Charges and one per cent Audit Charges.

<sup>33</sup> Indore: Rs 31.00 lakh, Jabalpur: Rs 7.52 lakh and Shahdol: Rs 49.51 lakh.

PHED are governed by the provisions of the MPWD Manual, Stores Purchase Rules and the CPWA Code. As per the CPWA Code, the cost of material purchased or received by the Central Store of division is to be posted as a debit entry under the head 'Stock' (Suspense) and issued to various sub-divisions through the Stock Register. The sub-divisions, in turn, are to issue materials through their Stock Registers to Sub Engineers (S/E) who are in charge of actual execution at the various sites. The material received is to be entered into the material-at-site (MAS) accounts of the S/Es. The S/Es are to issue material for various works from the MAS account as per requirements. The actual consumption from the MAS account is to be reported by the S/Es to the sub-divisions and by the sub-divisions to the divisions, which should then clear 'Stock' (Suspense) by the amount of consumption with a credit entry. If material is issued to another division/ department, 'Stock' (Suspense) is to be adjusted by a minus debit entry. Therefore, the accumulated debits in 'Stock' (Suspense) in divisional accounts represent the value of physical stock-in-hand in the divisions and the total balances thereof represent the stock available in the department. Thus the stock accounting head is the cornerstone of the control system for custody of stock.

The abovementioned system was, however, discontinued by stopping the allotment under 'Stock' (Suspense) head since March 2000 as per orders of the State Government, due to recording of excessive expenditure over the budget allotment under the suspense head.

Audit scrutiny revealed following:

- As per paragraph 7.2.29 of the CPWA Code, stock accounts (Form 9 and 10) should be compiled monthly, but in six divisions<sup>34</sup>, the stock accounts were not being compiled regularly since March 2004. Further, physical verification and surprise check of stock were not being done in five divisions<sup>35</sup>.
- In eight divisions, the balances of stock accounts valuing Rs 1.88 crore<sup>36</sup> were not cleared even after a lapse of nine years.
- In all the seven divisions<sup>37</sup> of the Mechanical Wing of PHED, material valuing Rs 8.45 crore was lying unutilised for more than three years.

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<sup>34</sup> Hoshangabad: 03/2004, Jabalpur: 09/2008, Khargone: 09/2008, Seoni: 09/2008, Shahdol: 08/2008 and Vidisha: 05/2007.

<sup>35</sup> Datia, Hoshangabad, Indore, Katni and Shahdol.

<sup>36</sup> Capital Proj.Dn No.2 Bhopal: Rs 33.47 lakh, Mech. Dn. Bhopal Rs: 27.37 lakh, Chhatarpur: Rs 3.39 lakh, Datia: Rs 20.25 lakh, Guna: Rs 6.98 lakh, Jabalpur Rs 80.15 lakh, Khargone: Rs 7.37 lakh and Vidisha: Rs 8.78 lakh.

<sup>37</sup> Bhopal, Gwalior, Indore, Jabalpur, Rewa, Sagar and Ujjain.



- In four civil divisions, material valuing Rs 3.79 crore<sup>38</sup> was lying unutilised. The EE, Jabalpur stated that the stock was transferred (October 2008) from Project Division, Jabalpur and the CE /SE had been requested (December 2008) to issue instructions for disposal.

**3.1.9.2** As per the new system, material is to be purchased as per actual requirement of the works by directly charging the cost of material to the works. Accordingly, material is to be accounted for in the MAS account by maintaining separate work-wise/ scheme-wise MAS. It was, however, observed that the procured material was still being routed either through divisions or sub-divisions as per the erstwhile stock procedure by operating the suspense account. The material was accounted for by preparing separated MAS for RPWSS and handpumps at the divisional and sub divisional level instead of work-wise MASs. The S/Es did not maintain work-wise MASs. Further scrutiny revealed the following:

- Material valuing Rs 7.48 crore<sup>39</sup> was lying unutilised in the MAS accounts of seven divisions, which included 9299 m of Ductile Iron Pipes (100mm) out of 11793 m purchased (September 2008) at a cost of Rs 79.32 lakh by Shahdol division and GI pipes (125mm) of 5014 m valuing Rs 42.29 lakh purchased by Chhatarpur division in February 2008. Further, seven articles (GI and UPVC<sup>40</sup> pipes of different dia) valuing Rs 50.27 lakh remained idle in Chhatarpur division for more than one year.
- In seven divisions<sup>41</sup>, the submission of the MAS account was discontinued by the sub-divisions, while the S/Es of Shahdol division and two S/Es of sub-division Sleemnabad of Katni division submitted the MAS upto March 2009. Moreover in two sub-divisions of Hoshangabad division (Suhagpur and Seoni-Malwa sub-divisions), even the maintenance of the MAS accounts was discontinued. The non-submission/ non- maintenance of the MAS accounts could result in non- verification of actual consumption. Besides, the possibility of pilferage, theft etc. also could not be ruled out.
- As per paragraph 10.3.14 of the CPWA Code, the balances of unused material charged directly to works was to be verified at least once in a year. Audit scrutiny in seven divisions<sup>42</sup> revealed that no such verification of balance material shown in the MAS account was being done since November 2007.

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<sup>38</sup> *Indore: Rs 0.09 crore (03/2000), Jabalpur: Rs 3.52 crore received on transfer in 10/2008, Katni: Rs 0.06 crore and Shahdol: Rs 0.12 crore (03/2004).*

<sup>39</sup> *Chhatarpur: Rs 156.50 lakh, Datia: Rs 108.44 lakh, Indore: Rs 17.55 lakh, Khargone: Rs 133.00 lakh, Raisen: Rs 103.53 lakh, Shahdol: Rs 200.00 lakh and Vidisha: 29.00 lakh.*

<sup>40</sup> *UPVC – Unplasticised Poly Vinyl Chloride, PVC- Poly Vinyl Chloride.*

<sup>41</sup> *Hoshangabad-08/2008, Indore- 05/2008, Jabalpur -07/2008, Khargone- 08/2008, Raisen -08/2008, Seoni- 03/2006 and Vidisha- 09/2008.*

<sup>42</sup> *Hoshangabad (03/2008), Indore (05/2008), Jabalpur (06/2008), Katni (08/2008), Khargone (05/2008), Seoni (06/2008) and Vidisha (11/2007).*

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Thus due to non-operation of the ‘Stock’ (Suspense) head, the prescribed controls for ensuring proper assessment, procurement, issue, accounting, custody and safety of stock could not be checked in audit.

### **3.1.9.3 Material lying with contractors**

**Material costing Rs 98.09 lakh was lying with contractors.**

As per provisions of the standard agreement, material lying unutilised with contractors was required to be returned by them and any shortages thereon were to be charged at double the issue rate or market rate, whichever was higher. Audit scrutiny revealed that in two divisions<sup>43</sup>, material costing Rs 98.09 lakh was lying with contractors pending final adjustment since 1995-96, and as such, the chances of recovery as per codal provisions appeared remote.

### **3.1.9.4 Non-issue of indents from divisional offices**

**Indents were not issued under proper authorities.**

As per paragraph 7.2.10 of the CPWA Code, indents should be printed in the form of booklets with machine-numbered pages and kept in safe custody of Divisional Officers, who were to issue the indent books stamped with the stamp of their office to the sub-divisional offices. It was however, noticed in three divisions<sup>44</sup> that during issue of material under the new MAS system, indent books purchased directly from the market were being used without any control by the division office. Thus the chances of pilferage of stores on invalid indents could not be ruled out.

### **3.1.9.5 Irregular procurement of unreserved items from Madhya Pradesh Laghu Udyog Nigam**

**Pipes worth Rs 7.59 crore were procured without inviting tenders.**

As per Annexure-B to Rule 14 of the MP Stores Purchase Rules (MPSPR), PVC/ UPVC pipes and fittings are not reserved items for procurement from MPLUN. However, PVC/ UPVC pipes of various diameters worth Rs 7.59 crore<sup>45</sup> at USR rates were purchased during September 2007 and December 2008 directly from MPLUN without inviting tenders (**Appendix-3.5**). This resulted in irregular procurement of unreserved items.

### **3.1.9.6 Irregular procurement of unreserved items from Madhya Pradesh State Consumer Co-operative Federation**

**Unreserved items of Rs 2.68 crore were purchased without inviting tenders.**

As per Rule 2 of Appendix 5 to Madhya Pradesh Financial Code Vol-II, tenders should be invited for all purchases provided that the items are not reserved for purchase through MPLUN. Further, Rule 14-E of MPSPR provides that articles mentioned in Annexures 1 and 2 (office stationery and office equipment) should be purchased directly from MPCCF<sup>46</sup> without inviting tenders.

<sup>43</sup> Hoshangabad: Rs 0.38 lakh (1995-96) and Khargone: Rs 97.71 lakh (2004-05).

<sup>44</sup> Chhatarpur, Katni and Khargone.

<sup>45</sup> As per the purchase orders given by the E-in-C.

<sup>46</sup> Madhya Pradesh State Consumer Co-operative Federation.

Audit scrutiny revealed that in six divisions, articles not included in Annexures 1 and 2 valuing Rs 2.68 crore<sup>47</sup> were purchased directly from MPCCF, without inviting tenders.

### **3.1.9.7 Irregular procurement of unsuitable articles**

As per Rule 14 of the MP Financial Code Volume-I, purchases should be made only after assessment of definite requirements. Further, as per paragraph 4.079 of the MPWD Manual, it would be the personal responsibility of the S/E and SDO to verify that the materials received are as per the specifications.

**Unsuitable items valuing Rs 23.45 lakh were purchased.**

During scrutiny of records of CE, PHED Mechanical Zone Bhopal, it was found that unsuitable hammers and button bits valuing Rs 15.35 lakh and Rs 8.10 lakh respectively were procured through MPLUN for departmental rigs, resulting in unfruitful expenditure of Rs 23.45 lakh.

On this pointed out in audit CE, Mechanical Zone, Bhopal assured that action would be taken after obtaining reports from the concerning EEs.

### **3.1.9.8 Non-revision of Unified Schedule of Rates**

**Unified Schedule of Rates of water supply had not been amended since September 2002.**

As per paragraph 2.029 (c) of the MPWD Manual, the rates of Unified Schedule of Rates (USR) should be revised from time to time. It was, however, noticed that the USR for the work of 'water supply and sewerage pipelines' effective from 1<sup>st</sup> September 2002 had not been amended as of November 2009. The rates of USR for construction of tubewells and allied works effective from 17 May 2002 were revised on 25 July 2008.

Audit scrutiny revealed that although PHED was executing the work of cleaning of silt, slush, garbage etc of sewer lines, manholes and sewer treatment plants, there were no rates in the USR for such works. It was noticed during test check of Capital Project Division -2, Bhopal, that the rate for item 12.2 (USR-Pipeline) for excavation of pipe trench at Rs 102 per cu.m was applied for these works without rate analysis, despite the fact that the rate included components for dressing, watering and ramming, resulting in inadmissible payment of Rs 5.76 lakh during 2008-09.

### **3.1.9.9 Execution of non-unified Schedule of Rate items**

**Execution of non- unified Schedule of Rate items of Rs 5.47 lakh was observed in Seoni division.**

As per paragraph 2.027 of the MPWD Manual, if there is no relevant scheduled rate in the USR for a particular item of work or the rate is not considered suitable or sufficient, the deviation should be explained in detail and supported by an analysis. It was, however, noticed that an item of horizontal drilling of bore of 100 mm dia upto 30 m length for recharging dug well at a cost of Rs 5.47 lakh was executed in Seoni division without detailed analysis although this item was not provided in USR.

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<sup>47</sup> Chhatarpur: Rs 90.63 lakh, Hoshangabad: Rs 59.63 lakh, Katni: Rs 34.87 lakh, Raisen: Rs 5.43 lakh, Shahdol: Rs 31.34 lakh and Vidisha: Rs 46.16 lakh.

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### 3.1.10 Human Resource Management

The position of staff in the various cadres of PHED are detailed below:

**Table No.3.10: Cadre-wise position of staff (as on January 2009)**

Class	Sanctioned	Persons in position	Vacant (-) /Excess(+)
Class I	120	142	(+) 22
Class II	1538	1447	(-) 91
Class III	3524	4097	(+) 573
Peon	483	879	(+) 396
Daily wages	6804	6804	0
Work-charged – Class-III	3874	3707	(-)167
Work-charged – Class-IV	5087	4830	(-) 257

(Source : Information provided by E-in-C, PHED)

Persons-in-position for Class-I and Class-III were more than the sanctioned strength.

Audit scrutiny revealed the following:

- Out of the persons-in-position in the office of five Superintending Engineers (SEs) of the Mechanical Wing, none was given charge of a circle, as mechanical circles were not in existence. This resulted in non-utilisation of available officers.
- There was a working strength of 4097 Class III posts against the sanctioned 3524, resulting in a net excess of 573 officials<sup>48</sup> in that cadre.
- Capital Project Division No.2, Bhopal was entrusted with the work of cleaning and maintenance of the 93.60 km sewer line of Bhoj Wetland Project (Bhopal), 20 sewer pump houses, 5500 manholes and four sewer treatment plants. It was noticed that against the required, 280 sweepers, only 92 work-charged and daily wagger sweepers were posted. The department also failed to mechanise the system as envisaged in the Employment of Manual Scavenger and Construction of Dry Latrines (Prohibition) Act, 1993<sup>49</sup>.

#### 3.1.10.1 Expenditure on salaries and wages of staff working in local bodies

Expenditure on salaries of staff working in local bodies was being borne by the department.

There were seven EEs, 24 AEs and 344 Class–III and IV staff of PHED working with local bodies. Audit scrutiny revealed that five divisions of the Indore Zone of PHED, and the PHE Division Jabalpur were incurring Rs 19.77 crore<sup>50</sup> per year from 1998 on salaries and allowances for running and maintaining the water supply systems of local bodies and the expenditure incurred by PHED was not being refunded by the local bodies.

<sup>48</sup> Excess (712)- Assistant Grade III-337 and Tracer– 293, Assistant DM -19 ,DM- 53, and chief DM-10; Shortage(139)- Circle supt. – 08, Asst. Gr. II-73, Steno Gr.III-01, Handpump Tech. -57.

<sup>49</sup> No personnel shall engage in or employ for or permit to engage any other person for manually carrying human excreta or construct or maintain a dry latrine.

<sup>50</sup> Chhatarpur- (Rs 147 lakh), Dhar- (Rs 130.92 lakh), Badnagar- (Rs 39.36 lakh), Khachrod- (Rs 56.62 lakh) and Tarana- (Rs 11.40 lakh), Guna (Rs 63.80 lakh), Indore Division No.2 –3(Rs 807.00 lakh), Jabalpur (Rs 147.83 lakh) and Mandleshwar (Rs 572.73 lakh).

### **3.1.11 Internal control and monitoring**

#### **3.1.11.1 Internal audit**

There was no internal audit wing in the department. However, inspections of division offices were conducted by the staff under CE/SE. There were auditors posted in the division for concurrent audit, but scrutiny revealed that no inspection notes had been issued by the auditors in five<sup>51</sup> divisions since December 2008. In Khargone division, they had not been issued from May 2008.

#### **3.1.11.2 Inspection of offices by higher authorities**

**Regular supervision by Chief Engineer/senior officers was not done.**

Inspection of divisional offices was not being done regularly by the SE. Even the EEs and Divisional Accounts Officers were not supervising the sub-divisions regularly. Further, out of 15 divisions test-checked, 12 divisions<sup>52</sup> had not visited by the CEs and in three<sup>53</sup> other divisions, supervision by higher officers was not done for periods exceeding one year.

This indicated that the working of subordinate offices was not being properly monitored by the higher authorities.

### **3.1.12 Conclusion**

Deficiencies in budget and expenditure management resulted in persistent savings due to non-achievement of targets. Funds were drawn at the fag end of the financial years to avoid lapse. Reconciliation was deficient. There were instances of faulty planning, lack of control in execution of schemes and incorrect estimation. There were irregularities in the tendering process. Works were executed without inviting tenders and instances of acceptance of single tenders were noticed. The performance of RPWSS was poor due to lack of an effective maintenance mechanism and the department had to incur expenditure on operation and maintenance of the schemes. There was abnormal delay in providing safe drinking water in quality-affected habitations. Due to non-operation of the 'Stock' (Suspense) head, the prescribed controls for ensuring proper assessment, procurement, issue, accounting, custody and safety of stock were absent. There was huge accumulation of stock and no proper effort by the department for its clearance. Material-at-site accounts were not being submitted regularly by the sub-divisions resulting in leakages. Monitoring of the implementation of water supply programme was not adequate.

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<sup>51</sup> *Narmada Project Bhopal, Hoshangabad, Jabalpur, Seoni and Vidisha.*

<sup>52</sup> *Capital Project Dn.2, Bhopal, Mechanical Bhopal, Narmada Project Div. No.1, Bhopal, Chhatarpur (03/2006), Guna, Indore, Jabalpur, Katni, Raisen, Seoni, Shahdol, and Vidisha.*

<sup>53</sup> *Datia (08/2008), Hoshangabad (March 2007) and Khargone (February 2008).*

**3.1.13 Recommendation**

- Transactions of temporary advances and imprest accounts should be monitored closely by the controlling offices.
- Physical targets should be fixed after assessing the capacity of the executing units and synchronised with the financial outlays.
- Block-wise serial numbers should be allotted for each tubewell drilled and tubewells with submersible pumps for identification.
- Surface water sources should be explored for augmenting the water supply instead of groundwater in view of the depleting water table.
- Inventory management should be streamlined for better control and transparency. The possibility of computerising inventory can be explored.
- The Management Information System for ascertaining the status of habitations should be streamlined.
- Monitoring and evaluation of the water supply schemes should be made effective to achieve the goals.

**Gwalior  
The**

**(SANAT KUMAR MISHRA)  
Principal Accountant General  
(Civil and Commercial Audit)  
Madhya Pradesh**

**Countersigned**

**New Delhi  
The**

**(VINOD RAI)  
Comptroller and Auditor General of India**

## Appendix-1.1

(Reference: Paragraph 1.1.5, Page 4)

## List of selected districts, CHCs, PHCs and SHCs

	District		CHC		PHC		SC		
1	Betul	1	Prabhat pattan	1.	Masod	1.	Majari		
				2.	Amravati Ghat	2.	Shirdi		
		2	Ghodadongri	3.	Dehri Aamdana	3.	Tiwarkhed		
				4.	Hirapur	4.	Amravati Ghat		
				5.	Bhaura	5.	Jholi No. 2		
						6.	Rampur Bhatodi		
		6.	Bijadehi	7.	Batkidoh				
				8.	Chopna				
		2	Bhind	4	Mehgaon	9.	Dhapada	9.	Dhapada
						10.	Ano	10.	Shalimet
				5	Gohad	11.	Alampur	11.	Dodramau
						12.	Barha	12.	Kajali
13.	Tumda					13.	Konhar		
						14.	Birganwa		
6	Lahar			15.	Bharoli	15.	Bharoli		
				16.	Baraso	16.	Baraso		
3	Bhopal			7	Gandhi Nagar	17.	Nenoli	17.	Nenoli
						18.	Guhisar	18.	Guhisar
						19.	Ano	19.	Ano
				8	Berasiya	20.	Barona	20.	Barona
		21.	Alampur			21.	Alampur		
		22.	Badagaon			22.	Badagaon		
		4	Dhar	9	Tirla	23.	Jamuha	23.	Barha
						24.	Jamuha	24.	Jamuha
				10	Bakaner	25.	Tumada	25.	Tumada
						26.	Khajuri Sadak	26.	Khajuri Sadak
						27.	Tilakhedi	27.	Tilakhedi
				11	Manawar	28.	Kodiya	28.	Kodiya
29.	Ratanpur					29.	Ratanpur		
30.	Dipadi					30.	Dipadi		
4	Dhar			10	Bakaner	31.	Gunga	31.	Gunga
		32.	Dillod			32.	Dillod		
		11	Manawar	33.	Barkhera Baramad	33.	Barkhera Baramad		
				34.	Semrakala	34.	Semrakala		
		23.	Karoli	35.	Dungariya	35.	Dungariya		
				36.	Damkheda	36.	Damkheda		
4	Dhar	9	Tirla	37.	Mohanpura	37.	Mohanpura		
				38.	Padlya	38.	Padlya		
		10	Bakaner	39.	Surani	39.	Surani		
				40.	Lawani	40.	Lawani		
		21.	Kali Bawadi	41.	Balipur	41.	Balipur		
				42.	Ahirwas	42.	Ahirwas		
22.	Singhana	43.	Balipur	43.	Balipur				
		44.	Borud	44.	Borud				
23.	Karoli	45.	Ekalwada	45.	Ekalwada				
		46.	Karoli	46.	Karoli				

	District		CHC		PHC		SC		
5	Gwalior	12	Dabra	24.	Pichhore	47.	Pichhore		
				48.	Akbai				
		13	Bhitarwar	25.	Kariyawati	49.	Kariyawati	50.	Salwai
						51.	Gohinda		
				26.	Mohangarh	52.	Kerua		
						53.	Antari		
		14	Mohna	27.	Antari	54.	Bharthari		
						55.	Panihar		
				28.	Barai	56.	Raipur Khurd		
						29.	Kuleth	57.	Tighra
6	Indore	15	Depalpur	58.	Odpura	59.	Ghirota		
				60.	Chhadoda				
		16	Manpur	30.	Gautampura	61.	Daulatabad		
						31.	Betma	62.	Methwada
				32.	Hasalpur	63.	Rajpura Kutti		
						64.	Kamadpur		
		17	Sanwer	33.	Gauli Palasiya	65.	Dharnaka		
						66.	Tihi		
				34.	Kshipra	67.	Budi Barlai		
						68.	Guran		
35.	Dakachya	69.	Mangaliya						
		70.	Kadwali Bujurg						
7	Khargone	18	Bhikangoan	71.	Rodia				
				72.	Anjangoan				
		19	Badwah	36.	Rodia	73.	Bitnera		
						74.	Khudgoan		
				37.	Andarh	75.	Tharbar		
						76.	Balwada		
		20	Zirnia	38.	Balwada		No SHC		
						39.	Badud		No SHC
				40.	Shivna	77.	Shivna		
						78.	Kharba		
41.	Royalbeda	79.	Helapbada						
		80.	Titrelniya						
8	Mandla	21	Nainpur	81.	Gaura Chhapar				
				82.	Makke				
		22	Narayanganj	42.	Pathasihora	83.	Surkhhi		
						84.	Bhadia		
		23	Bichhia	43.	Bharveli	85.	Babalia		
						86.	Sajpani		
				44.	Babalia	87.	Kudela		
						45.	Sijhaura	88.	Rajo
46.	Anjania	89.	Anjania						
		90.	Bokar						



	District		CHC		PHC		SC
9	Morena	24	Pahargarh	47.	Pachkhora	91.	Bharra
				48.	Bara	92.	Chinnoni
				49.	Devgarh	93.	Vishneri
				50.	Sumawali	94.	Tilawali
		25	Jaura	49.	Devgarh	95.	Bagchini
				50.	Sumawali	96.	Khadoli
				51.	Banmore	97.	Ata
				52.	Nayakpura	98.	Sumawali
		26	Noorabad	51.	Banmore	99.	Chhonda
				52.	Nayakpura	100.	Pahadi
						101.	Jhkhonagadi
						102.	Garoda
10	Raisen	27	Udaipura	53.	Kuchwara	103.	Noor Nagar
				54.	Ketoghan	104.	Nonia Bareli
				55.	Khargone	105.	Naya Gaon
				56.	Bari	106.	Bhadon
		28	Bareli	55.	Khargone	107.	Rajwara
				56.	Bari	108.	Udaigiri
				57.	Sultanganj	109.	Bari Khurd
		29	Begumganj	57.	Sultanganj	110.	Bari Kalan
						111.	Bamhori
						112.	Nai Garia
11	Shahdol	30	Singhpur	58.	Majhgawan	113.	Majhgawan
				59.	Bamhauri	114.	Chunia
				60.	Devlond	115.	Karkati
				61.	Budawa	116.	Dhanaura
		31	Beohari	60.	Devlond	117.	Bhanni
				61.	Budawa	118.	Bansagar
				62.	Rasmohini	119.	Budawa
				63.	Keshwahi	120.	Saman
		32	Budhar	62.	Rasmohini	121.	Bhatiya
				63.	Keshwahi	122.	Bokaramar
						123.	Khamhidol
						124.	Kudeli
12	Ujjain	33	Ghatia	64.	Panbihar	125.	Goyala Bujurg
				65.	Bolkhedanau	126.	Rui
		34	Jharda	65.	Bolkhedanau	127.	Indokh
				66.	Jhuthwad	128.	Kharadiya Manpur
				67.	Javasia Kumar	129.	Gogapur
		35	Tarana	67.	Javasia Kumar	130.	Jhuthwad
				68.	Makdon	131.	Javasia Kumar
						132.	Kathwadoda
		68.	Makdon	133.	Delchi		
				134.	Godadi		

**Appendix-1.2**

*(Reference: Paragraph 1.1.9.4, Page13)*

**Health centres fulfilling IPHS norms**

Required infrastructure Facilities as per IPHS Norms /	Number of CHCs fulfilling the norms (%)	Number of CHCs not fulfilling the norms (%)	Number of PHCs fulfilling the norms (%)	Number of PHCs not fulfilling the norms (%)
Electricity	35 (100%)	-	56 (82%)	12 (18%)
Standby Generator	33 (94%)	2 (6%)	14 (21%)	54 (79%)
Telephone	32 (91%)	3 (9%)	21 (31%)	47 (69%)
Vehicle CHC (3) PHC (1)	33 (1-2) (94%)	2 (No Vehicle) (6%)	8 (12%)	60 (88%)
Number of Bed CHC (30) PHC (6)	21 (60%)	14 (40%)	23 (31%)	45 (69%)
Operation theatre	31 (89%)	4 (11%)	21 (6%)	47 (94%)
Blood storage facility	3 (9%)	32 (91%)	-	-
Labour room	35 (100%)	-	56 (82%)	12 (18%)
Labour Table	-	-	57 (84%)	11 (16%)
Ultrasound	-	35 (100%)	Nil (100%)	68 (100%)
Water facility	35 (100%)	-	53 (78%)	15 (22%)
Separate utility for men & women	17 (49%)	18 (51%)	26 (38%)	42 (62%)
Waste disposal (incinerator)	6 (17%)	29 (83%)	2 (3%)	66 (97%)
Sewerage system	31(89%)	4 (11%)	53 (78%)	15 (22%)
Separate ward for men and women	22 (63%)	13 (37%)	-	-
X-ray facility	25 (71%)	10 (29%)	-	-
ECG facility	5 (14%)	30 (86%)	-	-
Lab service	-	-	19 (28%)	49 (72%)
<b>Lab facility</b> -1. Malaria	35 (100%)	-	26 (38%)	42 (62%)
2. TB	34 (97%)	1 (3%)	-	-
3. Leprosy	17 (49%)	18 (51%)	-	-
Major equipment (14)	-	35 (100%)	-	-
Essential drugs (Except district Raisen)	13 (40 to 80%) (41%)	19 (less than 40%) (59%)	9 (50-75%) (14%)	(Less than 50%) 54 (86%)
Average daily of OPD Attendance	-	-	41(more than 15) (60%)	27(less than 15) (40 %)
Institutional delivery	-	-	53 (78%)	15 (22%)

**Appendix-1.3**

(Reference: Paragraph 1.1.9.5, Page 15)

**Statement showing cadre-wise position**

Name of the post	Betul				Bhind				Bhopal			
	Sanctioned strength		Men-in-position		Sanctioned strength		Men-in-position		Sanctioned strength		Men-in-position	
	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09
<b>1.SC level</b>												
ANM												
ANM (Regular)/MPW(F)	261	263	250	261	209	212	-	189	-	-	-	-
ANM (Contractual)	-	87	-	87	-	-	-	-	-	-	-	-
MPW-Male	256	256	169	183	-	132	-	100	63	63	53	53
MPW- Female (R)/ANM	-	-	-	-	-	-	-	-	63	63	63	63
MPW- Female(C)	-	-	-	-	60	80	68	60	63	69	17	40
<b>2.PHC level</b>												
Medical Officer-Allopathic	48	58	36	45	-	17	-	17	-	-	-	-
Medical Officer-AYUSH	-	-	-	-	-	-	-	-	-	-	-	-
Staff Nurse-Regular	4	4	4	4	4	4	-	-	5	5	4	4
Staff Nurse-Contractual	4	19	26	7	-	-	-	-	4	4	-	1
Nurse Mid wife	21	21	21	21	-	-	-	-	-	-	-	-
Lab Assistant	-	-	-	-	-	-	-	-	-	-	-	-
Lady Health Visitor	53	56	44	37	40	41	-	30	-	-	-	-
Pharmacist	27	30	18	19	-	-	-	-	1	1	-	-
<b>3.BHEIO</b>												
Statistical Assistant	3	3	3	2	-	-	-	-	-	-	-	-
<b>4.CHC level</b>												
Surgeon	6	6	-	-	-	3	-	3	-	1	-	1
Anesthetists	9	11	-	-	-	1	-	-	-	1	-	-
Gynecologist	8	10	-	1	1	3	1	1	1	2	-	1
Pediatrician	3	5	-	1	-	7	-	3	-	1	-	1
Pathologist	-	-	-	-	-	-	-	-	-	-	-	-
General physician	-	-	-	-	-	30	-	23	11	15	10	14
Medical officer	-	-	-	-	-	-	-	-	-	-	-	-
Pharmacist	-	-	-	-	-	1	-	1	4	4	-	4
Radiologist	-	-	-	-	-	-	-	-	-	-	-	-
Staff Nurse-Regular	24	48	20	34	22	22	-	15	8	14	9	11
Staff Nurse contractual	-	-	-	-	15	27	3	-	2	2	1	2
Public Health Nurse	-	-	-	-	-	4	-	2	-	-	-	-
Lab Technician	23	26	23	26	-	13	-	14	6	6	10	10
Statistical Assistant	-	-	-	-	-	-	-	-	-	-	-	-
<b>5.District level</b>												
CMO	1	1	1	1	1	1	1	1	1	1	1	1
Deputy CMO/DHO	-	-	-	-	-	-	-	-	-	-	-	-
District immunization Officer	1	1	-	-	1	1	-	1	1	1	1	1
DHEIO	-	-	-	-	1	1	1	1	-	-	-	-
<b>Total</b>	<b>752</b>	<b>905</b>	<b>615</b>	<b>729</b>	<b>354</b>	<b>600</b>	<b>74</b>	<b>461</b>	<b>233</b>	<b>253</b>	<b>169</b>	<b>207</b>

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Name of the post	Dhar				Gwalior				Indore			
	Sanctioned strength		Men-in-position		Sanctioned strength		Men-in-position		Sanctioned strength		Men-in-position	
	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09
<b>1.SC level</b>												
ANM												
ANM (Regular)/MPW(F)	485	485	-	461	101	101	99	94	111	112	-	111
ANM (Contractual)	-	-	-	40	-	-	-	16	-	60	-	58
MPW-Male	303	303	-	205	101	101	99	69	-	-	-	-
MPW- Female (R)/ANM	-	-	-	-	-	-	-	-	87	88	76	54
MPW- Female(C)	-	-	-	-	-	20	-	16	-	-	-	-
<b>2.PHC level</b>												
Medical Officer-Allopathic	48	46	-	38	17	17	15	14	29	25	29	19
Medical Officer-AYUSH	-	-	-	-	-	-	-	-	-	-	-	-
Staff Nurse-Regular	-	-	-	-	-	-	-	-	16	14	15	14
Staff Nurse-Contractual	-	-	-	-	-	10	2	-	14	14	-	2
Nurse Mid wife	55	55	-	44	13	12	2	6	9	9	9	9
Lab Assistant	-	-	-	-	1	1	1	-	-	-	-	-
Lady Health Visitor	57	57	54	48	16	16	16	14	20	20	20	19
Pharmacist	59	59	18	18	14	10	9	6	21	20	12	11
<b>3.BHEIO</b>												
Statistical Assistant	-	-	-	-	-	-	-	-	1	1	1	1
<b>4.CHC level</b>												
Surgeon	-	3	-	1	-	-	-	1	1	3	1	2
Anesthetists	-	7	-	1	-	1	-	-	-	2	-	1
Gynecologist	-	9	-	1	-	1	-	1	1	3	-	1
Pediatrician	-	7	-	2	-	1	1	1	1	3	-	1
Pathologist	-	-	-	-	-	1	-	1	-	1	-	-
General physician	-	-	-	-	1	1	1	1	-	-	-	-
Medical officer	62	64	-	43	16	16	15	14	17	13	17	11
Pharmacist	-	70	-	25	9	9	6	5	6	7	4	4
Radiologist	-	-	-	-	6	6	6	6	-	-	-	-
Staff Nurse-Regular	57	86	-	38	17	17	16	9	12	22	-	15
Staff Nurse contractual	-	-	-	-	-	-	1	-	-	-	-	-
Public Health Nurse	3	3	-	3	-	-	-	-	1	1	1	1
Lab Technician	-	32	-	32	6	6	6	6	13	14	13	14
Statistical Assistant	1	1	-	-	-	-	-	-	3	3	-	-
<b>5.District level</b>												
CMO	1	1	1	1	1	1	1	1	1	1	1	1
Deputy CMO/DHO	-	-	-	-	-	-	-	-	-	-	-	-
District immunization Officer	1	1	1	1	1	1	1	1	1	1	1	1
DHEIO	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	1132	1289	74	1002	320	349	297	282	365	437	310	350

Name of the post	Khargone				Mandla				Morena			
	Sanctioned strength		Men-in-position		Sanctioned strength		Men-in-position		Sanctioned strength		Men-in-position	
	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09
<b>1.SC level</b>												
ANM												
ANM (Regular)/MPW(F)	276	276	221	257	248	249	234	236	-	-	-	-
ANM (Contractual)	20	83	20	68	68	68	3	57	14	66	-	53
MPW-Male	207	207	145	145	238	238	192	182	196	199	177	145
MPW- Female (R)/ANM	-	-	-	-	-	-	-	-	196	199	189	188
MPW- Female(C)	-	-	-	-	-	-	-	-	-	-	-	-
<b>2.PHC level</b>												
Medical Officer-Allopathic	75	84	56	62	29	29	19	19	20	22	17	16
Medical Officer-AYUSH	-	-	-	-	-	-	-	-	-	-	-	-
Staff Nurse-Regular	-	-	-	-	27	27	19	21	7	7	2	2
Staff Nurse-Contractual	-	-	-	-	-	-	-	-	17	18	4	12
Nurse Mid wife	54	54	54	54	-	-	-	-	13	11	10	8
Lab Assistant	2	2	-	-	2	2	2	2	1	1	1	1
Lady Health Visitor	62	67	53	56	-	-	-	-	15	15	12	10
Pharmacist	60	67	15	15	45	46	20	23	15	17	15	16
<b>3.BHEIO</b>												
Statistical Assistant	1	2	1	1	3	3	2	1	2	2	2	2
<b>4.CHC level</b>												
Surgeon	4	8	-	2	5	6	1	2	2	4	-	-
Anesthetists	-	2	-	-	4	5	1	-	5	7	-	2
Gynecologist	5	9	-	-	5	6	-	-	6	8	3	3
Pediatrician	5	9	-	-	6	7	2	2	5	7	3	4
Pathologist	-	1	-	-	1	2	1	1	-	-	-	1
General physician	4	6	-	1	12	12	3	4	1	1	1	1
Medical officer	63	72	25	25	26	26	17	17	-	18	-	15
Pharmacist	10	10	6	6	-	-	-	-	13	13	9	10
Radiologist	-	1	-	-	1	2	1	1	-	18	-	13
Staff Nurse-Regular	33	130	32	38	34	40	26	28	28	40	12	8
Staff Nurse contractual	20	14	20	-	-	-	-	1	17	18	4	12
Public Health Nurse	-	-	-	-	3	3	2	3	1	1	-	-
Lab Technician	28	37	20	20	47	48	28	40	23	25	23	23
Statistical Assistant	-	-	-	-	-	-	-	-	2	2	2	2
<b>5.District level-</b>												
CMO	1	1	1	1	1	1	1	1	1	1	1	1
Deputy CMO/DHO	-	-	-	-	-	-	-	-	1	1	-	1
District immunization Officer	-	1	-	-	1	1	1	1	-	1	1	-
DHEIO	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>930</b>	<b>1143</b>	<b>669</b>	<b>751</b>	<b>808</b>	<b>823</b>	<b>577</b>	<b>643</b>	<b>601</b>	<b>722</b>	<b>488</b>	<b>549</b>

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Name of the post	Raisen				Shahdol				Ujjain			
	Sanctioned strength		Men-in-position		Sanctioned strength		Men-in-position		Sanctioned strength		Men-in-position	
	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09	As on 31.03.06	As on 31.03.09
<b>1.SC level</b>												
ANM												
ANM (Regular/MPW(F))	216	216	189	183	194	244	149	239	169	172	154	145
ANM (Contractual)	175	175	17	33	-	194	-	16	-	65	-	3
MPW-Male	175	175	154	127	169	166	132	117	169	172	145	130
MPW- Female (R)/ANM	-	-	-	-	-	-	-	-	-	-	-	-
MPW- Female(C)	-	-	-	-	-	-	-	-	-	-	-	-
<b>2.PHC level</b>												
Medical Officer-Allopathic	22	20	16	14	30	30	18	16	23	27	12	16
Medical Officer-AYUSH					-	-	-	-	-	-	-	-
Staff Nurse-Regular	60	130	55	43	3	199	3	55	2	2	2	2
Staff Nurse-Contractual	6	6	2	2	6	6	-	-	18	20	-	-
Nurse Mid wife	-	-	-	-	-	-	-	-	18	18	18	18
Lab Assistant	2	2	-	-	-	7	-	3	-	-	-	-
Lady Health Visitor	30	33	28	23	30	35	22	31	16	20	16	20
Pharmacist	-	-	-	-	30	48	17	40	16	20	16	20
<b>3.BHEIO</b>	7	7	6	5	-	-	-	-	-	-	-	-
Statistical Assistant	-	5	-	-	-	-	-	-	-	-	-	-
<b>4.CHC level</b>												
Surgeon	-	9	-	-	2	26	0	13	2	5	-	-
Anesthetists	-	9	-	-	2	6	-	-	2	5	-	-
Gynecologist	2	9	-	2	2	3	1	2	2	5	-	-
Pediatrician	2	9	-	-	2	6	-	1	-	3	-	1
Pathologist	-	-	-	-	-	6	-	-	-	-	-	-
General physician	4	4	3	2	21	4	18	2	-	-	2	2
Medical officer	-	35	-	25	-	-	-	-	6	6	5	5
Pharmacist	-	-	-	-	12	10	6	5	2	5	2	5
Radiologist	-	-	-	-	-	8	-	3	2	5	2	2
Staff Nurse-Regular	-	-	-	-	33	33	23	26	8	26	3	4
Staff Nurse contractual	-	-	-	-	6	6	-	3	-	-	-	-
Public Health Nurse	5	5	4	3	-	-	-	-	-	-	-	-
Lab Technician	15	29	12	15	12	37	5	13	3	3	2	3
Statistical Assistant	3	5	3	1	-	-	-	-	-	-	-	-
<b>5.District level-</b>												
CMO	1	1	1	1	1	1	1	1	1	1	1	1
Deputy CMO/DHO	2	2	-	-	-	-	-	-	-	-	-	-
District immunization Officer	1	1	-	-	1	1	1	1	1	1	1	1
DHEIO	-	-	-	-	2	2	2	-	-	-	-	-
<b>Total</b>	<b>728</b>	<b>887</b>	<b>492</b>	<b>481</b>	<b>558</b>	<b>1078</b>	<b>398</b>	<b>587</b>	<b>460</b>	<b>581</b>	<b>381</b>	<b>378</b>

## Appendix-1.4

(Reference: Paragraph 1.1.10.1, Page 18)

## Details of purchase of drug kits in excess of sanction under NRHM

Sl. No.	Year	Name of drug kits	Number of kits sanctioned by GOI	Drug kits actually purchased			Drug kits purchased in excess of sanction			Remarks
				No. of kits	Rate per kit	Amount (In Rupees)	No. of kits (5-4)	Rate per kit	Amount (In Rupees)	
1	2	3	4	5	6	7	8	9	10	11
1.	2006-07	ASHA kit	5,000	15,000	1,422/-	2,13,30,000	10,000	1,422/-	1,42,20,000	As per GoI sanction (2006-07)
2	2006-07	CHC drug kit	227	597	69,000/-	4,11,93,000	370	69,000/-	2,55,30,000	--Do--
3	2006-07	PHC drug kit	352	1152	49,985/-	5,75,82,720	800	49,985/-	3,99,88,000	--Do--
4	2006-07	RTI/STI kit	41	46	49,980/-	22,99,080	5	49,980/-	2,49,900	--Do--
5	2007-08	ASHA kit	5000	35,000	1422/-	4,97,70,000	30,000	1422/-	4,26,60,000	--Do--
6	2007-08	CHC kit	227	270	69,000/-	1,86,30,000	43	69,000/-	29,67,000	--Do--
7	2007-08	PHC kit	352	1,149	49,985/-	5,74,32,765	797	49,985/-	3,98,38,045	--Do--
8	2007-08	RTI/STI kit	41	48	49,980/-	23,99,040	7	49,980/-	3,49,860	--Do--
		<b>Total</b>	<b>11,240</b>	<b>53,262</b>		<b>25, 06, 36,605</b>	<b>42,022</b>		<b>16,58,02,805</b>	

Appendix-1.5

(Reference: Paragraph 1.1.10.2, Page 18)

Details of drugs which were purchased for kits in excess of norms

S.No.	Name of the drug kit for which drugs were purchased in excess of norms	Year of Purchase	No of kits purchased	Name of the drug which was purchased in excess of the norm	Prescribed quantity to be purchased for each kit	Actual quantity purchased for each kit	Excess quantity	Rate (As per rate list approved by MPLUN)		Cost of excess drugs purchased
								Rate (In Rupees)	Unit	
1	2	3	4	5	6	7	8 (7-6)	9	10	11
1.	Drug kit for ASHA	2006-07	50,000	1- Iron Folic Acid TAB (Large)	1000	3500	2500X50,000=125000000/100	8/-	10x10 Tabs.	1,00,00,000/-
				2- TABLET Chloroquine (Note: To be supplied from existing stocks at SC, PHC under Malaria Control and family welfare programme)	NIL	500	500X50,000=2,50,00,000/100	34.90	10x10 Tabs.	87,25,000/-
				3- Paracetamols Tablet (IP-500 mg)	100	1000	900X50,000=45000000/100	18.50	10x10 Tabs.	83,25,000/-
2.	Drug-kit-B-for SC	2007-08	11988	4- TAB Methylergametrain IP (0.125mg) (Note: To be deleted from the next year i.e.from 07-08)	NIL	500	500X11988=5994000/100	44.90	10x10 Tabs.	2691306/-
<b>Total</b>	-	-	-	-	-	-	-	-	-	<b>29741306/-</b>



## Appendix-1.6

(Reference: Paragraph 1.1.10.3 Page 18)

## Drug kits purchased for the years 2006-08

Sl. No.	Name of the kit	Approved rate (In Rupees)	Quantity	Total cost as per approved rate (In Rupees)
	<b>(2006-07)</b>			
1	Drug Kit for ASHA	1,422.00	50,000	7,11,00,000.00
2	Drug Kit A for SC	5,390.00	8,835	4,76,20,650.00
3	Drug Kit B for SC	3,990.00	8,835	3,52,51,650.00
4	Drug Kit for PHC	49,985.00	1,152	5,75,82,720.00
5	Drug Kit for RTI/STI	49,980.00	46	22,99,080.00
6	Drug Kit for CHC	69,000.00	597	4,11,93,000.00
7	Drug Kit for FRU	1,96,000.00	227	4,44,92,000.00
	<b>Total</b>		<b>69,692</b>	<b>29,95,39,100.00</b>
	<b>2007-08</b>			
1	Drug Kit for ASHA	1,422.00	-	-
2	Drug Kit A for SC	5,390.00	11,988	6,46,15,320.00
3	Drug Kit B for SC	3,990.00	11,988	4,78,32,120.00
4	Drug Kit for PHC	49,985.00	1,149	5,74,32,765.00
5	Drug Kit for RTI/STI	49,980.00	48	23,99,040.00
6	Drug Kit for CHC	69,000.00	270	1,86,30,000.00
7	Drug Kit for FRU	1,96,000.00	170	3,33,20,000.00
	<b>Total</b>		<b>25,613</b>	<b>22,42,29,245.00</b>
	<b>Grand Total</b>		<b>95,305</b>	<b>52,37,68,345.00</b>

**Appendix-1.7**

*(Reference: Paragraph 1.1.13, Page 23)*

**Statement showing the targets and achievements under the family planning programme in test-checked districts**

Name of District	Sterilisation		Oral Pills		IUD insertion		Condom Users	
	Targets	Achievements (Percentage)	Targets	Achievements (Percentage)	Targets	Achievements (Percentage)	Targets	Achievements (Percentage)
Betul	51797	42665 (82%)	52662	58575 (100%)	32170	22767 (71%)	110080	113953 (100%)
Bhind	52889	29265 (55%)	106185	111095 (100%)	98440	73696 (75%)	331800	285706 (86%)
Bhopal	79402	47992 (60%)	66300	67222 (100%)	61020	31483 (52%)	220220	219952 (100%)
Dhar	65528	53829 (82%)	71468	70088 (98%)	71468	49858 (70%)	160000	141260 (88%)
Gwalior	32400	30537 (94%)	127300	51526 (40%)	77250	46575 (60%)	226000	69892 (31%)
Indore	95981	66782 (70%)	154000	160115 (100%)	126000	111597 (89%)	299400	306550 (100%)
Khargone	66032	44495 (67%)	36334	35816 (99%)	38824	26373 (68%)	113034	79480 (70%)
Mandla	29820	32129 (100%)	28700	20714 (72%)	13165	9580 (73%)	41790	35732 (86%)
Morena	58715	34429 (59%)	84200	64646 (77%)	113050	101632 (90%)	266200	254227 (96%)
Raisen	39525	26820 (68%)	90224	46535 (52%)	51535	52589 (100%)	111610	101584 (91%)
Shahdol	29746	19650 (66%)	50030	35481 (71%)	33600	28112 (84%)	138100	70678 (51%)
Ujjain	68095	41127 (60%)	62378	47264 (76%)	40690	28708 (71%)	176680	122089 (69%)

## Appendix-1.8

(Reference: Paragraph 1.1.13, Page 24)

## Statement showing activities under the family planning programme in the State

	2007-08				2008-09			
	Physical Planned	Physical Achieved	Budget Planned	Expenditure Incurred	Physical Planned	Physical Achieved	Budget Planned	Expenditure Incurred
<b>Family Planning-Population Stablisation</b>								
Dissemination of manuals on sterilization standards and quality assurance of sterilization services	9	Nil	450000	Nil	9	Nil	450000	156834
Establishment of NSV Resource Centres at six divisions(Jabalpur,Indore, Sagar,Rewa,Bhopal,Ujjain)	6	Nil	3000000	Nil	-	-	-	-
Operational cost of newly establishment NSV Centre	12	Nil	2550000	Nil	-	-	-	-
Prepare operational plan for provision of sterilization services across districts	-	-	-	-	48	Nil	Nil	442298
Provide NSV Services on fixed days at health facilities in districts	-	-	-	-	576	681	Nil	631500
Continued support to state NSV Resource Centre at Gwalior	1	Nil	1675000	Nil	1	Nil	1675000	Nil
IEC activities using local and fold media, IPC, miking etc. for promotion of NSV through State and Regional NSV resource centres.	1	12	Nil	132704	1	Nil	Nil	Nil
Publication on NSV Quaterly bulletin	4	Nil	40000	Nil	-	-	-	-
NSV rath	1	Nil	650000	Nil	7	Nil	7000000	Nil
Contract to NGOs for increasing male participation Rs.20000 for getting 100 cases of NSV then in a month	Nil	Nil	200000	Nil	-	-	-	-
Mobility Support to laparo/TT surgeons team	-	-	-	-	192	2	Nil	396726
Prepare operational plan for provision of spacing methods across district (Including training, BCC/IEC, drugs and supplies etc.)	-	-	-	-	48	Nil	Nil	Nil
Provide IUD Services at heath facilities in districts.	-	-	-	-	400	302	400000	298604
Organise IUD camps in districts	-	-	-	-	192	1	Nil	30000
Compensation for IUD	-	-	-	-	192	Nil	Nil	Nil
Set up CBD Outlets	-	-	-	-	192	Nil	Nil	Nil
Organise Contraceptive Update seminars for health providers	-	-	-	-	300	5	420000	31987
Hiring of counselors for FP in 170 CEmONC	170	131	8880000	7223896	170	126	9465000	7870614
Training of counselors for FP in 170 CEmONC	6	Nil	Nil	Nil	64	5	64000	65345
Training of counselors for FP CEmONCs and reorientation					108	Nil	132000	800
Repair, maintenance and accessories of Laparoscopes					Nil	Nil	10000000	Nil
Incentive for performing more than 1000 sterilization in a yr.	100000	66065	5000000	3528149	100000	39024	5000000	2676750
Award to first five CEmONC/BEmONC institutions for Sterilisation services. Incentive of family trip vacation to resort to in charge these institutions and surgeon who performed operation at these institute	5	Nil	500000	Nil	-	-	-	-
Operationalisation and functioning of district level committee.	48	16	2400000	249321	-	-	-	-
Monitoring follow-up of training and identification of pvt. Training centres.	Nil	Nil	700000	Nil	-	-	-	-

**Appendix-1.9**

*(Reference: Paragraph 1.1.14.4., Page 26)*

**Details of school students screened for detection of refractive errors from 2005-06 to 2008-09**

Name of achieve	Betul	Bhind	Bhopal	Dhar	Gwalior	Indore	Khargone	Mandla	Morena	Raisen	Shahdol	Ujjain	Total
1. No. of students examined	2,46,627	497710	564968	204659	458648	169128	222797	216993	104541	76698	182280	113686	3058735
2. No. of students had refractive errors	5074	3377	10471	2802	10069	2573	3565	2609	1136	1888	4073	9554	57191
3. No. of students provided free spectacles	2287	1984	1221	13	5704	1585	3255	471	781	1087	2775	5313	26476

## Appendix-1.10

(Reference: Paragraph 1.2.1 and 1.2.8.1, Page 30,31 and 37)

## Roads and Bridges taken up under BOT and bond BOT scheme

## A- Roads (BOT)

(Rupees in crore)

Sl. No.	Name of the Roads	Year of Commence-ment	Length of Roads in km	Estimated cost (Rs.)	Government support	Toll collection days
1	Dewas By Pass	2001	19.80	34.22	NIL	3922
2	Satna By Pass	2000	7.35	3.27	NIL	3190
3	Katni By Pass	2000	7.86	4.73	NIL	3941
4	Indore –Ujjain-Sanver	2000	58.00	5.98	NIL	2419
5	Burhanpur-Khandesh road	2001	9.00	3.48	NIL	1977
6	Nagda-Dhar road	2001	22.60	4.87	NIL	1539
7	Dhar-Gujri	2001	50.50	7.44	NIL	2419
8	Ratlam-Jaora-Levad road	2002	125.40	10.55	NIL	1311
<b>Concession Days</b>						
9	Katni By Pass (NH)	2002	17.50	48.00	NIL	4380
10	Rewa By Pass (NH)	2004	19.30	48.00	NIL	5351
	<b>Total</b>		<b>337.31</b>	<b>170.54</b>		

## B- Bridges (BOT)

(Rupees in crore)

Sl. No.	Name of the Roads	Year of Commencement	Length of Bridges in mtrs.	Estimated cost (Rs.)	Government Support	Toll days
1	Bridge on Chhindwara-Nagpur road	2000	107.50	1.35	NIL	1592
2	Bridge on Bilaspur-Mandla road	2001	88.00	0.96	NIL	2474
3	Bridge on Balaghat-Seoni road	2002	150.00	1.82	NIL	1792
4	Bridge on Chhindwara-Narsinghpur road	2002	174.00	1.36	NIL	2786
	<b>Total</b>			<b>5.49</b>		

## C- Roads (Bond BOT)

(Rupees in crore)

Sl. No.	Name of the Roads	Year of commencement	Length in km	Estimated Cost	Government support (Rs.)	Percentage of estimated cost	Concession Days
1	Indore –Edelabad	2001	203.00	124.05	45.00	36.27	5440
2	Ujjain-Jhalabad	2001	134.00	66.70	22.32	33.46	5440
3	Rewa –Shahdol-Amarkantak	2002	246.00	111.27	53.50	48.08	5440
4	Satna-Maihar-Umaria	2002	141.00	53.29	29.10	54.60	5440
5	Hoshangabad-Harda-Khandawa	2002	185.00	81.00	51.03	63.00	5440
6	Hoshangabad-Pipariya-Pachmarhi	2003	126.00	57.60	35.49	61.61	5440
7	Dewas-Ujjain-Badnagar	2003	98.26	49.93	24.27	48.60	5440
8	Jabalpur-Narsinghpur-Pipariya	2003	140.00	74.96	45.81	61.11	5440
9	Raisen- Rahatgarh	2003	101.4	57.72	32.77	56.77	5440
10	Seoni-Balaghat-Gondia	2002	114.00	59.80	34.80	58.19	5440
11	Sagar-Damoh-Jabalpur	2002	176.00	89.20	47.70	53.47	5440
12	Bina-Sironj-Guna	2003	144.00	41.00	23.80	58.05	5440
13	Mandla-Kanha	2002	59.00	35.00	17.15	49.00	5440
	<b>Total</b>		<b>1867.66</b>	<b>901.52</b>	<b>462.74</b>		

Appendix-1.11

(Reference: Paragraph 1.2.11.1, Page 43)

Statement showing short recovery of liquidated damages (LD)

Sl. No.	Name of Road	Completion schedule			Extension provided (days)	Net delay (days)	LD recoverable (Rs. in lakh)	LD recovered (Rs. in lakh)	Short recovery of LD (Rs. in lakh)
		Schedule date	Actual date	Delay (In days)					
1	Indore-Edelabad	21.03.03	17.09.04	546	251	295	59.00	22.60	36.40
2	Ujjain-Jhalawad	15.09.03	14.01.05	486	41	445	89.00	22.00	67.00
3	Rewa-Amarkantak	14.07.04	03.05.07	1023	59	964	192.80	11.80	181.00
4	Satna-Maihar-Umariya	14.07.04	03.05.07	1004	41	963	192.60	40.00	152.60
5	Hoshangabad-Harda-Khandwa	19.09.04	05.04.08	1294	165 <sup>1</sup>	1129	225.80	46.40	179.40
6	Hoshangabad -Pipariya-Pachmarhi	28.05.05	Not completed	1645	-	1645	329.00	-	329.00
7	Dewas-Ujjain-Badnagar	31.05.05	15.11.07	898	51	847	169.40	2.60	166.80
8	Jabalpur-Narsinghpur-Pipariya	05.01.05	24.02.07	780	160	620	124.00	25.00	99.00
9	Raisen-Rahatgarh	06.03.05	24.01.09	1420	131 <sup>2</sup>	1289	257.80	74.40	183.40
10	Seoni-Balaghat-Gondia	17.09.04	22.10.09	1860	-	1860	372.00	114.00	258.00
	<b>Total</b>			<b>10956</b>	<b>899</b>	<b>10057</b>	<b>2011.40</b>	<b>358.80</b> i.e. Rs. 3.59 crore	<b>1652.60</b> i.e. Rs 16.52 crore

Note:- Roads shown at Sl No. 6 is yet to be completed hence LD have been calculated up to 31.07.09

<sup>1</sup> Vide no.1645/02.06.08

<sup>2</sup> Vide no.5920/12.11.08

## Appendix-1.12

(Reference: Paragraph 1.3.3.4., Page 56)

## Statement showing delay in providing assistance to victims during 2004-09

Sr.No.	Name of the District	Name of the Tehsil	Disbursed amount (Rs. in lakh)	Delay in months
1	Balaghat	Balaghat	3.72	1 to 10
		Waraseoni	13.13	1 to 20
2	Barwani	Barwani	55.89	1 to 15
		Rajpur	50.30	1 to 10
		Thikari	1.93	1 to 15
		Pansemal	35.85	1 to 12
3	Khargone	Bhikangaon	9.88	1 to 10
		Barwaha	30.07	1 to 23
		Khargone	94.93	1 to 12
		Kasaravad	13.38	1 to 21
		Maheshwar	13.90	1 to 8
		Segava	17.37	1 to 8
		Bhagwan Pura	41.48	1 to 11
		Jhiranya	33.53	1 to 13
4	Sidhi	Rampur Naikin	32.65	1 to 12
		Deosar	12.56	1 to 8
		Sinhawal	3.42	1 to 8
		Kusumi	19.67	1 to 10
		Gopad Banas	10.46	1 to 11
5	Chhindwara	Tamia	39.53	1 to 32
		Pandurna	26.67	1 to 29
		Junnardeo	72.06	1 to 36
6	Panna	Ajaygarh	246.18	1 to 12
		Gunnaur	14.70	1 to 13
		Panna	8.52	1 to 11
		Pawai	9.94	1 to 13
7	Sagar	Rahatgarh	480.75	1 to 5
		Bina	656.02	1 to 7
8	Seoni	Seoni	2.12	1 to 4
		Barghat	15.33	1 to 6
		Kurai	6.59	1 to 9
			<b>2072.53</b>	

Appendix 1.13

(Reference: paragraph 1.4.5.9, page 71 )

Statement showing discrepancies in data adopted as per Panchlekha software and proforma prescribed by Gram Panchayats

Janpad Panchayat, Depalpur

(In Rupees)

Name of Gram Panchayats	Opening Balance (1.4.08)		Closing Balance (31.3.09)	
	As per Panchlekha software data	As per proforma	As per Panchlekha software data	As per proforma
Girota	73,407	Not available	2,927	19,825
Prinalvasa	1,24,024	---do----	5,44,520	93,613
Karjoda	1,23,285	---do----	54,253	54,250
Sumda	75,076	---do----	32,743	21,003
Badolihoj	0	---do----	(-) 26,788	4,368
Khajraya	2,40,515	---do----	81,848	11,467
Sikandri	75,900	---do----	(-) 20,103	56,871
Rolay	1,605	---do----	(-) 15,252	6,502
Rajpura	44,104	---do----	64,161	87,737
Orangpura	7,992	---do----	(-) 1,53,674	9,957

Janpad Panchayat, Indore

(In Rupees)

Name of Gram Panchayats	Opening Balance (1.4.06)		Closing Balance (31.3.07)	
	As per Panchlekha software data	As per proforma	As per Panchlekha software data	As per proforma
Bank	2,12,226	1,088	2,82,307	NA
Narlay	29,966	4,150	1,97,644	---do---
Vilavali	1,17,994	67,782	2,35,739	---do---
Sukhniwas	1,53,309	51,793	2,67,897	---do---
Rangwasa	2,36,648	2,36,648	12,33,478	---do---
Ralamandal	3,24,651	Not available	2,43,538	2,43,539
Burana Khedi	1,67,424	6,120	5,56,132	NA
Mundalnayata	3,24,317	Not available	11,72,161	---do---
Manchla	34,001	34,175	6,811	---do---
Chouhankhedi	99,502	Not available	2,30,018	---do---
Kaji Palasiya	2,14,567	1,75,336	62,650	---do---

Janpad Panchayat, Mhow

(In Rupees)

Name of Gram Panchayats	Opening Balance (1.4.07)		Closing Balance (31.3.08)	
	As per Panchlekha software data	As per proforma	As per Panchlekha software data	As per proforma
Naharkhedi	6,267	6,267	4,364	62,367
Kalikiray	Nil	Nil	21,783	21,776
Nanded	Nil	Nil	(-) 20,125	(-) 40,325
Baircha	Nil	Nil	(-) 44,772	44,772
Sherpur	2,115	Nil	99,505	99,445
Gujrkheda	Nil	2,31,275	Nil	Nil
Awlay	Nil/NA	Nil/NA	Nil	3,42,660
Kankriya	NA	NA	Nil	NA
Sitapat	Nil	Nil	57,277	57,277
Jamkhurd	NA	NA	NA	NA
Kailod	1,12,797	1,12,797	2,72,010	1,15,144



## Appendix 2.1

(Reference: Paragraph 2.1.3, Page 88)

Statement showing details of payments made to Madhya Pradesh Beej Nigam (MPBN), District Marketing Officer (DMO) and Kisan Kray Vikray Sahakari Samiti (KKVSS)

(In Rupees)

Sl. No	Bill No./Date	Amount of bill	First Payment		Second Payment		Third Payment		Fourth Payment		Payment made to	Total Amount Paid	Payment made in excess of bills
			Sanction order No/Date	Amount	Sanction order No/Date	Amount	Sanction order No/Date	Amount	Sanction order No/Date	Amount			
1.	11613/13.6.06	78000	2470/4.7.06	78000	3963/10.12.06	78000	-	-	-	-	MPBN	156000	78000
2.	11612/13.6.06	90480	-do-	90480	-do-	90480	-	-	-	-	-do-	180960	90480
3.	11610/13.6.06	90480	-do-	90480	-do-	70700	1083/18.3.07	12200	-	-	-do-	173380	82900
	<b>Total</b>												<b>251380</b>
4.	8525/20.12.06	22922	272/19.1.07	22922	2150/30.3.07	22922	2147/30.3.07	22922	-	-	DMO	68766	45844
5.	8526/20.12.06	22922	-do-	-do-	-do-	-do-	-	-	-	-	-do-	45844	22922
6.	8529/20.12.06	22922	-do-	-do-	-do-	-do-	-	-	-	-	-do-	45844	22922
7.	8530/20.12.06	22922	-do-	-do-	-do-	-do-	-do-	-	-	-	-do-	45844	22922
8.	8509/20.12.06	23251	320/25.1.07	23251	-do-	23251	-	-	-	-	-do-	46502	23251
9.	8510/20.12.06	23251	-do-	-do-	-do-	-do-	-	-	-	-	-do-	46502	23251
10.	8542/20.12.06	22880	321/25.1.07	22880	-do-	22880	-	-	-	-	-do-	45760	22880
11.	8543/20.12.06	22880	-do-	-do-	-do-	-do-	-	-	-	-	-do-	45760	22880
12.	8547/20.12.06	22880	1176/22.3.07	-do-	-do-	-do-	-	-	-	-	-do-	45760	22880
13.	8544/20.12.06	22880	1178/22.3.07	-do-	-do-	-do-	2147/30.3.07	22880	-	-	-do-	68640	45760
14.	8545/20.12.06	22880	-do-	-do-	-do-	-do-	-	-	-	-	-do-	45760	22880
15.	8511/20.12.06	23251	1166/22.3.07	23251	-do-	23251	-	-	-	-	-do-	46502	23251
16.	8512/20.12.06	23251	-do-	-do-	-do-	-do-	-	-	-	-	-do-	46502	23251
17.	8513/20.12.06	23251	-do-	-do-	-do-	-do-	2147/30.3.07	20251	-	-	-do-	66753	43502
18.	8556/13.01.07	13702	-do-	13702	-do-	13702	-	-	-	-	-do-	27404	13702
19.	8565/13.01.07	13702	-do-	-do-	-do-	-do-	-	-	-	-	-do-	27404	13702
20.	8569/24.02.07	590	-do-	590	-do-	590	-	-	-	-	-do-	1180	590
21.	8570/24.02.07	660	-do-	660	-do-	660	-	-	-	-	-do-	1320	660
22.	8571/24.02.07	391	-do-	391	-do-	391	-	-	-	-	-do-	782	391
23.	8572/24.02.07	6598	-do-	6598	-do-	6597	-	-	-	-	-do-	13195	6597
24.	8885/11.09.06	15366	173/16.01.07	15366	298/24.01.07	15366	-	-	-	-	-do-	30732	15366
												<b>Total</b>	<b>4,39,404</b>

*Audit Report (Civil) for the year ended 31 March 2009*

Sl. No	Bill No./Date	Amount of bill	First Payment		Second Payment		Third Payment		Fourth Payment		Payment made to	Total Amount Paid	Payment made in excess of bills
			Sanction order No/Date	Amount	Sanction order No/Date	Amount	Sanction order No/Date	Amount	Sanction order No/Date	Amount			
25.	27/10.10.06	70000	430/06.02.07	70000	1079/18.03.07	60640	1079/18.03.07	9360	2020 24.03.07	70000	KKVSS	210000	140000
26.	25/10.10.06	70000	430/06.02.07	70000	1077/18.03.07	70000	2020/24.03.07	70000	-	-	-do-	210000	140000
27.	26/10.10.06	50040	430/06.02.07	50040	1077/18.03.07	50040	2020/24.03.07	50040	-	-	-do-	150120	100080
28.	8/01.08.06	14600	585/14.02.07	14600	1077/18.03.07	14600	2020/24.03.07	14600	-	-	-do-	43800	29200
29.	21/10.10.06	56000	583/14.02.07	6000	585/14.02.07	50000	1077/18.-3.07	50000	-	-	-do-	112000	56000
30.	6/01.08.06	75060	2092/28.03.07	75060	2146/30.03.07	75060	-	-	-	-	-do-	150120	75060
31.	7/01.08.06	105030	2092/28.03.07	105030	2146/30.03.07	105030	-	-	-	-	-do-	210060	105030
32.	5/01.08.06	105030	428/06.02.07	10000	1172/22.03.07	23390	2146/30.03.07	96655	-	-	-do-	130045	25015
33.	20/10.10.06	13500	1172/22.03.07	13500	2146/30.03.07	13500	-	-	-	-	-do-	27000	13500
34.	9/01.08.06	15000	1160/22.03.07	15000	-	-	-	-	-	-	-do-	15000	-
35.	19/10.10.06	98100	1160/22.03.07	98100	-	-	-	-	-	-	-do-	98100	-
36.	23/10.10.06	139500	1160/22.03.07	120900	-	-	-	-	-	-	-do-	120900	(-)18,600
37.	22/10.10.06	81000	419/06.02.07	16000	490/09.02.07	12000	492/09.02.07	33800	-	-	-do-	61800	(-)19,200
	<b>Total</b>	<b>8,92,860</b>										<b>15,38,945</b>	<b>6,46,085</b>
	<b>Grant Total</b>												<b>13,36,869</b>

**Appendix 2.2**

*(Reference: Paragraph 2.1.5, Page 90)*

**Statement showing rejected insurance claims in test-checked districts under  
Vijaya Raje Janani Kalyan Beema Yojna**

Sl. No.	Name of District.	No. of claims submitted to insurance company	No. of claims settled	No. of claims admitted by insurance company	No. of claims rejected by insurance company	No. of claims rejected by insurance company due to		
						Late submission	Shortfall in number of ANC	Improper/incomplete submission
1	CMHO, Barwani	3549	2500	1438	1062	470	93	499
2	CMHO, Gwalior	1073	674	477	197	83	--	114
3	CMHO, Morena	3074	3074	2015	1059	425	--	634
4	CMHO, Shivpuri	7141	7141	3863	3278	338	72	2868
5	CMHO, Sheopur	1972	1575	1018	557	56	11	490
6	CMHO, Indore	1875	1752	1051	701	182	259	260
7	CMHO, Dhar	1627	1627	1029	598	304	23	271
8	CMHO, Khandwa	2729	2729	1820	909	485	139	285
	<b>Total</b>	<b>23040</b>	<b>21072</b>	<b>12711</b>	<b>8361</b>	<b>2343</b>	<b>597</b>	<b>5421</b>

Appendix 2.3

(Reference: Paragraph 2.2.4, Page 95 )

Statement showing comparison of rates of cement between DGS&D and MPLUN

Details in respect of Office of the EE, RES, Badwani

(Amount in Rupees)

Period	Grade	Quantity in MT	Rate in Rs.		Differnt of rates	Amount of excess payment
			MPLUN	DGS&D		
1	2	3	4	5	6	7 (col.3x6)
30.6.06 to 29.8.06	OPC	776.6	2900	2000	900	698940
26.6.06 to 25.12.06	OPC	2469.7	2950	2000	950	2346215
26.12.06 to 31.12.06	OPC	65	3150	2000	1150	74750
17.07.07 to 16.1.08	OPC	2700	3660	3322	338	912600
<b>Total</b>		<b>6011.3</b>				<b>4032505</b>

Details in respect of Office of the EE, RES, Jhabua

(Amount in Rupees)

Period	Grade	Quantity	Rate		Differnt of rates	Amount of excess payment
			MPLUN	DGS&D		
1	2	3	4	5	6	7 (col.3x6)
17.07.07 to 16.1.08	PPC	1330.5	3600	3282	318	423099
17.1.08 to 31.12.08	PPC	740	3600	3282	318	235320
<b>Total</b>		<b>2070.5</b>				<b>658419</b>

Details in respect of Office of the EE, RES, Khandwa

(Amount in Rupees)

Period	Grade	Quantity in MT	Rate in Rs.		Differnt of rates	Amount of excess payment
			MPLUN	DGS&D		
1	2	3	4	5	6	7 (COL. 3X6)
24.3.06 to 23.6.06	OPC	78.5	2800	2000	800	62800
26.6.06 to 25.12.06	OPC	176	2950	2000	950	167200
17.07.07 to 16.1.08	PPC	60	3600	3282	318	19080
17.1.08 to 31.12.08	OPC	1763.5	3650	3322	328	578428
<b>Total</b>		<b>2078</b>				<b>827508</b>

Details in respect of Office of the EE, RES, Manawar

(Amount in Rupees)

Period	Grade	Quantity in MT	Rate in Rs.		Differnt of rates	Amount of excess payment
			MPLUN	DGS&D		
1	2	3	4	5	6	7 (col.3x6)
24.3.06 to 23.6.06	OPC	647.75	2800	2000	800	518200
30.6.06 to 29.8.06	OPC	434.50	2900	2000	900	391050
26.6.06 to 25.12.06	OPC	732.10	2950	2000	950	695495
17.07.07 to 16.1.08	OPC	987	3660	3322	338	333606
17.1.08 to 31.12.08	OPC	239	3650	3322	328	78392
<b>Total</b>		<b>3040.35</b>				<b>2016743</b>
<b>Grand Total</b>		<b>13200.15</b>				<b>7535175</b>

## Appendix 2.4

(Reference: Paragraph 2.2.5, page 96)

## Statement showing inflated measurements and excess payments to contractor

S.N	Name of the item / unit for payment	56 <sup>th</sup> bill		55 <sup>th</sup> bill		Difference in payment (In Rupees)
		Quantity	Rate (In Rupees)	Quantity	Rate (In Rupees)	
1.	Construction of embankment inclusive of cost of watering/cu.m	30345.684	86	32580.193	86	(-)192168
2.	Construction of embankment inclusive clearing and grubbing /cu.m	12458.873	133	19959.765	133	(-)997618
3.	Construction of hard shoulders as per clause 407/cu.m	18893.952 381.60	152 133	19913.858 431.60	152 152	(-)509551 (-)6650
4.	P/L of well granular material for sub base/cu.m	2075.779 9975.596	245 215	2205.77 10029.441	245 215	(-)31838 (-)11577
5.	P/L of WBM sub-base course including preparation and compaction of sub-base/cu.m	2483.672 7711.962 1100.326	395 440 445	2483.89 7896.33 1108.343	395 440 345	(-)87 (-)584 (-)81122
6.	Providing primer coat with bitumen emulsion/sq.m	100882.902	8.47	103442.78	11.30	(-)28926
7.	Providing tack coat graded cationic emulsion as per clause 503/sq.m	100882.902	5.20	102692.77	5.20	(-)9411
8	Providing 20 mm OGPC/sq.m	105964.277	44	107024.147	44	(-)46634
9	Excavation for foundation in sandy gravel/cu.m	2389.503	60	2392.43	60	(-)176
10	Providing hard moorum filling haunches/cu.m	28.549	90	37.549	90	(-)810
11	Construction of cement concrete pavement/sq.m	22368.302 Nil	459 449.82	22396.302 6977.06	459 449.82	(-)12919 (-)3138422
12	SOR item B-16/cu.m	Nil	260	65.268	260	(-)16974
13	SOR item 3-(9) Cost of boulder disallowed/cu.m	Nil	200	555.502	200	(-)85 (-)100912
14	SOR item D-2b (Disallowed Rs 17402) /cu.m	Nil	2545	451.564	2545	(-)17402
	Value of work done as per bills (Rs)	49905992		51943988		(-)2037996
	Add 14 % above SOR (Rs)	5579381		7272158		(-)1692777
	<b>Grand total</b>	<b>(B)55485373</b>		<b>(A)59216146</b>		
	<b>Difference (A-B) (Rs)</b>					<b>(-)3730773</b> <b>i.e.Rs 37.31 lakh</b>

Appendix 2.5

(Reference: Paragraph 2.2.6, page 97)

Statement showing excess payments to contractor due to adoption of incorrect rate of bitumen for payment of price escalation

Details of payment made by the Division								Payable at basic rate of Bulk bitumen of IOC				Excess Payment (7 - 12) (Rs)
Agt. No./Date of Tender	Month/ date upto which payment made	Qty. of Bitumen consumed (M.T.)	Rate adopted on the date of tender (Rs per M.T.)	Rate adopted for the period of consideration (Rs per M.T.)	Rate difference (5-4) (Rs per M.T.)	Payment made (3 x 6)(Rs)	Vr.No./ Date	on the date of tender (Rs per M.T.)	for the period under consideration (Rs per M.T.)	Rate difference (10-9) (Rs per M.T.)	Amount Payable (3 x 11) (Rs)	
338/07-08 Ms. Wainganaga const. Date of tender 23.01.08	01.11.08 to 15.11.08	102.214	25338.00	45786.59	20448.59	2090132.	99/ 19.12.08	24600.00	35570.00	10970.00	1121288.	9,68,845
	09.05.08	91.134	25338.00	25791.20	453.20	41302.	61/ 12.07.08	24600.00	25040.00	440.00	40099	1,203
	10.06.08	166.54	25338.00	32041.60	6703.60	1116418		24600.00	26670.00	2070.00	344738	7,71,680
339/07-08 Ms. Sidharth Builders. Date of tender 23.01.08	10/08	109.925	25338.00	42133.45	16795.45	1846240	101/22.12.08	24600.00	34150.00	9550.00	1049784	7,96,456
01/07-08 Ms. R.K.Sanchaiti Date of tender 22.12.06	06/08	197.049	17221.18	33279.06	16057.88	3164189	74/12.09.08	18140.00	26670.00	8530.00	1680828	14,83,361
02/07-08 Ms. R.K.Sanchaiti Date of tender 20.12.06	10/08	106.69	21944.47	42133.45	20118.98	2153962	08/ 01.12.08	18140.00	35070.00	16930.00	1806262	3,47,700
	11/08 (up to 06.11.08)	99.413	21944.47	45786.59	23842.12	2370217		18140.00	35570.00	17430.00	1732769	6,37,448
	11/08 (03.11 to 11.11.08)	234.755	21944.47	45786.59	23842.12	5597059	81BII/ 19.12.08	18140.00	35570.00	17430.00	40917780	15,05,279
205/07-08 Ms. Wainganaga const. Date of tender 31.08.07	16.02.08	85.463	21368.95	25238.00	3969.05	339207	34/ 11.07.08	18200.00	24850.00	6650.00	568329	(-),2,29,122
	05.03.08	38.980	21368.95	25791.20	4422.25	172379		18200.00	25040.00	6840.00	266623	(-) 94,244.
	19.03.08	30.00	21368.95	25791.20	4422.25	132667		18200.00	25040.00	6840.00	205200.00	(-)72,532
	21.05.08	81.53	21368.95	30368.83	8999.88	733760		18200.00	25270.00	7070.00	576474	1,57,358
	10/08	88.58	21368.95	42133.45	20764.50	1839319	142/ 24.10.08	18200.00	35070	16870.00	1494345	3,44,974
<b>Total</b>											<b>72,93,503</b> i.e. 72.94 lakh	

## Appendix-2.6

(Reference: Paragraph 2.2.8, page 100)

## Statement showing comparison of rates of first and second lowest tenderers

S.No	Item	Unit	Estimated Quantity	Estimated Rate (Rs)	Executed Quantity	M/s Vijay Kumar Mishra Rewa		M/s S.K.Jain Bhopal	
						Rate (Rs)	Amt (Rs)	Rate (Rs)	Amt (Rs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Excavation in all type of soil	Cum	896795	34.3	986474.5	40	39458980	32	31567184
1(1)	Quantity in excess of 10 %	Cum			46075.36	33.33	1535691.749	32	1474411.5
2	Watering and compaction						0		0
2(i)	by light roller	Cum	95641.83	13.12	69934.36	10	699343.6	4	279737.44
2(ii)	by sheep foot roller	Cum	72169.16	16.15	145115.3	10	1451152.6	5	725576.3
3	Excavation in all type of rock						0		0
3(a)	All type of rock except H/R	Cum	51556	68.98	56711.6	100	5671160	80	4536928
3(a)(i)	Quantity in excess of 10 %	Cum			117355.2	67.04	7867489.926	80	9388412.8
3(b)	Hard rock	Cum	156943.1	154.56	15331.83	1	15331.83	150	2299774.5
4	Construction of seepage drain	Cum	2820.17	212.1	1576.277	350	551696.95	250	394069.25
5	Providing and fixing of Km. stone						0		0
5(a)	design no. 2	No.	20	475.45		250	0	500	0
5(b)	design no. 3	No.	72	220.6		200	0	250	0
5(c)	design no. 4	No.	3807	183.52	770	150	115500	200	154000
5(d)	design no. 5	No.	252	162.61		150	0	200	0
5(e)	design no. 6	No.	185	281.13	50	150	7500	300	15000
6	Providing and laying in position CC						0		0
6(a)	Cement concrete 1:2:3	cum	22011.68	1450.2	21024.84	1700	35742229.7	1700	35742230
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
6(b)	Cement concrete 1:2:4	cum	1313.4	1728.5	353.161	2000	706322	1800	635689.8
7	Providing and placing cast in situ						0		0
7(a)	M-15	cum	364.31	2055.9		2500	0	2200	0
7(b)	M-20	cum	534.35	2285.1	171.03	2700	461781	2400	410472

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S.No	Item	Unit	Estimated Quantity	Estimate Rate (Rs)	Executed Quantity	M/s Vijay Kumar Mishra Rewa		M/s S.K.Jain Bhopal	
						Rate (Rs)	Amt (Rs)	Rate (Rs)	Amt (Rs)
7©	M-25	cum	427.89	2712.1	2.62	2800	7336	2800	7336
7(d)	CC 1:2:4	cum	7123.28	2111.8	7749.428	2300	17823683.25	2000	15498855
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
8	Providing and fixing steel bar	Tonne	595.345	21365	654.885	27000	17681895	26000	17027010
	Quantity in excess of 10 %	Tonne			79.72109	20760	1655009.766	20760	1655009.8
	Quantity in excess of 10 %	Tonne			65.14956	21800	1420260.408	21800	1420260.4
9	Providing and fixing dry stone pitching						0		0
9(i)	22cm thick	cum	1926.59	394.88	1106.078	400	442431.2	350	387127.3
9(ii)	30 cm thick	cum	908.32	550.86	478.99	450	215545.5	450	215545.5
10	Laying and fixing of Hume pipe						0		0
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
10(a)	Hume pipe 600mm dia	RM					0		0
10(b)	Hume pipe 900mm dia	RM	167	147.6	10	300	3000	500	5000
10©	Hume pipe 1000mm dia	RM	32.5	167.29	35.75	400	14300	500	17875
10(d)	Hume pipe 1200mm dia	RM	445.5	196.8	165	500	82500	500	82500
11	Providing high H-type 1:2:4	RM	1405.21	578.7	885.65	750	664237.5	700	619955
12	Excavation in all type of soil in canal bed	cum	22446.61	19.47	14864.59	45	668906.55	40	594583.6
13	Filling with C.N.S	cum	12311.85	131.21	7968.33	250	1992082.5	175	1394457.8
14	Cement concrete 1:3:6 in canal bed	cum	531.37	1878.9	326.7865	1800	588215.7	1500	490179.75
15	Cement concrete 1:3:6 laying in panales	cum	4088.14	1673.9	1575.616	2500	3939040	2500	3939040
16	Erection of canal gates	Sqm	41.61	16822	39.0725	5000	195362.5	10000	390725
17	Construction of diversion road	cum	9280.75	368.4	9085.63	400	3634252	450	4088533.5
18	Providing & fixing A.C. pipe						0		0



S.No	Item	Unit	Estimated Quantity	Estimate Rate (Rs)	Executed Quantity	M/s Vijay Kumar Mishra Rewa		M/s S.K.Jain Bhopal	
						Rate (Rs)	Amt (Rs)	Rate (Rs)	Amt (Rs)
18(a)	100 mm dia A.C. pipe	RM	1466.12	89.83	152.94	75	11470.5	75	11470.5
18(b)	150 mm dia A.C. pipe	No.	190	222.39	142	200	28400	100	14200
19	Providing hession base bitument felts	Sqm	10.88	311.5	10	600	6000	500	5000
20	Providing clastometric bearing	cum	4352000	0.9		0.4	0	0.9	0
21	Carrying out water tightness test	cum	3726	89.2	3912.3	200	782460	50	195615
22	Testing of one span of bridge	Tonne	365.505	297.5		3000	0	300	0
23	Providing annealed copper scaling strips	RM	317.23	779.6	196.8	1500	295200	800	157440
24	Construction of out let in canal	No.	135	19841		2000	0	1000	0
	<b>Cost of work as per actual execution</b>						*146435767.7		135841204
	<b>Position at the time of tendering</b>						<b>L-1</b>		<b>L-2</b>
	<b>Position as per executed quantities</b>						<b>L-2</b>		<b>L-1</b>
	Difference								<b>10594563</b> i.e.Rs. 1.06 crore

\* **Excluding price escalation**

Appendix -2.7

(Reference: Paragraph 2.2.9, page 101)

Statement showing extra expenditure incurred due to irregular clubbing of strata for excavation

Payment made to the contractor as per the clubbing of all types of strata									
Item of work as per agreement	Estimated quantity (cu.m) Estimated rate (Rs/cu.m)	Executed quantity (cu.m)	Tendered rates (Rs/cu.m)	Estimated quantity plus 10 % (25319 plus 10 % in excess of estimated qty.) 25319= 110% of 25319 (cu.m)	Executed quantity beyond 110 % (cu.m) (3)-(5)	Estimated rates minus 5.06 tender percentage (196.63- 5.06% of 196.63) (Rs/cu.m)	Payable amount (Rs)		Total payment made to the contractor (Rs) (8)+(9)
							Estimated plus 10% quantity (Rs/cu.m) (4X5)	Quantity beyond estimated plus 10 % (Rs/cu.m) (6X7)	
Excavation in all types of soil and all types of rocks	25319 196.63	154720	161	27851	126869	186	4484011	23597634	28081645 (A)

Payment to be made to the contractor as per departmental instructions										
Item of work	Estimated quantity (cu.m)	Executed quantity (cu.m)	Tendered rates (Rs per cu.m)	Estimated quantity plus 10 % in excess of estimated qty. (cu.m) i.e. {110% of col. (2)}	Executed quantity beyond 110 % (cu.m) (3-5)	Estimated unit rate as derived by the department (Rs/cu.m)	Estimated unit rate minus 5.06 tender percentage (Rs) { (7)-5.06 % of (7) }	Payable amount		Total amount payable (Rs) (9) + (10)
								for estimated plus 10% quantity (Rs/cu.m) (4X5)	for quantity beyond estimated plus 10 % (Rs/cu.m) (6X8)	
All types of soil	698	49576	161	768	48808	104.60	99.30	123648	4846634	4970282
All types of DR/SR	5293	97762	161	5822	91940	122.94	116.72	937342	10731237	11668579
Hard rock	19328	7382	161	7382	-	220.15	209.01	1188502	-	1188502
<b>Total</b>								<b>2249492</b>	<b>15577871</b>	<b>17827363 (B)</b>

Extra expenditure = Rs 28081645 (A) – Rs 17827363 (B) = Rs. 1,02,54,28 i.e. Rs. 1.03 crore

## Appendix -2.8

(Reference: Paragraph 2.4.2, Page 106 )

## Statement showing component-wise amounts sanctioned by State Government to Medical College Hospitals

(Amount in Rupees)

Sl. No.	Name of Hospital	Name of Equipment	Sanctioned Amount
1	2	3	4
1	Medical College, Bhopal	Central Suction and Oxygen Pipe Line System.	50,00,000
		Wall Mounted Manometer	2,00,000
		Equipments for Casualty operation Theater Wards and Examination Room.	2,74,00,000
		<b>Sub Total</b>	<b>3,26,00,000</b>
2.	Medical College, Gwalior	Central Suction and Oxygen Pipe Line System.	50,00,000
		Wall Mounted Monometer	2,00,000
		Equipments for Casualty Operation Theatre Wards and Examination Room.	2,74,00,000
		<b>Sub Total</b>	<b>3,26,00,000</b>
3.	Medical College, Jabalpur	Central Suction and Oxygen Pipe Line System.	50,00,000
		Wall Mounted Monometer	2,00,000
		Equipments for Casualty Operation Theater Wards and Examination Room.	2,74,00,000
		Lifts (Two)	22,00,000
		<b>Sub Total</b>	<b>3,48,00,000</b>
		<b>Grand Total</b>	<b>10,00,00,000</b>

**Appendix 2.9**

(Reference: Paragraph 2.5.2, Page 109 )

**Statement showing outstanding recoveries on account of deployment of Armed Forces to other States/units.**

S.No.	Name of units whose forces were deployed	Place of deployment	Purpose of deployment	Period of deployment	Date of sending statement of Expenditure (SOE)	Date of receipt of audit certificate	Date of submission of claim	Amount yet to be recovered (In Rupees)
1.	Ist Battalion 2 <sup>nd</sup> Battalion 5 <sup>th</sup> Battalion 8 <sup>th</sup> Battalion	Punjab	Law and order	4/82 to 5/82	8/8/1986	7/8/1989	1/1/2005	3,78,027
2.	14 <sup>th</sup> Battalion	Delhi	Deputation	1/84 to 5/84 9/85 to 10/85 6/86 1/88	25/11/2002	28/10/2004	26./2/2005	38,39,475
3.	Ist Battalion 24 <sup>th</sup> Battalion 25 <sup>th</sup> Battalion 26 <sup>th</sup> Battalion 29 <sup>h</sup> Battalion 34 <sup>th</sup> Battalion	Gujarat	Vidhan Sabha Election	2002	30/12/2003	15/12/2005 15/12/2005 13/2/2007 8/4/2005 8/11/2004 30/3/2005	20/8/07	42,50,988
4	22 <sup>nd</sup> Battalion	Assam	Deputation	5/85 to 10/92	NA	NA	1/8/07	10,24,17,439
5	Police Department	Banks/Doordarshan/ Akashwani	Guard	NA	NA	NA	NA	2,19,59,377
6.	----do-----	Aerodrom Authority	--do--	3/86 to 9/ 05	NA	NA	6/11/07	1,35,60,453
7.	GRP Bhopal	Central Rail Mumbai Western Central Rail Jabalpur North Central Rail Allahabad	Railway protection	1982 to 31.3.08 3/03 to 31.3.08 ---do---	NA	NA	NA	23,23,00124
8	GRP Indore	Werstern Rail Mumbai	Railway protection	1979 to 12/08	NA	NA	NA	10,43,71,889
9.	GRP Jabalpur	Central Rail Mumbai South East Central Railway Kolkata Western Central Rail Jabalpur South East Central Rail Bilaspur	Railway protection	1979 to 31.3.03 1981 to 31.3.03 4/03 to 31.3.08 4/03 to 31.3.08	NA	NA	NA	5,80,21,877
								<b>54,10,99,649</b>
								<b>i.e. 54.11 crore</b>

## Appendix 2.10

(Reference: Paragraph 2.5.4, Page 110 )

Statement showing assistance provided for treatment of disease in unauthorised hospitals

Sl. No.	District	Name of patient	Name of disease	Name of hospital to whom payment made	Sanctioned amount	Details of payment	
						Cheque No.	Date
1	Rajgarh	Shri Kanhaiyalal S/O ShriLakhni Chandra	AVN Both hip joint	Choithram Hospital & research centre, Indore	60,000	3707	10.10.06
2	Rajgarh	Shri Shaligram S/O Shri Deviram	Penis Cancer	Choithram Hospital & research centre, Indore	25,000	3731	21.12.06
3	Rajgarh	Smt. Lalita Gupta W/O Shri Nand Kishore	Cancer oesophagectomy	C.H.L. Apollo Hospital, Indore	60,000	517912	17.04.07
4	Rajgarh	Shri Nanu ram S/O Shri Monaji Dangi	Head Injury	Indore Institute of orthopaedic & Traumatology Pvt. Ltd.	65,000	3753	04.05.07
5	Rajgarh	Shri Mansingh Verma S/O Shri Prabhulal	Brain Tumor	C.H.L. Apollo Hospital, Indore	75,000	3790	09.08.07
6	Rajgarh	Shri Chhaganlal S/O Shri Amritlal	Left Parasagittal Plemorphic Xanthoastrogloma	Bhopal memorial hospital & research centre, Bhopal	75,000	3795	21.08.07
7	Rajgarh	Shri Manta W/O Shri Ravi Prasad	Brain Tumor	C.H.L. Apollo Hospital, Indore	75,000	11502	06.09.07
8	Rajgarh	Smt. Krishanabai W/O Shri Mukesh Kumar	Brain Tumor	C.H.L. Apollo Hospital, Indore	75,000	11516	29.09.07
9	Rajgarh	Shri Yogendra Saxena S/O Shri Brijmohan Saxena	Brain Tumor	Bombey Hospital, Indore	75,000	11528	02.11.07
10	Rajgarh	Shri Dhan Singh S/O Shri Raghunath Singh	Cancer Buccal Macasa	C.H.L. Apollo Hospital, Indore	75,000	11534	26.11.07
11	Rajgarh	Ku. Sangita D/O Shri Premnarayan	Lt. CP Angle Tumor	Bhopal memorial hospital & research centre, Bhopal	75,000	5166	14.02.08
12	Barwani	Shir Manoj S/O Shri Anandilal	Tumor in Stomach	Bhandari Hospital & research centre, Indore	70,000	5419285	27.01.07

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Sl. No.	District	Name of patient	Name of disease	Name of hospital to whom payment made	Sanctioned amount	Details of payment	
						Cheque No.	Date
13	Barwani	Smt. Subhadrabai W/O Shri Daduram	Operation of Kidney	C.H.L. Apollo Hospital, Indore	35,000	5421261	16.04.07
14	Barwani	Km. Babyrani D/O Shri Yusuf Khan	Brain Tumor	C.H.L. Apollo Hospital, Indore	75,000	5421281	06.06.07
15	Barwani	Shri Gyaneshwar S/O Shri Vijay Kumar	ASD Value	T.Choithram Hospital, Indore	75,000	5421294	23.06.07
16	Barwani	Shri Lokesh Nania	Operation of Kidney	C.H.L. Apollo Hospital, Indore	40,000	5421295	23.06.07
17	Barwani	Shri Mayur Tikam	Brain Tumor	T.Choithram Hospital, Indore	70,000	5425444	22.02.08
18	Barwani	Shri Sonu S/O Shri Sadhu	Cancer	T.Choithram Hospital, Indore	50,000	5425445	03.03.08
19	Barwani	Shri Jotil S/O Shri Yashwant	Cancer	T.Choithram Hospital, Indore	75,000	5425500	28.05.08
20	Barwani	Shri Kamal Kishore S/O Shir Rameshwar	Cancer	T.Choithram Hospital, Indore	70,000	3879112	29.08.08
21	Barwani	Shri Phool Singh S/O Shri Omkar Singh	Cancer	C.H.L. Apollo Hospital, Indore	75,000	3879113	29.08.08
<b>Total</b>					<b>13,70,000</b>		

## Appendix -2.11

(Reference: Paragraph 2.5.4, Page 110 )

Statement showing assistance provided for treatment of disease not covered under specified diseases

Sl. No.	District	Name of patient	Name of disease	Name of hospital to whom payment made	Sanctioned amount	Details of payment	
						Cheque No.	Date
1	Rajgarh	Shri Badrilal S/O Shri Rambagas	BPH	Choithram Hospital & Research Centre, Indore	25,000	96291	13.7.06
2	Rajgarh	Smt. Nazma w/o Shri Shahjodali	Vasico Vaginal fistola	Choithram Hospital & Research Centre, Indore	25,000	3705	04.09.06
3	Rajgarh	Shri Bane singh S/O Shri Bhanwarlal	Fracture Tibia with Nonhealing weer	Choithram Hospital & Research Centre, Indore	60,000	3706	10.10.06
4	Rajgarh	Shri Nand Kishore S/O Shri Balaprasad	Facel Fistula	Gandhi Medical College, Bhopal	35,000	3719	01.11.06
5	Rajgarh	Shri Rohit yadav S/O Shri Mahesh yadav	Central Aorto Pulonoriary	Bhopal Memorial Hospital & Research Centre, Bhopal	50,000	3720	01.11.06
6	Rajgarh	Shri Ghisalal Jogi S/O Shri Kaluram	RT. DJ Stedning with ESWL	Bhopal Memorial Hospital & Research Centre, Bhopal	25,000	7325	20.11.06
7	Rajgarh	Shri Narayan Singh S/O Shri Ummmedram	UROPATHY with CHR Renal Failure	Choithram Hospital & Research Centre, Indore	75,000	517093	14.03.08
8	Rajgarh	Shri Pooranal S/O Shri Kanhaiyalal	Tuberculosis or Malignancy RT. Sepular	Choithram Hospital & Research Centre, Indore	40,000	517901, 517911	24.03.08, 17.04.08
9	Rajgarh	Shri Ram Charan S/O Shri Shrilal Dangi	Spinal Surgery	SNG Hospital Indore Institute of orthopaedic & Traumatology Pvt. Ltd.	70,000	3780	18.07.07
10	Rajgarh	Ku. Asha Batham D/o Shri Balam	Supracellar SOL	Bombay Hospital, Indore	75,000	3785	02.08.07
11	Rajgarh	Shri Mangilal S/O Shri Nanuram	Stone Surgery	SNG Hospital Indore Institute of orthopaedic & Traumatology Pvt. Ltd.	70,000	3786	02.08.07
12	Rajgarh	Smt. Lilapal w/o Shri Ramesh	Sever Anemia	Choithram Hospital, Indore	60,000	3788	09.08.07
13	Rajgarh	Shri sunil Dangi S/O Shri Shivnarayan	Knee Surgery	SNG Hospital Indore Institute of orthopaedic & Traumatology Pvt. Ltd.	70,000	3798	31.08.07
14	Rajgarh	Shri Vijaypal S/O Shri Chhagan Singh	Nephrectomy Pyeloplasty	Choithram Hospital & Research Centre, Indore	40,000	11501	06.09.07
15	Rajgarh	Shri Mukesh S/O Shri Devilal	RT. PCNL+LT ESWL Operation	CHL Apollo Hospital, Indore	33,000	11505	11.09.07
16	Rajgarh	Smt. Bhagwatibai w/o Shri Purilal	Renal Stone	Choithram Hospital, Indore	40,000	11507	13.09.07
17	Rajgarh	Smt. Sarjubai w/o Shri Mishrilal	Vesicoyaginal Fistula	Choithram Hospital, Indore	40,000	11521	15.10.07
18	Rajgarh	Shri Prahlad Singh S/O Shri Kesar Singh	Knee Surgery	SNG Hospital Indore Institute of orthopaedic & Traumatology Pvt. Ltd.	60,000	11523	15.10.07
19	Rajgarh	Shri Omprakash S/O Shri Rampal	Knee Surgery	SNG Hospital Indore Institute of orthopaedic & Traumatology Pvt. Ltd.	60,000	11532	15.11.07
20	Rajgarh	Smt. Chatrubai w/o Shri Hindu Singh	Ureteric prolapse with cystocele with DUB	Choithram Hospital & Research Centre, Indore	30,000	5155	15.01.08
21	Rajgarh	Shri Sachin S/O Shri Manohar Singh	TAPVC	K.E.M. Hospital, Mumbai	60,000	5159	25.01.08
22	Rajgarh	Smt. Santosh bai w/o Shri Manohar	B/L DJ Steralay & SEWL	C.H.L. Apollo Hospital, Indore	47,000	5163	31.01.08
23	Rajgarh	Shri Devi Singh S/O Shri Pooran Chandra	Accuteteglomerutone phritis	Choithram Hospital, Inodre	50,000	4986	25.04.08
24	Rajgarh	Shri Rajesh Sahu S/O Shri Laxman Ji	Vitroctomy	Shankar Netralaya, Chennai	28,000	4987	25.04.08
25	Barwani	Shri Zuned Nadir	Brain diseases	Bombay Hospital, Indore	40,000	5425448	03.03.08
<b>Total</b>					<b>12,08,000</b>		

**Appendix -2.12**

(Reference: Paragraph 2.5.4, Page 110 )

**Statement showing assistance provided for treatment of disease in excess of financial limit**

Sl. No.	District	Name of patient	Name of disease	Name of Hospital to whom payment made	Sanctioned amount	Financial limit	Excess payment	Details of payment	
								Cheque No.	Date
1	Rajgarh	Shri Amar Singh S/o Shri Dhannalal	CA Lower Alveolus	Jawaharlal Nehru Cancer Hospital Bhopal	70,000	50,000	20,000	96265	24.04.06
2	Rajgarh	Shri Samander Singh S/o Shri Bhanwarlal	Cancer Buccal Mucosa	Cancer hospital Bhopal	60,000	45,000	15,000	96266	24.04.06
3	Rajgarh	Shri Jairam Verma S/o Shri Jagannath	Cancer Buccal Mucosa	Cancer hospital Bhopal	60,000	45,000	15,000	96274	24.05.06
4	Rajgarh	Shri Dhul ji S/o Shri Gangadhar	Cancer Buccal Mucosa	Cancer hospital Bhopal	50,000	45,000	5,000	96277	29.05.06
5	Rajgarh	Shri Ganga Prasad Dangi S/o Shri Shivlal Dangi	Cancer Buccal Mucosa	Cancer hospital Bhopal	50,000	45,000	5,000	96295	22.07.06
6	Rajgarh	Smt.Shabnam Bano w/oShri Insaf Ahamd	Lung Cancer	Indian institute of Head & neck Oncology Indore	75,000	50,000	25,000	3704	25.08.06
7	Rajgarh	Smt. Narmada bai w/o Shri Prabhudayal	Cancer Cheek	Indian institute of Head & neck Oncology Indore	60,000	50,000	10,000	3726	24.11.06
8	Rajgarh	Shri Shivlal S/o Shri Pannalal	Cancer Tongue	Jawaharlal Nehru Cancer Hospital Bhopal	60,000	50,000	10,000	517080	01.03.07
9	Rajgarh	Shri Mangilal S/o Shri Modenand Koli	Cancer Tongue	Jawaharlal Nehru Cancer Hospital Bhopal	75,000	50,000	25,000	517092	10.03.08
10	Rajgarh	Shri Kalu Shingh S/o Shri Bheru Singh	Cancer Tongue	Indian institute of Head & neck Oncology Indore cancer foundation	70,000	50,000	20,000	3754	08.05.07
11	Rajgarh	Shri Ramcharan S/o Shri Girdharilal	Cancer Buccal Mucosa	Indian institute of Head & neck Oncology Indore cancer foundation	70,000	45,000	25,000	3755	14.05.07
12	Rajgarh	Shri Shiv Narayan S/o Shri Ramlal	Cancer Tongue	Jawaharlal Nehru Cancer Hospital. Research centre	75,000	50,000	25,000	3758	31.05.07
13	Rajgarh	Smt. Ramsukhi Shri Bhgwan	Cancer Buccal Mucosa	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	50,000	45,000	5,000	3759	03.06.07
14	Rajgarh	Shri Mohanlal S/o Shri Nathu Ram	Cancer RT BM	Jawaharlal Nehru Cancer Hospital Bhopal	50,000	45,000	5,000	3762	23.06.07
15	Rajgarh	Shri Laxmichandra S/o Shri Jeevanlal	Cancer Nasophaupex & see	Jawaharlal Nehru Cancer Hospital Bhopal	50,000	40,000	10,000	3776	16.07.07
16	Rajgarh	Smt.Banwari bai Shri Takhat Singh	Cancer Buccal Mucosa	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	60,000	45,000	15,000	3789	09.08.07
17	Rajgarh	Shri Brijmohan Jhalani S/o Shri Manmohan Jhalani	Cancer Buccal Mucosa	Indian Institute of head & neck Oncology, Indore cancer foundation Indore	50,000	45,000	5,000	3794	21.08.07
18	Rajgarh	Shri Prem Singh S/o Shri Babulal Sendia	Cancer Tongue	Cancer Hospital & Research Institute Gwalior	75,000	50,000	25,000	11512	26.09.07
19	Rajgarh	Shri Dariyab Singh S/o Shri Heeralal	Cancer Tongue	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	60,000	50,000	10,000	11522	15.10.07
20	Rajgarh	Smt. Mawabai w/o Shri Nanak Ram	Cancer Buccal Mucosa	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	75,000	45,000	30,000	11526	02.11.07



Sl. No.	District	Name of patient	Name of disease	Name of Hospital to whom payment made	Sanctioned amount	Financial limit	Excess payment	Details of payment	
								Cheque No.	Date
21	Rajgarh	Shri Mahesh Dangi S/o Shri Dev Singh	Cancer Lymphoma	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	75,000	50,000	25,000	11527	02.11.07
22	Rajgarh	Shri ShivNarian S/o Shri Gulabchandra	Cancer Buccal Mucosa	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	75,000	45,000	30,000	11535	29.11.07
23	Rajgarh	Smt. Rukmani w/o Shri Shivilal	Cancer Buccal Mucosa	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	75,000	45,000	30,000	11539	17.12.07
24	Rajgarh	Shri Siddhulal S/o Shri Devchandra	Cancer Buccal Mucosa	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	50,000	45,000	5,000	11541	14.01.08
25	Rajgarh	Smt. Sampatbai w/o Shri Ramchandra	Cancer Moxilla	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	60,000	50,000	10,000	11543	14.01.08
26	Rajgarh	Shri Ramchandra Kushwaha S/o Shri Omkar	Cancer back of Tongue	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	75,000	50,000	25,000	11544	14.01.08
27	Rajgarh	Shri Banne Singh S/o Shri Bhanwar Singh	Cancer Buccal Mucosa	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	50,000	45,000	5,000	11545	14.01.08
28	Rajgarh	Smt. Kauribai w/o Shri Lalsingh	Carcinoma Cervix	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	60,000	50,000	10,000	11547	14.01.08
29	Rajgarh	Shri Ramgopal S/o Badrilal	Cancer Buccal Mucosa	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	50,000	45,000	5,000	11548	14.01.08
30	Rajgarh	Shri Ramprasad S/o Mangilal	Non nodgkens Lymphoma	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	75,000	50,000	25,000	5158	18.01.08
31	Rajgarh	Shri Madanlal S/o Shri Ramsingh	Cancer Buccal Mucosa	Jawaharlal Nehru Cancer Hospital & research centre, Bhopal	50,000	45,000	5,000	5161	31.01.08
32	Rajgarh	Shri Dhani Bai w/o Shri Karan Singh	Cancer Buccal Mucosa	Jawaharlal Nehru Cancer Hospital, Bhopal	50,000	45,000	5,000	5162	31.01.08
33	Rajgarh	Shri Ayodhya Prasad S/o Shri Gopi lal	Cancer Tongue	Indian Institute of Head & neck Oncology & Traumatology Pvt. Ltd.	60,000	50,000	10,000	5170	23.02.08
34	Rajgarh	Shri Inder Singh S/o Shri Ram Singh	Cancer Tongue	Jawaharlal Nehru Cancer Hospital, Bhopal	75,000	50,000	25,000	5173	14.03.08
35	Rajgarh	Shri Mohammad Khan S/o Shri Khaju Khan	Cancer Tongue	Indian Institute of Head & neck Oncology & Traumatology Pvt. Ltd.	75,000	50,000	25,000	4985	25.04.08
36	Rajgarh	Shri Bhanmal S/o Shri Ghisalal	Cancer Tongue	Jawaharlal Nehru Cancer Hospital, Bhopal	60,000	50,000	10,000	4990	01.05.08
37	Barwani	Smt. Shantabai w/o Shri Chhogalal	Hip joint Operation	SNG Hospital Indore.	70,000	35,000	35,000	5421280	06.06.07
							<b>Total 5,90,000</b>		

**Appendix-2.13**

*(Reference: paragraph 2.5.5, page 111)*

**Statement showing outstanding inspection reports and paragraphs of various departments as on 30 September 2009**

<b>Sl. No.</b>	<b>Name of the department</b>	<b>No. of inspection reports</b>	<b>No. of paragraphs</b>
1	Panchayat and Rural Development	122	520
2	Public Health and Family Welfare	513	1286
3	Revenue	1144	2804
4	Medical Education	--	--
5	Finance	42	79
6	Co-operation	345	1123
7	Education	1898	4658
8	Agriculture	629	1697
9	Housing and Environment	251	1022
10	Registration and Stamps	60	132
11	Public Relation	57	135
12	Panchayat and Social Welfare	350	802
13	Women and Child Development	254	644
14	Animal husbandry	230	670
15	Police	282	622
16	Law and Legislative affairs	365	684
17	Horticulture	193	612
18	Labour and Employment	292	613
19	Jail	119	311
20	Technical Education	123	344
21	Handloom	65	140
22	Home Guard and Civil Security	64	108
23	Planning Economics and Statistics	57	236
24	Sericulture	46	125
25	Fisheries	54	138
26	Scheduled Tribes and Scheduled Castes Welfare	390	967
27	Industries	154	453
28	General Administration	09	33
29	Transport	04	07
30	Energy	12	16
31	State Excise	49	66
32	Commercial Tax	86	138
33	Archaeological and Museum.	39	78
34	Rehabilitation	29	80
35	Printing and Stationery	24	93
36	Ayacut	23	46
37	Urban Administration	103	331
38	Mining	16	37
39	Weights and Measurement	13	26
40	Civil Aviation	10	40
41	Tourism	06	26
42	Misc. Deptt. (PSC, Ad. Academy, State Garage enquiry Commission. NCC etc.)	614	1586
	<b>Total</b>	<b>9136</b>	<b>23528</b>

**Appendix-2.14**

*(Reference: paragraph 2.5.5, page 111)*

**Statement showing year-wise position of outstanding inspection reports and paragraphs in respect of departments shown in Appendix 2.13.**

<b>Year</b>	<b>No. of Inspection Reports</b>	<b>No. of paragraphs</b>
Up to 2003-04	5009	11036
2004-05	615	1185
2005-06	862	2002
2006-07	550	1477
2007-08	976	3220
2008-09 (up to September 2009)	1124	4608
<b>Total</b>	<b>9136</b>	<b>23528</b>

Appendix-3.1

(Reference: Paragraph 3.1.6.7, Page 120)

Statement showing rush of expenditure in the PHED Divisions

Sl.No.	Grant No.	Major Head	Name of Work	Expenditure during March (Rs)	Total Expenditure during the Year (Rs)	Percentage of expenditure in March
<b>Khargone Division -March 2009</b>						
1.	20	4215	HRD Jal Parikshan	2,92,000	2,92,000	100%
2.	52	2215	Maint. Of PWSS	83,04,446	83,30,030	97.70%
3.	20	2215	Laboratories	1,59,988	2,39,608	67%
4.	20	4215	Machinery & Equipment	1,81,540	4,99,137	36.37%
5.	41	4215	Machinery & Equipment	4,24,614	5,97,426	71%
6.	41	4215	Drilling of TW in problem villages	66,10,864	135,35,040	49%
7.	64	4215	Drilling of TW in problem villages	20,51,586	54,96,970	37.32%
8.	41	4215	Water supply on SC/ST Hostel	6,02,169	32,82,414	18.34%
9.	64	4215	Water supply on SC/ST Hostel	13,73,972	23,73,505	58%
10.	41	4215	Recharging	17,61,410	36,68,250	48%
11.	80	2215	Maint. Of DWSS	8,26,729	24,95,893	33%
			<b>Total</b>	<b>22589300</b>	<b>408,10,273</b>	<b>55.35%</b>
<b>Katni Division -March 2009</b>						
1.	20	2215	Rural survey	195000	195000	100%
2.	20	4215	T&P	290000	499763	58%
3.	20	4215	Monitoring and Surveillance	248000	248000	100%
4.	20	4215	RPWSS	20228764	75299995	26.86%
5.	41	4215	DWSS	999960	999960	100%
6.	41	4215	DWSS Survey	30000	30000	100%
7.	41	4215	GW Recharging	4462258	6941981	64.28%
8.	41	4215	T&P	500000	500000	100%
9.	64	4215	Recharging	4065565	9400000	43.25%
10.	64	4215	SC/ST Hostel	500000	692115	72.24%
11.	52	2215	Maint.	500000	500000	100%
12.	52	2215	Maint. RPWSS	1000000	1000000	100%
			<b>Total</b>	<b>33019547</b>	<b>96306834</b>	<b>34.29%</b>
<b>Shahdol Division- March 2008</b>						
1.	15	2215	Maint. Of HP	213996	957574	22.35
2.	15	2215	Maint of RPWSS	99845	99845	100%
3.	20	4215	Drilling of TW in problem villages	3178312	4555402	70%
4.	20	4215	Major Project	9720221	10628000	91.45%
5.	20	4215	T&P	99473	99473	100%
6.	20	4215	Public Health Lab	462271	494681	93.44%
7.	20	4215	Monitoring and Surveillance	2252927	2252927	100%
8.	20	2215	Survey	71494	71494	100%
9.	20	2215	S&I RPWSS	138616	138616	100%
			<b>Total</b>	<b>16237155</b>	<b>19298012</b>	<b>84%</b>
<b>Shahdol Division - March 2009</b>						
1.	20	2215	Maint of UWS	2465565	2478432	99.48%
2.	20	4215	Major Project	6608623	31586017	21%
3.	20	4215	Minor Works	3950960	5796341	68.16%
4.	41	4215	Recharging of GW	1707195	6842505	24.94%
5.	41	4215	Drilling of TW	6401698	12998318	49.25%
6.	52	2215	Const. Plateform	2117542	2326382	91.02%
7.	64	4215	Recharging	3798980	5392953	70.44%
8.	64	4215	Hostel/Aashram	1544147	2519259	61.30%
			<b>Total</b>	<b>28594710</b>	<b>69940207</b>	<b>40.88%</b>
<b>Seoni Division - March 2009</b>						
1.	20	4215	WS & Sanitation	7757802	7757802	100%
2.	41	4215	Water Recharging	3745095	6797058	55%
3.	64	4215	Flourosis control	2988803	9995572	30%
4.	80	2215	Maint. Of HP	659087	1499957	44%
			<b>Total</b>	<b>15150787</b>	<b>26050389</b>	<b>58.16%</b>
<b>Chhatarpur Division -March 2008</b>						
1	64	4215	RPWSS	7150207	17381712	41.13 %
2	64	4215	Recharging works	7176231	11127588	64.49 %
3	64	4215	Drilling of tubewell	4094340	11090660	36.91 %
4	20	4215	Monitoring and surveillance	2949000	2949000	100 %
5	20	4215	RPWSS	14601175	22177303	65.83 %
			<b>Total</b>	<b>35970953</b>	<b>64726263</b>	<b>55.57 %</b>

SL.No.	Grant No.	Major Head	Name of Work	Expenditure during March (Rs)	Total Expenditure during the Year (Rs)	Percentage of expenditure in March
<b>Chhatarpur Division – March 2009</b>						
1	20	4215	RPWSS	8898832	18758092	47.43%
2	20	4215	Laboratories	223415	223415	100 %
3	80	2215	Maintenance of hand pumps	1389562	2900181	47.91 %
4	64	4215	Recharging of water sources	5000252	10592487	47.20 %
			<b>Total</b>	<b>15512061</b>	<b>32474175</b>	<b>47.76 %</b>
<b>Datia Division – March 2008</b>						
1	80	2215	Maintenance of tubewells	1115717	1523999	73.20 %
2	20	4215	RPWSS	2350862	3293495	71.39 %
3	64	4215	Recharging	1381568	1645303	83.97 %
4	64	4215	RPWSS	3047920	5239177	58.18 %
			<b>Total</b>	<b>7896067</b>	<b>11701974</b>	<b>67.48 %</b>
<b>Datia Division – March 2009</b>						
1	20	4215	RPWSS	1683720	3654252	46.08 %
2	20	2215	Water supply	993787	993787	100 %
			<b>Total</b>	<b>2677507</b>	<b>4648039</b>	<b>57.61 %</b>
<b>Guna Division – March 2009</b>						
1	20	4215	RPWSS	2425000	4467000	54.28 %
2	64	4215	Flouride control	1040000	1040000	100 %
3	41	4215	Recharging	597000	597000	100 %
			<b>Total</b>	<b>4062000</b>	<b>6104000</b>	<b>66.54 %</b>
<b>Raisen Division – March 2009</b>						
1	64	4215	Quality control	2972622	2972622	100 %
2	20	4215	Quality control	3624232	6806544	53 %
3	64	4215	Water supply in SC/ St hostel	1082641	1725392	63 %
4	41	4215	Recharging	2885707	3000000	96 %
			<b>Total</b>	<b>10565202</b>	<b>14504558</b>	<b>72.84 %</b>

Appendix-3.2

(Reference: Paragraph 3.1.7.5, Page 127)

Statement showing pair formation by the contractors

Division	NIT No./ Year	Call	PAC Rs in lakh	Contractor	Tendered Rate
1	2	3	4	5	6
<b>Indore</b>	53/ 2007-08	first	1.25	HS Enterprises Indore	188200
				Poonum Enterprises Indore	191000
	53/ 2007-08	first	1.25	HS Enterprises Indore	191500
				Poonum Enterprises Indore	187900
	53/ 2007-08	first	1.25	HS Enterprises Indore	193000
				Poonum Enterprises Indore	188200
	53/ 2007-08	first	1.25	HS Enterprises Indore	188000
				Poonum Enterprises Indore	195000
	56/ 2007-08	Second	1.64	HS Enterprises Indore	19% above SOR
				Poonum Enterprises Indore	13.95% above SOR
	56/ 2007-08	Second	3.98	HS Enterprises Indore	17% above SOR
				Poonum Enterprises Indore	13.98% above SOR
	56/ 2007-08	Second	2.08	HS Enterprises Indore	14% above SOR
				Poonum Enterprises Indore	18% above SOR
	56/ 2007-08	Second	2.14	HS Enterprises Indore	14% above SOR
				Poonum Enterprises Indore	19% above SOR
	58/ 2007-08	first	0.90	Yadav & Sons	19.98% above SOR
				Radheshyam baboolal sharma	19.99% above SOR
	58/ 2007-08	first	0.90	Yadav & Sons	19.98% above SOR
				Radheshyam baboolal sharma	19.99% above SOR
	58/ 2007-08	first	0.90	Yadav & Sons	20% above SOR
				Radheshyam baboolal sharma	19.98% above SOR
	58/ 2007-08	first	0.90	Yadav & Sons	19.99% above SOR
				Radheshyam baboolal sharma	19.98% above SOR
	56/ 2007-08	Second	3.91	Ganesh Parmar	16% above SOR
				MB Brothers	14% above SOR
	56/ 2007-08	Second	2.55	Ganesh Parmar	14% above SOR
				MB Brothers	16% above SOR
	56/ 2007-08	Second	2.53	Shiv Construction	16.97% above SOR
				MB Brothers	14% above SOR
56/ 2007-08	Second	3.84	Shiv Construction	14.50% above SOR	
			MB Brothers	16% above SOR	
56/ 2007-08	Second	1.59	Shiv Construction	14.25% above SOR	
			Praful Kumar Shukla	16.50% above SOR	
56/ 2007-08	Second	1.55	Shiv Construction	17% above SOR	
			Praful Kumar Shukla	14% above SOR	
<b>Shahdol</b>	06/ 2008-09	First		Ganesh Rig	63% above SOR
				Shivam drilling	64% above SOR
	06/ 2008-09	First		Ganesh Rig	63.5% above SOR
				Shivam drilling	64% above SOR
	06/ 2008-09	First		Ganesh Rig	65.5% above SOR
				Shivam drilling	63.5% above SOR
	06/ 2008-09	First		Ganesh Rig	65.5% above SOR
			Shivam drilling	63% above SOR	
06/ 2008-09	First		Ganesh Rig	66% above SOR	

1	2	3	4	5	6
				Shivam drilling	63.5% above SOR
	07/ 2008-09	First	0.52	Subhash Mishra	38% above SOR
				Uttam Mishra	40% above SOR
	07/ 2008-09	First	1.80	Subhash Mishra	37% above SOR
				Uttam Mishra	36% above SOR
	08/ 2008-09	First	1.84	Subhash Mishra	38% above SOR
				Uttam Mishra	42% above SOR
	08/ 2008-09	First	1.84	Subhash Mishra	38% above SOR
				Uttam Mishra	43% above SOR
	08/ 2008-09	First	1.84	Subhash Mishra	39.50% above SOR
				Uttam Mishra	38.50% above SOR
	25/ 2008-09	First	1.90	Subhash Mishra	16% above SOR
				Uttam Mishra	19% above SOR
	25/ 2008-09	First	1.75	Subhash Mishra	18% above SOR
				Uttam Mishra	16.5% above SOR
	26/ 2008-09	First	10.00	RB Gupta	10.53 lakh
				KB Gupta	10.48 lakh
	26/ 2008-09	First	9.50	RB Gupta	9.99 lakh
				KB Gupta	10.10 lakh
	26/ 2008-09	First	7.00	RB Gupta	8.90 lakh
				KB Gupta	8.67 lakh
	26/ 2008-09	First	7.50	RB Gupta	8.88 lakh
				KB Gupta	9.00 lakh
	26/ 2008-09	First	7.00	RB Gupta	8.68 lakh
				KB Gupta	8.91 lakh
	08/ 2008-09	First	1.84	Mumtaj Ahmed	39% above SOR
				Ibrahim Ahmed	41% above SOR
	08/ 2008-09	First	1.84	Mumtaj Ahmed	40% above SOR
				Ibrahim Ahmed	39% above SOR
	08/ 2008-09	First	1.84	Mumtaj Ahmed	40% above SOR
				Ibrahim Ahmed	38% above SOR
	08/ 2008-09	First	1.84	Mumtaj Ahmed	41% above SOR
				Ibrahim Ahmed	39% above SOR
<b>Chhattarpur</b>	70/ 2008-09	First	6.4	KB Gupta	9.20 lakh
				RB Gupta	8.85 lakh
	70/ 2008-09	First	6.92	KB Gupta	8.85 lakh
				RB Gupta	9.30 lakh
	70/ 2008-09	First	12.3	KB Gupta	13.00 lakh
				RB Gupta	12.68 lakh
	70/ 2008-09	First	14.8	KB Gupta	13.00 lakh
				RB Gupta	13.90 lakh
	28/ 2008-09	First	6.6	KB Gupta	8.85 lakh
				Ravindra Dubey	9.00 lakh
	28/ 2008-09	First	4.6	KB Gupta	5.65 lakh
				Ravindra Dubey	5.95 lakh
	28/ 2008-09	First	5	KB Gupta	7.05 lakh
				Ravindra Dubey	6.85 lakh
	28/ 2008-09	First	5.55	KB Gupta	7.64 lakh
				Ravindra Dubey	7.90 lakh
	28/ 2008-09	First	5	KB Gupta	7.05 lakh
				Ravindra Dubey	6.85 lakh
	28/ 2008-09	First	5	KB Gupta	7.00 lakh
				Ravindra Dubey	6.80 lakh

Appendix-3.3

(Reference: Paragraph 3.1.8.1, Page 128)

Statement showing departmental execution of work without approval of competent authority

Sl.No	Name of Scheme	Name of block	Name of Sub-Engineer S/Shri	No. of vouchers	Actual Amount paid (In Rupees)	Amount for which measurement recorded in MB (In Rupees)	M.B.No/ Page
1	2	3	4	5	6	7	8
1	Bohariband	Bohariband	S.R.Mehra	150@5000 + 26@4840 (176)	875840		
2	Pachpedi		R.K.Paroché	80@5000 + 19@4840 (99)	491960		
3	Dhoori	Bohariband	S.R.Mehra	36 @ 5000+ 4840	184840	25000	155/45-52
4	Chapara	Bohariband	R.K.Paroché	114@5000	570000		
5	Sunkui/ Sunkai	Dheemerkheda	R.K.Paroché	47@5000 + 19@4840 (66)	326960		
6	Kachargaon chota	Dheemerkheda	R.P.Upadhyay	94 @4840	454960	387200	257/11-15
7	Goonda	Dheemerkheda	R.P.Upadhyay	85 @ 4840	411400	387200	257/6-10
8	Barehata	Dheemerkheda	R.P.Upadhyay	82 @ 5000	410000	375000	208/1-6
9	Mohtara	Bohariband	R.S.Choudhary	89@ 5000 + 41 @ 4840	643440	210000	246 & 291
10	Chargawa	Bohariband	R.S.Choudhary	179 @ 5000 + 21 @ 4840 (200)	996640	No specific progress of work	246 & 291
11	Pipariyashukl		R.P.Upadhyaya	87 @ 4840	421080	389990	257/1-5
12	Devri/Deori		R.P.Upadhyaya	51 @ 4840	246840	77440	208/47-50
13	Khamtara	Dheemerkheda	R.K.Paroché	94 @ 5000	470000	0	241/111-132 (these are blank and issued to Shri. R.S.Choudhary)
14	Khamtara	Bohariband	R.S.Choudhary	92 @ 4840 + 65 @ 5000	687280	325000	241/1-5
15	Mehner	Dheemerkheda	R.K.Paroché	51 @ 5000 + 19 @ 4840	346960	0	no reference
16	Badkheda	Bohariband	R.S.Choudhary	269 @ 5000	1339400	980000	246, 291
17	Khirhani	Bohariband	S.R.Mehra	116 @ 5000 + 34 @ 4840	744560	500200	298/3-6
18	Sleemanabad	Bohariband	R.P.Upadhyay	159 @ 5000	795000	600000	208/36-41
19	Bachaiya	Bohariband	S.R.Mehra	25 @ 4840 + 69 @ 5000	466000	0	no reference
20	Khamha	Dheemerkheda	R.P.Upadhyay	101 @ 4840	488840	387200	257/16-20
21	Sihudi (Bakal)	Bohariband	R.K.Paroché	69 @ 5000	345000	0	no reference
22	Parsel			2 @5000 + 24 @ 4840	126160	0	no reference
23	Pondi khurd	Dheemerkheda		70 @ 4840 (02/09 and 03/09) + 7 @ 5000 (07/2008)	373800	0	no reference
24	Antarveda	Dheemerkheda	R.P Upadhyay for dept work and Shri. R.K.Paroché for agreed work	49@5000 + 21 @ 4840	342160	0	no reference



<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>
25	Gauraha	Dheemerkheda	S.R.Mehra	30 @ 4840	145200	0	0
26	Thirri		R.P.Upadhyay	45 @ 4840	217800	387200	257/26-30
27	Bihariya		R.P.Upadhyay	36 @ 4840	174240	338800	257/21-25
28	Murwari	Dheemerkheda	R.K.Paroché	13 @ 4840 (May 2009) + 4 @ 5000	82920	no record/ no progress	0
29	Khamariya	Bohariband	S.R.Mehra	122 @ 4840 + Proportionate progress of Rs. 172000 (M.B- 298/P- 29) for 1100 m pipe	762480	172000	298/29
30	Khamariya	Dheemerkheda	R.K.Paroché	134 @ 5000	670000	390000	299/6-10
31	Pondikala	Bohariband	R.P.Upadhyay	30 @ 5000	150000	50000	208/14-16
32	Gudari		S.R.mehra	116 @ 5000 + 28 @ 4840	725520	650000	298/21,23,27,29
			<b>Total</b>		<b>15487280</b>		

Appendix-3.4

(Reference: Paragraph 3.1.8.2, Page 129)

Statement showing short progress of work (as recorded in vouchers)

Sl.No.	Name of Scheme	Name of Block	Name of Sub-Engineer S/Shri.	Estimated cost for laying of pipe (Rs)	Actual Amount paid (Rs)	Unauthorised execution beyond 10 percent of estimate (Rs)	Progress after reduction of 9.09 % from estimated cost on SOR rates(as per provision of SOR for departmental works) and addition of prevailing tender percent of 30 percent (Amount in Rs)					
							Adjusted Amount of Progress	Payment made per voucher	Short progress per voucher	No of payments ie: Vouchers	Total amount of short progress	Total for scheme
1	Bohariband	Bohariband	S.R.Mehra	40,500	875840	831290	2804	5000	2196	83	182268	
						0	3156	5000	1844	59	108796	
						0	2688	5000	2312	8	18496	
						0	2688	4840	2152	26	55952	365512
2	Pachpedi		R.K.Paroché		491960	491960	2945	5000	2055	80	164400	
						0	2945	4840	1895	19	36005	200405
3	Dhoori	Bohariband	S.R.Mehra		184840	184840	4122	5000	878	36	31608	
						0	4122	4840	718	1	718	32326
4	Chapara	Bohariband	R.K.Paroché	121500	570000	436350	2061	5000	2939	114	335046	335046
5	Sunkui/ Sunkai	Dheemerkheda	R.K.Paroché	162000	326960	148760	3154	5000	1846	47	86762	
						0	3154	4840	1686	19	32034	118796
6	Kachargaon chota	Dheemerkheda	R.P.Upadhyay	97500	454960	347710	2409	4840	2431	94	194439	194439
7	Goonda	Dheemerkheda	R.P.Upadhyay		411400	411400	2409	5000	2591	85	189401	189401
8	Barehata	Dheemerkheda	R.P.Upadhyay	97500	410000	302750	178265	410000	231735	1	231735	231735
9	Mohtara	Bohariband	R.S.Choudhary	31200	643440	609120	2097	5000	2903	130	377390	377390
10	Chargawa	Bohariband	R.S.Choudhary		996640	996640	2153	5000	2847	58	165126	
						0	2162	5000	2838	121	343398	
						0	2153	4840	2687	21	56427	564951
11	Pipariyashukl		R.P.Upadhyaya	97500	421080	313830	2396	4840	2444	87	181068	181068
12	Devri/Deori		R.P.Upadhyaya	175500	246840	53790	2396	4840	2444	51	106144	106144
13	Thirri		R.P.Upadhyay		217800	217800	2396	4840	2444	45	93668	93668
14	Bihariya		R.P.Upadhyay		174240	174240	2396	4840	2444	36	74925	74925
15	Khamtara	Dheemerkheda	R.K.Paroché	0	470000	470000	2799	5000	2201	94	206894	206894
16	Mehner	Dheemerkheda	R.K.Paroché	156600	346960	174700	2945	5000	2055	51	104805	104805
						0	2945	4840	1895	19	36005	36005
17	Badkheda		R.S.Choudhary	156600	1339400	1167140	2152	5000	2848	269	766112	766112

Sl.No.	Name of Scheme	Name of Block	Name of Sub-Engineer S/Shri.	Estimated cost for laying of pipe (Rs)	Actual Amount paid (Rs)	Unauthorised execution beyond 10 percent of estimate (Rs)	Progress after reduction of 9.09 % from estimated cost on SOR rates(as per provision of SOR for departmental works) and addition of prevailing tender percent of 30 percent (Amount in Rs)					
							Adjusted Amount of Progress	Payment made per voucher	Short progress per voucher	No of payments ie: Vouchers	Total amount of short progress	Total for scheme
18	Khirthani	Bohariband	S.R.Mehra		744560	744560	3168	5000	1832	116	212512	
						0	3168	4840	1672	34	56848	269360
19	Khamtara	Bohariband	R.S.Choudhary	94500	687280	583330	2118	5000	2882	65	187330	
							2153	4840	2687	92	247204	434534
20	Sleemanabad	Bohariband	R.P.Upadhyay	121500	795000	661350	3165	5000	1835	159	291765	291765
21	Bachaiya	Bohariband		153000	466000	297700	2646	5000	2354	48	112992	
							2674	4840	2166	25	54150	
							2798	5000	2202	21	46242	213384
22	Khamha	Dheemerkheda	R.P.Upadhyay		488840	488840	2484	4840	2356	101	201318	201318
23	Sihudi (Bakal)	Bohariband	R.K.Paroché	97500	345000	237750	2181	5000	2819	69	194511	194511
24	Antarveda	Dheemerkheda	R.P Upadhyay for dept work and Shri. R.K.Paroché for agreed work		342160	342160	0	0	0		no progress	0
25	Gauraha	Dheemerkheda	S.R.Mehra		145200	145200	2852	4840	1988	30	59640	59640
26	Khamariya	Bohariband	S.R.Mehra	0	762480	762480	2846	4840	1994	122	243268	243268
27	Pondikala	Bohariband	R.P.Upadhyay	0	150000	150000			150000 - 50000 as per MB		100000	100000
28	Khamariya	Dheemerkheda	R.K.Paroché	0	670000	670000	2587	5000	2413	134	323342	323342
29	Parsel			97,500	126160	18910	0	0	0		no progress	0
30	Gudrai		S.R.mehra	0	725520	725520	2677	4840	2163	28	60564	
							2798	5000	2202	118	259836	320400

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Sl.No.	Name of Scheme	Name of Block	Name of Sub-Engineer S/Shri.	Estimated cost for laying of pipe (Rs)	Actual Amount paid (Rs)	Unauthorised execution beyond 10 percent of estimate (Rs)	Progress after reduction of 9.09 % from estimated cost on SOR rates(as per provision of SOR for departmental works) and addition of prevailing tender percent of 30 percent (Amount in Rs)					
							Adjusted Amount of Progress	Payment made per voucher	Short progress per voucher	No of payments ie: Vouchers	Total amount of short progress	Total for scheme
31	Murwari	Dheemerkheda	R.K.Paroché	0	82920	82920	0	0	0		no progress	
32	Pondi khurd		R.P.Upadhyay	81,000	373800	284700	0	0	0		no progress	0
<b>Total</b>				<b>1781400</b>	<b>15487280</b>	<b>13527740</b>						<b>6831144</b> i.e. Rs 68.31 lakh

**Appendix-3.5**

*(Reference: Paragraph 3.1.9.5, Page 133)*

**Statement showing details of purchase of UPVC pipes from MPLUN on USR Rates**

Sl. No.	Brief particulars of material supplied	Date of placing supply order	Quantity	Per unit rate (In rupees) (USR 2002)	Amount
1.	UPVC Casing pipe 125 mm	7203/05.09.07	1470 Mtrs	290	426300.00
	UPVC Casing pipe 150 mm		695 Mtrs	419	291205.00
2.	UPVC Casing pipe 100 mm	8602/19.10.07	28181 Mtrs	182	5128942.00
	UPVC Casing pipe 125 mm		16560 Mtrs	290	4802400.00
	UPVC Casing pipe 150 mm		4130 Mtrs	419	1730470.00
3.	UPVC Casing pipe 125 mm	10346/18.12.07	680 Mtrs	290	197200.00
	UPVC Casing pipe 150 mm		220 Mtrs	419	92180.00
4.	UPVC Casing pipe 125 mm	1155/18.08.08	15214 Mtrs	290	4412060.00
	UPVC Casing pipe 150 mm		7881 Mtrs	419	3302139.00
5.	UPVC Casing pipe 100 mm	1559/31.01.08	600 Mtrs	182	109200.00
	UPVC Casing pipe 125 mm		2970 Mtrs	290	861300.00
	UPVC Casing pipe 150 mm		9536 Mtrs	419	3995584.00
6.	UPVC Casing pipe 100 mm	1564/31.01.08	5190 Mtrs	182	944580.00
	UPVC Casing pipe 125 mm		7525 Mtrs	290	2182250.00
	UPVC Casing pipe 150 mm		6075 Mtrs	419	2545425.00
7.	UPVC Casing pipe 125 mm	4686/16.05.08	15010 Mtrs	290	4352900.00
	UPVC Casing pipe 150 mm		9500 Mtrs	419	3980500.00
8.	UPVC Casing pipe 100 mm	4688/16.05.08	87000 Mtrs	182	15834000.00
	UPVC Casing pipe 125 mm		12288 Mtrs	290	3563520.00
	UPVC Casing pipe 150 mm		2000 Mtrs	419	838000.00
9.	UPVC Casing pipe 100 mm	11135/19.12.08	10100 Mtrs	182	1838200.00
	UPVC Casing pipe 125 mm		8628 Mtrs	290	2502120.00
	UPVC Casing pipe 150 mm		17070 Mtrs	419	7152330.00
	UPVC Casing pipe 200 mm		7500 Mtrs	644	4830000.00
	<b>Total</b>				<b>75912805.00</b>
					<b>i.e. Rs 7.59 crore</b>

### Glossary of Abbreviations

Sl. No.	Abbreviation	Full Form
1	ALS	Anti Larva Solution
2	AMC	Annual Maintenance Contract
3	ANM	Auxiliary Nursing Midwife
4	API	Annual Parasite Index
5	ASHA	Accredited Social Health Activist
6	AUWSP	Accelerated Urban Water Supply Programme
7	BC	Bituminous Concrete
8	BCG	Bacillus Calmette Guerin
9	BG	Bank Guarantee
10	BOT	Build Operate and Transfer
11	BPCL	Bharat Petroleum Corporation Limited
12	BRCC	Block Resource Centre Coordinator
13	BUSG	Built up Spray Grout
14	CAAT	Computer Assisted Audit Techniques
15	CAG	Comptroller and Auditor General of India
16	CD	Compact Disk
17	CE	Chief Engineer
18	CEmONC	Comprehensive Emergency Obstetric and Neonatal Care
19	CEO	Chief Executive Officer
20	CEO	Chief Executive Officer
21	CHC	Community Health Centre
22	CPHEEO	Central Public Health Environmental Engineering Organisation
23	CPWA	Central Public Works Accounts Code
24	CRF	Calamity Relief Fund
25	CWC	Central Water Commission
26	DDT	Dicholoro Diphenyl Trichloroethane
27	DEO	Data Entry Operator
28	DHS	District Health Society
29	DMP	Dot Matrix Printer
30	DPC	District Project Coordinator
31	DPEP	District Primary Education Programme
32	DPR	Draft Project Report
33	DPT	Diphtheria Pertusis Tetanus
34	DR	Disintegrated Rock
35	DSU	District Surveillance Unit
36	DT	Diphtheria Tetanus
37	E-in-C	Engineer in Chief
38	EPC	Erection Procurement and Construction Contract
39	GFR	General Financial Rules
40	GOI	Government of India
41	GP	Gram Panchayat
42	GS	Gram Sabha
43	HR	Hard Rock
44	HSC	Headstart Centre
45	HSD	High Speed Diesel
46	HUDCO	Housing and Urban Development Corporation
47	ICT	Information Communication Technologies
48	ICT	Information Communication Technology
49	IDSP	Integrated Disease Surveillance Project
50	IEC	Information, Education and Communication
51	IFA	Iron Folic Acid

<b>Sl. No.</b>	<b>Abbreviation</b>	<b>Full Form</b>
52	IIS	Integrated Information Server
53	IMR	Infant Mortality Rate
54	IPD	In Patient Department
55	IPHS	Indian Public Health Standard
56	IT	Information Technology
57	JMF	Job Mix Formula
58	JP	Janpad Panchayat
59	JSK	Jan Siksha Kendra
60	JSY	Janani Suraksha Yojna
61	MAS	Material at Site Account
62	MD	Managing Director
63	MIS	Management Information System
64	MMR	Maternal Mortality Rate
65	MORT&H	Ministry of Road Transport and Highways
66	MOU	Memorandum of Understanding
67	MPIIFB	Madhya Pradesh Infrastructure Improvement Fund Board
68	MPLUN	Madhya Pradesh Laghu Udyog Nigam
69	MPRDC	Madhya Pradesh Road Development Corporation
70	MPRRDA	Madhya Pradesh Rural Road Development Authority
71	MS	Middle School
72	MT	Metric Tonne
73	NDCP	National Disease Control Programme
74	NHDC	Narmada Hydroelectric Development Corporation
75	NIC	National Informatics Centre
76	NICSI	National Informatics Centre Services Inc.
77	NMR	Nominal Public Muster Roll
78	NPCB	National Programme for Control of Blindness
79	NRC	Nutritional Rehabilitation Centre
80	NRHM	National Rural Health Mission
81	NVBDCP	National Vector Borne Disease Control Programme
82	NVDA	Narmada Valley Development Authority
83	OGPC	Open Graded Premix Carpet
84	OPD	Out Patient Department
85	OPV	Oral Polio Vaccine
86	PC	Personal Computers
87	PC	Personal Computers
88	PHC	Primary Health Centre
89	PHED	Public Health Engineering Department
90	PIP	Programme Implementation Plan
91	PMGSY	Pradhan Mantri Gram Sadak Yojna
92	POL	Petrol, Oil and Lubricant
93	PRI	Panchayati Raj Institutions
94	PTA	Parent Teachers Association
95	PWD	Public Works Department
96	RCH	Reproductive and Child Health
97	RKS	Rogi Kalyan Samiti
98	RNTCP	Revised National Tuberculosis Control Programme
99	RSK	Rajya Siksha Kendra
100	SBDC	Semi Dense Bituminous Concrete
101	SC	Sub Centre
102	SDD	System Detail Design
103	SE	Superintending Engineer
104	SHM	State Health Mission
105	SHS	State Health Society
106	SIT	Satellite Interactive Terminal

<b>Sl. No.</b>	<b>Abbreviation</b>	<b>Full Form</b>
107	SLC	State Level Committee
108	SOR	Schedule of Rates
109	SPMSU	State Programme Management Support Unit
110	SQC	Supervision and Quality Consultant
111	SR	Soft Rock
112	SRIP	State Road Improvement Programme
113	SRS	System Requirement Specification
114	SSA	Sarva Siksha Abhiyaan
115	SSR	State Schedule of Rates
116	SSU	State Surveillance Unit
117	TFR	Total Fertility Rate
118	TPC	Total Project Cost
119	TT	Tetanus Toxoid
120	UPS	Uninterrupted Power Supply
121	UPS	Uninterrupted Power Supply
122	VH&ND	Village Health and Nutrition Day
123	VHSC	Village Health and Sanitation Committee
124	ZP	Zila Panchayat
125	ZSK	Zila Siksha Kendra