Preface

1. This Report of the Comptroller and Auditor General of India contains the results of district centric Audit of Mandi district in Himachal Pradesh. The Report has been prepared for submission to the Governor under Article 151(2) of the Constitution of India.

2. Audit conducted a review of the significant socio-economic developmental activities implemented in Mandi district during the period 2006 to 2011. Audit process involved test check of records pertaining to the Mandi district, in the State Planning Department, the offices of the Deputy Commissioner, District Rural Development Agency, District Welfare Officer and District Programme Officer (Integrated Child Development Services), five out of 10 Blocks, 45 Gram Panchayats falling in the jurisdiction of selected Blocks, three Nagar Panchayats viz., Jogindernagar, Rewalsar and Sarkaghat, two Municipal Committees Mandi and Sundernagar, other departments and various district level implementing agencies.

3. The Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

Executive Summary

Recognising the importance accorded by the Planning Commission, Government of India, for a district-centric approach to devolution of finances for integrated local area development, a district centric audit of Mandi district was carried out to assess the status and impact of implementation of various socio-economic developmental activities in the district during 2006-11 and to evaluate whether the quality of life of the people in the district has improved.

The review covered key social sector programmes relating to Health, Education and Water supply, Economic Sector programmes relating to creation of Roads and other infrastructure, Employment generation, provision of basic civic amenities and use of Information Technology (IT) to provide better public services, etc.

Audit noticed certain positive points in the social and economic services sector programmes relating to health, education, water supply and rural electrification but there were quite a few areas where the State/District administration needs to focus its attention.

Planning

Audit scrutiny revealed that the District Planning Development and Twenty Point Programme Review Committee (DPDC) had not prepared any Perspective Plan or Annual Action Plan, or even a shelf of schemes for the overall development of the district. The local levels of administration like the Blocks and *Gram Panchayats* (GPs) were not involved in providing any inputs to the planning process. Schemes were sanctioned on an adhoc basis by the Deputy Commissioner (DC) based on proposals submitted by the MPs/MLAs/Other individuals as per the perceived benefit to the local populace. In fact, there was no integrated District Plan.

In the absence of perspective plans and annual action plans for the development of the district with inputs from Blocks and GPs, gaps in various developmental schemes/programmes remained unidentified with the result that the felt needs of the weaker sections of the society and the disparities between various regions and communities within the district could not be addressed.

(Paragraphs 3.1 to 3.3)

Recommendation

- *Holistic perspective and integrated annual plans should be prepared for the district, based on a structured process of obtaining inputs from Blocks and GPs and other stakeholders for a more realistic assessment of the district. Preparation of annual plans by the district should be made mandatory and should have the approval of the State Government.*

Financial Management and Accounting Framework

The total flow of funds to the District during 2006-11 and expenditure incurred was not available either with the Additional DC who is the Chief Planning Officer or with the District Planning Officer and other district authorities like DRDA.

There is no uniform system for maintenance of accounts for various schemes. The receipt, utilisation and accountal of developmental funds is done on mere release of funds to implementing agencies rather than after their actual utilisation. Hence, the reported progress and achievement of these schemes depicting the outcomes do not reflect the true state of affairs.

Large amounts of funds obtained from GOI and State Government are parked in banks without utilising them within the prescribed timeframe, as works could not progress due to non-availability of clearances for utilising forest land and other land disputes.

(Paragraphs 4.1 and 4.2)

Recommendations

- *Financial management, in general, needs improvement, and funds provided for various socio-economic developmental programmes need to be efficiently and effectively utilised.*
- *A uniform accounting system should be put in place for showing actual utilisation of funds relating to various developmental schemes as distinct from mere release of funds to implementing agencies.*

Social Services

Health

The District Health Society (DHS) was required to prepare a perspective plan for the entire mission period and Annual Plan with inputs from the lower tiers of the Government. Since DHS was constituted only in October 2010, Perspective Plan and Annual Plan for the period 2006-11 were not prepared. The process of assessing the health care requirements and gaps in infrastructure, equipment, manpower, etc., as per NRHM stipulation is yet to be done in the district. The district had six Hospitals, 11 CHCs, 61 PHCs and 311 SCs. Except PHCs, the number of other institutions was less than the prescribed norms. The basic health care services required to be provided in the health centres were not available at many centres visited by the audit team. Moreover, due to non-availability of adequate number of skilled manpower, the purpose of setting up the health centres was not achieved in the district.

The prevalence of vaccine preventable diseases was negligible in the District as no case of infant and child diseases like neonatal tetanus, diphtheria and whooping cough was detected in the district during 2006-11. However, 611 cases of measles were detected during 2006-11. No new case of Polio was detected during 2006-11 in the district. Out of 31,197 persons screened up to March 2011 under National AIDS Control Programme in the district, 263 persons were found HIV positive (including 102 fully blown cases).

Separate targets/health indicators for the district were not prescribed despite the NRHM requirement to do so. Therefore, the progress of achievement of the crucial health indicators for the district could not be ascertained and the authenticity of the data reported at the State level could also not be verified.

Community participation in planning, implementation and monitoring of the NRHM programme was not ensured. No Village Health and Sanitation Committee (VHSC) had been formed in the district. Rogi Kalyan Samities (RKSs) have been formed in all the test checked CHCs and PHCs in the district. Except in one PHC, all RKSs were operational.

In the absence of proper planning involving identification of gaps in the healthcare infrastructure and non-availability of stipulated facilities and skilled manpower in the health institutions, the aim of providing accessible and affordable healthcare to people remained to be achieved in the District.

(Paragraphs 5.1 to 5.1.9)

Recommendations

- *The District Health Society (DHS) was constituted only in October 2010 in the district. It should play a proactive role in implementation of NRHM by commissioning a survey to identify the gaps in health care infrastructure and facilities and draw up a specific timeframe as per the NRHM guidelines, to provide accessible and affordable health care to the rural poor and vulnerable sections of the district.*
- *All the health centres should be equipped with adequate and skilled manpower to achieve the objectives of the programme.*

Education

A review of the status of education in the district, especially in the context of implementation of Sarva Shiksha Abhiyan (SSA) revealed that the number of primary and upper primary schools (upto standard VIII) increased but enrolment of children in the targeted age group of 6-14 years in these schools decreased during 2006-11.

Higher education is being imparted in the district through a network of 121 Government High Schools (GHS), 206 Government Senior Secondary Schools (GSSS), one Post Graduate Degree College, seven Degree Colleges and one Sanskrit College.

Enrolment in class X has declined from 15,752 in 2006-07 to 15,570 in 2010-11 in the district. The pass percentage in respect of Class X had decreased during 2007-08 as compared to 2006-07. The pass percentage of XI class increased during the period 2007-10 while it decreased substantially during 2010-11. The class XII pass percentage came down by 26 *per cent* during 2010-11 (70 *per cent*) as compared to 2009-10.

The infrastructural facilities available in 327 High Schools and Senior Secondary Schools in the district are deficient as 19 schools do not have pucca building, 174 schools have no separate labs for science subjects, 237 schools do not have facility of library for students, 14 schools do not have separate toilets for boys and girls and 201 schools do not have furniture, such as wooden-desks, etc.

The inspection of schools is to be done at least once a year by the Director of Education (DE); however, the DE or any other officers authorised by him had not conducted inspection of the schools in the district during 2006-11.

Thus, many schools in the district lacked basic infrastructure/facilities and the scholarship schemes were not effectively managed due to non-maintenance of updated database of the actual students to be covered for assessing the requirement of funds and delayed the benefits of the scholarships to the eligible students. Shortage of teachers in schools impacted the board results.

(Paragraphs 5.2 to 5.2.4)

Recommendations

- *Basic infrastructure/facilities should be provided on a priority basis in all the schools, especially at the elementary level, to ensure an appropriate environment both for teaching and learning. Appropriate steps should be taken by the Education Department to arrest the declining trend in enrolment in the schools.*
- *The State Government should carry out a survey and create a database of the beneficiaries to be covered under various scholarship schemes. This database should be updated periodically and all the eligible students should be provided scholarship as per norms, in a timely manner.*
- *To ensure effective monitoring, the annual inspection of the schools by the DE should be made mandatory.*

Integrated Child Development Services

Five to eight *per cent* mothers (expectant and nursing) and 16 to 28 *per cent* children in the age group of six months to six years were not given the benefit of supplementary nutrition during 2006-11. Out of 2950 Anganwadi Centres (AWCs) in the district, only 473 AWCs have Government buildings and the remaining 2477 AWCs were running in private accommodation. There was delay in completion of AWCs ranging from one to 48 months and construction of AWCs in 14 cases could not be taken up due to non-availability of land.

(Paragraph 5.3)

Recommendations

- *The district administration should ensure that land for construction of AWCs is made available before release of funds to executing agencies.*
- *A co-ordinated approach needs to be adopted by the District Programme Officer and the BDOs to ensure timely completion of building works.*

Social Security Pension

Benefit of social security pension to 638 ineligible persons involving an amount of ₹62.59 lakh was given until March 2011 despite their identification in October 2008.

(Paragraph 5.4)

Recommendation

- *To avoid disbursement of social security pension to ineligible persons, district administration should issue suitable instructions to field functionaries viz., Tehsil Welfare Officer to conduct proper verification of applicant's livelihood status in the presence of representatives of Gram Panchayats/Municipalities.*

Water Supply

Out of 10,237 habitations in the district, 67.03 *per cent* of the habitations were fully covered with drinking water facility, 32.56 *per cent* were partially covered and the remaining were yet to be covered.

Lack of adequate supervision at departmental level had not only delayed the completion of water supply schemes, but also raised doubts about the quality of works. Further, the targeted beneficiaries were denied adequate and safe drinking water due to non-completion of schemes.

Unsafe water was being supplied to the public in the district as the quality of water to the habitations was not being ensured by conducting the required water sample tests; as a result substantial number of cases of water borne diseases were noticed in the district.

(Paragraphs 5.5 (i) to 5.5 (iii))

Recommendations

- *The State Government/district administration needs to prepare a strategic action plan to provide potable drinking water to the uncovered habitations in a time bound manner.*
- *Water quality testing system should be improved/upgraded to ensure supply of safe drinking water to the public.*

Sanitation and Sewerage

While schemes for sewerage facilities in three out of five towns were yet to be provided, two schemes approved for providing sanitation facilities by March 1997 and December 2000 respectively remained incomplete as of May 2011.

(Paragraph 5.6 (ii))

Recommendation

- *The State/district administration should take effective steps for providing sanitation facilities in the towns in a timely manner.*

Economic Services

Infrastructure-Transportation and Road connectivity

Jogindernagar town of the district has a rail link which is 56 kms away from district headquarters Mandi. The nearest airport at Bhunter (Kullu district) is 62 kms away from Mandi town. Out of the total inhabited 2833 villages in the district, only 1596 villages (as per E-in-C's records) have road connectivity as of March 2011. Thus, 43 *per cent* of the villages in Mandi district still remain to be provided with road connectivity; acquisition of forest/private land being the main bottleneck.

Out of 981 works taken up during 2006-11 under PMGSY and State Sector schemes, only 144 works (15 *per cent)* were completed, 757 works were still in progress and the remaining 80 works were lying in a suspended state as of March 2011 due to land disputes, forest clearance and court cases.

Thus, in the absence of a viable mechanism to resolve the land disputes to facilitate timely completion of road works, the Public Works Department has delayed in providing road connectivity to all the villages in the district.

(Paragraphs 6.1 to 6.1.1)

Other Developmental Schemes

Other developmental schemes like Vikas Mein Jan Sahyog (VMJS), Sectoral Decentralised Planning (SDP), Members of Parliament Local Area Development Scheme (MPLADS), Vidhayak Kshetriya Vikas Nidhi Yojana (VKVNY), etc., were taken up in the district in an uncoordinated way as the works were neither properly planned nor completed within the specified timelines. The assets created out of these schemes also

remained unknown to the district administration as no asset register was maintained at any level.

(Paragraphs 6.1.2 (a) to (d))

Recommendations

- *The State/district administration should ensure greater coordination with the executing agencies to ensure that the works are planned, taken up and completed within the specified timelines and accountability should be fixed for delay and slippages in this regard.*
- *Asset register should be maintained for keeping records of the assets created under various schemes.*

Employment Generation

Under the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA), audit did not notice any case where 100 days employment demanded was not provided to the beneficiaries. Works such as water conservation, water harvesting and drought proofing etc., which were important to strengthen the natural resource base and to address the cause of poverty were not given priority as envisaged in the MNREGA guidelines. Payment of wages was not made to the workers within the prescribed period of fortnight to ensure security of livelihood.

(Paragraphs 6.2.2 to 6.2.3)

Recommendation

- *State Government should issue instructions to the implementing agencies to ensure prioritisation of works as per MNREGA guidelines and also ensure payment of wages to the workers in time as per provisions of the Act.*

Energy

Out of the 2,833 villages in the district, 2,830 villages have been electrified as of March 2011.

The delay in sanctioning the DPR/finalisation of tenders for electrification of unelectrified households under RGGVY resulted in cost escalation of ₹10.93 crore.

(Paragraph 6.3)

Recommendation

- *The State Government should streamline its internal processes to ensure that project proposals are formulated on time and pursued with the GoI to ensure that adequate funds are provided for electrifying all the unelectrified habitations/villages within a specific timeframe.*

Calamity Relief Fund Scheme

There is recurring problem of diversion of funds under the scheme. Besides, 673 out of 2,819 repair and restoration works after incurring an expenditure of ₹6.51 crore remained incomplete as of May 2011.

(Paragraphs 6.4 (i) to (iii))

Recommendation

- *To avoid diversion of funds under the scheme, the State Government should issue suitable instructions to the district administration to ensure utilisation of funds strictly as per GoI's norms.*

General Services

E-Governance-Sugam Centres

Of the total 50 services to be provided at each Sugam centre, the services to be provided through IT applications at District, Sub Division and Tehsil/Sub Tehsil level were 37, 35 and 33 respectively whereas the remaining informatory services were available over internet. In Mandi District, only 3 to 7 main services with IT applications were being provided as of April 2011 through the Sugam centres against 33 to 37 main services envisaged to be provided at tehsil to district level.

Besides, offering envisaged services through Sugam, efforts should also be made to bring all services under one roof as is presently not the case.

(Paragraphs 7.1 to 7.1.2)

Civic Amenities by Municipal Administration

Management of solid waste by Municipal Councils (MCs)/Nagar Panchayats (NPs) was characterised by inherent defects of usage of open vehicles for transportation of waste and non-development of suitable sites for setting up of Solid Waste Management Projects. The MCs and NPs in the district did not have an integrated waste management plan for collection, storage, segregation, transportation, processing and disposal of municipal solid waste thereby exposing the public to the dangers of untreated waste and pollution.

(Paragraphs 7.2.3)

Recommendation

- *Waste management plans need to be finalised by the MCs on priority basis for ensuring pollution free environment.*

Monitoring Mechanism and Impact Evaluation

In sum, monitoring and supervision of the progress of implementation of various schemes at all tiers of local administration in the district was perfunctory which impacted the progress of developmental works/projects undertaken by various departments/implementing agencies. There were number of works in the social and economic sectors which were plagued by cost and time overruns thereby depriving the public of the benefits of these developmental schemes.

(Paragraphs 9.1 to 9.2)

Recommendation

- *Monitoring, inspection and supervision needs to be strengthened at all the levels of local administration to ensure that the programmes are executed timely within the cost and timely corrective action taken in cases of slippage.*

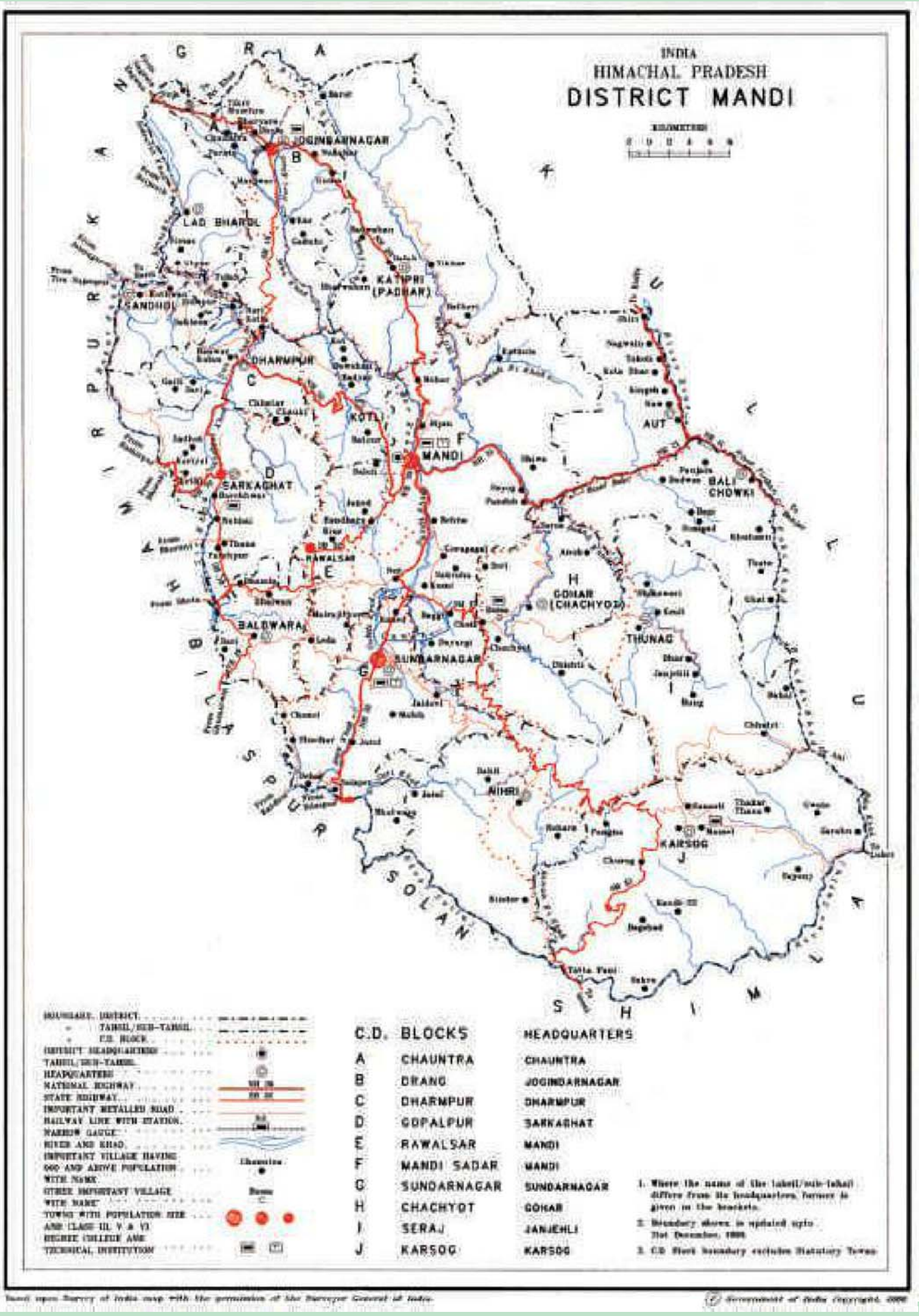
Conclusion

The GoI has increasingly been entrusting the responsibility at the local level, especially the PRIs to ensure efficiency and effectiveness in delivery of key services like education, health, employment, etc. However, Audit analysis revealed that absence of adequate people's participation from the block and GP levels in the planning process has hindered the planned progress of the district and failed to address the felt needs at the grass root level. While the PRIs are empowered to prepare specific plans for an integrated development of their area, lack of structured annual action plans from these levels and absence of capacity building have resulted in their inability to expend the funds provided to them for implementation of various programmes.

There are multiplicity of programmes and schemes and even larger number of implementing agencies, making it difficult for the district administration to effectively coordinate, monitor and supervise the developmental activities. While almost all the developmental programmes are targeted at the same set of beneficiaries, the existence of myriad programmes without an integrated focus, has led to each of them being implemented in a stand alone mode. Adequate monitoring mechanism is either not instituted, or is not functioning as envisaged, with regard to execution of schemes.

The State Government needs to put in place a robust district centric planning process by mapping the gaps in infrastructure under various sectors like health, education, employment generation, drinking water, etc., through inputs from all tiers of local administration and public at large. A clear roadmap to achieve the targets set through such plans for the development of the district should be drawn so that the benefits of the schemes reach the intended beneficiaries in time. District specific human development indicators to gauge the extent of development and the effectiveness of various schemes being implemented by the State in the District should be evolved by the State Government. People's participation is essential for ensuring sustainable development of the District.

(Chapter 10)



Based upon Survey of India map with the permission of the Surveyor General of India.

© Government of India Copyright, 2000

CHAPTER 1

Introduction

1.1 General Profile of the District

District Mandi is one of the 12 districts of Himachal Pradesh located on the central part of the State. In terms of population it is the second largest district in the State bounded by Kangra in the North-West, Hamirpur and Bilaspur in the West, Solan district in the South, Shimla district in the South-East and Kullu district in the East. This district spans an area of 3,950 square kilometres and is headquartered at Mandi with a population of 9.01 lakh (15 *per cent)* of the population of the State (60.78 lakh as per 2001 census) 93 *per cent* (8.40 lakh) of them residing in rural areas. The district comprises seven Sub-Divisions, nine Tehsils and seven Sub-Tehsils. To cater to rural development, the district has been divided into ten Community Development Blocks covering 473 Gram Panchayats (GPs) with 2,833 inhabited and 505 uninhabited villages. The literacy rate is 76 *per cent* as against 77 *per cent* at the State level but higher than the national average of 65 *per cent*. Out of 2,06,096 families of the district, 20 *per cent* (41,339 families) live below the poverty line (BPL) as compared to 24 *per cent* at the State level. SC/ST population (as per 2001 census) comprises 30 *per cent* of the total population of the District.

1.2 Administrative Structure

Deputy Commissioner

Deputy Commissioner (DC) is the head of the district administration and also functions as District Collector and District Magistrate. The District Planning and Development Committee is the apex body at the district level for approving the shelf of schemes for the development of the district. DC being in charge of the district is the sanctioning authority for all developmental programmes in the district. He is also the Chief Executive Officer (CEO) of the District Rural Development Agency (DRDA) and ensures co-ordination between the DRDA, Panchayati Raj Institutions (PRIs), field officers and all other departments of the State Government.

The DC is assisted by an Additional DC, (ADC) who is the Chief Planning Officer, for preparation and prioritisation of schemes and their monitoring and review. The ADC is further assisted by a District Planning Officer (DPO) and a Credit Planning Officer, who maintains the accounts of the schemes and audits them.

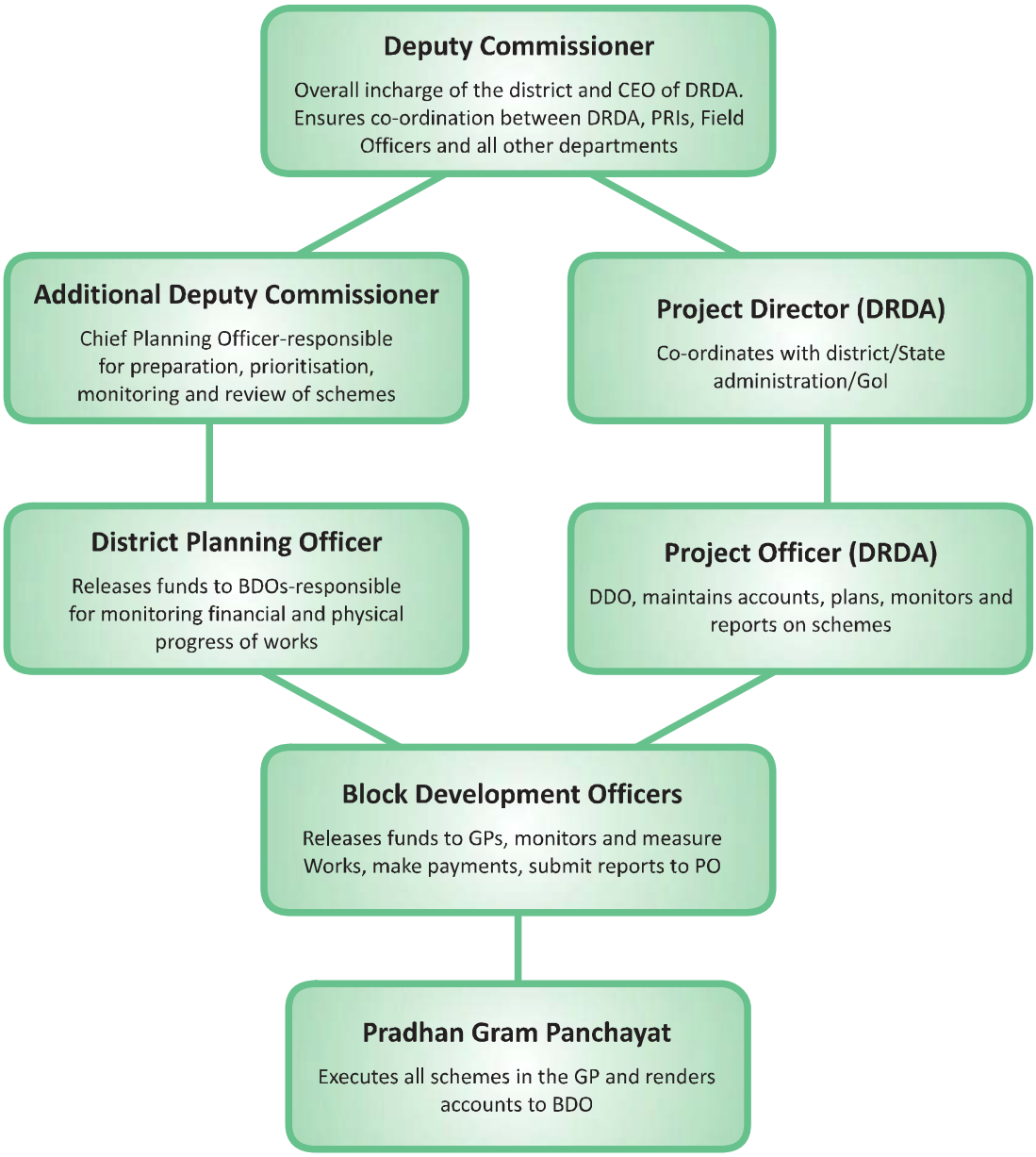
District Rural Development Agency (DRDA)

The DRDA is the main organ at the district level to oversee the implementation of various developmental programmes. It is responsible for planning of programmes, coordinating with other agencies-Governmental, non-governmental, technical and financial for successful programme implementation. It is also responsible for overseeing the conduct of various surveys relating to BPL families, etc.

The Zilla Parishad (ZP) Chairman functions as the Chairman of the DRDA and the DC is the CEO, as mentioned above. The CEO exercises administrative control over the Project Director (PD) and the Project Officer (PO) of the DRDA. The PD is the executive in charge of the DRDA and is responsible for interaction with the District/State administration as well as the GoI. He/she reports to the Secretary, Rural Development Department (RDD) and ensures co-ordination with the Zilla Parishad for implementation of various rural development programmes. The PD is also the controlling officer for all the Block Development Officers (BDOs) and District Panchayat Officer (DPO).

The administrative setup of the District is shown below:

Chart 1: Administrative setup at District level



CHAPTER 2

Audit Framework

2.1 Scope of Audit

Audit of district Mandi involved a review of the significant socio-economic developmental programmes implemented in the district during the period 2006-11. The audit encompassed an appraisal of social sector programmes relating to health, education, water supply, Integrated Child Development services, Old Age Pension scheme and total sanitation campaign. In the economic sector, infrastructure development was reviewed through an assessment of the projects and schemes implemented for improvement of road connectivity in the District (PMGSY and other road sector schemes), provision of employment to the poor and vulnerable sections of society. The audit covered the developmental initiatives and the associated expenditure in the district and focused on the role and responsibilities of the District Administration in providing essential public services and improving the general standard of living of the people of the district and the extent of community participation in programme implementation and monitoring. The initiatives of the State Government in facilitating the processing of public requests for various utilities and services by electronic means through the single window 'Sugam' centres was also reviewed along with the status of provision of basic civic amenities by the municipal authorities.

Audit was based on a scrutiny of records in the State Planning Department, the office of the DC, DRDA, selected Blocks, GPs, Public Works, Education, I&PH, Health, Welfare Departments, Municipal Committee/ Nagar Panchayats and Himachal Pradesh State Electricity Board (HPSEB).

2.2 Audit Objectives

The objectives of audit were to assess:

- the adequacy and effectiveness of the annual planning process for different programmes;
- the overall impact and effectiveness of the developmental programmes in terms of achievement of targeted outputs and outcomes and their economical and efficient execution;
- the adequacy and effectiveness of procedures for receipt, utilisation and accounting of funds;
- the adequacy and effectiveness of the processes for monitoring, reporting and evaluation; and
- verification of the reported expenditure on major development programmes (Central and State) with reference to detailed Statements of Expenditure and original vouchers at lower level in a hierarchical manner (State to district, district to block and block to GP).

2.3 Audit Criteria

The audit applied the following criteria in assessing the implementation of various developmental programmes/schemes:

- Annual Action Plans
- Guidelines of the concerned programmes/ schemes
- Prescribed monitoring mechanism

2.4 Audit Methodology

Discussions were held with the Deputy Commissioner (DC), and representatives of all other Departments in Mandi district, in an entry conference in May 2010.

Five[1] out of 10 Blocks were selected for detailed scrutiny on the basis of Simple Random Sampling Without Replacement (SRSWOR) method. Further, 20 *per cent* of the Gram Panchayats (GPs) in these Blocks and 20 *per cent* of villages in these GPs were also selected for extensive audit based on SRSWOR method.

Besides, the records of the DC, District Project Officer, Sarva Shiksha Abhiyan, Chief Engineers of Public Works (PW) and Irrigation and Public Health (I&PH) Departments, District Health Mission, District Information Centre, District Welfare Officer, Project Officer Integrated Child Development services, two Municipal Committees (Mandi and Sundernagar), three Nagar Panchayats (Jogindernagar, Rewalsar and Sarkaghat) and HPSEB were also scrutinised.

Audit findings were discussed with the Deputy Commissioner and the Departmental functionaries in the exit conference held on 4 October 2011 and their views have been incorporated in the Report at appropriate places.

2.5 Acknowledgement

The Office of the Accountant General (Audit) Himachal Pradesh, acknowledges the co-operation and assistance extended by DC and district heads of the concerned departments, the concerned BDOs and Gram Panchayat Pradhans during the course of Audit.

[1] Chauntra, Drang at Padhar, Gohar, Karsog and Sundernagar.

CHAPTER 3

Planning

3.1 District Planning Committee

Government of India envisages an inclusive and participative planning process for the development of districts. The 74th Amendment to the Constitution mandated the establishment of a District Planning Committee (DPC) for consolidating the plans prepared by the Panchayats and municipalities in the district into an integrated District Plan. All the three tiers of local administration *viz.*, DRDA, Blocks and GPs were to prepare an Annual Action Plan (AAP) at the beginning of each financial year equivalent in value of about 125 *per cent* of their share of funds allocated in the preceding year and no work was to be taken up unless it formed part of the AAP.

3.2 Policy and Planning

The District Planning, Development and Twenty Point Programme Review Committee (DPDC) for district Mandi was constituted in August 2003 with the Minister of the district as the Chairman and the MPs, MLAs, Chairperson Zila Parishad, Ex-MLAs and other persons of different sections of society as non-official members. The DC and other district level heads of offices and the SEs of PWD/IPH/HPSEB and Conservator of Forests of the district were the official members. The DPDC was to function as the Policy and Planning Council at the district level and oversee the implementation of the developmental programmes to be executed. It was to accord approval for the shelf of schemes/projects to be executed in the district and give directions to the administrative and technical personnel. It was to meet thrice a year for this purpose and review/monitor the progress of implementation of the schemes.

3.3 Perspective and Annual Plans

Audit scrutiny revealed that the DPDC had not prepared any Perspective Plan or Annual Action Plans. The local levels of administration like the Blocks and GPs were not involved in providing any inputs to the planning process. Schemes were sanctioned on an adhoc basis by the DC based on the proposals submitted by the MPs/MLAs/Other individuals as per the perceived benefit to the local populace. During 2006-11 against the required 15 meetings, the DPDC held only six meetings. In fact, there was no integrated District Plan.

In the absence of perspective plans and integrated annual action plans for the development of the district with inputs from Blocks and GPs, gaps in various developmental schemes/ programmes remained unidentified with the result that the felt needs of the weaker sections of the society and the disparities between various regions and communities within the district could not be addressed.

Recommendation

- *Holistic perspective and integrated annual plans should be prepared for the district, based on a structured process of obtaining inputs from Blocks and GPs and other stakeholders for a more realistic assessment of the needs for the development of the district.*

CHAPTER 4

Financial Management and Accounting Framework

Funds are allocated to the district through the State budget for various developmental activities. In addition, funds are directly released to the DRDA and implementing agencies for various socio-economic programmes by the State and GoI. The DRDA releases the funds to the Blocks and other executing agencies based on the approved allocation for the individual schemes.

4.1 Gaps in the Funds flow and Expenditure incurred

The total flow of funds to the District during 2006-11 and expenditure incurred was not available either with the Addl. Deputy Commissioner who is the Chief Planning Officer or with the District Planning Officer and other district authorities like DRDA. However, information on funds received and reported expenditure in respect of certain significant departments and programmes as collected by Audit from various departments is detailed below:

Table 1: Position of funds received and expenditure incurred in respect of certain key programmes

(₹ in crore)

Sr.No.	Description of Schemes	Funds provided/ received (2006-11)	Expenditure incurred (2006-11)
(A) Social Services			
1	National Rural Health Mission (NRHM)	19.15	18.31
2	National AIDS Control Programme (NACP)	0.77	0.80
3	Sarva Shiksha Abhiyan (SSA)	116.52	108.94
4	Higher Education	90.66	88.86
5	Water Supply	225.97	226.18
6	Total Sanitation Campaign (TSC)	12.30	11.51
7	Social Security and Pension	95.41	92.68
8	Integrated Child Development Services (ICDS)	43.40	42.76
(B) Economic Services			
9	Pradhan Mantri Gram Sadak Yojana (PMGSY) and State budget	353.61	340.17
10	Mukhya Mantri Gram Path Yojana (MMGPY)	5.11*	4.76*
11	Vikas Mein Jan Sahyog (VMJS)	16.96	14.85
12	Sectoral Decentralised Planning	24.43	23.97
13	Member of Parliament Local Area Development Scheme (MPLADS)	16.00	15.21
14	Vidhayak Kshetriya Vikas Nidhi Yojana (VKVNY)	16.28	15.99
15	Sampoorna Grameen Rozgar Yojana (SGRY)	11.16**	9.99**
16	Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA)	442.65***	393.57***
17	Calamity Relief Fund (CRF)	56.11	51.43
(C) General Services			
18	Rajiv Gandhi Gramin Vidyutikaran Yojna (RGGVY)	28.19	17.42
19	E-governance	0.05	0.05
20	Municipal Councils and Nagar Panchayats	47.88	48.07
	Total	**1622.61**	**1525.52**

Source: Departmental figures

Note: *Figures are for the year 2008-11.
**Figures are for the year 2005-07.
***Figures are for the year 2007-11.

Audit analysis revealed that there was a gap between the funds received and expenditure incurred as funds received from GoI and State Government are parked in different banks accounts (scheme-wise) without being utilised within the prescribed timeframe, as works could not progress due to non-availability of clearances for utilising forest land and other land disputes (as discussed in succeeding chapters).

4.2 Maintenance of Records

Scrutiny of records of the DC, DRDA and the test checked blocks and GPs revealed that the funds are shown as expended as soon as these are released to the next level i.e., the DRDA shows utilisation of funds as soon as these are released to the Blocks and the Blocks in turn show utilisation on release to the GPs without ensuring the actual utilisation of funds.

4.3 Internal Controls

The BDO holds monthly meetings to apprise the concerned Panchayat Secretaries about the works sanctioned and releases the first installment on the basis of resolution passed by the concerned GP for preliminary work. However, Audit scrutiny revealed that no control was exercised by the BDOs to see that the resolutions from GPs are received in time and works were executed in a timely manner. As a result, large amount of funds remained unutilised for long periods as discussed in the succeeding paragraphs.

In the absence of an integrated system of internal checks and controls of receipt, utilisation and accounting of developmental funds, there were huge sums lying unutilised and there was also a big gap between the funds released and funds reported as utilised.

Recommendations

- *A mechanism to ensure release of funds only for works and schemes for which all preliminary and preparatory works have been completed, needs to be evolved.*
- *A uniform system should be put in place for receipt, utilisation and accountal of funds and a system needs to be evolved for showing actual utilisation of funds as distinct from mere release of funds.*

CHAPTER 5

Social Services

Audit reviewed implementation of the following flagship programmes in the Social sector:

- National Rural Health Mission (NRHM);
- Sarva Shiksha Abhiyan (SSA);
- Accelerated Rural Water Supply Programme (ARWSP/NRDWP);
- Integrated Child Development Services;
- Old Age Pension Scheme; and
- Total Sanitation Campaign (TSC).

It was revealed that there is a need to provide adequate and skilled manpower in these sectors for optimal utilisation of the infrastructure and to achieve the intended objective of providing quality health care, education, water and basic amenities to the people of the district.

5.1 Health

The Chief Medical Officer (CMO) Mandi, functioning under the State Health and Family Welfare Department, is responsible for providing health care services to the people through a network of six[2] hospitals. The health care services in the rural areas are delivered through 11 Community Health Centres (CHCs), 61 Primary Health Centres (PHCs) and 311 Sub-Centres (SCs) under the overall control of CMO at District level.

5.1.1 Planning

As a first step towards providing accessible, affordable and equitable health care under NRHM, a household and facility survey was to be carried out to identify the gaps in health care facilities in rural areas. Audit scrutiny revealed that the process of assessing the health care requirements and gaps in infrastructure, equipment, manpower in the district remained to be completed though the mission period was to end on 31 March 2012.

The District Health Society (DHS) was required to prepare a perspective plan for the entire mission period and Annual plans for the district with inputs from the lower tiers of the Government. Audit analysis revealed that DHS was constituted only recently on 12 October 2010 and as such the perspective plan and Annual Plans had not been prepared as of May 2011.

The Mission activities were to be converged with other departmental programmes and working of non governmental stakeholders, Village Health and Sanitation Committees (VHSCs) and Rogi Kalyan Samitis (RKSs). However, Audit scrutiny revealed that the CMO did not interact with or obtained inputs from the concerned departmental functionaries relating to drinking water, sanitation and hygiene, nutrition, etc., leading to disconcerted efforts by various agencies towards the same goal. Further, community participation in planning, implementation and monitoring of the programme was not ensured. Scrutiny of records revealed that no VHSC had been formed in the district. The RKSs were stated to have been formed in all the CHCs and 59 PHCs (out of 61) in the district but in one PHC (Chattri), RKS formed yet to be made functional as of May 2011.

➢ **Financial Position**

Following is the year wise position of funds received and expenditure incurred thereagainst under NRHM during 2006-11 in the district:

[2] Jogindernagar, Karsog, Sandhole, Sarkaghat, Sundernagar and Zonal Hospital Mandi.

Table 2: Funds available under NRHM against all components and expenditure incurred thereagainst during 2006-11

(₹ in crore)

Year	Opening balance	Funds received	Total funds available	Expenditure	Closing Balance
2006-07	0.72	2.24	2.96	1.04 (35)	1.92 (65)
2007-08	1.92	2.09	4.01	1.73 (43)	2.28 (57)
2008-09	2.28	5.21	7.49	4.79 (64)	2.70 (36)
2009-10	2.70	3.72	6.42	5.67 (88)	0.75 (12)
2010-11	0.75	5.17	5.92	5.08 (86)	0.84 (14)

Source: Departmental figures; figures in parenthesis indicate percentage

It is evident from the above table that the utilisation of NRHM funds ranged between 35 *per cent* and 88 *per cent* during 2006-11. On this being pointed out, the CMO stated (May 2011) that non-utilisation of funds was due to shortage of Medical and technical staff.

5.1.2 Infrastructure

According to GoI guidelines there should be one CHC for every 80,000 population, one PHC for population over 20,000 and one SC for population over 3,000. In terms of these norms, the requirement of CHCs, PHCs and SCs for Mandi district worked out to 12, 49 and 326 respectively. Against this, the district had 11 CHCs, 61 PHCs and 311 SCs. While PHCs were opened in excess of norms, the number of other health centres was less than the prescribed norms.

Basic minimum infrastructure

➢ **Status of infrastructure at health centres**

Many of the health centres lacked the basic minimum infrastructure and health care services required to be provided in the health centres in the district which can be seen from the details given below:

Table 3: Non-availability of infrastructure and basic health care facilities in health centres

Particulars of infrastructure	Centres where service was not available		
	CHCs	PHCs	SCs
Infrastructure facilities in Health centres in the district	**11**	**61**	**311**
Waiting room for patients	--	11	68
Labour Room	3	37	311
Operation theatre	3	37	NA
Clinic Room	--	11	68
Emergency/Casualty Room	3	11	NA
Residential facilities for staff	--	27	68
Government Buildings	--	11	68
Provision for water supply	--	02	68
Electricity connection	--	02	--
Facility for medical waste disposal	--	03	68
Separate utility for Male and Female	3	37	311

Basic health care services			
Blood storage facility at health centres	11	61	NA
New born care	6	37	NA
24 x 7 deliveries	3	49	NA
In patient services	2	37	NA
X-rays	1	55	NA
Ultra-sound	10	61	NA
ECG	3	55	NA
Obstetric care	3	37	NA
Emergency services (24 hours)	2	49	NA
Family Planning(Tubectomy and Vasectomy)	3	49	NA
Intra-natal examination of gynecological conditions	3	11	NA
Pediatrics	3	49	NA

Source: Figures supplied by the CMO Mandi
NA: Not applicable.

Photograph: 1



Non-availability of stretcher and staff to carry the patient to ward at Zonal Hospital, Mandi (June 2010)

Photograph: 2



Shortage of man power resulting in long queue outside the lab testing centre at Zonal Hospital, Mandi (June 2010)

Photograph: 3



Patient accommodated in corridor at CHC, Janjehli (June 2010)

Photograph: 4



Non-availability of waiting room at CHC, Janjehli (June 2010)

Photograph: 5



Condition of Operation Theatre at CHC, Kotli (June 2010)

Photograph: 6



Stagnation of rain water in IPD of CHC, Janjehli (June 2010)

Photograph: 7



Dumping of medicines on floor at CHC, Kotli (June 2010)

Photograph: 8



Open pit for burning medical waste at PHC, Nanawan (June 2010)

In the absence of proper infrastructure and adequate health care services at health centres, the basic facilities could not be provided to the rural population.

➢ **First Referral Units**

The CMO received ₹2.80 crore between December 2005 and March 2009 for upgrading four[3] CHCs and three[4] hospitals to First Referral Units (FRUs) at the rate of ₹40 lakh per FRU, without specifying any time frame for completion of upgradation of work. The CMO spent ₹1.89 crore on procurement of equipment and released ₹46.65 lakh as an advance to the Public Works Department for development of infrastructure. Besides, an amount of ₹44.11 lakh was also paid to three BMOs and two Senior Medical Officers for civil works (₹29.81 lakh) and purchase of Hospital furniture (₹14.30 lakh). However, none of the seven units were upgraded to FRU as of May 2011 due to non posting of specialist and other supporting staff.

[3] Bagsaid, Baldwara, Karsog and Padhar.
[4] Jogindernagar, Mandi (Zonal Hospital) and Sarkaghat.

CMO replied to audit (May 2011) that the FRUs could not be made functional due to non posting of Specialisits by the State Government and lack of proper infrastructure. Thus, the Department failed to provide appropriate health infrastructure to ensure timely availability of referral services in these institutions despite availability of funds.

➢ **Availability of beds**

The status with regard to the availability of beds in test checked CHCs/PHCs were as given below:

Table 4: Details of availability of beds in test checked CHCs/PHCs

Name of CHC/PHC	Number of beds		
	Male	Female	Total
CHC Janjehli	3	3	6
CHC Kotli	15	15	30
CHC Ratti	15	15	30
PHC Baggi	3	3	6
PHC Balichowki	NA	NA	NA
PHC Kataula	3	3	6
PHC Nanawan	NA	NA	NA
PHC Rewalsar	3	3	6
PHC Thunag	3	3	6

Source: Figures supplied by the Department
NA: Not Available.

5.1.3 Manpower Resources

NRHM aimed at providing adequate skilled manpower at all the health centres as per the norms of Indian Public Health Standard (IPHS). Scrutiny of three CHCs, six PHCs and 12 SCs selected for test check revealed that none of these centres was staffed adequately as per the IPHS norms, as detailed below:

Table 5: Availability of manpower as per IPHS norm at selected health centres physically verified

	Sanctioned	In position	Vacant (%)
CHC			
Staff Nurses	21	11	10 (48)
PHC			
Medical Officers	12	10	2 (17)
SC			
Male Health Workers	12	9	3 (25)
Volunteer Workers	12	–	12 (100)

Source: Departmental figures

Audit analysis further revealed the shortage of the key functionaries manifested in the following ways:

- Against the required strength of 21 staff nurses, there were only 11 in the three CHCs test checked and in one test checked PHC (Nanawan), staff nurse was not posted.
- Two (Kataula and Nanawan), out of the six PHCs test checked were functioning with one Medical Officer as against required strength of two. One PHC (Nanawan) out of six test checked PHCs, did not have any Laboratory technician.
- Three[5], out of 12 SCs test checked were functioning without male health worker. There was no voluntary worker in any of the 12 test checked SCs.
- Besides above, in five[6] PHCs of the district, Medical Officers were not posted and 19 PHCs of the district were running without Pharmacist. Twenty nine SCs of the district were not functioning due to non-posting of male and female health workers.
- Two PHCs (Kotsnore and Thalot) though opened between July and October 2007 were not functioning as no infrastructure was created.

Thus, due to non-availability of adequate number of skilled manpower, the purpose of setting up the health centres was not achieved in the district. Moreover, due to the non availability/shortage of Medical staff and infrastructure facilities as detailed above, the bed occupancy in the test checked CHCs was quite low and ranged between 11 and 69 *per cent*, while it was zero to 11 *per cent* in the PHCs.

5.1.4 Achievement against Performance Indicators

Performance indicators qualifying the targets for reducing infant mortality rate (IMR), maternal mortality rate (MMR), total fertility rate (TFR), reducing morbidity and mortality rate and increasing cure rate of different endemic diseases are generally prescribed by the State Government.

- **Reproductive and Child Health Care (RCH)**

To achieve the NRHM goal of reducing the infant mortality rate (IMR) and total fertility rate (TFR), the State Government prescribed various health indicators to be achieved by 2008. As per the details provided by the State Government, all the prescribed targets were achieved.

However, it was noticed in audit that separate targets/indicators for the District were not prescribed despite the Mission requirement to do so. On being pointed out in audit, the CMO stated (May 2011) that indicators were not prescribed for the District and were drawn for the State as a whole. Therefore, in the absence of such data the progress of achievement of the crucial health indicators for the district could not be ascertained and the authenticity of the data reported at the State level could also not be verified.

- **Non-deployment of trained female community health workers**

One of the strategies envisaged by the Mission for achievement of the goal of reduction in IMR, MMR and TFR is the appointment of a trained female community health worker called Accredited Social Health Activist (ASHA). The ASHA is to be appointed for every thousand population and act as an interface between the

[5] Dharwar Thach, Somnachan and Sarkidhar.
[6] Jhungi, Dhalwan, Fatehpur, Draman and Balh Tikkar.

community and the health care system. The State Government decided to employ one ASHA for every 800 people. For selection and training of 1,123 ASHAs in the district, ₹2.37 lakh was sanctioned in October 2007. The Department, however, selected only 112 ASHAs and spent ₹0.71 lakh on the selection process but neither any training was imparted nor were they deployed as of May 2011 rendering the entire effort and exercise futile. Unspent amount of ₹1.66 lakh was transferred to flexible pool for family planning programme.

The CMO stated (May 2011) that the appointment of ASHAs is sub-judice. The fact remains that desired activity of interface between community and health care system still remains to be undertaken in the district.

5.1.5 Janani Suraksha Yojana

One of the important components of Reproductive and Child Health (RCH) programme is the Janani Suraksha Yojana (JSY), to encourage pregnant women to have an institutional delivery rather than domiciliary delivery in order to reduce maternal and neo-natal mortality. Under this programme, all the pregnant women belonging to the SC, ST and BPL categories above 19 years of age, upto two live births are entitled to ₹700 for institutional delivery.

Besides, under the modified parameters of JSY, cash benefit of ₹500 per live birth would also be available to all pregnant women of BPL category on registration for Antenatal Care with ASHA/ANM/PHC.

The details of institutional and domiciliary deliveries in respect of which cash assistance provided by the CMO in Zonal Hospital Mandi during 2006-11 are given below:

Table 6: Position of institutional and domiciliary deliveries

Year	Institutional deliveries (In numbers)	Domiciliary Deliveries (In numbers)	Pregnant women registered (SC/ST and BPL) (In numbers)	Cash assistance given (₹ in lakh)
2006-07	The record was not maintained due to non-availability of prescribed proforma			
2007-08	177	1015	1192	6.31
2008-09	605	1361	1966	11.04
2009-10	1200	2272	3472	19.76
2010-11	1911	1747	3658	22.11

Source: Figures supplied by the CMO

As can be seen from the above table there was increase in the number of institutional deliveries over the period in respect of above categories of beneficiaries. Audit scrutiny, however, revealed that the categories of beneficiaries viz., SC/ST/BPL were not recorded in the Maternal and Child Health (MCH) registers. Consequently, it could not be ascertained whether cash assistance was indeed provided to the eligible beneficiaries.

The overall status of achievement with regard to institutional deliveries in the district and in three sampled units[7] is given below:

Table 7: Position of institutional delivery in the district and three sampled CHCs

(In numbers)

Units	Year	Pregnant women registered	Institutional deliveries	Percentage of Achievement
Mandi District	2006-07	20,916	7,633	36
	2007-08	18,997	7,968	42
	2008-09	20,042	9,805	49
	2009-10	19,372	6,104	32
	2010-11	17,968	7,285	41
Three Sampled CHCs	2006-07	6,694	630	9
	2007-08	6,692	681	10
	2008-09	6,350	480	8
	2009-10	6,272	604	10
	2010-11	5,900	1,070	18

Source: Figures supplied by the CMO for district as a whole and three test-checked CHCs

The above table shows that, the percentage of pregnant women opting for institutional delivery facilities in district as well as in the test checked health centres was far behind the goal of 65 *per cent* that was to be achieved by March 2010 under NRHM. Clearly, this was due to the inadequate facilities in the health centres in the sampled units as brought out in Table 3. On this being pointed out, the CMO attributed (May 2011) the shortfall in achievements to shortage of manpower and lack of infrastructure. The reply does not explain as to why efforts to create proper infrastructure and to provide adequate staff in the health centres could not be made by the authorities.

➢ **Antenatal care**

Scrutiny revealed that the *percentage* of pregnant women in the District who had received three antenatal check ups (ANCs) during 2006-11 ranged between 91 and 99 *per cent* as of May 2011 as against the State level achievement of 77 *per cent*.

In the records of CMO, the shortfall of Iron Folic Acid (IFA) was 19 to 40 *per cent* and it was zero to 11 *per cent* in respect of Tetanus Toxoid (TT) in the District. However, in three out of 11 test checked blocks, the shortfall was between two to 28 *per cent* for IFA and four to seven *per cent* for TT.

5.1.6 Immunisation Programme

During 2006-11 the overall achievement in the District in immunisation of children in the age group of upto one year with respect to Bacillus Calmette and Guerin (BCG), was 100 *per cent* except during 2008-09 where shortfall was 10 *per cent* due to manpower shortage. However, the shortfall ranged between eight and 12 *per cent* for Diphtheria Pertussis Tetanus (DPT) and Oral Polio Vaccine (OPV). The shortfall in achievement of targets in the secondary immunisation of children ranged between nine and 19 *per cent* for DT (5 years age group), one and 34 *per cent* for TT (10 years age group) and upto 22 *per cent* for TT (16 years age group) during 2006-11. In the test checked units, the achievement of fully immunised children was between 79 and 100 *per cent*.

[7] CHCs Kotli, Janjheli and Ratti.

Data shows that the prevalence of vaccine preventable diseases was negligible in the District as no case of infant and child diseases like neonatal tetanus, diphtheria, and whooping cough was detected in the district during 2006-11. However, 611 cases of measles were detected during 2006-11. No new case of Polio was detected during 2006-11 in the district. The coverage of targeted children under pulse polio programme in the district ranged between 97 and 100 *per cent.*

Scrutiny revealed that in eight[8] (13 *per cent*) PHCs in the district, cold chain facilities were not provided due to non-availability of space. CMO stated (May 2011) that vaccination was carried out in nearby PHCs.

However, to support immunisation programme, cold chain maintenance was to be ensured in all the CHCs and PHCs.

5.1.7 National Programme for Control of Blindness (NPCB)

The NPCB aimed at reducing the prevalence of blindness to 0.8 *per cent* by 2007 through increased cataract surgery, eye screening of school children, collection of donated eyes, creation of donation centres, eye bank, strengthening of infrastructure, etc.

During 2006-11 against the target of 16,500 cataract surgeries and screening of 85,746 school children, achievement was 61 *per cent* in respect of cataract surgeries and 71 *per cent* for screening of school children.

On being pointed out in audit, the CMO stated (May 2011) that the shortfall in achievement of targets was due to non-availability of skilled doctors. The facility for eye donation had not been created in any of the hospitals in the district.

➢ **National Vector Borne Disease Control Programme (NVBDCP)**

The NVBDCP aims at control of vector borne diseases by reducing mortality and morbidity due to malaria, filaria, kala azar, dengue, chikungunia and japanese encephalitis in endemic areas through close surveillance, controlling of mosquitoes through indoor residual spray of larvicides, insecticides and improved diagnostic and treatment facilities at health centres. The programme was aimed at achieving Annual Blood Examination Rate (ABER) of 10 *per cent* of the targeted population under surveillance by 2007-08 and Annual Parasitic Incidence (API) of less than 0.5 per thousand throughout the country by that date.

The *percent*age of ABER in the district ranged between 7.4 (2008-09) and 8.7 (2010-11).

The API rate per thousand had decreased from 0.02 (2008-09) to 0.01 in 2010-11.

5.1.8 National Leprosy Eradication Programme (NLEP)

The NLEP aimed at eliminating leprosy by the end of Eleventh Plan and to ensure that the leprosy prevalence rate is less than one per ten thousand. The total number of leprosy patients undergoing treatment in the district during 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11 were 15, 18, 18, 14 and 16 respectively with the incidence of 15, 17, 16, 14 and 15 new cases in the corresponding period. The rate of prevalence of leprosy in the District during 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11 was lower at 0.18, 0.18, 0.16, 0.13 and 0.15 per 10,000 respectively against 0.28, 0.30, 0.25, 0.21 and 0.23 per 10,000 respectively during these years at the State level.

5.1.9 National Aids Control Programme (NACP)

The Programme was launched by the GoI in September 1992 with the assistance of World Bank and has been extended upto the year 2012. The main objectives of the programme are to:

- reduce the spread of HIV infection in the country; and

[8] Bhambla, Chamiar, Khuhan, Dharanda, Pandole, Sajaoo Piplu, Sudhar and Chuku.

- strengthen the capacity to respond to HIV/AIDS on a long term basis.

To achieve the above objectives, funds were to be utilised on different components/activities of the programme like priority intervention for the general community, low cost AIDS care/STI/HIV/AIDS sentinel surveillance, training, etc.

➢ **Utilisation of funds**

Out of allocated funds of ₹81.01 lakh during 2006-11, ₹80.28 lakh (99 *per cent)* was utilised by the District AIDS Programme Officer (DAPO).

As per guidelines of National AIDS Control Programme (NACP), one Voluntary Blood Testing Centre (VBTC) was to be established in each district. The State Government had established one VBTC (now Integrated Counselling and Testing Centre) in each district of the State, including Mandi. Scrutiny revealed that the first HIV positive case was detected in Mandi district in April 2002. Out of 31,197 persons screened up to March 2011 in the district, 263 persons were found HIV positive. These included 102 fully blown AIDS cases. The rate of sero positivity achieved in the State as of March 2011 was 0.1 *per cent* and in Mandi district, it was below 0.36 *per cent* which is stated to be national sero positivity. The DAPO stated (May 2011) that the increase in cases was due to awareness and more testing facilities whereby such cases could be detected in the district.

➢ **Family Health Awareness Camps**

To increase awareness about HIV/AIDS and sexually transmitted diseases (STD) among the community and to provide facilities for early diagnosis and treatment of the targeted population falling in the age group of 15-49 years, the GoI decided (November 1999) to organise Family Health Awareness Camps (FHACs) in all the States in a phased manner. Intensive propaganda about STD epidemic was to be carried out through Information, Education and Communication (IEC) methodology. However, no family health awareness camps were held in the district during 2006-11 due to non-receipt of budget for this purpose. Thus, due to financial constraints IEC activities for creating awareness among the community about HIV/AIDS were severely affected.

➢ **Blood Safety**

Under the blood safety component, the existing blood banks are to be modernised and new blood banks are to be opened. Blood component separation facility centres and skilled manpower are also to be made available. There is one blood bank in the district but blood separation facility had not yet been operationalised for want of license and availability of skilled manpower.

In the absence of proper planning involving identification of gaps in the healthcare infrastructure and non-availability of stipulated facilities and skilled manpower in the health institutions, the aim of providing accessible and affordable healthcare to people remains to be achieved in the District.

Recommendations

- *As the District Health Society has been constituted recently (October 2010), it should play a proactive role in commissioning a survey to identify the gaps in health care infrastructure facilities, draw up a specific timeframe as per the NRHM guidelines to provide accessible and affordable health care to the rural poor and vulnerable sections of the district.*
- *Community involvement should be ensured at every stage in planning, implementation and monitoring of the programme.*
- *Funds should be utilised for the intended purpose, especially for creation of basic health infrastructure and amenities to provide confidence to the community that health centres not only exist but are fully operational.*

➢ *All the health centres should be equipped with adequate and skilled manpower to achieve the objectives of the programme.*

5.2 Education

Education is one of the most important indicators of social progress of a nation. Both the State and the Central Governments have been spending enormous amounts on increasing the enrolment and retention of children in schools, especially in the primary and elementary segments. Focus is also on an inclusive progress, with special attention to girls, SC/ST communities, other vulnerable sections of the society and remote and backward areas. The Sarva Shiksha Abhiyan (SSA) is one of the flagship programmes of the Government for universalisation of primary education.

The year-wise position of funds received and expenditure incurred under SSA during 2006-11 is given in the table below:

Table 8: Position of funds received and expenditure incurred under SSA during 2006-11

(₹ in crore)

Year	Opening balance	Funds Received	Total available funds during the year	Expenditure	Closing balance
2006-07	0.41	17.58	17.99	16.51	1.48
2007-08	1.48	18.44	19.92	18.57	1.35
2008-09	1.35	21.24	22.59	19.21	3.38
2009-10	3.38	25.95	29.33	22.57	6.76
2010-11	6.76	33.31	40.07	32.08	7.99
Total		**116.52**		**108.94**	

Source: Figures supplied by the DPO, SSA

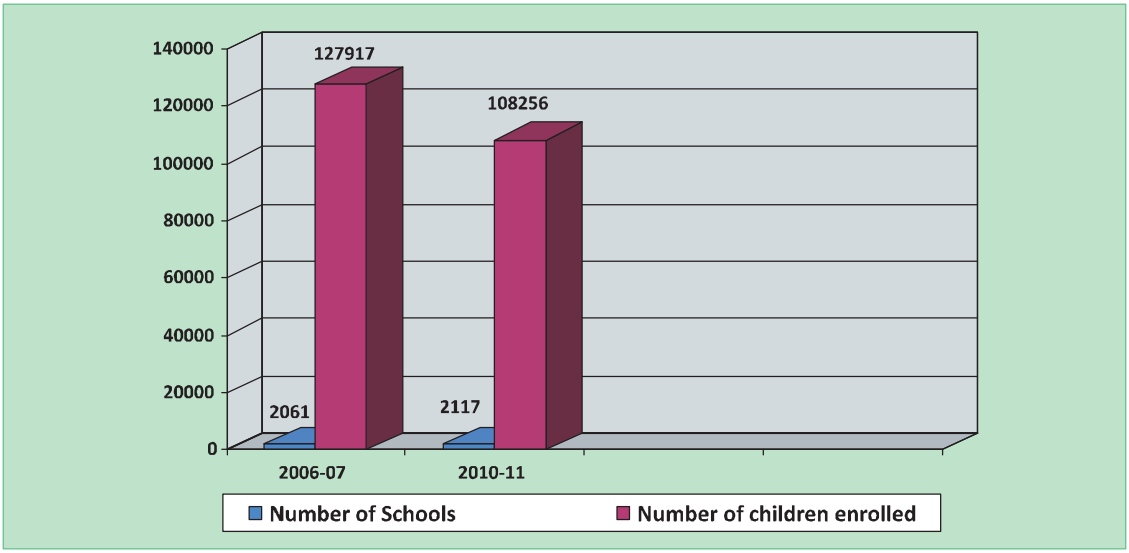
The above table shows that during 2006-11 out of available funds, ₹108.94 crore was utilised leaving a balance of ₹7.99 crore as of March 2011.

5.2.1 Elementary Education

➢ **Enrolment**

A review of the status of education in the district, especially in the context of implementation of SSA, revealed that the number of primary and upper primary schools (upto standard VIII) increased but enrolment of children in the targeted age group of 6-14 years in these schools decreased during 2006-11, as can be seen from the following chart:

Chart 2: Chart showing position of number of Schools and Children enrolled



Source: Departmental figures

Enrolment of students in 10[9] test-checked primary and upper primary schools has decreased to 22 *per cent* during 2010-11 as compared to 2006-07 due to opening of private schools.

The Deputy Director of Elementary Education (DDEE) attributed (April 2011) this decrease mainly to migration of students to the private institutions/schools.

In the absence of any enrolment data of private schools, the position of increase in enrolment in the private schools and consequent effect of decrease in enrolment in Government schools could not be correlated in audit.

➢ **Dropout**

Deputy Director Elementary Education had not monitored the dropout level in the elementary schools of the district as a whole as data relating to drop outs was not kept for the period 2006-11. However, audit scrutiny revealed that in two[10] out of four test-checked Block Elementary Education Officers (BEEOs), the number of dropout students ranged between four and 11 *per cent* during 2006-11 due to migration of parents.

In ten test-checked Primary and Upper Primary schools, the number of dropout students ranged between one and 11 *per cent* during 2006-11.

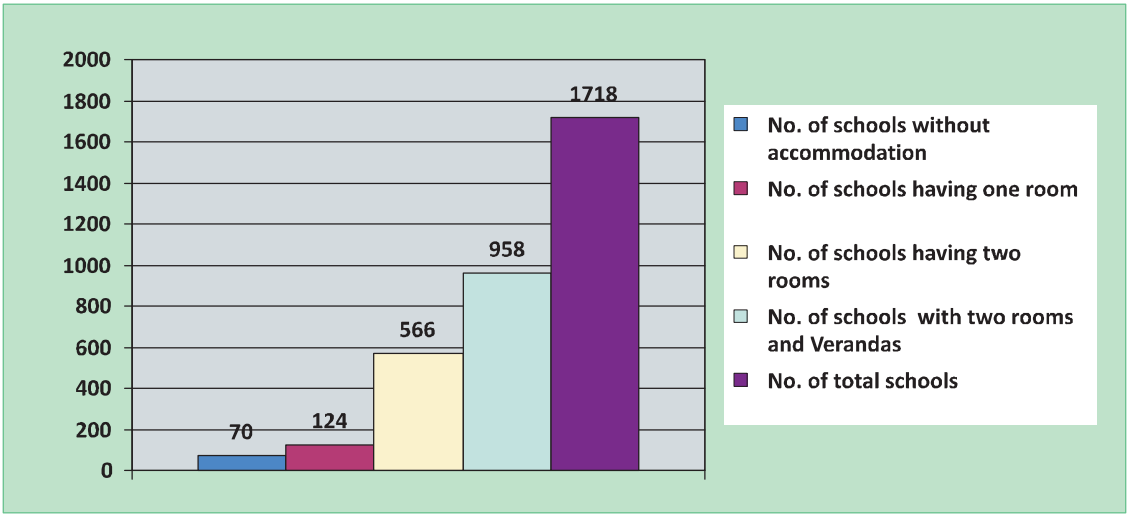
➢ **Infrastructure**

The status of infrastructure in primary schools in the district as on 1 April 2006 and 31 March 2011 is given in charts 3 and 4:

[9] GPSs Baroti, Bari, Chauntra-I, Dharampur, Jai Devi and GMSs Bhojpur, Bharouri, Bhariyara, Fagwao and Tikri Mushehra.

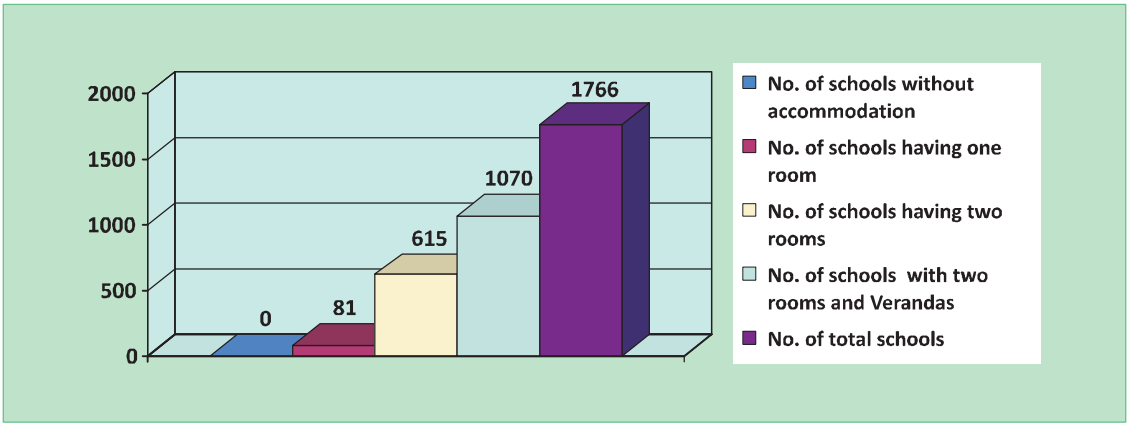
[10] Dharampur-II and Sundernagar.

Chart 3: Chart showing position of Primary Schools as on 1 April 2006



Source: Departmental figures

Chart 4: Chart showing position of Primary Schools as of 31 March 2011



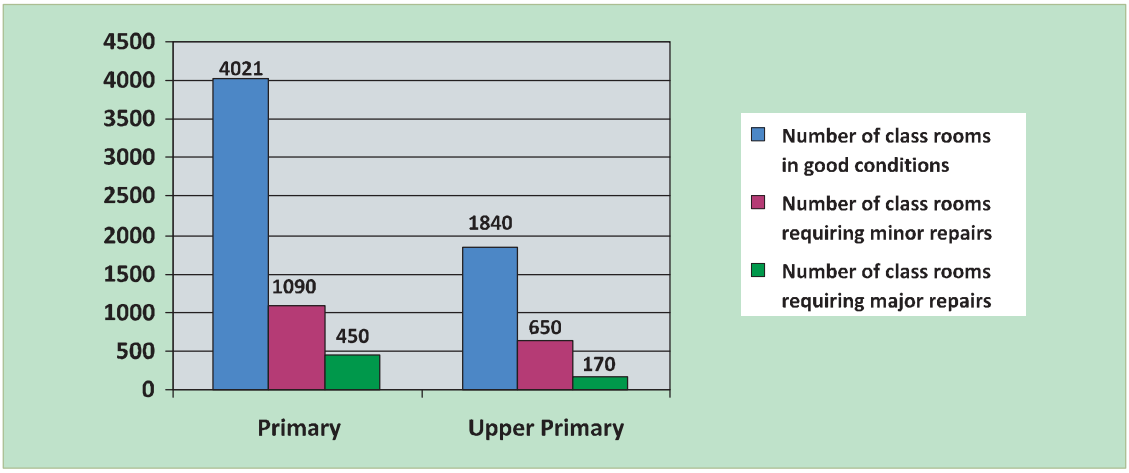
Source: Departmental figures

The charts above indicate an improvement in the provision of infrastructure.

The construction of rooms in 693 schools were sanctioned during 2009-11 for ₹11.97 crore against which the Director Elementary Education released an amount of ₹8.76 crore to the respective School Management Committees (SMCs) in June 2010 through bank drafts for the construction of 395 rooms in the school buildings in the district but detail regarding status of works was not available with the office. The balance funds of ₹3.21 crore were not released further to the institutions concerned for taking up the construction of class rooms and remained unutilised in a saving bank account as of March 2011.

Out of the total number of 8,221 class rooms of primary (5,561 class rooms) and upper primary (2,660 class rooms) schools in the district as of March 2011 eight *per cent* required major repairs as depicted in chart 5:

Chart 5: Chart depicting the status of classrooms in the district as on 31 March 2011



Source: Departmental figures

It was noticed that during 2006-07 and 2008-09, no funds were provided for repair works, though under SSA, School Management Grant (SMG) at the rate of ₹5,000 for a school upto three class rooms and ₹10,000 for more than three class rooms per annum for primary and upper primary schools was permissible for carrying out repair works. The Director of Elementary Education intimated (September 2011) that funds amounting to ₹37.71 lakh were directly provided by the Deputy Commissioner, Mandi to schools during 2010-11. However, status of repair works was not furnished to audit.

➢ **Basic Amenities**

A majority of schools at the elementary level did not have the basic minimum amenities as detailed below:

Number of schools not having basic facility					
Category	**Total schools in district**	**Separate girls toilets**	**Drinking water**	**Access ramp**	**Playground**
Primary and upper primary	2117	543	88	1746	1917

➢ **Availability of teachers**

As against the norm of two teachers per primary school and one teacher for every class in upper primary school (Class-VI to VIII) there were a number of schools-both primary and upper primary, which did not comply with this norm as can be seen from the table 9:

Table 9: Primary and Upper Primary schools without minimum number of teachers

Year	Total number of primary schools	Number of primary schools		Total number of upper primary schools	Number of upper primary schools		
		Without Teacher	With only one teacher		Without teacher	With one teacher	With two teachers
2006-07	1,718	34	170	343	09	08	24
2007-08	1,730	32	195	360	11	16	21
2008-09	1,736	27	184	355	07	15	28
2009-10	1,740	19	172	363	06	09	27
2010-11	1,746	07	92	371	3	4	19

Source: Figures provided by the Department

The above details show availability of poor infrastructure facilities/amenities and staff position in the schools which indicated failure of the district authority in ensuring appropriate environment for teaching and learning besides improvement of quality of education at the desired level. The DDEE stated (April 2011) that in the schools where regular teachers have not been posted, teachers were deployed from nearby schools by rotation.

5.2.2 Higher Education

Higher education is being imparted in the district through a network of 121 Government High Schools (GHS), 206 Government Senior Secondary Schools (GSSS), one Post Graduate Degree College, seven Degree Colleges and one Sanskrit College. The Deputy Director, Higher Education (DDHE) is the Controlling Officer at the district level for implementation of the schemes for educational development.

The year wise and class-wise detail of enrolment of students in the district during 2006-11 is as under:

Table 10: Details of enrolment of students in the district during 2006-11

(In numbers)

Year	Enrolment in the class				Total
	IX	X	XI	XII	
2006-07	15,776	15,752	14,558	8,253	54,339
2007-08	13,633	18,041	14,215	11,033	56,922
2008-09	15,284	14,432	15,939	11,079	56,734
2009-10	15,050	15,367	13,872	13,082	57,371
2010-11	16,241	15,570	14,681	12,239	58,731

Source: Figures supplied by the DDHE

Enrolment in class X has declined in the district and came down from 15,752 in 2006-07 to 15,570 in 2010-11 whereas enrolment in classes IX, XI and XII increased during 2010-11 as compared to 2006-07. The DDHE stated (April 2011) that enrolment in class X decreased due to shifting of students to private schools.

➢ **Planning**

An amount of ₹57.83 crore was allotted to the Public Works Department (PWD) for construction of 161 school buildings in the district during 2006-11 of which 22 school buildings were completed by incurring an expenditure of ₹2.60 crore as of March 2011. The progress of remaining 139 school buildings was not available with the DDHE.

The DDHE stated (April 2011) that the details of expenditure was furnished by the PWD through UCs/CCs in respect of completed works.

As such, DDHE did not monitor the status of construction of these school buildings to ensure timely completion of works.

➢ **Infrastructure and Amenities**

As of March 2011, out of 327 High Schools and Senior Secondary Schools in the district, 19 schools did not have pucca buildings and 14 schools did not have separate toilets for boys and girls. Besides, 237 schools did not have library facilities, 174 schools had no separate labs for science subjects and 201 schools were not provided furniture for the students.

In ten test-checked GHSs and GSSSs, four schools were without drinking water facility, two schools were without spacious playground, five schools having no library, four schools were not having science laboratories and six schools had no furniture for students as of March 2011.

Government Degree College, Dharampur has no land and building of its own and was being run in a rented building since April 2007. During 2006-10 the Education Department had deposited ₹five crore with HPPWD Division, Dharampur for the construction of college building at Dharampur against which an expenditure of ₹0.42 lakh was incurred and the work was still in progress as of March 2011.

The Commissioner-cum-Principal Secretary (Tribal Development) to the Government of Himachal Pradesh deposited ₹1.22 crore with Executive Engineer (EE) HPPWD, Sundernagar between August 2008 and April 2010 for the construction of Scheduled Tribe Girls Hostel at Government Sanskrit College, Sundernagar. As per information supplied by the EE, an expenditure of ₹34.64 lakh has been incurred as of March 2011 and the work is in progress. Thus, due to non-completion of work, the beneficiaries were deprived of the intended benefits.

5.2.3 Quality of Education

Quality education can be imparted only when there is an adequate number of teachers available in schools/colleges and the quality of teaching is reflected in the level of improvement evident from the board results of classes X and XII.

➢ **Availability of Teachers**

The category wise position of teachers in the district as of March 2011 was as under.

Chart 6: Chart showing category wise position of teachers in district



Source: Departmental figures

Note: TGT: Trained Graduate Teachers.
C&VTs: Classical and Vernacular Teachers (Art and Craft Teachers, Language Teachers and Physical Education Teachers).
Others: Ministerial Staff.

In 12[11] out of 12 test-checked institutions there was a shortage of three to 32 posts in different categories (Lecturer: 23; HM: 3; C&V: 5 and Others: 32) as of March 2011.

➢ **Board results**

The data relating to overall pass percentage of students in different examinations of the Board of School Education had not been maintained by the DDHE at the district level. As such, the quality improvement in educational level of the students and impact of the schemes could not be vouchsafed in audit.

In fifteen test-checked schools, the pass percentage in respect of classes X to XII during 2006-11 is depicted as below:

Table 11: Pass percentage of test-checked schools in respect of classes X to XII

(In percentage)

Class	2006-07	2007-08	2008-09	2009-10	2010-11
X	74	71	79	84	83
XI	76	82	80	88	73
XII	90	88	87	96	70

Source: Departmental figures

From the above table it can be seen that as compared to 2006-07 the pass percentage in respect of Class X had decreased during 2007-08 and increased during the period 2008-10. The pass percentage of XI class increased during the period 2007-10 while it decreased substantially during 2010-11. The class XII pass percentage came down by 26 *per cent* during 2010-11 (70 *per cent*) as compared to 2009-10 (96 *per cent*). Reasons for decrease in pass percentage were not available on record.

➢ **Inspections of Schools**

The Himachal Pradesh Education Code provides that the DE or any other Officer authorised by him is responsible for the supervision and inspection of schools. The inspection of schools is to be done at least once a year.

Scrutiny revealed that the DE or any other officers authorised by him had not conducted inspection of the schools in the district during 2006-11.

Test check of records in the office of DDHE revealed that in respect of GSSSs and GHSs against the requirement of 420 inspections during 2006-11, DDHE carried out only 238 inspections resulting in shortfall of 182 inspections (43 *per cent*). In the exit conference, DDHE stated (October 2011) that due to large number and tough geographical locations of the schools and shortage of manpower, inspections could not be carried out to the prescribed extent.

5.2.4 Scholarship schemes

➢ **Pre-matric scholarship scheme for OBC students**

The scheme was implemented in the district from the year 2005-06. Budget provision and expenditure incurred under this scholarship programme during 2006-11 and number of students identified and covered in the district was as following:

[11] Government High Schools (GHSs): Badog, Bari ,Bari Gumana, Ghasnoo and Reur; Government Senior Secondary Schools (GSSSs): Dharampur, Mandi (Boys), Mandi (Girls), Baryana, Sundernagar (Boys), Government Degree College Dharampur and Government Sanskrit College, Sundernagar.

Table 12: Budget provision and expenditure incurred under scholarship programme

Years	Funds received (₹in lakh)			No. of eligible students			No. of students covered			Funds spent (₹in lakh)		
	DDHE	DDEE	Total	DDHE	DDEE	Total	DDHE	DDEE	Total	DDHE	DDEE	Total
2006-07	7.67	0	7.67	1863	0	1863	1863	0	1863	7.67	0	7.67
2007-08	0	0	0	0	0	0	0	0	0	0	0	0
2008-09	1.65	3.12	4.77	165	539	704	165	539	704	1.65	3.12	4.77
2009-10	3.38	0	3.38	338	0	338	338	0	338	3.38	0	3.38
2010-11	0	49.62	49.62	545	24343	24888	0	5314	5314	0	49.62	49.62
Total	**12.70**	**52.74**	**65.44**	**2911**	**24882**	**27793**	**2366**	**5853**	**8219**	**12.70**	**52.74**	**65.44**

Source: Figures provided by DDHE and DDEE

The identification of eligible students and requirement of funds for the purpose was not done by the Deputy Director Higher Education for the year 2007-08 and Deputy Director Elementary Education for the year 2006-08 and 2009-10. The Deputy Director Higher Education identified 545 eligible students during 2010-11 to whom scholarship were to be provided but due to non-receipt of budget under this programme, the students were denied the scholarship. During 2010-11 the Deputy Director Elementary Education identified 24,343 students of which only 5,314 students were covered and 19,029 students were denied the benefit of the scheme. Thus, the scheme was not managed effectively.

In GHSs Ghasnoo and Reur selected for test-check, 18 out of 41 eligible students were denied the benefit due to non-availability of funds.

- **Integrated Rural Development Programme (IRDP)**

The scholarship under the programme is being granted to students of Ist to XII standards of families identified under IRDP from 1991-92 annually to enable them to complete their studies. Budget provision and expenditure incurred under this scholarship programme during 2006-11 and the number of students covered in the district is given below:

Table 13: Budget provision and expenditure incurred under scholarship programme

Year	Budget (₹ in crore)	Expenditure (₹ in crore)	Applications received	Students covered
			(In numbers)	
2006-07	1.84	1.84	55261	55061
2007-08	1.59	1.46	38232	38232
2008-09	1.29	1.29	37475	37471
2009-10	1.10	1.10	32078	32078
2010-11	1.23	1.23	36753	33694
Total	**7.05**	**6.92**	**199799**	**196536**

Source: Figures provided by the DDHE and DDEE

During 2006-11 disbursement of scholarships to 3263 eligible students was not made due to paucity of funds during 2006-07, 2008-09 and 2010-11 respectively and consequently the students were deprived of the intended benefits. Thus, the programme was not managed effectively at district level.

In 22 test checked colleges and schools, 3197 out of 3339 students of IRDP families were given the benefit of IRDP scholarship and 142 students were deprived of the intended benefit due to non-receipt of budget allocation.

➢ **Post-matric scholarship scheme (PMSS)**

As per information made available by the DDHE, out of 6046 eligible students in the district, 4394 were covered under the scheme by providing the financial assistance of ₹59.57 lakh at the rate of ₹140 per month for SC/ST and ₹90 per month for OBC leaving 1,652 eligible students as uncovered due to non-receipt of funds during 2006-11.

In seven[12] out of 22 test-checked institutions, 118 students identified under the scheme were given the benefit of PMSS.

➢ **Kasturba Gandhi Balika Scholarship Scheme**

Kasturba Gandhi Balika Scholarship Scheme was introduced by the GoI from 2008-09. Under this scheme financial assistance was to be provided to girls belonging to SC/ST category below 16 years of age and studying in IX and X classes. In the district, 4986 girls were identified during 2008-11 but benefit could not be extended due to non allocation of funds by the State Government.

To sum up, many schools in the district were lacking basic infrastructure/facilities. The scholarship schemes were not effectively managed as a database of the actual students to be covered and its periodical updation for assessing the requirement of funds was not being maintained which deprived and delayed the benefits of scholarships to the eligible students. Shortage of teachers in schools impacted the board results which was far from satisfactory.

Recommendations

- *Accommodation and basic infrastructure/ facilities should be provided on a priority basis in respect of all the schools, especially at the elementary level, to ensure an appropriate environment both for teaching and learning.*
- *The State Government should carry out a survey and create a database of the beneficiaries to be covered under various scholarship schemes. This database should be updated on a yearly basis to ensure that the eligible students should be provided scholarships as per norms, in a timely manner.*

5.3 Integrated Child Development Service (ICDS)

Integrated Child Development Service (ICDS) is a centrally sponsored scheme and has been in operation in the State since 1975-76. The programme aimed at the holistic development of children in the age group of 0-6 years, expectant and nursing mothers belonging to most deprived sections of the society. As per guidelines, Anganwari Centres (AWCs), in hilly areas were to be opened where population is 300 or more. The district has 2,950 AWCs for population of 9.01 lakh and AWCs were opened as per prescribed norms. Some of the aspect of the programmes were covered in audit and discussed below:

➢ **Nutrition programme**

As per the ICDS guidelines supplementary nutrition was required to be provided to the children in the age group of 6 months to 6 years of age and expectant and nursing mothers.

The table below indicates the status of

[12] GSSSs Baryara, Dharampur, Mandi (Boys), Mandi (Girls), Sundernagar (Boys), Government Degree College, Dharampur and Government Sanskrit College, Sundernagar.

identification of beneficiaries and the extent of actual coverage under the programme during 2006-11.

Table 14: Status of identification of beneficiaries and actual coverage during 2006-11

(In numbers)

Year	Expectant and Nursing mothers			Total population of children below 6 year		
	Identified	Assisted	Shortfall	Identified	Assisted	Shortfall
2006-07	16151	14970	1181 *(7 per cent)*	84151	70411	13740 *(16 per cent)*
2007-08	17250	16331	919 *(5 per cent)*	88920	75139	13781 *(16 per cent)*
2008-09	16872	15464	1408 *(8 per cent)*	87016	71420	15596 *(18 per cent)*
2009-10	16834	15753	1081 *(6 per cent)*	86283	68022	18261 *(21 per cent)*
2010-11	16239	15114	1125 *(7 per cent)*	88315	63932	24383 *(28 per cent)*

Source: The data supplied by the District Programme Officer (ICDS) Mandi

Thus, five to eight *per cent* expectant and nursing mothers and 16 to 28 *per cent* children were denied the benefits of supplementary nutrition during 2006-11.

On being pointed out in audit, the District Programme Officer stated (April 2011) that due to topography of rural areas, expectant nursing mothers could not attend Anganwadi Centres (AWCs). Besides, in some cases beneficiaries due to good economic background were not interested to take nutrition at AWCs. It was also stated that there was no provision for home delivery of nutrition to the age group of three to six years. However, the specific reason for which a large population of children below 6 years of age could not be extended benefits of nutrition programme under ICDS in the district need be analysed by the authorities and remedial measures taken for effective implementation of the scheme.

➢ **Infrastructure and amenities**

As of March 2011, 473 out of 2,950 AWCs in the district, had Government accommodation and 2,477 AWCs were running in private premises made available by the people free of cost.

The District Programme Officer stated (April 2011) that due to non-availability of land and insufficient funds, the basic amenities could not be provided in the AWCs. Action by the district authorities to overcome the situation of insufficient funds and amenities should have been initiated.

➢ **Status of execution of Anganwadi buildings**

During 2006-11, ₹3.21 crore were sanctioned for the construction of 128 Anganwadi buildings. As per sanction order the stipulated period for completion of works was one year reckonable from the date of sanction. Of these, 67 buildings works were required to be completed upto March 2011 whereas 47 works were completed at a cost of ₹1.01 crore. It was further observed that execution of 14 works was not taken up due to non-availability of land. Completion of 67 works was delayed and it ranged between one and 48 months as of April 2011.

The District Programme Officer stated (April 2011) that the works are being executed by the BDOs and they have been directed by the DC to expedite the works at the earliest or refund the amount where the works have not been started.

In sum, five to eight *per cent* expectant and nursing mothers and 16 to 28 *per cent* children in the age group of six months to six years were denied the benefits of supplementary nutrition. In 2,477 out of 2,950 AWCs, adequate infrastructure facilities were not available. There was delay ranging from one to 48 months in completion of 67 works of Anganwadi building. Besides, 14 building works could not be commenced due to non-availability of land.

Recommendations

- *The district administration should ensure that land for construction of AWCs is made available before release of funds to the executing agencies.*
- *A co-ordinated approach needs to be adopted by the District Programme Officer and the BDOs to ensure timely completion of building works.*

5.4 Social Security Pension Scheme

With the objective of providing social security and financial assistance to old persons/widows with inadequate sources of livelihood, the State Government implemented the Social Security Pension Scheme. The scheme comprised *inter alia*, the following components:

- Old aged pension (OAP) since 1971;
- Widow pension (WP) since 1979; and
- National old aged pension (NOAP) since 1995.

During 2006-11, all 61,042 beneficiaries were covered under social security pension scheme in the district and provided financial assistance of ₹92.68 crore by the District Welfare Officer (DWO), Mandi.

It was also noticed in audit that the Department identified (October 2008) 1,158 ineligible persons and stopped disbursement of pension of only 520 persons. In the case of remaining 638 ineligible persons, the Department disbursed ₹62.59 lakh as pension upto March 2011 and stopped disbursement of pension thereafter after this being pointed out in audit.

The DWO stated (March 2011) that the cases were put up to District Welfare Committee for further review but no action was initiated by the committee. The reply does not explain as to why immediate action to stop pension to the ineligible pensioners was not initiated by the Department. Thus, an expeditious action to review such other cases besides effecting recovery of the past period would also require to be taken up by the Department to avoid any further undue financial loss to the exchequer.

To sum up, there was adequate coverage of beneficiaries under the scheme during the past five years. However, benefit of pension involving ₹62.59 lakh was given to 638 ineligible persons. While disbursement of pension to 520 persons was stopped in October 2008 itself, the Department irregularly paid ₹62.59 lakh to ineligible persons until March 2011 despite their identification.

Recommendation

- *To avoid disbursement of social security pension to ineligible persons, district administration should issue suitable instructions to field functionaries viz. Tehsil Welfare Officer to conduct proper verification of applicant's livelihood status in the presence of representatives of Gram Panchayats/Municipalities.*

5.5 Water Supply

Provision of adequate and safe drinking water to all the citizens, especially those living in the rural areas, has been a priority area for both the Central and State Governments. In Mandi district, (as with the State as a whole) one centrally sponsored scheme and three State Plan schemes are being implemented for provision of drinking water through six[13] divisions by the Irrigation and Public Health Department. The budget allocation and expenditure on water supply schemes in the district during 2006-11 was as follows:

Table 15: Position of funds received and expenditure on water supply schemes

(₹ in crore)

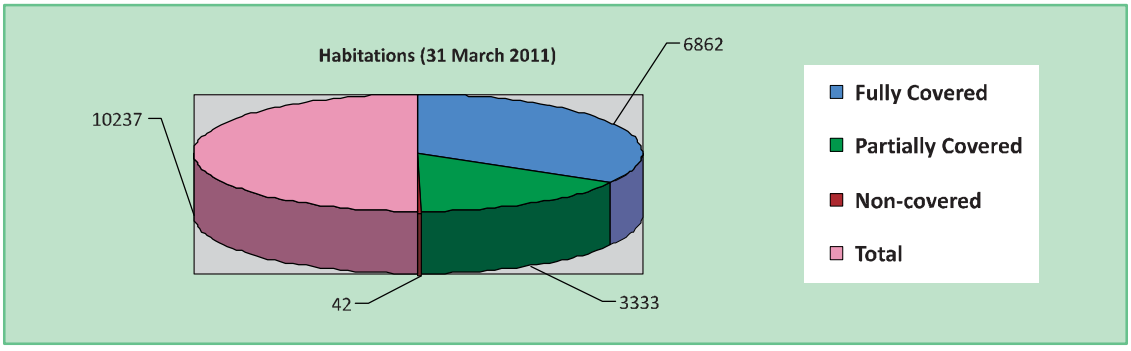
Year	Central funds Allocation	Expenditure	State funds Allocation	Expenditure
2006-07	15.77	16.00	23.09	23.24
2007-08	23.45	23.64	24.87	24.07
2008-09	29.28	29.17	22.52	22.58
2009-10	16.15	16.43	20.11	21.06
2010-11	31.14	31.00	19.59	18.99
Total	**115.79**	**116.24**	**110.18**	**109.94**

Source:Data supplied by Superintending Engineers of Hamirpur and Sundernagar Circles

(i) Status of Water Supply

A survey was carried out in the district in 2003 to identify the status of habitations for water supply. The survey revealed that as of March 2006, out of 10,237 habitations in the district, 37 *per cent* habitations were fully covered, 42 *per cent* were partially covered and the remaining were yet to be covered. Based on population data of 2010, percentage of fully covered habitations increased to 67.03 *per cent* leaving partially covered and non-covered habitations as 32.56 and 0.41 *per cent* respectively upto March 2011. The position is pictorially depicted below:

Chart 7: Chart showing coverage of habitations with water supply schemes



Source: Data supplied by Superintending Engineers of Hamirpur and Sundernagar
Note: Availability of water 40 litres and above per day per capita- Fully covered.
Availability of water between 11-39 litres per day per capita- Partially covered.
Availability of water 0-10 litres per day per capita- Non covered.

[13] Baggi, Karsog, Mandi, Padhar, Sarkaghat and Sundernagar.

(ii) Status of Execution of schemes

Three[14] out of six divisions were selected for detailed test-check during the course of audit. In the three sampled divisions 4,131 habitations were to have been covered as per Comprehensive Action Plan (CAP) 2003. Of these, 3,848 habitations remained uncovered up-to March 2006. During 2009-10, the data of uncovered habitation was re-casted and according to that 2,474 habitations were found to be uncovered habitation as of March 2010 which came down to 1,796 habitations during 2010-11. The Department took up the execution of 210 water supply schemes during 2006-11 (including 31 ongoing schemes) at a cost of ₹141.19 crore to cover 2,880 habitations. Of these, only 81 schemes covering 511 habitations were completed as of March 2011 after expending ₹20.49 crore. Thirty two out of 81 schemes were completed with a cost overrun of ₹2.34 crore, besides a delay ranging from one to 70 months was occurred in 27 schemes. The remaining 129 schemes to cover 2,369 habitations were in progress after incurring an expenditure of ₹83.29 crore. It was, however, noticed that another 1,393 habitations had been reported as covered from 87 schemes, although these schemes were yet to be completed/ commissioned as of March 2011. The execution of six water supply schemes to cover 70 habitations approved during 2009-10 had not yet been taken up (March 2011).

On being pointed out, the EEs concerned stated (May 2011) that cost overrun was due to increase in labour and material cost and delay was due to insufficient budgets, land disputes and increase in scope of work, etc. However, audit scrutiny revealed that lack of adequate supervision at departmental level had not only delayed the completion of schemes on time, but also raised doubts about the quality of works. Further, the targeted beneficiaries were denied adequate and safe drinking water due to non-completion of schemes as envisaged.

In the exit conference held in October 2011 SE (I&PH) Sundernagar stated that these schemes remained incomplete due to less budget allotment.

(iii) Water quality

As per departmental instructions, fortnightly testing of water samples of rural water supply schemes to ensure safe drinking water during the rainy season and monthly testing thereafter is required to be conducted in the State laboratories. The Public Accounts Committee (PAC) in its 167th Report (9th Vidhan Sabha) had observed (March 2000) that the position regarding testing of drinking water was not satisfactory in the State and recommended that effective steps should be taken to avoid occurrence of any serious diseases. Scrutiny of records in sampled divisions revealed that in respect of 938 schemes, against the required 68,220 water sample tests to be conducted during 2006-11, only 8,075 tests were actually done resulting in shortfall of 88 *per cent*. It was further noticed that in three sampled divisions, 121 water testing kits had been distributed in 120 *Panchayats* between January 2009 and 2010-11. However, neither the *Panchayats* sent results of tests-conducted nor were the same obtained by the concerned divisions.

As per information supplied by the Chief Medical Officer, Mandi, there were 2,44,125 cases of water borne diseases (Diarrhoea/dysentery including gastroenteritis: 2,20,811; Typhoid: 21,972 and viral Hepatitis: 1342) noticed in Mandi district during 2006-11, apart from occurrence of twelve deaths due to water borne diseases during 2006-11.

Thus, the Department failed to ensure quality of water and continued to supply unsafe drinking water to the public.

[14] Karsog, Mandi and Sundernagar.

In reply, Superintending Engineer, Sundernagar stated (January 2011) that shortfall in water testing was due to lack of water testing laboratories. The reply is not acceptable in view of the fact that PAC had already recommended to take effective steps to avoid occurrence of any serious disease.

In sum, unsafe water was being supplied to the public in the district as the quality of water to the habitations was not being ensured by conducting the required water sample tests; as a result substantial number of cases of water borne diseases were noticed in the district.

Recommendations

- *The State Government/district administration needs to prepare a strategic action plan to provide potable drinking water to the uncovered habitations in a time bound manner.*
- *Water quality testing system should be improved/upgraded to ensure supply of safe drinking water to the public.*

5.6 Sanitation and sewerage

(i) Total Sanitation Campaign

The total sanitation campaign (TSC) is a centrally sponsored scheme. The main objective of the scheme was to accelerate sanitation coverage in rural areas to provide toilets to all by 2012.

The project for Mandi district was sanctioned in July 2005 with project period of five years i.e. 2005-09 at a cost of ₹10.37 crore with DRDA as the implementing agency.

The activities envisaged in the scheme were:

(i) Start-up activities (conducting of baseline survey, preparation of PIP, etc.);

(ii) IEC activities (creating demand for sanitation facilities in rural areas through inter personal communication, use of folklore media and outdoor media like wall painting and hoardings, etc.);

(iii) Establishment of Rural sanitation Marts and production centres;

(iv) Solid and liquid waste management work;

(v) Construction of individual household latrines (IHHL for BPL and APL);

(vi) Construction of community sanitary complexes; and

(vii) Construction of institutional toilets.

The scheme was to be implemented in a project mode. The cost sharing arrangement between Centre and State was 80:20 for activities at Sr. No. (i) to (iii) and 60:20:20 between Centre, State and beneficiaries for activities at Sr. No. (iv) to (vi) and 70:30 between Centre and State for institutional toilets such as Anganwadi Centres and Schools.

The year wise position of funds received by DRDA, and utilisation thereagainst during 2006-11 is given in Table 16:

Table 16: Position of funds received and expenditure incurred under Total Sanitation Campaign

(₹In lakh)

Year	Opening balance	Funds received				Total	Funds utilised	Unspent balance *(per cent)*
		Centre	State	Interest	Other misc. receipts			
2006-07	152.09	---	78.49	3.14	0.33	234.05	146.17	87.88 (38)
2007-08	87.88	69.21	5.00	1.32	13.12	176.53	170.13	6.40 (04)
2008-09	6.40	245.94	32.97	0.55	22.50	308.36	62.51	245.85 (80)
2009-10	245.85	--	114.47	5.96	77.54	443.82	443.15	0.67 (--)
2010-11	0.67	312.16	82.06	1.36	11.66	407.91	329.09	78.82 (19)
Total		**627.31**	**312.99**	**12.33**	**125.15**		**1151.05**	

Source : Figures supplied by the Department

It was noticed that ₹78.82 lakh remained unspent due to non taking up of activities under Solid and Liquid Waste Management and Rural Sanitary Marts as of May 2011. Besides, against the targets of 224 Anganwadi toilets and 100 community toilets to be constructed during 2006-11, only 124 and 54 toilets had been constructed as of May 2011. In reply PO, DRDA stated (May 2011) that shortfall in achievement of target would be covered in the extended project period 2011-12.

Thus, the objective of scheme to accelerate sanitation coverage in rural area remained to be achieved despite availability of funds.

(ii) Sewerage

There are five[15] towns in the district, out of which, only Mandi and Jogindernagar have sewerage facilities. For two towns viz., Sundernagar and Sarkaghat sewerage schemes were approved (March 1992 and December 1995) for ₹11.28 crore and were stipulated to be completed within a period of five years (i.e. by March 1997 and December 2000 respectively). Despite expending ₹16.73 crore, these schemes were still incomplete as of May 2011 and citizens of these towns have been deprived of sewerage facilities.

In respect of Rewalsar town, SE, Sundernagar intimated (May 2011) that an estimate of ₹9.02 crore had been sent in November 2010 to SE, Planning and Investigation-II, Shimla-9 for providing the sewerage facilities. However, final outcome thereof was not intimated to audit.

The EE of Sundernagar and Sarkaghat divisions attributed (May 2011) the delay to insufficient funds, change in scope of work and land disputes. The reply indicates poor planning by the Department before taking up the execution of the scheme.

To sum up, DRDA could not utilise ₹78.82 lakh due to non-taking up activities of solid and liquid waste Management, etc. Besides, targets of construction of AWCs and community toilets were also not achieved and overall shortfall in achievement of targets was 45 and 46 *per cent* respectively.

Completion of sewerage systems in Sarkaghat and Sundernagar were lagging behind the schedule for more than 10 years due to poor planning of the I&PH Department.

Recommendation

- *Since execution of sewerage schemes is lagging behind the schedule, effective steps needs to be taken to ensure early completion of these long delayed sewerage schemes. Besides, Rewalsar town should also be considered for providing sewerage facility.*

[15] Jogindernagar, Mandi, Rewalsar, Sarkaghat and Sundernagar.

CHAPTER 6

Economic Services

6.1 Infrastructure

Good infrastructure will go a long way in enhancing the growth potential of the district and bridging the gap between urban and rural areas. It will also bring the remote and backward areas closer to the district headquarters and bring about inclusive growth of the economy. Infrastructure includes provision of good all weather roads, adequate electricity for household, industrial and irrigation needs, railway connectivity, air services and reliable communication facilities.

District Mandi has no airport. The nearest airport at Bhunter (Kullu district), is 62 kms away from Mandi town. Rail connectivity in the district is limited again to one town viz., Jogindernagar situated at a distance of 56 kms from the district headquarters, Mandi. A review of the development of roads in the district revealed that 57 *per cent* villages had been provided road connectivity upto March 2011. Audit findings in this regard are discussed below.

6.1.1 Roads

➢ **Status of Road Connectivity**

There are 2,833 inhabited villages in the district. However, in the records of Public Works Department only 2,823 villages existed. Also, data relating to road connectivity in the district maintained in the offices of SE, 1st Circle, Mandi and Engineer-in-Chief (E-in-C) Shimla, showed variation as depicted in the table below:

Table 17: Details showing position of road connectivity in the district

Description	SE's office		E-in-C's office	
	As on 31 March 2006	As on 31 March 2011	As on 31 March 2006	As on 31 March 2011
Total Number of Villages	2,823	2,823	2,823	2,823
Number of villages having road connectivity	1,571	1,889	1,339	1,596
Length of roads (kms)	3,535	4,630	3,572	4,640

Source: Information supplied by SE, HPPWD Circle and E-in-C office, Shimla

It is evident from the above details that departmental records did not depict exact picture of villages actually connected through roads as on 31 March 2011 as there existed difference of villages between SE's office and E-in-C's record and raises doubt about the reliability of the data.

In reply, E-in-C stated (March 2011) that circle office might have included sub-villages causing huge difference in village connectivity and most of the road works are lying held up due to forest land/land dispute. The reply is not tenable as periodical reports and returns sent by the field offices were not closely monitored by the E-in-C office to ensure authenticity of data relating to road connectivity.

➢ **Schemes for Development of Roads**

The most important scheme being implemented for the construction/development of roads is Centrally Sponsored Pradhan Mantri Gram Sadak Yojana (PMGSY). Another scheme which aimed at construction of village link roads is Mukhya Mantri Gram Path Yojana (MMGPY). Besides, the State Government is also executing roads out of state funds.

- **Pradhan Mantri Gram Sadak Yojana (PMGSY) and State Sector Rural Roads**

The PMGSY was launched in 2000 and aimed at connecting every habitation that has a population of 1000 or more through good all weather roads within three years i.e. by 2003 and habitations with 500 people or more by the end of the Tenth Plan.

To achieve this, PMGSY envisage preparation of District Rural Roads Plan by the respective DRDAs. However, the department had prepared block-wise core network of road during 2005 but not ensured preparation of District Rural Road Plan for construction of roads projects in the district in a time bound manner.

As of March 2011, out of 12 habitations sanctioned connectivity of roads with population of over 1000 people, only six were connected with roads. In the case of habitation with population of over 500 people connectivity in 23 out of 143 habitations remained to be provided.

During 2006-11, funds amounting to ₹175.88 crore were provided by the GoI for implementation of PMGSY and the State Government also allocated ₹177.73 crore out of State budget for construction of rural roads in the district. Of this, expenditure incurred was ₹168.83 crore and ₹171.34 crore respectively.

➢ **Status of rural road works undertaken under PMGSY and State Sector**

The details of road works taken up in the district during the review period and progress of their execution are tabulated below:-

Table 18: Details of road works taken up and completed in the district during 2006-11

Year	Works takenup (In Numbers)		Approved cost (₹ in crore)		Works completed (In Numbers)		Cost of completed works (₹ in crore)	
	PMGSY	State Sector	PMGSY	State Sector	PMGSY	State Sector	PMGSY	State Sector
Ongoing works as on 31 March 2006	87	473	69.36	175.02	61	27	37.10	54.08
2006-07	57	10	55.95	12.24	29	0	16.73	0
2007-08	38	65	61.51	36.95	14	1	15.83	0.24
2008-09	37	68	73.13	63.22	10	1	11.29	0.69
2009-10	26	45	26.86	52.40	0	1	0	0.10
2010-11	9	66	12.73	46.38	0	0	0	0
Total	**254**	**727**	**299.54**	**386.21**	**114**	**30**	**80.95**	**55.11**

Source: Data supplied by the Superintending Engineer, HPPWD Circle, Mandi, Hamirpur and Jogindernagar

Audit analysis revealed that out of 981 works (including 560 ongoing works of earlier period) taken up during 2006-11 under PMGSY and State Sector, only 144 works (PMGSY: 114 and State Sector: 30) were completed, 757 works were still in progress and remaining 80 works were lying in a suspended state for a period ranging from 6 to 60 months due to land disputes, forest clearance and court cases.

As on 31 March 2006, three[16] test-checked divisions had 184 ongoing works during 2006-11, apart from 112 new works sanctioned. Of these, 41 works (one within stipulated period and 40 works within delay of 3 to 240 months) were completed. The execution of 184 works was still in progress. The construction of 179 out of 184 works were lagging behind their schedule of completion for the period ranging between 3 and 327 months. Thirty (30) works were lying held up due to land disputes, forest clearance and abandoning of works by contractors, etc. The Department had not taken up execution of 41 works as of March 2011.

The EEs attributed (May 2011) the delay to land disputes in the alignment of roads, forest clearance, late tendering of works, slow execution of works by the contractors and insufficient funds. The reply is not tenable as the Department should have ensured availability of lands for construction of roads before taking up the execution of work. This indicates failure of the Department to ensure proper planning for timely availability of road connectivity to the people of the district.

In the exit conference SE, I[st] circle Mandi, accepted (October 2011) the facts.

➢ **Implementation issues**

(i) Under PMGSY, construction of three kms long Sidhyani Patha road was approved (April 2005) for ₹48.02 lakh. The work was awarded (January 2006) to a contractor for ₹46.93 lakh with a stipulation to complete it in one year.

Scrutiny of records of Mandi division No.II revealed that the contractor took up execution of work in May 2006 according to approved alignment of the road. However, during execution of work, the department changed earlier alignment of the road between km1/720 and 2/195 due to land dispute. As a result, construction of 15.25 metre span RCC-T-beam bridge was necessitated to be constructed over a *Nallah* at km 1/930. The contractor executed road work valued at ₹47.50 lakh in length of 2/675km upto March 2008. Thereafter the contractor left the work and also refused to execute the bridge work on the plea that tender rates offered by him were not presently workable. Against the work done, the contractor had been paid ₹47.16 lakh upto eighth running account bills. The work remained incomplete as of May 2011.

Thus, failure of the department to get the balance road and bridge work completed for three years had resulted in idle investment of ₹47.16 lakh.

(ii) In Karsog division, construction of 2.200 km long link road to village Parlog alongwith 30 metre span bridge sanctioned (November 2006) under PMGSY for ₹79.50 lakh was also awarded (March 2007) to a contractor for the same amount. The work was stipulated to be completed in one year.

It was noticed in audit that after executing road work valued at ₹58.48 lakh (upto October 2008), the contractor left the remaining road and bridge work midway. Liquidated damages of ₹7.95 lakh were levied on him in June 2009. Out of this, ₹1.67 lakh was recovered and the balance amount of ₹6.28 lakh remained un-recovered as of May 2011. The work had been lying in suspended state since October 2008.

Thus, failure of the department to initiate timely action for getting the balance work completed for more than two years and seven months not only resulted in non-achievement of the objective of rural connectivity but also rendered expenditure of ₹58.48 lakh incurred as unproductive.

(iii) As per Forest Conservation Act, 1980 diversion of forest land for non-forestry purposes requires prior approval of GoI. In Karsog division construction of 6.855 km long road under PMGSY from Janoal to Jaral was

[16] Karsog, Mandi and Sundernagar.

awarded (September 2006) to a contractor for ₹1.40 crore with a stipulation to complete in one year.

It was noticed in audit that the road work could not be taken up by the contractor due to involvement of forest land. GoI, however, conveyed approval for diversion of forest land in May 2010 and cutting of trees was got completed in December 2010. In the meantime, the contractor had been paid an advance payment of ₹21 lakh (Mobilisation Advance: ₹7 lakh; Machinery Advance: ₹14 lakh in March 2007) which remained un-recovered as of May 2011. Evidently, payment of advance of ₹21 lakh without taking up the work since March 2007 led to extension of undue financial benefit to contractor and loss of interest of ₹9.57 lakh at the rate of 9.4 *per cent* at borrowing rate of State Government.

(iv) In Sundernagar division eight roads were constructed at a cost of ₹2.71 crore between November 2005 and July 2008 to provide connectivity to 10 villages having 5590 inhabitants. These roads were not got passed from the Road Fitness Committee as of May 2011 since the date of completion of these roads. Delay in passing of road ranged between 33 and 65 months. Thus, investment of ₹2.71 crore remained unproductive as intended objective of providing all weather road connectivity to the inhabitants of above villages was not achieved.

The EE concerned stated (May 2011) that efforts were being made to get the roads passed from the Road Fitness Committee. The reply does not explain as to why the matter was not brought to the notice of district authorities for declaration of roads fit for plying of vehicles.

In sum, 43 *per cent* of the villages in Mandi district still remained to be provided with road connectivity, as acquisition of forest/private land and court cases being the main bottleneck.

Recommendation

➢ *For Road Projects, District Rural Road Plan need to be prepared indicating the spacing of works for their timely completion. Besides, mechanism to resolve the land disputes also needs to be set up on priority basis.*

- **Mukhya Mantri Gram Path Yojana**

The Mukhya Mantri Gram Path Yojana (MMGPY) was launched in 2003-04 as a State plan scheme for the construction of village link roads to meet the strengthened centralised planning process and to meet the aspiration and felt needs of the local population. The DC is fully empowered to sanction works under the scheme. But the scheme was withdrawn in the same year. The scheme has been re-introduced in 2008-09. The details of funds received and expenditure incurred there against during 2008-11 was as under:

Table 19: Position of funds received and expenditure incurred under Mukhya Mantri Gram Path Yojana

(₹in crore)

Year	Opening balance	Funds received	Interest	Total availability of funds	Funds utilised	Closing balance
2008-09	0.01	1.63	0	1.64	1.02	0.62
2009-10	0.62	1.62	0.05	2.29	2.10	0.19
2010-11	0.19	1.62	0.18	1.99	1.64	0.35
Total		**4.87**	**0.23**		**4.76**	

Source: Departmental figures

During 2008-11, ₹4.87 crore were allotted and the whole amount was drawn by the DC and kept in a bank account. The DC had unspent balance of ₹one lakh at the beginning of 2008-09 and also received ₹23 lakh from executive agencies on account of saving surrendered by them/interest credited in the bank accounts during the year 2009-11. Out of total available amount of ₹5.11 crore, ₹4.42 crore were released to the implementing agencies for execution of the 417 pucca path/jeepable road works besides ₹0.34 crore incurred as other expenditure and the balance amount of ₹35 lakh remained unspent with the DC as of March 2011 for utilisation in the subsequent financial year in violation of the guidelines of the scheme.

The DPO stated (April 2011) that funds could not be released due to shortage of manpower, introduction of MNREGA, non-execution of works/agreements by the Gram Panchayats and site disputes.

As per scheme guidelines 25 *per cent* of the allotted budget was required to be spent for the construction of pucca path and link roads in the scheduled caste concentrated villages.

During 2008-11, the DC released ₹4.42 crore for execution of works under the scheme but the details of funds spent on SC/ST concentrated population were not available with them and therefore incurring of prescribed budget for construction of roads in SC/ST area could not be ascertained in audit as envisaged in the scheme.

6.1.2 Schemes for other developmental activities

Other developmental activities like renovation/repairs of Government Schools, health institutions, water supply schemes, etc., were taken up in the district under Vikas Mein Jan Sahyog (VMJS), Sectoral Decentralised Planning (SDP), Members of Parliament Local Area Development Scheme (MPLADS), Vidhayak Kshetriya Vikas Nidhi Yojana (VKVNY), etc.

(a) Vikas Mein Jan Sahyog (VMJS)

VMJS scheme was launched in January 1993 with the objective of ensuring community participation in developmental activities like construction of Government buildings for education, rural water supply schemes, rural roads, minor irrigation schemes, multipurpose community centres and other infrastructural facilities. It is a State sponsored scheme with funding in the ratio of 85:15 between the State Government and the public in areas where SC/ST population is over 50 *per cent*. Where the population is predominately of general category; the funding ratio is 75:25 in backward areas, and 50:50 in urban areas and rural areas.

During 2006-11, ₹11.44 crore was released by the DC to the executing agencies for developmental works in the district. Of this ₹7.18 crore was utilised by the executing agencies and the balance amount was lying with the latter as of March 2011.

The DC stated (April 2011) that due to shortage of manpower/non-cooperation from the GPs and late receipt of budget, the funds could not be utilised. The reply is not acceptable as these aspects should have been taken into consideration before the drawal of funds.

(b) Sectoral Decentralised Planning (SDP)

The SDP was introduced in 1993 (except the tribal areas) in all the districts to execute works relating to renovation/repair of Government owned public assets like schools, health institutions, water supply schemes, irrigation kuhls[17] and village link roads. The works under this scheme are approved by the District Planning Development and Twenty Point Programme Review Committee. Under this scheme, five *per cent* funds are taken from the approved Plan in respect of selected heads of development and are placed at the disposal of the DC as 'untied funds' to be utilised on smaller works which do not find place in the budget and to ensure that public grievances are redressed instantly.

[17] Kuhl: Small open irrigation channel.

The works sanctioned under this scheme were required to be completed within one year from its sanction. During 2006-11, ₹21.42 crore were released to the executing agencies against which only ₹10.59 crore (49 *per cent*) was utilised. Despite a specific stipulation to refund the unutilised funds at the close of the financial year, the executing agencies retained the funds. As per information supplied by the DPO, 1179 works worth ₹10.31 crore were completed and 890 works costing ₹11.11 crore remained incomplete due to receipt of funds from the Planning Department at the fag end of respective financial year and imposition of model code of conduct during the Assembly, Parliament and Panchayats elections.

(c) Member of Parliament Local Area Development Scheme (MPLADS)

District Mandi is a part of Mandi Parliamentary constituency which includes Kullu, Kinnaur and Lahaul Spiti districts, Pangi and Bharmaur sub-divisions of Chamba district and Rampur sub-division of Shimla district also . DC Mandi is the Nodal Officer for release of funds to the above districts/sub-divisions.

During 2006-11, ₹12.30 crore was received by the DC, Mandi for approval and sanction of works relating to the development of the constituency under MPLADS. Besides, the DC had an unspent amount of ₹1.50 crore at the beginning of 2006-07 and also received ₹1.39 crore from the executing agencies on account of savings surrendered by them and interest of ₹0.81 crore credited in the bank accounts. Of the total available amount of ₹16.00 crore, ₹6.68 crore was released to the executing agencies in the district and ₹8.53 crore was shown as other expenditure which includes release of amount to the Shimla, Kullu, Kinnaur, Chamba and Lahaul & Spiti being nodal district for execution of works sanctioned under this scheme and deposit of interest into Government account detail of which was not available with them and the balance ₹0.79 crore remained unutilised with the DC as of March 2011.

Scrutiny of the details of the works sanctioned under MPLADS revealed the following:

As per guidelines of MPLADS, the construction of office/ residential buildings and other works belonging to private co-operation and commercial organisation, repairs works and works within the places of religious worship are prohibited under the scheme.

Scrutiny of records revealed that eight works such as club house, press club buildings, works within the places of religious worship costing ₹13 lakh were sanctioned during 2006-11 from MPLADS in contravention of the above provisions.

The DPO stated (June 2010) that these works were sanctioned for community based utilisation. The reply is not acceptable as such works were not permissible under the scheme.

Against ₹6.68 crore sanctioned and released to the executing agencies, an expenditure of ₹2.98 crore was incurred by them as of April 2011.

(d) Vidhayak Kshetriya Vikas Nidhi Yojana (VKVNY)

District Mandi has ten Vidhayaks (Members of Legislature). Under VKVNY scheme, ₹25 lakh per year was released to each of the Vidhayaks during 2006-08 and ₹30 lakh during 2008-11 to ensure execution of developmental works in their respective constituencies. The works are to be selected by the Vidhayaks as per the guidelines of the scheme and sanction from the DC is to be obtained for their execution.

During 2006-11, the DC received ₹14.00 crore and had ₹1.67 crore unspent balance in the beginning of 2006-07 and miscellaneous receipts of ₹0.61 crore received during 2006-11. Of the available funds of ₹16.28 crore, ₹13.46 crore were released to the implementing agencies. Of this, only ₹7.05 crore was expended and the balance of ₹6.41 crore was lying unspent with the implementing agencies as of March 2011.

- **Common Implementation Issues**

Scrutiny of implementation of these four schemes brought out the following common aspects:

- All the works sanctioned under VMJS, SDP, MPLADS and VKVNY are required to be completed within a year. However, in the five test-checked blocks, it was observed that 226 works[18] relating to construction of link roads, community centres, etc., sanctioned during 2006-11 for ₹2.96 crore were not taken up for execution as of March 2011 resulting in denial of the intended benefits to the public.
- 1,272 works[19] like construction of community centres/mahila mandal bhawans, school buildings, roads etc., costing ₹13.97 crore sanctioned between April 2006 and March 2010 were lying incomplete as of March 2011. In the five test-checked blocks, 326 works[20] sanctioned between April 2006 and March 2010 for ₹4.28 crore were also yet to be completed. The delay in completion of these works ranged between three and 52 months.

The BDOs attributed (April 2011) non-commencement of works/delay in completion of works to non-availability of land, non-cooperation of GPs, shortage of man power and non-execution of agreements by the GPs, etc.

Thus, other developmental schemes like Vikas Mein Jan Sahyog (VMJS), Sectoral Decentralised Planning (SDP), Members of Parliament Local Area Development Scheme (MPLADS), Vidhayak Kshetriya Vikas Nidhi Yojana (VKVNY), etc., were taken up in the district in an uncoordinated manner as the works were neither properly planned nor completed within the specified timelines thereby resulting in a situation of huge funds lying unutilised. The assets created out of these schemes also remained unknown to the district administration as no asset register was maintained at any level.

Recommendation

- *A co-ordinated approach needs to be adopted by the State/district administration with the executing agencies to ensure that the works are planned and completed in time to ensure that benefits percolate down to the people.*

6.2 Employment Generation

The GoI and the State Government have initiated numerous measures to tackle problems of poverty, unemployment and the slow pace of progress in the rural economy. In addition, provision of food security, especially to the poor and vulnerable sections of society, has been envisioned as one of the important components of an inclusive growth of the economy. The two most important schemes sponsored by the Central Government for providing employment in the rural areas as a means of poverty alleviation are Sampoorna Gramin Rozgar Yojana (SGRY) and Swarnajayanti Gram Swarozgar Yojana (SGSY). The implementation of SGRY in the district was subsequently subsumed in Mahatama Gandhi National Rural Employment Guarantee Act (MNREGA) in April 2007.

[18] MPLADS: 32; VKVNY: 80; VMJS: 14 and SDP: 100.
[19] MPLADS: 137; VKVNY: 554; VMJS: 74 and SDP: 507.
[20] MPLADS: 26; VKVNY: 127; VMJS: 17 and SDP: 156.

6.2.1 SGRY

The objectives of the SGRY were to provide additional wage employment to the rural poor who were in need and willing to do manual and unskilled work in and around their village, and to create durable community, social and economic assets and infrastructure in rural areas. Towards this end, the GPs were to submit work proposals through the BDOs to the DRDA, based on a comprehensive *shelf of works* to be approved at the beginning of the year.

Audit noticed that schemes were sanctioned by the DC in an *adhoc* manner, since the GPs and Blocks had not prepared any Perspective Plan or Annual Action Plans. Consequently, works were proposed on a perceived need basis, rather than in a planned and coordinated manner, resulting in overlaps in execution of works and underutilisation of available funds. Also, there was no database at the district/DRDA level, detailing the developmental works undertaken in various Blocks and GPs.

The SGRY was funded on 75:25 basis by the GoI and the State Government. The year-wise position relating to the funds received by DRDA, Mandi and utilisation thereagainst during 2005-07 (upto March 2007) is given below:

Table 20: Position of funds received and expenditure incurred under SGRY

(₹ in crore)

Year	Opening balance	Funds received			Total	Funds utilised	Unspent balance (Percentage)
		Centre	State	Other misc. receipts			
2005-06	1.93	3.16	1.05	0.20	6.34	5.61	0.73 (12)
2006-07	0.73	2.17	0.72	1.93	5.55	4.38	1.17 (21)

Source: Departmental figures

Note: Figures in parenthesis denote percentage.

The details of funds received and expended during this period by the five[21] sampled Blocks are as follows:

Table 21: Position of funds received and expenditure incurred under SGRY in sampled blocks

(₹ in lakh)

Year	Opening balance	Funds received	Other receipts	Total	Funds utilised	Unspent balance (Percentage)
2005-06	73.57	201.12	13.21	287.90	210.20	77.70 (27)
2006-07	77.70	138.43	5.13	221.26	179.44	41.82 (19)

Source: Departmental figures

After merger of SGRY under MNREGA, the unspent balance of ₹1.17 crore was transferred to it.

[21] Chauntra, Drang, Gohar, Karsog and Sundernagar.

➢ **Employment Generation under SGRY**

The details of employment generated under this scheme during 2005-07 as reported by DRDA to the GoI are as follows:

Table 22: Details of employment generated under SGRY during 2005-07

(Mandays in lakh)

Year	Mandays for SC/ST	Mandays for women	Mandays for others	Total mandays generated
2005-06	1.73	0.30	1.78	3.81
2006-07	1.20	0.23	1.19	2.62
Total	**2.93**	**0.53**	**2.97**	**6.43**

Source: Departmental figures

There were no annual targets relating to employment generation although the DRDA planned to execute small works like construction of tanks, playground, etc., for generating employment. Therefore, the extent of employment generated vis-à-vis targets could not be ascertained. Out of 6,090 works sanctioned in the district during 2005-07, 6089 works had been completed after incurring an expenditure of ₹3.90 crore leaving one work incomplete in Karsog block as of May 2011.

The status relating to employment generation in five test-checked blocks was as follows:

Table 23: Details of employment generated under SGRY in sampled blocks during 2005-07

(Mandays in lakh)

Year	Mandays for SC/ST	Mandays for women	Mandays for others	Total mandays generated
2005-06	0.97	0.15 (7)	0.95	2.07
2006-07	0.62	0.13 (10)	0.56	1.31
Total	**1.59**	**0.28 (8)**	**1.51**	**3.38**

Source: Data supplied by the BDOs of test-checked Blocks. Figures in parenthesis denote percentage.

While 30 *per cent* of employment generated should have been in respect of women beneficiaries, the DRDA reported only 0.53 lakh mandays (eight *per cent*) for women out of 6.43 lakh mandays generated in the district.

In the five test-checked blocks, employment generation for women was also eight *per cent*. In the district wage employment of 1.40 lakh mandays for women was, thus, less provided. The PO DRDA stated (May 2011) that due to non-availability of women power in the district the target for providing 30 *per cent* of the total employment to women could not be achieved.

The DRDA and the sampled Blocks had not maintained employment registers in the prescribed format indicating the category wise details of people provided employment and the number of mandays generated for each work. In the absence of these details, the figures of employment generated for women were compiled from the muster rolls directly. In the absence of complete details in the employment registers, the employment reported to have been generated, especially in respect of women and SC/ST categories could not be verified in audit.

6.2.2 Mahatma Gandhi National Rural Employment Guarantee Act

The Mahatama Gandhi National Rural Employment Guarantee Act (MNREGA), 2005 is being implemented in the district from April 2007. The basic objective of the Act is to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment.

Under MNREGA, the wages of skilled and semi-skilled workers and cost of material is shared in the ratio of 75:25 by GoI and State Government. In addition, the State Government bears the unemployment allowance and administrative expenses of State Employment Guarantee Council. The year wise position of funds received by the DRDA, Mandi and utilisation thereagainst during 2007-11 is given below:

Table 24: Position of funds received and expenditure incurred under MNREGA during 2007-11

(₹ in crore)

Year	Opening balance	Funds received from		Total availability of funds	Funds utilised	Unutilised funds at the close of year
		GoI	State Govt. (incl. interest and other receipts)			
2007-08	1.17	42.73	3.06	46.96	41.29	5.67 (12)
2008-09	5.67	149.71	9.46	164.84	86.61	78.23 (47)
2009-10	78.23	48.48	14.99	141.70	130.70	11.00 (8)
2010-11	11.00	160.00	13.02	184.02	134.97	49.05 (27)

Source: Departmental figures

Note: 1. Figures in parenthesis denote percentage.
2. Includes ₹1.17 lakh transferred from SGRY.

6.2.3 Planning for implementation of MNREGA

➢ **District Perspective Plan**

The MNREGA operational guidelines stipulate the preparation of a five year District Perspective Plan (DPP) to facilitate advance planning and to ensure long term employment generation in the district. Also, Annual Plans, identifying the activities to be taken up on priority in a year are required to be prepared.

Audit scrutiny, revealed that the DPP in Mandi district was not prepared. In the absence of DPP, the type of works which should be executed in the district to ensure long term employment generation and sustained development were not identified. Though annual plans were prepared during 2007-11 in the district but works were approved in piecemeal ignoring annual plans and spent ₹207.60 crore on works. This resulted in unplanned execution of works on *adhoc* basis.

The details of funds received and expended during this period by the five sampled blocks are as follows:

Table 25: Position of funds received and expenditure incurred under MNREGA in sampled blocks during 2007-11

(₹ in crore)

Year	Opening balance	Funds received	Other misc. receipts	Total	Funds utilised	Unspent balance (percentage)
2007-08	0.13	23.76	0.16	24.05	20.67	3.38 (14)
2008-09	3.38	48.28	0.24	51.90	41.67	10.23 (20)
2009-10	10.23	55.45	0.15	65.83	63.92	1.91 (3)
2010-11	1.91	70.10	0.54	72.55	66.42	6.13 (8)

Source: Departmental figures
Note: Figures in parenthesis denote percentage.

The BDOs of the sampled blocks (Padhar and Gohar) stated (June-July 2010) that the under utilisation of funds was due to grant received at the fag end of financial year.

➢ **Employment Generation under MNREGA**

The details of employment generated under this scheme during 2007-11 as reported by DRDA to the GoI are as follows:

Table 26: Details of employment generation under MNREGA during 2007-11

(Number in lakh)

Year	Total mandays generated	Mandays for SC/ST	Mandays for Women	Mandays for others
2007-08	34.72	13.85	14.81	6.06
2008-09	55.75	21.38	27.73	6.64
2009-10	66.08	24.71	40.67	0.70
2010-11	86.92	20.76	34.56	31.60

Source: Data supplied by DRDA Mandi

During 2007-11 position with regard to employment provided to women was satisfactory. Audit did not notice any case where 100 days employment demanded was not provided to the beneficiaries.

➢ **Muster Rolls**

As per provisions of MNREGA guidelines, the Muster Roll (MR) in the prescribed format with a unique identity number are to be issued by the Programme Officers of the blocks to the Gram Panchayats/executing agencies. The MRs are also required to be maintained by the GPs and other executing agencies in the prescribed manner.

In 47 test-checked GPs it was noticed that the MRs were not being maintained in the prescribed manner and the following discrepancies were noticed:

- In seven test-checked GPs, MRs used were not machine numbered.
- In the case of 379 MRs, issue date in the MR issue register was not recorded.

- Assessment of work done with respect to wages and material was not found recorded on MRs.
- The signature of Inspecting Officer, on MRs in token of having the works inspected was also not available in any of the GP test-checked in audit.

PO, DRDA Mandi stated (January 2011) that necessary directions have been given to BDOs to maintain the MRs as per MNREGA guidelines.

➢ **Payment of wages**

Disbursement of wages is required to be made on a weekly basis or in any case not beyond fortnight of the date on which work was done. In the event of delay beyond fortnight, workers are entitled to compensation as per the provisions of the Payment of Wages Act, 1936, to be borne by the State Government.

It was however, noticed that in the district, workers engaged on 27,028 muster rolls during 2007-11 were not paid wages (₹ 55.26 crore) on time i.e. within prescribed period of fortnight. The delay in payment of wages ranged between 15 and more than 90 days. No compensation for delay in payment of wages was paid to the workers. In five test checked blocks, workers engaged on 19,415 muster rolls during the period 2007-11 were not paid wages (₹36.60 crore) on weekly or fortnightly basis due to non-assessment of work beyond the maximum period of a fortnight.

The PO stated (May 2011) that timely payment of wages could not be made due to the shortage of staff and due to non assessment of works in time by the technical staff at block level.

➢ **Execution of low priority works**

As per operational guidelines read with Section 4 (3) and schedule-1 of MNREGA, the works were to be taken up in order of priority as laid down in the scheme. The works of water conservation and water harvesting were the first priority and rural connectivity was at the lowest in the priority list. Out of 22,807 works executed at a cost of ₹207.60 crore during 2007-11, 12,160 (53 *per cent*) works executed at a cost of ₹113.41 crore, were pertaining to rural connectivity. Similarly, in the test checked five blocks, out of 10,938 works executed at a cost of ₹ 92.36 crore, 5,688 (52 *per cent*) works valuing ₹44.21 crore were pertaining to rural connectivity. Works such as water conservation and harvesting, drought proofing (including afforestation and plantation) irrigation and renovation of traditional water bodies- were not taken up in order of their priorities as execution of such works was important to strengthen the natural resource base and to address the main cause of poverty. This indicated that the concerned Programme Officers (i.e. BDOs) did not scrutinise the appropriateness of the plan proposals received from GPs as required under the guidelines to ensure that the works were undertaken according to the provisions envisaged in the scheme guidelines.

BDOs of concerned blocks stated (May 2011) that works were executed as per priority given by the Gram Sabha. The reply is not acceptable as necessary steps should have been taken to execute the works as per the provisions given in the scheme guidelines.

➢ **Construction of roads contrary to specifications**

As per guidelines rural connectivity was to be provided with all weather access within the village area. In four[22] test-checked blocks, 152 works of kutcha roads were executed during 2007-11 at the cost of ₹2.90 crore without stabilisation of top surface and adequate provision for drainage and culverts. Due to this, it was not possible to make these roads negotiable in all seasons particularly in rainy season of the year as is evident from the following photographs:

[22] Drang, Gohar, Karsog and Sundernagar.

Photograph: 9



Tractor road Thadhadhar to Upper Khanula (May 2010)

Photograph: 10



Tractor road Bahwa to Dehari (May 2010)

While admitting the facts, BDOs of concerned blocks stated (May 2011) that Kutcha Roads were constructed as per shelf approved by GPs. The reply is not acceptable as minimum prescribed specification could have been followed for proper creation of assets under MNREGA Scheme.

➢ **Execution of works without approval**

As per MNREGA operational guidelines in respect of all works administrative approval and technical sanction is required to be obtained in advance by December of the year preceding the proposed year of implementation. Audit scrutiny revealed that in three out of five Blocks test-checked, 378 works costing ₹10.73 crore were started prior to receipt of administrative approval of the competent authority during the period 2007-08.

BDOs of the concerned blocks stated (April-May 2010) that normally approval comes after three to six months and as such works were started pending administrative approval to provide job to households within 15 days from the date of their demand. The reply is not acceptable as there is no exception for such deviation from the operational guidelines in any manner.

MNREGA operational guidelines stipulate the following procedures for Inspection and monitoring:

- State, district and Block level officers shall inspect 2, 10 and 100 *per cent* of works respectively every year.
- District Internal Audit Cells shall be constituted to scrutinise the reports of Gram Sabha.

Audit scrutiny revealed that against 243 inspections of works, State level officers inspected only 28 works out of 12,160 works executed under MNREGA during 2007-11 in Mandi district. However, no reasons for non-conducting of inspection of works were furnished to audit.

The position with regard to inspection of works by the block level officials also could not be verified in audit as no proof of inspection of works carried out by them was available in the test-checked blocks. Besides, District level Internal Audit cell had not been established as of May 2011 to scrutinise the reports of Gram Sabhas.

The PO stated (May 2011) that due to involvement of district level officers in other departmental schemes, the required inspection could not be carried out. The reply is not acceptable in view of the statutory provision for monitoring and reporting on implementation of MNREGA.

Recommendations

- *For ensuring a long term shelf of projects, preparation of District Perspective Plan should be ensured.*
- *The State Government should ensure that works are taken up by the implementing agencies in the order of priority as envisaged in the Act.*

6.2.4 Swarnjayanti Gram Swarozgar Yojana

Swarnjayanti Gram Swarozgar Yojana (SGSY) a holistic programme covering all aspects of self employment such as organisation of the poor into Self Help Groups (SHGs), providing training, credit, technology, infrastructure and marketing facilities was launched in the State from the year 1999-2000. The objectives of the scheme aimed at establishing a large number of micro-enterprises in the rural areas, building upon the potential of the rural poor and to bring the assisted poor families (Swarozgaries) above the poverty line in three years by ensuring that the family had a monthly net income of at least ₹ 2000.

- **Financial outlay and expenditure**

SGSY was funded by Centre and State in the ratio of 75:25. Fifteen *per cent* funds out of total SGSY allocation were set apart by the Government of India for Special Projects under SGSY. Financial targets were also fixed by the GoI in terms of credit mobilisation (bank credit and Government subsidy). The central allocation of funds to the State was based on incidence of poverty in the State. Funds were directly released by the GoI/State Government to the DRDA.

Yearwise position of funds released by the GoI and the State vis-a-vis expenditure incurred thereagainst during 2006-11 is given below:

Table 27: Position of funds received and expenditure incurred under SGSY during 2007-11

(₹ in lakh)

Year	Opening Balance	Funds received		Other receipts	Total available funds	Expenditure	Closing balance
		Centre	State				
2006-07	9.08	80.57	21.21	32.07	142.93	103.48	39.45
2007-08	39.45	112.35	33.92	21.52	207.24	126.82	80.42
2008-09	80.42	145.38	49.77	15.75	291.32	193.38	97.94
2009-10	97.94	142.21	60.36	9.57	310.08	189.01	121.07
2010-11	121.07	85.97	59.78	13.03	279.85	179.10	100.75
Total		**566.48**	**225.04**	**91.94**		**791.79**	

Source: Figures supplied by DRDA Mandi

As per SGSY guidelines allocated funds were to be utilised on various activities in the following proportions:

Subsidy on economic activities	:	60 *per cent*
Training of Swarozgaries for skill development	:	10 *per cent*
Infrastructure build up	:	20 *per cent*
Creation of revolving fund for capacity building of (Self Help Groups) SHGs	:	10 *per cent*

Audit scrutiny revealed that during 2006-11, expenditure on above activities was not regulated according to the prescribed norms as the DRDA mainly concentrated on providing subsidy for economic activities and utilised 71 *per cent* funds (including other miscellaneous expenses) on these activities. On training, infrastructure building and creation of revolving fund, percentage of funds utilised was 5, 16 and 8 respectively. Thus, DRDA administration failed to ensure bridging of gaps in training needs of Swarozgaries, infrastructure building and capacity building of SHGs.

Audit scrutiny further revealed that 1,467 SHGs were formed in the district since inception of the scheme. Of these only 1,132 SHGs are functioning in the district as of May 2011. In test checked blocks, out of 756 SHGs formed since inception of the scheme only 544 SHGs were functioning as on May 2011. Project officer DRDA stated (May 2011) that all the SHGs were not functioning due to the reasons that some groups are defaulters from banks and members of groups are not interested in taking loans from the banks. However, the fact remains that department failed to motivate the Swarozgaries to repay the bank loans or take loans from the banks for various enterprises.

➢ **Delay in creation of infrastructure for Swarozgaries**

In the five test-checked blocks, infrastructure development works such as shops, training centres, village haats, exhibition centres, stores, etc., were taken up between October 2007 and November 2010 and were stipulated to be completed within a period of three months from the date of sanction. It was noticed that these works after expending ₹34.89 lakh remained incomplete as of May 2011. Abnormal delay in completion of works resulted in non-accrual of timely benefits to the beneficiaries and expenditure incurred on works also remained largely unfruitful. The concerned BDOs stated that the works could not be completed due to non-availability of funds, material and labour. The reply is not acceptable as the matter should have been brought to the notice of PO, DRDA, Mandi for providing funds for timely completion of these works.

➢ **Special project**

To uplift the BPL population and to solve the problems of rural un-employment or under employment in the district, GoI administratively approved (March 2002) a special project for ₹12.04 crore under SGSY for rural development through diversification in Agriculture. The Project was stipulated to be completed within five years. The cost was to be shared by the GoI and the State Government in the ratio of 75:25. The GoI, against its share of ₹9.03 crore released ₹7.22 crore in two installments (₹3.61 crore each) in March 2002 and June 2006 respectively. The State Government against its share of ₹3.01 crore, released ₹2.41 crore in April 2002 and July 2006 respectively.

Audit scrutiny revealed that the DRDA could not complete the project within the stipulated period and GoI granted extension of time for one year upto March 2008.

Audit scrutiny further revealed that implementation of some of the components of the project such as cultivation of medicinal plants, aromatic plants, construction of seed stores, room for storage of harvested herbs, cold storage for planting material, were not taken up as of May 2011. Thus, the fact remains that the project could not take off for providing intended benefits to the rural BPL beneficiaries. Besides, the State Government failed to avail benefit of central assistance of ₹1.81 crore due to non-implementation of the project in the stipulated period.

The PO DRDA stated (July 2010) that some of the sub-components have lagged behind being a new concept and some of them were not undertaken due to lack of technical know how. It was further stated (May 2011) that the special project could not be completed in time i.e. upto March 2008 as the project was having a vast area of operation and different components The reply is not acceptable as such eventualities should have been foreseen at the time of formulation of project proposal.

Implementation of SGSY programme during 2006-11 was not satisfactory. The funds allocated could not be utilised optimally due to poor implementation of the Scheme. The objectives of the SGSY to bring 30 *per cent* of the rural poor above poverty line remained unachieved.

Recommendation

- *Selection of suitable key activities should be made for swarozgaries as per local needs, skill availability and meaningful support to rural poor to ensure achievement of objectives to bring 30 per cent rural poor above poverty line within the prescribed time frame.*

6.3 Energy

Out of the 2,833 villages in the district, 2,830 villages were electrified upto March 2011. The State Government chalked out plans in March 2005 for electrifying the un-electrified 12 villages also through the Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY).

- **Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY)**

The RGGVY was launched by the GoI in March 2005 to provide electricity to all the rural households within a period of five years. The Rural Electrification Corporation (REC) is the nodal agency for implementation of this scheme aimed at facilitating overall rural development, employment generation and poverty alleviation. The scheme is to be implemented with 90 *per cent* funding from GoI. Electrification of BPL households is to be financed 100 *per cent* by the Central Government.

The HP State Electricity Board (Board) prepared a detailed project report (DPR) in March 2005 for Mandi district with the aim of:

- Electrification of 12 un-electrified villages;
- Electrification of 6,301 un-electrified households among electrified villages including 1,537 BPL households;
- Provision of new Sub-Stations/transmission lines in blocks where these did not exist and distribution transformers in electrified villages; and
- Decentralisation of generation, distribution and supply of power.

Scrutiny revealed that the above plans of the Board for electrification of rural areas did not fructify since the DPR was sent to the REC for approval only in December 2005, i.e. after a delay of eight months from the date of sanction (March 2005). The REC approved the project proposal for ₹22.73 crore in April 2008 i.e. after the lapse of two years and four months from the date of submission (December 2005) of DPR by the Board. Thereafter, on the basis of finalised tender cost (₹31.57 crore), the project cost was further revised and got sanctioned (February 2009) by REC for ₹33.66 crore. Further audit scrutiny revealed that as of March 2011 only nine out of 12 villages were electrified. Besides, 392 (26 *per cent)* out of 1537 BPL households in the electrified villages were also covered. Against sanctioned project cost of ₹33.66 crore an amount of ₹28.19 crore was released by REC. Of this, ₹17.42 crore (including pending liabilities of ₹1.93 crore) was spent leaving ₹10.77 crore with the Board unspent as of March 2011.

Thus, the delay in sanctioning the DPR not only resulted in cost escalation of ₹10.93 crore, but also deprived the eligible households of the benefits of electrification even after six years of launching (March 2005) of the scheme.

Recommendation

- *The district administration should streamline its internal processes and co-ordination among different agencies to ensure coverage of un-electrified villages and completion of the project with in a specific timeframe.*

6.4 Calamity Relief Fund Scheme

Relief measures in the wake of natural calamities are provided from two Funds viz; Calamity Relief Fund (CRF) and National Calamity Contingency Fund (NCCF). GoI Ministry of Finance (MOF) has notified the Schemes for constitution and administration of the CRF/NCCF based on the recommendations of the 12th Finance Commission.

The scheme of CRF/NCCF *inter alia* provides that the State Level Committee headed by the Chief Secretary of the each State will be responsible to ensure that the money drawn from the CRF is actually utilised for the purpose for which the CRF has been set up and on admissible items of expenditure as per norms approved by the GoI.

The scheme was made operative from the financial year 2005-06 and continued till the end of the financial year 2009-10. From 2010-11 onwards CRF has been renamed as State Disaster Response Fund and NCCF merged into National Disaster Management Fund.

Funds are provided to the Deputy Commissioner through budgetary process. After drawal, the funds are remitted to the implementing agencies i.e. Block Development Officers, Public Works, Irrigation and Public Health Department, Sub-Divisional Officer- Civil etc., for execution of works and providing immediate relief to the victims of natural calamities.

The year wise position of budget allotment and expenditure there against in the Mandi district during 2006-11 was as under:

Table 28: Position of funds received and expenditure incurred under CRF during 2006-11

(₹ in crore)

Year	Budget allotment (CRF/NCRF)	Expenditure incurred	Excess (+)/Saving (-) if any
2006-07	8.45	8.45	---
2007-08	10.35	10.35	---
2008-09	10.25	10.25	---
2009-10	15.59	15.59	---
2010-11	11.47	6.79	(-) 04.68

Source: Figures supplied by DC Mandi

Following points were noticed:

(i) Diversion of relief funds

As per instructions of GoI, funds allotted under CRF should be utilised on Repair/Restoration of immediate nature of the damaged infrastructure relating to Roads and Bridges, drinking water supply works, irrigation, power, primary education, health centres and community assets owned by panchayats.

Scrutiny of records revealed that during 2006-11, funds amounting to ₹2.67 crore allotted under CRF had been diverted towards construction of new works such as construction of roads, community bhawans, school playgrounds, etc. The Deputy Commissioner Mandi stated (May 2011) that funds for new works were sanctioned under CRF to restore pre-natural calamity position in the affected areas as well as to provide immediate employment generation to the effected people. The reply is not acceptable because funds allotted under relief should have been utilised strictly as per instructions of the GoI for the intended purpose as per the scheme.

(ii) Delay in completion of repair and restoration works

Repair and restoration of damaged works sanctioned under CRF should be completed with in a period of three to six month.

Audit scrutiny revealed that out of 2819 repair and restoration works sanctioned at a cost of ₹18.98 crore during 2006-11, 673 works after expending ₹ 6.51 crore were lying incomplete as of May 2011. The delay in completion of these works ranged between one to four years. DC Mandi stated (May 2011) that necessary directions had already been issued to the executing agencies to complete all the pending works immediately. The fact, however, remains that the works still remained to be completed despite issuance of instructions.

In selected blocks, 598 repair and restoration works were sanctioned at a cost of ₹471.70 lakh during the period 2006-11 and an expenditure of ₹380.04 lakh had been incurred on the execution of these works as of May 2011. However, it was noticed that 94 works sanctioned at a cost of ₹96.50 lakh between October 2005 and November 2010 were lying incomplete after incurring an expenditure of ₹65.75 lakh as of May 2011.

BDOs of Chauntra, Gohar and Karsog blocks attributed non completion of works to Panchayat Election, non-availability of labour and land disputes, etc. The reply is not acceptable as these factors should have been taken into account at the time of sanction of works and the works sanctioned under CRF would require to be completed within the specific timeframe of the scheme.

(iii) Non-commencement of works

Audit scrutiny further revealed that in test checked blocks, 27 works such as repairs of roads, retaining walls, school grounds, community houses, etc., sanctioned during the period between March 2006 and February 2011 at a cost of ₹29.60 lakh had not been started as of May 2011 and the whole amount remained unspent in bank accounts. BDOs concerned stated that works could not be started due to land disputes, non-availability of land and non cooperation by the Gram Panchayats. The reply is not acceptable as in the event of non settlement of land disputes matter should have been brought to the notice of DC for appropriate action.

Recommendation

- *Diversion of funds under the scheme is a recurring problem. To stop diversion of funds the State Government should issue suitable instructions to the district administration to ensure utilisation of funds strictly as per GoI's norms.*

CHAPTER 7

General Services

7.1 E-Governance

The State Government of Himachal Pradesh started setting up Integrated Community Service Centres (i-CoSC), also known as 'Sugam' Centres, upto sub-tehsil level in different districts (including Mandi District) since August, 2005 for providing 50 services under one roof to the citizens of the district through a single window. The i-CoSC are operated and managed by a District e-governance society with the support from the Society for promotion of Information Technology and e-Governance (SITEG). Sugam Centres also act as a tool for development by providing access to Internet which facilitates faster communication and easy access to information in the field of health, education, agriculture, natural resources, social justice and women welfare and rural development, etc.

7.1.1 Services

The Sugam Centres were aimed to provide the following services electronically:

Table 29: Details of services electronically proposed through Sugam Centres

Category of Service	Description of services provided	IT Application used
Revenue	Issue of Nakal of Records of Rights, Shajra Nasb, Customary Rights and Forestry Rights	HimBhoomi
	Sale/ Conveyance/ Gift/ Mortgage with possession/ Lease/ Exchange of Property/ Govt. Organisation Transaction/ Trust/ Award/ Decree/ Re-Conveyance of Mortgage/Tatima Registry/Surrender of Lease/Transfer of Lease/Instrument of Partition/Certificate of Sale Deed.	HimRis
Certificates	Relating to Birth/Death, Caste, OBC, Domicile, Bonafide, Handicapped status, Marriage, Nationality, Non-encumbrance, Solvency, Surviving Members, Income and Legal heir and Arms licenses.	e_Parman
Licenses	Issue of New Driving Licenses, Conductor Licenses, Renewal of Licenses, Duplicate /Endorsement of License and Issue /Renewal/Duplicate of Learner's License	Saarthi and e_shastra

Registration of Vehicles and collection of taxes	Registration certificates of new vehicles, Issue of Duplicate Registration Certificates, Token Tax of commercial vehicles, change of address, Transfer of Ownership of Non-transport vehicles and Issue of Permits	Vahan
Agriculture/ Horticulture	Information about mandi rates in respect of identified commodities in important mandis; and Remedy for crop diseases from experts through remote assistance.	AGMARKNET
Social Services	Information about Family Pension, Old age pension, Issuance/Renewal/Duplicate issue of Disability Identity Cards, Senior Citizen Identity Cards, etc.	e_Pehchan
	Grievances : General Complaints, Reminder and Suggestions	e_samadhan
Utilities	Application for electricity connection/ additional loads, payment of electricity, water, sewerage and telephone bills, property tax and house tax. HRTC on-line bus tickets booking, HPTDC on-line hotel reservation and private hotel reservation.	available through internet

Source: Sugam records

7.1.2 Functioning of Sugam Centres

As per administrative guidelines, Sugam Centres were to be setup at 16 places[23] in the Mandi district in buildings/sites easily accessible to citizens alongwith display boards fixed at prominent places indicating the location and a backlit display boards having Sugam standard logo.

There are 16[24] e-Governance centres in the district covering various Sub-Division, Tehsils and Sub-Tehsils. Of these, five[25] centres were selected for test-check.

Out of the total 50 services to be provided at each Sugam Centre, the services to be provided through IT applications at District, Sub-Division and Tehsil/Sub-Tehsil level were 37, 35 and 33 respectively whereas the remaining informatory services were available over internet.

[23] Baldwara, Bali Chowki, Chachyot, Dharampur, Gohar, Jogindernagar, Karsog, Kotli, Lad-Bharol, Mandi, Nihri, Padhar, Sandhol, Sarkaghat, Sundernagar and Thunag.

[24] Seven at Sub-division/Tehsil level and nine at sub-Tehsil level.

[25] Dharampur, Karsog, Kotli, Mandi and Sarkaghat.

The position of services to be provided through IT applications and actually available in the five test-checked centres in the district was as under:

Table 30: Position of services to be provided through IT applications and actually available in the five test checked centres

Total Number of services to be provided		Services actually provided	
District level	37	7	(Vahan, Sarthi, HimRis, HimBhoomi, e_parman, e_shastra and e_samadhan) through IT application
Sub-Division level	35	5	(Vahan, Sarthi, HimRis, HimBhoomi and e_parman) through IT application
Tehsil /Sub-Tehsil level	33	3	(HimRis, HimBhoomi and e_parman) through IT application

For strengthening of these centres in Mandi district, the Director (IT) released ₹ Five lakh in November 2008 which remained unutilised in a bank account as of April 2011. The DC Mandi stated (November 2011) that computer hardware has been purchased out of grant of ₹five lakh but renovation of the Sugam Centre was yet to be done. The fact, however, remains that functioning of Sugam Centre could not take place even after three years of release of funds due to laxity on the part of Department.

A review of the functioning of five test checked centres viz., Mandi (district headquarter), Karsog and Sarkaghat (Sub-Divisional level offices) and Kotli and Dharampur (Sub-Tehsil) revealed the following:

- As per the directions of the State Government (November 2007), all the centres set up at District/Sub-Division/ Tehsil/Sub-Tehsil level were to be subsumed under a common brand name 'Sugam' with an identical logo and common sign board. It was, however, observed in audit (April 2011) that three centres (Dharampur, Kotli and Mandi) were either using different brand names like 'Computer Kaksh' or 'Computer Kaksh-2' etc., and did not have any sign boards as prescribed for indicating the location and the facilities available at these centres. This resulted not only in non-compliance of the directions of the State Government but also inconvenience to the public.

Photograph: 11



Kotli Centre
(May 2011)

Photograph: 12



Dharampur Centre
(May 2011)

- As per guidelines issued by the Director (IT), each Sugam centre should be located in a building/site which is easily accessible to the citizens alongwith display boards fixed at prominent place in the complex indicating the location. However, there was no indication relating to the location of three test checked centres (Dharampur, Kotli and Mandi) visited by the audit team. Also when contacted, the public at these three centres expressed ignorance about the existence of these centres.

In reply, the DC Mandi stated (January 2011) that the standardized name and logo would be displayed in all the Sub-Divisions/Tehsils/Sub-Tehsils. However, it was noticed in audit that the same have not been displayed at Dharampur, Kotli and Mandi so far (April 2011).

- At Mandi centre, the services relating to e_parman, Vahan, Sarthi, e_shastra and e_samadhan were being provided at Sub-Division office (Civil) and Himris, Himbhoomi and e_parman were being provided at Tehsil office. Though newly constructed Sugam Centre at Sarkaghat has been functioning since February, 2011 but the services pertaining to Himbhoomi and Himris have not been transferred to the Sugam Centre as yet (April 2011). In Sub-Tehsil Dharampur, services relating to Him Bhoomi were being provided in one room and those relating to Himris and e-parman in other room causing unnecessary inconvenience to the public.

- There occurred (February 2010) theft of one server and three computers valuing ₹1.98 lakh in Sub-Tehsil Baldwara due to non-availability of a Chowkidar for watch and ward. Also, at Dharampur Sub-Tehsil, there existed no Chowkidar to obviate this risk.

In the exit conference, the Additional DC admitted (October 2011) the facts and assured to take corrective action.

In conclusion, as regards the e-governance activities in Mandi district, only 3 to 7 main services with IT applications were being provided as of April 2011 through the Sugam centres against 33 to 37 main services envisaged to be provided at tehsil to district level.

Recommendations

- *Besides offering envisaged services through Sugam centres, efforts should also be made to bring all services under one roof as is presently not the case.*
- *The Sugam centres should have a standardized name and logo which could be applied uniformly in all the districts and tehsils.*
- *Public should be made aware about the location and the services offered by the Sugam centres through wide publicity.*
- *Immediate action should be taken to construct full fledged Sugam centres at all identified locations to achieve the objective of Sugam centre.*

7.2 Civic Amenities by Municipal Administration

Provision of basic civic amenities in the towns is the responsibility of the municipal administration. Mandi district has two Municipal Committees (MCs) (Mandi and Sundernagar) and three Nagar Panchayats[26] (NPs). The MCs and NPs function as an institution of self governance and were receiving grants and funds from the Government. These institutions also earn revenue through taxes, rents, issue of licenses, car parking, etc., and are mandated to utilise these funds for provision of adequate civic amenities to the public.

[26] Jogindernagar, Rewalsar and Sarkaghat.

7.2.1 Execution of developmental works

The functioning of both the MCs and all the three NPs for the period 2006-11 was reviewed (May-June 2010 and April 2011). It was noticed in audit that no District Urban Development Committee (DUDC) was formed for implementation of the Integrated Development of Small and Medium Towns (IDSMT). There were instances of mismanagement of funds meant for development works which deprived the general public of the intended benefits as is evidenced from the following audit findings:

- **Non-completion of Suket Shopping Complex**

Under the scheme for IDSMT, construction of Suket Shopping Complex near Bus Stand at Sundernager was awarded (November 2004) to a contractor for ₹1.75 crore with a stipulation to complete it within a year. The contractor started the work in November 2004 and ₹1.43 crore was paid to him for the work. The contractor executed work up to July 2008. Thereafter, the work was stopped by him without any reason. The Executive Officer (EO) MC, Sundernagar levied 10 *per cent* compensation of ₹17.51 lakh under clause of the agreement in July 2009 and also granted extension of time upto August 2009. Despite this, the contractor did not resume the work and the contract was ultimately rescinded in October 2009 without invoking the provision of clause 3 (a) of the agreement to get the balance work executed at the risk and cost of the contractor from other agency. The balance work was split up into six parts and awarded (between November 2010 and April 2011) to four contractors at tendered cost of ₹1.11 crore with a stipulation to complete it within three to six months. However, only in one case, a contractor has started (January 2011) the work of basement of floor and in other five cases, the work was not taken up by the contractors as of April 2011. In the meantime the cost of work has also been escalated by ₹0.79 crore by rewarding the balance work and the MC had not taken any action to get revised A/A and E/S from the Urban Development Department. Audit further noticed that main reason for not starting the work by the contractors was due to non-availability of funds with the MC. In these circumstances the chances of completion of above work are remote in near future and the investment of ₹1.43 crore made so far, was rendered unfruitful as the objective of providing shopping complex facilities to the public still remained to be achieved.

The Executive Officer Sundernagar while admitting the facts stated (April 2011) that the remaining work would be executed on receipt of funds by auction of shops after their completion. The reply is not acceptable as award of work without ensuring availability of funds showed failure of the MC authorities to initiate timely action for taking up the case with UDD for sanction and release of funds.

- **Non-commencement of construction of Rehan Basera building**

NP Sarkaghat received (between July 2001 and August 2008) ₹18.91 lakh for the construction of Rehan Basera building at Sarkaghat under the Environmental Improvement of Urban Slums (EIUS)/National Slum Development Programme (NSDP). The work awarded (July 2002) to a contractor for ₹9.27 lakh could not be taken up till 2004 due to non-handing over of site to the contractor. The land earmarked for the building was in fact in the possession of the Forest Department. The matter to transfer the land remained under correspondence for about three years and the same was finally handed over to the NP in February 2007. The NP decided (April 2007) to get this work executed by HPPWD division, Sarkaghat and deposited ₹five lakh with the division. However, NP Sarkaghat again decided (December 2007) to execute the work by itself but construction of the building was not taken up as of (April 2011).

Thus, due to defective planning, ₹18.91 lakh provided for creation of temporary shelter to the needy people remained unutilised.

While admitting the facts, the Secretary NP Sarkaghat stated (April 2011) that the work was technically sanctioned in March 2010 for ₹46.45 lakh and also awarded (August 2010) to a contractor but could not be started due to non-availability of additional fund and land development. This showed laxity on the part of NP to initiate timely action for placing a demand for additional funds to get the work done in time.

7.2.2 Lack of Civil Amenities

To ensure the provision of street lights in the town is the responsibility of the urban local body. NP Rewalsar decided (May 2008) to provide street light in all the wards and made a budget provision of ₹2.39 lakh therefor in March 2010. However, none of these wards was provided with street light as of April 2011. The Secretary, NP stated (April 2011) that HPSEB refused to execute the work and NP has awarded it (November 2010) to a contractor with a stipulation to complete it within two months. However, the work remained unexecuted due to non-conducting of inspection of the site by the HPSEB.

7.2.3 Waste Management

Municipal authorities are responsible for collection, storage, segregation, transportation, processing and disposal of Municipal Solid Waste. A review of the process involved in solid wastes management in the district revealed the following:

- MC Sundernagar area produces 30 tonnes of garbage per day. To collect this waste, 44 dustbins, one dumper placer and one uncovered tractor have been provided in the town. There was no proper system for the disposal of hazardous waste and the dumping site is also in the open place. The Director, Urban Development Department (UDD) released (February 2009) ₹70 lakh for implementation of Solid Waste Management Project within a period of one year. Out of this, ₹12.94 lakh (Construction of retaining wall: ₹10.28 lakh and Garbage Auto: ₹2.66 lakh) was spent and the balance amount of ₹57.06 lakh remained unutilised as of April 2011 due to non-construction of other components of work such as platform for dry composting, pits/batteries for garbage and approach roads/internal roads, etc. Thus, due to non-completion of Solid Waste Management Project within a laid down timeframe, disposal of hazardous waste/garbage was being done in a haphazard manner in open dustbins leading its spillage on roads and at the roadside connecting the dumping site as can be seen from the following photographs:

Photograph: 13



Garbage dumped in open dustbin in MC, Sundernagar area (4 June 2010)

Photograph: 14



Garbage dumped at roadside in MC, Sundernagar area (4 June 2010)

The EO, MC Sundernagar while admitting the facts stated (April 2011) that the staff remained busy in other priority works and work on some of the components of the project could not be taken up. The reply is not acceptable as the funds for waste management project were also required to be utilised within the prescribed timeframe, to achieve the intended objective.

- MC Mandi area generates 23 to 24 tons of garbage daily. In order to collect this waste, 66 dustbins, three dumper containers and one uncovered tractor have been provided. The Central Pollution Control Board (CPCB) sanctioned (September 2005) a project at an estimated cost of ₹1.09 crore for creation of model facilities for solid waste management in the town. The project was stipulated to be completed within a period of three years. The cost sharing between CPCB and MC, Mandi was in the ratio of 90:10. The CPCB released its share of ₹0.98 crore to Himachal Pradesh State Environment Protection and Pollution Control Board (HPSEPCB) between August 2005 and September 2008 for further release to MC Mandi. Against this, HPSEPCB released only ₹0.76 crore to MC, Mandi and retained the balance amount ₹0.22 crore which remained unutilised with HPSEPCB as of April 2011. The MC Mandi had spent ₹1.10 crore (₹0.34 crore from its own funds) on the implementation of aforesaid project upto April 2011 but could not establish model facilities of solid waste management fully due to non-completion of some components such as storage at community level, waste processing and disposal facility, and procurement of a tipper mounted tight commercial vehicle, etc. The disposal of the garbage/ waste after street sweeping at dumping site was also going in an unscientific manner, causing adverse impact on the recipient environment and causing air pollution. It shows that the implementation status of the project was unsatisfactory.

Thus, despite incurring an expenditure of ₹1.10 crore, the objective of creation of model facilities for solid waste management in the town remained unachieved.

It was also noticed that waste, after street sweeping, was being transported in open vehicles and thrown at dumping site in an unscientific manner causing air pollution and health hazards to the general public. Dumping site was also not fenced/hedged with the proper gate. As a result stray animals were freely wandering and scattering the garbage, as is evidenced from the following photographs:

Photograph: 15



Scattering of garbage by stray animals at dumping site in MC, Mandi area (10 May 2010)

Photograph: 16



Garbage transported in open vehicle in MC, Mandi area (10 May 2010)

• Jogindernagar NP area generates about 12 quintals of garbage everyday. To collect this garbage, NP has placed 20 dustbins and one uncovered tractor. The HPSEPCB Shimla released (March 2009) ₹3.67 lakh under the cess funds share for the construction of retaining wall at dumping site. The dumping site was closed in September 2008 due to objection raised by the people living in nearby village and the amount remained unspent as of April 2011. Presently no dumping site is available with the NP and garbage/waste was being lifted by hiring a tipper of private person once a week. Dustbins placed in different places of the town were overflowing and garbage/waste was scattered around the dustbins as is evidenced from the following photographs:

Photograph: 17



Garbage scattered on roadside from open dustbin in Jogindernagar NP area (17 May 2010)

Photograph: 18



Garbage lying on the roadside creating unhygienic condition in Jogindernagar NP area (17 May 2010)

The system of segregation, collection, storage of garbage had collapsed in the town and NP failed to manage the solid waste of the town scientifically. The solid waste lying on the roadside has been creating unhygienic conditions as well as violating the provisions of Municipal Solid Waste Rules 2000.

While admitting the facts, Secretary NP, Jogindernagar stated (April 2011) that the matter for providing the land for dumping site had been taken up with the Deputy Commissioner Mandi.

• In Sarkaghat NP area, about 2.8 tonnes of garbage is generated everyday. To collect this garbage NP has placed seven open and 28 covered dustbins. There is no proper system for the disposal of solid waste/garbage. The dumping site is also in an open place. The garbage/waste was being lifted by naked hands by the Safai karamcharies from dustbins for loading in the open tipper which was hazardous for their health as would be seen from the photograph 19:

Photograph: 19



Safai Karamchari lifting garbage without gloves in Sarkaghat NP area (24 May 2010)

To sum up, the Municipal Councils and Nagar Panchayats in the district did not have an integrated waste management plan for collection, storage, segregation, transportation, processing and disposal of municipal solid waste thereby exposing the public to the dangers of untreated waste and pollution.

Recommendations

- *Execution of developmental works by the MCs/NPs need to be monitored effectively to avoid cost escalation and to ensure completion of works in a time bound manner.*
- *Waste Management plans also need to be developed in an integrated manner to ensure proper management of disposal of municipal solid waste.*
- *Closed Garbage bins of appropriate standard need to be designed to prevent spillage of garbage on roads and to ensure proper hygienic condition in the area.*
- *Action to earmark the dumping ground by the MCs/NPs for the disposal of solid waste need to be taken to avoid un-hygienic conditions.*

CHAPTER
8

Satisfaction level of beneficiaries in the District

To assess the impact of the various rural developmental schemes in the district, questionnaires were issued to 100 Gram Panchayats regarding their satisfaction level on different parameters. Replies were received from all the 100 Gram Panchayats and their responses are given below:

Sr.No.	Parameters	Response
1	Condition of the roads connecting villages, villages with Block Headquarters and district town	Bad: 42 *per cent* Repair required: 57 *per cent* No road available: one *per cent*
2	Regular bus services between the villages, villages to block headquarters and district town	Sufficient: 41 *per cent* Insufficient: 44 *per cent* Not available: 15 *per cent*
3	Drinking water supply	Available: 53 *per cent* Partially available: 46 *per cent* Not available: one *per cent*
4	Electricity supply	12-24 hours: 83 *per cent* 10-12 hours: 17 *per cent*
5	Bank branch in the village	Available: 21 *per cent* Not available: 79 *per cent*
6	Availability of cooking gas (LPG)	Regular: 22 *per cent* Irregular: 78 *per cent*
7	Medical facilities	Available: 59 *per cent* Not available: 41 *per cent*
8	Education facility (upto class-VIII)	Available: 93 *per cent* Not available: seven *per cent*

The responses indicate poor satisfaction level of the people in respect of road conditions, bus, drinking water supply and availability of cooking gas and bank facilities, etc.

Recommendation

- *The District authority should take concrete and tangible efforts to improve the quality of rural life in the district by implementation of the development programmes efficiently.*

CHAPTER 9

Monitoring Mechanism and Impact Evaluation

9.1 Inspection and Supervision

The DC is responsible for monitoring the progress of implementation of various developmental programmes in the district and ensuring that these are executed within the specified timeframe and approved budget. While most of the Central and State plan schemes specify the monitoring requirements, in general, most schemes require that the DC monitor the progress on a monthly/quarterly basis. The District Planning and Development Committee is also required to review the progress of schemes every quarter. In addition, the State Government has also specified the extent of supervision to be carried out at various levels with regard to the developmental works/projects, as follows:

Table 31: Percentage of inspections of works/projects to be carried out at various levels

Designated Officer	Percentage of Inspection to be carried out
Block Development Officer / Junior Engineer	100
District Planning Officer	15
Addl. DC / Addl. DM	5
Sub-Divisional Officer	10
Deputy Commissioner	4
Official from State Planning Department	1

Apart from the stipulated personal inspection and supervision, review of the execution of schemes was also to be done through periodical review reports and statements of expenditure (SOE) to be sent from various levels-GPs to the Blocks, Blocks to the DRDA/DC, DC to the State Government and onwards to the Central Government, for the Central schemes.

Audit scrutiny, however, revealed that monitoring and supervision of the progress of implementation of various schemes in the district was not satisfactory. The District Planning and Development Committee convened only six meetings against requirement of 15 during 2006-11. The DC reportedly held monthly meetings with the BDOs to review the progress of execution of works/ schemes. There is, however, no record of the discussions or the decisions taken in such meetings or further directions given to overcome the bottlenecks, if any, in the execution of the schemes. While the DPO stated (June 2010) that field visits and inspections were carried out both by the DC and the Addl. DC, there were no reports available in the office relating to such visits.

In the exit conference, the Additional DC stated (October 2011) that monitoring/inspections of works was being done at all level but necessary records of such inspections were not maintained. The fact, however, remains that in the absence of any records the issue of transparency and follow up action on the execution of works was not addressed.

It was also noticed that the sampled blocks and GPs, do not send the Statements of Expenditure on a monthly basis to the DC. District Planning Officer stated (June 2010) that efforts were being made to get the information regularly from the concerned agencies.

9.2 Grievance Redressal

The State Government has instituted mechanism at the district level to redress the grievances of the policy makers and public. The Grievances Cell has been set up in the office of the DC with staff, which caters to two types of grievances- those received through (a) Governor, Chief Minister and Ministers of the State; and (b) from the general public. The time frame specified by the State Government for redressing the grievances in (a) is one month and those in (b) is one and a half months. The department has not maintained separate records of grievances received through Governor, Chief Minister and Ministers of the State and from the general public. The position relating to number of grievances received and those redressed during the last five years (upto March 2011) as reported by the DC's office, is depicted below:

Table 32: Position of number of grievances received and those redressed during 2006-11

Grievances	2006-07	2007-08	2008-09	2009-10	2010-11
Received	1071	856	798	785	4002
Redressed	686	439	474	405	3347

The grievances are sent by the cell to the concerned line departments for taking necessary action with a copy to the complainant. Once action is taken on the complaint/grievances, the line department intimates the cell which in turn informs the complainant.

The District Planning Officer stated (May 2011) that for the pending cases pertaining to the different departments, reminders are being issued to them for their disposal.

In sum, monitoring and supervision of the progress of implementation of various schemes at all tiers of local administration in the district was perfunctory which impacted the progress of developmental works/projects undertaken by various departments/implementing agencies. Consequently, there were number of works in the social and economic sectors which were plagued by cost and time overruns thereby depriving the public of the benefits of these developmental schemes.

Recommendation

- *Monitoring, inspection and supervision needs to be strengthened at all the tiers of local administration to ensure that the programmes are executed on time and within the cost and timely corrective action need be taken in cases of slippage.*

CHAPTER
10

Conclusion

There is multiplicity of programmes and schemes and even larger number of implementing agencies, making it difficult for the district administration to effectively monitor and supervise the developmental activities. While almost all the developmental programmes are targeted at the same set of beneficiaries, the existence of myriad programmes without an integrated focus, has led to each of them being implemented in a stand alone mode.

To ensure efficiency and effectiveness in delivery of key services like education, health, employment, etc., the GoI has increasingly been entrusting the responsibility at the local level, especially the PRIs. This is also intended to ensure that the local Government at the district, block and GP level are empowered to discharge the functions that are constitutionally assigned to them. It was observed that absence of adequate participation from these levels in the planning process is hindering the planned progress of the district and address the felt needs at the grass root level. While the PRIs are empowered to prepare specific plans for an integrated development of their area, lack of structured annual action plans from these levels and absence of capacity building have resulted in their inability to expend the funds provided to them for implementation of various programmes.

Adequate monitoring mechanism is either not instituted, or is not functioning as envisaged, with regard to execution of schemes. While plans have been formulated for providing integrated development of a sector/service, these could not be executed in a time bound manner due to non-compliance with the required formalities like obtaining clearance for forest land or clear title to land. The State Government will have to address these serious issues in order to achieve real development of the district at the desired pace.



(J. Wilson)
Accountant General (Audit)
Himachal Pradesh

Shimla
The

Countersigned



(Vinod Rai)
Comptroller and Auditor General of India

New Delhi
The

Glossary of abbreviations

Abbreviations	Expanded form
AA/ES	Administrative Approval/Expenditure Sanction
AAP	Annual Action Plan
ABER	Annual Blood Examination Rate
ADC	Additional Deputy Commissioner
ANC	Antenatal Care
ARWSP	Accelerated Rural Water Supply Programme
ASHA	Accredited Social Health Activist
BCG	Bacillus Calmette Guerin
BDO	Block Development Officer
BPL	Below Poverty Line
C&V	Craft and Vernacular
CAP	Comprehensive Action Plan
CEO	Chief Executive Officer
CH	Civil Hospital
CHC	Community Health Centre
CMO	Chief Medical Officer
CSC	Common Services Centre
DAPO	District Aids Programme Officer
DC	Deputy Commissioner
DCP	Decentralised Planning
DDHE	Deputy Director Higher Education
DE	Director Education
DHE	Director Higher Education
DHS	District Health Society
DIC	District Informatics Centre
DM	District Magistrate
DPC	District Planning Committee
DPDC	District Planning Development and Twenty Point Review Committee
DPO	District Project Officer
DPR	Draft Project Report
DPT	Diptheria Pertussis Tetanus
DRDA	District Rural Development Agency
DT	Diptheria Tetanus
FHAC	Family Health Awareness Camp
FRU	First Referral Unit
GHS	Government High School
GoI	Government of India

GP	Gram Panchayat
GSSS	Government Senior Secondary School
HM	Headmaster
HPSEB	Himachal Pradesh State Electricity Board
ICDS	Integrated Child Development Services
ICSC	Integrated Community Service Centre
ICTC	Integrated Counseling and Testing Centre
IEC	Information Education and Communication
IFA	Iron Folic Acid
IMR	Infant Mortality Rate
IPH	Irrigation and Public Health
IRDP	Integrated Rural Development Programme
IT	Information Technology
JBT	Junior Basic Teacher
JSY	Janani Suraksha Yojana
MC	Municipal Council
MCH	Maternal and Child Health
MCs	Municipal Committees
MD	Mission Director
MLA	Member of Legislative Assembly
MLALADS	Vidhayak Kshetriya Vikas Nidhi Yojana
MMGPY	Mukhya Mantri Gram Path Yojana
MMR	Maternal Mortality Rate
MP	Member of Parliament
MPLADS	Member of Parliament Local Area Development Scheme
NABARD	National Bank for Agriculture and Rural Development
NACO	National Aids Control Organisation
NACP	National Aids Control Programme
NPCB	National Programme for Control of Blindness
NGO	Non-Government Organisation
NLEP	National Leprosy Eradication Programme
NP	Nagar Panchayat
NREGP	National Rural Employment Guarantee Programme
NRHM	National Rural Health Mission
NVBDCP	National Vector Borne Control Programme
OBC	Other Backward Class
OPV	Oral Polio Vaccine
PD	Project Director
PHC	Primary Health Centre
PMGSY	Pradhan Mantri Gram Sadak Yojana
PO	Project Officer

PRI	Panchayati Raj Institution
PWD	Public Works Department
RCH	Reproductive and Child Health
RDD	Rural Development Agency
REC	Rural Electrification Corporation
RGGVY	Rajiv Gandhi Gramin Vidyutikaran Yojana
RKS	Rogi Kalyan Samiti
SC	Sub Centre
SC	Schedule Caste
SDM	Sub-Divisional Magistrate
SDP	Sectoral Decentralised Planning
SGRY	Sampoorna Gramin Rozgar Yojana
SGSY	Sampoorna Gramin Swarozgar Yojana
SITEG	Society for Promotion of Information Technology and E-Governance
SOE	Statement of Expenditure
SSA	Sarva Shiksha Abhiyan
ST	Schedule Tribe
STD	Sexually Transmitted Diseases
STI	Sexually Transmitted Infections
STP	Sewage Treatment Plant
TFR	Total Fertility Rate
TGT	Trained Graduate Teacher
TIP	Targeted Intervention Project
TT	Tetanus Toxoid
UC	Utilisation Certificate
UD	Urban Development
UPS	Uninterrupted Power Supply
VBTC	Voluntary Blood Testing Centre
VHSC	Village Health Sanitation Committee
VMJS	Vikas Mein Jan Sahyog
ZP	Zila Parishad