REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

on

GENERAL AND SOCIAL SECTOR

for the year ended March 2012

GOVERNMENT OF KERALA

Report No. 2 of the year 2012

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Preface

1. This Report has been prepared for submission to the Governor of Kerala under Article 151 of the Constitution of India.

2. Chapter-I of this Report indicates auditee profile, authority for audit, planning and conduct of audit, organisational structure of the office of the Principal Accountant General (General and Social Sector Audit). The Report includes the audit findings in respect of the departments falling under Social and General Sectors and responses of the respective departments to the audit observations. Highlights of audit observations included in this Report have also been brought out in this Chapter.

3. Chapter-II deals with the findings of a district centric audit, a performance review and two long draft paragraphs, while Chapter-III contains five thematic audit paragraphs. Chapter-IV includes comments arising from the Chief Controlling Officer based audit of the Directorate of Public Instruction.

4. This Report deals with Government Departments, Autonomous Bodies and Public Sector Undertakings under the Social and General Sector. Reports containing (a) observations arising out of audit of Statutory Corporations, Boards and Government Companies under Economic and Revenue Sectors, (b) observations on Revenue Receipts of the State Government, (c) observations relating to Local Self-Government Institutions, and (d) observations on the Finances of the State Government are being presented separately.

5. The cases mentioned in this Report are among those which came to notice in the course of test audit of accounts during the year 2011-12 as well as those which had come to notice in earlier years but could not be included in the previous Reports. Matters relating to the period subsequent to 2011-12 have also been included, wherever necessary.

CHAPTER I
INTRODUCTION

1.1 About this Report

This Report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from performance audit of selected programmes and activities and compliance audit of Government departments and autonomous bodies.

Compliance audit refers to examination of transactions relating to expenditure of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by the competent authorities are being complied with. On the other hand, performance audit, besides conducting a compliance audit, also examines whether the objectives of the programme/activity/department are achieved economically and efficiently.

The primary purpose of the Report is to bring to the notice of the State Legislature, important results of audit. Auditing Standards require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of transactions. The findings of audit are expected to enable the Executive to take corrective actions as also to frame policies and directives that will lead to improved financial management of the organisations, thus, contributing to better governance.

This chapter, in addition to explaining the planning and extent of audit, provides a synopsis of the significant deficiencies and achievements in implementation of selected schemes, significant audit observations made during the audit of transactions and follow-up on previous Audit Reports.

1.2 Profile of units under audit jurisdiction

There are 40 departments in the State at the Secretariat level, headed by Additional Chief Secretaries/Principal Secretaries/Secretaries, who are assisted by Directors/Commissioners and subordinate officers under them, and 23 autonomous bodies which are audited by the Principal Accountant General (General and Social Sector Audit), Kerala and the Accountant General (Economic and Revenue Sector Audit), Kerala.

The comparative position of expenditure incurred by the Government during the year 2011-12 and in the preceding four years is given in **Table 1.1:**

Table 1.1: Comparative position of expenditure

(₹ in crore)

Disbursements	2007-08			2008-09			2009-10			2010-11			2011-12		
	Plan	Non plan	Total	Plan	Non plan	Total	Plan	Non plan	Total	Plan	Non plan	Total	Plan	Non plan	Total
Revenue expenditure															
General Services	207.10	11976.99	12184.09	158.95	12508.42	12667.37	370.83	13564.69	13935.52	184.43	15233.96	15418.39	72.98	20227.04	20300.02
Social Services	1338.56	6451.32	7789.88	1910.30	7452.54	9362.84	2347.98	8119.17	10467.15	2505.61	9605.19	12110.80	3401.92	12821.94	16223.86
Economic Services	731.63	2086.77	2818.40	1142.61	2785.92	3928.53	1460.24	2780.48	4240.72	1505.70	2851.76	4357.46	1852.31	4279.35	6131.66
Grants-in-aid and Contributions		2099.27	2099.27		2265.12	2265.12	—	2488.98	2488.98	—	2778.16	2778.16	—	3389.08	3389.08
Total	**2277.29**	**22614.35**	**24891.64**	**3211.86**	**25012.00**	**28223.86**	**4179.05**	**26953.32**	**31132.37**	**4195.74**	**30469.07**	**34664.81**	**5327.21**	**40717.41**	**46044.62**
Capital Expenditure															
Capital outlay	1451.71	22.87	1474.58	1670.76	24.84	1695.60	1902.16	157.23	2059.39	2765.66	598.03	3363.69	3398.10	454.82	3852.92
Loans and advances disbursed	819.87	73.29	893.16	579.25	404.44	983.69	704.20	172.48	876.68	319.31	442.43	761.74	416.68	581.86	998.54
Repayment of public debt[1]			1432.79			1650.34	—	—	1765.06	—	—	1975.03	—	—	2893.06
Contingency Fund			80.00			5.84	—	—	26.27	—	—	33.92	—	—	20.80
Public Account disbursements			46413.11			53627.80	—	—	57271.53	—	—	70558.27	—	—	91200.26
Total			**50293.64**			**57963.27**			**61998.93**			**76692.65**			**98965.58**
Grand Total			**75185.28**			**86187.13**			**93131.30**			**111357.46**			**145010.20**

1.3 Authority for Audit

The authority for audit by the C&AG is derived from Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. C&AG conducts audit of expenditure of the departments of the Government of Kerala under Section 13[2] of the C&AG's (DPC) Act. C&AG is the sole auditor in respect of 23 autonomous bodies which are audited under sections 19(2)[3] and 20(1)[4] of the C&AG's (DPC) Act. In addition, C&AG also conducts audit of 887 other autonomous bodies/institutions[5], under Section 14[6] of C&AG's (DPC) Act, which are substantially funded by the Government. Principles and methodologies for various audits are prescribed in the Auditing Standards and the Regulations on Audit and Accounts, 2007 issued by the C&AG.

[1] Excluding net transactions under ways and means advances

[2] Audit of (i) all transactions from the Consolidated Fund of the State, (ii) all transactions relating to the Contingency Fund and Public Accounts and (iii) all trading, manufacturing, profit & loss accounts, balance sheets & other subsidiary accounts.

[3] Audit of the accounts of Corporations (not being Companies) established by or under law made by the State Legislature in accordance with the provisions of the respective legislations.

[4] Audit of accounts of any body or authority on the request of the Governor, on such terms and conditions as may be agreed upon between the C&AG and the Government.

[5] Includes Government aided Higher Secondary Schools, Colleges, etc.

[6] Audit of all (i) receipts and expenditure of a body/authority substantially financed by grants or loans from the Consolidated Fund of the State and (ii) all receipts and expenditure of any body or authority where the grants or loans to such body or authority from the Consolidated fund of the State in a financial year is not less than ₹ one crore.

1.4 Organisational structure of the Offices of the Principal Accountant General (G&SSA) and Accountant General (E&RSA), Kerala

Under the directions of the C&AG, the offices of the Principal Accountant General (G&SSA) Kerala conduct audit of Government Departments/Offices/Autonomous Bodies/Institutions under Social and General Sector, and Accountant General (E&RSA), Kerala conduct audit of Government Departments/Offices/Autonomous Bodies/ Institutions under Economic and Revenue Sector, which are spread all over the State. There are 21[7] Secretariat departments, 21 autonomous bodies, 847 other autonomous bodies/institutions, 17 public sector undertakings and Buildings Divisions of the Public Works Department under the jurisdiction of Principal Accountant General (G&SSA). The Principal Accountant General (G&SSA) is assisted by four Group Officers and Accountant General (E&RSA) is assisted by three Group Officers.

1.5 Planning and conduct of Audit

The audit process starts with the assessment of risks faced by various departments of Government based on expenditure incurred, criticality/ complexity of activities, level of delegated financial powers, assessment of overall internal controls and concerns of stakeholders. Previous audit findings are also considered in this exercise. Based on this risk assessment, the frequency and extent of audit are decided.

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the heads of the departments. The departments are requested to furnish replies to the audit findings within four weeks from the date of receipt of the Inspection Reports. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports, which are submitted to the Governor of State under Article 151 of the Constitution of India.

During 2011-12, 9,657 party-days were used to carry out audit of 1,212 units (compliance audits and performance audits) of the various departments/ organisations coming under Principal Accountant General (G&SSA). The audit plan covered those units/entities which were vulnerable to significant risks as per our assessment.

[7] Apart from these, three departments viz., Revenue, Public Works and Water Resources coming under both sectors.

1.6 Significant Audit Observations

In the last few years, Audit has reported on several significant deficiencies in implementation of various programmes/activities through performance audits, as well as on the quality of internal controls in selected departments which impact the success of programmes and functioning of the departments. Similarly, the deficiencies noticed during compliance audit of the Government departments/organisations have also been reported upon.

1.6.1 Performance audits of programmes/activities/departments

The present Report contains the findings organised in chapters. Chapter II includes a review on district-centric audit of Thiruvananthapuram District; another review on Integrated Child Development Services; two thematic reviews on 'Tsunami Rehabilitation Project – Housing' and 'Functioning of three Welfare Fund Boards'. The Chapter III contains five thematic draft paragraphs. In Chapter IV, a review on Chief Controlling Officer-based audit of the Directorate of Public Instruction is included. The highlights are given in the following paragraphs.

1.6.1.1 District-centric audit of Thiruvananthapuram District

A district-centric audit of Thiruvananthapuram District was conducted to assess the status and impact of implementation of various socio-economic development programmes/schemes in view of substantial investments made by the Government of India and the State Government in social and economic sector programmes relating to health, education, water supply, housing scheme to Scheduled Castes/Scheduled Tribes, etc.

As the preparation of the Integrated District Development Plan (IDDP) for the district and consolidation of Local Development Plans (LDPs) for all Local Self Government Institutions (LSGIs) were not done by the District Planning Committee (DPC), the disparities between various regions within the district in respect of the developmental issues and scope of the district remained unidentified. Adequate manpower and infrastructure as per the Indian Public Health Standards were not available in the test checked Community Health Centres/Primary Health Centres. Despite the intervention of the Sarva Shiksha Abhiyan, there was migration of students from Government/Aided schools to Unaided English Medium schools. Ten water supply schemes taken up under Accelerated Rural Water Supply Programme during 2002-09 at a cost of ₹ 54.55 crore (March 2012) to benefit a population of 6.50 lakh in the district remained incomplete. Quality tests of water samples taken from Water Supply Schemes in the district showed presence of bacteria and other impurities.

Inordinate delays were noticed in completion of houses under the Housing Schemes to SCs and STs. There was inordinate delay in sanctioning and completion of works taken up under Member of Parliament Local Area Development Scheme. Akshaya Project of e-literacy was conceived without a proper study and requirement analysis. This resulted in blocking up of funds of ₹ 4.84 crore out of the total available funds of ₹ 4.90 crore.

(Paragraph 2.1)

1.6.1.2 Integrated Child Development Services

The Integrated Child Development Services launched in 1975 aims at holistic development of children up to six years of age, adolescent girls, pregnant and lactating mothers by providing a package of services like supplementary nutrition, immunisation, health check up, nutrition and health education, etc. The review revealed deficiencies in the implementation of the scheme such as delay in release of funds for scheme implementation, failure to cover the entire targeted population, etc., thereby defeating the basic objectives of the scheme. Contrary to Government of India guidelines, Take Home Food delivered to children between six months and three years in the State was not fortified with micro-nutrients.

The department was not having any long term perspective plan. In the absence of the plan, there were deficiencies in creation of new AWCs and insufficiencies in the delivery of services to beneficiaries in various components in ICDS. There was a shortage of 8,619 Anganwadi Centres (21 *per cent*) in the State. Fourteen additional Anganwadi Centres (AWCs), sanctioned in 2005 by GOI, were yet to be operationalized. Many functional AWCs in the test-checked ICDS projects were functioning in rented premises and lacked basic infrastructure facilities like safe drinking water, toilets, etc. The percentage of child population, who were not immunized against polio and DPT in Palakkad and Malappuram districts were respectively 36 and 31. The objective of universalization of Supplementary Nutrition Programme was not achieved as 56 to 66 *per cent* of the identified beneficiaries were not covered under the scheme.

The percentage of malnourished children below the age of six years in the State ranged between 27 and 39. Test check of records in Idukki, Malappuram, Palakkad and Thiruvananthapuram districts indicated that 110 out of 1,180 children who reportedly died during 2011-12, were severely malnourished. GOI guidelines stipulating periodical weighment of child beneficiaries under Supplementary Nutrition Programme to assess their nutritional status was not adhered to during 2007-12. Take Home Ration (THR) valued at ₹ 257.38 crore was purchased from Kudumbasree which did not possess the mandatory BIS certification. It was also noticed that an amount of ₹ 22.44 crore was overcharged by the supplier. In a number of cases, test results of the samples of the product were not satisfactory.

(Paragraph 2.2)

1.6.1.3 Functioning of three Welfare Fund Boards

The three Welfare Fund Boards viz., Kerala Handloom Workers Welfare Fund Board (HW Board), Kerala Cashew Workers Relief and Welfare Fund Board (CW Board) and the Kerala Agricultural Workers Welfare Fund Board (AW Board) were constituted to administer scheme funds for the welfare of workers respectively in handloom, cashew and agricultural sectors. A scrutiny of the functioning of the three Boards for the period 2008-12 revealed that the three schemes, as currently designed, were not financially viable leading to contribution from Government far in excess of the statutorily payable contributions. There was failure to effectively invoke penal provisions prescribed in the Acts against the defaulters of contribution in HW Scheme

and CW Scheme. There are deficiencies in the pension scheme of HW Board. The contributions to be made by employers in CW Scheme are prone to litigation, resulting in delay in remittance of contribution. Given the attractiveness of AW Scheme, there is a high risk of non-bonafide persons being registered. The present arrangements to verify the bonafides of persons registered under AW Scheme are far from satisfactory.

(Paragraph 2.3)

1.6.1.4 Tsunami Rehabilitation Programme - Housing

The implementation of the housing component under TRP by the State Government was not in accordance with the GOI guidelines. Though Tsunami caused damages to life and life supporting structures in five districts, the scheme was implemented in all nine coastal districts in the State, thereby diverting the funds earmarked for 'Environment and Coastal Protection', to un-affected districts. The component relating to relocation was implemented with financial assistance by way of grant instead of loan by violating guidelines of GOI. Selection of beneficiaries was not in accordance with the guidelines. Coastal Housing and Rehabilitation Project intended relocation, but construction of in-situ houses within 10 metres of High Tide Level, was allowed, thereby defeating the purpose of relocation. As against the target of 11,000 houses, construction of 9,123 houses were taken up and achievement of completion was only 8,549 houses as of July 2012. In some cases, houses constructed were far away from their work places, resulting in non-allotment of completed houses.

(Paragraph 2.4)

1.6.1.5 Chief Controlling Officer based audit of Directorate of Public Instruction

Imparting quality education to children at the primary and secondary level plays an important role in refining and redefining their personality and transforms them to ideal citizens of our country. Directorate of Public Instruction (DPI) along with primary/upper primary/secondary schools and various other institutions under its control are responsible for providing quality education upto secondary level. The objective of imparting quality education was to be achieved through the effective implementation of the various programmes like infrastructure development, quality improvement training programmes for teachers, curriculum modification, printing and distribution of text books, Mid-Day Meals programme, etc. A Chief Controlling Officer based audit of the Directorate of Public Instruction revealed that there were persistent variations in the budget allocation and expenditure during 2007-12, which indicate that no corrective measures were taken by the DPI to avoid the estimated figures being either inflated or under-pitched. Also, basic facilities like drinking water, teaching equipments, library, furniture, etc., were deficient in many schools. DPI did not take any action for utilizing excess claim of GOI assistance of ₹ 36.63 crore on account of purchase of rice for Mid-Day Meal scheme for providing micronutrients, de-worming medicines, etc., or get the excess claim adjusted from subsequent year's allotment from GOI. Shortfall in inspections of schools by District Educational Officers/Assistant Educational Officers was noticed in the test checked

districts, which resulted in the non-assessment and rectification of deficiencies in implementation of various educational programmes in schools. The departmental officers did not initiate any action against 114 unrecognized schools functioning in the test checked districts.

(Paragraph 4.1)

1.6.2 Thematic Audit Paragraphs

A new approach was taken by Audit to identify certain themes based on the inspection reports on audit of transactions and other risk factors involved in the functioning of various departments. Significant deficiencies noticed in audit are detailed in the following paragraphs:

1.6.2.1 Functioning of Drugs Control Department

There was no fool proof surveillance mechanism in the department to watch the status of every licensee and timely renewal of licences. Four selling units in the Ernakulam District operated without valid licence for eight to 34 months. Kerala State Drugs and Pharmaceuticals Ltd., a major supplier of various drugs to the Government hospitals, was functioning without renewal of licence since January 2007, and defects relating to premises, quality control measures, etc., pointed out by Drugs Controller during inspection were not rectified as of June 2012. Licences of six blood banks in the Government hospitals were not renewed due to deficiencies in basic facilities. No efforts were being made by the department to ensure immediate withdrawal of banned drugs from the market. Certain drugs were only partially analysed and reported as 'Standard'. Shortfall ranging from 57 to 75 *per cent* was noticed in the inspection of Ayurvedic drug manufacturing units.

(Paragraph 3.1)

1.6.2.2 Prevention of Food Adulteration

The implementation of the Prevention of Food Adulteration Act, 1954 was deficient and inadequate. Inspections were conducted by the Food Inspectors in an ad-hoc manner. Shortfalls in collection of samples ranging from 34 to 65 *per cent* were noticed in the districts test checked. Microbiological analysis was not conducted in the Analytical Laboratories. Many of the modern testing equipments were either not provided or not in working condition. Though the FSS Act came into force in August 2011, the provisions of the Act could not be implemented, due to non-creation of facilities statutorily required in the Act.

(Paragraph 3.2)

1.6.2.3 Implementation of Coastal Security Scheme

The implementation of Coastal Security Scheme suffered due to lack of synchronization of activities like taking possession of land in advance, arrangement of works, etc., which led to enormous delays in the operationalization of the scheme, such as delay in construction of Coastal Police Stations, non-construction of Coastal Police Stations near the sea coast, non-deployment of trained police personnel/boat crews, non-supply of boats suitable for patrolling, frequent break down of boats and failure to carry out

timely maintenance and repair leading to idling of boats for long periods, etc. Consequently, the main objective of strengthening coastal security against infiltration, intrusion and other illegal activities, remained unachieved.

(Paragraph 3.3)

1.6.2.4 Kerala Building and Other Construction Workers Welfare Board – Collection of building cess, contribution and disbursement of benefits

There was no proper mechanism to ensure registration of employers. The recovery of building cess from defaulters was poor. Deficiencies were noticed in registration of workers and collection of contributions. The intention of the Act has been diluted by accepting employment certificate given by the Trade Unions without exercising proper verification and adequate documentation in support of the genuineness of employment. There was no database of workers.

(Paragraph 3.4)

1.6.2.5 Resettlement of Landless Tribals

Failure to identify suitable land for distribution led to distribution of land only to 6,777 families, while 10,517 families identified are yet to receive land. Houses were constructed only for 1,276 out of 6,777 families who had received land. Selection of beneficiaries under the Animal Husbandry project was done without conducting survey as prescribed in the guidelines. Though a time schedule was fixed for creating the required infrastructure, absence of an approved Master Plan resulted in delay/non creation of infrastructure facilities like water supply, site electrification, etc.

(Paragraph 3.5)

1.7 Lack of responsiveness of Government to Audit

1.7.1 Outstanding Inspection Reports

The Handbook of Instructions for Speedy Settlement of Audit Objections/Inspection Reports issued by the State Government in 2010 provides for prompt response by the Executive to the Inspection Reports (IRs) issued by the Accountant General (now Principal Accountant General) to ensure action for rectification in compliance with the prescribed rules and procedures and accountability for the deficiencies, lapses, etc., noticed during the inspection. The Heads of Offices and next higher authorities are required to comply with the observations contained in the IRs, rectify the defects and omissions and promptly report their compliance to the Principal Accountant General within four weeks of receipt of the Inspection Report. Half-yearly reports of pending IRs are being sent to the Secretary of the Department to facilitate monitoring of the audit observations.

As of 31 August 2012, 174 IRs (1,164 paragraphs) were outstanding against Medical Education, Prisons, Housing and Scheduled Castes/Scheduled Tribes Development Departments. Year-wise details of IRs and paragraphs outstanding are detailed in **Appendix 1.1.**

A review of the IRs pending due to non-receipt of replies, in respect of these four departments revealed that the Heads of Offices had not sent even the initial replies in respect of 80 IRs containing 652 paragraphs.

1.7.2 Response of departments to the draft paragraphs

Draft Paragraphs and Reviews were forwarded demi-officially to the Principal Secretaries/Secretaries of the departments concerned between April and July 2012 with a request to send their responses within six weeks. The departmental replies for two out of the five reviews/thematic reviews and three out of five thematic draft paragraphs featured in this Report were received. These replies have been suitably incorporated in the Report.

1.7.3 Follow-up on Audit Reports

The Finance Department issued (April 1997) instructions to all administrative departments of the Government that they should submit Statements of Action Taken Notes on audit paragraphs included in the Audit Reports directly to the Legislature Secretariat, with copies thereof to the Audit Office within three months of their being laid on the Table of the Legislature.

The administrative departments did not comply with the instructions, and six departments, as detailed in **Appendix 1.2,** had not submitted Statements of Action Taken for 10 paragraphs for the period 2008-09 to 2010-11, even as of October 2012.

1.7.4 Paragraphs to be discussed by the Public Accounts Committee

The details of paragraphs pending discussion by the Public Accounts Committee as of October 2012 are given in **Appendix 1.3.**

CHAPTER II
PERFORMANCE AUDIT

REVENUE DEPARTMENT

2.1 District-centric audit of Thiruvananthapuram District

Highlights

A district-centric audit of Thiruvananthapuram District was conducted to assess the status and impact of implementation of various socio-economic development programmes/schemes in view of substantial investments made by the Government of India and the State Government in social and economic sector programmes relating to health, education, water supply, housing scheme to Scheduled Castes/Scheduled Tribes, etc.

As the preparation of the Integrated District Development Plan (IDDP) for the district and consolidation of Local Development Plans (LDPs) for all Local Self Government Institutions (LSGIs) were not done by the District Planning Committee (DPC), the disparities between various regions within the district in respect of the developmental issues and scope of the district remained unidentified.

(Paragraph 2.1.3.2)

Adequate manpower and infrastructure as per the Indian Public Health Standards were not available in the test checked Community Health Centres/Primary Health Centres.

(Paragraph 2.1.5.2)

Despite the intervention of the Sarva Shiksha Abhiyan, there was migration of students from Government/Aided schools to Unaided English Medium schools.

(Paragraphs 2.1.6.1 and 2.1.6.2)

Ten water supply schemes taken up under Accelerated Rural Water Supply Programme during 2002 to 2009 at a cost of ₹ 54.55 crore (March 2012) to benefit a population of 6.50 lakh in the district remained incomplete. Quality tests of water samples taken from Water Supply Schemes in the district showed presence of bacteria and other impurities.

(Paragraphs 2.1.7.2 and 2.1.7.4)

Inordinate delays were noticed in completion of houses under the Housing Schemes to SCs and STs.

(Paragraphs 2.1.8.1 and 2.1.8.2)

There was inordinate delay in sanctioning and completion of works taken up under Member of Parliament Local Area Development Scheme.

(Paragraph 2.1.9)

Akshaya Project of e-literacy was conceived without a proper study and required analysis. This resulted in blocking up of fund of ₹ 4.84 crore, out of the total available fund of ₹ 4.90 crore.

(Paragraph 2.1.13)

2.1.1 Introduction

2.1.1.1 District profile

Thiruvananthapuram is the southernmost district and the State capital of Kerala. The district stretches 78 kilometres along the shores of Arabian sea on the West, Kollam district on the North and the districts of Tamil Nadu namely Thirunelveli and Kanyakumari on the East and South respectively. The district spans an area of 2,192 square kilometres. The population and the rate of literacy of the district as per the Census 2011 were 33.07 lakh (Male: 15.84 lakh; Female: 17.23 lakh) and 92.66 *per cent* respectively. The district consists of one Revenue Division, four Taluks, twelve Community Development Blocks, seventy eight Grama Panchayats, four Municipalities and one Municipal Corporation.

2.1.1.2 Administrative Set up

The District Collector (DC) is the Head of the district administration. He is assisted by Deputy Collectors for General matters, Land Acquisition, Revenue Recovery, Land Reforms, Disaster Management and Election. As the head of the district administration, the DC exercises effective supervision and control over the work of district level offices of various departments. The DC is the Secretary of District Planning Committee (DPC), Chairman of various development bodies and committees of the district such as the District Development Council (DDC), District Level Co-ordination Committee (DLCC), etc. The DC also holds the charge of District Magistrate. The DC, while performing the duties of District Magistrate, is assisted by Sub-Divisional Magistrate and Executive Magistrates.

The DPC comprises District Panchayat President as the chairman, the DC as the ex-officio secretary and 13 other members. The DPC approves the Annual Plans prepared by Local Self Government Institutions (LSGIs), namely, Grama Panchayats, Block Panchayats, Municipalities, Municipal Corporation and District Panchayat. The District Planning Officer (DPO) is the Joint Secretary (Co-ordination) of the DPC and his office functions as the Secretariat of the DPC. The DPC was required to consolidate the plans of the LSGIs and integrate them with the departmental plans of the district and prepare the draft Five Year Plan and Annual Plan. It was not prepared by DPC and audit comments are given in paragraph 2.1.3.2 of this Report.

The District Development Council (DDC), an advisory body of officials of Departments, the MLAs and MPs in the district chaired by the District Collector and convened by the District Planning Officer, monitors and reviews the Department Plan Schemes at district level.

2.1.2 Audit Framework

2.1.2.1 Scope of Audit

There were various developmental programmes initiated by the Government of India (GOI) and State Government for the upliftment of the standard of living of the people with the district as the focal point. A District-centric audit was taken up in the above context. The audit involved a review of the significant developmental programmes/schemes implemented in the district during the period 2007-12. An appraisal of (i) Social Sector Programmes of Health with focus on National Rural Health Mission (NRHM), Education with focus on Sarva Shiksha Abhiyan (SSA), Water Supply with focus on Accelerated Rural Water Supply Programme (ARWSP) and Housing schemes to Scheduled Castes/ Scheduled Tribes (ii) Economic Sector Programmes of Member of Parliament Local Area Development Schemes (MPLADS), National Horticulture Mission (NHM), Protection of River Banks, Western Ghat Development Programme (WGDP) and (iii) General Sector Programme of e-Literacy (Akshaya), was conducted by Audit. The audit also covered the role and responsibilities of the District Administration in providing essential services for improving the general standard of living of the people of the district.

2.1.2.2 Audit Objectives

The objectives of audit were to assess whether:-

- the planning for different programmes was effective;
- the financial management was efficient and effective;
- the implementation of programmes was effective, efficient and economical; and
- the monitoring mechanism and internal control system were in place and effective.

2.1.2.3 Audit Criteria

Audit findings were benchmarked against the criteria derived from the following documents.

- Annual Plans;
- Guidelines of the Schemes/Programmes issued by the Central/State Governments;
- Provisions in Government Financial Rules, Memorandum of Association of Autonomous Bodies; and
- Prescribed monitoring mechanisms.

2.1.2.4 Audit Methodology

The audit methodology comprised examination of the documents and records in offices at the district, block and grama panchayat level. As a part of gathering evidence to substantiate the audit observations and documentation, it was decided to conduct physical verification along with the departmental officers concerned and also to take photographic evidences wherever possible.

An entry meeting was held on 18 January 2011 with the Deputy Collector (General) along with the officers of the various departments concerned. The audit objectives, methodology and the scope of audit were explained to the officers.

Three Block Development Offices (BDOs) out of 12 BDOs in the district namely Kazhakkoottam, Nedumangad and Perumkadavila and six Grama Panchayats out of 78 Grama Panchayats (GPs) namely Andoorkonam, Pothencode, Panavur, Aruvikkara, Aryancode and Amboori were selected as samples for detailed scrutiny based on Simple Random Sampling method. The records of the District Collectorate, the District Planning Office, the District offices of Scheduled Castes and Scheduled Tribes Development Department, the District Project Office of SSA, the District Health Society of NRHM, the District Medical Officer of Health, the Divisional Offices of Kerala Water Authority (KWA), District Horticulture Mission and the District Project office of Akshaya were also scrutinized.

The audit was conducted from December 2010 to March 2011. An exit meeting with the District Collector was held on 15 July 2011 along with the various implementing officers and the audit observations were discussed. The data was updated in August 2012 covering the period upto 31 March 2012. Response to the audit observations during the course of exit conference had been considered while drafting the report.

2.1.3 Planning

2.1.3.1 District Planning

The guidelines for district plans in the Eleventh Five Year Plan issued (August 2006) by the Planning Commission envisaged a district planning process for preparing an integrated plan for the district taking into account the resources (natural, human and financial) available and covering the sectoral activities and schemes assigned to the district level and below, and those implemented through local Governments in a State. The document that embodies this statement of resources and their allocation for various purposes is known as the District Plan.

2.1.3.2 District Planning Committee

The Constitution[8] (74th Amendment Act, 1992) envisaged the establishment of a District Planning Committee (DPC) in every State at the District level. The Kerala Municipality Act, 1994 (Section 53) provided for the constitution of the DPC consisting of 15 members. The DPC in the district was last constituted in February 2011 with the District Panchayat President as the Chairman, the DC as the ex-officio Secretary and 12 elected members of the District Panchayat, Municipal Corporation and Municipalities and one nominee of the Government as members.

According to the Kerala Municipality Act, 1994, the DPC was required to consolidate the plans prepared by the LSGIs and prepare a draft development

[8] Article 243 ZD of the Constitution of India.

plan for the district as a whole. According to the guidelines issued (August 2006) by the Planning Commission, the DPC was required to consolidate the plans of the LSGIs and integrate them with the departmental plans of the district and prepare the draft Five Year Plan and Annual Plan. The State Government directed (February 2007) to prepare long term Local Development Plans (LDPs) for all LSGIs in a district and a long term Integrated District Development Plan (IDDP) for each district under the auspices of DPC.

IDDP and LDPs were not prepared in the district.

However, as the preparation of the Integrated District Development Plan (IDDP) for the district and consolidation of Local Development Plans (LDPs) for all Local Self Government Institutions (LSGIs) were not done by the District Planning Committee (DPC), the disparities between various regions within the district in respect of the developmental issues and scope of the district remained unidentified.

The District Collector assured (November 2011) that steps would be taken for the preparation of IDDP and LDPs shortly. However, the preparation of IDDP and LDPs was not yet started (July 2012).

Annual Plans of Departments were prepared by the Departments concerned and submitted for approval of the Government, through State Planning Board. The schemes were monitored by the Department Heads concerned and the State Planning Board. The DDC monitors all Department Plan Schemes at district level.

But the fact remains that LDPs and IDDP to be conceptualized and developed by the people's representatives as envisaged in the Constitution and the Kerala Municipality Act have not been materialized so far.

2.1.4 Financial Management

Funds are allotted to the District Departmental Officers through the State Budget. The district level departmental officers release funds to their subordinate offices and other executing agencies, based on the approved allocation for individual schemes. In respect of central schemes like NRHM, GOI releases funds directly to the State level units from where funds are allotted to the district offices. The State Government also allots funds directly to Panchayati Raj Institutions/urban local bodies for implementation of schemes under the decentralised planning programme. In respect of schemes like MPLADS, funds are released directly by GOI to the District Authorities.

2.1.4.1 Flow of Funds - Non-maintenance of statement of funds received and utilized

Consolidated statement of funds received and utilised for various schemes implemented in the district was not maintained

The details of total flow of funds to the district during 2007-12 were not available either with the DC (Secretary of DPC) or with the DPO (Joint Secretary of DPC). They were also not maintaining a consolidated year wise statement of total funds received and utilized for various developmental programmes/schemes implemented in the district. However, the details of funds available and expenditure incurred during 2007-12 in respect of departments/programmes as collected from the institutions selected for audit are given in **Table 2.1:**

Table 2.1 : Details of funds available and expenditure incurred in the case of certain significant programmes

(₹ in crore)

Sl. No.	Department/Programmes	Funds available*	Expenditure
1.	Health –National Rural Health Mission (NRHM)	66.09	65.84
2.	Education– Sarva Shiksha Abhiyan (SSA)	105.83	93.59
3.	Water Supply	115.89	116.40
4.	Scheduled Castes Development Department	152.02	152.02
5.	Scheduled Tribes Development Department	16.37	16.88
6.	MP Local Area Development Scheme	23.81	16.43
7.	Agriculture – National Horticulture Mission(NHM)	12.87	10.97
8.	Protection of River Banks - River Management Fund (RMF)	9.50	1.83
9.	Western Ghat Development Programme (WGDP)	5.28	0.17
10.	e-Literacy (Akshaya)	4.90	0.06

*This is the sum of opening balance and funds received during the year.

Source: Figures supplied by district level offices of the departments

The year-wise details of receipt and utilization of funds are given in **Appendix 2.1.**

Audit analysis revealed the following:

- In respect of MPLADS, the District Authority is required to furnish Accounts and Utilisation Certificates (UCs) every year to the State Government and GOI. District Authority is maintaining Savings Bank Accounts in Nationalised Banks for keeping MPLADS funds for each MP. It was seen that the District Authority was not maintaining any cash book. However, a cheque register was maintained by the Authority. But, the bank statement was not being reconciled with the cheque register. In the absence of a cash book and non-reconciliation of the bank account with the cheque register, the correctness of balance furnished by DC and the genuineness of UCs furnished could not be ascertained in audit.

The DC stated (July 2012) that the reconciliation would be conducted from July 2012 without fail.

- Funds allotted by the Director of State Horticulture Mission to its District Horticulture Mission (DHM) Offices are routed through the respective bank accounts maintained by the District Mission in the name of Principal Agricultural Officer (PAO) and the Deputy Director (Horticulture). As per the bank statement, the balance in the bank account maintained by DHM as on 31 March 2012 was ₹ 0.79 crore. However, as per the statement of receipts and payments furnished by DHM, the departmental balance as on 31 March 2012 was ₹ 1.90 crore.

The District Mission did not maintain any cash book. Based on audit remarks, DHM started to maintain a cash book for recording the transactions relating to the bank account from October 2011. However, closing balance as on 31 March 2012 was not recorded in the cash book and the difference pointed out by audit was not reconciled (August 2012).

Social Services

2.1.5 Health

The District Medical Officer of Health (DMOH), Thiruvananthapuram functioning under the Health and Family Welfare Department is responsible for providing health care services to the people of the district. The services are being provided through a network of nine hospitals, 24 Community Health Centres (CHCs), 70 Primary Health Centres (PHCs) and 481 Sub Centres. Audit selected two CHCs (Perumkadavila, Puthenthoppu) and six PHCs (Andoorkonam, Thonnakkal, Aruvikkara, Panavur, Chembur and Amboori) for detailed scrutiny based on Simple Random Sampling method and the results of audit are summarized below.

2.1.5.1 Implementation of NRHM

The National Rural Health Mission (NRHM) was launched in April 2005 by GOI with the goal of providing accessible, affordable and quality health care to rural population. For implementation of NRHM, it was required to constitute a District Health Mission (DHM) and a District Health Society (DHS) to assist the DHM. In the district, the DHS was constituted (April 2007) with a governing body with District Panchayat President as Chairman, DC as the Co-Chairman and DMOH as the Chief Executive Officer and an Executive Committee with DC as Chairperson and DMOH as Chief Executive Officer.

The DHS is the district level implementing agency of NRHM and it is convened by the District Programme Manager (DPM), who is a key player in arranging managerial and supportive assistance to the district health administration, including general management and logistic support.

According to NRHM guidelines, a household and facility survey was required to be conducted to identify the gaps in health care facilities. However, the survey was not conducted in the district. The DHS was required to prepare a Perspective Plan for the entire Mission period 2005-12 and Annual Plans for the district. But, no such Perspective Plan for the district was prepared, though Annual Plans were being prepared.

The DPM, NRHM stated (March 2012) that Annual Plan consisting of all activities was prepared and also a Comprehensive Health Plan in the district was prepared for the XII Five Year Plan period.

It is a fact that the NRHM prepares an Annual Plan, but no long term perspective plan was seen on record.

2.1.5.2 Status of Infrastructure, Services and Manpower at Health Centres

The population norms fixed by GOI for CHC, PHC and Sub Centres were 1,20,000, 30,000 and 5,000 respectively (in Plain area). It was noticed that the population norm fixed by GOI had not been completely adhered to in creation

of CHCs, PHCs and Sub Centres. The population covered by a CHC ranged from 51,637 (CHC Pulluvila) to 2,90,007 (CHC Vilappil) and in 28 out of 70 PHCs, the population was less than 30,000.

(i) Infrastructure

The major items of infrastructure facilities to be provided in the CHCs/PHCs/Sub Centres as per the Indian Public Health Standards (IPHS) and the position of availability in respect of centres visited by Audit (CHCs-2[9], PHCs-6[10], Sub Centres[11]-38) were as detailed in **Table 2.2**:

Table 2.2: Details of infrastructure facilities in Health Centres

Sl. No.	Particulars	CHC(2)		PHC(6)		Sub-Centres(38)	
		Required	Available	Required	Available	Required	Available
1.	Clinic Room	2	2	6	6	38	21
2.	Waiting room (Out Patients)	2	2	6	5	38	10
3.	Separate utilities for male/female patients	2	2	6	6	38	10
4.	Labour room	2	Nil	6	Nil	38	Nil
5.	Operation theatre	2	Nil	6	Nil	Not Required	
6.	Emergency/Casualty room	2	Nil	6	Nil	Not Required	
7.	Drinking water	2	2	6	6	38	17
8.	Generator	2	Nil	6	Nil	Not Required	
9.	Oxygen cylinder	2	2	6	1	Not Required	
10.	Wheel chair	2	2	6	3	Not Required	
11.	Stretcher	2	2	6	2	Not Required	
12.	Ambulance	2	Nil	6	Nil	Not Required	

Source: Figures supplied by the Test checked Units

Essential facilities like ambulance services, generators, labour rooms and operation theatres were not available in test-checked CHCs and PHCs





Patients waiting for their turn in queue due to non-availability of waiting room at CHC, Perumkadavi Status as on 19 January 2011

On being pointed out by audit, the non-availability of waiting room at CHCs Perumkadavila and Puthenthope, the DPM stated that the waiting rooms were provided as of March 2012. The DMOH also stated (August 2012) that the deficiencies in the centres are being addressed to by NRHM and LSGIs.

[9] Perumkadavila, Puthenthope.
[10] Andoorkonam, Thonnakkal, Aruvikkara, Panavur, Chembur and Amboori.
[11] Sub-centres under the test checked CHCs/PHCs.

(ii) Services

The basic health care services required to be provided in CHCs/PHCs as per IPHS and the availability of services in the centres visited by Audit were as detailed below:

Table 2.3: Details of availability of health care services in Health Centres visited

Sl.No.	Particulars	CHC(2)		PHC(6)	
		Required	Available	Required	Available
1.	Inpatient services (IP)	2	2	6	Nil
2.	Delivery services	2	Nil	6	Nil
3.	New born care	2	Nil	6	Nil
4.	Emergency services	2	Nil	6	Nil
5.	Laboratory services	2	2	6	5
6.	Blood storage facility	2	Nil	Not Required	
7.	Ultra sound scanner	2	Nil	Not Required	
8.	X-ray	2	Nil	Not Required	
9.	ECG	2	Nil	Not Required	
10.	Full range of family planning services	2	Nil	Not Required	
11.	Paediatric - care of sick children	2	Nil	Not Required	
12.	Emergency Obstetric care/Caesarean surgery	2	Nil	Not Required	
13.	Surgery for Hernia, Hydrocele, Appendicitis	2	Nil	Not Required	

Source: Figures supplied by the Test checked Units

Audit scrutiny revealed the following:

Health care services especially delivery services were not provided in any of the test checked CHCs/PHCs

- Delivery services were not being provided in the PHCs[12] and that in CHCs Perumkadavila and Puthenthoppu, though five and four medical officers respectively were available in these centres.
- Services like New Born Care, Emergency Services, Blood Storage Facility, Ultra Sound Scanning, X-ray, ECG, Full range of Family Planning, Paediatrics - care of sick children, Emergency Obstetric Care/Caesarean Surgery and Surgery for Hernia, Hydrocele, Appendicitis were not provided in any of the test checked CHCs.
- IP services, New Born Care and Emergency services were not available in any of the test checked PHCs.
- IP services were not provided in PHCs Andoorkonam and Panavoor, even though IP wards with cots were available.
- Laboratory services were available in two CHCs and five out of six PHCs visited.

[12] Andoorkonam, Thonnakkal, Aruvikkara, Panavur, Chembur and Amboori.



IP ward at PHC, Andoorkonam used for other purposes and idle cots



Idle IP ward at PHC, Panavoor

The Medical Officers of the centres stated that delivery services were not provided as there were no Gynaecologists. The DMOH, while confirming stated that the appointment of Specialist doctors, including Gynaecologists, is under consideration of the Government (March 2012).

(iii) Manpower

Manpower as per IPHS was not sanctioned in the test checked CHCs/ PHCs

The Government of Kerala, while issuing (May 2008) orders for fixation of staff strength in respect of CHCs, PHCs and Sub Centres as per IPHS, decided (November 2008) that the manpower required as per IPHS would be sanctioned in due course. Thirteen posts of doctors and 16 posts of paramedical staff were created (August 2010 and February 2011) in six institutions against the proposal (December 2009) of DMOH to create 89 posts of doctors and 522 posts of paramedical staff in the district. In the test checked institutions, however, no posts were created and hence shortage of staff was noticed as detailed below:

Table 2.4: Details of requirement and availability of manpower

Sl. No.	Particulars	CHC(2)		PHC(6)		Sub-Centres (38)	
		Required	Available	Required	Available	Required	Available
1	Specialist Doctors[13]	10	Nil	NR	NR	NR	NR
2	Dental Surgeons	2	Nil	NR	NR	NR	NR
3	General Duty Medical Officer	12	9+4*	18	6+3*	NR	NR
4	Staff Nurse	38	7+3*	30	4+1*	NR	NR
5	Pharmacist	6	2	12	6	NR	NR
6	Laboratory Technician	6	2	12	4+1*	NR	NR
7	Radiographer	4	Nil	NR	NR	NR	NR
8	Junior Public Health Nurse	2	2	6	4	38	41
9	Male Health Worker	NR	NR	NR	NR	38	25

Source: Figures supplied by the Test checked Units
NR - Not Required
* Contract appointment under NRHM

Audit scrutiny revealed the following.

- Shortage of nine General Duty Medical Officers (50 *per cent*) was noticed in test checked PHCs. The essential services such as surgery, emergency obstetric care, caesarean operation, full range of Family Planning, etc., were not made available as no Specialist doctors were

[13] Specialists in General Medicine, General Surgery, Gynecology, Pediatrics, Anaesthesia.

available in the two CHCs visited by Audit (Perumkadavila and Puthenthope).

- Shortage of staff nurses was 74 *per cent* in CHCs and 83 *per cent* in test checked PHCs. Incidentally, no staff nurse was available in three test checked PHCs (Amboori, Chemboor and Thonnakkal).

The DMOH stated (February 2012) that creation of new posts is under consideration with Government.

2.1.5.3 Failure to utilise surgical kits

Surgical kits costing ₹ 30 lakh were lying idle in the District Family Welfare Store

The State Mission (NRHM) supplied 42 surgical kits (costing ₹ 2.56 crore), each kit containing 11 sets (viz. surgical set I, II, III, IV, V, VI, IUD, Normal Delivery set, Neo-natal set, Blood Transfusion set and Anaesthesia set) in two batches (21 kits each) to the DMOH during April 2007 to April 2008 for distribution to various health institutions (four kits each to six hospitals and two kits each to nine CHCs) in the district. The kits were supplied as part of upgradation of the health institutions.

Audit observed that five out of 42 kits (except IUD sets) costing ₹ 30 lakh were kept in the District Family Welfare Store since April 2008.





Idling surgical kits at District Family Welfare Store

The DMOH stated (July 2012) that the kits kept in the store would be issued to the needy institutions with the permission of Director, NRHM. Evidently, this indicated that the kits were purchased without assessing the actual requirement and ascertaining the demands from the hospitals/centres concerned.

2.1.5.4 Implementation of activities under NRHM

The implementation of Janani Suraksha Yojana (JSY), Ante-natal care and delivery cases and Family Planning programmes of NRHM in the district for the period 2007-12 was analysed in audit and the results were as follows:

(i) Janani Suraksha Yojana (JSY)

The Janani Suraksha Yojana (launched from April 2005) is a safe motherhood intervention under NRHM being implemented with the objective of reducing maternal and neo-natal mortality by promoting institutional delivery among pregnant women. Under JSY, pregnant women under BPL category are eligible for cash assistance for the first two live births at the rate of ₹ 700 (Rural) and ₹ 600 (Urban) for institutional delivery and at the rate of ₹ 500

for domiciliary delivery. Pregnant women of SC/ST category are eligible for cash assistance at the rate of ₹ 700 irrespective of their residential (Urban/Rural) and BPL/APL status. In addition, an amount up to ₹ 300[14] is to be given as transport assistance.

The details of total delivery cases, number of beneficiaries and the assistance disbursed during 2009-12 were as follows:

Table 2.5: Details of payment of assistance under JSY

Year	No. of institutional deliveries		No. of beneficiaries		No. of cases		Amount (in ₹)
	Government	Private	Government	Private	Urban	Rural	
2009-10	20427	24361	10223	Not started	4294	5929	10357100
2010-11	27515	23119	13979	Not started	6567	7412	10734920
2011-12	23840	18171	14101	Not started	5978	8123	7006115

Source: Departmental figures

According to JSY guidelines, the assistance was to be given for deliveries in accredited private hospitals. However, audit noticed that no assistance was given in such cases.

According to the guidelines, it is the responsibility of the Superintendent or the Medical Officer in charge of the institution to disburse the cash assistance to the beneficiaries in one instalment before her discharge from the health care institutions. It was noticed that only in 20 out of 728 cases test checked, the assistance was paid within a reasonable time of 10 days. In 680 cases, the assistance was paid between 11 days and two years and in 28 cases the delay in payment of assistance was more than two years.

The DPM stated (July 2012) that the accreditation for private Hospitals was almost completed and after its completion the assistance would be given to the beneficiaries of this sector also. The DPM also stated that up to 2007-08, JSY assistance had not been given to the beneficiaries in the institutions where the deliveries took place, but it was made by the Medical Officer of the institution where the registration of the pregnant women was done. However, from the year 2008 onwards the assistance was given from the hospital where the delivery is conducted.

(ii) Ante-natal care and delivery cases.

The details of Ante-natal care and the number of delivery cases provided in the Health Management Information System (HMIS) of the district for the period 2007-12 were as detailed in **Table 2.6**:

Table 2.6: Data on Ante-natal care and delivery cases

Period	No. of pregnant women registered	Ante-natal care		No. of deliveries			
		Administration of two doses of TT	Iron Folic Acid Tablets[15]	In Government hospitals	In private hospitals	Domiciliary	Total
2007-08	56231	59096	34401	32868	26530	63	59461
2008-09	51829	51979	31242	12592	25043	36	37671
2009-10	56706	44798	27750	20427	24361	31	44819
2010-11	66531	48485	47641	27515	23119	49	50683
2011-12	48186	38068	29565	23840	18171	441	42452

Source: Figures supplied by DMOH

[14] This assistance of ₹ 300 was discontinued from July 2010.

[15] Iron Folic Acid Tablet containing 100 mg Iron and 0.5 mg Folic Acid, is to be given to the pregnant women for atleast 100 days.

- There was a huge difference between the number of pregnant women registered and the number of pregnant women administered TT doses and the number of delivery cases reported by DMOH.

The DMOH stated (October 2012) that the variation in the number of TT doses/number of deliveries against the number of registered pregnant women was mainly due to the discrepancy in the data furnished by the private hospitals.

This indicates that the mechanism with DMOH in collection, documentation and updation of the data relating to TT doses administered to pregnant women and the number of deliveries is not efficient.

- Every pregnant woman needs to take one tablet of Iron Folic Acid containing 100 mg elemental iron and 0.5 mg folic acid for at least 100 days for increased requirement of iron during pregnancy and to prevent the dangers of anaemia. The percentage of achievement in distribution of 100 iron folic acid tablets was only between 49 and 72 during 2007-12.

The DMOH stated (February 2012) that the shortfall in the dosage of Iron Folic Acid tablets was due to deficiency in supply.

(iii) Family Planning

Details of sterilization of female and male were as detailed in **Table 2.7**.

Table 2.7: Details of sterilization

Year	Target	Achievement	Target	Achievement
	Female sterilization		Male sterilization	
2007-08	21100	18033	210	54
2008-09	20412	18617	196	72
2009-10	18580	10944	500	118
2010-11	15950	14816	550	100
2011-12	15950	11832	550	73

Source: Figures supplied by DMOH

The targets were not achieved during 2007-12 both in female and male sterilization.

The DMOH stated (October 2012) that number of cases of sterilization operations done at private institutions was not reported by them.

This indicates the failure of the department in the collection and maintenance of correct data resulting in non-evaluation and monitoring of achievements.

The above observations indicate that the Health department failed (i) to appoint doctors, nurses and other paramedical staff to CHCs and PHCs as per IPHS, (ii) to provide infrastructure facilities and services in certain cases, (iii) in providing facilities such as delivery services, surgery, emergency obstetric care, caesarean operation, full range of Family Planning, etc., and ineffective disbursement of assistance to beneficiaries under JSY.

2.1.6 Education

Kerala is the most literate State in India. Kerala's literacy rate (93.91 *per cent* in 2011) is comparable to the most advanced regions of the world. The literacy rate of Thiruvananthapuram district is 92.66 *per cent.*

The educational administration of Thiruvananthapuram district is managed by one Deputy Director, three District Educational Officers for High School Section and twelve Assistant Educational Officers for Primary Section. There are 218 High Schools (Government-123/Aided-95) and 686 Primary Schools (Government-415/Aided-271) in the district. Eighteen schools (13 Government Schools[16] and five Aided schools[17]) in the six selected Panchayats[18] were selected for detailed scrutiny.

2.1.6.1 Implementation of Sarva Siksha Abhiyan

Government of India launched (2001) Sarva Siksha Abhiyan (SSA) Programme with a view to achieving free and compulsory universal elementary education to all children in the age group of 6-14 years. Special focus on the educational needs of girls and children belonging to SCs/STs was also envisaged in this time bound programme.

The District Planning Committee comprising DC and the District Panchayat President assisted by the Deputy Director of Education (DDE), the Principal, District Institute of Education and Training (DIET) and the Project Officer (SSA) was to supervise the planning and implementation of SSA programme in the district.

(i) Planning

Each SSA District was required to prepare an Annual Work Plan and Budget (AWP&B) subject to the approval of the Project Approval Board (PAB) at National level. The Annual Plan for the district is prepared by the PO, SSA and forwarded to State Project Officer for inclusion in the State Annual Plan. The State Annual Plans for the years 2007-12 containing the targets (physical and financial) for various activities in respect of each district were approved by PAB and the programmes were implemented in the district as per the plans.

(ii) Enrolment

Updated information on child population to ensure 100 *per cent* schooling of targeted age group of 6-14 years was not available with SSA

The main objectives of SSA Programme was to ensure 100 *per cent* schooling of children and to reduce the number of out of school children to zero in respect of the targeted children of the age group of 6-14 years by the implementing agency. According to paragraph 9.6 of the Manual on Financial Management and Procurement of SSA, updated information on child population of the age group of 6-14 years was required to be provided in the

[16] Government Schools – GUPS Attukal, GLPS Panayamuttom, GLPS Velloorkonam, GLPS Aruvikkara, GUPS Azhikode, GUPS Pothencode, GLPS Thachapilly, GUPS Kalloor, GLPS Karachira, GLPS Pallipuram, GUPS Kaniyapuram, GUPS Kuttamal, GHSS Kezharoor.

[17] Aided Schools- EVUPS Thonnakkal, St. George LPS Amboori, St. Marys UPS Mayam, LMS LPS Chemboor, LPS Koviloor.

[18] Andoorkonam, Thonnakkal, Aruvikkara, Panavur, Chembur and Amboori.

plan every year. However, the updated data on child population was not available with the SSA.

The details of enrolment of children of this age group (I to VIII Standard) for the years 2007-12 furnished by PO, SSA were as detailed in **Table 2.8**:

Table 2.8: Details of enrolment of students to Standard I to VIII

Year	No. of Governm-ent /Aided Schools LP + UP[19]	Enrolment						Grand Total
		Government/Aided			Unaided			
		Boys	Girls	Total	Boys	Girls	Total	
2007-08	482 + 422	143978	144304	288282	22577	24218	46795	335077
2008-09	482 + 422	139860	139963	279823	22207	23647	45854	325677
2009-10	482 + 422	127123	128129	255252	19725	21242	40967	296219
2010-11	482 + 422	122911	120421	243332	8552	7005	15557	258889
2011-12	482 + 422	122200	122259	244459	20360	22052	42412	286871

Source: Details furnished by SSA

The PO, SSA stated that the decrease in total enrolment of children was due to decrease in birth rate of children in the district. It was also stated that the number of out-of-school children in the district decreased from 1,100 (2007-08) to zero (2011-12).

As the updated information on population of children of age group of 6-14 was not available with the SSA, Audit is not convinced as to how the SSA could reach to the conclusion that the number of out-of-school children has been reduced to zero.

(iii) Enrolment of children with special needs

The details of enrolment of children with special needs in the schools in the district for the period 2007-12 was collected from SSA as shown in **Table 2.9**:

Table 2.9: Details of enrolment of children with special needs

Year	Identified	Enrolment	Percentage
2007-08	12240	12072	99
2008-09	9536	9536	100
2009-10	9632	9055	94
2010-11	9598	9568	99
2011-12	12544	12370	99

Source: Details furnished by SSA

The percentage of achievement of enrolment of children with special needs was almost 100

The analysis of the data revealed that the percentage of achievement of enrolment of children with special needs was almost 100.

2.1.6.2 Decrease in strength of students in Government/Aided Schools

There was decrease in the number of students in Government/ Aided Schools due to migration of students to Unaided English Medium Schools.

Decrease in strength of students was noticed in respect of 10[20] out of 18 schools visited by Audit. Four schools[21] did not have the minimum required strength of students of an average of 25 per standard. The Headmasters of the

[19] Number of UP Schools includes number of High Schools also as the VIII Standard in the State is still under High Schools Section.

[20] GUPS Attukal, GLPS Panayamuttom, GLPS Velloorkonam, GLPS Aruvikkara, GLPS Thachapilly, GLPS Karachira, GLPS Pallipuram, GUPS Kuttamal, GHSS Kezharoor, St. Marys UPS Mayam.

[21] GLPS Panayamuttom, GLPS Pallipuram, GLPS Thachapilly, GLPS Karachira.

schools stated that the decrease was mainly due to the preference of the Unaided English Medium Schools to Government schools. This indicates that the education imparted does not meet the aspirational needs of parents.

The PO stated (July 2012) that the migration of students from Government/ Aided Schools would be reduced on completion of implementation of Right to Education Act (RTE Act) 2009 taken up in 2011-12.

2.1.6.3 Attendance of pupils

The annual work plan of the SSA envisaged 100 *per cent* attendance of students in LP and UP schools. The details of verification of attendance of the following schools by Audit in February 2011 are as detailed in **Table 2.10**:

Table 2.10: Details of absence of pupils in the schools visited

Sl. No.	Names of schools and dates of visit		Total Strength	Absence on the date of visit and percentage
1	GLPS Vellorkonam,	11 February 2011	167	95 (57)
2	GLPS Aruvikkara,	11 February 2011	284	67 (24)
3	GLPS Azhikode,	11 February 2011	343	302 (88)
4	LMS LPS Chembur,	18 February 2011	429	103 (24)
5	St. George LPS Amboori,	22 February 2011	350	101 (29)

Source: Data compiled by Audit from the test checked Units

Audit observed that the attendance registers of students on the day of visit showed blank against students who were absent instead of marking absent. The attendance on the date of visit was much lower than that normally indicated on other days.

The attendance of the students is important not only from the academic point of view, but also for reckoning of the entitlement of school for Mid-Day Meal which are directly linked to the number of students shown as present. So, there was a need for an effective supervision over the attendance of students by the Educational Officers.

The Headmasters of the schools stated that the reasons for the absence of the students were festivals in the area, deployment of teachers for census duty, etc.

The Project Officer, SSA assured that the attendance of pupils shall be watched over by frequent visits of the monitoring team of SSA and would ensure the proper maintenance of attendance registers of students.

The main objective of achieving free and compulsory universal elementary education to all children in the age group of 6-14 years by SSA in the district was more or less achieved and the literacy rate of the district is 92.66 *per cent* which is very close to the State average of 93.91 *per cent* in 2011. However, there was migration of students from Government/Aided schools to Unaided English Medium schools even after spending ₹ 93.59 crore in implementation of SSA.

2.1.7 Water Supply

The provision of adequate and safe drinking water to all the citizens especially those living in rural areas has been a priority for both the Central and the State Governments. Programmes funded by the Central and the State Governments and agencies like NABARD, LIC, etc., were being implemented for providing drinking water through five divisions[22] of the Kerala Water Authority (KWA) in the District. The expenditure incurred for Water Supply Schemes in the district for the period 2007-12 was ₹ 116.40 crore.

2.1.7.1 Status of Water Supply

As per Economic Review 2011, there were 11,883 rural habitations in the State. All the above habitations attained fully covered status as on September 2010 taking the private wells also into consideration. There were 1038 habitations in Thiruvananthapuram district. According to the report by KWA (October 2010), 121 schemes were completed and 22 schemes were in progress in the district which indicates that all the habitations were not fully covered by the schemes.

2.1.7.2 Accelerated Rural Water Supply Programme

Accelerated Rural Water Supply Programme (ARWSP), a centrally sponsored scheme was introduced in 1972-73 with the aim to ensure coverage of rural habitation with access to safe drinking water, sustainability of the systems and source, to preserve quality of water by institutionalizing water quality monitoring and surveillance.

ARWSP schemes were to be completed within two to three years from the date of sanction. However, schemes taken up under ARWSP were not completed within the stipulated time. It was noticed that some schemes were badly delayed and were in a standstill state due to various reasons as detailed in **Appendix 2.2.**

Under ARWSP, 10 schemes taken up during 2002-09 remained incomplete even after spending ₹54.55 crore

- Audit observed that 10 schemes taken up under ARWSP to benefit a population of 6.50 lakh in the district remained incomplete even after spending ₹ 54.55 crore (as on 31 March 2012). Out of these ten schemes, two were started in 2002, three in 2003, one each in 2004, 2005 and 2008 and the remaining two in 2009.

2.1.7.3 Status of Water Supply Schemes in selected Panchayats

The Audit party visited five Rural Water Supply Schemes (RWSS to Andoorkonam, Koithoorkonam and Pothencode in Water Supply Division, Attingal and RWSS to Panavoor and Aryancode in Head Works Divison, Aruvikkara) and the following deficiencies were noticed:

- inadequate pumping of water;
- inadequate provision of public water taps;

[22] PH Division Thiruvananthapuram, Water Supply Division Neyattinkkara, Water Supply Division Attingal, Head Works Division Aruvikkara, Project Division Thiruvananthapuram.

- water source without fencing and with empty plastic bottles;
- partial coverage of habitations;
- absence of water treatment plant; and
- pillar of OH tank in weak condition, etc.



RWSS to Pothencode– Source (pond) with empty bottles





RWSS to Pothencode – OH Tank with weak pillar

The Executive Engineer (EE), Water Supply Division, Attingal (February 2012) stated that KWA had now cleaned the source (pond) of RWSS Pothencode, and the estimate for strengthening of OH tank to RWSS Pothencode was prepared and the work would be arranged on availability of fund.

2.1.7.4 Water Quality

Kerala Water Authority had established Regional/District level Laboratories in the State for water quality monitoring, testing of chemicals, performance studies of water treatment plants, etc. KWA has one Quality Control Regional Laboratory at Thiruvananthapuram for water quality testing.

Water supply schemes were categorised as A, B, C, D and E according to the beneficiary population covered under the scheme. The frequency of tests to be conducted under each category and the number of samples to be tested are as detailed in **Table 2.11**:

Table 2.11: Frequency of water quality tests

Category	Frequency	No. of samples to be tested
A	Monthly	15
B	Monthly	11
C	Alternate two months	9
D	Alternate four months	7
E	Twice in a year	3

Source: Departmental figures

The details of samples of water drawn from various schemes and tested for the years 2008-09 to 2011-12 were as detailed in **Table 2.12**:

Table 2.12: Details showing the results of water samples tested

Year	No. of schemes	Target	Achievement[23]	Samples failed in Bacteriological tests		Samples failed in Chemical tests		Samples failed in Physical tests	
				No.	*Per cent*	No.	*Per cent*	No.	*Per cent*
2008-09	117	1900	1766	654	37	675	38	882	50
2009-10	117	1900	2708	791	29	337	12	1222	45
2010-11	121	1948	2564	666	26	212	8	1167	46
2011-12	117	1900	2848	752	26	63	2	885	31

Source: Departmental figures

The test results showed presence of bacteria and other impurities. This indicated that the processes of disinfection and treatment of water for removing these impurities were not carried out properly.

The EE, Quality Control Division stated that treatment plant with full units is available only for nine schemes out of the total 117 schemes in the district. The reply clearly indicates that safe drinking water could not be provided by KWA in 108 schemes as water treatment plants with full units were not available.

Water quality tests of samples taken from Rural Water Supply Schemes showed presence of bacteria and other impurities

- The reports on quality tests of samples collected from taps connected to RWSS to Panavoor, Pothencode, Aryankode and Andoorkonam showed the presence of coliform bacteria, iron, and turbidity as detailed in **Table 2.13**:

Table 2.13: Details of test results of water supply schemes in selected Panchayats

Sl. No.	Name of scheme	Year	No. of samples tested	Samples with presence of coliform	Samples with presence of iron above desirable limit	Samples with presence of turbidity above desirable limit
1	RWSS to Panavoor	2009-10	15	5	7	9
		2010-11	8	7	6	8
2	RWSS to Pothencode	2009-10	3	3	-	1
		2010-11	4	3	1	-
3	RWSS to Aryancode	2009-10	10	6	-	6
		2010-11	17	4	-	11
4	RWSS to Andoorkonam	2009-10	7	1	3	6
		2010-11	6	2	2	6

Source: Departmental figures

The presence of coliform bacteria, iron and turbidity indicated in the test results showed that KWA failed to supply safe drinking water to the population covered under the Schemes.

- In 2010-11, the Quality Control Laboratory had taken open well water samples from the selected Panchayats namely, Panavoor, Aryancode,

[23] During 2009-12, the achievement was more than the target as more samples were collected to monitor the functioning/performance of different units of treatment plants.

Aruvikkara, Andoorkonam and Pothencode for quality tests. It was noticed that most of the samples showed the presence of coliform bacteria as detailed in **Table 2.14**:

Table 2.14: Results of water samples tested (open wells/borewells)

Sl.No	Name of Panchayat	Period	No. of samples tested	No. of samples with presence of coliform bacteria
1	Panavoor	2010-11	10	10
2	Aryancode	2010-11	15	13
3	Aruvikkara	2010-11	8	7
4	Andoorkonam	2010-11	4	2
5	Pothencode	2010-11	6	6

Source : Figures compiled by Audit from information supplied by the Water Quality Division

The test results indicated that the well water used in the Panchayats was polluted and was not fit for human consumption. Thus, the habitations in the test checked Panchayats had no access to safe drinking water as envisaged in ARWSP.

The EE, Quality Control Division, KWA, Thiruvananthapuram stated that in most of KWA rural water supply schemes, no water treatment plant was available and disinfection alone was being conducted and better method of chlorination using electro chlorinator, gas chlorinator, etc., would be introduced in rural schemes in a phased manner.

During the period 2007-12, ₹ 116.40 crore was spent on 117 water supply schemes to provide adequate and safe drinking water in the district. It was noticed that 108 out of 117 schemes had no water treatment plant with full units and hence water quality tests revealed that coliform bacteria and other impurities were present in drinking water. Thus, the objective of providing safe drinking water remained largely unachieved.

2.1.8 Scheduled Castes and Scheduled Tribes Development Department

The SC population in the district is 3.71 lakh which accounts for 11.47 *per cent* of the total population and the ST population is 0.21 lakh which accounts for 0.65 *per cent* of the total population respectively.

As per the index of deprivation reported in Human Development Report 2005 (Kerala), based on four basic necessities for well-being such as housing quality, access to drinking water, good sanitation and electricity for lighting, the index of generalized deprivation of SC and ST communities in Thiruvananthapuram district was 54.4 *per cent* and 60.1 *per cent* respectively. Among the 14 districts in the State, Thiruvananthapuram district was ranked thirteenth and tenth respectively in the overall development status of SCs and STs.

The Housing Scheme implemented in the district by the SC/ST Development Department during the period 2007-2012 was reviewed and the results are given below:-

2.1.8.1 Housing scheme to Scheduled Castes

The implementation of Housing scheme for the benefit of the SC population in the district was entrusted to the District Development Officer (DDO). According to the terms and conditions of the scheme, the beneficiaries were

required to construct the houses of the required plinth area on receipt of the assistance. The financial assistance provided for each house with a minimum plinth area of 323 sq. ft. was ₹ 75,000 (2007-09), ₹ one lakh (2009-11) and ₹ two lakh (2011-12). The assistance was to be disbursed to the beneficiaries in four instalments based on stage-wise progress of construction certified by the Scheduled Castes Development Officer (SCDO).

During 2007-12, ₹ 44.78 crore were spent under the housing scheme for SCs and the details of houses sanctioned and their status of construction as on 31 March 2012 were as detailed below:

Table 2.15: Details of implementation of housing scheme to SCs.

Year	Number of houses		
	Sanctioned	Completed as on 31 March 2012	Incomplete as on 31 March 2012
2007-08	1779	1691	88
2008-09	1765	1597	168
2009-10	1429	1216	213
2010-11	833	583	250
2011-12	330	51	279
Total	6136	5138	998

Source: Departmental figures

There was inordinate delay in completion of houses under the Housing Scheme to SCs

The inordinate delay in completion of houses by the beneficiaries indicated that the department had no proper mechanism to sort out the various problems faced by the beneficiaries and give timely assistance for completion of houses.

The District Development Officer for SCs stated (February 2012) that the non-completion of houses was due to non-availability of building materials and labourers.

The reply is not convincing as the department did not extend any assistance to resolve the problems faced by the beneficiaries in completion of the houses.

A detailed scrutiny of records relating to the implementation of the scheme in Nedumangad Block showed that 44 out of 50 houses sanctioned during 2009-10 and 33 out of 40 houses sanctioned during 2010-11 were completed as of September 2012. The results of scrutiny are given in the following paragraphs:-

(i) Selection of beneficiaries

According to the rules for implementation of housing schemes under the Scheduled Castes Development Department, the application once received was required to be registered in the registers specially kept for the purpose and the same was to be kept till all the eligible applicants were sanctioned grant. Application received from those who had not applied previously were to be added to the list. The DDO after due enquiry through the Scheduled Castes Development Officer (SCDO)/Block Extension Officers was required to display the list of all applicants including those who were not eligible for the grant before the District Level Working Group (DLWG). The DLWG was first required to fix the number of houses for each Taluk on the basis of Taluk wise population of SCs. The ultimate selection of beneficiaries in each Taluk was to be made by drawing lots. Based on the above, the DLWG was to select the beneficiaries in one sitting.

- During 2009-10 and 2010-11, the Director issued directions for selection of beneficiaries from the list prepared by the GPs and in case of non-receipt of beneficiary lists from the GPs, the department was to select the beneficiaries directly. Out of the total 90 beneficiaries selected in 2009-10 and 2010-11, six were selected from the lists of the GPs and the remaining 84 were selected by the Department. For the selection of 84 beneficiaries, the Department did not follow the procedure laid down in the rules. There was no advertisement/wide publicity for inviting the applications and no documentation for the number of applications received/rejected with reasons thereof. Report of SCDO in support of eligibility of the applicants was missing in all the applications. In the applications, data relating to marital status of the applicant (even the column was not provided), full address of the present residence, relationship of legal heir to the applicant were not furnished. In most of the cases, possession certificate, identity proof, copy of ration card, certificate from GP with regard to non-availing of financial assistance for the purpose under any other scheme by the applicant and spouse, etc., were not attached.

The above deficiencies indicated that the selection of beneficiaries was not done in a fair and transparent manner.

The District Development Officer (DDO) for SCs stated (August 2012) that the department had invited applications in 2009-10 by advertisement in newspapers and a list was prepared based on the information collected and the selection of beneficiaries for 2009-10 and 2010-11 was made from the list so prepared. However, no documents in support of selection of beneficiaries from the list approved by the Department were produced by the SCDO, Nedumangad.

(ii) Execution and Completion

The houses are required to be constructed according to approved type, design and specification. On completion of work in all respects, the SCDO should issue the completion certificate in the prescribed form. The SCDO had not issued completion certificates in the cases recorded as completed. No verifiable documents such as photograph of the completed structure, notice from Panchayat allotting house number, etc., were kept by the SCDO.

The above deficiencies indicated that there was no assurance for actual completion of the structure according to the approved design/specification and the grant disbursed was utilized to the full extent in construction.

While accepting the audit observations, the DDO stated (August 2012) that in future, the fourth instalment would be released only on ensuring the completion of the house by the site inspection by the SCDO and the other points as made by audit such as stage wise completion of houses along with the photographs, details of allotment of house numbers by the local bodies and other documents in proof of completion would also be ensured.

2.1.8.2 Housing Scheme to Scheduled Tribes

The housing schemes to STs were implemented in the district through the Project Officer, Integrated Tribal Development Project (ITDP), Nedumangad. The rates of assistance were ₹ 1,00,000 (2007-09), ₹ 1,25,000 (2009-11) and ₹ 2,50,000 (2011-12).

During the period 2007-12, 195 houses were sanctioned to STs and ₹ 2.99 crore were spent on the construction. Year-wise details of houses sanctioned and the status of construction were as detailed in **Table 2.16**:

Table 2.16: Details of implementation of housing scheme to STs.

Year	Number of houses		
	Sanctioned	Completed as on 31 March 2012	Incomplete as on 31 March 2012
2007-08	16	14	2
2008-09	13	11	2
2009-10	55	40	15
2010-11	51	46	5
2011-12	60	10	50
Total	195	121	74

Source :Departmental figures

The Project Officer, ITDP stated (January 2011 and February 2012) that non-completion of houses was due to insufficient financial assistance from the Government, the difficulty in transportation of materials in respect of beneficiaries in hilly interior areas, lack of interest on the part of beneficiaries to complete the work in time due to non-availability of building materials and huge rise in labour charges.

The reply indicates that the department is not initiating steps to study the deficiencies in the project and take remedial measures to make the scheme more viable to ensure that the beneficiaries get a completed dwelling unit of the prescribed size.

Economic Services

A review of implementation of various programmes for the development of infrastructure, schemes for upliftment of life of rural people such as Member of Parliament Local Area Development Scheme, National Horticulture Mission, Protection of River Banks, Western Ghat Development Programme etc., was conducted, and the audit findings in this regard are discussed below.

2.1.9 Member of Parliament Local Area Development Scheme

Member of Parliament Local Area Development Scheme (MPLADS) was introduced in December 1993 to enable MPs to recommend works of developmental nature with emphasis on the creation of durable assets based on the local needs in their constituencies. It is a scheme fully funded by GOI with annual entitlement of ₹ two crore per MP and the amount released directly to the District Authority in two equal installments. The District Collector was responsible to implement MPLADS in the district through implementing agencies such as LSGIs, Government Departments, Government agencies etc., as per the guidelines issued by GOI.

During 2007-12, an amount of ₹ 16.43 crore was spent against the available fund of ₹ 23.81 crore and an unspent balance of ₹ 7.38 crore was available as on 31 March 2012.

Audit scrutinized records relating to implementation of MPLADS in respect of the two Parliamentary constituencies in the district viz. Thiruvananthapuram and Attingal (formerly Chirayinkil) under 14th and 15th Lok Sabha and the status of works sanctioned upto 2011-12 as on March 2012 was as given in **Table 2.17:**

Table 2.17: Status of works sanctioned under MPLADS as on 31 March 2012

(₹ in lakh)

Name of Lok Sabha	Year	Works recommended		Works sanctioned		Works completed		Works not completed	
		Number	Cost	Number	Cost	Number	Expenditure	Number	Expenditure
14th LS	2004-05	79	503.33	49	394.11	**47**	362.45	2	
	2005-06	99	436.58	67	393.27	**65**	306.77	2	
	2006-07	118	494.30	63	427.87	**60**	371.72	3	1.60
	2007-08	95	430.08	67	400.81	**65**	344.44	2	
	2008-09	154	615.15	77	447.44	**76**	368.31	1	12.75
Total		**545**	**2479.44**	**323**	**2063.50**	**313**	**1753.69**	**10**	**14.35**
15th LS	2009-10	76	485.00	52	352.29	**35**	172.18	17	24.81
	2010-11	88	512.00	54	277.82	**23**	89.01	31	17.25
	2011-12	171	1310.00	87	605.65	**3**	21.89	73	25.22
Total		**335**	**2307.00**	**193**	**1235.76**	**61**	**283.08**	**121**[24]	**67.28**

Source: Monthly Progress Report (MPR)

On a scrutiny of relevant records, Audit noticed the following:

There was inordinate delay in sanctioning and completion of works in MPLAD Scheme.

- As per scheme guidelines, administrative sanction was required to be accorded within 45 days of receipt of proposal from the MP concerned. Audit, however, noticed that there was delay which ranged upto two years in sanction of 388[25] works.

- As per guidelines, the time of completion of a work shall not generally exceed one year. However, 10 out of 323 works of 14th Lok Sabha, (sanctioned during 2004-09), and 48 out of 106 works of 15th Lok Sabha (sanctioned in 2009-11), remained incomplete as of March 2012 even after the stipulated time of completion of one year.

The DPO stated (March 2012) that the delay in commencement and completion of work was due to (i) non-receipt of estimates in time (ii) delay in getting technical sanction even after issue of administrative sanction (iii) natural calamities like rain, flood and (iv) court stay.

- Construction of a building for Primary Health Centre, Aruvikkarakonam taken up in 2006-07 (cost: ₹ eight lakh) was left in an abandoned stage up to plinth level due to protests from local people (expenditure: ₹ 1.54 lakh). A joint verification by the Audit team with the Block Development Officer, Kazhakkoottam confirmed the above status of

[24] Status of 11 works was not shown in the MPR.
[25] Source: MPLADS website data as on 14 March 2012.

work. The facility of a PHC to the local population thus remained unfulfilled.



Abandoned work of Primary Health Centre at Aruvikkarakonam.

Two other works of construction of buildings at Cheruvarakonam for Anganwadi and Samskarika Nilayam were abandoned by the convenors concerned due to court cases.

- The second instalments in respect of two MPs of 14th Lok Sabha (₹ two crore) was not received. Out of this ₹ two crore, ₹ 1.20 crore (₹ 60 lakh each) were received subsequently during the period of 15th Lok Sabha, as share of re-distribution made by GOI. Thus, the people of the district were deprived of the benefit of developmental works costing ₹ 80 lakh.

- The District Authority was required to get a firm commitment in advance about the operation, upkeep and maintenance of the proposed assets from the user agency concerned before the execution of the work was sanctioned. But, the required consent was not being obtained from the user agencies.

The DPO stated (June 2012) that if the procedure was followed, it would lead to inordinate delay in the execution of works, and hence a policy decision at Government level is needed. But the guidelines of the scheme stipulated this requirement and hence the reply of the DPO is not in consonance with the guidelines.

2.1.10 Horticulture Mission

The State Horticulture Mission (SHM) was introduced in 2005-06 to implement the National Horticulture Mission programme, a Centrally Sponsored Scheme. The objectives of the mission were to provide holistic growth of the Horticulture to enhance income support to farm households and to create opportunities for employment generation. SHM is headed by the Mission Director at the State level. The District Horticulture Mission(DHM) with Principal Agricultural Officer (PAO) as the Vice-Chairman and the Deputy Director of Agriculture (Horticulture) as the Member Secretary implements the programme at the district level. The programme was implemented through Krishi Bhavans.

2.1.10.1 Planning

Annual Action Plan for the district prepared by DHM was approved by the Director, State Horticulture Mission. Targets were allotted to the District Horticulture Mission by the Director based on the Annual Action Plan. The mission period was 2005-11 (which was extended up to 2017).

2.1.10.2 Implementation

During 2007-08 to 2011-12, the District Mission implemented SHM programme at a total cost of ₹ 10.97 crore. The targets and achievements in respect of certain major components of the programme namely, (i) Production of planting material; (ii) Establishment of new gardens; (iii) Rejuvenation of senile plantation; (iv)Integrated nutrient/pest management (v) Organic farming; (vi) Integrated post harvest management and (vii) Establishment of marketing infrastructure for the period 2005-12 were as detailed in **Appendix 2.3.**

The following observations were made in audit:-

- The achievements were far below the targets fixed. The shortfalls varied from 100 to two *per cent*.

There was no achievement in the components 'Establishment of marketing infrastructure' and 'Integrated post harvest management'

- There was no achievement under the components of (i) Model Nursery - Private Sector and Small nursery –Public Sector under Production of planting material (ii) Rehabilitation of tissue culture units (iii) Plant health clinic, Disease forecasting unit, Leaf/Tissue analysis unit and Bio-control laboratory under Integrated Nutrient/Pest Management (iv) Pollination support (v) Integrated post harvest management and (vi) Establishment of marketing infrastructure.

The Deputy Director stated (October 2012) that the shortfall in achievement was due to shortage of staff and lack of awareness among the farmers regarding the benefits of the schemes.

Thus, the objectives of the mission to enhance income support to farm households and to create opportunities for employment generation for the farmers remained unfulfilled to a large extent.

2.1.11 Protection of river banks

The Government enacted 'The Kerala Protection of River Banks and Regulation of Removal of Sand Act, 2001' to protect river banks and river beds from large scale dredging of river sand, to protect their biophysical environment system and regulate the removal of river sand. The Grama Panchayat (GP) or Municipality was required to make necessary arrangement to carry out the sand removal operations by obtaining passes from the Geology Department. Audit noticed that the DC had not identified any 'kadavu[26]' for

[26] A river bank where removal of sand is carried out.

sand removal and no passes were issued by the Geology Department for sand removal in the district.

The DC admitted that illegal sand mining was rampant in the district. Joint verification of sites by the Audit team and the Village Officers concerned where illegal sand mining was reported, revealed the following:-

- At Thrikkannapuram 'kadavu' on the banks of Karamana River in Thirumala village, cleaning of illegally mined sand was noticed. Several mounds of extracted sand were also seen on the banks indicating clear signs of illegal mining.




Illegal sand mining at Thrikkannapuram Kadavu on the banks of Karamana river

- At the Tagore 'kadavu' on the banks of Karamana River in Thirumala village, an exposed concrete retaining wall of a private construction was noticed in close proximity to the river, encroaching upon the river bank.



Exposed concrete retaining wall in close proximity in encroached river bank

- At Karimpali 'kadavu' in Poozhikunnu in Nemom village illegal sand mining to an alarming extent was noticed. Audit team noticed a motor pump kept hidden on the shore which was used to pump river water to the sand on the bank so as to make it wet and clogged to facilitate easy extraction.





Illegal sand mining at Karimpali kadavu in Poozhikunnu in Nemom Village

The District Authority registered 2,066 cases of illegal sand mining during 2005-10 indicating rampant illegal sand mining in the district. It was also seen that 1818 vehicles and 95 country boats were confiscated and an amount of ₹ 4.49 crore was realized on account of fine and the sale proceeds of the sand confiscated in the raids.

The DC stated (July 2012) that Taluk level squads under the leadership of Tahsildar had been constituted to check illegal sand mining and direction given to the police to provide necessary protection to the said squad during raids.

2.1.11.1 River Management Fund

Only ₹ 1.83 crore was utilised out of ₹ 9.50 crore available in RMF

Rule 22 of the Kerala Protection of River Banks and Regulation of Removal of Sand Rules 2002 provided that the DC shall constitute a fund called 'River Management Fund' (RMF) to meet all necessary expenses required for management of 'kadavu' such as closing the 'kadavus', constructing protection walls for 'kadavus', measuring the quantity of sand from time to time, implementation of River Development Plan etc. The funds consist of (i) 50 *per cent* of the amount collected by LSGIs through sale of sand (ii) grants given by Government to implement river bank development plan and (iii) penalties imposed under the provisions of the Act/Rules etc. However, Audit noticed that only ₹ 1.83 crore was utilized during 2007-12 for the above purposes against the available fund of ₹ 9.50 crore. Thus, there was failure to utilize (₹ 7.67 crore) substantial part of available funds under RMF.

The district authority failed to control illegal mining of river sands and also failed to utilise substantial part of available funds under RMF.

2.1.12 Western Ghat Development Programme (WGDP)

The Western Ghat Development Programme (WGDP), a Centrally Sponsored Scheme was implemented in the State from July 2002. The objectives of the programme include integrated development of Western Ghat region on compact watershed basis with priorities of eco-development and eco-restoration, preservation of bio-diversity of the region, etc.

The Western Ghat Cell in the Planning and Economic Affairs Department is in charge of coordinating the implementation, monitoring and evaluation of the programme in the State. At the district level, there is a District Level Coordination Committee (DLCC) with DC as the Chairman and DPO as the convener for identification of watersheds and approval and monitoring of projects. The Grama Panchayat (GP) was responsible for preparing detailed projects under the guidance of DLCC and with the full participation of the farmers. The GP would be the implementing agency.

The State Planning and Economic Affairs Department allots the fund to each DC and the DC will release fund to GP, which was kept in the joint bank account in the name of GP President and the Agricultural Officer of the GP.

The progress report of fund utilization under WGDP in the district as on 31 March 2012 showed that 23 projects were sanctioned from 2002-03 onwards. The fund allotted for these projects upto 2011-12 was ₹ 7.40 crore out of which the expenditure incurred was ₹ 2.29 crore only as detailed in **Table 2.18**:

Table 2.18: Details of projects taken up under WGDP

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
No. of projects sanctioned (2002-12)	3	4	1	1	3	2	-	3	3	3	23
Allotment upto 2011-12 (₹ in crore)	1.18	0.96	0.15	0.41	1.39	0.86	-	1.20	0.79	0.46	7.40
Expenditure upto 2011-12 (₹ in crore)	1.13	0.52	0.14	0.41	0.07	0.02	-	-	-	-	2.29

Source: Figures compiled by Audit from the Monthly Progress Report of WGDP supplied by DPO

Under WGDP, 23 projects were sanctioned from 2002-03 onwards and all the 23 remained incomplete even after spending ₹ 2.29 crore

A watershed project was to be completed in a period of three years in a phased manner. However, all the 23 projects sanctioned in 18 GPs remained incomplete as of March 2012. It was seen that no expenditure was incurred for nine projects sanctioned during 2009-12. The expenditure incurred during 2007-12 was only ₹ 0.17 crore (**Appendix 2.1**) and an unspent balance of ₹ 5.11 crore is lying with the implementing officers. This indicated lack of monitoring in the implementation of the programme

The District Planning Officer who is the convener of the DLCC assured that measures were initiated to strengthen the implementation of the programme by conducting regular review of implementation by DPO at watershed committee level meetings, district level and at the DLCC. Regarding monitoring, the DPO also stated that measures were being initiated to strengthen the mechanism of DLCC. However, no work was completed so far. The DPO did not furnish any specific reply in this regard (June 2012).

General Services

2.1.13 e-Literacy (Akshaya)

The Government accorded sanction (March 2007) for Akshaya Project to provide Information Communicational Training (ICT) to all sections of the

society and the project was introduced in the district in 2007. The Project aimed at generation of economic growth, creation of employment, providing training centres for IT literacy campaign and establishment of IT dissemination nodes and service delivery points to the common man. Under the project, at least one person in every family was to be given functional IT literacy training, through the Akshaya Centres to be set up in selected places. The cost of training per person was ₹ 120 of which the share of LSGIs was ₹ 80 and the share to be collected from the beneficiaries was ₹ 40. Share of LSGIs was to be credited to the Special Treasury Savings Bank Account (TSB) of the District Collector who is the Member Secretary of the DPC.

Only ₹ six lakh out of ₹ 4.90 crore was utilised for implementing the scheme and only less than one *per cent* of the households were benefited.

During 2007-12 an amount of ₹ 4.90 crore was received from the LSGIs out of which only ₹ six lakh was utilised and ₹ 4.84 crore remained as unspent balance in the TSB account. Of the total households of 7,54,112, only 6,715 were covered under Akshaya project as on 31 March 2011, the achievement being less than one *per cent*.

The Assistant District Coordinator, Akshaya stated (June 2012) that people were not willing to undergo training on computer education through Akshaya centres as atleast one member of a family was e-literate through IT@school and other agencies.

This indicated that the project was conceived without a proper pilot study or requirement analysis resulting in blocking of funds to the tune of ₹ 4.84 crore as of March 2012.

2.1.14 Conclusion

Integrated District Development Plan for the district and Local Development Plan for each LSGI were not prepared, though the State Government had issued directions in February 2007. In the absence of IDDP and LDPs, the district level developmental issues and scope were not identified. There was no system in place at the district level to have a consolidated statement of the year-wise funds received and utilised under various schemes implemented in the district. Adequate infrastructure and manpower were not available in CHCs/PHCs and hence desired health care services especially delivery services were not provided in the centres. Despite the intervention of SSA, the strength of students in Government/Aided schools showed a decreasing trend mainly due to the preference of the people to Unaided English Medium Schools. This indicated that the education imparted does not meet the aspirational needs of the parents. Inordinate delays were noticed in completion of water supply schemes, housing scheme by SC/ST Development Department for SCs/STs, works under MPLADS and WGDP. There was failure to utilise substantial part of available funds under RMF. Taking up of the e-Literacy project in the district without a requirement analysis resulted in non-utilisation of the funds.

2.1.15 Recommendations

- The Government should ensure the preparation of IDDP and LDPs for the district so as to identify the district level developmental issues and scope.
- There should be a system in place at the district level to have a consolidated statement of funds received, utilized and status of implementation of each programme/scheme for effective monitoring.
- The Government should strengthen the functioning of CHCs and PHCs by providing required manpower and infrastructure.
- Remedial action may be taken to restrict the migration of students from Government/Aided schools to Unaided English Medium schools after analyzing the reasons and considering the aspirational needs of parents.
- Database on child population needs to be prepared and updated to monitor the targets and achievements.
- The District Administration should take urgent measures for early completion of projects taken up under ARWSP and ensure water quality by effective rectification measures and follow up taken on adverse water quality results.
- The District Authorities should ensure timely completion of houses sanctioned under the Housing Scheme to SC/STs, works sanctioned under MPLADS and Watershed projects sanctioned under WGDP.

SOCIAL WELFARE DEPARTMENT

2.2 Integrated Child Development Services

Highlights

The Integrated Child Development Services launched in 1975 aims at holistic development of children up to six years of age, adolescent girls, pregnant and lactating mothers by providing a package of services like supplementary nutrition, immunisation, health check up, nutrition and health education, etc. The review revealed deficiencies in the implementation of the scheme such as delay in release of funds for scheme implementation, failure to cover the entire targeted population, etc., thereby defeating the basic objectives of the Scheme. Contrary to Government of India guidelines, Take Home Food delivered to children between six months and three years in the State was not fortified with micro-nutrients.

The department was not preparing any long term perspective plan. In the absence of the plan, there were deficiencies in creation of new AWCs and insufficiencies in the delivery of services to beneficiaries in various components in ICDS .

(Paragraph 2.2.6)

There was a shortage of 8,619 Anganwadi Centres (21 per cent) in the State. Fourteen additional Anganwadi Centres (AWCs), sanctioned in 2005 by GOI, were yet to be operationalized.

(Paragraph 2.2.8.2)

Many functional AWCs in the test checked ICDS projects were functioning in rented premises and lacked basic infrastructure facilities like safe drinking water, toilets, etc.

(Paragraph 2.2.8.2)

The percentage of child population who were not immunized against Polio and DPT in Palakkad and Malappuram districts were respectively 36 and 31.

(Paragraph 2.2.9)

The objective of universalization of Supplementary Nutrition Programme was not achieved as 56 to 66 per cent of the identified beneficiaries were not covered under the Scheme.

(Paragraph 2.2.11.1)

The percentage of malnourished children below the age of six years in the State ranged between 27 and 39. Test check of records in Idukki, Malappuram, Palakkad and Thiruvananthapuram districts indicated that 110 out of 1180 children who died during 2011-12, were severely malnourished.

(Paragraph 2.2.11.3)

GOI guidelines stipulating periodical weighment of child beneficiaries under Supplementary Nutrition Programme to assess their nutritional status was not adhered to during 2007-12.

(Paragraph 2.2.11.3)

Take Home Ration (THR) valued at ₹ 257.38 crore was purchased from an agency which did not possess the mandatory BIS certification. It was also noticed that an amount of ₹ 22.44 crore was overcharged by the supplier. In a number of cases, test results of the samples of the product were stated to be not satisfactory.

(Paragraph 2.2.12)

2.2.1 Introduction

The Integrated Child Development Services (ICDS) is a Centrally sponsored scheme (CSS) launched in 1975, designed to promote the holistic development of all children below six years, expectant and lactating mothers and adolescent girls of 11-18 years.

The objectives of the ICDS are:-

(i) to improve the nutritional and health status of children in the age group of six months to six years;

(ii) to lay the foundation for proper psychological, physical and social development of the child;

(iii) to reduce the incidence of mortality, morbidity, malnutrition and school dropouts;

(iv) to enhance the capability of the mother to look after the normal health and nutritional needs of the child through proper nutrition and health education; and

(v) to achieve effective co-ordination and implementation among the various departments to promote child development.

These objectives are to be achieved through a package of services comprising Supplementary Nutrition, Immunisation, Health Check-up, Nutrition and Health Education and Non-formal Pre-school Education of children between three and six years.

2.2.2 Organisational Setup

The Principal Secretary, Social Welfare Department is the administrative head for overall implementation of the programme in the State. The Director, Social Welfare is the implementing and coordinating officer who is assisted by an Additional Director, one Joint Director and an Assistant Director. The programme is implemented in the districts by the District Programme Officer (DPO), who is assisted by Child Development Project Officers (CDPOs) and Supervisors. The ICDS services are delivered through Anganwadi Centres (AWCs) by engaging trained female workers designated as Anganwadi Workers (AWWs) and Anganwadi Helpers (AWHs) on honorarium basis.

2.2.3 Audit Objectives

The objectives of the performance audit were to assess and evaluate whether the:-

- planning was effective and adequate;

- entire eligible population was covered under the scheme;
- allotment of funds were adequate and its utilization was economic, effective and efficient for achieving the scheme objectives;
- required infrastructure facilities were adequate for delivery of quality services;
- delivery of services under various packages under ICDS were provided effectively and economically;
- staff was adequate and their deployment was as per requirement;
- system of monitoring and evaluation was in place and effective; and
- recommendations of the Public Accounts Committee were complied with in respect of PAC Report No. 157 for the period 2008-11.

2.2.4 Audit Criteria

Appropriate criteria from the following were adopted for the Performance Audit:

- Census Report of GOI and circulars issued by GOI and orders of the Supreme Court on universalisation of ICDS services;
- Government of India Orders releasing funds, monthly progress reports of expenditure, etc.;
- Guidelines and instructions issued by GOI for delivering different services under ICDS;
- Recommendations of Public Accounts Committee Reports in respect of Social Welfare Department;
- Prescribed norms for staffing; and
- Monitoring mechanism instituted by the State Government.

2.2.5 Scope and Methodology of Audit

A performance audit covering the period 2007-12 was conducted between April-July 2012 to assess the efficiency, economy and effectiveness in implementation of the various components of ICDS. Audit involved the examination of records of Government in the State Secretariat, Directorate of Social Welfare, District Programme Offices, Child Development Projects, and AWCs. Photographic evidence and physical verification were also taken into consideration to substantiate audit evidences. Selection of districts and the projects was done on Simple Random Sampling method using a random number generator. Four districts, 12 Child Development Project Offices, four[27] Local Self Government Institutions, 60 AWCs and four[28] Amrithum

[27] LSGIs at Nedumangad, Attappadi, Vengara and Thadiyampad.
[28] Nutrimix unit at Thekkumkad, Vanitha Vyavasaya Nutrimix, Pooriyad, Nutrimix unit at Thodupuzha, Nutrimix unit at Attappady.

Nutrimix units were selected for detailed scrutiny of records and documents. Incidentally, two selected districts (Malappuram and Palakkad) happened to be the members of the 51 most backward districts in the country selected by GOI for the implementation of Nutritional Programme for Adolescent Girls. The methodology of the performance audit was explained to the Officers of the State Government in the Entry Conference held in April 2012. The audit findings and conclusions were discussed at an exit meeting held in August 2012 and response of the Government incorporated suitably.

2.2.6 Planning

Proper planning and survey of beneficiaries are imperative for achieving the objectives of programmes/schemes. It was observed that regular surveys of children within the age group of three months to six years and lactating and pregnant mothers were being carried out by AWWs. There are no schemes to cater to the physical and psychological needs of girls in the age group of six to 10 years. Kishori Sakthi Yojana, a scheme to impart non-nutritional education and psychological development of girls in the age group is in operation since 2000 and Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA) was introduced by GOI (September 2010) for covering the nutritional and non nutritional needs of girls aged between 11 and 18 years and has been in operation only in four[29] districts of Kerala. Surveys to identify the women in the age group of 19-45 years for education about the importance of nutrition and health care, as envisaged in the scheme were not conducted by the department.

The services under the ICDS package are delivered through AWCs. Infrastructure like buildings for AWCs along with facilities of drinking water, toilets, tables and chairs, toys, etc., were to be created for efficient and smooth delivery of quality services.

A long term Perspective Plan was essential to provide the envisaged facilities within a specific timeframe. It was, however, noticed that though the scheme was being implemented in the State since 1975, the department had neither prepared any Perspective Plan nor any Annual Plan for providing these facilities in the centres. In the absence of these two plans, the department was not in a position to assess the requirements of new AWCs, enhancement of the facilities in AWCs, shifting of AWCs from rented buildings to own building, improve the delivery of services and coverage of population.

2.2.7 Financial Management

The Integrated Child Development Services was a hundred *per cent* GOI funded Scheme up to the year 2008-09 and thereafter in the ratio of 90:10 (GOI: State Government). The expenditure on Supplementary Nutrition Programme (SNP) was borne by Government of India and the State Government on 50:50 basis (from 2006-07 onwards).

[29] Idukki, Kollam, Malappuram and Palakkad districts.

During the five year period 2007-12, an amount of ₹ 1,446.38 crore was spent against a sum of ₹ 1,465.07 crore provided in the State budget, including the GOI releases of ₹ 1,186.02 crore for implementing the programme. Details of financial assistance received from GOI and State Government and expenditure incurred on the scheme during the years 2007-12 are given in **Appendix 2.4.**

The State Government initially allocates funds in the State budget every year for scheme implementation. The State Government submits quarterly claims along with statement of expenditure and utilization certificate to GOI for assistance and it is received as reimbursement of expenditure.

Expenditure on Supplementary Nutrition Programme in the State was initially met by the Local Self Government Institutions (LSGIs). In rural areas, the expenditure on SNP was borne by Grama Panchayats and Block Panchayats in the ratio of 2:1, while in urban areas, the entire expenditure was initially met by the Municipalities/ Corporations. Each CDPO quarterly submits the statement of accounts to the Director of Social Welfare Department. The department after verification of the accounts releases allotments to CDPOs and the CDPOs pass on the share to LSGIs.

During the period under review, GOI also provided funds for the following programmes, benefiting ICDS beneficiaries:

- Nutrition Programme for Adolescent Girls (NPAG) – GOI assistance released as 100 *per cent* grant (Special Additional Central Assistance) to the State Government to enable lifting of rice allotted by GOI from Food Corporation of India and its distribution to the targeted beneficiaries, free of cost, through the Public Distribution System.

- Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA)- The scheme comprised non-nutritional (100 *per cent* GOI assistance) and nutritional components (shared equally by GOI and the State Government).

- Kishori Shakti Yojana (KSY) – GOI assistance of ₹ 1.10 lakh per ICDS project released as 100 *per cent* grant-in-aid to the State Government to enhance the nutritional and health status of adolescent girls.

- Indira Gandhi Matritva Sahayog Yojana (IGMSY) – A CSS launched in 2010-11 with full grant-in-aid to State Government. Identified pregnant women and lactating mothers of Palakkad district in Kerala were to be given cash incentive of ₹ 4,000 in three instalments, subject to fulfilment of specific conditions.

- Project 'UDISHA' – A 100 *per cent* GOI assisted training programme for ICDS personnel till the year 2008-09. From 2009-10 onwards, GOI assistance was to the extent of 90 *per cent* and the balance 10 *per cent* to be met by the State Government.

2.2.7.1 *Parking of funds in TSB Account*

- ICDS guidelines provided financial assistance for the purchase and supply of pre-school kits to all AWCs every year. Audit noticed that an amount of ₹ 3.29 crore allotted in the budget as assistance from GOI for the purchase and supply of pre-school kits during 2010-11was drawn and deposited in the TSB account of the Director of Social Welfare in March 2011 to avoid the lapse of funds. During the year, the purchase was not made as the tender process was challenged in the court by the tenderers. The Director of Social Welfare also presented false statement of expenditure and Utilization Certificate for ₹ 2.97 crore out of ₹ 3.29 crore to GOI and an amount of ₹ 2.32 crore was expended for the purchase of kits for the year 2011-12. The amount remained in the account since March 2011. The procedure adopted by the Director was totally irregular and a clear violation of the ICDS guidelines.

While accepting the audit observation, the department assured (August 2012) that care would be taken to avoid such instances in future.

GOI assistance of ₹ 54.52 crore for Supplementary Nutrition was withdrawn for construction of AWCs

- In 2011-12, it was seen that ₹ 54.52 crore meant for Supplementary Nutrition Programme was withdrawn (February 2011) from Government accounts and deposited in TSB Account of the Director of Social Welfare for construction of Anganwadi buildings. The amount was shown as spent on SNP in the Quarterly Progress Report submitted to GOI, but the fact remains that the amount is still lying in the TSB account .

Department stated (August 2012) that GOI had permitted (February 2010) to use the savings from SNP for construction of Anganwadi buildings.

At the exit meeting (August 2012), the State Government admitted that the letter of February 2010 was only an opinion and not an explicit approval of GOI to divert SNP funds for construction of AWCs.

2.2.8 Infrastructure

The department had not made fully operational Anganwadi centres and the shortage in number of ICDS projects was commented in the Audit Report for the year ended 31 March 2007. Shortage in the number of ICDS projects/AWCs to be operated as per 2011 census is as discussed below:-

2.2.8.1 *ICDS Projects*

According to the prescribed norms, the Community Development Block in a State should be the unit for sanction of an ICDS project in rural/tribal areas, irrespective of the number of villages/population in it, whereas in the urban areas, there should be a project for every one lakh population. As per the 2011 census, Kerala had a population of 333.87 lakh (urban: 159.32 lakh and rural: 174.55 lakh). There are 152 Community Development Blocks in the State.

Based on the norms, there should be at least 311 ICDS projects against 258 currently operational in the State.

Department stated (August 2012) that it was not practicable to strictly adhere to the population norms for operationalising Anganwadi Centres as the population of children up to six years was declining and that pregnant women, lactating mothers and adolescent girls did not avail of services provided by AWCs due to lack of awareness among the targeted beneficiaries and creation of awareness among them would result in enhanced attendance in AWCs.

However, the State being the overall administrator of the scheme, it was responsible for creation of awareness among the targeted population.

2.2.8.2 Anganwadi Centres

Number of Anganwadi Centres was less than what was required

- According to the prescribed norms[30], 41,734 AWCs was required as on March 2012 against the 32,986 AWCs and 129 mini AWCs sanctioned resulting in a shortfall of 8,619 AWCs in the State.

- Fourteen AWCs sanctioned by GOI in 2005 in Munnar Grama Panchayat in Idukki district, were yet to be operationalised.

Department stated (August 2012) that the AWCs were not operationalised due to non-appointment of Anganwadi workers and helpers and action had been initiated to obtain consent from Munnar Grama Panchayat to shift these AWCs to needy places.

- In April 2007, for the third phase of expansion of ICDS, GOI directed State Government to furnish specific requirement of additional projects, Anganwadi Centres (AWCs) and mini AWCs in predominantly SC/ST/minority habitations. The CDPOs after consultation with the Panchayati Raj Institutions, projected a requirement of 5,079 AWCs and 129 mini AWCs. However, State Government sought only 871 AWCs and 129 mini AWCs, which were sanctioned by GOI in December 2008.

Department stated (August 2012) that a need based assessment of requirement of AWCs was made before seeking approval of GOI for new AWCs as opening of new AWCs involved commitment of expenditure from local bodies for providing building and other facilities.

[30] The scheme envisaged establishment of one AWC for 400-800 population in a rural/urban project and one AWC for 300-800 population in a tribal project. It also provides for one Mini-AWC for a population between 150-400.

Directions of Honourable Supreme Court of India/GOI on opening of new AWCs were not complied with

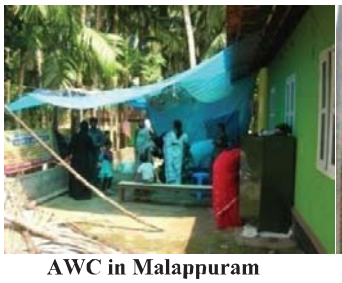
- Honourable Supreme Court directed (December 2006) that settlements of rural communities and slum dwellers which had no Anganwadi in spite of having at least 40 children under six years of age are entitled to an 'Anganwadi on Demand' within three months from the date of demand. In May 2009, GOI directed the State Government to ensure that stipulated formalities be completed on priority basis and forward proposals to GOI within a period of 45 days from the date of receipt of such demand. Proposals for 194 AWCs were received by Director of Social Welfare between July 2010 and July 2011. At least in 75 proposals, the conditions stipulated by the Supreme Court order for sanction of Anganwadi Centres on demand were satisfied. However, the Director of Social Welfare did not forward even a single proposal to the State Government for onward transmission to GOI. Thus, the vulnerable groups who had articulated the demands for an Anganwadi centre were deprived of the benefits arising from the various services provided under the programme.

The Director, Social Welfare stated (April 2012) that they were ascertaining the genuineness of each and every demand.

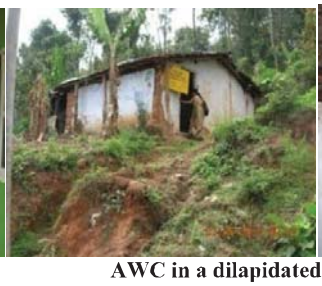
It was difficult to comprehend as to why the Director of Social Welfare was not able to assess the bonafides of even a single proposal, in the light of the Hon'ble Supreme Court's direction.

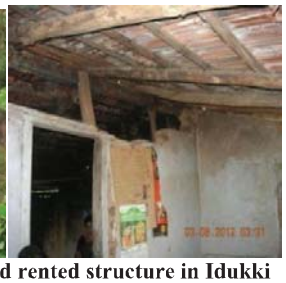
Rented accommodation

- Adequate space for play way learning and separate space for storage and cooking were essential for the effective functioning of AWCs.Out of 33,084 operational AWCs and Mini AWCs in the State, 13,100 (40 *per cent*) were functioning in rented accommodation as of March 2012. In the four test checked districts, 3,751 (33 *per cent*) out of 11,245 AWCs, were functioning in rented accommodation. It was seen that in many instances, AWCs were functioning from make shift accommodation and there was danger of the structure collapsing and posing risk to the lives of the beneficiaries/staff of these AWCs.



AWC in Malappuram



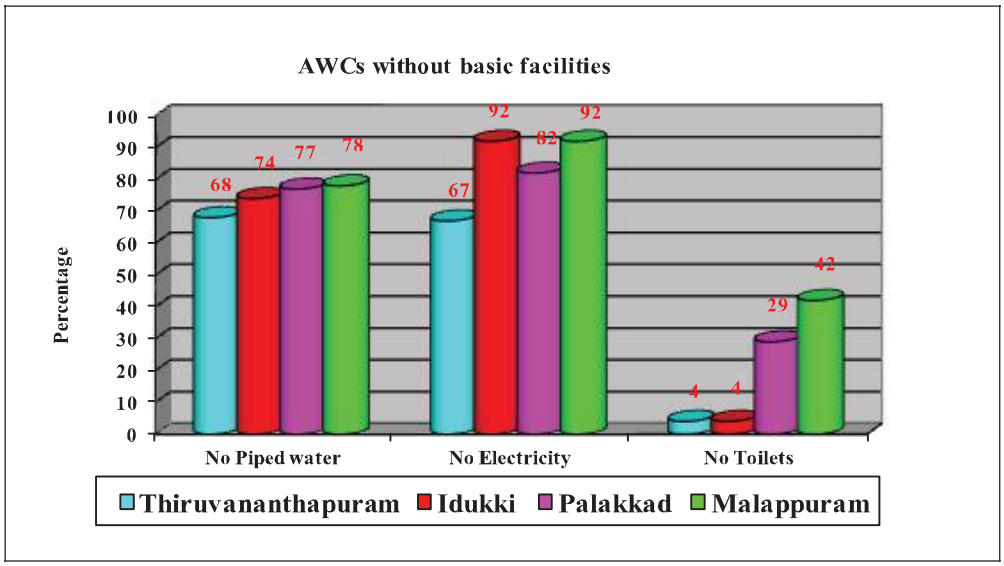


AWC in a dilapidated rented structure in Idukki

Majority of AWCs in test checked districts had no basic facilities

Electricity, piped water and toilets

The deficiencies in basic facilities such as lack of piped water, electricity and toilets were noticed in the test checked districts and the results were compiled and the percentage of deficiencies are as illustrated in the chart below:-



Source: Annual Survey Report of 2011 in respect of Thiruvananthapuram, Palakkad, Malappuram and information received from DPO, Idukki

- Only four *per cent* of the AWCs in Idukki and Thiruvananthapuram districts were without toilets. However, the facility of drinking water and electricity was not available in majority of AWCs in all the four districts. Audit noticed that parents were unwilling to send their children to AWCs functioning without basic facilities and this was one of the reasons attributed for the low attendance in AWCs. The parents preferred sending their children to well-equipped pre-school institutions rather than to ill-equipped ones.

Department, while accepting (August 2012) the fact of non-availability of basic facilities in those AWCs which did not have own building, stated that since AWCs were transferred institutions, the responsibility of providing these facilities rested with the LSGIs concerned.

While Audit acknowledges that the AWCs are the transferred institutions to LSGIs, the fact remains that the Government, being responsible for overall implementation of the scheme in the State, needs to ensure that the basic facilities under the programme are made available to the targeted beneficiaries.

2.2.9 Health Care

Immunisation, health check up, referral services and treatment of common ailments were the health related services of ICDS. ICDS guidelines stipulate that during health check-up and growth monitoring, sick or malnourished children in need of prompt medical attention be referred to PHCs or their sub-centres. Health check-up service includes ante-natal care of expectant mothers, post-natal care of nursing mothers and care of newborn babies and children below six years of age. The health check-up and medical care are to be rendered by the Anxilliary Nurse Midwifes under the guidance of the Medical Officers of the PHC. The following observations are made in this regard:-

- No records were seen maintained in the test checked AWCs in respect of identified malnourished children referred to PHCs for further check-up.

In Malappuram district, less than five *per cent* of children between zero and six years and less than 12 *per cent* of pregnant women, lactating mothers and adolescent girls underwent health check-up

- In Malappuram district, only less than five *per cent* of the population of children between zero and six years of age underwent health check-up, while the percentage of population of pregnant women, lactating mothers and adolescent girls who had undergone health check-up was less than 12 *per cent*. The details of heath check-up were as detailed in **Appendix 2.5.**
- Medical Officer (MO) was to visit each sub centre under his supervision at least once in a week including the AWCs located at sub-centre/village area. It was seen that only one out of 60 AWCs test checked was visited by a MO during the period 2007-12.

The District Programme Officer (DPO), Malappuram stated that even though the Medical Officers were participating in immunization camps at selected AWCs, they were not conducting health check-up.

The reply of the DPO is not convincing as the supervision and health check-up by the Medical Officers is an important component of the services under ICDS and hence there is an urgent need for effective convergence between the Social Welfare and the Health Departments for establishing greater accountability of Medical Officers in discharge of vital health services under ICDS.

36 *per cent* children in Palakkad and 31 *per cent* in Malappuram were not immunized against Polio and DPT

- Thiruvananthapuram and Idukki districts achieved almost 100 *per cent* immunization during 2007-12.
- Thirty six *per cent* of the child population in Palakkad district and 31 *per cent* in Malappuram district were not immunized against Polio and DPT **(Appendix 2.6)**. Failure to immunize all children exposed the children to the risk of being afflicted with Diphtheria and the re-emergence of Polio in these districts.

While accepting the observations, the department stated (August 2012) that a combined effort with the Health Department would be taken up for effective immunization, health check-up and referral services.

2.2.10 Pre-school education

The ICDS guidelines stipulate that the objective of pre-schools is not to impart formal learning, but develop desirable attitudes and provide intellectual stimulation through non-formal play activities. Government of India allocation for ICDS included funds for pre-school kits also. **Table 2.19** gives details about the children enrolled in AWCs for pre-primary education in the State.

Table 2.19: Children attending AWCs

Year	No. of children attending Pre-school classes
2007-08	566415
2008-09	544979
2009-10	531096
2010-11	514040
2011-12	451171

Source: Progress Report of March of every year

- The number of children attending AWCs show a declining trend. Fifty nine out of 60 AWCs visited by audit showed poor attendance of children. The poor attendance was mainly due to the lack of infrastructural facilities mentioned in the previous paragraphs.

Accepting the poor attendance in AWCs, the department stated (August 2012) that it was due to the introduction of pre-primary schools by private English Medium schools, presence of more equipped pre-school institutions etc.

2.2.11 Supplementary Nutrition

The Supplementary Nutrition Programme is a major component of the ICDS intended to bridge the gap between the Recommended Dietary Allowance (RDA) and Average Dietary Intake (ADI) to combat malnutrition. GOI decided (2005-06 onwards) to support states up to 50 *per cent* of financial norms or 50 *per cent* of expenditure incurred by States on supplementary nutrition, whichever is less.

Mention was made in the Audit Report (Paragraph 3.1.9.1 to 3.1.9.4) for the year ended 31 March 2007 regarding the lacunae in implementation of Supplementary Nutrition Programme such as shortfall in coverage of beneficiaries, shortage in number of feeding days, food items distributed not having the stipulated nutritional value, etc. In the Action Taken Note submitted to PAC in November 2011, Government assured that necessary steps would be taken to rectify the situation. However, the shortfalls continued to exist, as discussed below:-

2.2.11.1 Coverage of beneficiaries

The ICDS guidelines prescribed that all children in the age group six months to six years, pregnant women and lactating mothers are required to be provided with Supplementary Nutrition. The coverage of beneficiaries in the State under SNP during 2007-12 is given in **Table 2.20**:

Table 2.20: Shortfall in coverage of SNP beneficiaries

(Population in lakh)

Year	Total number of eligible beneficiaries (Children between six months to six years + Pregnant & lactating women)	Number of beneficiaries covered under SNP	Shortfall in coverage of eligible beneficiaries under the SNP (*per cent*)
2007-08	31.93	14.10	17.83 (56)
2008-09	33.62	13.84	19.78 (59)
2009-10	32.24	13.52	18.72 (58)
2010-11	32.48	12.57	19.91 (61)
2011-12	32.04	10.82	21.22 (66)

Source: Data obtained from Monthly Progress Reports of the Department

There was shortfall in coverage of beneficiaries under SNP

In the test checked districts, 5.88 lakh to 7.13 lakh (ranged from 54 to 62 *per cent*) beneficiaries were not covered under SNP during the five year period 2007-12. The coverage of beneficiaries in these districts was very poor during 2011-12 as only 4.38 lakh out of 11.51 lakh (38 *per cent*) identified beneficiaries were covered. Thus, the objective of universalization of the scheme remains largely unachieved.

Department accepted (August 2012) the shortfall in coverage of eligible beneficiaries under SNP and stated that they plan to launch more awareness programmes among general public.

2.2.11.2 Interruption in feeding

GOI assistance for Supplementary Nutrition was released by State Government partially and belatedly to LSGIs

In Kerala, the Supplementary Nutrition component of the ICDS was implemented by the LSGIs. The Supplementary Nutrition Programme is a continuous programme to provide free nutrition for at least 300 days in a year. To ensure uninterrupted feeding, timely and sufficient funds were required by the LSGIs. Audit of implementation of the programme along with test check of 60 AWCs revealed the following:

- The assistance received from Government of India for implementation of Supplementary Nutrition Programme was released by State Government only partially and belatedly to the LSGIs. The percentage of non-utilisation of GOI assistance ranged between 17 and 83 every year.

Shortfall in feeding days was noticed in AWCs

- Only 20 out of 60 test checked AWCs met the GOI stipulated 300 feeding days. While 37 AWCs reported feeding days between 200 to 290 days, the remaining three centres reported 100, 115 and 159 feeding days respectively.
- Due to belated and partial release of funds, feeding interruptions were observed in all the test checked AWCs.

Government stated (August 2012) that belated release of GOI assistance would be avoided in future to ensure uninterrupted feeding to SNP beneficiaries.

2.2.11.3 Delivery of stipulated Nutritional values

The requirement of Calories and Protein per day for children, pregnant women and lactating mothers as stipulated in GOI norms is given in the **Table 2.21**:

Table 2.21: GOI stipulated norms for SNP

Type of beneficiary	Up to January 2009		From February 2009	
	Calories (Kcal)/day	Protein (gms)/day	Calories (Kcal)/day	Protein (gms)/day
Children (six to 72 months)	300	8-10	500	12-15
Severely malnourished children (six to 72 months)	600	20	800	20-25
Pregnant women and lactating mothers	500	20-25	600	18-20

Source: GOI guidelines

Children in the age group of six months to three years were required to be supplied with Take Home Ration (THR) in the form of a ready-mix product called 'NUTRIMIX' at the rate of 100 grams per day up to December 2009. This was enhanced to 135 grams per day from January 2010 onwards. Pre-school children attending AWCs were provided with morning feeding, noon feeding and general feeding (at 3 PM). Pregnant women and lactating mothers were also offered general feeding. The LSGIs were authorized to plan and procure various ingredients for preparation of hot cooked meals under SNP, based on local needs without affecting the nutritive value. The following observations were made during the course of audit:

SNP for pregnant women, lactating mothers and adolescent girls did not provide stipulated nutrient values

- Nutrient values delivered to the beneficiaries depend on the type and quantity of food items delivered to them. In respect of pregnant women, lactating mothers and adolescent girls, eight CDPOs[31] under Thiruvananthapuram, Idukki and Malappuram districts failed to deliver the requisite nutrition during 2009-12. CDPOs of Tirur and Nilambur in Malappuram district could deliver only 438 Kcal of energy per day as against the stipulated 500/600 Kcal during 2007-12.

Government stated (August 2012) that directions would be issued to LSGIs to deliver the required calorific and protein values to the beneficiaries.

- Audit noticed that many AWCs in the test checked districts had no adult/baby weighing scales or the scales available were non-functional as shown in **Table 2.22**:

Table 2.22: Availability and Status of Weighing Scales in AWCs test checked

Name of district	Number of AWCs as on March 2012	Number of functional adult scales	Number of AWCs with no/non-functional adult scales	Number of functional baby scales	Number of AWCs with no/non-functional baby scales
Thiruvananthapuram	3061	1830	1231	1039	2022
Malappuram	3805	2478	1327	2758	1047
Idukki	1547	1284	263	1245	302
Palakkad	2832	619	2213	2832	Nil

Source: Data furnished by the Department

- Audit noticed that 33 to 42 *per cent* of identified children in the State were not weighed during the years 2007-12. Out of the remaining (58 to 67 *per cent*) children weighed, 27 to 39 *per cent* were in various stages of malnourishment **(Appendix 2.7)**.

- The number of severely malnourished children in Palakkad and Malappuram districts at the end of March 2012 were 4,633 (three *per cent* of 1.37 lakh children weighed) and 2,760 (one *per cent of* 2.14 lakh children weighed) respectively.

[31] Thodupuzha, Devikulam and Idukki in Idukki, Vengara, Tirur and Nilambur in Malappuram and Parassala and Nedumangad in Thiruvananthapuram districts.

- Government of India directed (November 2008) the State Government to use World Health Organization (WHO) recommended Growth Charts which were gender specific wherein separate growth charts were prescribed for boys and girls. Growth charts (33,000 copies) printed by the State Government at a cost of ₹ 0.62 crore and delivered to AWCs to plot the weight of the child taken monthly against the age on a graph to assess the nutritional status were not gender specific and could not be used for plotting the data for boys. State Government sanctioned (August 2011) printing of 36,000 copies of rectified growth chart for boys at a cost of ₹ 0.32 crore. These charts were not yet printed and supplied to AWCs (August 2012).

Periodical weighment of pre-school children was not done

- Records indicated that during 2007-12, Supplementary Nutrition norms in respect of pre-school children were achieved in all the test checked districts and all 12 CDPOs in test checked districts delivered more than double the requirement of energy and protein during 2007-09. But growth monitoring and nutrition surveillance for assessing nutritional status and growth faltering were not done as stipulated in the guidelines by monthly weighment and close monitoring through the maintenance of growth charts for all children below five years.

Stipulation with regard to weighment of boys was not followed

- Audit noticed that the entire 60 test checked AWCs stopped recording the weight of boys from October 2010, as there was no merit in recording the weight of boys in the growth chart meant for girls. This resulted in inability to assess their nutritional status.

Out of 1,180 children who died during 2011-12 in Malappuram, Idukki , Palakkad and Thiruvananthapuram districts, 110 children were severely malnourished

- Records maintained by District Project Officers in Idukki, Malappuram, Palakkad and Thiruvananthapuram districts showed that 110 out of 1,180 children, who died during 2011-12, were shown as severely malnourished.

While accepting the audit observations, the Department (August 2012) assured that efforts would be taken to provide weighing machines at all AWCs. However, no time-frame was furnished for equipping all AWCs with weighing machines and for the maintenance of growth charts.

However, the fact remains that the growth monitoring and nutrition surveillance for assessing nutritional status and growth faltering were not done as stipulated in the guidelines by monthly weighment and close monitoring through the maintenance of growth charts for all children below five years.

2.2.12 Procurement of Take Home Ration for children between six months and three years

Expenditure on Take Home Ration (THR) constitutes the single largest component of expenditure (75 *per cent*) in the Supplementary Nutrition

Programme. During 2007-12, ₹ 257.38 crore was expended on procurement of 'NUTRIMIX[32]' which was issued as THR.

The State Government without following any tender procedures, engaged (September 2006) Kudumbasree[33] as the sole agency for supply of Nutrimix at ₹ 35 per kilogram to all the blocks in the State. The price was revised to ₹ 40 per kg in September 2007 and further revised to ₹ 56 per kg in May 2011. A quantity of 60,464.96 MT of Nutrimix was procured during 2007-12 at a cost of ₹ 257.38 crore. A review of the procurement of Nutrimix revealed the following:

₹ 22.44 crore was over charged by Kudumbasree on sale of Nutrimix

- The revision of rate of Nutrimix from ₹ 40 to ₹ 56 per kg, audit observed, was based on a proposal (February 2011) of Kudumbasree, which reckoned the proportionate cost of wheat and milk powder per kilogram of Nutrimix[34] as ₹ 8.10 and ₹ 13.42 respectively. It was however, noticed that the product did not contain milk powder and wheat was made available to Kudumbasree at subsidized rate of ₹ 4.15 per kg. The price of Nutrimix was thus in excess by ₹ 19.65 per kg. The overcharging on 11,419.958 MT of Nutrimix procured during the period May 2011 to March 2012 resulted in Kudumbasree obtaining undue benefits of ₹ 22.44 crore.

Government stated (August 2012) that a proposal to engage a private party for supply of required food stuff in addition to Kudumbasree was under consideration so that the price paid to Kudumbasree could be benchmarked to the price quoted by the private party, in order to obtain the product economically. It was also stated that the loss pointed out by Audit would be looked into.

Quality of Nutrimix was not ensured

- As per Rule 49(19) of Prevention of Food Adulteration Rules 1955, 'No person was to manufacture, sell, store or exhibit for sale of processed cereal based weaning food except under Bureau of Indian Standards (BIS) certification mark' but there was no standardization across Kudumbasree units. The ingredients and quantity used into the making of Nutrimix were not of same quality and varied from unit to unit. As even mild deficiencies of micronutrients (vitamins and minerals) adversely affect development, immunity and growth of children, GOI

[32]Take Home food supplied by Kudumbasree to children between six and 36 months under ICDS in Kerala.

[33] 'Kudumbasree' - a Mission registered under the Literary, Scientific and Charitable Societies Act, 1955. The management and administration is vested in a Governing Body with Minister (LSG) as Chairman and Principal Secretary (LSG) as the Vice Chairman. The Secretaries, Social Welfare Department, Finance, Health & Family Welfare Departments and others form part of the Governing Council.

[34]Price of Nutrimix was enhanced from ₹ 40 to ₹56 per kg on the basis of a proposal from Kudumbasree which reckoned price of Wheat as ₹ 18 per Kilogram and Milk powder as ₹ 268.42 per kg. Since one Kilogram of Nutrimix comprised 450 gms Wheat and 50 gms of Milk, it was reckoned that cost of wheat and milk powder in One Kilogram of Nutrimix would be ₹ 8.10 and ₹ 13.42 respectively. Since wheat was procured at subsidized price of ₹ 4.15 per kg from GOI, proportionate cost of wheat in One Kg of Nutrimix would be only ₹ 1.87. Thus, excess charged per Kg of Nutrimix was (₹ 8.10 – ₹ 1.87) + ₹ 13.42 on account of milk powder not used = ₹ 19.65.

recommended (January 2006) to fortify the Take Home Ration (THR) with micronutrients. It was noticed that Nutrimix delivered to children between six months and three years in Kerala was not being fortified with micro nutrients (August 2012).

- Samples of Nutrimix manufactured by various Kudumbasree units were sent for testing to Government Public Analysts, Regional Analytical Laboratory, Kozhikode and the test results in many cases were not satisfactory.
- The Executive Director, Kudumbasree requested (February 2009) the State Government to address GOI to obtain exemption to Amrutham Nutrimix (a food product of Kudumbasree) from BIS certification. The Government without obtaining the exemption, allowed the Kudumbasree to supply the Nutrimix and thus failed to ensure the quality.
- The Government failed to ensure economy and quality in supply of Nutrimix to children between the ages six months to six years served as Supplementary Nutrition as envisaged by GOI. Government stated (August 2012) that the question of Kudumbasree units not possessing BIS certification, poor quality of Nutrimix, absence of micro-nutrients in the product would also be looked into.

Poor consumption of Nutrimix due to lack of taste and palatability

- Feeding of children can be a challenge if the food given is not palatable and tasty. Audit observed that this vital aspect was ignored as the AWCs under two CDPOs[35] in Malappuram and Idukki districts reported poor consumption of Nutrimix. In an AWC in Idukki district, children were reportedly reluctant to consume the Nutrimix due to lack of taste and the product was being used by the parents as cattle feed. Further, in 15 out of 30 AWCs test checked in Malappuram and Idukki, the quantity of Nutrimix distributed to the children ranged from 1.875 kgs to three Kgs against the stipulated quantity of 3.375 kgs per month. In Thiruvananthapuram district, under CDPO, Nedumangad, the quantity of Nutrimix distributed ranged from 1.2 kgs to 3.5 kgs per month.

Continuity in feeding of children was not ensured

- Continuity in feeding without interruption is also an important requirement. Audit noticed that children in the test checked districts were not supplied with Nutrimix on a number of occasions. Feeding gaps ranged from one month to 15 months in 12 out of 60 AWCs test checked. Nutrimix was not issued to children in one AWC[36] for 15 months from February 2008 to April 2009. Reasons for inability to issue Nutrimix for 15 months was stated (June 2012) by Child Development Project Officer, Nedumangad to be shortage of funds with the local bodies and delay in supply of Nutrimix by Kudumbasree Units.

However, an important concern remains that the nutrients supplied were largely unpalatable and that led to reluctance of children to partake them. This needs to be addressed by the department urgently.

[35] Devikulam in Idukki district and Vengara in Malappuram district.
[36] AWC No.13, Vettampalli in Thiruvananthapuram district under CDPO, Nedumangad.

2.2.13 Other Schemes implemented through ICDS

2.2.13.1 Nutrition Programme for Adolescent Girls

The GOI scheme of Nutrition Programme for Adolescent Girls (NPAG) was launched in 2002-03 and implemented in the State till 2009-10. The scheme envisaged weighing of all adolescent girls (11-19 years) in the community four times in a year so as to identify adolescent girls with body weight less than 30 kgs in the age group 11-15 years and 35 kgs in the age group 15 to 19 years. These identified girls were to be given six kgs of foodgrains per month free of cost for three months through Public Distribution System. At the end of third month, the under weighed girls were to be weighed again. Those girls who remained underweight were to be examined by AWW/ANM[37] and if necessary referred to Medical Officer, PHC for investigation and treatment.

Audit scrutiny of implementation of the scheme revealed:

- Delays in implementation of the scheme every year because of delayed receipt of permission for continuation of the scheme, resulted in the scheme being implemented only in some months of the year. State Government focused only on distribution of food grains to the adolescent girls without adhering to the stipulation of GOI to weigh the girls every three months.

- In Malappuram district, during 2008-09, only 65 *per cent* (1.94 lakh) of the identified adolescent girls (three lakh) were weighed of whom 42 *per cent* (0.82 lakh) were found to be under weight. However, only 52 *per cent* (0.43 lakh) of the identified underweight girls obtained free food grains under the Scheme. During 2009-10 also, only 62 *per cent* (1.73 lakh) of the identified girls (2.81 lakh) were weighed of whom 36 *per cent* (0.63 lakh) were found to be under weight. However, only 79 *per cent* (0.50 lakh) of identified underweight girls obtained free food grains under the scheme. The reason for poor coverage was stated to be shortage of allotment of rice under the scheme. Department's failure to lift 38.11 MT of rice from FCI godowns in Malappuram and Palakkad districts during 2009-10 also contributed to poor coverage.

Government did not provide free food grains to all identified under-nourished adolescent girls in Malappuram district

- The rice required for distribution to NPAG beneficiaries received by the Authorised Ration Dealers (ARDs), were stacked in their godowns. On the basis of the request of the department, the State Government permitted to distribute the rice in two instalments (six kgs and 36 kgs) instead of distributing six kgs per month as envisaged in the guidelines.

Government failed to monitor continuously the nutritional status of the adolescent girls

Department stated (August 2012) that the rice had to be distributed in bulk to clear the stock of grains from ARDs and also to prevent the grains from being damaged.

[37] Anganwadi Worker/Auxilliary Nurse Midwife.

The reply is not acceptable as the food grains were not distributed as per guidelines and weighment and monitoring of the beneficiaries were not done as stipulated.

2.2.13.2 Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA)

GOI introduced (September 2010) the Rajiv Gandhi Scheme for Empowerment of Adolescent Girls or SABLA in Malappuram, Palakkad, Idukki and Kollam districts. It aimed at covering adolescent girls in the age group of 11 to 18 years in the districts by way of providing for both nutritional and non-nutritional components. The nutritional component provided for Take Home Ration or Hot Cooked Meals to Out of School girls aged 11 to 14 years. Girls aged between 14 and 18 (both Out of School and School going girls) were also to be provided with supplementary feeding. The non-nutritional component was aimed at self development of adolescent girls, mainstreaming Out of School girls into formal education, etc. The scheme envisaged provision of 600 calories for 300 days in a year at ₹ five per beneficiary per day.

Audit noticed the following:

Shortfall in delivery of nutrients was noticed in Malappuram, Idukki and Palakkad districts

- The THR/Hot cooked meal supplied to the adolescent girls failed to deliver the stipulated nutrient values. Shortfall noticed was up to 359 calories and 14 grams protein per day in Idukki district, while there was shortfall of up to 430 calories and 15 grams of protein per day in Malappuram district. Shortfall in delivery of nutrients to the extent of 353 calories and 11 grams of protein per day was also noticed in Palakkad district. Department stated (August 2012) that instructions would be issued to CDPOs to deliver THR/Hot cooked meal as per stipulated nutrient values.

- Feeding breaks ranging from one to five months were noticed in 25 out of 45 AWCs under nine CDPOs in the three[38] test checked districts. Out of the remaining 20 AWCs, no feeding break was noticed in 10 AWCs, and details were not available in the other 10 AWCs. Department stated (August 2012) that as the responsibility of delivering THR was vested with LSGIs, instructions would be issued to ensure continuous feeding.

- Iron Folic Acid (IFA) tablets were not seen supplied by any of the AWCs test checked. Department stated (August 2012) that instructions had been issued to Health department to provide necessary quantities of IFA tablets to the SABLA beneficiaries.

- Life skill education was not being imparted by majority of the AWCs.

- Health cards of Adolescent girls to record height, weight, Body Mass Index, immunization particulars, etc., were not maintained in any of the AWCs test checked. Apart from allocating funds for arranging training sessions in AWCs for imparting Life skill education, Department stated

[38] Malappuram, Idukki and Palakkad.

(August 2012) that health cards would be printed and distributed among the SABLA beneficiaries at the earliest.

2.2.14 Manpower & Training

Mention was made in Paragraph 3.1.11.4 of the Audit Report for the year ended 31 March 2007 that the incumbent to the post of Director of Social Welfare Department changed 11 times during 2002-07. The situation continued to persist during the current audit period also. It was observed that frequent changes to the position of Director of Social Welfare (17 times) during the period 2007-12 resulted in an incumbent getting an average tenure of only less than four months, thereby adversely impacting the implementation of the programme as detailed in preceding paragaphs.

Audit noticed shortfall in deployment of staff and on-the-job training of personnel in key areas of programme implementation.

Inadequte manpower affected the programme implementation

As against the sanctioned strength of 295 CDPOs/ACDPOs and 1,302 Supervisors, only 214 CDPOs/ACDPOs and 1,150 Supervisors were in place leaving a shortage of 81 CDPOs/ACDPOs (27 *per cent*) and 152 Supervisors (12 *per cent*) as of March 2012.

Department stated (August 2012) that action had been initiated to fill up all the vacancies.

The aim of ICDS training is to develop the field functionaries into agents of social change. Adequate training is essential for the effective delivery of services under ICDS. The scheme envisaged providing 'Job Training' (Training given for the first time) to Anganwadi Workers and to Anganwadi Helpers on their appointment. Refresher training courses were also to be conducted after every two years.

There was shortfall in providing on-the-job training

During 2007-12, on-the-job training was given only to 9,661 AWWs (78 *per cent*) against a target of 12,348. In respect of AWHs, 11,997 (73 *per cent*) were trained against the target of 16,408. Target fixed for training Supervisors was also not achieved. Against a target of 379, only 334 supervisors (88 *per cent*) were trained during 2007-12. Thus, 2,687 AWWs, 4,411 AWHs and 45 Supervisors discharged their functions without any training during 2007-12 **(Appendix 2.8)**. There was also shortfall in respect of refresher training across all categories.

2.2.15 Monitoring

2.2.15.1 Shortfall in maintenance of registers

As per GOI guidelines, the State Government was responsible for the implementation of different packages under ICDS. Basic data for the scheme was required to be maintained at AWCs in various registers like Family Survey Register, Immunization Register, Register for pregnant women and lactating mothers, Mortality Register, etc. Defective maintenance of these

Registers was commented in the Audit Report (Civil) for the year ended 31 March 2007. Audit noticed that these omissions continued to persist in all the AWCs test checked. As the information in the registers were incomplete, the very purpose of the maintenance of registers is defeated.

2.2.15.2 Shortfall in supervision by CDPOs

For effective implementation of the scheme and for its physical monitoring, each CDPO was required to visit at least 20 AWCs per month on a rotational basis to ensure 100 *per cent* coverage of AWCs in an year. Supervisors were also required to visit 50 *per cent* of the AWCs under their jurisdiction every month.

Poor monitoring of Scheme implementation

Shortfall in visits by Programme Officers/CDPOs and Supervisors commented in the Audit Report for the year ended 31 March 2007 (Paragraph 3.1.11.2) was discussed by Public Accounts Committee and the Department stated that poor supervision was consequent to the supervisors being entrusted with various programmes of LSGIs and that directions had been issued to LSGIs by the State Government to relieve those officers from other programmes of LSGIs. These deficiencies were being continued and during 2007-12, visits by CDPOs to AWCs in test checked districts ranged from nine to 77 *per cent*. The visits by supervisors to AWCs in the test checked districts during 2011-12 were short by 51 *per cent* in Malappuram, 48 *per cen*t in Palakkad, 42 *per cent* in Idukki and 27 *per cent* in Thiruvananthapuram.

Department stated (August 2012) that, supervisors being implementing officers of local bodies find little time for inspection of Anganwadis and that they were being directed to attend to the works of local bodies contrary to instructions of GOI and State Government. It was also stated that surprise inspections would be undertaken by senior officers to ensure adequate monitoring.

2.2.16 Conclusion

The department did not prepare any perspective plan and hence they were not in a position to plan in advance the requirement of new AWCs, enhancement of facilities in the existing AWCs and improvement in delivery of services. The implementation of the scheme suffered as the State failed to cover the entire targeted population under the scheme, despite availability of GOI assistance. Instances of parking of GOI funds in Treasury Savings Bank Account were noticed. The Kudumbasree overcharged the State Government an amount of ₹ 22.44 crore on supply of Nutrimix. Many of the AWCs were functioning in rented buildings, which lacked basic facilities such as safe drinking water, electricity, toilets, etc. Take home ration was procured from Kudumbasree which did not possess mandatory BIS certification. The objective of ensuring micro nutrients in diet as per Recommended Dietary Allowance remains unachieved. Shortfalls in deployment of staff and in training of personnel in key areas of programme implementation were noticed. The deficiencies pointed out in the Audit Report for the year ended

31 March 2007 on the implementation of ICDS were continued to persist during the five year period 2007-12.

2.2.17 Recommendations

- Government should prepare a perspective plan for effective implementation of the various components of ICDS.
- State Government should take steps to cover the entire targeted population and ensure quality and uninterrupted delivery of services to ICDS beneficiaries.
- Department should co-ordinate with the Local Self Government Institutions to ensure construction of buildings to accommodate those AWCs functioning in rented premises. Basic facilities like safe drinking water, electricity and toilets should be ensured in all AWCs.
- Monitoring of ICDS programme should be strengthened to make its implementation more effective.

LABOUR AND REHABILITATION DEPARTMENT

2.3 Functioning of three Welfare Fund Boards

2.3.1 Introduction

The Kerala Handloom Workers Welfare Fund Board (HW Board), the Kerala Cashew Workers Relief and Welfare Fund Board (CW Board) and the Kerala Agricultural Workers Welfare Fund Board (AW Board) were constituted by the Acts mentioned below (**Table 2.23**) to administer the welfare schemes for handloom, cashew and agricultural workers, respectively.

Table 2.23: Acts and Schemes governing the three Boards

	Act	Scheme
HW Board	The Kerala Handloom Workers Welfare Fund Act, 1989 (HW Act)	The Kerala Handloom Workers Welfare Fund Scheme, 1989 (HW Scheme)
CW Board	The Kerala Cashew Workers Relief and Welfare Fund Act 1979 (CW Act)	The Kerala Cashew Workers Relief and Welfare Fund Scheme, 1988 (CW Scheme)
AW Board	The Kerala Agricultural Workers Act, 1974 (AW Act)	The Kerala Agricultural Workers Welfare Fund Scheme, (1990) (AW Scheme)

The main objective of the schemes was to provide for the constitution of a fund to grant relief, to promote the welfare activities, and also to pay pension and other superannuation benefits to the workers in their respective sectors. The Boards function under the Labour and Rehabilitation Department. As on 31 March 2012, there were 31,197 registered members in HW Board, 1,69,538 in CW Board, and 22,33,371 in AW Board. There were 1,032 employers under the HW Board and 788 cashew factories under the CW Board.

The Acts and schemes governing the three welfare boards envisage the constitution of a fund collecting contribution from members, employers and Government at a specified rate[39] to meet various welfare activities.

An audit of functioning of HW Board, CW Board and AW Board was conducted during February-April 2012 covering the period 2008-09 to 2011-12. In respect of HW Board, audit scrutinised the records in the Head Office (Kannur) and two (Kannur and Thiruvananthapuram districts) out of four District Executive Offices. In the CW Board, the Head Office (Kollam district), District Executive Office at Kottiyam (Kollam) out of three District Executive Offices and three Inspector's offices at Kottiyam, Kollam and Irinjalakuda out of 11 Inspector's offices were covered. In respect of AW

[39] HW Board (Workers : ₹ three per month, Employer : ₹ six per month, Self employed : ₹ five per month, Government : Equal to the contribution of employee/self employed), CW Board (Employee, Employer, Government : Each at the rate of ₹ one per working day), AW Board (Worker : at the rate of ₹ five per month, Land owners : 25 paise per are per annum for land holding above 40 ares, Government : Equal to the contribution by the members - with effect from 05 January 2010).

Board, the Head Office (Thrissur) and four Divisional Offices (Thrissur, Malappuram, Kozhikode and Kollam) out of 14 Divisional Offices were covered. The field level offices relating to CW Board and HW Board were selected based on the presence of large number of industrial units and in the case of AW Board the selection was based on the concentration of agricultural workers.

The Annual accounts of the HW Board and CW Board were finalised upto 2008-09 and that of AW Board were finalised upto 2009-10. The provisional accounts of the HW Board and CW Board were prepared upto 2010-11 and that of AW Board were prepared upto 2011-12.

The audit findings are discussed further.

2.3.2 Financing the activities

The details of funds received and expenditure of the Boards for the years 2008-09 to 2011-12[40] are depicted in **Table 2.24**:

Table 2.24: Details of funds received and expenditure *(₹ in lakh)*

HW Board

Year (1)	Receipts							Total Expenditure		
	Contributions from		Government contribution			Other receipts (7)	Total Receipts (8)=(2)+(3)+(5)+(7)	Welfare activities (9)	Administrative & other (10)	Total (11)=(9)+(10)
	Employees & Employers (2)	Self employed (3)	Due* (4)	Released (5)	Gap funding (6)=(5)-(4)					
2008-09	20.00	1.97	8.64	233.21	224.57	1.92	257.10	197.61	27.25	224.86
2009-10	10.00	3.53	6.86	392.34	385.48	2.21	408.08	220.49	28.59	249.08
2010-11	12.62	9.14	13.35	401.63	388.28	3.59	426.98	413.59	34.09	447.68

CW Board

Year (1)	Receipts				Other receipts (6)	Total Receipts (7)=(2)+(4)+(6)	Total Expenditure		
	Contribution from Employees & Employers (including penalties) (2)	Government contribution					Welfare activities (8)	Administrative and other (9)	Total (10)=(8)+(9)
		Due (3)	Released (4)	Gap funding (5)=(4)-(3)					
2008-09	356.21	178.10	430.00	251.90	55.63	841.84	1377.42	116.28	1493.70
2009-10	404.09	202.04	780.00	577.96	36.74	1220.83	1447.05	134.67	1581.72
2010-11	385.79	192.90	2517.85	2324.95	34.89	2938.53	2792.63	157.29	2949.92

AW Board

Year (1)	Receipts							Total Expenditure		
	Contribution from		Government contribution			Other receipts (7)	Total Receipts (8)=(2)+(3)+(5)+(7)	Welfare activities (9)	Administrative and other (10)	Total (11)=(9)+(10)
	Workers (2)	Land owners (3)	Due (4)	Released (5)	Gap funding (6)=(5)-(4)					
2008-09	505.17	172.44	NIL	500.00	500.00	108.37	1285.98	1250.18	204.51	1454.69
2009-10	513.13	156.72	513.13	7550.00	7036.87	86.89	8306.74	5546.95	232.80	5779.75
2010-11	761.70	168.60	761.70	4045.00	3283.30	100.36	5075.66	7053.78	254.77	7308.55
2011-12	650.45	179.01	650.45	61.00	Nil	111.88	1002.34	763.15	350.25	1113.40

Source : Annual accounts of the HW Board and CW Board upto 2008-09 and AW Board upto 2009-10 and Provisional accounts of HW Board and CW Board upto 2010-11 and AW Board upto 2011-12.

The schemes envisage constitution of a fund with the share of contributions from the stakeholders of the schemes viz., employee, employer and Government. The financial position of the three Boards was precarious as the income generated were not proportionate to the financial liability on welfare

[40] Accounts for the year 2011-12 of CW Board and HW Board are not finalized.

schemes. The revenue of the Boards was fluctuating and was not commensurate with the increasing trend in expenditure on welfare schemes and on administration. Hence, a major portion of the expenditure of the Boards was met from the additional funds in the form of grants received from Government. As these three Boards follow cash basis system of accounting, the expenditure figures shown in the above table do not reflect the amounts outstanding to be paid to the beneficiaries of the schemes.

Even though certain steps were initiated to augment the revenue in the HW Board and CW Board, these were not implemented by Government as explained below.

2.3.2.1 Cess Act

During the period 2008-11, the HW Board did not receive any amount as cess collection

State Government enacted the Kerala Handloom Workers Cess Act 2007, which provides for the levy and collection of cess on sale proceeds of yarn, textile or textile product at the rate of quarter *per cent* of the total sales proceeds. Officers of the Labour and Rehabilitation Department not below the rank of Assistant Labour Officer Grade I were notified as the Assessing Officers in the Districts. The HW Board did not receive any amount as cess collection during the year 2008 to 2011, against budget projection of ₹ 4.25 crore. Government stated (April 2012) that the collection would be strengthened from the next financial year. The reply indicates laxity on the part of Government in augmentation of revenue for the HW Board.

2.3.2.2 Revision of rate of contribution

The CW Board resolved (February 2010) to enhance the contributions of employees, employers and Government in the ratio from 1:1:1 to 1:2:2 (100 *per cent* increase in contribution from the employers and the Government) in meeting the welfare expenses of the cashew workers. The proposal was not accepted by the Government citing financial constraints and volatility in the traditional sector. But the past records show that Government had been contributing far in excess of the matching contribution payable by Government. Acceptance of the above proposal would have resulted in increased contribution from the employer. But the proposal was not implemented by the Government.

2.3.3 The Kerala Handloom Workers Welfare Fund Board

2.3.3.1 Registration of members

A comprehensive database of the organizations and employees was required to monitor the promptness in payments by organizations/beneficiaries. Registration numbers were allotted to the workers by the HW Board on receipt of applications from the employees through employers (paragraph 25 of HW Scheme). The HW Scheme provides for the submission of returns by employer to the Chief Executive Officers (CEO) of the Boards with details regarding the fresh employees to be registered for the first time, the details of establishment, the wages, etc. (paragraph 26(2), 27 and 29 of HW Scheme). But such information though available with the Board, were not utilized to prepare a computerized database which could have facilitated monitoring the regularity in payments.

2.3.3.2 Collection of contribution

In HW Board, collection of contribution (from employees/employers/self employed) decreased from ₹ 21.97 lakh in 2008-09 to ₹ 13.29 lakh in 2011-12[41]. Proper maintenance of individual account of the workers would have facilitated monitoring of contribution, but this was not done in HW Board. Paragraph 52 of HW Scheme requires the CEOs concerned to assess and realize the arrears of contributions. However, the dues were not properly assessed by preparing a demand, collection and balance statement.

In District Executive Office, Thiruvananthapuram of HW Board, as on 31 March 2012, ₹ 60.41 lakh was pending from 160 co-operative societies as contributions for the period June 1991 to March 2012. The CEO stated (June 2012) that notices were not issued due to the shortage of staff.

According to Section 25 of the HW Scheme, every employee who is entitled to be a member, shall register his name as a beneficiary of the Fund. The welfare benefits would be given only to the registered members of the scheme. It was noticed that, contribution from 194 workers were collected and remitted by the employers regularly to the Board, though these workers were not registered with the Board. The Board detected (June 2009 and August 2010) this irregularity in respect of 183 workers only after their superannuation. Pension and other retirement benefits were not given to these workers as of March 2012.

Penal provisions against defaulting employers in HW Scheme were not enforced

Section 17 of HW Act provides for imprisonment for a term which may extend upto three months or fine or both for avoiding any payment to be made under the Act or not complying with any of the provisions of the Act. But, the Board had not initiated any penal provisions effectively against the defaulters to act as deterrent.

2.3.3.3 Welfare Activities

The HW Board is implementing welfare measures viz., pension, ex-gratia payment, maternity assistance, marriage assistance, educational grant to the members, etc. During the years 2008-09 to 2010-11, the expenditure on welfare activities increased from ₹ 1.98 crore to ₹ 4.14 crore. However, in 2011-12 it decreased to ₹ 2.20 crore.

Deficiencies in pension scheme

According to paragraph 35 (2) of the HW Scheme, only those workers who are in service for three years immediately prior to superannuation will be eligible for pension. Thus, a regular contributor who is unable to work due to occupational diseases or other illness or due to the closure of the factory forfeits the eligibility for the pension, whereas, a worker who joins the scheme exactly at the age of 55 will get the benefit of pension.

During 2008-2012, payment of pension was not sanctioned to 117 members because of non-completion of three-year continuous service immediately prior to superannuation eventhough they had several years of service. They were not entitled even for the refund of the contribution. However, Audit found that pension was sanctioned to 132 workers who joined the scheme at the age

[41] Details relating to 2011-12 were collected from the HW Board.

of 55/57 years. The provision of paragraph 35(2) therefore, appear detrimental to the interest of genuine members who had long association with the sector, but could not have continuous service at the age of 55/57 due to illness or other reasons.

An amendment was proposed by the HW Board to the effect that paragraph 35(2) will not be applicable to those who have registered before the age of 40 years and have completed 15 years of service as on 31 December 2009. But this was not approved by the department citing financial constraints.

Settlement of pension claims

Four pension adalats were arranged[42] by the HW Board and 204 pension applications, earlier rejected by the District Executive Officers, were considered. Out of this, 190 cases pending for more than two years to 10 years, were admitted and 14 cases were rejected.

Pension sanctions were delayed for more than 10 years after the retirement indicating the absence of a speedy redressal mechanism. Admittance of pension in the Adalat indicates that the claims were genuine, but rejected for reasons such as delayed remittance of contribution, break in service, etc. The abnormal delay had deprived the workers the pension benefits for a long period as arrears were not allowed to the pensioners.

2.3.4 The Kerala Cashew Workers Relief and Welfare Fund Board

2.3.4.1 Collection of contribution - Absence of verifiable and uniform method in the assessment

The collection of contribution from employees and employers in CW Board was also not showing a steady trend. The collection increased from ₹ 3.56 crore in 2008-09 to ₹ 4.04 crore in 2009-10 but declined to ₹ 3.86 crore in 2010-11.

In CW Scheme, as the workers' contribution was linked to the number of days worked, there was risk of understating the number of days by the employers. In the monthly meeting of District Executive Officers and Inspectors held on 13 April 2010, it was decided to evolve a uniform approach for the assessment and calculate the contributions at an average of 20-22 workdays. But the decision was not implemented. There were complaints from workers of cashew factories regarding the recording of only 3-4 days of attendance against six work days in a week. This illustrates lack of controls.

Delay in disposal of appeal petitions resulted in blockage of revenue in CW Board

Absence of a uniform and verifiable method in assessment can lead to litigation between the CW Board and the employers. As there was a provision under Section 10(5) of CW Act for preferring the appeal, audit observed that appeal petitions of the employers challenging the assessment, combined with departmental delay in disposing the appeal, had resulted in non-collection of revenue of ₹ 35.31 lakh since 2007 in 164 appeals pending before the Deputy Labour Commissioner, Kollam (DLC). In the year 2009, the DLC ordered in 13 cases to remit 20-25 *per cent* of the assessed amount, initially before considering the appeal. This was not insisted in other years. As a portion of

[42] on 5 October 2009, 15 October 2009, 18 February 2010 and 10 June 2010.

the amount under appeal includes contributions collected from employees also, the imposition of such a condition was reasonable.

2.3.4.2 Non-enforcement of penal provisions

The dues of contribution were not properly assessed by preparing a demand, collection and balance statement regularly in accordance with paragraph 59[43] of CW Scheme. The Demand, Collection and Balance statement prepared by CW Board, shows arrears of ₹ 1.93 crore as on 31 March 2009. Verification of the returns furnished by 10 out of 11 Inspectors indicate that contributions relating to the period from 1994-95 were pending collection.

Penal provisions against defaulting employers were not enforced

Section 13, 14 and 15 of the CW Act stipulate penalty with imprisonment with a term of six months to one year for non-remittance of contributions and other violations of the Act. The CW Board had not invoked these penalty provisions effectively to act as deterrent.

2.3.4.3 Welfare Activities

Several welfare measures viz., pension, ex-gratia payment, maternity benefit, marriage assistance to daughters of members, funeral assistance, payment of cash awards to the children, etc., are being implemented by the CW Board. During the years 2008-09 to 2010-11, the expenditure on welfare activities had increased steadily from ₹ 13.77 crore to ₹ 27.93 crore.

Refund of contribution pending settlement

Paragraph 49 of the CW Scheme stipulates that, in the cases of voluntary retirement or death of a member, refund of total contribution (both the share of employee and employer) shall be paid to the member or nominee as the case may be. In case of death of pensioner, the employees contribution standing at his credit shall be paid to his nominee.

There were 874 applications, pending from 2004 onwards, for refund of contribution with the CW Board as on 31 March 2012. The CEO stated (April 2012) that atleast ₹ 10 lakh would be required to settle the claims.

2.3.5 The Kerala Agricultural Workers Welfare Fund Board

2.3.5.1 Registration of workers in AW Board

There were presence of non-bonafide persons in AW Scheme

For a remittance of ₹ 60 per year, the AW Scheme assures a return of ₹ 625 for each year of remittance as superannuation benefit in addition to other welfare benefits to the registered workers. Given the attractiveness of benefits available, there is high risk of enrolment of non-bonafide persons. In AW Board, the contributions are remitted by the agricultural workers themselves directly to the AW Board as there is no permanent employer-employee relationship in the agricultural sector, unlike what exists in the HW Board and CW Board.

However, there is a land owner - worker relationship. Application form[44] for registration requires to furnish information regarding the area/locality where the applicants usually work and date of commencement as agricultural worker.

[43] 59 of CW Scheme empowers the CEO to assess and realize the arrears of contributions.

[44] Form 1 – Application for registration as agricultural worker in the fund (paragraph 24 (1) of the scheme).

Audit observed that the required documentary evidences in support of the particulars filled in the application form were not being insisted by the AW Board. Registration numbers in the AW Board were being allotted to the applicants on the basis of certificate issued by the trade unions instead of getting certificate from the landowners or from Government agencies like Krishi Bhavans. There was no assurance that the persons enrolled were genuine agricultural workers. The sub-committee appointed by the AW Board also identified such risks. There was spurt in fresh registrations numbering more than 2.17 lakh during 2007-11. Incidentally, it was noticed in audit that there was decline of 2.7 lakh hectares in cropped area during this period.

2.3.5.2 Remittance of contribution

Paragraph 26 of AW Scheme stipulates that the remittances can be made in the nearest co-operative banks or directly through the authorized offices of the AW Board. Arrangements for collection of contribution through the co-operative banks were not provided by the Board. About 80 *per cent* of the workers remitted their contribution through their trade union representatives. Even though there were complaints relating to non-remittance of contributions and irregular collection from the agricultural workers, arrangements were not made by the AW Board for remittance of contribution directly by the workers through banks.

2.3.5.3 Undue benefit to defaulters

In AW Board, the defaulters have advantage over regular subscribers

According to paragraph 26B (3) of AW Scheme, membership of a worker will be terminated, if the member defaults in payment of contributions for more than 24 months. This provision in the Scheme ensures prompt payment of contribution. During 2009-2011, the CEO issued two orders (which were ratified by the Government) permitting revival of membership of members who had defaulted payments for more than 24 months. More than one lakh workers who had defaulted in payments revived their memberships by remitting arrears of contribution. The additional amount collected was a meagre amount calculated at the rate of ₹ three per year. This amount could not be considered as a penalty to act as deterrent against default in payments. In Divisional Office, Kozhikode, 11 members revived their membership at the age of 59 years after defaulting payment for 10 to 15 years. These workers would get benefit of ₹ 6,250 to ₹ 9,375[45] for this period in the very next year (superannuation age 60 years). This would indicate that the defaulters have an advantage over the regular contributor in terms of money value of returns.

2.3.5.4 Welfare activities

The major welfare measure taken/initiated by the AW Board was the payment of superannuation benefit. Other welfare activities such as ex-gratia payment, maternity relief, marriage assistance, medical assistance, etc., were also being taken up. During 2008-09 to 2010-11, the expenditure on welfare measures had increased from ₹ 12.50 crore to ₹ 70.54 crore. But in 2011-12, the expenditure decreased to ₹ 7.63 crore due to shortfall in release of funds by the State Government.

[45] At the rate of ₹ 625 per year (₹ 25,000/40 years) the superannuation benefit for 10 years works out to ₹ 6,250 and for 15 years to ₹ 9,375.

Delay in settlement of claims

In AW Board, as on 31 March 2012, superannuation benefit claims of 1,07,806 workers were pending, out of which 5,630 claims related to the period prior to the year 2002-03. Similarly, marriage assistance of 58,978 members was pending payment for the period from 2006-07. Details are indicated in **Table 2.25**:

Table 2.25: Details of pending claims

Year	Superannuation Benefits	Marriage Assistance
Prior to 2002-03	5630	--
2002-03	340	--
2003-04	392	--
2004-05	402	--
2005-06	369	--
2006-07	311	16
2007-08	391	60
2008-09	1202	13300
2009-10	18660	13823
2010-11	45200	12082
2011-12	34909	19697
Total	**107806**	**58978**

Source: Details furnished by the department

The CEO stated that the pendency was due to non-furnishing of required documents. The reply was not acceptable as the details of workers should have been available with the AW Board as these documents such as registration form and register of agricultural workers were maintained by the AW Board. Thus, the delay in settlement of claims shows the deficient system of maintenance of records in the Board and negligent attitude on the part of officials in settling the claims.

2.3.6 Conclusion

The three schemes as currently designed are not financially viable leading to contribution from Government far in excess of contributions statutorily payable. There was failure to effectively invoke penal provisions prescribed in the Acts against the defaulters of contribution in HW Scheme and CW Scheme. There are deficiencies in the pension scheme of HW Board. The contributions to be made by employers in CW Scheme are prone to litigation, resulting in delay in remittance of contribution. Given the attractiveness of AW Scheme, there is a high risk of non-bonafide persons being registered. The present arrangements to verify the bonafides of persons registered under AW Scheme are far from satisfactory.

2.3.7 Recommendations

- Efforts should be made to augment the resources of the Boards so as to reduce the dependency on the State exchequer.
- Steps should be taken to update the list of members in the AW Scheme by including only the genuine agricultural workers.
- Steps should be taken to clear the outstanding superannuation claims in the AW Board in a time bound manner.

The issues were referred to Government in July 2012; their reply is awaited (October 2012).

REVENUE (DISASTER MANAGEMENT) DEPARTMENT

2.4 Tsunami Rehabilitation Programme- Housing

2.4.1 Introduction

Government of India (GOI) formulated (December 2005) a package named 'Tsunami Rehabilitation Programme' (TRP) for the states affected by Tsunami on 26 December 2004. The objective of the programme was re-construction of damaged physical and social infrastructure and revival of impaired livelihoods in the coastal areas affected by Tsunami.

According to the guidelines for implementation of TRP issued (December 2005) by the Planning Commission of GOI, reconstruction activities were to be undertaken under the following components:-

- Housing
- Physical Infrastructure – Roads and Bridges, Environment and Coastal Protection, Ports and Jetties, Tourism, etc.
- Livelihood – Fisheries and Agriculture
- Social Infrastructure – Health, Nutrition, Education, etc.

GOI sanctioned (December 2005) ₹ 1,441.75 crore to the State Government for implementation of TRP. The period of implementation was four years from 2005-06.

The Honourable High Court of Kerala in its judgment delivered on 28 March 2012 on a Public Interest Litigation observed that there was diversion of massive funds for purposes other than anything related to tsunami affected people or areas. The audit findings on the implementation of the housing component of TRP are in corroboration with the Honourable High Court's observation.

2.4.2 Scope and coverage of Audit

Audit made an assessment of the housing component implemented under TRP and examined whether the State Government implemented this component according to the guidelines issued by GOI.

Audit conducted during January-March 2012 covered selected districts viz., Thiruvananthapuram, Kollam and Alappuzha for sample check[46]. Records pertaining to the period from 2005-06 to 2011-12 in the TRP Cell at Government Secretariat, three District Collectorates, Taluk Office of Chirayinkil (Thiruvananthapuram), seven[47] Grama Panchayats and five

[46] Alappuzha and Kollam Districts were the worst tsunami affected districts and Thiruvananthapuram the capital district.

[47] Kulathur and Anchuthengu Grama Panchayats in Thiruvananthapuram District, Neendakara and Alappad Grama Panchayats in Kollam District, Kadakkarapally , Punnapra South and Arattupuzha Grama Panchayats in Alappuzha District.

Village Offices[48] were scrutinized to derive an assurance about the efficacy of the programme.

The audit findings are discussed in the following paragraphs:-

2.4.3 Programme implementation

Funds provided for 'Environment and Coastal protection' were diverted by the State Government for construction of houses

Out of the total outlay of ₹ 1,441.75 crore approved by GOI for TRP, ₹ 45.54 crore was earmarked for the 'Housing' component. But the State Government intimated GOI in October 2006, the revised department-wise requirement for TRP wherein an amount of ₹ 284.08 crore out of ₹ 432.18 crore originally allotted for the component 'Environment and Coastal Protection' was shown as diverted to the 'Coastal Housing and Rehabilitation Project' (CHRP). The component of Environment and Coastal Protection was essentially meant for construction of new sea walls, repair of existing sea walls, coastal fencing, etc, and does not contemplate construction of houses. This component could have been implemented by the Government for sea protection measures in the vulnerable coastal areas affected by Tsunami. The amount thus diverted was much larger than the amount sanctioned for the regular housing component.

CHRP designed by the State Government was not for reconstruction of damaged houses or relocation of entire habitation affected by Tsunami to alternate location as prescribed in the GOI guidelines. CHRP was a comprehensive housing programme for implementation in the coastal areas throughout the State without applying the criteria whether the places were affected by Tsunami. There was deviation of GOI guidelines in the mode of financing to the beneficiaries also. The State Government failed to bring these deviations to the notice of GOI and obtain permission for the major deviations.

The State Government took up construction of houses with a budget of ₹ 325.54 crore (Housing: ₹ 45.54 crore and Environment and Coastal Protection: ₹ 280 crore) out of ₹ 1,441.75 crore sanctioned by GOI for TRP. The State Government designated (November 2007) the Kerala State Housing Board (KSHB) as the nodal agency for implementing the scheme. In the four northern districts[49] the houses were constructed directly by KSHB and in the remaining five districts the construction was entrusted (June 2008) to eleven[50] agencies short listed and was to be monitored by the KSHB.

The State Government stated (July 2012) that the TRP was not meant for the rehabilitation of the victims of the Tsunami and the Planning Commission had stipulated that the programme should put emphasis on improving the quality of life, using replacement and up-gradation of assets as means to achieve it.

[48] Kulathur and Kadakkavur Village Offices in Thiruvananthapuram District, Neendakara Village Office in Kollam District, Kadakkarapally and Punnapra Village Offices in Alappuzha District.

[49] Malappuram, Kozhikode, Kannur and Kasaragod.

[50] Aleppey Diocesan Charitable and Welfare Society, Apex Voluntary Agency for Rural Development, Thrissur, Ernakulam Social Service Society, Habitat Technology Group, Kerala Agro Industries Corporation Ltd, Kerala Artisans Development Corporation Ltd. KIDS, Thrissur, PSK Engineering Construction and Company, Tamil Nadu, Quilon Service Society, Kollam, Rajagiri Outreach Service Society, Kalamassery, Trivandrum Social Service Society.

The reply of Government was not convincing as it had only reproduced the broad objectives of the Scheme. It was specifically mentioned in the GOI guidelines (paragraph 6.2.2 (ii)) that for habitation which did not suffer any damage due to tsunami but requiring relocation, another scheme in consultation with National Housing Bank was under consideration and guidelines would be issued separately. The State Government therefore implemented CHRP without adhering to these norms prescribed by GOI for housing component.

2.4.4 Selection of beneficiaries

Seventy two out of 228 villages taken up are not on the sea shore

As per the Revised proposal submitted (February 2005) by the State Government to GOI, Tsunami caused damage to life and life supporting structures in five districts[51]. It was, however, observed that the programme was taken up in 228 villages of the nine[52] coastal districts in State without adopting any specific criteria or norms. It was also seen that 72 out of 228 villages were not on seashore and were not affected by Tsunami.

The State Government issued guidelines (April 2007) for the selection of beneficiaries for CHRP. But, audit observed that there were no supporting details (location, title deed, etc.) relating to damaged/existing houses of the beneficiaries alongwith the list of beneficiaries to substantiate that selection was made according to these guidelines. In the absence of documentation in support of the list prepared it was not beyond doubt whether the beneficiaries were bonafide and selected as per the norms prescribed by GOI.

The State Government stated (July 2012) that the coastal and vulnerable villages were selected as Tsunami affected based on the recommendation of the District Collectors. The reply of Government was not acceptable as the Government did not verify whether the recommendations made by the District Collectors were in accordance with the specific guidelines stipulated by Government of India.

The State Government also replied that most of the sea-faring fishermen live very close to the sea and the ownership documents like title deeds are not given to them as a matter of Government policy. The reply is not acceptable as the list of beneficiaries was prepared without full particulars of the beneficiaries to establish their bonafides.

Audit further observed that:-

₹ 2.29 crore was utilised for re-construction of houses for 72 fire victim families

- State Government allotted (June 2007) houses under TRP to 72 families in Anchuthengu (Kadakkavur village) of Thiruvananthapuram District, who had lost their houses on 17 February 2007 due to fire. Since reconstruction of these houses was not covered under the guidelines of TRP, the construction of houses for fire affected people should have been made by State Government from Calamity Relief

[51] Alappuzha, Ernakulam,Kollam, Thiruvananthapuram and Thrissur.
[52] Thiruvananthapuram, Kollam, Alappuzha, Ernakulam, Thrissur, Malappuram, Kozhikode, Kannur and Kasaragod.

Fund or met from other sources. The total cost of these houses worked out to ₹ two crore in addition to the cost of land (₹ 28.93 lakh) allotted to them.

State Government replied (July 2012) that the fire victims were also living in Tsunami vulnerable area and hence eligible for relocation. The reply of Government was not acceptable as the allotment of houses made to ineligible persons deprived the beneficiaries belonging to more vulnerable areas severely affected by Tsunami of the admissible benefits.

The revised list of 255 beneficiaries includes 136 new beneficiaries casting doubt on selection

- A list of 255 beneficiaries was prepared in 2007 for the purpose of allotment of flats constructed in Kulathur village (Thiruvananthapuram District). As the selected beneficiaries protested subsequently against the construction of flats and demanded individual houses, Government decided (October 2011) to allot individual plots to the beneficiaries for the construction of houses. A new list of 255 beneficiaries was prepared (November 2011) for allotment of plots which included 136 new beneficiaries by replacing equal number of beneficiaries from the original list. This raises doubts over the fairness in preparation of list of beneficiaries. The total cost of houses allotted to these 136 beneficiaries worked out to ₹ 3.78 crore in addition to the cost of land (₹ 1.94 crore) allotted to them.

State Government replied (July 2012) that majority of the beneficiaries in the original list had got houses from other schemes and therefore new beneficiaries were selected to utilize the amount. The Government reply clearly indicates that the additional list was prepared only for utilization of the fund available, and not on a need based approach.

- In Attipra village (Thiruvananthapuram District), 10 beneficiaries belonging to adjacent villages were provided plots and first instalment of money for construction of houses under Beneficiary Driven Cluster Housing (BDCH). But they could not start the construction due to the stiff opposition from 'sons of the soil' and other beneficiaries.

- In Chavara Village in Kollam District, out of 56 houses allotted, 10 beneficiaries did not occupy the houses as they were included in another rehabilitation package.

State Government replied (July 2012) that steps would be taken to identify new beneficiaries. The reply of Government was not acceptable as allotment of houses constructed under TRP to new beneficiaries was against the guidelines of GOI.

One hundred and thirty eight beneficiaries did not take possession of land as the allotted land was away from their work places

- In respect of construction of BDCH houses in Alappuzha District, 82 out of 546 beneficiaries did not take possession of land as the allotted land was away from their work places. The value of these plots works out to ₹ 68.40 lakh. This indicates non-compliance of guidelines regarding need-based approach in beneficiary selection.

- In Sakthikulangara village (Kollam District) out of 112 houses constructed, 56 houses could not be allotted as the beneficiaries were reluctant to accept these houses as their place of work (Neendakara Fishing Harbour) was about four kilometres away from this site and could not continue their livelihood occupation from the new site. The selection of site was to be made in consultation with the beneficiaries as per GOI guidelines. Evidently, this has not been properly done in this case.

The State Government replied (July 2012) that attempts are being made to find out new beneficiaries for these 56 houses. This again indicates non-preparation of list of beneficiaries on a need based approach.

2.4.5 Selection of site

More than 4,000 houses costing around ₹ 100 crore were taken up for construction within 10 metres from HTL

As per GOI guideline the main focus of TRP was reduction of susceptibility of the coastal communities to Tsunami like disasters in future. However, in Alappuzha District 4,037 in-situ houses were taken up for construction at a cost of ₹ 100.92 crore within 10 metres from the High Tide Level (HTL), in contravention of guidelines, thereby defeating the very purpose of TRP.

State Government stated (July 2012) that in-situ houses were built on the land owned by the beneficiaries and was as per the guidelines of Planning Commission to encourage the construction of in-situ houses as far as possible. The reply was not acceptable as the stipulation in the guidelines of GOI for in-situ construction was for reconstruction of damaged houses. Relocation of habitation was to be implemented by shifting their residences from vulnerable areas to non-vulnerable areas. CHRP implemented by the State Government was also framed with this objective. Construction of houses within the specified distance from the sea shore defeats the very objectives of the rehabilitation process as houses would remain vulnerable to any future disaster.

2.4.6 Type of houses

In Arattupuzha Panchayat 1,150 houses constructed were not in conformity with building code for earth quake/cyclone resistant structures

In Arattupuzha Panchayat, 1,150 houses, costing ₹ 11.50 crore, constructed under Special Package were neither as per the approved design of the nodal agency, nor were in conformity with the building code for disaster resistant structures.

State Government replied (July 2012) that funds allotted at the rate of ₹ one lakh per beneficiary was not sufficient for construction of houses with disaster resistant features. Reply of Government was not acceptable as the construction of houses without disaster resistant features was vulnerable to any future disaster of this magnitude, besides being in violation of GOI guidelines.

107 beneficiaries declined to accept flat type houses allotted to them

Programme guideline envisages involvement of beneficiaries in decision making and the programme was required to be need-based. In Mayyanad Village in Kollam District, out of 168 houses constructed in May 2011, only 61 houses were allotted so far. The remaining beneficiaries (107) were unwilling to accept flats as they demanded three to four cents of land for

construction of individual houses. As such, construction of flats was not as per the preferences of majority of beneficiaries.

District Collector, Kollam had acquired 32.84 acres of land at various sites for the construction of individual houses for 2,356 beneficiaries. The design of the house was changed from individual type to flats. Due to this change in design at a later stage, 5.19 acres of land already acquired in 3 plots at Mayyanad Village at a cost of ₹ 47.51 lakh became excess of requirement.

State Government replied (July 2012) that there was some difficulty in acquiring land and hence flat type of construction was adopted. Government further stated that this land is an asset to Government, which could be used for other development activities.

In Anchuthengu in Kadakkavur Village (Thiruvananthapuram District), construction of 208 flat type houses was entrusted to M/s Habitat Technology Group for an amount of ₹ 7.48 crore, without proper assessment of suitability of land. The agency was given a mobilization advance of ₹ 1.12 crore in February 2009. After executing land development work for ₹ 10.34 lakh, the agency stopped the work as there was no improvement in the load bearing capacity of the soil. The agency refunded the balance amount of ₹ 1.02 crore in two instalments (August 2010: ₹ 0.80 crore; September 2011: ₹ 0.22 crore). The agreement with the agency did not contain any provision for charging of interest for the advance released.

Without taking into account the preferences of beneficiaries for individual houses, Government decided to construct flats in Kulathur village (Thiruvananthapuram District) and entrusted the work to KSHB. An amount of ₹ 1.41 crore was paid to KSHB as mobilization advance on 11 February 2010. Due to protest by the beneficiaries, the work was abandoned after incurring an expenditure of ₹ 28.35 lakh. Balance amount of ₹ 1.13 crore was refunded by the KSHB on 18 November 2011. Absence of a clause for charging interest on the advance amount resulted in non-realisation of interest from the agency.

State Government replied (July 2012) that provision for charging interest was not included in the agreement as the agencies were selected on no loss no profit basis. Non-inclusion of a clause for charging interest in the agreement was a failure on the part of the Government. Such a clause would have addressed the risk of delay in refund of government money.

As against the target of 11,000 houses, construction of 9,123 houses were taken up and only 8,549 houses were completed as of July 2012

2.4.7 Time taken for execution

As per the agreement executed with the KSHB and other implementing agencies, the houses were to be constructed within six months from the date of handing over of site. But in the districts test-checked, there was a delay of three months and above in the construction of houses. The reason for the delay was attributed to scarcity of construction materials, non-availability of labourers, etc.

The construction of houses was proposed in two phases; 5,876 houses in phase I to be completed by May 2009 and 5,124 houses in phase II to be completed by September 2009. Out of the target of 11,000 houses, construction of 9,123 houses were taken up. But the achievement up to July 2012 was 8,549 houses only. 444 houses were under various stages of construction. 130 houses were not taken up for construction due to court stay and lack of interest by beneficiaries. The remaining 1,877 houses were not taken up for construction. Out of ₹ 324.37 crore released to the nine District Collectors (₹ 322.80 crore) and Kerala State Housing Board (₹ 1.57 crore) towards the acquisition of land and construction of houses, the District Collectors and KSHB utilized ₹ 285.50 crore. The physical target and achievement in construction of houses in the nine districts as of July 2012 are shown in **Table 2.26:**

Table 2.26: Details of constructions of houses

Details	Thiruvanan-thapuram	Kollam	Alleppey	Erna-kulam	Thrissur	Mala-ppuram	Kozhi-kode	Kannur	Kasa-ragod	Total
Target (Nos)[53]	1375	2356	4544	486	1066	208	567	128	270	11000
Taken up for construction (Nos)	648	2144	4496	82	1001	108	257	126	261	9123
Achievement (Nos)	387	2143	4338	82	854	108	257	126	254	8549
Under construction (Nos)	261	01	158	0	24	0	0	0	0	444
Court Stay (Nos.)	0	0	0	0	123	0	0	0	7	130
Not taken up for construction/ (Nos)	727	212	48	404	65	100	310	02	9	1877
Amount released (₹ in crore)	18.67	95.07	120.31	5.93	46.12	7.08	12.44	6.90	10.28	322.80*
Amount utilized (₹ in crore)	16.54	76.15	117.71	5.56	38.25	3.57	10.59	5.64	9.92	283.93*
* ₹ 1.57 crore released to KSHB towards technical fees was not included as district wise figures were not available.										

Source: TRP Cell, Government Secretariat, Thiruvananthapuram

The Government stated (July 2012) that scarcity of labourers, non-availability of construction materials, long monsoon during 2010, etc., were the reasons for the delay.

2.4.8 Financial assistance

The pattern of financial assistance to the beneficiaries was changed by the State Government from loan to grant

As per GOI guideline financial assistance for damaged houses was available under the scheme by way of grant (₹ 1.20 lakh). For relocation, financial assistance was to be provided by way of loan (₹ two lakh). However, the State Government implemented the component relating to relocation with financial assistance to beneficiaries by way of grant.

State Government replied (July 2012) that beneficiaries were not willing for availing loan and hence included the re-location and construction of houses under TRP. The reply of Government was not acceptable as assistance through grant for relocation was in violation of the GOI guidelines.

As per GOI guidelines, the provision of grant for construction of houses was ₹ 1.20 lakh per unit for a minimum core accommodation of 300 sq.ft at the rate of ₹ 400 per sq.ft. But State Government sanctioned different rates as detailed below:

[53] Target = Achievement (Nos) + Under construction (Nos) + Court stay (Nos.) + Not taken up for construction (Nos).

- In Arrattupuzha panchayat, two housing schemes under TRP Special Packages were sanctioned (July 2008); 1,150 houses at ₹ one lakh each and 500 houses at ₹ 2.50 lakh each.

- In Alappad panchayat, under Special Package ₹ three lakh each was sanctioned (July 2008) for 729 houses.

- For Beneficiary Driven Cluster Housing (BDCH) sanctioned in June 2009, ₹ 2.78 lakh each was given to 1,146 beneficiaries.

- In the case of construction of houses by agencies, the cost was as per Schedule of Rates which ranged from ₹ three lakh to four lakh.

- For in-situ housing, ₹ 2.50 lakh per house was sanctioned (December 2008).

Granting different rates to the beneficiaries under same scheme was not only violative of guidelines of Planning Commission, but also against the principles of fairness.

State Government replied (July 2012) that lesser amount was allotted to in-situ houses as the beneficiaries had re-used materials of old houses and electric connection and water connection were already available to them.

2.4.9 Other points of interest

- The period of implementation of TRP was from 2005-06 to 2008-09 which was further extended upto 31 December 2011. The houses were to be constructed and allotted to the beneficiaries on war footing. Even though lands were acquired for the construction of houses in Fast Track Method, there was a delay of four months to 16 months in handing over the acquired land to the implementing agencies.

State Government replied (July 2012) that the procedural delay was inevitable. The reply was not acceptable as Government had designated KSHB as the nodal agency for the speedy implementation of the scheme. The work should have been taken up on a war footing for the speedy rehabilitation of the affected people.

Though 4,515 families were resettled in other places, their land was not taken out by Government for Bio-shield formation

- As per guidelines, the houses and land vacated by the re-settled beneficiaries were to be placed under the custody of local body for the purpose of 'Bio-shield formation'. Even though 4,515 families were resettled in other places, their existing land was not taken over by Government/ local bodies. Thus, the very objective of the scheme of Bio-shield formation for coastal protection has not been achieved.

State Government replied (July 2012) that the land was not taken over by the local bodies based on the Cabinet Sub Committee decision on 16 February 2011 that the original land of the beneficiaries would vest with them even after relocation. The reply of Government may be viewed in the light of the fact that the stipulation by GOI regarding taking over of land addresses the risk of

beneficiaries staying back in the vulnerable area and would also have served the objective of bio-shield formation.

- As per GOI guidelines, insurance of dwelling units constructed under the programme was mandatory. But none of the houses constructed under TRP was got insured.

2.4.10 Conclusion

The implementation of housing component under TRP by the State Government was not in accordance with the GOI guidelines. Though Tsunami caused damages to life and life supporting structures in five districts, the scheme was implemented in all nine coastal districts in the State, thereby diverting the funds earmarked for 'Environment and Coastal Protection', to un-affected districts. The component relating to relocation was implemented with financial assistance by way of grant instead of loan by violating guidelines of GOI. Selection of beneficiaries was not in accordance with the guidelines. CHRP intended relocation, but construction of in-situ houses within 10 metres of HTL was allowed, thereby defeating the purpose of relocation. As against the target of 11,000 houses, construction of 9,123 houses were taken up and out of these only 8,549 houses were completed as of July 2012.In some cases, houses constructed were far away from their work places, resulting in non-allotment of completed houses.

2.4.11 Recommendations

- The Government should ensure that funds sanctioned by GOI for the relief/rehabilitation measures in connection with national calamities, reach the affected population.

- The Government should take urgent steps to complete the construction of the remaining houses without delay.

CHAPTER III
AUDIT OF TRANSACTIONS

HEALTH AND FAMILY WELFARE DEPARTMENT

3.1 Functioning of Drugs Control Department

3.1.1 Introduction

The Government of India enacted the Drugs and Cosmetics Act, 1940 (Act) and framed the Drugs and Cosmetics Rules, 1945 (Rules) to regulate the import, manufacture, distribution and sale of drugs and cosmetics in the country. The Drugs Control Department was made responsible for enforcement of the aforesaid Act and Rules through (a) licencing and inspections of manufacturing units, blood banks and sales premises (b) drawal and testing of drugs samples, and (c) initiating prosecution against offenders. Under the jurisdiction of the Department, there were 1,456 manufacturing and 16,500 selling units under different categories[54] (March 2011).

3.1.2 Organisational set up

The Drugs Control Department is headed by the Drugs Controller (DC), assisted by three Deputy Drugs Controllers (DDCs), seven Assistant Drugs Controllers (ADCs), three Senior Drugs Inspectors (SDIs)/three Regional Drugs Inspectors (RDIs), one Chief Drugs Inspector and 50 Drugs Inspectors (DIs). The Drugs Testing Laboratory (DTL) located at Thiruvananthapuram functions under Chief Government Analyst (CGA). Budget provision of ₹ 37.26 crore (Plan: ₹ 7.43 crore and Non-plan: ₹ 29.83 crore) was provided during 2008-09 to 2011-12. The department also collected ₹ 3.83 crore by way of licence fee, penalties imposed etc., during this period.

3.1.3 Earlier Audit

Mention was made in Paragraph 3.2 of the Report of the Comptroller and Auditor General of India (Civil) for the year ended 31 March 2003 about the shortcomings in the working of the department. The Committee on Public Accounts (PAC) had recommended in its Report presented in Eighty Eighth Report (June 2009) the following:-

- The application for renewal of licences needs to be submitted six months before the due date of expiry of the licences and the department should take necessary steps to amend the respective rule to that effect.
- A joint inspection of blood bank by Central and State agencies should be coordinated by the DC so as to ensure smooth functioning of blood banks.

[54] Allopathy, Ayurveda, Blood bank, Cosmetics, Homoeopathy, Poison, Sidha and Unani.

Government submitted the Action Taken Report to PAC in October 2012.

3.1.4 Scope and Audit Coverage

A Thematic audit on the functioning of the Drugs Control Department in the implementation of relevant Act and Rules in Kerala for the period from 2008-09 to 2011-12 was conducted during December 2011 to January 2012.

Audit test checked the records in the Office of the Drugs Controller (DC), Drugs Testing Laboratory (DTL), Deputy Drugs Controller (Ayurveda, Sidha and Unani), Thiruvananthapuram, three ADC (Regional) Offices[55] and three[56] Drug Inspectors' Offices and observed the following.

3.1.5 Licensing

According to Section 18(c) of the Act, no person shall himself or by any other person on his behalf manufacture for sale or for distribution or sell or stock or exhibit or offer for sale or distribute any drug or cosmetic except under, and in accordance with the conditions of, a licence issued for such purpose under Chapter IV of the Act. As per Rule 63 of Drugs & Cosmetics Rules, 1945 an original license or a renewed licence to sell drugs, unless sooner suspended or cancelled, shall be valid for a period of five years on and from the date on which it is granted or renewed. The license shall be deemed to have expired if application for its renewal is not submitted within six months after its expiry.

3.1.5.1 Renewal of licences of selling unit

Four selling units in Ernakulam operated without valid licence for eight to 34 months

There were 2,354 (retail-1,327 and wholesale-1,027) selling units in Ernakulam region as of April 2012. It was noticed that four sales premises under ADC, Ernakulam operated without valid licence for periods ranging between eight and 34 months in contravention to the provisions of the Act as detailed in **Table 3.1**:

Table 3.1: Details of selling units not applied for renewal of licences within the period prescribed

Sl. No.	Name of firm & Original Drug Licence Number	Valid up to	Date of Application	Fee Collected (in ₹)	Date of Inspection	New Drug Licence No.
1	Bharath Medicals 7-365/20/05 7-366/21/05 dated 21 July 2005	20 July 2010	05 August 2011	19000 Ch. No. 272 dated 28 July 2011	06 August 2011	7-379/20/11 7-380/20/11 dated 08 August 2011
2	Bolgatty Medicals 7-94/20/04 7-95/21/04 dated 21 February 2004	20 February 2009	20 October 2009	12000 Ch.No.228 dated 20 October 2009	27 October 2009	7-469/20/09 7-470/21/09 dated 28 October 2009
3	Sreekrishna Medical Stores 260/20/94/CZ 261/21/94/CZ dated 24 March 1994	31 December 1995	29 October 2009	12000 Ch.No.144 dated 29 October 2009	12 November 2009	7-499/20/09 7-500/21/09 dated 18 November 2009
4	Medlace Disposables 7-357/20B/02 7-358/21B/02 dated 04 September 2002	03 September 2007	24 February 2009	12000 Ch.No.796 dated 02 February 2009	27 February 2009	7-68/20B/09 7-69/21B/09 dated 28 February 2009

Source: Details collected from departmental records

[55] Ernakulam, Kozhikode and Kannur.

[56] DI (Ayurveda, Sidha and Unani), Ernakulam, Kozhikode and DI, Kasaragod.

DC attributed (June 2012) the non-renewal of licences in the four cases to the absence of fool proof surveillance mechanism in the department to watch the status of every licensee and timely renewal of licences.

3.1.5.2 Renewal of licence of manufacturing units

As per provisions of the Rule, the manufacturers should comply with the requirements of Good Manufacturing Practices laid down in Schedule 'M' for obtaining manufacturing licences.

Kerala State Drugs and Pharmaceuticals Limited was functioning without renewal of licence

Audit noticed that, a State Government company viz., Kerala State Drugs and Pharmaceuticals Limited (KSDP) Alappuzha was functioning without renewing its license from January 2007. Inspection conducted (August 2007) by DC revealed that KSDP was not observing the parameters in respect of building premises, water system, production and processing control, quality assurance, etc. DC, however, did not suspend the licence of the firm in consideration of the firm's plea (February 2008) that the entire plant was under the process of remodelling after possible grant of ₹ 17 crore from the Government.

KSDP is a major supplier of various drugs to the Government hospitals in the State. As per details furnished (November 2012) by the Kerala Medical Services Corporation Limited[57] (KMSCL) out of 1.03 lakh quantity of medicines purchased during 2008-09 to 2011-12 from KSDP, 0.23 lakh quantity of medicines (Cost: ₹ 6.88 lakh) were of 'Not of Standard Quality'.

3.1.5.3 Blood Bank Licences

As per Rule 122 H of Rules, the validity of a licence for operation of a Blood Bank was for a period of five years. As per Rule 122 (F) (4), (5) and (6) of Part XB of Rules, Blood Bank Licences are renewed after the State Licensing Authority and the Central Licence Approving Authority(CLAA) satisfy themselves through inspections that the requirements laid down in the rules are fulfilled. The Rule provides for continuation of operation under the existing licence till orders on renewal application are communicated to the applicant, if the applicant applies for renewal of license after its expiry but within six months of such expiry or before the expiry of licence.

There were 162 blood banks in the State. Test Check of records relating to 39 blood banks in Kozhikode region revealed the following:

Eighteen blood banks out of 39 test checked were functioning without renewal of licences

The licences of 18 blood banks were not renewed as of February, 2012. The delay in renewal of licences as of February, 2012 ranged between two and 60 months. Audit noticed that delays in renewal of licenses were due to (i) non-conducting of combined inspections (four cases) and (ii) non-issue of renewal certificates, though combined inspections were conducted (14 cases).

The DC stated that non-receipt of reports of combined inspections in two cases[58], non-return of certificates in four cases[59] by the CLAA, non-conducting of combined inspection in Malabar Cancer Centre, Kodiyeri,

[57]KMSCL is the Central procurement agency for all essential drugs and equipments for the Government hospitals in the State.
[58]Edappal Hospital Private Ltd, Edappal and Alshifa Hospital, Perinthalmanna.
[59]PVS Hospital, Kozhikode, Nirmala Hospital, Kozhikode, KSCHC & CAMS Ltd. Pariyaram and National Hospital, Kozhikode.

Kannur and non-forwarding of application to Central Licence Approving Authority (CLAA) in respect of Fathima Hospital, Kozhikode were the reasons for non-renewal of licenses to blood banks. In three[60] cases, the DC did not furnish any specific reason.

Licence of six Blood Banks in the Government Hospitals were not renewed due to deficiencies in basic facilities

Out of the 12 Blood banks of Government hospitals in the region, licenses of six[61] Government hospitals whose licences were due for renewal between December 2007 and December 2008, were not renewed due to the deficiencies in basic facilities (**Appendix 3.1**). Show-cause Notices were issued in all cases except Medical College, Kozhikode. The institutions did neither rectify the defects nor reported compliance as of September 2012.

Government, stated (June 2012) that, stringent action like cancellation or suspension of licences of Government hospitals could not be taken as these institutions cater to the needs of poor public in the State. Audit holds the view that lack of quality systems in these blood banks would compromise the quality of blood and associated risk in blood transfusion and that the Government should have taken steps to see that the hospitals remedied the deficiencies fully and expeditiously.

3.1.5.4 Sales of Ayurvedic drugs

There are more than 25,000 retail outlets selling more than 5,000 varieties of Ayurvedic drugs in the State. In the absence of specific provisions in the Rules for licensing and inspection of sales premises and collection of samples for analysis of Ayurvedic drugs, the Government directed (December 2011) the Department to examine the scope of framing State Rules for regulation of sale of Ayurvedic/Unani/Sidha drugs. However, action in this regard was still pending even though the department was aware of the sale of substandard ayurvedic drugs in the market.

3.1.5.5 Manufacturing Units – Ayurveda

The quality of drugs is a critical issue which cannot be compromised. The basic objective of carrying out inspection was to ensure that the units were functioning in accordance with the norms specified in Acts/Rules. Inspection by the Drugs Control Department in manufacturing units has been envisaged as a control mechanism to address the risk of poor quality of drugs being manufactured.

Rule 162(i) of Rules requires an Inspector to inspect not less than twice a year, all premises licensed for manufacture of Ayurvedic drugs including Sidha or Unani drugs within the area allotted to him.

There is one Deputy Drugs Controller (ASU) at Thiruvananthapuram and three Drugs Inspectors at Kollam, Ernakulam and Kozhikode. A test check of records of the offices of Deputy Drugs Controller (ASU) and two Drugs Inspectors (Ernakulam and Kozhikode) revealed that there was 67 *per cent* shortfall in inspections conducted as shown in **Table 3.2**:

[60] Kannur Medical College Super Speciality Hospital, Kannur, Cannanore Co-operative Hospital, Talap, Kannur and Sara Memorial Blood Hospital, Kannur.

[61] Medical College Hospital, Kozhikode, Government Hospital, Beach, Kozhikode, General Hospital, Thalasseri, District Hospital, Mananthavady, Wayanad, Taluk Headquarters Hospital, Sulthan Batheri, Wayanad and Taluk Headquarters Hospital, Kasargode.

Table 3.2: Details of inspections conducted

Designated Inspector	No. of districts under his jurisdiction	Total No. of Manu-facturing Units	Total No. of Inspections to be conducted (minimum two per year)	Inspections actually conducted	Shortfall & Percentage of shortfall in Inspection with reference to Statutory requirement
DI (Ayu) Kollam	3	200	400	149	251 (63)
DI (Ayu) Ernakulam	5	469	938	238	700 (75)
DI (Ayu) Kozhikode	5	303	606	262	344 (57)
Total	**13**	**972**	**1944**	**649**	**1295 (67)**

Source: Data furnished by the department

Shortfall in inspection of Ayurvedic drug manufacture units ranged from 57 to 75 *per cent*

As there were only three DIs (Ayu) who were entrusted with the Inspection of 1,087 Ayurveda manufacturing units operated in the State, the government sanctioned (March 2006) one post of Drug Inspector under a Centrally Sponsored Scheme and was posted in February 2007 with Thiruvananthapuram District as his jurisdiction. But the post of DI was in operation only up to September 2008. There were 115 manufacturing units in the Thiruvananthapuram District as of December, 2011. As no DI was entrusted with inspection duty, these units were not inspected from September 2008. Though DDC (ASU) requested (October 2008 and May 2010) the DC to give the jurisdiction of Thiruvananthapuram District to the DI, Kollam, no action was taken (December 2011) by DC.

DDC (ASU) while admitting (June 2012) that deficiency in inspections could lead to compromise in the quality of drugs, attributed the non-achievement of target to shortage of Enforcement Officers in Ayurveda Drugs Control Wing.

3.1.6 Banning of prohibited drugs

As per Section 26-A of the Act, the Central Government may, by notification in the official Gazette regulate, restrict or prohibit the manufacture, sale or distribution of drugs that is likely to involve any risk to human being or any drug that does not have therapeutic value.

No prescribed procedure was evolved to ensure immediate and complete withdrawal of banned drugs from the market

There were instances of availability of some of the banned drugs in the market. Audit noticed that though GOI banned drugs with fixed dose of combination of vitamins and analgesic in July 1983, the department detected the availability of the drug Septidase-D containing the above combination in the market in September 2011. The DC issued orders banning the drug in October 2011. The drug Gatifloxacin formulations was banned as per GOI Gazette notification No. GSR No. 218 (E) dated 16 March 2011. However, the Drug Inspector, Ranni (Pathanamthitta District) detected the availability of the above drug formulation in the shops in that area in May 2011.

The above instances show that the action taken by the department was not effective. Audit noticed that the DC had failed to enforce the ban and to ensure immediate and complete withdrawal of the banned drug from the market. There was no mechanism at the DC/ADC Offices to ensure return of the balance stock of the banned drug by the retailer to manufacturer. The DC did not even monitor the progress of action taken by the ADCs/DIs effectively by obtaining report of compliance of ban.

The Government replied (June 2012) that the department was in the process of preparing a standard operating procedure for uniformity in action.

3.1.7 Testing of Samples

3.1.7.1 Partial analysis of drug samples

The samples of drugs and cosmetics drawn by the DIs (Section 22 of Act) were required to be analysed at the Drug Testing Laboratory, Thiruvananthapuram, the only Government laboratory in the State, to ascertain the quality of drugs and cosmetics. Rule 46 of the Rules stipulate that the Government Analyst shall forward the report of analysis to the DI in triplicate together with full protocol of the test or analysis applied.

Audit noticed that certain drugs, including commonly used drugs[62], received in the laboratory were partially analysed and reported as 'Standard' and in other cases, returned untested for want of testing equipments[63]/ chemicals/reference standards. It was noticed that during 2008-09 to 2010-11, 84 drug samples (as per details given in **Appendix 3.2**) were returned untested. Also, as reported (August 2011) by the ADC (IB), in 36 out of 97 test results, the Government Analyst declared the samples as standard with the remarks that 'in expressing the opinion of declaring the drug as standard quality, only the tests and analysis as performed and given in the laboratory protocol have been taken into consideration'. This indicated that all the tests/analyses to be conducted as per the respective pharmacopoeia were not done in those cases.

Reporting the drugs as 'Standard' without conducting all tests/analysis as per the pharmacopoeia, involves the risk of enhanced consumption of NSQ drugs by the general public.

3.1.7.2 Testing of Ayurveda, Sidha and Unani (ASU) drugs

Drug Testing Laboratory, Thiruvananthapuram is functioning with one section exclusively for testing ASU drugs. Scrutiny revealed that Atomic Absorption Spectrophotometer (to detect type of metal present in Ayurveda and Unani drugs), Gas Chromatograph (for detection of exact type of alcohol), Polarised Digital Microscope (for comparison macroscopy of the plant crude drug), reference medium with authentic specimens and herbarium, etc., required for getting reliable and accurate results, were not available in the ASU section of the Laboratory.

CGA replied (December 2011) that tender formalities for purchase of new Atomic Absorption Spectrophotometer and the software for the Gas Chromatograph were in progress.

3.1.7.3 Renovation of Drugs Testing Laboratory (DTL)

Government of India, under the World Bank Aided programme of Capacity Building Project on Food and Drugs safety, approved (May 2007) the proposal for renovation of DTL and released ₹ 0.93 crore to Kerala State Aids Control Society (KSACS), out of which ₹ 25 lakh was earmarked for establishment of Microbiology Laboratory. The works were to be completed within a period of 18 months. The work of renovation of the DTL was entrusted (June 2007) to Kerala Health Research and Welfare Society (KHRWS) at an estimated cost

[62] Paracetamol, Ampicillin, Amoxicillin, etc.
[63] HPTLC Columns, Vacuum Oven, Gas Chromatograph, Turbidimeter, etc.

of ₹ 63 lakh. However, KSACS released the entire amount of ₹ 93 lakh to KHRWS. Audit noticed that KHRWS completed the renovation work at a cost of ₹ 62.47 lakh in July 2010 only, i.e., after three years of entrustment of work. KHRWS intimated (January 2011) the Chief Government Analyst that though a consultant was appointed by the department, neither the consultant nor the officials of the department initiated steps for setting up of the laboratory and hence KHRWS was unable to continue the project. CGA stated (October 2012) that the work has been entrusted (August 2012) to M/s HLL Life Care Limited, a Government of India undertaking.

3.1.8 Prosecution cases

Scrutiny of records/details made available to Audit revealed that out of 206 cases filed by the department in the court as of 31 March 2011, 53 cases were disposed of by the Court. One hundred and fifty three cases were pending disposal as of March 2011. Of the 53 disposals, 38 cases resulted in conviction and 15 in acquittal. Audit conducted a test check of five cases of acquittal which revealed that these cases pertained to manufacture and sale of NSQ drugs, stocking of drugs without valid license, etc., and the acquittals were due to various departmental failures like delay in sending samples for testing, change of statement by witness during cross examination, etc. Government admitted (June 2012) that where seizures are conducted during routine inspections, the department was forced to include available witnesses who generally become hostile at the time of conducting the case.

3.1.8.1 Sanction for prosecution and filing of prosecution cases

All Drugs Inspectors were instructed (September 2001) to observe a reasonable time frame within which final complaints are to be made in Courts. As per the instructions, in normal case, one month for completion of enquiries and one month for other process will be sufficient for filing prosecution cases.

Audit test checked 46 prosecution cases in five districts and found that there was delay ranging from one to two years in issuing sanction for prosecution. Similarly, in two cases, final complaint had not been filed even after the expiry of the period of limitation for filing. The failure in obtaining essential documents from the accused manufacturer, delay in initiating timely action for completing the investigation, vacancy of DIs for long period, etc., were the reasons which were attributed for the delay in filing final complaint in the Court.

There was no fool proof surveillance mechanism in the department to watch the status of every licensee, and timely renewal of licences. Four selling units in the Ernakulam District operated without valid licence for eight to 34 months. KSDP, a major supplier of various drugs to the Government hospitals, was functioning without renewal of licence from January 2007, and defects relating to premises and quality control measures, etc., pointed out by DC during inspection were not rectified as on June 2012. Licences of six Blood banks in the Government hospitals were not renewed due to deficiencies in basic facilities. No efforts were made by the department to ensure immediate withdrawal of banned drugs from the market. Certain drugs were only partially analysed and reported as 'Standard'. Shortfall ranging from 57

to 75 per cent in the inspection of Ayurvedic drug manufacturing units was noticed.

HEALTH AND FAMILY WELFARE DEPARTMENT

3.2 Prevention of Food Adulteration

3.2.1 Introduction

Government of India (GOI), with a view to preventing the adulteration of food stuff intended for human consumption during the stages of manufacture, storage and sale enacted 'The Prevention of Food Adulteration (PFA) Act, 1954' and framed the Rules thereunder in 1955. In exercise of powers conferred under the Act, the State Government framed 'The Kerala Prevention of Food Adulteration Rules 1957', which came into force with effect from April 1957, and in supersession of this, Government notified (February 2007) the Kerala PFA Rules, 2007.

In order to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India, the GOI enacted the Food Safety and Standards (FSS) Act, 2006 and framed Food Safety and Standards Rules, 2011 in May 2011 for enforcement of the above Act which became effective from 5 August 2011. The PFA Act 1954 and PFA Rules 1955, therefore continued to be in force up to 4 August 2011. In pursuance of Section 30(1) of the FSS Act 2006, the Government appointed (May 2009) the Commissioner of Food Safety (CFS) and also ordered that the CFS should also act as the State (Food) Health Authority for the purposes of PFA Act 1954 till transition from PFA to FSS Act was completed.

Audit conducted an assessment of effectiveness of implementation of provisions of both the Acts in the areas of inspection and collection of samples, testing of samples and prosecution. Audit scrutinized the records of the Office of the Commissioner of Food Safety, four[64] District Offices and three[65] Analytical Laboratories covering the period from 2007-08 to 2011-12.

Audit findings are discussed in the following paragraphs.

3.2.2 Inspection

Rule 50 of PFA Rules 1955 stipulate that "no person shall manufacture, sell, stock, distribute or exhibit for sale any article of food including prepared food or ready to serve food except under a licence". Local Self Government Institutions (LSGIs) were issuing licences under the provisions of the PFA Act 1954. Rule 9(a) of PFA Rules 1955 authorize Food Inspector to inspect as frequently as may be prescribed by the Food (Health) Authority or local authority, all establishments licensed for the manufacture, storage or sale of an article of food within the area assigned to him. As per Section 31(4) of FSS Act 2006 (effective from 5 August 2011), Designated Officers appointed by

[64] Thiruvananthapuram, Ernakulam, Palakkad and Kozhikode.
[65] Thiruvananthapuram, Ernakulam and Kozhikode.

the Commissioner of Food Safety of the State are authorized to grant licence to commence or carry on any food business.

The department had not maintained the database of Food establishments

The department had not maintained the data base (either manual or computerised) of Food establishments[66]. The Food (Health) Authority or Local Authorities had not prescribed the number of inspections or names of Food establishments to be inspected by the Food Inspector[67] in any month. Hence, Food Inspectors were engaged most of the days in a month for court duty or other general duties and inspections were conducted in an *ad -hoc* manner. There was also no risk based planning for inspection and assigning priority for revisiting Food establishments, where earlier inspection had revealed sale of adulterated food. Thus, there was no fair and transparent system in the selection of food establishments for inspection.

The Government stated (September 2012) that a systematic planning was not possible due to shortage of 32 posts of Food Inspectors. The reply is not acceptable since the information gathered by Audit from the department revealed that only eight out of 32 posts of Food Inspectors under Municipality/Corporation were vacant during 2009-2012, and that systematic planning for inspection of food establishments should have been undertaken and inspections carried out within the facilities existing with the department.

3.2.3 Collection of Samples

As per Section 10(1) (a) of PFA Act 1954, a Food Inspector shall have power to collect samples of any article of food from any person selling or who is in the course of conveying, delivering or preparing to deliver such article to a purchaser or consignee or from a consignee after delivery of such article to him.

Shortfall in collection of samples ranged from 34 to 65 *per cent* in the districts test checked

According to the norms fixed (January 2006) by the Government, a total number of 24,624 food samples were to be collected in the test checked districts of Thiruvananthapuram, Ernakulam, Palakkad and Kozhikode during the period 2008-09 to 2010-11. Audit, however observed that only 12,345 samples (50 *per cent*) were collected and tested. There were shortfalls in collection of food samples ranging from 34 (Kozhikode 2008-09) to 65 *per cent* (Palakkad 2010-11).

Government admitted (September 2012) that, due to shortage of Food Inspectors, sampling under PFA Act was not properly supervised by the Department. Deficiencies in the collection of samples indicate weak enforcement mechanism and this would result in consumption of adulterated food by the public.

[66] Under the FSS Act, 'Food Business Operators'.
[67] Under the FSS Act, 'Food Safety Officer'.

3.2.3.1 Sampling of fish and meat products

Fish and meat products were rarely sampled for analysis

On the basis of the recommendations of the Legislative Committee on Health and Family Welfare, Government directed (December 2007) the Director of Health Services to furnish reports on the action to be taken to ensure that fish and fish products imported to the State are free from adulterants. However, analysis of the data collected from the selected district level offices revealed that Fish and fish products were rarely sampled. Similarly, meat and meat products, alcoholic beverages, etc., were also rarely sampled for food analysis. The Food Safety Officer, Thiruvananthapuram replied (March 2012) that samples from hotels and bakery, fish and fish products, vegetable, etc., decay very fast and hence the shortfall in collection. The reply was not acceptable as CFS should have made proper arrangements for immediate storage of samples collected, to address the risk of further decay after sampling.

Government stated (September 2012) that on the basis of the observations made by Audit, field level officers of the department were given training regarding fish and meat sampling by experts in this field.

3.2.3.2 Sampling for microbiological analysis

Sampling for microbiological analysis was not done during 2007-12

The presence of microbiological organisms in the food can cause infection or injury or toxicity to the consumers. The microbiological safety of food was to be achieved by ensuring the absence of pathogenic micro organism and by preventing their multiplication. Sampling for conducting microbiological tests was to be made as per standards prescribed under IS 5404:1984. It was noticed in audit that samples were not collected for microbiological analysis during 2007-12. The CFS stated (September 2012) that there were no microbiological analytical facilities or microbiologists for conducting microbiological analysis available in any of the analytical laboratories in the State. Non–conducting of tests for detection of microbiological organisms would increase the risk of consumption of adulterated and unhygienic food products by the people.

3.2.3.3 Defective collection of samples

Rules 14 to 18 of PFA Rules 1955 provide for the procedures to be followed by Food Inspectors for collection and sending of samples for analysis such as:

a) The label on any sample of food sent for analysis shall bear code number and serial number of local health authority, date and place of collection, etc.

b) Memorandum containing the above details and impression of seal used to seal the sample should be sent to Analytical laboratories immediately, not later than the succeeding working day.

Procedural lapses in collection of samples by Food Inspectors led to rejection of samples by Analytical laboratories

Audit noticed that 559 out of 38,560 samples received for analysis in the three Analytical Laboratories during the period 2008-09 to 2011-12, did not conform to the provisions of PFA Act and were returned by Analytical Laboratories without conducting analysis as per proviso to Rule 7(3) of PFA Rules. It was noticed that the deficiency in the samples was due to mistakes in

procedures like differences in date in label and memorandum, absence of code number, etc.

3.2.4 Testing of Samples

Modern and sophisticated machineries with uptodate technology are essential for various types of analysis of samples in the Analytical Laboratories as shown in **Table 3.3**:

Table 3.3: Details of equipments required for analysis

Name of equipment	Nature of analysis
Atomic Absorption spectrometer	Detection of Heavy metals
High performance liquid Chromatography	Detection of Pesticide residue in food additives and preservatives
Kjedahl Digestion Unit	Analysis of protein, nitrogen, etc.
Gas Chromatography	Pesticide residual analysis
Auto clave	Bacteriological analysis
Muffle furnace	Inorganic determination

Source: Details furnished by the department

Infrastructure facilities in the Analytical laboratories were grossly inadequate

There was only one Government Analyst Laboratory at Thiruvananthapuram and two Regional Analytical Laboratories (RAL) at Ernakulam and Kozhikode for conducting the analysis of samples. The laboratories were not provided with many of the major sophisticated machineries. Some of the equipments supplied to the laboratories during 2004-07 were not in working condition.

In the Government Analyst Laboratory, Thiruvananthapuram equipment like Atomic Absorption Spectrometer with Graphite Furnace, Rotary Vacuum Evaporator, Micro wave Digestion unit, Bio safety cabinet, etc., were not in working condition from 2005-06 onwards. In RAL at Ernakulam, the Gas liquid Chromatography was not working from October 2008. The Atomic Absorption Spectrometer was only partially installed in January 2006 and metal estimation process was not being conducted. In RAL Kozhikode, Atomic Absorption Spectrometer, High performance liquid chromatography, Kjedahl digestion unit, Gas chromatography, Rotary vacuum evaporator, etc., were not working from 2006-07.

Absence of many of the equipments in the laboratories, essential for conducting the tests for detection of adulteration in food led to consumption of untested food stuff in the test checked districts.

Government stated (September 2012) that many of the machineries were supplied by the GOI under the scheme 'Food and drugs capacity building project' and the machinery supplied were defective or lying idle in the laboratories for repair. Government also admitted that the Analytical Laboratories were not equipped with modern machineries such as GCMS, AAS with Graphite Furnace and Hydride Generator, IR, HPTLC, FTIR, etc.

3.2.4.1 *Analysis of private samples*

Test reports of samples collected by Food Inspectors under PFA Act and private parties, analysed in the Analytical Laboratories during the period 2007-08 to 2010-11 revealed that the adulteration in private samples was substantially higher than in the samples collected by Food Inspectors, as shown in **Table 3.4:**

Table 3.4 :Rate of adulteration in Samples collected by Food Inspectors/Private Samples

Sl. No	Year	Rate of adulteration (*per cent*)	
		Samples collected by Food Inspectors	Private Samples
1	2007-08	2.45	10.39
2	2008-09	2.78	15.36
3	2009-10	2.21	12.63
4	2010-11	2.81	9.43

Source: Data collected from Government Analytical Laboratory, Thiruvananthapuram

This indicated the absence of risk based selection of samples by Food Inspectors. The Government admitted (September 2012) that low rate of adulteration in samples collected by Food Inspectors was due to selection of majority of items for analysis from branded items.

3.2.5 Prosecution

Section 13(2) of the PFA Act 1954 provides for prosecution of traders manufacturing/storing/selling adulterated food. A total number of 1,879 prosecution cases initiated under PFA Act were pending as at the end of 2011-12.

There were large number of acquittals in the prosecution cases due to procedural deficiencies

Out of 822 cases decided during the year 2007-08 to 2011-12, 441 cases resulted in acquittal. Audit test checked 100 acquitted cases and found that the acquittal in 22 cases was mainly due to procedural deficiencies on the part of officials to establish the facts or produce proper records/documents before the court, such as the following:

- Deficiency in preparation of *mahazar*[68]: (cc No. 196/08) Variation in the statement recorded in the *mahazar* and the depositions before the court regarding the procedure adopted for collection of the sample of adulterated vinegar.

- Defects in sampling: (cc No.770/03) Inability of the Food Authority to prove the adequacy of the procedure adopted by the Food Inspector in preparation of homogeneous sample of adulterated ghee.

- Mistake in *mahazar*: (cc No.669/2007) Food Inspector failed to record the label description in the *mahazar* and the label was not produced in the Court.

[68]It is a description of facts and state of things which an investigating officer observes in a scene of crime.

- Non-compliance of requirements under Section 13 (2) of PFA Act: (cc No.415/05) The report of analysis of the food item was issued to the accused only after eight months from the date of taking the food sample resulting in sending the second sample to Central Food Laboratory.

- In another case, the State Government had not given permission to launch prosecution, as the adulteration was detected in food kept for sale in the Supplyco outlet at Perinthalmanna, owned by Kerala State Civil Supplies Corporation. Thus, the supplier of adulterated food escaped from prosecution only on the ground that the vendor was a State Corporation.

Government stated (September 2012) that acquittals due to serious laxity on the part of officials were looked into and explanation sought for from the officials concerned. It was also stated that the lapses on the part of prosecution had been looked into and it was ensured that the same would not be repeated.

3.2.6 Enforcement of FSS Act 2006

Section 30(1) of the FSS Act 2006 authorises the State Government to appoint the Commissioner of Food Safety for the State for efficient implementation of the Act and other requirements laid down under this Act and the rules and regulations made thereunder.

Prosecution of erring FBOs as per the FSS Act could not be done

As per Section 43 of FSS Act, the Food Authority was required to notify food laboratories and research institutions accredited by National Accreditation Board for Testing and Caliberation Laboratories (NABL). FSS Act[69] further provides for notification of Adjudicating Officers for prosecution of erring Food Business Operators (FBOs). Both these provisions were not complied with (August 2012). The State (Food) Authority was not in a position to prosecute the FBOs manufacturing, selling or storing the adulterated food since August 2011 because of delay in notification of accredited food laboratories and Adjudicating Officers.Government replied (September 2012) that notifying Adjudicating Officers is under process. The Government also stated that a committee has been formed to speed up the formalities for availing NABL accreditation to all analytical laboratories under the Government.

3.2.6.1 Delay in taking preventive measures

As per Section 32(1) of the FSS Act, the Designated Officer (DO) was empowered to issue improvement notices to FBOs in case the FBOs are found violating the provisions of the FSS Act. Section 32(2) also provided for suspension of licences of FBOs who fail to comply with the improvement notice. It was noticed in audit that the competent authority failed to invoke these provisions in spite of detection of adulteration by same FBO on more than one occasion.

[69] Section 68 of FSS Act, 2006.

There was delay in taking immediate preventive measures for 'Sudan' adulterated chilli powder

The Spices Board[70] intimated (17 November 2011) the CFS that an adulterant chemical 'Sudan' which was highly toxic and hazardous to human health was detected in a consignment of chilli powder notified for export by Eastern Condiments (P) Limited (firm). Though the Spices Board directed the firm to destroy the consignment in the presence of Food Safety Officers within fifteen days, CFS issued instruction in this regard only after one month (19 December 2011). Instead of taking immediate action for testing the product of the supplier meant for domestic market, the CFS issued instructions to all designated officers only on 22 December 2011 to collect samples from all batches of chilli powder of the brand for ensuring consumer safety. The factory premises were inspected by the District Food Safety Officer, Idukki for collection of samples on 18 January 2012 i.e., only two months after detection of adulteration.

The Spices Board detected the same adulterant in the chilli powder of the firm again in March 2012 and intimated the CFS for destruction of the consignment. It was noticed in audit that the FSO, Idukki did not issue improvement notice, as prescribed in the FSS Act, to the firm even after detection of adulteration in the same article of the firm on more than one occasion. Since the same adulterant, highly toxic and hazardous to health was detected again, the Commissioner of Food Safety should have initiated stringent measures against the firm, including cancellation of licence.

Thus, the implementation of the Prevention of Food Adulteration Act, 1954 was deficient and inadequate. Inspections were conducted by the Food Inspectors in an ad-hoc manner. Shortfalls in collection of samples ranging from 34 to 65 per cent were noticed in the selected districts. Microbiological analysis was not conducted in the Analytical Laboratories. Many of the modern machineries were either not provided or were not in working condition. Though the FSS Act came into force in August 2011, the provisions of the Act could not be implemented due to non-creation of facilities statutorily required in the Act.

HOME DEPARTMENT

3.3 Implementation of Coastal Security Scheme

3.3.1. Introduction

The Government of India (GOI), Ministry of Home Affairs, formulated (January 2005) the Coastal Security Scheme (CSS) for implementation by Coastal States and Union Territories within five years from 2005-06. The CSS plan envisaged setting up of Coastal Police Stations on/near the coastal area equipped with land and sea capability by providing adequate number of vessels, vehicles, communication equipments, computer systems, etc. A Standard Operating Procedure (SOP) was also issued by the GOI (Bureau

[70] A flagship organisation under the Ministry of Commerce, Government of India for the development and world wide promotion of Indian spices.

of Police Research & Development) as a guideline for smooth functioning of the Coastal Police Stations. Each Coastal Police Station (CPS) was to have legal jurisdiction of 12 nautical miles off the coastal line with operational jurisdiction up to five nautical miles.

The GOI sanctioned (December 2005) an outlay of ₹ 43.56 crore for implementation of the Phase I of the scheme in the State. The scheme also provided for the reimbursement of the entire recurring expenditure on fuel, maintenance and repair of vessels for five years.

The operationalisation of the scheme involved the following activities:-

- Identification, taking possession and handing over of land to the constructing agency for construction of CPSs,
- Construction of Coastal Police Stations,
- Construction of Boat Jetties,
- Procurement of Interceptor Boats and Vehicles and
- Training of personnel for deployment.

Operationalisation of the scheme within the time frame requires the department to fix milestones for each activity mentioned above. But audit scrutiny revealed that the department had not fixed any time frame for each activity. Consequently, the scheme implementation remained incomplete till date (August 2012).

3.3.2 Construction of Coastal Police Stations

The High Level Empowered Committee (HLEC) held its meeting (November 2005) under the chairmanship of Union Home Secretary and approved construction of eight CPSs in eight coastal districts[71] in the State at a cost of ₹ 24.70 lakh each (Total cost: ₹ 1.98 crore). The State Government entrusted (December 2005) the construction of CPSs to Kerala Police Housing Construction Corporation Ltd. (KPHCC)[72]. The period required for construction of Coastal Police Station was 15 months. Smooth progress of construction of CPSs was critically dependent on taking possession of free sites. The department, however, failed to ensure that the lands required were acquired well before the construction of CPSs. Without ensuring this requirement in advance, the department requested GOI to transfer the first instalment (50 *per cent*) of ₹ 98.80 lakh to KPHCC. Accordingly, KPHCC received ₹ 98.80 lakh from GOI in January 2006. But, the sites were handed over to KPHCC belatedly from April 2009 to August 2009. This led to blocking of ₹ 98.80 lakh with KPHCC for over three years. The balance amount of GOI grant, ₹ 98.80 lakh was also transferred to KPHCC in November 2009.

[71] Thalangara-Kasargod, Azheekal-Kannur, Beypur-Kozhikode, Azheekode-Thrissur, Fort Kochi-Ernakulam, Thottapilly-Alapuzha, Neendakara-Kollam, Vizhinjam-Thiruvananthapuram.

[72] A Government of Kerala undertaking engaged in construction activities of police department.

Only seven out of eight CPSs have been completed so far (August 2012). In the remaining one CPS at Azheekal, though the site was handed over to the contractor in December 2009, the work was yet to be completed as of August 2012. KPHCC attributed the delay in construction at Azheekal to the undue delay caused by the contractor and stated that the work was terminated (August 2012) at the risk and cost of the contractor.



Incomplete CPS at Azheekal

Delay in handing over the site to KPHCC and change of design increased the cost per CPS by 183 *per cent*

The HLEC decided (November 2005), to construct CPSs as per the design and norms of Bureau of Police Research and Development. Later, GOI allowed (February 2006) the department to carry out suitable local design modifications to the CPS within the sanctioned grant (₹ 24.70 lakh). GOI also clarified (November 2008) that additional cost of construction of CPSs should be met by the states from their own budget and that funds from CSS and Modernization of Police Force (MoPF) Scheme should not be dovetailed.

As against the estimated cost of ₹ 24.70 lakh, the average cost of construction of CPSs was ₹ 70 lakh i.e., increased by 183 *per cent*. The cost over-run in construction of CPSs was mainly due to delay in timely takeover of sites and changes in the design of CPSs. The department should have obtained sanction of Government for the change in design as the State Government was to bear the additional cost of construction. But there was failure on the part of the department to obtain permission from the State Government for changes in the design and increased cost estimates. The department met the excess expenditure by diverting funds, to the extent of ₹ 3.57[73] crore, from MoPF, in violation of GOI directions.

Department met the additional cost of construction of CPSs by diverting funds from MoPF, in contravention of GOI instructions

Five out of eight CPS were not constructed on/near to the sea coast

The scheme stipulates that, the CPSs be constructed on/near to the sea coast. However, it was observed in audit that five out of eight CPSs, were not constructed near to the sea coast. The distance of the CPSs from the sea coast varied from 0.750 km to 3.500 km and were not suitable to the police personnel for search and surveillance of coastal areas.

According to paragraph 12, Chapter 10 of the SOP, there should be a provision for keeping watch over on the high sea/coast from the places like watch towers, etc., which are to be on or near to the sea coast. The guards were to be equipped with night vision binocular, normal binoculars, etc.

Of the completed seven CPSs, watch towers were constructed only in six CPSs. Watch towers of five CPSs have limited vision. Watch tower at Fort Kochi has no vision of sea at all. In respect of one CPS, yet to be completed

[73] ₹ 5.55 crore – ₹ 1.98 crore = ₹ 3.57 crore.

(Azheekal), it has no view of sea.

Government replied (July 2012) that watch tower being a minor assistance tool was not a crucial factor in Coastal Security. The reply was not acceptable as the role of watch tower was a crucial factor in coastal surveillance in terms of aforesaid provision of the SOP, mainly because of the fact that watch towers strengthen coastal security by incessant surveillance and vigil exercised. As the visibility of the sea from the watch tower was nil/ limited, the purpose of constructing these were defeated.

View from watch towers



CPS, Thottappally



CPS, Azheekal

3.3.3 Manpower

According to Chapter 16 of SOP, in addition to the specialized and intensive training on various aspects of their specialized functions, one month On Job Training (OJT) onboard Coast Guard vessel was to be given to Inspector, Sub Inspector and ASI of CPS by Coast Guard.

3.3.3.1 Availability of trained man power

According to Chapter 4.3 of the SOP, 568[74] personnel and 144[75] boat crew were required for the functioning of eight CPSs. But the Government sanctioned only 341 personnel in the CPSs. The available strength was 306 personnel in the CPSs and 57 Boat crew (daily wage) for the Interceptor Boats (IB).

According to the SOP, no police personnel should be posted to a CPS without being given the basic training. As per the information furnished (August 2012) to Audit, only 161 personnel out of the available strength of 306 personnel in the CPSs were trained. In order to overcome the shortage of trained personnel, the Department instructed (August 2011) the District Police Officers to retain the trained CPS personnel at least for three years in the CPSs. It was seen that 45[76] trained personnel who had not completed three years at CPSs were transferred out of CPSs. It was also noticed that there were frequent transfers of trained personnel from CPSs by the District Officers despite specific direction from department to retain the trained police personnel in CPSs. Government replied (July 2012) that these trained personnel cannot be retained in CPSs always and due to promotions and other administrative reasons they have to be transferred from CPSs. The reply is not acceptable as those personnel who are not likely to be shifted in near

[74] 71 personnel per CPS x eight CPSs.
[75] 18 crew per CPS x eight CPSs.
[76] Thiruvananthapuram (1) + Kollam (3) + Kochi (20) + Thrissur (4) + Kozhikode (17).

future due to promotion, etc., should have been imparted training. Retention of 145 untrained personnel in the CPSs when enough trained personnel were available is not in accordance with the standards set in the Scheme. Further, the department extensively engaged 101[77] of CPSs personnel for other special duties not related to the CPS activities. The shortage of police personnel and boat crew affected the targeted patrolling hours and in turn the surveillance. Failure of the department to ensure retention of the trained personnel in the CPSs was not conducive to the functional efficiency of the CPSs.

3.3.3.2 Shortage of boat crew

Shortage of boat crews adversely affected the upkeep and maintenance of Interceptor Boats

To overcome the shortage of trained boat crew, the GOI issued (December 2006) instructions for recruitment of service personnel from Navy and Coast Guard on deputation basis. But no such recruitment has taken place so far. The Coast Guard's suggestion (August 2010) to induct ex-service personnel who have strong marine background was also not adopted by the department. The remuneration sanctioned by the Government for the technical crew on daily wages was too low to attract ex-service personnel. As per the SOP[78], incentive in the form of Risk Allowance at the rate of 50 *per cent* of basic pay was to be given to personnel posted in CPSs. But the department failed to sanction the incentive. This reduced the attractiveness of being posted in CPS. Audit noticed that Karnataka Government had already sanctioned the incentive as envisaged in the SOP to the personnel managing the CPSs.

For the proper upkeep and maintenance of IBs, detailed routine maintenance works as per the schedule prescribed in the guidelines were to be carried out by the boat crew. The SOP (Chapter 6) also stipulates the responsibilities of boat crew in this regard. There were frequent breakdowns and idling of boats. Failure of the department to provide sufficient number of trained boat crews adversely affected the upkeep and maintenance of the IBs. The lack of experienced technical personnel has resulted in under utilization of boats and in turn inadequate surveillance.

3.3.4 Interceptor Boats

Chapter 4 of SOP states that the Coastal Police Stations shall have an exclusive Marine wing for keeping surveillance on sea through boat patrolling. One of the objectives of establishing Coastal Police Station, as per Chapter 2 was to strengthen the infrastructure for patrolling and surveillance of coastal areas. The most essential equipment required for the above purpose is IBs.

MHA directed (March 2009) all coastal states/UTs to ensure the readiness to handle the Interceptor Boats (IBs) allocated to them with the following preparatory steps, before receiving IBs:-

- Coastal Police Stations to be operational to use the Boats.
- Trained manpower/crew to be available at the designated place of delivery to handle the boats
- Readiness of logistics such as jetty, electrical shore supply and fuelling capacity.

[77] Neendakara (3) , Azheekode (43), Beypore (41), Bakel (14).
[78] Article 22.3.

- Availability of crane/lifting device and lifting beam.

The department informed (March 2009) the GOI that all the logistics/facilities required, as per MHA letter (March 2009) for running the boats were available except facility of crane/lifting device and lifting beam. Based on this, GOI supplied 24 IBs (sixteen 12 ton IBs and eight 5 ton IBs) costing ₹ 44.94 crore during the period July 2009 to November 2010 .

Scrutiny by audit revealed that the status of implementation of the scheme in March 2009 was as follows:

- Two Coastal Police stations[79] were not operational
- Trained manpower/crew with SOP specifications was not available in any of the CPSs.
- Exclusive jetty with SOP specifications was not available for berthing the IBs in any of the CPSs.

Submission of incorrect information by the department led to idling of IBs

Audit observed furnishing of incorrect information by the State Government to GOI in respect of readiness of the CPSs to use IBs, availability of trained manpower, and readiness of logistics such as jetty, electrical shore supply and fueling capacity led to supply of boats as early as in July 2009 to November 2010. Due to non availability of trained manpower/crews in CPSs, the supplied boats could not be used to the desired level. Non-availability of exclusive jetties in all CPSs resulted in the IBs being berthed along with fishing boats of local fishermen. This led to non maintenance and under utilization of boats.

Construction of one out of eight CPSs was yet to be completed (August 2012). There was shortage of trained personnel in all the CPSs and Boat jetties were not available in any case as of October 2012.

3.3.4.1 Idling of IBs

The actual utilisation of IBs was 5.64 *per cent* of the target fixed

Two 12 ton interceptor boats and one five ton interceptor boats were supplied to each CPS. As per GOI stipulation (September 2009), the IBs were to be tasked for a minimum of 120 hours in a month, with annual tasking of minimum 1,400 hours which was revised (October 2010) to 150 hours and 1,800 hours respectively. Audit scrutiny revealed that though all the 24 boats in eight CPSs were to run 90230 hours during the period from the date of supply to July 2012, the actual achievement was only 5,086 hours. This constitutes only 5.64 *per cent* of the target fixed and indicates that all the boats were almost idling during the last two and half years resulting in non-surveillance on sea coast to the extent of 85,144 hours against the target of 90,230 hours. Audit scrutiny, further revealed that the utilization of IBs was low due to technical defects and physical damage such as Diesel Generator Set complaints, Port Side Engine Complaints, Water mixing in the Jet level Oil, Fuel pump defects etc. Eight IBs[80] were having opaque front glass which affected vision and smooth voyage and surveillance leading to limited navigation.

Poor quality Interceptor boats supplied were not useful for patrolling purposes

[79] Azheekal, Thottappally.

[80] Kozhikode (three cases), Kasaragod & Thiruvananthapuram (two cases each) and Thrissur (one case).

Government attributed the underutilization of IBs to low fuel efficiencies, difficulties in procuring costly LSHS diesel, delay in repairing technical defects by GSL authorities, non availability of spare parts and lack of sufficient boat crew.

Boat with opaque glass



3.3.4.2 *Maintenance of IBs*

Required reduction of charges on account of failure to attend timely repair and maintenance of Interceptor Boats was not effected

To maintain the boats an Annual Maintenance Contract was entered between GSL, Goa and Ministry of Home Affairs (January 2010). According to the terms[81] of AMC, the technician should reach the repairing yard of the boat within five days which is not seen adhered to. Further, if a boat is non-operational for more than four weeks continuously after the receipt of call from base stations, the AMC charges[82] were to be reduced by 0.5 *per cent* per week for delay in repair beyond four weeks. But the base stations were not keeping any records in this respect for imposing the penalty.

As per the assessment carried out by Inspector of Police, CPS, Beypore, the servicing of boats by GSL authorities was very poor even after repeated messages and phone calls. Failure to carry out timely repair and work by these agencies would result in idling of IBs and in turn non-surveillance of coastal area.

Government admitted (July 2012) that the response times in respect of calls for repairing were very low and usually more than two months were taken to get the services of the GSL, Goa technicians.

3.3.4.3 *Boat jetties*

In six CPS, Interceptor Boats were berthed in private/fisher-men jetties far away from CPS

Chapter 9 of SOP states that in maintaining secrecy of operation and for security of IBs, it would be necessary for each CPS to have its own boat jetty. It also states that the jetty should ideally be located in the close vicinity of CPS and should not be close to the beach/jetties used by local fishermen. Scrutiny by audit revealed that in six[83] CPSs, IBs were berthed in private/fisheries jetty far away from CPSs. At Fort Kochi and Azhikode CPSs IBs were berthed in make shift jetties close to the CPS. At Vizhinjam CPS, the IBs were docked in harbour meant for docking ships. The Police Inspector (Vizhinjam CPS) reported (December 2010) the Inspector General of Police

[81] Annexure II to AMC.
[82] Article 4.2 of the AMC.
[83] Thalangara, Azheekal, Beypore, Thottappally, Neendakara, and Vizhinjam.

(Internal Security) that, due to non-availability of wharfs, the boats were being damaged in sea roughness. Government stated (July 2012) that no fund was allotted by GOI for construction of boat jetties.



In fisheries harbour at Azheekal



Damaged/make shift jetty at Thottappally

3.3.5 General

3.3.5.1 Area of jurisdiction of CPSs

Notification of Chief Judicial Magistrate under sub section (1) of section 14 of Criminal Penal Code defining the local area of jurisdiction of each CPS was mandatory for registering cases by the respective CPSs. According to Article 5.4.4 of the SOP, the CPS was required to keep surveillance over the villages, roads, highways, government/private jetties, vehicles, hotels etc. However, the the notification was issued (July 2012) only in respect of CPSs at Azheekode, Neendakara, Fort Kochi and Bakel. In the other cases, the required notification was yet to be issued (July 2012).

3.3.5.2 Phase II of the Scheme

Phase II of the Coastal Security Scheme envisages carrying out the objectives of phase I further by way of providing additional infrastructural support to the State/UT police with a view to supplementing other coastal security initiatives being effected by the Navy and Coast Guard. The period of implementation was five years starting from 2011-12. Kerala has been sanctioned 10 new Coastal police stations and 20 twelve ton IBs in phase II.

Audit observed that the department was yet (August 2012) to identify suitable land for the new CPSs even after a lapse of one year. Moreover, one CPS included in phase I was not yet fully[84] operational.

The implementation of Coastal Security Scheme suffered due to lack of synchronization of activities like taking possession of land in advance, arrangement of works, etc., which led to enormous delays in the operationalization of the Scheme, such as delay in construction of CPSs, non-construction of CPSs near the sea coast, non deployment of trained police personnel/boat crews, non-supply of boats suitable for patrolling, frequent

[84] CPS Azheekal is now functioning in a building nine km away from sea coast, as its own building is yet to be completed. 25 police personnel were posted, of which only seven are trained. No boat crew was posted.

break down of boats and failure to carry out timely maintenance and repair leading to idling of boats for long periods, etc. Consequently, the main objective of strengthening coastal security against infiltration, intrusion and other illegal activities, remained unachieved.

LABOUR AND REHABILITATION DEPARTMENT

3.4 Kerala Building and Other Construction Workers Welfare Board-Collection of building cess, contribution and disbursement of benefits

3.4.1 Introduction

Collection of building cess is regulated by Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (Act), Building and Other Construction Workers Welfare Cess Act 1996 (Cess Act), Building and Other Construction Workers Welfare Cess Rules, 1998 (Cess Rules) and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Kerala Rules, 1998 (Kerala Rules). These Acts and Rules were framed to regulate the employment and conditions of service of building and other construction workers and to provide for their safety, health and welfare measures. According to the instructions issued (January 2007) by the Labour Commissioner, the responsibility of levying and collection of cess in respect of private buildings were entrusted with the Assistant Labour Officers Grade I. As per Section 3(2) of the Cess Act, deduction of cess in respect of building and other construction work of a Government or Public Sector Undertaking have to be made at source from the contractors' work bills.

The Kerala Construction Workers Welfare Fund Board constituted in April, 1990 by the Government as per the provisions of the Kerala Construction Workers Welfare Fund Act, 1989 was renamed as Kerala Building and Other Construction Workers Welfare Board with effect from 1 November, 1998 in terms of Section 18 of the Act.

The audit was conducted during February to June 2012 to assess the collection of cess from the employers of the establishments, contributions from the members of the Board and disbursement of benefits to the beneficiaries. The records of Board's Headquarters and district offices of Labour Department and Board's offices at Thiruvananthapuram, Kollam and Thrissur districts[85] were test checked covering the period 2007-08 to 2011-12.

3.4.2 Financial resources

As per Section 24 of the Act, the Board constituted a fund, which includes grants and loans made by the Central government, all contributions made by the beneficiaries and all sums received by the Board from such other sources.

[85]Though Thiruvananthapuram and Kollam are adjoining districts, these were selected to identify dual membership among the beneficiaries.

Annual Accounts of the Board have been certified up to 2008-09 and accounts for 2009-10 to 2011-12 are provisional.

Details of funds received and expenditure incurred for welfare benefits during 2007-08 to 2011-12 are shown in **Table 3.5:**

Table 3.5: **Details of fund received and payments of welfare benefits**

(₹ in crore)

Year	Receipt of funds		Welfare Benefits
	Cess Collection	Contribution	
2007-08	47.40	20.02	45.83
2008-09	60.78	21.06	53.92
2009-10	54.00	23.55	60.85
2010-11	69.05	25.61	89.49
2011-12	104.60	30.20	97.92
Total	**335.83**	**120.44**	**348.01**

Source: Annual Accounts of the Board up to 2008-09 and provisional accounts for 2009-10 to 2011-12.

The audit findings are discussed in the succeeding paragraphs.

3.4.3 Collection of Cess

As per Section 3 of the Cess Act, mployer of building and other construction works is the assessee for levy and collection of cess. Cess is to be levied at one *per cent* of the total construction cost. In terms of Rule 4 of the Cess Rules, the cess levied shall be paid by an employer within thirty days of completion of the construction of project/the date on which assessment of cess payable is finalized, whichever is earlier.

3.4.3.1 Registration of Employer's Establishment

As per Section 7 of the Act, every employer, who employs building workers in any building or other construction work, shall register their establishment with the District Labour Officer (DLO) within a period of sixty days from the commencement of work.

There was loss of ₹ 34.80 lakh on account of non-registration of employer's establishment

It was seen that registrations were made only in 405 cases out of 28,247 test checked cases requiring registration in the three Corporations of the districts test checked. This led to the loss of registration fee of ₹ 34.80 lakh to the Department (at the minimum rate of ₹ 100 plus penalty 25 *per cent*) in the remaining 27,842 cases[86].

The Labour Department has not taken any action to enforce the registration of establishments of the employers. No penal action was taken as stipulated in Rule 31 of the Kerala Rules against the non-registered employers. The department replied in March 2012 that due to meagre staff strength and lack of infrastructural facilities all the establishments could not be identified as potential employer for registration at the time of construction. However, the department has not made any attempt to enforce the registration of establishments with the utilization of available facilities.

[86] Thiruvananthapuram–16,373,Kollam–5,246,Thrissur–6,223.

3.4.3.2 Information about commencement of work by the employers

Department did not impose any penalty on the employers who did not intimate the date of commencement of work

Provisions of the Rule 29(1) of Kerala Rules, requires employers to submit before thirty days of commencement of construction work, a notice in Form IV intimating the actual date of commencement of work. Further, Section 48 of the Act stipulates imprisonment/fine of ₹ 2,000 or both in case of non-filing of Form IV. Section 50(3) of the Act enjoins issue of notice to the employers before imposing penalty.

The department had not received Form IV from any of the employers during 2006-07 to 2011-12 and no notices were issued to the employers for imposing penalties. Therefore, the penalties of three months' imprisonment/fine of ₹ 2,000 or both could not be imposed on these defaulters. This has resulted in non-identification of establishment/employer, location of the building, details of registration, nature of work involved and the facilities including plant and machinery provided, etc., and thereby the department could not identify all employers for assessment of cess. The department admitted the observation made by Audit.

3.4.3.3 Furnishing of information by the assessee

At present the DLO is identifying employers for the purpose of assessment of cess, from the register for property tax maintained by the local authorities. The cases taken from the local authorities are recorded in the assessment register maintained by the DLO. After that, notices along with Form I as required in Rule 6 of Cess Rules were sent to the identified assessees. On receipt of duly filled in Form I from the employer, assessment notices were served with the direction to remit the cess amount within 15 days, or to be present before the Assessing Officer for redressal of grievances if any, failing which the final assessment order will be served to the assessees. According to Section 10 of the Cess Act, any amount due from an employer is to be recovered as an arrear of land revenue. Deficiencies in the collection mechanism led to the following:

Due to slackness of the department, ₹ 2.36 crore remained to be recovered from employers in test checked cases

- There was failure to collect cess in 621 test checked cases[87] after serving Form I to the assessees in the three test checked Corporations. This showed that even the initial step of assessment had not been carried out in these cases.
- Even though assessment notices were served on the assessees in the test checked districts, 274 employers[88] failed to pay cess of ₹ 75.18 lakh during the audit period.
- There was failure to recover the dues amounting to ₹ 1.20 crore in 367 test checked cases[89] for which final assessments were made through Revenue Recovery Act in the three test checked districts.
- Even though the Assessing Officers had initiated RR proceedings against certain defaulters, an amount of ₹ 40.64 lakh in 143 test checked cases[90] is pending recovery due to lack of effective follow up action.

[87] Thiruvananthapuram-521, Kollam-50, Thrissur-50.
[88] Thiruvananthapuram-174, Kollam-50, Thrissur-50.
[89] Thiruvananthapuram-267, Kollam-50, Thrissur-50.
[90] Thiruvananthapuram-81, Kollam-42, Thrissur-20.

The department replied (March 2012) that assessment could not be made in time due to lack of means of transport, vast territorial jurisdiction and shortage of staff. The department added that steps would be taken to collect the amount under Revenue Recovery proceedings. The fact remains that no follow up action has been taken by the department to carry out the assessment and collect the dues.

3.4.3.4 Collection of cess from work bills

Loss of ₹ 46.90 lakh on account of non-deduction of cess from work bills

As per Section 3 (2) of the Cess Act, the cess levied shall be collected from every employer including deduction at source in relation to a building or other construction work of a Government or of a Public Sector Undertaking. However, no penalty clause has been envisaged in the Act/Rules for non-deduction of cess from the work bills.

An amount of ₹ 17.72 lakh relating to the period 2007 to 2010 and ₹ 29.18 lakh for the period 2007-08 have not been recovered from the contractors' bill in respect of works carried out by the Kerala Health Research and Welfare Society, Thiruvananthapuram and Kerala State Rural Water Supply & Sanitation Agency, Thiruvananthapuram respectively. Both the institutions had confirmed (July 2012) that the amount had not been recovered so far.

The Board had not maintained the details of construction works undertaken by the Government departments/Public Sector Undertakings and as such the Board was not in position to ensure that cess amount was being collected from these institutions from all the work bills.

3.4.3.5 Maintenance of database by employer

As per Section 15 of the Act and Rule 247 of Kerala Rules every employer shall maintain a register in form XV showing the details of workers employed in building or other construction work undertaken by him and the same was required to be inspected by the Board without any prior notice. The Board was not conducting inspection as stipulated in the Act. Inspection would have facilitated verification of bonafides of the workers registered with the Board. As the Board was not having any data base of employers, registration of all employers could not be ensured.

It was noticed that relevant control measures/checks provided in the Act /Rules have not been exercised by the Board, and hence it could not be ensured that all registered beneficiaries were bonafide building workers. The Board replied (April 2012) that Government had not notified the Board authorities so far for inspection of the register in form XV to be maintained by the employers. The reply is not acceptable as the Act clearly stipulates that inspection shall be done by the Secretary/authorized Officer of the Board.

3.4.4 Contribution from workers

Section 12 of the Act stipulates that every building worker who has completed eighteen years of age, but has not completed sixty years of age, and has been engaged in any building or other construction work for not less than 90 days during the immediate preceding year shall be eligible for membership. There were 17, 98,611 workers registered with the Board as on 31 March 2012.

3.4.4.1 Registration of Membership

As registration of membership was done without proper documentation, there is no assurance that all persons are bonafide construction workers

As per Rule 283 (3) of the Kerala Rules, a certificate from the employer/contractor shall be produced by the applicant along with the application for membership to prove that the applicant was a construction worker. In case such a certificate was not available, a certificate obtained from the Trade Unions, Assistant Labour Officer and Executive Officer of the Panchayat also was to be considered. On a scrutiny of records in the test checked districts, it was noticed that more than 99 *per cent* of the registrations were made on the basis of certificates provided by Trade Unions. But the certificates furnished by the Trade Unions did not reveal details of the employer or contractor. In the absence of details of establishment, employer and contractor etc., there is no assurance that all persons registered are bonafide construction workers.

3.4.4.2 Compliance of codal provisions

No space was provided in the identity card for recording the details of workers

Section 13 of the Act stipulates that the Board shall give to every beneficiary an identity card with his photograph duly affixed thereon with enough space for entering the details of the building or other construction work done by him. Further sub section (2) provides that every employer shall enter in the identity card, the details of the building or other construction work done by the beneficiary and authenticate the same and return it to the beneficiary.

However, it is noticed that Form XXXI prescribed for identity card as per Kerala Rule 283(8) does not provide any space to record the details of the construction work done by the beneficiary and hence not recorded any details. Without recording the above details, the Board failed to ensure that the beneficiary was a bonafide construction worker while disbursing the benefits. The Board stated (March 2012) that the matter would be placed before the board meeting.

3.4.4.3 Maintenance of database of members

There was no database of details of workers

As per Section 12 and Rule 283(4) of the Kerala Rules, every building worker eligible to become a beneficiary to the fund shall submit an application to the Secretary of the Board with prescribed fees. Rule 284 enjoins that a beneficiary of the fund shall contribute to the fund ₹ 20 per month and this contribution shall be remitted in advance once in three months in the specified banks.

During 2006-07 to 2011-12, an amount of ₹ 140.39 crore and ₹ 2.36 crore towards contribution and registration fee respectively were realized by the Board from the beneficiaries. No database containing details of workers was maintained. Contributions received from the workers were not posted in the individual ledger accounts to watch the promptness in payment.

3.4.5 Disbursement of benefits

3.4.5.1 Cessation as a beneficiary

Disbursement of ₹ 32.37 lakh to members without ensuring validity of membership

Section 14 of the Act stipulates that a building worker who has been registered as a beneficiary shall cease to be as such as and when not engaged in building or other construction work for not less than 90 days in a year. Hence, a document evidencing that the beneficiary had engaged in construction work for not less than 90 days in a year was required for continuing membership in the subsequent years.

It was noticed in audit that an amount of ₹ 32.37 lakh in 1,145 test checked cases[91] relating to marriage and maternity benefits was disbursed to the beneficiaries in the districts test checked during the audit period without verifying whether the beneficiary was engaged in construction work for stipulated period in a year.

The Board admitted that (March 2012) the above provision was not complied with at the time of disbursement of benefits. The Board also stated that, currently the practice of insisting the renewal of the membership of the applicant was being followed. Non-compliance of the above provision has led to irregular payments to the beneficiaries whose membership had ceased.

3.4.5.2 Granting benefits without ascertaining authenticity

As per Rule 284(2) of Kerala Rules, if a beneficiary defaults in the payment of contribution continuously for a period of one year, he shall cease to be a beneficiary.

Disbursement of benefits without ensuring the proof of remittance

The Board used to disburse benefits on the basis of the entries made in the pass book. Verification of the pass book revealed that in many cases the remittances were not authenticated by banks by affixing the bank seal or initials of the officers. The Board was not maintaining a ledger account in respect of each beneficiary to record the remittances (contribution to the fund) made into bank. The Board was neither verifying the bank scrolls nor do the beneficiaries submit the bank chalans as to the proof of remittances at the time of applying for benefits. It was replied that no system exists in the Board for maintenance of ledger accounts of the beneficiaries.

3.4.5.3 Refund of contribution

Refund of contribution of ₹ 2.27 crore in violation of Act and Rules

As per Rule 303(1) of Kerala Rules, refund of contribution was to be allowed only in the case of deceased members. However, in violation of the above Rules an amount of ₹ 2.27 crore was refunded as contribution to all deceased and retired beneficiaries during 2006-07 to 2011-12. The Board replied that the refund of contribution to all retired beneficiaries was made on the basis of Board's decision. But the refund of contribution on retirement admissible in terms of Section 13 of the Kerala Construction Workers Welfare Fund Act, 1989 was superseded by the present Act and Rules in which there was no provision for refund of contribution to retired employees. Further, as per Rule 309 of Kerala Rules, fund shall not be expended for any purpose other than those mentioned in the Act and Rules without previous approval of the Government. As such, the Board was not competent to take such major decisions involving huge financial liability without obtaining approval of Government.

There was no proper mechanism to ensure registration of employers. The recovery of building cess from defaulting parties was poor. Deficiencies were noticed in registration of workers and collection of contributions from them. The intention of the Act has been diluted by accepting employment certificate given by the Trade Unions without exercising proper verification and adequate documentation in support of the genuineness of employment. There was no database of workers.

[91] Thiruvananthapuram-957, Kollam-88, Thrissur-100.

The above issues were referred to Government in July 2012. Their reply had not been received (October 2012).

SCHEDULED CASTES AND SCHEDULED TRIBES DEVELOPMENT DEPARTMENT

3.5 Resettlement of Landless Tribals

3.5.1 Introduction

The Government constituted (November 2001) the Tribal Resettlement and Development Mission (TRDM) for implementation of the scheme for Resettlement of Landless Tribals. The main objectives of the scheme were to distribute free of cost one to five acres of land to each landless tribal family, and development of infrastructure facilities including housing, drinking water, power, road, irrigation, employment generation, education, health, etc. The Principal Secretary, Scheduled Castes/Scheduled Tribes Development Department was appointed as Mission Chief. An Empowered Mission Committee was constituted at the state level for taking policy decision for the functioning of the TRDM and to settle the problems that may arise at the field level. District Mission at district level was also formed with District Collector as Chairman and Project Officer, Integrated Tribal Development Project (ITDP)/Tribal Development Officer (TDO) as Convener. The Government released ₹ 175 crore to the TRDM for implementation of the scheme during 2002-03 to 2011-12.

Audit made an assessment of the achievement in the allotment of land, construction of houses and other developmental activities by TRDM for Resettlement of Landless Tribals on the basis of the scrutiny of the records of the Scheduled Tribes Development Department, TRDM Chief Office, four[92] District TRDM Offices and respective District Collectorates during February - March 2012. Majority of beneficiaries identified belonged to the districts of Wayanad, Kannur, Idukki, Palakkad and Kasaragod.

The following were observed.

3.5.2 Distribution of land

Under the scheme, one to five acres of land was to be distributed to all landless tribes including those who possess less than one acre of land. The procedure for selection of beneficiaries laid down (July 2002) by Government stipulated that a preliminary list of beneficiaries should be published after inviting applications for further examination by Oorukoottams[93] and People's

[92] Wayanad, Kannur, Idukki and Palakkad.

[93] The basic unit consisting of local people for preparation of proposals to execute work in a locality and preparation of beneficiary lists for availing of benefits under various schemes.

Committee[94]. Final list was to be published after considering their recommendation and suggestions. Priority was to be given to families who do not possess land or those who possess less than one acre of land.

Records relating to selection of beneficiaries were not available in two of the four districts test-checked

Audit found in two[95] out of four test-checked districts that the details of selection of beneficiaries were not on record in the files relating to distribution of land produced for audit at Collectorates/ITDP Offices. In the absence of proper records, audit could not assess whether selection of beneficiaries was made in a fair and transparent manner and whether land was allotted in accordance with the Government Order.

Under the Scheme, as against 17,294 families identified in the State for distribution of land, only 6,777 (39 *per cent*) families were allotted land measuring 8943 acres as of March 2012. Audit observed the following.

Table 3.6: Details of allotment of land

Sl. No	District	Land allotted		No. of families to whom land yet to be allotted
		Extent of land in acres	No. of beneficiary families	
1	Kasaragod	123.43	114	1215
2	Kannur	3604.37	3700	170
3	Wayanad	2526.60	997	4913
4	Kozhikode	600.00	420	301
5	Malappuram	46.38	61	733
6	Palakkad	4.44	10	1826
7	Thrissur	5.68	20	74
8	Ernakulam	418.90	296	194
9	Idukki	1460.00	949	453
10	Kottayam	19.00	19	206
11	Alappuzha	7.67	35	212
12	Pathanamthitta	12.19	28	128
13	Kollam	114.68	128	76
14	Thiruvananthapuram	0	0	16
	TOTAL	**8943.34**	**6777**	**10517**

Source: Reply furnished by TRDM

Only 39 *per cent* of target was achieved in distribution of land even after 10 years.

- Though the Project was to be completed within five years, only 39 *per cent* of the families identified had been given land, even 10 years after starting the project. The Government replied (June 2012) that most of the land identified could be distributed only with the prior permission of GOI and that the State Government have approached GOI for clearance of 30,124 acres of forest land for assignment to tribal families.

Delay in purchase of land despite availability of funds.

- In Wayanad district, allotment of land was made to 997 families, leaving 4,913 families to be allotted. Government issued orders to purchase 1,000 acres of land by resorting to fast track belatedly in January 2010 and an amount of ₹ 50 crore was released (₹ 40 crore in October 2010 and ₹ 10 crore in March 2012) for the purchase. The amount kept in a

[94] Peoples committee consists of District Panchayath President as the Presiding officer, all MPs and MLAs, Grama Panchayath presidents, Peoples representatives of tribal sectors in Grama, Block, District Panchayath, respective Tahsildars, representatives of KIRTHADS and Project Officer/Tribal Development Officer of District ST Development Department as members.

[95] Wayanad and Idukki.

Treasury Savings Bank account remained unutilised (April 2012). The purchase of land was not made so far. The Project Officer, Wayanad replied (March 2012) that the terrain of land in the district was hilly and therefore there was delay in identifying suitable land for resettlement.

Delay in distribution of land owing to non-finalisation of beneficiary list

- In Palakkad district as against 1,836 beneficiaries identified, land measuring 4.44 acres was distributed to 10 families only. Audit noticed that even the land distributed was not accepted by the beneficiaries as the major portion of the same was rocky and unsuitable for any type of developmental activities, including cultivation. Further, about 63.19 acres of land belonging to Irrigation Department was ordered (August 2003) to be transferred to the TRDM for distribution. However, formalities for taking possession of land were completed only in May 2010. The Project Officer ITDP, Palakkad stated (February 2012) that the land had not been distributed to beneficiaries as the selection of beneficiaries was not completed.
- In Idukki district, land was allotted only to 949 out of 1,402 families identified. Though land measuring 123 acres was identified, the land could not be distributed to the beneficiaries due to encroachment of land. At Sinkukandam and Pandadikalam resettlement area in Idukki district, though land had been allotted to 363 families, only 16 beneficiaries occupied the plots. The Project Officer replied (March 2012) that the beneficiaries were not willing to occupy the plots allotted to them due to attack of wild animals like elephant, etc.

3.5.3 Housing

Under the scheme houses were to be provided to all families to whom land was allotted. Each house was to have a minimum area of 300 sq.ft with facilities like rooms, verandha, kitchen, toilet, etc. Construction of these houses was to be undertaken by the beneficiaries themselves or by involving Non-Governmental Organisations (NGOs). Amount allotted for construction of houses varied from ₹ 0.75 lakh (up to April 2007), ₹ one lakh (2007-2009), ₹ 1.25 lakh (April 2009 to February 2012) and ₹ 2.50 lakh (from February 2012 onwards).

Construction of only 1,276 houses had been completed though land was allotted to 6,777 families

Though land had been allotted to 6,777 families in the State, construction of 1,276 houses only had been completed (February 2012) in all the districts. Details of total amount utilized for the construction of houses were not available with TRDM. The status of construction of houses in three out of four[96] districts test- checked is shown in **Table 3.7**:

Table 3.7: Status of construction of houses in three districts

District	Target no. of houses constructed		Completed	In progress	Work not started	Expenditure incurred (₹ in lakh)
Idukki	Agency	298	225	49	24	228.56
	beneficiaries	648	137	218	293	162.56
	Total	**946**	**362**	**267**	**317**	**391.12**
Kannur	Agency	505	500	5	-	558.75
	beneficiaries	364	50	314	-	193.05
	Total	**869**	**550**	**319**	**-**	**751.80**

[96] There was no allotment of land in Palakkad district.

District	Target no. of houses constructed		Completed	In progress	Work not started	Expenditure incurred (₹ in lakh)
Wayanad	Agency	239	39	176	24	137.04
	beneficiaries	322	108	159	55	244.01
	Total	**561**	**147**	**335**	**79**	**381.05**
Total		**2376**	**1059**	**921**	**396**	**1523.97**

Source: Data furnished by district level offices

Scrutiny of records relating to the construction of houses revealed as follows.

- Though ₹ 24.05 lakh was paid (between August 2008 and June 2009) to Panamaram SC/ST labour contract society for the construction of 149 houses at Suganthagiri settlement area in Wayanad District, the Society had not completed construction of even a single house as of March 2012. The Project Officer, Wayanad attributed the non construction of houses to difficulties in transporting raw materials, geographical condition of the area, hike in labour charges and cost of raw materials and delinquency of the society.

- Construction of 39 houses at Kunnathidavaka in Wayanad district was entrusted to Kalpetta Block Panchayath and an amount of ₹ 4.38 lakh was released as first instalment during 2007. The Block Panchayath entrusted the construction of 18 houses to beneficiaries themselves and first instalment of ₹ 11,250 each was paid (June 2009 and August 2009) to 17[97] beneficiaries. However, even the first stage of construction (basement level) was not completed in any case. The Project Officer, ITDP, Wayanad replied (April 2012) that the beneficiaries had utilized the funds for other purposes. Thus, the objective of providing houses to these tribals had been defeated.

- Considering the slow progress, the District Collector, Wayanad entrusted (March 2010) the construction of remaining 21[98] houses to Keraliyan Smaraka Samithy, Kozhikode. The Samithy constructed 10 houses with metal roofing sheet on the assurance given by the Samithy that the metal sheet roof would withstand the wind. However, roofs of all the houses were blown away by heavy wind. The proposal (January 2012) of the TRDM for providing concrete roofing to the above houses was accepted (February 2012) by the Samithy. But for providing concrete roofs, the whole structure required to be reconstructed. This rendered ₹ 7.5 lakh paid to the agency unfruitful. Provision of metal sheet roof instead of concrete roof without analyzing the wind parameters of the area had resulted in non-completion of houses so far (March 2012).

- Leakage of roof slab, damage of doors and windows, sinkage of closet and toilet tank, etc., in respect of 47 houses constructed at a cost of ₹ 35.25 lakh during 2005 at Poopara in Idukki district by COSTFORD[99] was reported after taking possession of the houses by the Site Manager in 2010. This indicates lack of control over quality of construction.

[97] The amount was not paid to one beneficiary as he did not turn-up to receive the amount.
[98] 39-18.
[99] An organization involved in providing low-cost & eco friendly housing technology.

- Construction of 71 houses at Kundala in Idukki district was entrusted to COSTFORD (November 2003) for which ₹ 42.5 lakh was advanced. Of this, 35 houses have been completed by the Agency and the remaining are at various stages[100] of construction. The expenditure incurred by the agency as of December 2007 was ₹ 27.83 lakh. Thereafter (December 2007), the agency stopped the work demanding escalation in rate. In another case, construction of 37 houses at Marayur in Idukki district was entrusted to Nirmithy Kendra (January 2003) for which ₹ 43.56 lakh was advanced. The works are at various stages[101] .Expenditure incurred as of December 2008 was ₹ 27.45 lakh. The agency stopped the work in December 2008 demanding escalation in rate.

As there was no provision for escalation in agreement, in both the cases, the same was not granted.

Thus, even though funds were advanced to various agencies for construction of houses owing to slow progress of work, poor quality of construction, etc., the very objective of providing houses to tribals could not be achieved. This indicated that monitoring by the department/TRDM was very poor.

3.5.4 Other development activities

3.5.4.1 Animal Husbandry Project

An amount of ₹ 1.44 crore was paid (January 2010) to the Veterinary College under Kerala Agricultural University for implementation of Animal Husbandry Project at Aralam in Kannur district for the benefit of resettled tribes. According to the scheme, 232 units of cow, (one cow with a kid valuing ₹ 36,900 per unit) and 247 units of goats (two goats with kids valuing ₹ 16,450 per unit) were to be distributed free of cost. The unit cost includes cost of shed, utensils, insurance premium, etc. The University was to render handholding for a period of three years. The University had distributed 219 units of cows and 191 units of goats up to July 2011. Kerala Agricultural University was bifurcated (December 2010) into Kerala Veterinary and Animal Science University and Kerala Agricultural University.

Insurance claims of 129 goats were not preferred

According to a statement furnished by the Site Manager Aralam, 22 cows and 37 goats were sold out and 143 goats and 18 cows died. The Project Investigator had not ascertained the number of animals in possession with the beneficiaries (April 2012). According to the Veterinary Surgeon, Edoor, 14 cases of death of goat had been reported for which insurance claim had been preferred. In respect of the remaining 129 cases, no insurance claim had been preferred. In the case of 13 cows for which insurance claim had been received by the implementing agency; the animals were not distributed to these beneficiaries as the funds were still retained by the Kerala Agricultural University.

[100] Construction of 24 houses had not been started; construction of 11 houses has reached up to basement level and in respect of one house at wall level.
[101] Construction of 27 houses has reached up to roof level and 10 up to wall level.

As per the guidelines issued by Mission Chief, the beneficiaries for distribution of goats and cows were to be selected by the Project Investigator based on interaction with the local people and promoters and also by conducting a survey. However, the beneficiaries were selected by the TRDM by convening Oorukoottams and no survey had been conducted. Thus, the methodology used for selection of beneficiaries was not in accordance with the prescribed procedure.

For evaluating and monitoring the progress of the Animal Husbandry Project at Aralam, a committee comprising District Collector, Project Officer, etc., was to be constituted and convened at least once in every quarter. However, only one such committee meeting was convened so far (March 2012).

3.5.4.2 Electricity and Water Supply

In the absence of a Comprehensive master plan for implementation of developmental activities, there was delay in taking up of projects for providing electricity, water supply, etc.

The scheme envisages development in all sectors by providing drinking water, electrification, irrigation facility, employment, etc. A time schedule was fixed (November 2003) by the TRDM for commencement and completion of different development activities. However, a comprehensive master plan for implementation of activities such as economic, social development, resettlement, labour, education, etc., for overall development was not prepared and got approved. A few instances of delay/non-taking up of development projects are discussed below:

- As per the time schedule fixed, project for creation of required infrastructure for supply of power was to be prepared and got approved within two months from the date of allotment of land. Though first phase of allotment of land to 751 families at Aralam settlement area in Kannur district was completed in March 2006, approval for electrification work was granted only in January 2011. An amount of ₹ 1.5 crore was advanced to Kerala State Electricity Board in May 2011. But only about 50 *per cent* of the work had been completed (March 2012) even though the land allotment was completed way back in March 2006.
- According to the time schedule, permanent water supply arrangement was to be provided to the settlement area within one season. In Wayanad district and in Aralam, lands were allotted to 747 and 751 beneficiaries during 2003 to 2005 and 2006 respectively. However, no water supply projects had been taken up in the above areas. Project Officer, ITDP, Wayanad replied that in the District Mission meeting held in March 2012, it was decided to entrust the Project to Kerala Water Authority (KWA) for implementation. Project Officer Kannur replied that the scheme was still in the proposal stage with Ground Water Department and KWA and those 181 open wells had been completed.
- Projects for other development activities like irrigation, rainwater harvesting, internal roads, etc., had not been prepared and implemented in areas where land had been allotted and occupied in various sites in

Kannur and Wayanad districts. In Idukki district, at Marayur and Sinkukandam, water supply works entrusted to Nirmithy Kendra and Habitat Technology Group amounting to ₹ 71 lakh targeted to be completed on or before 25 February 2003 and 5 June 2006 respectively had not been completed till date (March 2012). The Project Officer stated (August 2012) that at Marayur, construction of check dam was objected to by Forest authorities for want of prior sanction and at Sinkukandam, work of installation of water connection to houses has not been initiated as majority of settlers have left the colony due to attack by wild animals.

- In Alakode settlement area in Kannur district, though land had been allotted to 302 families in the years 2006 and 2008, only 150 families are now staying permanently. Infrastructure for supply of power, water, etc., had not been created till date (February 2012). Specific reason for not creating such facilities was not on record in the files produced to audit.
- The status of water supply and electricity facilities yet to be provided to the completed houses in three districts test checked is shown in **Table 3.8**:

Table 3.8: Details of provision of electricity and water supply

District	Number of houses completed	Water supply yet to be provided	Electricity yet to be provided
Kannur	550	255	436
Wayanad	147	Natural source available	89
Idukki	362	315	348
Total	**1059**	**570**	**873**

3.5.5 Monitoring

Monitoring was inadequate

As per the general guidelines, progress report relating to implementation of developmental activities was to be furnished to the State Mission before tenth of every month by the District Mission. However, no progress report was furnished by District Mission, Idukki during 2011-12 and only one each was furnished from Kannur and Palakkad.

Failure to identify suitable land for distribution led to distribution of land only to 6,777 families while 10,517 families identified are yet to receive land. Houses were constructed only for 1,276 families out of 6,777 families who had received land. Selection of beneficiaries under the Animal Husbandry project was done without conducting survey as prescribed in the guidelines. Though a time schedule was fixed for creating the required infrastructure, a Master Plan was not prepared and got approved resulting in delay/non creation of infrastructure facilities like water supply, site electrification, etc.

The above issues were referred to Government in June 2012; their reply had not been received (October 2012).

CHAPTER IV

CHIEF CONTROLLING OFFICER BASED AUDIT

GENERAL EDUCATION DEPARTMENT

4.1 Chief Controlling Officer based Audit of the Directorate of Public Instruction

Highlights

Imparting quality education to children at the primary and secondary level plays an important role in refining and redefining their personality and transforms them to ideal citizens of our country. Directorate of Public Instruction (DPI) along with primary/upper primary/secondary schools and various other institutions under its control are responsible for providing quality education upto secondary level. The objective of imparting quality education was to be achieved through the effective implementation of the various programmes like infrastructure development, quality improvement training programmes for teachers, curriculum modification, printing and distribution of text books, Mid-Day Meal programme, etc. A Chief Controlling Officer based audit of the Directorate of Public Instruction revealed the following:

Persistent variation in the allocation and expenditure in all the years indicate that no corrective measures were taken by the DPI to avoid the estimated figures being either inflated or under-pitched.

(Paragraph 4.1.7.1)

Basic facilities like drinking water, teaching equipments, library, furniture, etc., were deficient in many schools.

(Paragraph 4.1.8.1)

DPI did not take any action for utilizing excess claim of GOI assistance of ₹ 36.63 crore on account of purchase of rice for Mid-Day Meal scheme for providing micronutrients, de-worming medicines, etc., or get the excess claim adjusted from subsequent year's allotment from GOI.

(Paragraph 4.1.8.4)

Shortfall in inspections of schools by DEOs/AEOs was noticed in the test checked districts which resulted in the non-assessment and rectification of deficiencies in implementation of various educational programmes in schools.

(Paragraph 4.1.11.1)

The departmental officers did not initiate any action against 114 unrecognized schools functioning in the test checked districts.

(Paragraph 4.1.12.1)

4.1.1 Introduction

The Directorate of Public Instruction (DPI) plays an important role in the intellectual and physical development of all pupils studying in the schools. The main function of the DPI is management of Primary, Upper Primary and High Schools in the State. He is responsible for finalizing the curriculum, printing of text books, printing of teachers handbook, arranging on job training to teachers as a part of quality improvement programme, etc.

Literacy rate of Kerala increased to 93.91 *per cent* in 2011 as compared to 47.18 *per cent* in 1951. The male, female literacy gap also narrowed down to 4.04 *per cent* from 21.92 *per cent* in 1951.

There were 12,634 schools (4,493 Government schools, 7,278 aided schools and 863 unaided schools) in the State as of July 2011 (2011-12) catering to 42.30 lakh students. The strength of students in the different categories of schools is shown in **Table 4.1**:

Table 4.1:Distribution of students in different category of schools in the State

Nature of school	Student strength (in lakh)	Student strength (in percentage)
Government	12.61	29.82
Government aided	25.93	61.30
Unaided	3.76	8.88
Total	**42.30**	**100.00**

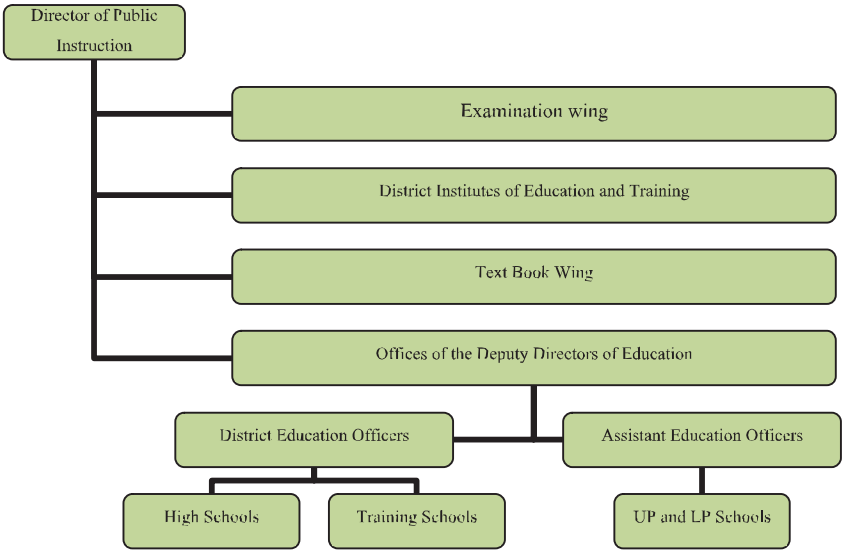
Source: Data furnished by DPI

Average annual budget outlay of the DPI during 2007-12 was ₹ 3,090.75 crore.

4.1.2 Organisational Set-up

The DPI is the Chief Controlling Officer of the Education Department for Primary and Secondary Education and is assisted by 14 Deputy Directors of Education (DDE). There are 38 Educational Districts in the State. District Education Officers (DEOs) are in charge of the Districts and Assistant Education Officers (AEOs) are in charge of Sub-Districts. The administration of High Schools, Training Schools and other special types of schools are under the control of DEOs and the administration of all Primary/Upper Primary Schools is being controlled by the respective AEOs.

The organizational structure of DPI is as under:



4.1.3 Audit coverage and Methodology

A Chief Controlling Officer (CCO) based audit of the DPI conducted during January-May 2012 covered the period 2007-12. During audit, the records of four Deputy Director of Education (DDEs), four District Educational Offices (DEOs) and 16 Assistant Educational Officers (AEOs) were test checked as detailed in **Table 4.2**:

Table 4.2: Details of DEOs/AEOs test checked by Audit

DDE offices	DEO offices	AEO offices	
Thiruvananthapuram	Thiruvananthapuram	Attingal	Neyyattinkara
		Kaniyapuram	Parassala
Kottayam	Kottayam	Changanacherry	Kottayam West
		Ettumanoor	Pala
Palakkad	Palakkad	Palakkad	Shornur
		Parali	Pattambi
Kozhikode	Kozhikode	Balussery	Kozhikode city
		Feroke	Perambra

Records of Text Book office and State Council for Education Research and Training (SCERT) were also test checked during audit. While the selection of DDEs was made based on Probability Proportionate to Size Without Replacement[102] (PPSWOR) sampling method, DEOs and AEOs were selected by Random Sampling method.

[102] PPSWOR is a sampling procedure under which the probability of a unit being selected is proportional to the size of the ultimate unit. This gives larger clusters a greater probability of selection and smaller clusters a lower probability.

An Entry Conference was conducted on 14 February 2012 with the Secretary of General Education Department wherein the audit objectives, criteria, sampling method for selection of units for audit and scope of audit were explained. An Exit Conference with the Secretary was conducted on 13 August 2012 during which the audit findings were discussed and the response of the Government was included in the report at appropriate places.

4.1.4 Audit Objectives

The CCO based audit of the DPI was undertaken to assess whether:-

- there was adequate planning for implementation of schemes;
- the guidelines relating to budgeting were complied with;
- the schemes like Mid-Day Meal, Quality Improvement Programme, Printing of textbooks, Quality Education in Madrassas were implemented as per guidelines;
- the expenditure was in conformity with broad principles governing Compliance Audit;
- the infrastructure provided in schools was adequate; and
- the inspections of schools was carried out as prescribed.

4.1.5 Audit criteria

Appropriate audit criteria derived from the following were adopted:

- Acts and Rules namely Kerala Education Act 1958, Kerala Education Rule (KER), 1959, Kerala Services Rules
- Kerala Budget Manual
- Kerala Treasury Code
- Guidelines and instructions on the administration of schools issued by Government and DPI from time to time.
- Guidelines and instructions in respect of the implementation of Mid-Day Meal Scheme

Audit Findings

4.1.6 Planning

The major programmes being implemented for the achievement of the objectives of Primary and Secondary Educations are the centrally sponsored schemes such as Sarva Siksha Abhiyan (SSA) and Rashtriya Madhyamik Siksha Abhiyan (RMSA). These programmes are being implemented through independent agencies. A long term Perspective Plan essential for implementation of various schemes and activities by fixing targets to assess the achievements was not prepared by the Directorate. However, the Kerala State Planning Board had prepared the schemes for the DPI and included them in the XI Five Year Plan 2007-12.

4.1.7 Financial Management

Funds for the DPI are provided in the State budget by the Education Department under Grant No. XVII and the DPI operate the following Major

Heads viz. 2202 (General Education), 2204 (Sports and Youth Service), 2205 (Art and Culture) and 2235 (Social Security and Welfare). The total outlay on major centrally sponsored schemes for Sarva Siksha Abhiyan (SSA) was ₹ 1,086.62 crore for 2007-12 and Rashtriya Madhyamik Siksha Abhiyan (RMSA) was ₹ 57.54 crore for the period 2009-12 and the total works out to ₹ 1,144.16 crore. The above schemes are being implemented through independent agencies (State Project Officer, Sarva Siksha Abhiyan and Project Officer Rashtriya Madhyamik Siksha Abhiyan) and DPI has no budgetary control over those agencies.

Audit analysis of budget allotments and expenditure revealed the following:

4.1.7.1 Budget allocation and expenditure

The total budget allocation and expenditure from 2007-08 to 2011-12 under the Plan and Non-Plan heads are as given in **Table 4.3:**

Table 4.3: Allocation and expenditure under heads of accounts operated by DPI

(₹in crore)

	2007-2008		2008-2009		2009-2010		2010-2011		2011-12	
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
Total allocation	83.88	2536.90	169.06	2590.89	253.50	2539.05	285.29	2764.46	344.14	3886.59
Total Expenditure	71.40	2188.33	170.71	2624.21	228.34	2575.99	276.22	2896.74	308.68	4079.92
Excess (+)/ Underutilisation (-)	(-) 12.48	(-)348.57	(+)1.65	(+)33.32	(-)25.16	(+)36.94	(-)9.07	(+)132.28	(-) 35.46	(+)193.33

Source: Detailed appropriation accounts of the respective years

Estimates prepared were based on the departmental estimates submitted by the Heads of Departments. Paragraph 14 of the Kerala Budget Manual (KBM) stipulates that the departmental officers who prepare the estimates should always give careful personal attention and ensure that the estimates are neither inflated nor under-pitched. The budget estimates of the DPI were prepared by compiling the data furnished by the district level officers and heads of other institutions under the control of DPI. The internal audit wing of the DPI did not scrutinize the entire estimates submitted by district level offices because of shortage of manpower and adopted the data without any analysis. Audit noticed excess/savings in the budgeted estimates during 2007-12 as discussed below.

Shortfall in utilization of Plan funds to the tune of ₹ 80.52 crore and excess expenditure to the tune of ₹ 47.30 crore under Non-Plan noticed during 2007-12, not only indicate the faulty estimation but also revealed that high priority funds (Plan funds) were being diverted for meeting non-plan expenditure.

Director stated (August 2012) that the excess expenditure in non-plan heads was due to non-anticipation of the extra expenditure on account of increase in strength of teaching and non-teaching staff by opening of new schools, sanctioning of additional divisions in the existing schools and up-gradation of

schools. It was also stated that due to delay in getting administrative sanction from the Government and treasury restrictions imposed by the Government, the DPI was unable to incur Plan expenditure which resulted in under utilization of Plan funds.

The reply indicates that the budget estimates were being prepared without planning and assessment of the actual expenditure.

4.1.7.2 Expenditure in excess of original budget provision

A review of the budget provision and expenditure in respect of the heads of account, where the original budget provision was more than ₹ one crore revealed that in 32 cases, the expenditure exceeded the original budget provision by 7.02 *per cent* to 96.28 *per cent* as shown in **Appendix 4.1**.

The Government stated (August 2012) that incorrect budget estimation was mainly due to lack of accuracy in details provided by the District level and sub level offices of Education Department and unforeseen policy changes of the Government.

4.1.7.3 Rush of Expenditure

Rush of expenditure in the month of March inspite of uniform/steady release of funds during the respective fiscal year

Paragraph 91(2) of the KBM states that flow of expenditure should be regulated in such a manner that there is no rush of expenditure at the end of the year. It was noticed that in 54 heads of account, though there was allotment of ₹ 117.78 crore during the commencement of the year, the entire expenditure (₹ 72.33 crore) was incurred only in the month of March as detailed in **Appendix 4.2**. It was also seen that under 92 heads of account, expenditure incurred in the month of March was more than 50 *per cent* of the total expenditure as shown in **Appendix 4.3.**

The Government stated (August 2012) that though funds were made available to sub offices on time, DDEs failed to utilize in a uniform manner because of delay in receiving administrative sanction.

4.1.8 Operations/Project Management

4.1.8.1 Infrastructure in Schools

Infrastructure facilities in schools were inadequate

Chapter IV of KER describes the facilities to be provided in a school like school building with proper fencing, playground, garden, library, toilets, drinking water, educational equipments, etc. The infrastructure facilities are now being provided by the local bodies. Analysis of data collected from 371 schools (out of 1,214 schools in the selected DEOs/AEOs) revealed the following deficiencies in infrastructure:

- Adequate furniture was not available in 103 schools (28 *per cent*).
- 129 schools (35 *per cent)* did not have proper educational appliances like globes, maps, etc.
- 99 schools (27 *per cent*) did not have play grounds.

- 82 schools (22 *per cent*) did not have a boundary wall or proper fencing.
- Library facility was not available in 60 schools (16 *per cent*).
- Adequate drinking water facility was not available in 52 schools (14 *per cent*).

As it was the responsibility of the DPI to ensure the infrastructure facilities in schools, non-availability of the basic facilities in schools is a failure on his part.

4.1.8.2 Optimal utilization of resources

Rule 22-A of KER prescribes that a school shall have minimum student strength of not less than 25 per standard. It was seen that the number of schools in the State without minimum student strength increased from 3,414 in 2007-08 to 4,614 in 2011-12 as shown in **Table 4.4**:

Table 4.4: Table showing number of schools without minimum strength

Year	Schools without minimum strength		
	Government	Aided	Total
2007-08	1720	1694	3414
2008-09	1839	1822	3661
2009-10	1974	1988	3962
2010-11	2147	2133	4280
2011-12	2271	2343	4614

Source: Data furnished by DPI

Further, test check of selected AEOs/DEOs revealed that in 376 schools (out of 1,520), 88 schools had another Government or Aided school within one Km radius and 178 schools had another Government or Aided school within two kilometre radius.

The increasing trend in schools without minimum student strength in standards as required in KER resulted in underutilization of available resources.

DPI stated (August 2012) that while implementing the Right to Education Act, such schools would be kept in cluster group so as to utilize the resources of all the schools uniformly.

4.1.8.3 Scheme for providing Quality Education in Madrassas

To provide Muslim students studying in Madrassas with access to education in modern subjects like Science, Mathematics, Social Studies, Hindi and English, a 'Scheme for Providing Quality Education in Madrassas' (SPQEM) was introduced by GOI with effect from 2010-11. The objective of the scheme was to encourage traditional institutions like Madrassas and Maktabs by providing financial assistance for introducing the above subjects in their curriculum so that academic proficiency for classes I-XII was attainable for children studying in these institutions. Under the scheme, GOI was required to provide assistance to these institutions for appointment of teachers, subject to

availability of a minimum of ten students in each subject. Each full time Graduate teacher was to be paid salary for 12 months at the rate of ₹ 6,000 and post Graduate/B.Ed. teacher ₹ 12,000 per month. The scheme also provided for assistance to purchase teaching equipments, computers, library books, establishment of science laboratories and assistance for on job training to teachers.

During 2010-11, assistance amounting to ₹ 14.68 crore was paid to 547 Madrassas in the State and an amount of ₹ 3.90 crore was paid to 152 Madrassas in the selected districts.

Audit analysis of 108 out of 152 Madrassas in the selected districts revealed the following:

- According to the guidelines, financial assistance under the scheme was available to children of educationally backward muslim minorities who attend Maktabs/Madrassas/Darul-Ulooms engaged largely in providing religious teaching and with very little participation in the national mainstream education system. However, records of 108 Madrassas in the test checked DDE offices indicated that all the children in these Madrassas were attending national mainstream education system in general schools. To that extent, the scheme guidelines were not adhered to.

- As per the information available with the DDEs, the above 108 Madrassas were functioning only part-time.

- DPI, while disbursing the assistance to Madrassas, had not assessed the working hours of Madrassas, number of children who were learning only religious teaching and curriculum to be followed in the Madrassas. There was no mechanism in place with the DPI to ascertain whether the mainstream subjects like Mathematics, Science, English and Computers were taught and how the time was allotted for teaching the same in Madrassas.

- The scheme also envisaged financial assistance for conducting in-service teacher training programmes for the teachers appointed under the scheme to upgrade their pedagogical skills. Training was to be arranged in groups by State Council for Education Research and Training (SCERT)/District Institutes of Education and Training (DIETs)/Block Resource Centers (BRCs), etc., and the funds for this purpose was to be provided to these training institutions through the State Government at ₹ 100 per day per teacher trainee for a maximum period of 15 days training to cover training expenses and TA/DA of the trainee. DDEs were required to collect the list of teachers from the Madrassas and forward it to SCERT/DIETs for arranging training and the payment to these training institutions made through the State Government. It was seen that training was given to all the 21 teachers employed under the scheme in eight Madrassas under the jurisdiction of DDE, Thiruvananthapuram. But no training was given to 365 teachers engaged

in 142 Madrassas under the DDEs of the other three test checked districts viz., Kottayam, Palakkad and Kozhikode.

- Government stated (August 2012) that in Kerala almost all Madrassas are functioning part time. But teaching grants were provided to the Madrassas with a direction to handle modern subjects strictly in accordance with norms and guidelines issued by GOI. Government further stated that on the basis of audit observation, an enquiry would be conducted against the institutions to ascertain whether these institutions under SPQEM had misappropriated Government money and next installment would be paid only after carefully examining the implementation of guidelines of the scheme.

However, the fact remains that during 2010-11, DPI had not obtained necessary clarifications and approval from GOI before making payments of teaching grant of ₹ 1.54 crore to 149 part time Madrassa teachers at the rate of full time teachers.

4.1.8.4 Implementation of National Programme to Nutritional Support to Primary Education (Mid-Day Meal Scheme)

The DPI is the nodal agency for implementation of Centrally Sponsored Mid-Day Meal scheme. The scheme was launched in 1995 with an aim to improve the nutritional levels among children. The guidelines of Mid-Day Meal scheme envisage that the scheme should be complemented with appropriate interventions through administration of six monthly dose of de-worming and vitamin 'A', weekly iron, zinc and folic acid and other appropriate supplements either by utilizing the savings amount in the scheme or be funded from appropriate schemes of the Health Department or the School Health Programme of the State Government. It also require the State Level Steering-Cum-Monitoring Committee (S-SMC) to guide the implementation agency in co-ordination and convergence with departments/agencies/schemes concerned and monitor the status of implementation to take suitable midcourse correction, if any, in time. GOI had directed that the committee shall meet once in six months.

Excess claim of ₹ 36.63 crore on Mid-Day Meal Scheme was utilized for the distribution of rice kits to children on festival days

- In order to achieve the objectives of Mid-Day Meal scheme, GOI bears the cost of rice (₹ 5,650 per MT), transportation cost (₹ 750 per MT) and seventy five *per cent* of cooking cost, honorarium to cooks, etc. According to the norms, savings in any component was to be used for providing micronutrients and de-worming medicines, for conducting periodic health check-up, provide meals having better quality, improving infrastructure facilities, better supervision, monitoring, etc. Audit observed that DPI had inflated the number of feeding days which resulted in excess claim of ₹ 36.63 crore on account of purchase of rice from GOI for three years as shown in **Table 4.5**:

Table 4.5: Details of savings on account of excess claim of rice and transportation cost

(₹in crore)

Year	Quantity of rice lifted for free supply during festival seasons (MT)[103]	Value of rice lifted for free supply during festival seasons @ ₹ 5,650 per MT (+) 1 *per cent* VAT	Transport-ation cost (₹ 750 per MT)	Excess claim
2009-10	28999	16.55	2.17	18.72
2010-11	14167	8.08	1.06	9.14
2011-12	13576	7.75	1.02	8.77
Total	**56742**	**32.38**	**4.25**	**36.63**

The DPI, instead of reducing the amount from the subsequent year's GOI assistance or providing micronutrients, de-worming medicines, etc., as envisaged in the norms of the scheme, utilized the amount for distribution of five kilograms of raw rice kit per child on festival days, which was a State sponsored programme.

DPI stated (August 2012) that annual work and budget plan for the current year was being prepared on the basis of the number of students enrolled for Mid-Day Meal scheme during the month of December of the previous year, and it was usually more than the actual feeding strength of the current year and the procurement of rice was made by reckoning the number of working days for lower and upper primary schools as 200 and 220 respectively. It was also stated that steps were being taken to provide appropriate health supplements with the assistance of Social Welfare and Health Departments.

This reply indicates that the DPI did not utilize the excess claim for providing micronutrients, de-worming medicines, etc., or get the excess claim adjusted from subsequent year's allotment, but it was utilized for the implementation of another State sponsored programme. In test checked schools (371 out of 1,214 schools), it was seen that the average number of working days during 2007-12 ranged between 170 and 179 and it showed a minimum variation of working days of 21 in respect of upper primary schools and 41 in respect of primary schools against the 200 and 220 days reckoned by DPI for the calculation of Mid- Day Meals. DPI did not take any action to prepare a realistic assessment of the actual feeding strength and the number of feeding days by analyzing the past data and in the light of constant reduction in enrolment of students in the State.

- It was also noticed that the minimum requirement in number of S-SMC meetings was achieved only during 2009-10 and no meetings were held during 2008-09 and 2011-12. This shows deficiency in monitoring of Mid-Day Meal Scheme at State level.

  At the district level, there is a noon feeding supervisor who is responsible to examine the food quality in schools and to verify the stock and other related records. According to information contained in the Annual Work Plan for Mid-Day Meal Scheme, the percentage of supervision by the supervisor ranged between 40 and 50. But audit

[103]Quantity of rice lifted for free supply during festival seasons was in addition to the rice lifted for Mid-day meal scheme of 27,853, 48,666 and 49,251 metric tonnes for the years 2009-10, 2010-11 and 2011-12 respectively.

scrutiny revealed that the extent of supervision in the four selected districts was only 2.54 to 25.58 *per cent* as detailed in **Table 4.6**:

Table 4.6: Table showing details of monitoring by noon feeding supervisor

Year	Thiruvanathapuram		Kottayam		Palakkad		Kozhikode	
	Number of MDM schools	Number of schools verified with percentage	Number of MDM schools	Number of schools verified with percentage	Number of MDM schools	Number of schools verified with percentage	Number of MDM schools	Number of schools verified with percentage
2008-09	945	24 (2.54)	NA	NA	NA	NA	NA	NA
2009-10	950	27 (2.84)	878	75 (8.54)	NA	NA	NA	NA
2010-11	940	28 (2.97)	878	115 (13.10)	907	209 (23.04)	1242	145 (11.67)
2011-12	940	56 (5.96)	885	128 (14.46)	907	232 (25.58)	1242	181 (14.57)

Source: Data furnished by the Deputy Directors of Education
NA – Data not available

Analysis of information regarding facilities in schools for Mid-Day Meal scheme collected from 371 out of 1,214 schools in the selected DEOs/AEOs revealed the following deficiencies in implementation and monitoring of the scheme:

- there were interruptions in noon meal feeding in 28 schools;
- headmasters of 23 schools were not satisfied with the quality of rice provided;
- facility for storage of food grains in hygienic conditions was not available in 51 schools;
- thirty schools were having thatched kitchen roof; and
- eighty four schools did not have waste disposal facility.

Admitting the observations, the Government stated (August 2012) that action was being taken to rectify the shortfalls in the implementation of the scheme.

4.1.9 Materials/Stores Management

4.1.9.1 Procurement of paper for printing of text books

Avoidable purchase of paper worth ₹ 4.50 crore for printing text books

The department, in connection with printing of text books for the year 2010-11, placed orders with M/s Andhra Pradesh paper mills for the supply of paper at a cost of ₹ 40,791 per MT (less discount of ₹ 300) and procured 1,710.92 MT of paper at a cost of ₹ 6.93 crore. Audit observed that during the year 2010-11, 68.50 lakh of text books were printed for class I to IV and required only 779.66 MT of Maplitho paper. This resulted in excess procurement of 931.26 MT of paper. It was also noticed that despite availability of sufficient stock, a further quantity of 1,131.62 MT of paper was purchased during 2011-12 from M/s Delta paper mills at a cost of ₹ 4.50 crore (₹ 39,753 per MT). The actual requirement of paper to print 70.30 lakh text books during 2011-12 was only 818.79 MT of paper. The purchase during

2011-12 was avoidable as the existing stock was more than sufficient to meet the requirement for 2011-12.

Government stated (August 2012) that the entire work of purchase of printing paper and issue of printing orders were done well in advance and it was very difficult to ascertain the stock position of printing paper at the time of issuing administrative sanction as the current year's printing would not be completed at the time of issue of administrative sanction.

The reply is not convincing as the quantity of paper to be procured for each year could have been assessed in advance by utilizing the online data in respect of the enrolled students, number of books to be supplied, etc., available with the DPI.

4.1.10 Manpower Management

The Government allotted an amount of ₹ 1.52 crore for modernizing all offices coming under the purview of DPI and incurred an amount of ₹ 1.41 crore during the year 2007-12. As a result of modernization, majority of the functions were carried out using computers. In text books office, indents for text books from schools were received through online and used to get automatically consolidated. Placing of print orders to the Kerala Books and Publication Society (KBPS) was also done through online. The sanctioned strength of gazetted officers was 50 and that of non-gazetted officers was 226. The actual men in position were 50 and 212 respectively indicating a shortage of 14 in the non-gazetted cadre. Work study in respect of the workload among staff members was not conducted by DPI in the light of modernization and hence the redistribution of excess staff, if any, could not be done. It was also seen that the redistribution of manpower was not done in Text book depots as discussed in the following paragraph.

4.1.10.1 Staff in Text Book Depots

Nineteen staff members in four text book depots were paid ₹ 71.67 lakh during 2010-12 without discharging any function

Distribution of text books to schools was done through text book depots attached to the 34 DEOs till 2008-09. From 2009-10 onwards, the Government entrusted (December 2009) the distribution of text books to KBPS. But the responsibilities of distribution of text books to unaided schools, maintenance of buffer stock at the district level, supervision of distribution, etc., continued to be vested with the Text Book Officer. A test check of text book depots in the selected DEOs for the period 2010-12 revealed that the officers in charge of distribution of text books were not discharging any of these functions. It was seen that 19 staff members were paid ₹ 71.67 lakh during 2010-12 as detailed in **Table 4.7**:

Table 4.7: Table showing utilisation of manpower in text book depots

District	Number of staff	Salary and allowances paid (₹ in lakh)	Current utilization of manpower
Thiruvanan-thapuram	5	22.47	No work was allotted to them. No directions have been received from higher authorities to utilize the manpower.
Kottayam	5	19.68	Redeployment was under consideration with the Head of Department.
Palakkad	5	17.06	Works allotted related to re-arrangement of text books, restacking, settling of accounts and rectification of Audit Reports of previous years.
Kozhikode	4	12.46	Handing over of closing stock of books to KBPS, restacking of books in depot.
Total	**19**	**71.67**	

Source: Data furnished by DEO

Government stated (August 2012) that the redeployment of surplus manpower was under consideration.

4.1.10.2 Recruitment of teachers in newly upgraded schools

New teachers were appointed under DDE, Palakkad without considering surplus teachers awaiting redeployment

Government (November 2010) accorded sanction for upgrading 60 primary/upper primary schools to High Schools. According to the Government order, the staff required for the newly upgraded schools was to be met from the surplus staff awaiting redeployment. Test check of DDE Palakkad revealed that 45 regular High School Assistants (HSAs) and 73 HSAs (Daily wages) were newly appointed (June 2011) in the upgraded schools without considering surplus teachers (77) awaiting redeployment in Government/aided schools.

The DDE Palakkad stated (April 2012) that the above appointments were made before finalization of the Protected Teachers' Package[104].

Reply is not acceptable as the Government order (November 2010) directing the DPI and DDEs to fill the newly created vacancies only by redeployment of protected teachers was communicated to them well before the upgradation of the schools and the list of protected teachers were already available with DPI.

4.1.11 Monitoring

4.1.11.1 Supervision of Schools by Educational Officers

Supervision of schools by Educational Officers was inadequate

According to KER, Educational Officers were required to inspect each school at least once in a school year and visit at other times as frequently as circumstances permit and report on schools under his control to his superiors. The main aim of inspection was to ascertain exactly the extent to which the schools comply with provisions of Education Act, rules, circulars, etc., and to

[104] Protected teachers' package is a method of deployment of teachers in aided schools working without salary as envisaged in Government order No. 199/2011/G.Edn. Dated 1 October 2011.

test the efficiency of teaching and discipline and of all arrangements made for this purpose.

Out of 16 AEOs and four DEOs test checked, inspection as stipulated were not conducted by 15 AEOs and two DEOs. Details of supervision of schools were not available in the office of DEO, Kottayam.

Failure to prepare and implement an action plan to inspect all schools in a cyclic manner in an academic year led to inadequate supervision by the Educational Officers. In the absence of adequate supervision of schools by Educational Officers, compliance of the Education Act, efficiency of teaching, discipline in schools and assessment of improvement of education among children could not be ensured. A system of drawing an annual plan, listing out the schools to be visited, etc., was not prepared and monitored by the DPI and hence the adequacy of staff, efficiency in implementation of various programmes in schools and infrastructure facilities could not be assessed.

4.1.11.2 Properties of Aided Schools

According to Chapter 10 of KER, statements containing lists of movable and immovable properties of aided schools was required to be sent by the school managers in Form 10 of KER to DEOs/AEOs as the case may be. The DEO in charge of the area was the officer competent to give permission to create or make a sale, mortgage, lease, pledge, charge or transfer of possession in respect of any property of an aided school. One DEO out of four DEOs and four AEOs out of 16 AEOs test checked had not received Form 10 from the aided school managers under their control. In the absence of receipt of Form 10, the Educational Authorities could not monitor sale, transfer, mortgage, etc. DPI replied (August 2012) that directions will be given to all AEOs/DEOs to obtain property statements from aided schools.

4.1.11.3 Working days in schools

According to KER, there shall ordinarily be a minimum of 220 instructional days excluding the days of examinations in every school year. Every year DPI is required to issue the Education Department Calendar showing the opening day, the closing day, the dates of public holidays, the dates of commencement and termination of Onam and Christmas holidays, the dates of special holidays if any, the number of working days available, and the deficiency to be made up, if any, to raise the number of working days to the prescribed minimum. In this respect audit observed the following;

- DPI had fixed only 200 working days in schools as against the stipulated 220 days in the Education Department Calendars 2007-12.

Average working days of schools ranged between 170 and 180 days against the stipulated 200 days

- A scrutiny of attendance in 371 schools (out of 1,214 schools) in the selected DEOs/AEOs showed that the average number of working days in schools including examination days were only 179, 172, 170 and 173 during the period 2007-12.

- The DPI had not evolved any mechanism/procedure to be followed by the schools to make up the deficiencies by way of organizing extra classes, etc., in case the number of working days falls short of the days mentioned in the Education Department Calendar.

Director of Public Instruction replied (July 2012) that the shortfall was due to natural calamities or other reasons and remedial action would be taken for preventing such shortfalls in future.

However, loss in working days may result in non-completion of the curriculum prescribed for the year.

4.1.12 Regularity issues

4.1.12.1 Regulation of schools in the State

Educational Officers did not initiate any action against the schools functioning without recognition

According to Government order issued in May 1988, no school shall be established and run in private sector without prior sanction of the Government. Establishment and running of schools without prior sanction of the Government will constitute violation of law and penal offence amounting to cheating. Government orders (June 1988) directed the departmental officers to see that no school other than a Government or aided or recognized school would be allowed to function in the State and if any other school is found to function, it has to be reported to the police for appropriate action.

Audit, however noticed that there were 114 unrecognised schools functioning under the jurisdiction of the test checked nine AEOs and one DEO. No action was seen taken by the Educational Officers against the school as required under the Government order. This indicates gross failure on the part of the DPI and Educational Officers in preventing illegal operation of unrecognized school in the State.

DPI, while accepting (July 2012) that several unrecognized schools are functioning, stated that most of these schools are awaiting recognition from the Government. Hence, the Educational Officers are not taking action against these schools.

It is worth to note that the Educational Officers failed to prevent such schools to function at the preliminary stage and also did not initiate any penal action against such school authorities.

4.1.12.2 Unadjusted advances

Advances amounting to ₹ 2.58 crore were lying unadjusted

According to Government order (July 2000), advance drawn should be adjusted within time, failure of which would entail recovery in lump sum along with penal interest at current bank rates. Government, subsequently prescribed (October 2011) a period of three months for presentation of final bills and the penal interest was fixed at 18 *per cent* per annum on the unutilized portion of advance. In DPI, 89 contingent advances for ₹ 2.58 crore

were lying unadjusted (April 2012) as the payees of the advances did not submit the final bills. It included 21 advances amounting to ₹ 0.55 crore (21.31 *per cent*) which were more than three years old and 25 advances amounting to ₹ 0.60 crore (23.25 *per cent*) more than two years old. Maintenance of an advance register and its periodic monitoring by the supervising officer was missing.

Government stated (August 2012) that 14 advances out of 89 had been adjusted and 75 advances for ₹ 2.21 crore were lying unadjusted. It was also stated that action is being taken against the defaulters.

Non-adjustment of the advances raises doubts as to whether the advances were utilized for the purpose for which they were granted. To ensure that the advances are adjusted in time, constant monitoring of the advances through advance register would serve as a control mechanism.

4.1.12.3 Operation of bank account outside the treasury

Government of Kerala, Finance (Streamlining) Department directed (January 2010) all Heads of Departments to ensure that the unutilized amount for a financial year has to be surrendered to Government account before the closure of the year. However, Audit noticed that the DPI maintains a savings bank account (57004975131) in State Bank of Travancore, Jagathy Branch, Thiruvananthapuram and a balance of ₹ 1.48 crore (May 2012) was lying in this account. This amount was being utilized by DPI as an imprest and advances were drawn from this fund for purposes like inaugural functions, conferences, etc. Drawal of advances from the bank account did not ensure checks being exercised to ensure compliance with rules and regulations as in the case of treasury transactions. Operation of an account outside the treasury was thus irregular. Since the internal audit wing did not conduct the audit of the DPI, it failed to bring this issue to the notice of the authorities concerned.

Government stated (August 2012) that the savings bank accounts would be closed in due course of time.

4.1.12.4 Printing of Teachers' Handbook

Kerala State Audio Visual Reprographics Centre (C-apt) Thiruvananthapuram, was entrusted by SCERT with the work of printing of Teachers' Hand Book for classes I to VIII for the years 2008 and 2009. Following deficiencies were found in the work getting executed:

- There was failure to get price quotation giving break up of printing cost and material cost in advance.

- On receipt of claim of ₹ 2.26 crore from C-apt, the claim relating to material cost was admitted for ₹ 1.61 crore as against market price of ₹1.06 crore resulting in excess payment of ₹ 0.55 crore.

Director, SCERT stated (May 2012) that the SCERT did not have any facility to assess the market cost of material used and C-apt being a public sector undertaking, the material cost claimed was accepted and amount released.

The reply was not correct as the market rates of stationery materials were available with the Controller of Stationery. An assessment of these rates could have avoided the excess payment of ₹ 0.55 crore to C-apt. Checks stipulated in the rules should not have been dispensed with merely because the work was awarded to a public sector undertaking.

4.1.13 Internal Control Mechanism

Functioning of internal audit wing was ineffective

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The internal audit wing of the DPI is headed by a Senior Finance Officer and supported by one Accounts Officer, two Junior Superintendents and eight Clerks. Though DPI has control over 214 field units administering 11,781 schools, it has no annual inspection plan containing details of units/areas to be examined by the internal audit wing. It was noticed that internal audit of the DPI was not conducted for the past five years.

DPI stated that the present staff strength was insufficient for conducting regular internal audit and follow up action.

The reply was not acceptable as there was excess staff deployed in text books depots as mentioned in paragraph 4.1.10.1. As internal audit being an important function of the DPI and augmentation of staff could have been considered by re-deploying the staff idling in text book depots.

Further, it was seen that the administrative report of the DPI was published only upto the year 2007-08. A comprehensive report containing the functioning of the DPI, its activities, schemes and performance during the year 2008-09 onwards was not available.

To assess the achievements against the targeted goal, periodical evaluation and preparation of Administrative Report plays a vital role. However, the DPI prepared the Administrative Report only upto 2007-08.

4.1.14 Conclusion

The DPI did not have a Perspective Plan. Preparation of budgetary estimate was not realistic. Many schools lacked basic facilities and infrastructure. Deficiencies were found in implementation of Mid-Day Meal scheme. There were shortfalls in supervision of schools by Educational Officers. DPI was not initiating any action against unrecognized schools functioning in the State. Staff strength of internal audit wing was not sufficient to undertake the

internal audit of the DPI and give adequate assurance that the rules and regulations are complied with.

4.1.15 Recommendations

- The Government should ensure preparation of Perspective Plan/Annual Plan for the DPI.
- The Government should ensure preparation of realistic budget for the DPI.
- The DPI should take steps to improve infrastructural facilities in schools.
- The DPI should take steps to rectify the deficiencies in implementation of Mid-Day Meal scheme.
- Supervision of schools by Educational Officers as prescribed should be ensured.

(R.N. GHOSH)
Principal Accountant General
(General and Social Sector Audit), Kerala

Thiruvananthapuram,
The

Countersigned

(VINOD RAI)
Comptroller and Auditor General of India

New Delhi,
The

Appendix 1.1
Year-wise breakup of outstanding Inspection Reports as on 31 August 2012
(Reference : Paragraph 1.7.1; Page 8)

Year	Medical Education Department		Prisons Department		Housing Department		SC/ST Development Department		Total	
	Number of IRs	Number of paragraphs	Number of IRs	Number of paragraphs	Number of IRs	Number of paragraphs	Number of IRs	Number of paragraphs	Number of IRs	Number of paragraphs
Upto 2007-08	39	206	9	53	3	4	4	18	55	281
2008-09	20	123	4	13	1	5	1	4	26	145
2009-10	25	212	17	54	2	19	1	1	45	286
2010-11	19	189	8	67	1	5	Nil	Nil	28	261
2011-12	10	98	5	37	4	53	1	3	20	191
Total	**113**	**828**	**43**	**224**	**11**	**86**	**7**	**26**	**174**	**1164**

Appendix 1.2
Details of Action Taken Notes pending as of October 2012
(Reference : Paragraph 1.7.3; Page 9)

Sl.No.	Department	2008-09	2009-10	2010-11	Total
1.	Finance			1	1
2.	Consumer Affairs			1	1
3.	General Education		1		1
4.	Health & Family Welfare	2	1	2	5
5.	Information and Public Relations			1	1
6.	Legislative Secretariat			1	1
	Total	**2**	**2**	**6**	**10**

Appendix 1.3
Statement showing the details of paragraphs pending discussion by the Public Accounts Committee as of October 2012
(Reference : Paragraph 1.7.4; Page 9)

Sl. No.	Name of Department	2007-08	2008-09	2009-10	2010-11	Total
1.	Finance				1	1
2.	Consumer Affairs				1	1
3.	General Administration				1	1
4.	General Education			1		1
5.	Health & Family Welfare		4	4	2	10
6.	Home		1		1	2
7.	I & PRD				1	1
8.	Legislature Secretariat				1	1
9.	General Paragraphs	2	2	2		6
	Total	**2**	**7**	**7**	**8**	**24**

Appendix 2.1
Funds available* and utilised for the years 2007-2012
(Reference : Paragraphs 2.1.4.1; Page 16 and 2.1.12; Page 39)

(₹ in crore)

Sl. No	Department/ Programme	2007-08		2008-09		2009-10		2010-11		2011-12		Total	
		Funds available	Expenditure	Funds available	Expenditure	Funds available	Expenditure	Funds available	Expenditure	Funds available	Expenditure	Funds available	Expenditure
1.	NRHM	14.74	12.93	10.76	10.11	12.19	14.12	14.81	14.51	13.59	14.17	66.09	65.84
2.	SSA	12.90	12.85	16.52	16.41	19.41	18.88	31.09	21.98	25.91	23.47	105.83	93.59
3.	Water Supply (KWA)	5.86	6.09	9.55	9.03	18.69	19.37	48.42	48.58	33.37	33.33	115.89	116.40
4.	SC Development Department	29.74	29.74	32.97	32.97	33.33	33.33	20.07	20.07	35.91	35.91	152.02	152.02
5.	ST Development Department	2.61	2.64	2.72	2.81	3.03	3.18	3.43	3.48	4.58	4.77	16.37	16.88
6.	MPLADS	4.67	2.10	4.00	3.22	9.04	4.55	5.32	3.43	0.78	3.13	23.81	16.43
7.	NHM	1.76	0.56	2.04	2.43	4.26	2.19	0.82	2.59	3.99	3.20	12.87	10.97
8.	RMF	4.18	0.54	1.00	0.02	1.97	0.68	1.71	0.42	0.64	0.17	9.50	1.83
9.	WGDP	1.52	0.17	0.38	0.00	0.29	0.00	1.56	0.00	1.53	0.00	5.28	0.17
10.	e-literacy (Akshaya)	Year-wise details of funds received not furnished										4.90	0.06

** This is the sum of opening balance and funds received during the year.*

Appendix 2.2
Details of ARWSP schemes taken up in Thiruvananthapuram District
(Reference : Paragraph 2.1.7.2; Page 27)

(₹ in crore)

Sl. No.	Name of scheme & population covered	Estimated Amount	Date of sanction/ commencement	Stipulated year of completion*	Expenditure as on 31 March 2012	Remarks
1	ARWSS to Kallara & Pangode village (Population: 87972)	3.50	2008	2011	4.11	Work of transmission- cum-distribution through main pipe line is in progress. Power connection is yet to be received.
2	ARWSS to Panavoor Pullampara and Vembayam Village (Population: 92750)	8.00	2008/2009	2011	8.94	Works of supply and laying distribution system for Zone I, Zone IV are in progress. Works of supply and erection of pump set at Vellamkudy, distribution system for Zone II and Zone III and construction of OHSR at Kuttimoodu are yet to be taken up.
3	ARWSS to Edacode & adj. village (Population: 160000)	7.71	2003	2006	6.67	Supply and erection of transformer at Ayilamkadavu is in progress. Works of supply and erection of 120 HP pump set at Kaliyikka, work of distribution system are yet to be taken up. Allocation of power and connection are yet to be received.
4	ARWSS to Kazhakkootam, Menamkulam villages (Population: 37455)	3.82	2003	2006	4.18	Erection of transformer at Ayilamkadavu is in progress. Work of supply and laying main from SN Puram to Vettu Road junction, supply and erection of pump set at Kaliyikka, work of distribution system are yet to be taken up. Allocation of power and connection yet to be received. Sanction for railway crossing and NH crossing are to be received.
5	ARWSS to Iroopara village (Population: 28347)	5.45	2003	2006	3.72	Erection of transformer at Ayilamkadavu is in progress. Work of supply and laying main from SN Puram to Vettu Road junction, works of supply and erection of pump set at Kaliyikka, construction of Udayapuram GLSR, OH Tank at Charumoodu, work of transmission main and distribution system are yet to be taken up. Power allocation and connection are to be received.
6	ARWSS to Varkala Phase I (Population: 37917)	5.02	2002/2005	2005	5.10	Work of distribution system is yet to be taken up.

Sl. No.	Name of scheme & population covered	Estimated Amount	Date of sanction/ commencement	Stipulated year of completion*	Expenditure as on 31 March 2012	Remarks
7	ARWSS to Varkala Phase III (Population: 51288)	4.97	2002/2004	2005	3.74	Work of transmission main, balance work of OH tank at Edava is yet to be taken up.
8	ARWSS to Navaikulam and Kudavoor Village (Population: 36123)	6.00	2008/2009	2011	6.22	Scheme completed and supplying water to public. Revised Administrative Sanction for the scheme amounting to ₹ 7.88 crore is pending approval. (The scheme was not commissioned so far)
9	ARWSS to Ottasekharaman-galam I (Population: 60000)	8.60	2002	2005	3.53	Work of distribution system in Kallikkad Panchayat Zone I A and Zone I B, distribution system in Ottasekharamangalam Panchayat, works of supply and erection of raw water pump set are in progress. Works of raw water sump and pump house, works of supply and laying transmission main from GLSR at Kalippara to GLSR at Sasthampara, work of supply and erection of clearwater pump sets are yet to be taken up. Allocation of power and connection from KSEB are yet to be received.
10	ARWSS to Ottasekharamangal am II (Population: 66250)	12.35	2002	2005	8.34	Work of laying gravity main from Pallimukku to Kudappanamoodu, work of distribution system in Amboori Panchayat, supply and erection of clear water pump set are in progress. Works of raw water sump and pump house are yet to be taken up. Work of clear water pumping main from TP to Kurisumala GLSR, distribution system in Vellarada Panchayat are in progress. Allocation of power and connection from KSEB are to be received.
	Total	**65.42**			**54.55**	

*Not furnished, so taken as three years

Appendix 2.3
Details of implementation of Horticulture Mission Programme during 2005-12
(Reference : Paragraph 2.1.10.2; Page 36)

Sl.No	Item/component	Unit	Physical		Shortfall (per cent)
			Target	Achievement	
1.	**Production of planting materials**				
(i)	**Establishment of nurseries**				
	Model nursery - Public Sector - Private Sector Small nursery - Public Sector - Private Sector	Number	3 3 5 20	1 Nil Nil 10	67 100 100 50
(ii)	Rehabilitation of existing tissue culture unit - Public Sector - Private Sector	Number	6 4	Nil Nil	100 100
(iii)	Setting up of new TC Lab - Public Sector	Number	1	Nil	100
(iv)	Vegetable Seed production - Public Sector - Private Sector	Number	7.4 7.2	2.2 1.2	70 83
2.	Establishment of new garden (Area Expansion)				
(i)	Fruits - Mango - Pineapple (Sucker) Banana (Sucker)	Hectare	20 188 6592	20 190 5402	0 0 18
(ii)	Vegetable	Hectare	869	853	2
(iii)	Minor Horticulture Crops	Hectare	88	79.3	10
(iv)	Flowers - Cut flowers - Loose flowers	Hectare	173 58	146.8 32.6	15 44
(v)	Spices - Pepper - Ginger	Hectare	653 220	334 156.4	49 29
(vi)	Plantation Crops - Cocoa	Hectare	12	4.7	61
(vii)	Medicinal Plants	Hectare	52	29.3	44
(viii)	Mushroom Production units	Number	350	241.5	31
3.	Rejuvenation of senile plantation				
	- Pepper	Hectare	575	438.2	24
4.	Creation of water resources	Number	35	18.3	48
5.	Protected cultivation				
	- Green House	Number	5	2.8	44
6.	Integrated Nutrient Management/Pest Management				
	- Promotion of IPM(Ginger, vegetables, banana)	Hectare	2203	1684.2	24
	- Plant Health Clinic	Number	5	Nil	100
	- Disease forecasting unit	Number	1	Nil	100
	- Leaf/Tissue analysis	Number	3	Nil	100
	- Bio-control lab	Number	2	Nil	100
7.	Organic farming				
	- Adoption of organic farming	Number	895	556.3	38
	- Vermi-compost	Number	287	192.3	33

Sl.No	Item/component	Unit	Physical		Shortfall *(per cent)*
			Target	Achievement	
8.	Pollination support	Number	5240	Nil	100
9.	Integrated post harvest management				
	- Cold storage unit	Number	1	Nil	100
	- Pack House/Storage Unit	Number	4	Nil	100
	- Mobile Processing Unit	Number	1	Nil	100
10.	Establishment of marketing infrastructure				
	- Rural Market	Number	8	Nil	100
	- Whole sale market	Number	2	Nil	100
	- Functional infrastructure	Number	4	Nil	100

Source: Figures compiled by Audit from progress reports supplied by the DHM

Appendix 2.4
Budget Provision, GOI Assistance and Expenditure
(Reference : Paragraph 2.2.7; Page 46)

(₹ in crore)

	2007-08			2008-09			2009-10			2010-11			2011-12			TOTAL 2007-12		
	Budget Provision	GOI Assistance	Expenditure	Budget Provision	GOI Assistance	Expenditure	Budget Provision	GOI Assistance	Expenditure	Budget Provision	GOI Assistance	Expenditure	Budget Provision	GOI Assistance	Expenditure	Budget Provision	GOI Assistance	Expenditure
ICDS General	155.19	96.88	154.09	169.17	150.21	184.20	197.89	142.87	200.13	226.66	125.95	202.76	320.27	293.14	316.55	1069.18	809.05	1057.73
SNP*	46.16	39.79	45.96	66.61	55.97	66.34	81.02	75.46	80.79	59.99	80.71	59.88	92.31	74.60	92.17	346.09	326.53	345.14
NPAG	5.76	2.60	5.65	0.00	0.00	0.00	2.38	2.38	2.38	5.84	0.00	0.00	0.00	0.00	0.00	13.98	4.98	8.03
KSY	1.71	0.00	1.71	1.78	2.44	1.78	1.79	1.79	1.78	0.00	0.90	0.00	0.00	1.62	0.00	5.28	6.75	5.27
Sabla	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.13	8.82	5.01	15.63	12.85	15.55	20.76	21.67	20.56
IGMSY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.58	0.00	0.00	4.98	0.00	0.00	8.56	0.00
Udhisha	0.00	2.39	0.00	1.30	0.25	1.21	2.50	2.50	2.47	3.11	1.56	3.10	2.87	1.78	2.87	9.78	8.48	9.65
Total	**208.82**	**141.66**	**207.41**	**238.86**	**208.87**	**253.53**	**285.58**	**225.00**	**287.55**	**300.73**	**221.52**	**270.75**	**431.08**	**388.97**	**427.14**	**1465.07**	**1186.02**	**1446.38**

Source: VLC figures of PAG (A&E) and Utilization Certificates of Director of Social Welfare for schemes mentioned above and Sanction orders from GOI

*This does not include the expenditure incurred by LSGIs over and above the GOI assistance and budget provision of GOK under the Head of Account 2235-02-102-69 (Plan).

Appendix 2.5
District wise consolidation of Health check-ups conducted during the years 2007-12
(Reference : Paragraph 2.2.9; Page 51)

District	0-3 years			3-6 years			Adolescent Girls			Lactating mothers			Pregnant women		
	Target	Achievement	Percentage	Target	Achievement	Percentage	Target	Achievement	Percentage	Target	Achievement	Percentage	Target	Achievement	Percentage
Thiruvananthapuram	586448	491516	83.81	654550	245632	37.53	956326	202700	21.20	102837	102837	100	87308	87308	100
Malappuram	1252562	60926	4.86	1153436	47574	4.12	1452171	149277	10.28	196492	19738	10.05	210182	23677	11.26
Idukki	152607	123600	80.99	144687	114026	78.81	305834	190313	62.23	26607	25853	97.17	26073	26073	100
Palakkad	346531	254100	73.33	321053	202793	63.16	256703	202323	78.82	73610	46220	62.79	70375	47598	67.63

Source : Data furnished by District Programme Officers

Appendix 2.6
District wise consolidation of Immunization particulars during the years 2007-12
(Reference : Paragraph 2.2.9; Page 51)

District	DPT			POLIO			BCG			MEASLES			T T		
	Target	Achievement	Percentage	Target	Achievement	Percentage	Target	Achievement	Percentage	Target	Achievement	Percentage	Target	Achievement	Percentage
Thiruvananthapuram	313162	312233	99.70	313062	312313	99.76	206508	206490	99.99	261078	260128	99.64	118774	118681	99.92
Malappuram	304879	210254	68.96	304857	210254	68.97	400821	350316	87.40	122011	72575	59.48	145674	134053	92.02
Idukki	15601	15572	99.81	15602	15572	99.81	21465	21285	99.16	15955	15829	99.21	9395	9276	98.73
Palakkad	659253	422957	64.16	659253	422957	64.16	659253	422957	64.16	659253	422957	64.16	143985	93826	65.16

Source: Data furnished by District Programme Officers

Appendix 2.7
Shortfall in number of children (zero-six years) weighed and their nutritional status
(Reference : Paragraph 2.2.11.3; Page 54)

(***figures in lakh***)

Year	Population 0-6 years	Weighed 0-6 years	Percentage weighed	Percentage shortfall	Normal	Percentage normal	Percentage various degrees of malnourished	Moderately malnourished	Severely malnourished	Percentage severely mal-nourished
2007-08	27.84	17.89	64.27	35.73	10.89	60.87	39.13	1.39	0.01	0.06
2008-09	29.36	18.66	63.55	36.45	11.51	61.67	38.33	6.99	0.01	0.05
2009-10	27.97	18.81	67.22	32.78	11.76	62.51	37.49	7.04	0.01	0.06
2010-11	28.12	18.61	66.20	33.80	11.74	63.08	36.92	6.86	0.02	0.08
2011-12	27.75	16.31	58.78	41.22	11.84	72.59	27.41	4.33	0.14	0.86

Source: Monthly Progress Report of end-March every year submitted by Director.

Appendix 2.8
Target and achievement on job training
(Reference : Paragraph 2.2.14; Page 60)

Year	Supervisors				Anganwadi workers				Anganwadi Helpers			
	Target	Achieved	Shortfall (-)	Percentage of Shortfall	Target	Achieved	Shortfall (-)	Percentage of Shortfall	Target	Achieved	Shortfall (-)	Percentage of Shortfall
2007-08	75	71	4	5.33	3408	2032	1376	40.37	3608	2930	678	18.79
2008-09	100	32	68	68.00	4600	2452	2148	46.70	5000	1992	3008	60.16
2009-10	25	21	4	16.00	2625	2962	(+)337	-	3600	1452	2148	59.66
2010-11	54	96	+42	-	350	301	49	14	2250	1421	829	36.84
2011-12	125	114	11	8.80	1365	1914	(+)549	-	1950	4202	(+)2252	-

Source: Quarterly Progress Report for the 4th Quarter of each year

Appendix 3.1
Deficiencies in Blood Bank in Government hospitals
(Reference : Paragraph 3.1.5.3; Page 84)

Medical College Hospital, Kozhikode

1. The Air Conditioners in component room, refreshment room and blood Collection room and Deep Freezer (-40 degree Celsius), were not in working condition
2. Both untested and tested blood samples were stored in one refrigerator
3. The blood bank premises was not hygienic and the rooms were without proper ventilation
4. Equipments were not calibrated
5. Blood donor card was not maintained; records and registers were not maintained as per Para L of the Rules.
6. Medical Officer and Registered Nurse were not attending the blood bank
7. Non-availability of manufacturer's test report for CPDA solution

Taluk Headquarters Hospital, Sulthanbathery

1. Test for irregular antibodies was not carried out on blood units.
2. Medical Officer and Registered Nurse were not attending to the blood bank activities.
3. Donor records were not maintained properly
4. Air conditioners were not operated.
5. Thermograph was not working in refrigerator meant for stocking screened blood units

District Hospital, Mananthawady

1. No air conditioner was working
2. Thermograph of the refrigerator was not working
3. Donor card was not authenticated by Medical Officer and not updated
4. Calibration of equipments was not done

Government General Hospital, Beach, Kozhikode

1. Stock register not maintained up-to-date
2. Donor card was not authenticated by Medical Officer
3. Compound microscope was not working properly
4. Most of the area of the blood bank was not air conditioned
5. Domestic refrigerator being used for storing reagents and kits

Taluk Headquarters Hospital, Kasargod

1. Medical officer in charge rarely visited the blood bank.
2. Elisa reader and washer were not in working condition.
3. Only one out of two ACs was working
4. Premises of blood bank were in unhygienic condition.

General Hospital, Thalasseri

1. Refreshment room was not air-conditioned.
2. Donor records were not certified by the Medical Officer.
3. Time recording graph in both refrigerators was not working properly.
4. General neatness was not maintained.
5. Haemoglobin Estimation was done by gravity method as Calorimeter was not working

Appendix 3.2
Details of samples returned
(Reference: Paragraph 3.1.7.1; Page 86)

Equipment/facility lacking	Year			
	2008	**2009**	**2010**	**2011**
Reference Standard and Method of Analysis	4	6	13	17
Gas Chromatograph	1	-	3	3
Facility	-	3	6	5
HPLC Detector/Column	2	3	-	9
Bio Assay Medium	-	-	1	1
Spectro Flouri Meter	-	-	-	1
Refractive Index Detector	-	-	1	1
Trimethyl Silica Column	-	-	-	1
Turbidimeter	-	-	3	-
Total	**7**	**12**	**27**	**38**

Appendix 4.1
Heads of accounts in which expenditure incurred was more than original budget provision
(Reference : Paragraph 4.1.7.2; Page 120)

(₹ in crore)

Sl. No.	Year	Head of account	Plan/ Non-Plan	Original budget provision	Final budget provision	Total Expenditure	Excess Expenditure over original provision in Percentage
1	2010-2011	2202-01-102-99	NP	1441.02	1440.01	1542.15	7.02
2	2010-2011	2202-01-101-99	NP	451.73	450.57	484.82	7.33
3	2011-2012	2202-01-101-98	NP	505.34	504.89	543.03	7.46
4	2011-2012	2202-01-104-99	NP	47.74	47.67	51.64	8.17
5	2008-2009	2202-01-102-99	NP	1189.33	1188.73	1290.82	8.53
6	2009-2010	2202-02-001-98	NP	21.20	20.85	23.02	8.58
7	2011-2012	2202-01-107-97	P	16.07	12.47	17.77	10.58
8	2011-2012	2202-02-105-96	P	1.16	1.16	1.29	11.21
9	2011-2012	2049-03-104-99	NP	181.12	181.12	207.00	14.29
10	2011-2012	2202-02-001-98	NP	31.95	31.86	36.64	14.68
11	2007-2008	2202-02-001-99	NP	7.52	7.67	8.66	15.16
12	2010-2011	2202-80-003-99	NP	5.88	5.84	6.78	15.31
13	2011-2012	2202-01-101-99	NP	610.85	609.31	706.92	15.73
14	2007-2008	2202-02-108-99	NP	1.95	1.97	2.26	15.90
15	2011-2012	2202-02-001-99	NP	12.54	12.26	14.58	16.27
16	2011-2012	2202-01-191-50	NP	6.87	6.91	7.99	16.30
17	2009-2010	2202-02-108-99	NP	2.34	2.33	2.77	18.38
18	2011-2012	2202-80-003-99	NP	8.29	8.25	10.05	21.23
19	2008-2009	2202-02-001-99	NP	7.54	7.37	9.25	22.68
20	2009-2010	2202-01-101-97	NP	2.43	2.42	3.09	27.16
21	2007-2008	2202-80-003-99	NP	3.84	3.79	4.89	27.34
22	2009-2010	2202-02-001-99	NP	8.74	8.48	11.23	28.49
23	2009-2010	2202-80-003-99	NP	4.50	4.46	5.88	30.67
24	2008-2009	2202-80-003-99	NP	4.04	4.00	5.58	38.12
25	2008-2009	2202-01-101-97	NP	2.16	2.15	3.00	38.89
26	2007-2008	2202-01-107-97	P	6.50	6.48	9.05	39.23
27	2010-2011	2202-02-001-99	NP	9.78	9.43	13.66	39.67
28	2011-2012	2202-01-101-97	NP	2.59	2.56	3.68	42.08
29	2011-2012	2202-80-800-52	NP	22.30	22.14	33.47	50.09
30	2010-2011	2202-01-101-97	NP	1.90	1.88	3.10	63.16
31	2011-2012	2202-01-101-94	NP	1.77	1.76	3.39	91.53
32	2009-2010	2202-02-109-82	P	25.00	36.05	49.07	96.28

Appendix 4.2

Heads of accounts in which entire expenditure was incurred during March
(Reference: Paragraph 4.1.7.3.; Page 120)

(₹ in crore)

Sl. No.	Year	Head of account	Plan/ Non-Plan	Original allotment	Expenditure upto 31 March	Expenditure in March
1	2007-2008	2202-01-101-98	NP	0.12	0.06	0.06
2	2007-2008	2202-02-001-98	NP	0.02	0.01	0.01
3	2007-2008	2202-02-001-98	NP	0.03	0.01	0.01
4	2007-2008	2202-02-001-99	NP	0.45	0.36	0.36
5	2007-2008	2202-02-112-99	P	10.00	4.69	4.69
6	2007-2008	2202-02-192-50	NP	0.76	0.31	0.31
7	2007-2008	2202-02-800-94	NP	0.16	0.13	0.13
8	2007-2008	2202-03-800-68	P	0.10	0.09	0.09
9	2007-2008	2202-03-800-70	P	0.15	0.15	0.15
10	2007-2008	2202-03-800-72	P	4.00	4.00	4.00
11	2007-2008	2202-05-200-99	NP	0.25	0.10	0.10
12	2007-2008	2202-05-800-99	NP	0.01	0.01	0.01
13	2007-2008	2202-80-003-96	P	0.25	0.20	0.20
14	2007-2008	2202-80-003-97	P	0.15	0.14	0.14
15	2007-2008	2202-80-800-89	NP	0.02	0.02	0.02
16	2008-2009	2202-01-111-99	P	2.50	2.50	2.50
17	2008-2009	2202-02-001-99	NP	0.01	0.01	0.01
18	2008-2009	2202-02-191-50	NP	0.2	0.24	0.24
19	2008-2009	2202-02-192-50	NP	0.52	0.43	0.43
20	2008-2009	2202-02-800-67	P	1.00	0.98	0.98
21	2008-2009	2202-02-800-70	P	0.25	0.25	0.25
22	2008-2009	2202-02-800-91	NP	0.30	0.29	0.29
23	2008-2009	2202-02-800-94	NP	0.16	0.14	0.14
24	2008-2009	2202-03-800-72	P	4.00	4.00	4.00
25	2008-2009	2202-80-800-89	NP	0.02	0.02	0.02
26	2008-2009	2202-80-800-90	NP	0.68	0.68	0.68
27	2009-2010	2202-01-111-99	P	2.50	2.50	2.50
28	2009-2010	2202-02-001-89	P	0.15	0.20	0.20
29	2009-2010	2202-05-800-97	NP	0.22	0.09	0.09
30	2009-2010	2202-80-004-88	P	4.00	4.00	4.00
31	2009-2010	2202-80-800-79	P	0.40	0.20	0.20
32	2009-2010	2202-80-800-89	NP	0.02	0.02	0.02
33	2010-2011	2202-01-104-99	NP	0.02	0.01	0.01
34	2010-2011	2202-01-800-83	P	1.00	4.64	4.64

Sl. No.	Year	Head of account	Plan/ Non-Plan	Original allotment	Expenditure upto 31 March	Expenditure in March
35	2010-2011	2202-01-800-84	P	18.00	5.65	5.65
36	2010-2011	2202-02-001-98	NP	0.02	0.01	0.01
37	2010-2011	2202-02-800-61	P	8.00	8.00	8.00
38	2010-2011	2202-02-800-67	P	1.10	1.10	1.10
39	2010-2011	2202-02-800-70	P	0.30	0.30	0.30
40	2010-2011	2202-80-800-53	P	0.20	0.20	0.20
41	2010-2011	2202-80-800-89	NP	0.03	0.03	0.03
42	2011-2012	2202-01-111-99	P	4.00	4.00	4.00
43	2011-2012	2202-02-001-98	NP	0.03	0.01	0.01
44	2011-2012	2202-02-001-99	NP	0.01	0.01	0.01
45	2011-2012	2202-02-001-99	NP	0.02	0.01	0.01
46	2011-2012	2202-02-108-98	P	1.00	1.00	1.00
47	2011-2012	2202-02-800-60	P	16.75	0.01	0.01
48	2011-2012	2202-02-800-62	P	15.00	6.37	6.37
49	2011-2012	2202-02-800-63	P	10.00	10.00	10.00
50	2011-2012	2202-02-800-96	NP	0.10	0.10	0.10
51	2011-2012	2202-04-103-98	P	8.00	3.00	3.00
52	2011-2012	2202-05-102-94	NP	0.01	0.01	0.01
53	2011-2012	2202-80-800-89	NP	0.04	0.04	0.04
54	2011-2012	2202-80-800-90	NP	0.75	1.00	1.00
Total				**117.78**	**72.33**	**72.33**

Appendix 4.3
Heads of accounts in which more than 50 *per cent* of the total expenditure was incurred during March
(Reference: Paragraph 4.1.7.3.; Page 120)

(₹ in crore)

Sl. No.	Year	Head of account	Plan/ Non-Plan	Original Allotment	Expenditure upto February	Expenditure upto March	Expenditure In March	Percentage of Expenditure in March
1.	2007-2008	2202-01-101-99	NP	0.47	0.01	0.33	0.32	96.97
2.	2007-2008	2202-01-102-98	NP	1.35	0.01	0.5	0.49	98.00
3.	2007-2008	2202-01-102-99	NP	1.15	0.48	0.99	0.51	51.52
4.	2007-2008	2202-01-104-99	NP	0.42	0.07	0.21	0.14	66.67
5.	2007-2008	2202-01-192-50	NP	4.13	1.37	2.92	1.55	53.08
6.	2007-2008	2202-02-001-98	NP	0.48	0.12	0.29	0.17	58.62
7.	2007-2008	2202-02-001-99	NP	0.01	0.01	0.03	0.02	66.67
8.	2007-2008	2202-02-001-99	NP	0.08	0.03	0.09	0.06	66.67
9.	2007-2008	2202-02-101-99	NP	0.05	0.03	0.11	0.08	72.73
10.	2007-2008	2202-02-101-99	NP	0.37	0.09	0.24	0.15	62.50
11.	2007-2008	2202-02-109-82	P	25.00	0.96	8.37	7.41	88.53
12.	2007-2008	2202-02-800-83	NP	0.18	0.01	0.03	0.02	66.67
13.	2007-2008	2202-02-800-91	NP	0.30	0.02	0.26	0.24	92.31
14.	2007-2008	2202-02-800-98	P	0.75	0.23	0.65	0.42	64.62
15.	2007-2008	2202-03-800-71	P	0.05	0.01	0.05	0.04	80.00
16.	2007-2008	2202-05-103-96	P	0.10	0.04	0.10	0.06	60.00
17.	2007-2008	2202-80-800-80	P	0.30	0.06	0.19	0.13	68.42
18.	2008-2009	2202-01-101-98	NP	0.12	0.04	0.11	0.07	63.64
19.	2008-2009	2202-01-101-99	NP	0.42	0.15	0.36	0.21	58.33
20.	2008-2009	2202-01-102-98	NP	1.35	0.01	0.43	0.42	97.67
21.	2008-2009	2202-01-102-99	NP	1.15	0.45	1.07	0.62	57.94
22.	2008-2009	2202-01-104-99	NP	0.45	0.08	0.21	0.13	61.90
23.	2008-2009	2202-01-191-50	NP	1.57	0.82	1.81	0.99	54.70
24.	2008-2009	2202-01-192-50	NP	4.19	1.35	3.06	1.71	55.88
25.	2008-2009	2202-01-196-50	NP	13.29	4.60	11.03	6.43	58.30
26.	2008-2009	2202-02-109-82	P	25.00	7.73	25.99	18.26	70.26
27.	2008-2009	2202-02-800-69	P	0.50	0.13	0.48	0.35	72.92
28.	2008-2009	2202-02-800-71	P	3.00	0.77	2.35	1.58	67.23
29.	2008-2009	2202-02-800-73	P	13.55	13.54	33.54	20.00	59.63
30.	2008-2009	2202-02-800-80	P	1.00	0.02	0.66	0.64	96.97
31.	2008-2009	2202-02-800-81	P	0.15	0.02	0.15	0.13	86.67
32.	2008-2009	2202-02-800-84	P	1.00	0.46	0.94	0.48	51.06
33.	2008-2009	2202-05-800-97	NP	0.22	0.10	0.22	0.12	54.55
34.	2008-2009	2202-80-003-96	P	0.35	0.01	0.35	0.34	97.14
35.	2008-2009	2202-80-800-79	P	0.3	0.06	0.21	0.15	71.43

Sl. No.	Year	Head of account	Plan/ Non-Plan	Original Allotment	Expenditure upto February	Expenditure upto March	Expenditure In March	Percentage of Expenditure in March
36.	2009-2010	2202-01-101-98	NP	0.12	0.02	0.08	0.06	75.00
37.	2009-2010	2202-01-101-99	NP	0.47	0.11	0.42	0.31	73.81
38.	2009-2010	2202-01-102-98	NP	1.35	0.08	0.39	0.31	79.49
39.	2009-2010	2202-01-102-99	NP	1.15	0.28	1.08	0.80	74.07
40.	2009-2010	2202-01-191-50	NP	5.05	0.96	3.63	2.67	73.55
41.	2009-2010	2202-01-192-50	NP	24.48	1.75	17.23	15.48	89.84
42.	2009-2010	2202-01-196-50	NP	47.07	9.11	34.21	25.10	73.37
43.	2009-2010	2202-02-101-99	NP	0.45	0.11	0.26	0.15	57.69
44.	2009-2010	2202-02-107-94	P	5.00	1.48	4.96	3.48	70.16
45.	2009-2010	2202-02-109-82	P	25.00	18.78	49.07	30.29	61.73
46.	2009-2010	2202-02-191-50	NP	0.20	0.01	0.23	0.22	95.65
47.	2009-2010	2202-02-192-50	NP	0.55	0.04	0.53	0.49	92.45
48.	2009-2010	2202-02-196-50	NP	2.10	1.27	3.57	2.30	64.43
49.	2009-2010	2202-02-800-67	P	1.00	0.01	0.71	0.70	98.59
50.	2009-2010	2202-02-800-80	P	0.75	0.10	0.40	0.30	75.00
51.	2009-2010	2202-02-800-81	P	0.20	0.20	0.59	0.39	66.10
52.	2009-2010	2202-02-800-84	P	1.00	0.38	0.95	0.57	60.00
53.	2009-2010	2202-02-800-91	NP	0.30	0.09	0.29	0.20	68.97
54.	2009-2010	2202-02-800-94	NP	0.16	0.04	0.15	0.11	73.33
55.	2009-2010	2202-05-102-92	P	0.23	0.08	0.23	0.15	65.22
56.	2009-2010	2202-05-103-96	P	0.15	0.04	0.14	0.10	71.43
57.	2009-2010	2202-05-800-96	NP	2.00	0.64	1.64	1.00	60.98
58.	2009-2010	2202-80-800-93	P	1.35	0.20	1.35	1.15	85.19
59.	2010-2011	2202-01-101-98	NP	0.14	0.04	0.10	0.06	60.00
60.	2010-2011	2202-01-101-99	NP	0.53	0.14	0.45	0.31	68.89
61.	2010-2011	2202-01-102-98	NP	1.35	0.04	0.39	0.35	89.74
62.	2010-2011	2202-01-102-99	NP	1.15	0.29	0.89	0.6	67.42
63.	2010-2011	2202-01-191-50	NP	5.29	1.73	5.32	3.59	67.48
64.	2010-2011	2202-02-001-99	NP	0.18	0.07	0.16	0.09	56.25
65.	2010-2011	2202-02-109-79	P	6.86	0.80	6.86	6.06	88.34
66.	2010-2011	2202-02-800-80	P	0.60	0.09	0.54	0.45	83.33
67.	2010-2011	2202-02-800-81	P	0.25	0.30	0.63	0.33	52.38
68.	2010-2011	2202-02-800-91	NP	0.33	0.15	0.32	0.17	53.12
69.	2010-2011	2202-02-800-94	NP	0.17	0.05	0.17	0.12	70.59
70.	2010-2011	2202-05-800-96	NP	2.00	0.96	1.93	0.97	50.26
71.	2010-2011	2202-05-800-97	NP	0.22	0.04	0.22	0.18	81.82
72.	2010-2011	2202-80-003-94	P	0.40	0.03	0.39	0.36	92.31
73.	2010-2011	2202-80-800-93	P	1.35	0.62	1.35	0.73	54.07
74.	2011-2012	2202-01-101-98	NP	0.13	0.01	0.11	0.10	90.91
75.	2011-2012	2202-01-101-99	NP	0.52	0.06	0.37	0.31	83.78
76.	2011-2012	2202-01-102-98	NP	0.75	0.01	0.34	0.33	97.06

Sl. No.	Year	Head of account	Plan/ Non-Plan	Original Allotment	Expenditure upto February	Expenditure upto March	Expenditure In March	Percentage of Expenditure in March
77.	2011-2012	2202-01-102-99	NP	0.32	0.04	0.31	0.27	87.10
78.	2011-2012	2202-01-104-99	NP	0.37	0.11	0.28	0.17	60.71
79.	2011-2012	2202-01-104-99	NP	0.37	0.19	0.39	0.20	51.28
80.	2011-2012	2202-01-800-81	NP	0.71	0.59	1.37	0.78	56.93
81.	2011-2012	2202-02-001-98	NP	0.52	0.24	0.53	0.29	54.72
82.	2011-2012	2202-02-052-98	NP	0.33	0.06	0.31	0.25	80.65
83.	2011-2012	2202-02-052-99	NP	0.17	0.07	0.17	0.10	58.82
84.	2011-2012	2202-02-101-99	NP	0.42	0.13	0.33	0.20	60.61
85.	2011-2012	2202-02-105-96	P	1.16	0.13	1.29	1.16	89.92
86.	2011-2012	2202-02-107-94	P	5.45	1.87	5.33	3.46	64.92
87.	2011-2012	2202-02-109-79	P	4.42	0.67	4.39	3.72	84.74
88.	2011-2012	2202-02-800-69	P	1.50	0.45	1.17	0.72	61.54
89.	2011-2012	2202-05-800-97	NP	0.22	0.03	0.27	0.24	88.89
90.	2011-2012	2202-80-003-95	P	1.50	0.41	1.48	1.07	72.30
91.	2011-2012	2202-80-003-97	P	0.30	0.02	0.30	0.28	93.33
92.	2011-2012	2202-80-800-93	P	1.50	0.32	1.50	1.18	78.67