Chapter-2
Performance Audit

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Performance Audit

AGRICULTURE, DAIRY DEVELOPMENT & FISHERIES AND SOIL & WATER CONSERVATION DEPARTMENTS

2.1 Rashtriya Krishi Vikas Yojana

Government of India launched (August 2007) a Special Additional Central Assistance Scheme namely Rashtriya Krishi Vikas Yojana (RKVY) with a view to achieve four per cent annual growth in the agriculture and allied sectors by ensuring holistic development of agriculture and allied sectors and to maximize returns to farmers during XIth five year plan period.

Some of the significant findings of the Performance Audit of RKVY are given below:

- ***₹ 21.31 crore was incurred on areas/activities which overlapped with other existing schemes of Government of India/State and ₹ 1.17 crore was utilized for works not related to RKVY.***

  (Paragraphs 2.1.6.1 & 2.1.8.1)

- ***Loss of interest of ₹ 4.12 crore due to retention of RKVY funds in current account was noticed. Interest of ₹ 4.42 crore earned on RKVY funds was not accounted for towards RKVY.***

  (Paragraph 2.1.7.2)

- ***Instances of blockade of funds (₹ 7 crore); irregular award of work/undue favour to NGOs (₹15.16 crore); excess/irregular payment of subsidy (₹2.02 crore); and unfruitful/wasteful expenditure (₹5.20 crore) were noticed.***

  (Paragraphs 2.1.8.2, 2.1.9.1(i), 2.1.9.1(ii), 2.1.9.2, 2.1.12.4(i), 2.1.12.4(ii), 2.1.12.5; 2.1.10.2 & 2.1.11.1)

- ***Artificial Insemination charges were retained by MILKFED (₹2.30 crore) and NGOs (₹0.61 crore) instead of depositing the same in Government account.***

  (Paragraph 2.1.9.1(iii))

- ***Internal control mechanism of RKVY was found largely deficient and targeted annual growth rate of four per cent was not achieved in agriculture and allied sectors despite increased investment.***

  (Paragraphs 2.1.13 & 2.1.14)

2.1.1 Introduction

The Ministry of Agriculture, Department of Agriculture and Cooperation, Government of India (GOI), concerned by the slow growth in the Agriculture and allied sectors and keeping in view high potential for growth in agriculture

sector, launched (August 2007) a Special Additional Central Assistance Scheme namely Rashtriya Krishi Vikas Yojana (RKVY) in all States and Union Territories from the year 2007-08 with the aim of achieving four *per cent* annual growth in the agriculture sector during the XIth Five Year Plan period 2007-12 by ensuring a holistic development of agriculture and allied sectors. The areas of focus under RKVY were integrated development of major crops, agriculture mechanization, soil health, support to seed farms, pest management, horticulture production and popularization of micro irrigation systems, animal husbandry and fisheries development, organic and bio-fertilizers, crop diversification etc.

2.1.2 Organizational set up

At State level, Agriculture Department, Punjab is the Nodal Department for implementation of RKVY. A State Level Sanctioning Committee (SLSC) constituted (December 2007) under the Chairmanship of Chief Secretary to Government of Punjab (GOP) sanctions the projects at State level and reviews the implementation of the scheme. The Nodal Department ensures that the central assistance released under the scheme is utilized in accordance with the approved State and District Agriculture Plans. Directors, Agriculture, Animal Husbandry, Dairy Development, Horticulture, Fisheries Departments and Chief Conservator of Soils, Punjab implemented various projects under RKVY falling under their respective jurisdiction.

2.1.3 Audit objectives

The main objectives of Performance Audit of RKVY were to assess whether:

- Planning process of RKVY conformed to its guidelines;
- Financial management ensured adequate and timely availability of funds and their effective and economic utilisation;
- Implementation of the Scheme was carried out economically, efficiently and effectively to achieve its objectives; and
- Internal control mechanism was in place.

2.1.4 Scope of audit and methodology

For Performance Audit of RKVY six[1] (out of total 15) sectors were selected by adopting probability proportional to size without replacement (PPSWOR) method of statistical sampling. Further, by using PPSWOR, 21 (out of 75 projects within the six selected sectors and 19 districts ***(Appendix-2.1***) (covering five districts for each project, common districts being selected first) were selected for test checking the implementation of the scheme. Besides this, Crop Diversification Programme was also selected for performance audit. Audit scrutinized the records relating to implementation of RKVY for the

[1] (i) Agriculture Research; (ii) Animal Husbandry; (iii) Micro and Minor Irrigation (iv) Dairy Development; (v) Fertilizers and Integrated Nutrients Management ; and (vi) Seed.

period 2009-14 maintained by the offices of the Director, Agriculture, Punjab[2] and other executing agencies[3] and their subordinate offices that implemented the selected projects, during April to August 2014. Audit teams along with the Departments' representatives also carried out joint inspection of the selected project sites in selected districts for physical verification of beneficiaries.

An Entry Conference with the representatives of Department of Agriculture, Punjab and Line Departments was held on 25 April 2014 wherein the audit objectives, criteria and methodology were explained. Audit findings were discussed in the Exit Conference held on 25 November 2014 in which the Commissioner, Agriculture assured to furnish detailed replies within a week. Thereafter, the Director of Agriculture, the Nodal Department, furnished (December 2014) replies to the audit observations which have suitably been incorporated in the report.

2.1.5 Audit criteria

The audit findings were bench marked against the criteria derived from the following sources:

- Guidelines of RKVY issued by GOI;
- Agenda and Minutes of the meetings of State Level Sanctioning Committee;
- Instructions/guidelines issued from time to time by GOI/State Government for implementation of the Scheme and various projects; and
- Punjab Financial Rules.

Audit findings

2.1.6 Planning

2.1.6.1 Deficiencies in planning

Scrutiny of records of the Nodal Department showed that:

- State Level Sanction Committee met only nine times during 2009-14 against the requirement of 20 meetings. The Director, Agriculture while admitting the facts stated (December 2014) that in 2015-16, the projects would be sanctioned during March 2015 and sufficient time would be available for convening at least three SLSC meetings annually.

- No sector wise milestones to achieve the targeted annual growth rate of four *per cent* were laid down. The Director, Agriculture stated that the yearly targets for achieving targeted growth rate were fixed while preparing the Annual Plan. The reply did not explain the reasons for not fixing the sector wise benchmarks or milestones for achieving the targeted growth rate of four *per cent*.

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[2] Nodal Department for RKVY as well as executing agency for two selected sectors viz. Fertilizers and Integrated Nutrients Management and Seed.

[3] The Directors, Animal Husbandry, Dairy Development and Fisheries, Chief Conservator of Soils, Punjab, Principal Chief Conservator of Forests, Punjab, Punjab Agricultural University Ludhiana and Guru Angad Dev Veterinary and Animal Sciences University, Ludhiana; and Secretary Punjab Mandi Board.

➢ Till 2009-10, the Nodal Department recommended projects for approval of SLSC without Detailed Project Reports in violation of paras 7.1.1 and 7.1.2 of RKVY guidelines. In the absence of DPRs, the spirit of RKVY to give it a project approach was defeated which in turn deprived the State of benefits of adoption of project approach.

The Director, Agriculture stated (December 2014) that the proposals submitted to the SLSC were considered as Project Reports and after directions of GOI (March 2010) to the States that while preparing project proposals, a Data Sheet/DPR of the project should also be prepared, the data sheet/DPR was attached with Agenda Notes for the SLSC meeting since 2010-11. The reply was not acceptable as DPRs were to be prepared ever since the implementation of RKVY and approval of SLSC was also to be obtained.

➢ Para 6.3(4) of the Guidelines of RKVY provides that SLSC would ensure that no duplication of efforts of resources takes place. During audit of the Nodal Department, instances involving ₹ 21.31 crore[4] from RKVY relating to overlapping of activities/areas with other schemes of State/Centre were noticed.

The Director, Agriculture stated (December 2014) that coverage of additional area or provision of additional equipment by sourcing funds from other sources was not duplication but it ensured a greater coverage. The reply was not convincing as overlapping of RKVY activities/areas with other schemes of State/Centre was in violation of guidelines of RKVY as well as Macro Management Work Plan of Agriculture, one of the central schemes with which the activities were overlapped.

2.1.7 Financial management

2.1.7.1 Under RKVY, GOI provides 100 *per cent* funds to the states as grants. The details of funds received and expenditure incurred under RKVY during 2009-14 are given in the **Table 2.1.1.**

Table 2.1.1: Funds received and expenditure incurred under RKVY during 2009-2014

(₹ in crore)

Year	Opening balance	Funds released by GOI	Funds released by GOP	Funds drawn by the Nodal Department	Total available funds with Nodal Department	Expenditure incurred (percentage)	Closing balance
2009-10	12.08	43.23	43.23	43.23	55.31	34.35 (62)	20.96
2010-11	20.96	179.12	179.12	179.12	200.08	119.56 (60)	80.52
2011-12	80.52	145.87	69.44	69.44	149.96	146.09 (97)	3.87
2012-13	3.87	86.83	113.16*	113.16	117.03	106.96 (91)	10.07
2013-14	10.07	229.44	279.54**	252.54	262.61	232.63 (89)	29.98
Total		**684.49**	**684.49**	**657.49**		**639.59**	

Source: Director, Agriculture

* This includes revalidated amount of ₹ 76.43 crore pertaining to 2011-12.

** This includes revalidated amount of ₹ 50.10 crore pertaining to 2012-13.

[4] ₹ 11.21 crore on 34606.75 quintal of *dhancha* seed; ₹ 3.94 crore on 78809.25 quintal of wheat seed; ₹ 3.90 crore for construction of godowns; ₹ 1.40 crore for clearing liability; and ₹ 0.86 crore on 699.50 MT of zinc sulphate.

Analysis of the above table showed that expenditure during 2009-10 and 2010-11 fell short by 38 and 40 *per cent* respectively of the total funds available. During 2011-12 and 2012-13, GOP short released the GOI funds by ₹ 76.43 crore and ₹ 50.10 crore which were released during 2012-13 and 2013-14 respectively. In 2013-14, the Director, Agriculture did not draw ₹ 27 crore released by GOI and GOP. The closing balance of ₹ 29.98 crore includes ₹ 26.68 crore retained by the Director, Agriculture out of the funds drawn (₹ 112.25 crore[5]) for Crop Diversification Programme (CDP). This resulted in non-implementation of the projects approved by SLSC for which the funds were received from GOI.

Audit further noticed that GOP released ₹ 657.49 crore during 2009-14 to Nodal Department with a delay ranging between 65 and 255 days. Further, 11 to 37 *per cent* funds were released during last quarter of the respective financial years. Similarly, delay in release of funds of ₹ 635.10 crore by Nodal Department to the implementing agencies ranged between two and 180 days. Delay in release of funds was in violation of the Para 7.2.4 of RKVY guidelines which provides for utilization of funds by the State and GOI's instructions (March 2012) to ensure that funds are released to the Nodal Department by the Finance Department (FD) as soon as they are received from GOI. Thus, implementing agencies were left with no or little time to execute the projects resulting in spilling over of execution of the projects to the next year.

The Director, Agriculture while admitting the above facts stated (December 2014) that sometimes there was a delay in release of funds by the State due to financial constraints and relative priority for release to various economic sectors which were further released to the implementing agencies keeping in view the immediate requirements. The reply was not acceptable as the funds were received from GOI against the projects approved by SLSC and the plea of financial constraints was not convincing as 100 *per cent* funds under RKVY were received from GOI.

2.1.7.2 Non-accountal of interest

As per Instructions of GOI of April 2010, interest earned on GOI funds was to be counted towards Grant-in-Aid for respective scheme funds. During audit, the following deficiencies were noticed:

(i) During April 2010 to July 2013, the Director, Agriculture kept RKVY funds ranging between ₹ 0.01 crore and ₹ 69.43 crore in a current account which led to loss of ₹ 1.36 crore on account of interest (calculated at interest rate on savings bank account). The Director, Agriculture stated (December 2014) that interest rates in different banks were different, so a current account was opened in State Bank of India. The reply was not acceptable as the Department should have opened savings account in a bank with higher rate of interest instead of opening current account on which no interest at all was earned.

[5] ₹ 85.57 crore were disbursed to the implementing agencies.

(ii) Managing Director, MILKFED (MD) kept entire RKVY funds in two Over Draft (OD) Accounts[6] on which MILKFED saved interest of ₹ 2.76 crore during the period from 31 December 2009 to 31 March 2014 on ODs availed by it without affording credit to RKVY. The Director, Agriculture stated (December 2014) that the credit of the interest earned would be given to RKVY funds.

(iii) During July 2009-July 2014, interest of ₹ 4.42 crore[7] earned on RKVY funds was not counted towards grant-in-aid for RKVY by reflecting the same in UCs. The Director, Agriculture stated (December 2014) that the Nodal Department had issued (November 2014) instructions to all the implementing agencies for accounting the interest earned towards the future funds as an additional grant-in-aid under RKVY.

2.1.7.3 Withdrawal of money without immediate requirement

Rule 2.10 (b) (5) of PFR provides that no money should be withdrawn from the treasury unless it is required for immediate disbursement.

Scrutiny of records of the Director, Agriculture Punjab showed (July 2013) that during March 2008 to November 2010, ₹ 19.83 crore[8] withdrawn from treasury were disbursed to the implementing agencies with delay ranging between 67 and 231 days.

The Director, Agriculture stated (December 2014) that the funds released by GOI were further released by the State to the Nodal Agency as per priority of the State which were then released for implementing the projects as per actual physical requirements. The reply was not acceptable as the money was received against the already approved projects. Thus, late disbursement to the implementing agencies was not justified and in case the funds were not to be disbursed immediately then these should have not been withdrawn from the treasury.

2.1.7.4 Irregularities in submission of utilization certificate

Audit of records of Nodal Department showed that UCs were not sent to GOI in the prescribed format and important information relating to targets achieved with the funds utilized was not given as required under Para 2 of the prescribed format. Audit further noticed that in 15 cases involving ₹ 44.14 crore, the implementing agencies[9] submitted UCs to the Nodal

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6 No. 60036511042 and 32847384791 with Bank of Maharashtra and State Bank of India respectively.

7 Director, Agriculture-₹ 0.13 crore; Director, Animal Husbandry-₹ 2.65 crore; Chief Conservator of Soils, Punjab-₹ 1.52 crore; and Chief Agriculture Officer, Jalandhar-₹ 0.12 crore.

8 Markfed (₹ 3 crore); Dairy Development (₹ 0.69 crore); Soil and Water Conservation (₹ 7.24 crore); Chief Agriculture Officers (₹ 0.84 crore); MILKFED (₹ 3 crore); PUNSEED (₹ 2 crore); and Punjab Agro Industries Corporation Limited (₹ 3.06 crore).

9 Animal Husbandry Department-₹ four core (one case); Dairy Development Department-₹ 21.14 crore (12 cases); GADVASU-₹ 15 crore (one case) and Director Fisheries-₹ four crore (one case).

Department, prior to actual utilization of funds. This resulted into incorrect furnishing of UCs to GOI with inflated figures of expenditure besides indicating failure of the Nodal Department in accepting the UCs without ascertaining actual utilization of the funds.

The Director, Agriculture stated (December 2014) that sometimes the entire sum required for the completion of the project was not released but UC had to be sent to avail the second instalment. The reply was not acceptable as UCs were sent without actual expenditure thereby inflating the actual expenditure and raising doubt about the utilisation of funds.

2.1.7.5 Non-utilisation of RKVY funds

Funds of RKVY were to be utilized in the year of its sanction. However, ₹ 6.74 crore sanctioned for various projects (as detailed in ***Appendix-2.2)*** during 2009-10 and 2012-14 were not utilized by the implementing agencies till July 2014. The Director, Agriculture stated (December 2014) that now all the funds released under RKVY up to 2012-13 had been utilized and UCs submitted to GOI. The reply was not acceptable as the fact remained that the funds were not utilized during the year of sanction itself.

Implementation of programmes

For test checking the implementation of programmes under RKVY in the State, 21 projects under six Sectors were selected (as already discussed in paragraph 2.1.4). The significant findings noticed during the Performance Audit are discussed in the succeeding paragraphs:

2.1.8 Agriculture Research (AGRE)

During 2009-14, eleven projects with approved cost of ₹ 106.21 crore were implemented by two universities viz. Punjab Agriculture University (PAU), Ludhiana (six projects: ₹ 55.12 crore) and Guru Angad Dev Veterinary and Animal Sciences University (GADVASU), Ludhiana (five projects: ₹ 51.09 crore) under AGRE sector. The Nodal Department released ₹ 51 crore (PAU: ₹ 22 crore & GADVASU: ₹ 29 crore). Three projects implemented by PAU, Ludhiana (two projects: ₹ 9 crore) and GADVASU, Ludhiana (one project: ₹ 15 crore) at a cost of ₹ 24 crore were selected for test check, the findings of which are given below:

2.1.8.1 Utilization of funds for works not related to RKVY

Out of ₹ 15 crore received (August-December 2010) by GADVASU for a research project[10] under RKVY for the year 2010-11, the Comptroller, GADVASU utilized (31 March 2011) ₹ 1.17 crore for installation of a Hotline electricity connection (₹ one crore) and for purchase of server, chassis and server rack for the University Library (₹ 17.20 lakh[11]) not covered under the

[10] Enhancing Live Stock Production in Punjab through need based Research and Development Activities.

[11] These items were already sanctioned under "University Administrative Scheme NP-I" scheme, but purchased from RKVY funds.

project. The Hotline was installed in December 2013. The funds were drawn from RKVY on the pretext of non-availability of funds from any other source.

The Director, Agriculture while justifying the expenditure stated that revised proposals to cover the above expenditure under RKVY had been prepared for SLSC's approval. The fact, however, remains that the items were not covered under RKVY.

2.1.8.2 Blockade of funds

The Comptroller, GADVASU, after ex-post-facto approval (June 2011) of SLSC, allocated (July 2011) ₹ seven crore for setting up an Animal Hospital at GADVASU. Audit noticed that funds were allocated for the work even before its administrative approval (20 August 2013). The work was allotted to a contractor only in May 2014. Thus, the funds remained blocked for 36 months from July 2011 to July 2014 which could have otherwise been utilized for other productive purposes.

The Director, Agriculture attributed (December 2014) the delay in execution of Hospital to late allocation of land by Punjab Agricultural University. The reply was not acceptable as the availability of land should have been ensured before allocation of funds and RKVY funds of ₹ seven crore had remained blocked for 36 months.

2.1.9 Dairy Development

During 2009-14, 27 projects with approved cost of ₹ 126.95 crore were implemented by Director, Dairy Development under the sector. Nodal Department released ₹ 64.12 crore against which the Department incurred an expenditure of ₹ 57.18 crore on implementation of these projects. Six projects implemented by the Director, Dairy Development at a cost of ₹ 24.68 crore were selected for test check, the findings of which are given below:

2.1.9.1 Integrated Buffalo Development Centres' project

With a view to provide services of artificial insemination (AI) in case of Buffaloes and related services through establishment of 600 Integrated Buffalo Development Centres (IBDCS) in Punjab under the project 'Establishment of Integrated Buffalo Development Centres', MILKFED[12] invited (September 2009) tenders from NGOs/Private Registered Organizations working in the field for at least five years. Audit noticed the following points:

(i) Allotment of work to a non-bidder

Audit of records of MILKFED disclosed that only one NGO viz. JK Trust submitted bid for establishment of 300 IBDCs at ₹ 14.83 lakh per IBDC, whereas another NGO viz. BAIF[13] Development Research Foundation (BAIF) had neither submitted requisite processing fee nor technical and financial bids

[12] Implementing agency of the State to implement the project by associating NGOs.
[13] Formerly registered as Bhartiya Agro Industries Foundation.

but gave only a proposal and hence did not enter into the bid. The Tender Committee recommended (December 2009) that JK Trust be allotted the work of establishment of 300 IBDCs. During a meeting held on 11 February 2010 under the Chairmanship of Chief Minister, Punjab, it was decided to place orders on JK Trust for establishing 200 IBDCs at the rate of ₹ 14.83 lakh per IBDC and BAIF for 100 IBDCs at the rates of JK Trust (as BAIF had not quoted its rates). However, MILKFED placed (March 2010) the work order for establishment of 100 IBDCs each to JK Trust and BAIF. BAIF was exempted from payment of bank guarantee of ₹ 88 lakh required under terms and conditions of NIT. Thus, allotment of work of establishing 100 IBDCs to BAIF which even did not submit its bid, was an undue financial benefit to the NGO which has been paid ₹ 13.40 crore till July 2014. This along with change in number of IBDCs for which tenders were invited, allotment of work only for 100 IBDCs to JK Trust vitiated the tendering process in allotment of the said work.

The Director, Agriculture stated (December 2014) that considering the good track record of BAIF, the decision to allot a part of work to it and exempt from furnishing bank guarantee was taken in a meeting held on 11 February 2010 under the Chairmanship of Chief Minister, Punjab. Change in number of IBDCs, for which tenders were invited and the work was actually allotted, was attributed to the shortage of funds The reply was not acceptable as allotment of work to BAIF which did not even participate in the tendering process, as per the conditions of the tender notice, vitiated the tendering process as once the tenders were invited, only the successful bidder complying with all the laid down requirements should have been allotted the work.

(ii) Irregular release of preparatory expenses

Audit noticed that the Managing Director, MILKFED (MD), instead of making 50 *per cent* payment (₹ 0.88 crore) towards preparatory expenses as per the agreement with JK Trust and BAIF, paid (April-May 2010) 100 *per cent* amount of ₹ 1.76 crore to both the NGOs.

The Director, Agriculture stated (December 2014) that preparatory expenses were released in one installment as per decision taken by Project Implementation and Monitoring Committee (PIMC) in its meeting held on 30 October 2009. The reply was not acceptable because as per agreements, only 50 *per cent* advance payment towards preparatory expenses was to be made and the balance after proof of expenses incurred on infrastructure was provided.

(iii) Irregular retention of AI charges out of Government account

(a) During October 2010 to March 2014, NGOs collected ₹ 2.30 crore from the beneficiaries on account of artificial insemination (AI) charges[14] in respect of 768153 AI. Instead of depositing the same in Government account, the amount was irregularly retained in a Corpus Fund of MILKFED. The Director, Agriculture stated (December 2014) that PIMC in its meeting held

[14] At the rate of ₹ 30 per AI (revised to ₹ 50 with effect from 1 January 2013).

on 30 October 2009 decided that the amount deposited against AI charges would be maintained as Corpus Fund for sustainability of the project after its completion. The reply was not acceptable as the project was funded entirely from RKVY and in case, more funds were required the same should have been demanded from the Government.

(b) The Managing Director, MILKFED enhanced AI charges from ₹ 30 to ₹ 50 per AI from January 2013. However, out of ₹ 50 per AI collected (January 2013 to March 2014), AI charges of ₹ 60.98 lakh (₹ 20 per AI) were retained by the NGOs unauthorisedly as there was no such stipulation in the NIT and in the agreement between MILKFED and the NGOs. The Director, Agriculture stated (December 2014) that considering it financial burden on the beneficiaries, the decision to enhance the AI charges was taken back. The reply did not explain the reasons for unauthorized retention of AI charges by the NGOs.

(iv) Unauthorized establishment of IBDCs

Audit noticed that against the agreed number of 100 IBDCs to be established in Gurdaspur, Amritsar, Ferozepur and Sri Muktsar Sahib districts, only 88 centres were established in these districts and 12 IBDCs, established by JK Trust in Tarn Taran district at a cost of ₹ 82.93 lakh[15] were unauthorized. The Director, Agriculture stated (December 2014) that as district Tarn Taran fell under milkshed area of Milk Union, Amritsar, so this district was covered under the project. The reply was not acceptable as the 'Operational Area' prescribed in the agreement with the NGOs was district wise and not milk union wise and Tarn Taran was not covered therein.

(v) Non-achievement of targeted production of Buffalo calves

Audit noticed that both the NGOs could not achieve the targeted production of 80 *per cent* Buffalo calves as out of total 144144 calves born up to March 2014, 104117 (72 *per cent*) were buffalos calves and 40027 (28 *per cent*) were cow calves. Further, in Sri Muktsar Sahib and Tarn Taran districts, JK Trust produced 9335 (80 *per cent)* and 6593 (85 *per cent*) buffalo calves against targeted production of 11700 and 7800, respectively.

The Director, Agriculture stated (December 2014) that BAIF had produced 100944 buffalo and 72314 cow calves while JK Trust had produced 71616 buffalo and 40028 cow calves up to end of October 2014. The number of calves born up to October 2014 was more than that of the targeted number. This project would complete in the month of December 2015 and as per the pregnancy confirmation report of BAIF, 140096 and 104783 buffalo and cow calves respectively would be born. Similarly, JK Trust reported that 136364 and 80213 buffalo and cow calves would be born respectively. The reply was not acceptable as even after considering the data up to October 2014, the percentage of buffalo calves produced by BAIF and JK was 58 and 64 respectively against the target of 80 *per cent*. Even after taking into consideration the projected data based on pregnancy confirmation report of

[15] ₹ 10.56 lakh on establishment of IBDCs and ₹ 72.37 lakh on production of 5,188 calves.

both the NGOs, the percentage of buffalo calves produced by BAIF and JK Trust would be 57 and 63 respectively.

(vi) Non-monitoring of the project

A state level monitoring cell at MILKFED, Head Office as well as at Milk Plants was to be established to monitor the whole IBDC Project However, test check of the records of MILKFED showed that monitoring of the project was not being done. In the absence of this, the actual outcome of the project could not be ascertained in audit.

The Director, Agriculture stated (December 2014) that the project was being closely monitored by his office, the Financial Commissioner Development-*cum*-Vice Chairman of SLSC and Managing Director, Milkfed. The reply was silent on monitoring of the progress by the State and Milk Plant Level Monitoring Cells and the progress reports, annexed to the reply were prepared by the NGOs, just depicted the number of calves born for claiming payment.

2.1.9.2 Irregular disbursement of subsidy

As per guidelines issued (May 2011) by the Director Dairy Development Punjab (Director) for implementation of 'Special Programme on Dairy Development', subsidy was to be given at the rate of 25 *per cent* of cost of milching animals subject to a maximum of ₹ 12500 per animal for purchase of 15 to 25 animals to beneficiaries who did not have more than five milching animals. Scrutiny of the records of the Director showed that in seven cases, subsidy of ₹ 18.75 lakh was disbursed (January to March 2012) to the beneficiaries having more than five milching animals.

The Director, Agriculture stated (December 2014) that in the guidelines governing Special Programme for Dairy Development under National Mission on Protein Supplement, there was no condition stipulating the number of animals with the beneficiary. The reply was not acceptable as the guidelines issued (May 2011) by the Director Dairy Development Punjab clearly stipulated the condition *ibid.*

2.1.9.3 Results of joint physical verification of projects

(i) A joint inspection of the premises of a beneficiary of village Mehadipur, Hoshiarpur to whom subsidy of ₹ 1.56 lakh[16] was given, showed that there was no animal at the project location and the premises was found locked. On enquiring from the villagers, it transpired that the beneficiary had shut down the project and left the village.

(ii) Though subsidy of ₹ 4.38 lakh (₹ 1.50 lakh for animal housing and ₹ 2.88 lakh for purchase of animals) was granted to a beneficiary of village Sofi Pind of district Jalandhar for 23 animals under Special Programme on Dairy Development, but on verification, only three milching animals were found on project site and the shed was found dismantled.

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[16] ₹ 0.31 lakh for insurance and computer chip for 10 animals under 'Incentive for animal insurance and computer chips'; ₹ 1.25 lakh for 10 animals under Special Programme on Dairy Development of National Mission for Protein Supplement.

The Director, Agriculture stated (December 2014) that notices for the recovery of the subsidy had been issued (October 2014) to the beneficiaries. The reply indicates that the Department had no system of its own, to monitor the projects after granting subsidy.

2.1.10 Micro and minor irrigation

During 2010-14, five projects having approved cost of ₹ 111 crore were implemented by the Chief Conservator of Soils, Punjab under the sector. Nodal Department released ₹ 81.27 crore against which (CCS), Punjab incurred expenditure of ₹ 70.52 crore. One project 'Conservation of Irrigation Water Project' implemented at a cost of ₹ 49 crore during 2010-11 was test checked, findings of which are given below:

2.1.10.1 Imbalanced implementation of the project

In view of the problems like soil degradation and ground water decline/deterioration, Department of Soil and Water Conservation, Punjab formulated (2010-11) an action plan for Conservation and Development of Soil and Water resources for sustainable production in Punjab under RKVY, laying thrust on a series of measures like conservation of irrigation water, rainwater harvesting and recharge, reclamation of degraded soils and watershed development. Accordingly, a Project, 'Conservation of Irrigation Water Project' was implemented under RKVY. During 2009-2014, ₹ 130.86 crore[17] were disbursed to 13 Divisional Soil Conservation Officers covering 20 districts of the State for execution of the project. Of these, ₹ 55.34 crore (42.29 *per cent*) were disbursed to Sri Muktsar Sahib district only and the farmers of remaining 19 districts got funds ranging between 0.2 *per cent* and 16.65 *per cent* only, whereas Jalandhar and Kapurthala districts were not covered at all under this project which indicated imbalanced implementation of the project.

The Director, Agriculture stated (December 2014) that major emphasis while implementing this project was given on ecologically handicapped areas in the South-Western districts where groundwater is not fit for irrigation and the saving of seepage and conveyance losses helps in providing better irrigation facilities in outlet commands. In Jalandhar and Kapurthala, groundwater is fit for irrigation. The reply was not convincing as non-covering the other areas of the State which were facing a problem of decline in water table would further aggravate the situation in these areas and as per the action plan, the project was to be implemented not only in South-Western districts of Punjab but also in over exploited blocks of central districts and sub-mountainous areas of Northern Kandi districts, which got only 5.78 *per cent* and 4.27 *per cent* of the allocations respectively. Jalandhar and Kapurthala, two central districts where ground water was over exploited[18], were not covered at all.

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[17] Including funds received from another Sector viz. Natural Resource Management.

[18] As per the Report of Environmental Information System, sponsored by Ministry of Environment, Forests & Climate Change, GOI.

2.1.10.2 Unfruitful expenditure due to non-commissioning of project

The work of providing, laying and jointing of 11880 meter of Under Ground Pipeline at village Luhara, Doda, tehsil Gidderbaha of district Sri Muktsar Sahib was allotted (May 2011) for completion up to 17 June 2011. Audit of records (July 2014) of the Divisional Soil Conservation Officer, Sri Muktsar Sahib (DSCO) showed that due to change in the alignment of the project, the length of the pipeline was increased (August 2012) 11880 to 12680 meters thereby increasing the project cost to ₹ 2.69 crore, against which ₹ 2.54 crore were incurred as of March 2013. However, the project could not be made operational (July 2014) as the pipeline had developed major leakages for more than 26 times. The Soil Conservation Officer, Gidderbaha (SCO) reported (July 2014) that the pipeline had some technical fault and was unfit for operation. Thus, the expenditure of ₹ 2.54 crore was wasteful and deprived the farmers of the intended benefits.

The Director, Agriculture attributed (December 2014) non-commissioning of project to the dispute between the beneficiary and non-beneficiary farmers and stated that the laying of pipeline was complete but its successful commissioning was yet to be accomplished. The reply was not acceptable as the pipeline could not be commissioned/made operational due to technical fault as reported by the SCO as well as complaint by the Sarpanch of Luhara village.

2.1.10.3 Ungainful expenditure on incomplete projects

Audit of records of DSCO, Gurdaspur showed that an expenditure of ₹ 23.17 lakh and ₹ 18.54 lakh was incurred up to October 2011 and January 2013 on 'Renovation of Ponds and Retaining walls' in villages Qila Tek Singh and Wadala Banger respectively to utilize pond water for agriculture purposes by installing underground pipeline. The projects were, however, still (July 2014) incomplete which led to non-percolation of the intended benefits to the beneficiaries and the entire expenditure of ₹ 41.71 lakh remained ungainful.

In respect of village Qila Tek Singh, the Director, Agriculture stated (December 2014) that the local farmers requested to include more beneficiaries. Therefore, a revised estimate was sanctioned in June 2013 and the work of renovation of pond was complete and laying of pipeline was in progress (December 2014). The work in village Wadala Banger was started in 2011 and the pipeline was laid from the pond to the farmers' fields with available funds. The work of renovation of pond would be completed after release of balance funds. The reply in respect of village Qila Tek Singh was not acceptable as the length of pipeline was changed thrice from 500 metres to 2154 metres indicating that estimate of the work initially prepared was not based on realistic assessment of length of pipeline.

2.1.11 Seed Sector

During 2009-14, four projects with approved cost of ₹ 10.50 crore were implemented by Director, Agriculture under Seed Sector. The Nodal

Department released ₹ 9.90 crore to Director, Agriculture who spent the same for implementation of projects. One project 'Creation of infrastructure at New Seed Farm Rania, Amritsar' under RKVY at a cost of ₹ one crore, implemented by Divisional Soil Conservation office (DSCO), Amritsar was test checked. The estimated cost of the project was ₹ 3.67 crore against which ₹ 3.40 crore were released (₹ 2.40 crore from the Rural Development Fund and ₹ one crore from RKVY). Audit observed the following:

2.1.11.1 Wasteful expenditure due to abandonment of the project

The Divisional Soil Conservation Officer, Amritsar incurred an expenditure of ₹ 2.66 crore (₹ 0.28 crore from RKVY and ₹ 2.38 crore from Rural Development Fund) on clearing bushes/wild growth, leveling, fencing and underground pipelines system. The expenditure was incurred on weed clearance and land leveling (₹ 2.31 crore), fencing (₹ 0.28 crore) and laying of underground pipeline (₹ 0.07 crore). The work was stopped (February 2012) under the orders of the Deputy Commissioner (DC), Amritsar as fencing work was not as per MOU signed between the Agriculture Department and the Indian Army who dismantled (February 2012) the fencing etc. The work was lying abandoned since February 2012. DSCO, Amritsar refunded (May 2013) the unspent balance of ₹ 72 lakh (RKVY funds) to Chief Conservator of Soil, Punjab (CCS).

The Director, Agriculture stated (December 2014) that the Department had completed the work of land development through clearing bushes/wild growth, levelling, fencing, laying of underground pipeline, etc. and the farm had been handed over (August 2014) to the Punjab Agro Industries Corporation (PAIC) for its operation. Cross verification from PAIC showed that the work executed at a cost of ₹ 2.66 crore, had gone waste as the farm was full of *Kana-Sarkanda*, *congress grass, Narri* weeds and the whole farm land was in unlevelled condition. It was also observed (January 2015) that all agricultural operations were started afresh, beginning with levelling and development of land into cultivable land. Thus, non-execution of the work as per MOU with the army rendered the expenditure of ₹ 2.66 crore wasteful as the work of fencing was dismantled by the army and that of land development was of no use after remaining abandoned (since February 2012) for two and half years.

2.1.12 Crop diversification programme

To mitigate the problem of depletion of water table and to demonstrate and promote improved production technologies of alternate crops for diversion from paddy cultivation and to restore soil fertility, GOI approved (June 2013) Crop Diversification Programme (CDP) for ₹ 224.50 crore (revised to ₹ 249.50 crore in February 2014). CDP has four components viz. (i) Cluster Demonstration; (ii) Farm Mechanisation, processing and value addition, (iii) Site specific activity; (iv) Contingency for awareness training, implementation and monitoring. On the basis of quantum of expenditure incurred, five districts[19] were selected for checking the implementation of CDP. Audit noticed the following irregularities:

[19] Jalandhar, Ludhiana, Mohali, Nawanshahar and Sangrur.

2.1.12.1 Non-utilisation of central assistance

Audit noticed that against the action plan of the State, GOI released (August 2013) first installment of ₹ 112.25 crore to GOP for utilization during 2013-14. Out of this, GOP could utilize ₹ 86.15 crore only up to July 2014, leaving balance of ₹ 26.10 crore unutilized and ₹ 137.25 crore (₹ 249.50 crore- ₹ 112.25 crore) unavailed from GOI due to which the approved action plan of CDP could not be fully implemented to derive its optimum benefits.

In the Exit Conference (November 2014), the Commissioner, Agriculture accepted the audit observation.

2.1.12.2 Non-identification/approval of beneficiaries

District Level Committees (DLC) constituted (September 2013) were fully responsible for identification of beneficiaries for cluster demonstration of alternate crops to paddy and collaborate with other stakeholders for implementation of the programme at field level.

The Chief Agriculture Officer (CAO), Jalandhar, PCCF and the Chief Conservator of Soils (CCS), Punjab had incurred expenditure of ₹ 8.08 crore, ₹ 2.93 crore and ₹ 5 crore respectively (total ₹ 16.01 crore) on implementation of CDP without identification/approval of beneficiaries by DLC during 2013-14.

The Director, Agriculture stated (December 2014) that list of beneficiaries prepared by district Agriculture Department was sent to DLC, Jalandhar for approval. It was further stated that the farmers who volunteered in response to the advertisement of Forest Department were supplied the plants. With regard to work done by CCS, it was stated that the DLC was required only to collaborate with stakeholders which was properly carried out at the district level. The replies were not acceptable as only the DLC was to identify the beneficiaries which was not done in all these cases.

2.1.12.3 Cluster Demonstration

(i) Progress not commensurate with disbursement of subsidy

Under CDP, though subsidy of ₹ 22.29 crore[20] (as per data of Assistant Maize Development Officer, Punjab-AMDO) was disbursed to the farmers of 11 districts for conversion of 22291 hectares under paddy to maize yet the area under maize increased by 6000 hectares only (as per the data of Joint Director; Agriculture Statistical-JDA). In seven districts[21], there was no increase in the area covered under maize despite disbursement of subsidy of ₹ 14.34 crore

[20] (i) Barnala-₹ 0.41 crore, (ii) Fatehgarh Sahib-₹ 0.74 crore; (iii) Jalandhar-₹ 8.34 crore, (iv) Kapurthala-₹ 1.86 crore; (v) Ludhiana-₹ 3.83 crore,(vi) Mohali-₹ 3.70 crore; (vii)Moga-₹ 0.71 crore, (viii) Patiala-₹ 0.64 crore, (ix) Ropar-₹ 0.36 crore; (x) Sangrur-₹1.65 crore; and (xi) Tarn Taran-₹ 0.05 crore.

[21] (i) Barnala-₹ 0.41 crore, (ii) Jalandhar-₹ 8.34 crore, (iii) Ludhiana-₹ 3.83 crore, (iv)Moga-₹ 0.71 crore, (v) Patiala ₹ 0.64 crore, (vi) Ropar-₹ 0.36 crore and (vii) Tarn Taran-₹ 0.05 crore.

whereas in three other districts (Kapurthala, Mohali and Sangrur), the area under maize increased by 5000 hectares.

The Director, Agriculture stated (December 2014) that cluster demonstration of maize under the programme was not to convert area from paddy but to demonstrate the production potential of maize. The plea that cluster demonstration of maize under the programme was not to convert the area was not acceptable as one of the activities under CDP was to motivate the farmers for cultivation of maize and allocation of funds was made for the diversion of five *per cent* area of paddy to the alternative crops accordingly the department distributed maize seed for sowing in 22291 hectares area.

(ii) Distribution of eucalyptus and poplar plants

As per approved action plan of CDP, cluster demonstration on Eucalyptus was to be conducted in the waterlogged areas of the identified districts only. Audit further noticed that PCCF distributed 2601870 Eucalyptus plants worth ₹ 2.08 crore to the farmers under jurisdiction of 16 Forest Divisions of the State free of cost, but there was nothing on records to show as to how the areas and the beneficiaries were identified. The Director, Agriculture stated (December 2014) that 63 *per cent* of the plants were supplied in the districts of Mansa, Ferozepur, Sri Muktsar Sahib, Moga, Faridkot, Bathinda and Patiala having known problem of water logging. The rest of the plants were supplied to such areas as covered under the guidelines. The reply was not acceptable as the farmers of Sri Muktsar Sahib district, the worst affected by water logging[22] were not covered at all. On the other hand, farmers of Bathinda district having no water logging were supplied 135000 plants valuing ₹ 10.80 lakh.

(iii) Distribution of subsidy

Subsidy of 50 *per cent* of the cost or ₹ 0.50 lakh per hectare, whichever is less, was to be provided for 'Improvement in Conveyance Efficiency of Irrigation Water through Community Underground Pipeline System'(UGPS) given to the farmers subject to the condition that they would not sow paddy in that area during the next five years. Though subsidy of ₹ five crore was disbursed during 2013-14 to the farmers under the project, no system was put in place to ensure compliance of this vital condition to ensure crop diversification.

The Director, Agriculture stated (December 2014) that the project was implemented mainly to save conveyance losses on the farmers field and there was no condition barring the farmers, availing assistance, from growing paddy in the approved guidelines issued by GOI for implementation of CDP. The reply was not acceptable as the project prepared by the Department itself provided that preference would be given to those farmers who gave a written undertaking not to grow paddy for at least five years after installation of UGPS on the benefited area owned by them. They would be free to grow any other alternate crop which was also the main objective of the CDP.

[22] Report (January 2013) of the High Level Expert Group on Water Logging in Punjab, GOI, Planning Commission.

2.1.12.4 Farm Mechanization, processing and value addition

(i) Payment of subsidy in excess of norms

As per action plan approved by GOI, assistance on farm mechanization, processing and value addition was limited to ₹ 30000 per unit for individual beneficiary and more than ₹ 30000 was only for group of farmers for sharing or custom hiring of machinery. Similarly, for Multi Crop Thresher, admissible amount of subsidy was 50 *per cent* of cost subject to maximum of ₹ 25000 per unit.

Audit noticed that CAOs, Ludhiana and Mohali disbursed subsidy of ₹ 35.66 lakh[23] to 24 individual farmers at the rate of more than ₹ 30000 in each case against the admissible subsidy of ₹ 7.20 lakh to these farmers. This resulted into excess payment of ₹ 28.46 lakh. The CAO, Mohali disbursed subsidy of ₹ 30000 per unit (against ₹ 25000 per unit) to two farmers resulting in excess payment of ₹ 10000.

The Director, Agriculture while admitting the facts stated (December 2014) that State Government decided that subsidy exceeding ₹ 30000 per unit be allowed to the individual farmers by obtaining an undertaking that the farmer would provide the machine on custom hiring service to other farmers. As regards payment of excess subsidy on Multi Crop Thresher, it was stated that State Level Committee (SLC) enhanced (October 2013) the upper limit to ₹ 30000. The reply was not acceptable as SLC has to follow GOI norms.

(ii) Inadmissible payment of subsidy

Audit noticed that CAOs, Mohali and Ludhiana disbursed subsidy of ₹ 27.18 lakh[24] to the farmers for purchase of machinery not covered under the approved action plan. The Director, Agriculture stated (December 2014) that the agricultural machinery was distributed on subsidy as approved (August 2013) by SLSC. However, GOI in revised action plan of CDP disallowed (February 2014) subsidy on this machinery. In the meantime, some of CAOs had already disbursed subsidy. The fact, however, remained that the machinery in question was not covered in the original as well as revised action plan approved by GOI.

2.1.12.5 Site specific activity

(i) Irregular release of subsidy for fish culture

As per project for demonstration and training for fish culture under CDP, subsidy of ₹ 80000 per acre was to be given for fish farming in three instalments-30 *per cent* for start of the pond digging work, *30 per cent* after completion of 60 *per cent* of work of pond and 40 *per cent* after completion of pond. Further, subsidy of ₹ 40000 per acre was to be given for fish seed & feed and ₹ 10000 for purchase of net. Audit of records of the Director Fisheries (Director) showed that:

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[23] Ludhiana (22 cases)- ₹ 33.58 lakh and Mohali (two cases)- ₹ 2.08 lakh.

[24] Ludhiana- ₹ 17.58 lakh and Mohali-₹ 9.60 lakh.

➢ In 14 cases, subsidy of ₹ 93.56 lakh was disbursed irregularly to the beneficiaries who did not have any source of water for pond and/or electric poles were erected in the pond area. The Director, Agriculture stated (December 2014) that now the canal water was made available to fisheries' farmers and shifting of electric poles had been started by Punjab Powercom. It is thus, evident that subsidy was disbursed without assessing the viability of the projects.

➢ First instalment of subsidy of ₹ 33.64 lakh was released to 26[25] beneficiaries who did not turn up for subsequent instalments indicating that they had not started digging of pond as intimated by the Director, Fisheries, Punjab. This indicated that the system of identification of beneficiaries was not proper. The Director, Agriculture stated (December 2014) that in district Sri Muktsar Sahib, beneficiaries did not turn up for the subsequent instalment due to problem of water logging. Now, five beneficiaries have started work and taken second instalment, one beneficiary due to some domestic problem had refunded first instalment. In both the districts water logging was stated to be the major problem in execution of work. The reply was not acceptable as the scheme was primarily for water logged area, the viability of the projects should have been assessed before disbursement of the subsidy. The fact remained that the Department failed to pass on the optimum benefits to the farmers due to non-execution of the works.

(ii) Non-achievement of targets

As per the project proposal, the Department was to cover 600 acres of land under the fish culture. Test-check of the records of Director, Fisheries showed that the Department distributed subsidy for 514 acres of land, whereas no area had been covered under fish culture. The Director, Agriculture stated (December 2014) that only 50 *per cent* of the funds under the project were released and the target would be achieved after receipt of balance funds. It was further stated that only excavation work was completed in 380 acre. Thus, no area had been covered under fish culture so far (December 2014).

2.1.13 Internal control mechanism

Internal control system is a management tool used to provide assurance that the objectives are being achieved as planned. Audit noticed that:

➢ The role of SLSC was confined mainly to sanctioning of the projects and it did not carry out other mandated tasks[26]. The Director, Agriculture while admitting the shortfall in meetings, stated (December 2014) that the physical and financial progress of the projects were reviewed by the Administrative Secretaries of the implementing departments as well as the

[25] Sri Muktsar Sahib-20; and Fazilka -06 benefeciries.

[26] (i) Monitoring the progress of the sanctioned projects; (ii) Reviewing the implementation of the scheme's objectives and ensure that the programmes are implemented in accordance with the guidelines laid down; (iii) Ensuring that no duplication of efforts or resources take place; (iv) Undertaking field studies to monitor the implementation of the projects etc.

Financial Commissioner Development and Director, Agriculture. The fact remained that SLSC had not exercised its mandate fully.

- The State had not established a Management Information System (MIS) so far (August 2014) which was required to be established within the first year of implementation of RKVY. In the Exit Conference, the Department agreed to comply with this requirement in future.

- Internal audit of projects under RKVY was not conducted by the Nodal Department during 2009-14. The department noted (December 2014) the observation for future compliance.

2.1.14 Non-achievement of prime objective of RKVY

The main aim of RKVY was to achieve four *per cent* annual growth rate in agriculture sector during each year of the XIth Five Year Plan (2007-12), which was not achieved in any of the years and the achievement[27] remained 3.82, 2.03, (-) 0.30, 1.64 and 1.85 *per cent* (provisional) respectively during the said period. Thereafter, it declined to 0.16 (quick) and 0.44 *per cent* (advance) in 2012-13 and 2013-14 respectively. The Director, Agriculture stated (December 2014) that increasing the growth rate was a very complex mechanism depending upon many contributory factors and nature plays an important role in final output and achievement of four *per cent* growth rate in agriculture sector was a long time process. The fact remained that even after increased investments made under RKVY in the agriculture sector, the agricultural growth rate in the State had declined from 3.82 *per cent* in 2007-08 to 0.44 *per cent* in 2013-14.

Conclusions

The planning process was deficient as no specific benchmarks or milestones were laid down for achieving the targeted annual growth rate of four *per cent*. There was overlapping of area/activities covered under RKVY with the existing schemes of Central/State Government. Financial management was deficient as there were instances of short release of central funds by the State Government to Nodal Department and from the Nodal Department to the implementing agencies. Cases of loss/non-accountal of interest towards RKVY funds were noticed. Utilisation certificates were submitted prior to actual utilization of funds.

Implementation of projects under RKVY was deficient in the instances of utilization of RKVY funds for works not related to RKVY, blockade of funds; undue favour to NGOs, irregular payment of subsidy and wasteful expenditure were noticed. Internal control mechanism was found largely deficient. Management Information System was not established. Prime objective of RKVY to achieve four *per cent* annual growth rate in Agriculture and allied sectors during each year of the XIth Five Year Plan was not achieved.

[27] As per Economic Survey for 2013-14 by Economic Adviser, Government of Punjab.

Recommendations

The State Government may:

- ensure compliance of the provisions of RKVY guidelines to extend optimum benefits of the scheme to the farmers of the State;
- strengthen financial management system to avoid delay in release of funds at various levels, ensure proper accountal of interest and correct submission of utilization certificates; and
- take immediate steps to establish a robust internal control mechanism including uploading of data at RKVY Database and management information system.

The matter was referred to Government in September 2014; reply was awaited (February 2015).

PRINTING AND STATIONERY DEPARTMENT

2.2 Working of Printing and Stationery Department

The Printing and Stationery Department is a service department that meets the requirement of stationery items, paper, forms and registers, etc. of all the departments of the State Government. The printing jobs are done at the Government Presses SAS Nagar and Patiala.

Some of the significant findings of the performance audit are given below:

- ***Despite provision of funds, the much-needed plan of modernization of printing presses could not be implemented.***

  (Paragraph 2.2.6.1)

- ***Receipts on account of cost of printing, supply of various forms, etc. amounting to ₹13.30 crore as of November 2014 were yet to be realized from commercial departments.***

  (Paragraph 2.2.7.2(i))

- ***Despite budget provisions, the bills were not passed by treasury to clear pending liabilities of ₹2.82 crore towards cost of work done from UT Press, Chandigarh.***

  (Paragraph 2.2.7.3)

- ***Printing machines remained underutilized to the extent of 61 per cent as per norms fixed by the Department and 44 per cent of printing orders were outsourced by the Department during 2009-14. Out of 150 pending printing jobs as of March 2014 with GPs SAS Nagar and Patiala, 112 jobs pertained to the calendar years 2003 to 2013.***

  (Paragraphs 2.2.8.1 & 2.2.8.2)

- ***Overhead charges were not revised since 2004-05 leading to unrealistic job costing. Various old publications, printed forms and registers; unserviceable machines; and damaged paper having book value of ₹4.11 crore were awaiting disposal.***

  (Paragraphs 2.2.8.3, 2.2.9.2 & 2.2.9.3)

2.2.1 Introduction

The Printing and Stationery Department (Department) was established for the purpose of executing printing works of Punjab Government; purchase and supply of stationery; and distribution of forms and Government publications. The Department executes printing either at Government Presses[28] (GP) or gets it outsourced from Union Territory (UT) Press, Chandigarh or from private presses. The Department is also entrusted with the work of supply and

[28] Government presses situated at SAS Nagar and at Patiala.

maintenance of typewriters, photostat, fax machines, etc. to Government departments.

2.2.2 Organizational set up

The Secretary is the administrative head and the Controller, Printing and Stationery (CP&S) is the executive in-charge of the Department. The CP&S is assisted by Deputy Controller (Technical) for all technical matters and outsourcing of printing jobs; Deputy Controller, Finance and Accounts (DCFA) for financial matters at headquarter; and the Assistant Controllers (AC) are responsible for the day-to-day administration and management of both the GPs at SAS Nagar and Patiala. Typewriter workshops are headed by a Superintendent at SAS Nagar, who is assisted by Supervisors at district level.

2.2.3 Audit Objectives

The main objectives of the performance audit were to assess whether:

- long term plans were formulated and executed;
- financial management was efficient and effective;
- operations were done by using the available resources optimally;
- procurement of paper and stationery was consistent with the requirement and stores were managed efficiently;
- human resource management was effective and efficient; and
- internal control mechanism was in place.

2.2.4 Scope of Audit and methodology

The performance audit on the working of Printing and Stationery Department was conducted (February 2014-August 2014) by test-checking the records of the CP&S, GPs at SAS Nagar and Patiala and typewriter workshops, covering the period 2009-14. Mention was made in the Comptroller and Auditor General of India's Report (Civil) for the year ended 31 March 1992 (Paragraph No. 3.1) - Government of Punjab, on the working of Government Presses. The findings of report were kept in view while conducting the audit.

An entry conference was held on 19 May 2014 with the Secretary, Printing and Stationery, wherein the audit objectives, criteria, scope and methodology were discussed. The audit findings were discussed with the Department in an exit conference held on 2 December 2014. Replies of the Department have suitably been incorporated in the report.

2.2.5 Audit criteria

The audit findings were benchmarked against the criteria derived from the following sources:

- Punjab Printing and Stationery Manual;
- Accounting procedure of Printing and Stationery Department, Punjab;
- Schedule of out-turn of the Punjab Government Press; and
- Punjab Financial Rules.

Audit findings

2.2.6 Planning

2.2.6.1 Modernization of Government Presses

In order to upgrade the Government Presses (GP) in the State of Punjab by providing new machines, additional manpower etc., a State Plan Scheme for "Modernization of Punjab Government Presses" was formulated during 11th five year plan[29] (FYP) (2007-12) and 12th FYP[30] (2012-17) with an outlay of ₹ 4.27 crore and ₹ 17.41 crore, respectively.

During 11th FYP, the State Government provided funds of ₹ 1.55 crore each in years 2008-09 and 2011-12, respectively, but the same could not be utilized by the Department. During 12th FYP, as against the release of ₹ 3.97 crore in 2012-14, ₹ 1.71 crore were utilized on procurement of new machines. However, neither the requisite manpower as per the Scheme was deployed nor was the training to existing manpower planned, leading to under-utilization of printing machines, as mentioned in paragraph 2.2.8.1.

During exit conference, CP&S assured to take necessary steps for modernization of Government presses in near future.

2.2.6.2 Incomplete civil works

It was also observed that works relating to the modernization of GPs at SAS Nagar and Patiala could not reach fruition as briefly discussed below:

- Under the Plan Scheme "Construction of parallel block to existing block and staff quarters at GP SAS Nagar", in order to provide safety to the stock and material, GP SAS Nagar deposited (January 2011) ₹ 22 lakh with Provincial Division, PWD B&R, Punjab, Chandigarh for construction of boundary wall, provision of barbed wire fencing, steel grills, etc. But the work could not be completed for more than three years even after spending ₹ 16.20 lakh on 75 *per cent* of work, as some portion of land remained under dispute (November 2014).

- The State Government provided funds of ₹ 75 lakh during 2009-14 under the State Plan Scheme "Construction of building and other important works at GP Patiala", but the work could not be started (July 2014) due to non-passing of bills (for deposit work) by the treasury and indecision on the part of State Government to transfer the related land to PUDA under OUVGL[31] Scheme.

During exit conference, CP&S stated that the matter had been taken up with the district authorities and PWD for demarcation of land belonging to the Department. It was assured that the works at SAS Nagar and Patiala would be got completed on resolving the issues.

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[29] GP SAS Nagar during 11th FYP.
[30] GPs SAS Nagar and Patiala during 12th FYP.
[31] Optimum Utilisation of Vacant Government Land.

2.2.7 Financial management and budgetary control

2.2.7.1 Budget and expenditure

The details of non-plan revenue budget and expenditure during 2009-14 are given in **Table 2.2.1.**

Table 2.2.1 : Details of non-plan revenue budget and expenditure during 2009-14

(₹ in crore)

Year	Budget estimates	Revised estimates	Actual expenditure	Savings (-)
2009-10	23.13	22.77	19.11	(-) 3.66
2010-11	25.07	32.30	31.36	(-) 0.94
2011-12	29.09	35.13	33.11	(-) 2.02
2012-13	32.00	33.54	30.31	(-) 3.23
2013-14	32.56	34.43	27.04	(-) 7.39
Total	**141.85**	**158.17**	**140.93**[32]	**(-)17.24**

Source: Departmental data

- During 2009-14, the Department incurred an expenditure of ₹ 140.93 crore against the budget provisions of ₹ 158.17 crore.

- The revised budget estimates exceeded the original budget estimates by ₹ 1.54 crore and ₹ 1.87 crore during 2012-13 and 2013-14, respectively, whereas the expenditure during these years could not even come up to the level of original budget estimates, which indicated the preparation of unrealistic budget estimates.

The Department attributed (October 2014) the reasons for non-utilisation of funds to long-drawn tendering process, obtaining sanctions at various levels and non-passing of bills by the treasury.

2.2.7.2 Unrealized receipts

(i) Receipts from commercial departments

As per Para 83 of the Accounting Procedure, proforma accounts are maintained to know the value of services rendered to each department and only in case of few departments which have been declared 'Commercial' by the Government, execution of work is to be done on payment basis and the charges are realized from them either in cash or by book adjustment. Further, Para 5.2 of the Printing and Stationery Manual (Manual) provides that the commercial departments should make payment for the services rendered to them within 15 days of receipt of the bill.

Audit observed that:

- Proforma accounts were not prepared by the Department in the absence of which, the value of services rendered to each department could not be ascertained.

[32] Includes expenditure of ₹ 13.64 crore on outsource printing and ₹ 17.26 crore on procurement of stationery.

➢ An amount of ₹ 13.30 crore on account of cost of printing work and supply of various forms was recoverable from 23 commercial departments as of November 2014. Out of total outstanding receipts, ₹ 0.98 crore pertained to the period 1963-2009; and ₹ 11.24 crore (85 *per cent*) were recoverable from the Elections Department (November 2014). Despite this being pointed out in the Comptroller and Auditor General's Report (Civil) for the year ended 31 March 1992 (paragraph 3.1.7), huge amount was still lying unrecovered from the commercial departments.

During exit conference, CP&S stated that efforts were being made to recover the outstanding receipts from the commercial departments.

(ii) Rent from Post and Telegraph Department

The Department had provided (February 1983) space in the premises of GP Patiala to the Post and Telegraph (P&T) Department for opening of a post office on rent basis, which was to be assessed by the Public Works Department (PWD) of Punjab Government.

Audit noticed that the rent for the space provided to P&T Department was not being recovered since February 1983 due to non-assessment of rent and thereafter from February 2009 despite its assessment by PWD. The outstanding rent for the period from February 2009 to March 2014 recoverable from P&T Department worked out to ₹ 12.95 lakh[33].

During exit conference, CP&S assured to take up the matter with higher authorities of P&T Department for effecting recovery of rent as early as possible.

(iii) Sale proceeds of land

Land measuring 1.34 acre valuing ₹ 19.39 crore belonging to the Department, which became surplus due to closure of Ticket Printing Press at Patiala (June 2009) was transferred (July 2009) to Punjab Urban Development Authority (PUDA) under Optimum Utilisation of Vacant Government Land Scheme for its commercial exploitation. As per the Scheme (October 2007), the sale proceeds realized from the commercial exploitation of the properties would be credited to Punjab Infrastructure Development Fund[34] which would be prioritized for utilization towards the infrastructure projects pertaining to the particular department whose properties have been transferred.

Audit observed that the said piece of land transferred to PUDA in July 2009 was not sold out/commercially exploited even after five years (November 2014), thus, depriving the Department of the privilege to utilize the sales proceeds of the land for its infrastructure development, especially when the modernization of Government presses was underway since 11th FYP.

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[33] 13.2.2009 to 12.02.2012 :₹ 19,998/- x 36 months = ₹ 7,19,928/- ; and 13.02.2012 to 31.03.2014: ₹ 22,998 x 25 months = ₹ 5,74,950/- i.e. ₹ 12,94,878/-.

[34] Constituted under Punjab Infrastructure (Development and Regulation) Act, 2002.

During exit conference, CP&S stated that PUDA had put the commercial exploitation of the land on hold due to adverse market trend. The reply was not acceptable as during the period since the transfer of land i.e. July 2009 to July 2014, the commercial rates of the land increased by 134 *per cent*[35]. Thus, due to inaction on the part of the Department/PUDA for more than five years, the sale proceeds of the land could not be made available for utilisation towards infrastructure development of the Department.

2.2.7.3 Pending liabilities

Audit of records of CP&S showed that payment of ₹ 2.82 crore for the period from October 1992 to June 2014 towards the cost of work got done on 980 occasions from UT Press, Chandigarh was yet to be made (November 2014), thereby creating a liability of ₹ 2.82 crore. During exit conference, CP&S attributed non-clearance of pending liability to non-passing of bills by the treasury. The reply was not convincing as the liabilities were accumulating since long and despite budget provisions, the bills were not passed by treasury to clear pending liabilities.

2.2.7.4 Delay in deposit of receipts into treasury

Rule 2.4 of PFR Volume-I provides that departmental receipts collected during the day are credited into the treasury on the same day or on the morning of the next day at the latest.

Audit of records (May 2014) of CP&S showed that ₹ 36 lakh[36] received during 2009-2014 on account of supply of stationery to commercial departments were deposited into the treasury with a delay ranging between two and 38 days due to delay in depositing the money so received by the Stationery Branch with the Cash Branch. During exit conference, CP&S, while admitting the omission, stated that strict instructions had been issued to deposit the receipts into treasury on the same day or the next day.

2.2.8 Operations

2.2.8.1 Underutilization of machines

The department possessed 199 machines at GP SAS Nagar (111) and GP Patiala (88), but only 73[37] (37 *per cent*) were in working condition as of March 2014, which included 26 printing machines.

(i) Audit analysis (June-July 2014) of 26 printing machines (GPs Patiala: 12 and SAS Nagar:14) showed that:

- Eight new printing machines (Patiala:2 and SAS Nagar:6) valuing ₹ 1.57 crore, installed (January 2012-May 2013) under the plan scheme for the

[35] As per collector rates obtained from Deputy Commissioner, Patiala, the commercial rates of land increased from ₹ 29,900/- to ₹ 70,000/- per square yard.

[36] Except during the period 2010-11 wherein the concerned record file was not made available to Audit.

[37] SAS Nagar (50 machines) and Patiala (23 machines).

modernization of Government presses, after deducting permissible unproductive hours such as cleaning of machine, change of blankets/plates, etc. could yield only 2.01 crore impressions (18 *per cent*) as of March 2014 against the envisaged impressions of 11.17 crore, as per norms claimed by the manufacturers. It was noticed that the norms in respect of out-turn of printing machines fixed by the Department were far below the norms fixed by the manufacturers. Even as per the norms fixed by the Department, the new machines could yield only up to 55 *per cent* impressions.

- The remaining 18 old printing machines (Patiala:10 and SAS Nagar:8) installed prior to April 2011 yielded 14.21 crore impressions (38 *per cent*) after deducting permissible unproductive hours during 2009-14 against the envisaged impressions of 37.73 crore, as per norms fixed by the Department.

Thus, while on one hand the capacity of printing machines in GPs remained underutilised to the extent of 61[38] *per cent* as per the norms fixed by the Department itself, on the other hand 981 printing orders (i.e. 44 *per cent* of the total printing orders) were outsourced during 2009-14, as discussed in paragraph 2.2.8.2. Despite this being pointed out in the Comptroller and Auditor General's Report (Civil) for the year ended 31 March 1992 (paragraph 3.1.6(a to d)), the printing machines were still not being optimally utilized.

(ii) Audit further noticed that one binding machine[39] costing ₹ 10 lakh at GP SAS Nagar could not be put to use for more than five years due to non-availability of its operator (November 2014).

During exit conference, CP&S attributed (December 2014) underutilization of machines to shortage of manpower and stated that with the restructuring of the Department, which was pending with the Government, the machines would be utilized to their full capacity.

2.2.8.2 Outsourcing of printing orders

Para 4.1 of Punjab Printing and Stationery Manual provides that when indents and requisitions for printing work are received, the Controller, with due regard to the state of the work in the Government Press, will decide whether to carry out the work at the Government Press or to place the order on a private press.

The details of printing orders received, outsourced and executed in-house during 2009-14 were as given in **Table 2.2.2.**

[38] Twenty six printing machines yielded 162143530 impressions (39 *per cent*) against the envisaged 413889200 impressions.

[39] Printoo Perfect Binder Machine.

Table 2.2.2: Details of printing orders received, outsourced and executed in-house during 2009-14

Year	Printing orders				Printing jobs*								
	Received	Outsourced		Executed in-house	Opening balance		Receipts		Completed		Pending		Total pending printing jobs *(Percentage)*
		UT/ HR press	Private		GP Patiala	GP SAS Nagar	GP Patiala	GP SAS Nagar	GP Patiala	GP SAS Nagar	GP Patiala	GP SAS Nagar	
2009-10	514	65	167	282	152	129	120	342	130	338	142	133	275 (37)
2010-11	461	41	155	265	142	133	145	328	174	360	113	101	214 (29)
2011-12	452	36	160	256	113	101	205	323	206	312	112	112	224 (30)
2012-13	484	11	179	294	112	112	93	348	109	323	96	137	233 (35)
2013-14	294	05	162	127	96	137	156	307	213	332	38	112	150 (22)
Total	2205	158	823	1224									

Source: Department data ** One printing order is bifurcated into one or more printing jobs*

Audit observed that:

➢ Out of 2205 printing orders received during 2009-14, 981 printing orders (UT/Haryana presses: 158 and private presses: 823) (44 *per cent*) were outsourced without giving any justification on record.

In reply, CP&S stated (September 2014) that the workload remained generally in the notice of senior officers and only the spill over work or work involving special requirements was placed with the private presses. However, evidence of having any mechanism in place to ascertain these factors was not made available to audit.

➢ Out of 150 pending printing jobs as of March 2014 with GPs SAS Nagar and Patiala, 112[40] pertained to the calendar years 2003 to 2013. It was also noticed that three printing orders placed with Printing Press of Union Territory, Chandigarh were executed after a delay of one and a half to seven and a half years. Despite this being pointed out in the Comptroller and Auditor General's Report (Civil) for the year ended 31 March 1992 (paragraph 3.1.6(ii)), the printing jobs still remained pending from 22 to 37 *per cent* during 2009-14.

The CP&S attributed (October 2014) the delay in execution of printing jobs to some urgent and date bound printing orders, which itself was indicative of poor management in the Department especially when the machines were found to be grossly underutilized to the extent of 61 *per cent,* as mentioned in paragraph 2.2.8.1.

During exit conference, CP&S apprised Audit that due to addition of new machinery in 2012-13, dependency on UT press for printing of Gazette notification was discontinued.

2.2.8.3 Non-revision of overhead charges

Para 83 of the Accounting Procedure provides that Printing and Stationery Department being a service Department, would prepare proforma accounts to

[40] 2003 (one), 2006(two), 2007 (one), 2010 (two), 2011 (eight), 2012(38) and 2013 (60).

know the cost of service rendered to each department. The printing cost should include both direct and indirect expenditure. The direct expenditure relates to wages of the productive staff, cost of paper, etc., whereas indirect expenditure (overhead charges) comprise wages of non-productive staff, rent of buildings, contingent charges, miscellaneous stores, depreciation, interest on plant and machinery, etc. The overhead charges should be worked out on yearly basis.

Audit of records (May-June 2014) of GPs at SAS Nagar and Patiala showed that overhead charges were last worked out for the year 2003-04, which were increased by 25 *per cent* during 2004-05. Thereafter, these charges had not been revised. Resultantly, the job costing in respect of non-commercial departments had not been done by GPs SAS Nagar and Patiala since 2004-05 and 2006-07, respectively. In case of commercial departments, the bills for the services rendered to them were raised during 2009-14 on the basis of overhead charges fixed for the year 2004-05. Despite this being pointed out in the Comptroller and Auditor General's Audit Report (Civil) for the year ended 31 March 1992 (paragraph 3.1.7), job costing was not being done by the Department due to non-revision of overhead charges. This was not only the violation of the Accounting Procedure but also led to realization of lesser cost of printing from commercial departments.

During exit conference, it was stated that with a view to compete with the market rates, a proposal to revise the calculation pattern for working out overhead charges was being sent to the Finance Department.

2.2.9 Procurement and stock management

2.2.9.1 Procurement of stationery and paper

(i) The Manual (Paragraph 10.2) requires each Head of the Department to submit an estimate of stationery during the ensuing financial year together with schedule of new expenditure and explanatory memorandum. Rule 2.10 of PFR also demands high standards of financial propriety and provides that expenditure should not be prima facie more than the demand of the occasion.

Audit of records (March 2014) showed that neither the Department called for nor the indenting departments submitted the estimates for stationery items during 2009-12. Stationery items were purchased on the basis of issuance of stationery in previous three years. Resultantly, closing stock of stationery valuing ₹ 0.22 crore at the end of 2009-10 escalated to ₹ 1.66 crore at the end of 2011-12. On the other hand, number of items ranging between 43 and 59 remained out of stock for a period ranging between one month to 36 months and CP&S issued 86 NOCs to the departments for purchase of these stationery items from open market during the same period (2009-12). Thereafter, from 2012-13 onwards, the Department complying with the rules, started procuring stationery by calling estimates from the departments. As a result of this, the stock was reduced to ₹ 0.45 crore at the end of 2012-13[41].

During exit conference, CP&S stated that the position of inventory was improving with the calling of demands from the field offices.

[41] Store account in respect of Stationery for 2013-14 was not prepared (November 2014).

(ii) Rule 15.2(b) of PFR provides that purchases must be made in most economical manner and in accordance with the definite requirement of the public service.

Audit of records of GP SAS Nagar showed that the Department procured 10647 reams of Azurelaid paper valuing ₹ 55 lakh on the basis of previous consumption without assessing definite requirement and supplied the same to GP SAS Nagar in March 2013. Of this, only 4389 reams (41 *per cent*) could be utilized till October 2014. Similarly, 53 reels of cream wove paper valuing ₹ 5 lakh purchased prior to April 2004 was still lying in stock (June 2014). Despite this being pointed out in the Comptroller and Auditor General's Report (Civil) for the year ended 31 March 1992 (paragraph 3.1.10(c)), similar irregularities were still persisting in the Department.

In reply, GP SAS Nagar stated (September 2014) that case to write off cream wove paper was under process. As regards Azurelaid paper, CP&S stated in the exit conference that the remaining paper was being utilized as per requirement and the same would be consumed in due course.

2.2.9.2 Non-disposal of old publications and printing jobs

(i) The Department has a Book Depot wherein all priced publications of Government are stocked for sale. As per Manual, the department concerned under whose authority a publication was published should review, from time to time, the disposal of unsold copies left in stock.

Audit of records (June 2014) of the Book Depot at GP SAS Nagar showed that 265026 copies of various publications having selling price of ₹ 94 lakh were lying in the store for more than five years and were not reviewed by the departments concerned for their disposal.

(ii) Similarly, Audit also noticed that 19.55 lakh[42] printed forms and registers lying at GP SAS Nagar were not lifted by the indenting departments even after the period ranging from one to five years. Besides, 1.33 lakh printed forms and registers valuing ₹ 68 lakh lying at GP Patiala were also not delivered to the indenting departments even after the period ranging between one and three years.

The CP&S stated (October and December 2014) that the publications valuing ₹ 4.03 lakh had since been supplied to the indenting department and for the disposal of other publications, etc. the matter had been taken up with the concerned departments.

Thus, laxity on the part of the Department to dispose of old publications and forms resulted in blockade of published material valuing ₹ 1.58 crore besides occupying useful space of GPs.

2.2.9.3 Non-disposal of unserviceable machines and material

Rule 15.3 of PFR provides that the unserviceable or surplus items of stores are

[42] Cost was not worked out by GP SAS Nagar.

required to be disposed of.

Audit of records at GP SAS Nagar (June 2014) and Patiala (July 2014) showed that:

- Lead weighing 60879 Kg and other material[43] having book value of ₹ 9.35 lakh was not disposed of by GPs, despite closure of Letter Press in 2005-06.

- Process for condemnation of 66[44] machines having book value of ₹ 85 lakh initiated in February 2008 was yet to be completed.

- Disposal of paper and printing/binding material at GP Patiala having book value of ₹ 1.59 crore damaged in flood during 1993 had not been finalized.

During exit conference, CP&S stated that the material had been declared condemned by the State Government and the matter was under correspondence with the Controller of Stores for its final disposal.

2.2.10 Human resource management

2.2.10.1 Shortage of staff

The position of sanctioned strength of staff and men-in-position in the Department during the period 2009-14 is given in **Table 2.2.3**.

Table 2.2.3: Sanctioned strength of staff and men-in-position during 2009-14

Name of unit	2009-10		2010-11		2011-12		2012-13		2013-14	
	SS	MIP	SS	MIP	SS	MIP	SS	MIP	SS	MIP
Controller (Hqrs)	230	128	230	117	230	84	230	70	230	127
GP, Patiala	850	263	850	259	850	241	850	228	850	268
GP, SAS Nagar	111	65	111	52	111	56	111	63	111	99
Typewriter Workshops (Mechanics)	72	42	72	40	72	35	72	30	72	26
TOTAL	**1263**	**498**	**1263**	**468**	**1263**	**416**	**1263**	**391**	**1263**	**520**
Shortage (%)	**61**		**63**		**67**		**69**		**59**	

Source: Departmental data

- There was a shortage of staff ranging between 59 and 69 *per cent* in the Department during 2009-14.

- Audit observed that despite closure of Letter Press (2005-06) due to change in technology of printing to offset machines, closure of Ticket Printing Press (2009) and radical decline in requirement to continue typewriter workshops (July 2010) due to switching over to computers, CP&S initiated the process of restructuring of staff only in May 2013, when 502 vacant posts were proposed to be surrendered. The said proposal was revised (July 2014) to surrender 518 vacant posts out of 1263 sanctioned posts and to add 73 posts of technical and ministerial staff, which was still to be approved by the State

[43] 21000 kg lead and other material at GP SAS Nagar (₹ 4,22,228); and 39879 kg at GP Patiala (₹ 5,12,608).

[44] GP SAS Nagar: 28 machines (₹ 51 lakh); and GP Patiala: 38 machines (₹ 34 lakh).

Government (November 2014). Thus, against the revised proposed requirement of 818 posts, 298 posts (36 *per cent*) were lying vacant. The shortage of staff was affecting the output of the printing presses, as discussed in the preceding paragraphs.

During exit conference, CP&S stated that the shortage of staff would be met with after the finalization of restructuring of the Department by the Government.

2.2.10.2 Defunct typewriter workshops

Government Typewriter Workshops (TW) were set up in 1964 with a view to maintain and repair typewriters for Government/Semi Government departments.

(i) Audit of records of CP&S (August 2014) showed that the Department, considering the reduced workload on TWs owing to computerization in the Government, semi-Government departments, decided (August 2010), with the approval of minister-in-charge, to close 10 defunct TWs (out of 15) declaring cadre of Typewriter Mechanics as diminishing cadre. The surplus staff was to be adjusted against vacant posts (ministerial and technical) for productive use.

However, despite the orders of Minister-in-charge to close 10 TWs and retain five[45] TWs, the Department shifted (December 2011-June 2014) only seven[46] TWs (including one at Ludhiana which was to be retained) to four[47] TWs, but did not close/shift the remaining four[48] TWs. Thus, the expenditure of ₹ 80 lakh on running of these workshops during 2011-14 was not justified as the staff working in these four TWs could have been productively utilized elsewhere in the Department as per the proposal (July 2010).

(ii) It was observed from the information obtained from 15 TWs that 194828 typewriters were serviced by these TWs during 2009-14. But cross-verification (August 2014) of service vouchers with three departments showed that:

- While TW SAS Nagar showed to have repaired (between 7 January 2010 and 15 February 2012) up to 17 typewriters of different numbers in the office of Superintendent, Education Branch-III, Audit found only one typewriter with the department.

- In the office of Secretary, P&S, Punjab, TW SAS Nagar claimed to have repaired (between 13 January 2010 and 11 September 2013) up to 11 typewriters of different numbers, whereas there were only four typewriters available in that office.

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45 (i) Bathinda, (ii) Jalandhar, (iii) Ludhiana, (iv) Patiala and (v) SAS Nagar.

46 (i) Faridkot, (ii) Fatehgarh Sahib, (iii) Hoshiarpur, (iv) Kapurthala, (v) Ludhiana, (vi) Ropar and (vii) Sangrur.

47 (i) Bathinda, (ii) Jalandhar, (iii) Patiala and (iv) SAS Nagar.

48 (i) Amritsar, (ii) Ferozepur, (iii) Gurdaspur and (iv) Mansa.

➢ In the office of Soil conservator, Punjab, TW SAS Nagar claimed to have repaired (between 7 July 2010 and 2 January 2012) up to nine typewriters of different numbers, whereas there were only four typewriters available in that office, of which three typewriters were unserviceable during the same period.

During exit conference, CP&S stated that the remaining defunct TWs would also be closed shortly. As regards service vouchers, it was stated that these would be rechecked and action would be taken against the defaulters, if the same were not found genuine.

2.2.11 Internal control mechanism

2.2.11.1 Non-maintenance of records

The following records, as required under the provisions of Printing and Stationery Manual and Accounting Procedure of the Department, were not being maintained:

➢ As per Para 49 of Accounting Procedure, GPs SAS Nagar and Patiala did not prepare their store accounts from 2005-06 and 2011-12 onwards, respectively due to non-availability of overhead charges, as mentioned in paragraph 2.2.8.3.

➢ As per Para 2.5 of P&S Manual, annual administrative report, which *inter alia* included analysis of expenditure (direct and indirect) for working out the percentage of overheads, was not prepared from 2004-05 onwards. In its absence, neither the annual performance of the GPs at glance could be monitored nor could the overheads be worked out, as mentioned in paragraph 2.2.8.3.

➢ As per Para 81 of Accounting Procedure, register showing department-wise work done in a year and cost thereof was not being maintained. As a result thereof, department-wise printing cost of jobs done could not be ascertained.

During exit conference, CP&S, while admitting the facts, assured to maintain the requisite records to streamline the system.

Conclusions

The scheme for modernization of Government presses, despite provision of funds, could not be implemented. Inadequate budgetary controls led to preparation of unrealistic budget estimates and non-realization of receipts. Despite budget provisions, the bills were not passed by treasury to clear pending liabilities. Despite underutilizing the in-house printing capacity to the extent of 61 *per cent*, 44 *per cent* of the printing orders were outsourced by the Department. Out of 150 pending printing jobs as of March 2014, 112 jobs pertained to the calendar years 2003-13. Non-working out the overhead charges since 2004-05 affected the realization of actual cost of printing. Procurement of stationery and paper was not in accordance with the definite requirement. Efforts to dispose of excessive old publications, unserviceable machines and material were lacking. Shortage of manpower affected the

optimum utilisation of the printing machines. Non-maintenance of important records showed weak internal control and monitoring system of the Department.

Recommendations

The State Government may:

- ensure timely execution of plans envisaged for modernization of printing presses; take appropriate steps to prepare realistic budget estimates and ensure timely release of funds; recover outstanding receipts; and review the staff position;

- put in place a mechanism to monitor workload to optimally utilize available infrastructure and augment printing capabilities so as to minimize dependence on outsourcing;

- prepare annual administrative report to calculate overhead charges for realistic job costing;

- ensure adoption of scientific method to assess the requirement of paper and stationery well before its procurement, besides timely disposal of old publications, unserviceable machinery, etc.; and

- strengthen internal control mechanism by ensuring maintenance of important records.

The matter was referred to Government in September 2014; reply was awaited (February 2015).

SCIENCE, TECHNOLOGY AND ENVIRONMENT DEPARTMENT

2.3 Management and disposal of bio-medical waste

Bio-Medical Waste (Management and Handling) Rules (BMW Rules) prescribe the procedure for treatment and disposal of bio-medical waste generated by Health Care Establishments (HCEs) such as hospitals, dispensaries, nursing homes, diagnostic centres, veterinary institutions, etc.

Some of the significant findings of the performance audit are given below:

- ***Punjab Pollution Control Board (PPCB) did not have any comprehensive list of Health Care Establishments (HCEs) functioning in the State. PPCB had identified only 245 Government HCEs (eight per cent) against 3176 Government HCEs functional in the State. Sixty per cent of the identified HCEs were functioning without valid authorisation.***

  (Paragraphs 2.3.6.1 & 2.3.6.2)

- ***Eighty per cent of test-checked Government HCEs did not have proper arrangement for disinfection of liquid waste through chemical treatment and the untreated liquid waste was being discharged in the drains causing pollution to surrounding water bodies.***

  (Paragraph 2.3.8.4(iii))

- ***BMW was collected by Common Bio-medical Waste Treatment Facility operator from 51 HCEs after a gap of up to 18 days.***

  (Paragraph 2.3.8.5)

- ***PPCB never inspected 39 test-checked Government HCEs to ascertain proper treatment and disposal of BMW and 62 HCEs were visited after a gap of up to nine years.***

  (Paragraph 2.3.10.1)

2.3.1 Introduction

Bio-medical waste (BMW) is generated during the diagnosis, treatment or immunization of human beings or animals; or in research activities pertaining thereto; or in the production or testing of biologicals. This waste is a reservoir of potentially harmful micro-organisms which can infect hospital patients, health care personnel and the general public. BMW management is an integral part of health care.

Government of India, Ministry of Environment and Forests notified (July 1998) the Bio Medical Waste (Management and Handling) Rules, 1998 (BMW Rules) under the Environment (Protection) Act, 1986, to streamline the procedure for handling, collection, transportation, treatment and disposal of BMW with the objective of avoiding any adverse effect on human health and environment. The BMW generating institutions were required to ensure

compliance with the provisions of BMW Rules within a time schedule between 30 June 2000 and 31 December 2002 depending upon the category of institution.

2.3.2 Organizational set up

The Secretary, Department of Science, Technology and Environment is the administrative head at Government level for matters relating to environment. Punjab Pollution Control Board (PPCB) headed by the Chairman, is the prescribed authority in the State and is assisted by seven Zonal Offices and 14 Regional Offices (ROs) and Environment Protection Act (EPA) Cell to enforce the provisions of BMW Rules in the State.

2.3.3 Audit objectives

The main objectives of the performance audit were to assess whether:

- all the BMW generating units in the State were identified and issued authorisation to eligible Health Care Establishments;
- adequate funds were provided to Government Health Care Establishments for disposal of bio-medical waste and utilized effectively;
- BMW was handled, treated and disposed of in accordance with the prescribed Rules/guidelines; and
- human resource was adequate and internal control mechanism was in place.

2.3.4 Scope of audit and methodology

The performance audit covering the period 2009-14 was conducted between October 2013 and June 2014. Seven districts[49](out of 22) were selected on the basis of total in-patient days in Government Health Care Establishments (HCEs) by adopting 'Probability Proportional to Size with Replacement' method. In the selected districts, 105 Government HCEs[50] were selected with 'Systematic Random Sampling' method for test-check ***(Appendix-2.3)***. In addition, records of EPA Cell of PPCB were also test-checked and related information was obtained from Regional Offices of the selected districts, Director Health Services (DHS), Punjab Health Systems Corporation (PHSC), Director Research and Medical Education (DRME), Director, Animal Husbandry (DAH) and Director, Employees State Insurance (ESI). Besides, joint inspections along with the authorities of concerned establishments/PPCB in respect of selected Government HCEs and four Common Bio-Medical

[49] (i) Amritsar, (ii) Bathinda, (iii) Gurdaspur, (iv) Hoshiarpur, (v) Jalandhar, (vi) Ludhiana and (vii) Tarn Taran.

[50] (i) PHSC: all 7 District Hospitals and 19 Sub-Divisional Hospitals; and 23 Community Health Centres (out of 69); (ii) DHS: 21 Primary Health Centres (out of 197); (iii) DHS ESI: all 3 Hospitals and 22 Dispensaries (out of 38); (iv) DRME: all 3 Medical Colleges and Hospitals; and (v) DAH: all 7 Veterinary Polyclinics.

Treatment Facilities[51] (CBWTF) under private sector situated in Punjab were carried out. Information/data in respect of private HCEs collected from PPCB has also been incorporated in the report. Mention was made in the Reports of the Comptroller and Auditor General of India (Civil) for the years ended 31 March 2002 (paragraph 6.1.11.3) and 31 March 2011 (paragraph 2.1.14) on bio-medical waste. Audit also examined the follow-up action by the concerned departments, to the two paragraphs.

An entry conference was held with the Chairman, PPCB on 21 May 2014 wherein audit objectives, scope and methodology were discussed. The audit findings were discussed in the exit conference held on 19 November 2014 with the Secretary to Government of Punjab, Department of Science, Technology and Environment. Replies of the Department have suitably been incorporated in the report.

2.3.5 Audit criteria

The audit findings were benchmarked against the criteria derived from the following sources:

- Bio-Medical Waste (Management and Handling) Rules, 1998;
- Guidelines for installation of Common Bio-Medical Treatment Facilities issued by Central Pollution Control Board;
- The Environment (Protection) Act, 1986; and
- Rules, orders and instructions issued by Central/State Government and PPCB.

Audit findings

2.3.6 Identification and authorisation

2.3.6.1 Identification of Health Care Establishments

Rule 7 of BMW Rules, 1998 empowers PPCB to enforce the provisions of the Rules in respect of all HCEs including hospitals, nursing homes, clinics, dispensaries, veterinary institutions, etc.

Audit of records of PPCB showed that there was neither any system of State level registration of HCEs nor any comprehensive list of HCEs (Government and private) functioning in the State was available to ascertain proper treatment of BMW generated by them. However, it was observed from the information/data available with ROs that 3111 HCEs (Government: 245 and private: 2866) were identified as on 1 April 2014. Whereas, as per information obtained from the concerned Directorate health offices, 3176 Government HCEs[52] were operational in Punjab State as on 1 April 2014. Out of 3176 Government HCEs, PPCB had identified only 245 (eight *per cent*)

[51] (i)Amritsar: M/s Amritsar Envirocare Systems Pvt Ltd; (ii)Ludhiana: M/s Sembramky Environment Management Pvt Ltd; (iii) Mohali: M/s Rainbow Environments Pvt. Ltd; and (iv) Pathankot: M/s Bio-Medical Waste Treatment Plant Pvt. Ltd.

[52] Comprehensive data bank on number of private HCEs was not available.

Government HCEs and the disposal of BMW by the remaining 2931 (92 *per cent*) Government HCEs was not ensured by PPCB.

During exit conference, the Secretary admitted the fact of non-availability of data regarding total number of HCEs functional in the State owing to the legislative gap for registration of HCEs and stated that 'Punjab Health Regulation Bill', which would make it mandatory for all health care facilities to register, was likely to be presented in the legislative assembly in the near future.

2.3.6.2 Issue/Renewal of authorization

Rule 8 (1) provides that every occupier of an institution generating/handling BMW in any manner, except such occupier of clinics, dispensaries, pathological laboratories and blood banks providing treatment/services to less than 1000 patients per month, shall make an application in Form-1 to the prescribed authority for grant of authorisation. Further, Rule 7(5) provides that an authorisation shall be granted for a period of three years from the date of issue. Rule 7(7) provides that every application for authorisation shall be disposed of by the prescribed authority within ninety days from the date of receipt of the application. The Public Accounts Committee (PAC), while discussing paragraph 6.1.11.3(i) of the Comptroller and Auditor General's Report (Civil) for the year ended 31 March 2002, had also desired to know about the action taken by PPCB against the hospitals which had not applied for authorization.

Audit, however, observed from the information/data available with ROs that as on 1 April 2014, out of 3075 HCEs (Government: 244 and private: 2831) eligible for authorization, 1839 (60 *per cent*) HCEs (Government: 169 and private: 1670) were not having valid authorization for a period ranging up to nine years.

In 105 test-checked Government HCEs, it was noticed that:

- 46 (63 *per cent*) out of 73 HCEs eligible for authorization did not have valid authorization. Of these:
  - 21 HCEs never applied for authorization;
  - 13 HCEs did not apply for renewal of authorization even after delay ranging between 60 and 677 days; and
  - Though 12 HCEs applied for renewal (between March 2012 and May 2014), the authorization was not granted by PPCB (August 2014). Of these, seven HCEs[53] were not granted authorization even after a delay ranging between 14 and 691 days over the prescribed time limit.

- Out of 27 HCEs found authorized, 13 HCEs provided records of renewal of authorisation which showed that only two HCEs renewed their authorization timely and 11 HCEs renewed their authorization with a delay ranging between 16 and 907 days.

[53] Civil Hospital: (i) Jalandhar, (ii) Samrala; SDH: (iii) Nakodar, (iv) Khanna; and CHCs: (v) Khemkaran, (vi) Adampur, (vii) Bandala.

The Secretary stated (November 2014) in the exit conference that 265 HCEs had already been granted authorization and the remaining would also be covered in due course. PPCB had also introduced Online Consent Management and Monitoring System (OCMMS) for applying online for authorization by HCEs through which report could be generated about HCEs whose authorization had expired.

2.3.7 Financial management

2.3.7.1 Funding pattern

There is no separate allocation of budget for BMW management and disposal. Expenditure for the purpose was being met out of various sources[54] as authorized by the concerned Directorates, which also cater to the other needs of the HCEs. The lack of dedicated funds affected the disposal of BMW, as discussed in paragraphs 2.3.8.1 and 2.3.8.4(iii).

The Secretary stated (November 2014) that HCEs under Punjab Health Systems Corporation (PHSC) got sufficient funds for management and disposal of BMW from 'user charges'. As regards HCEs under other Directorate offices, the matter would be taken up with the Government to provide adequate funds for compliance of statutory provisions of the Act.

2.3.7.2 Non-fixation of rates to be charged from government HCEs by CBWTF

As per guidelines for Common Bio-medical Waste Treatment Facility (CBWTF), only one CBWTF may be allowed to cater to HCEs at the approved rates fixed by the prescribed authority in consultation with the local medical association in such a way that neither it becomes a monopoly of the CBWTF operator nor the interest of CBWTF operator is overlooked.

PPCB in consultation with the authorities of local medical association fixed (September 2011) the rates to be charged by the CBWTF operator in respect of private HCEs. But, it did not fix rates for Government HCEs. In test-checked districts, it was noticed that Dental College and Hospital, Amritsar (10 bedded) entered into agreement with CBWTF, Amritsar at the rate of ₹ 6,000 per month (October 2011-September 2012) and ₹ 13,250 per month from October 2012 onwards, which was much higher than the rate of ₹ 850 per month fixed (September 2011) by PPCB in respect of private Dental Care and Hospitals (10 bedded) and was also in contravention of the guidelines *ibid*.

The Secretary stated (November 2014) that earlier rates were fixed for private HCEs only and Government HCEs followed the tendering process. It was further added that PPCB had forwarded the revised rates in respect of private HCEs to the Health Department to consider those at their level for Government HCEs. As regards the matter of Dental College and Hospital, Amritsar entering into an agreement at rates higher than the rates fixed for

[54] HCEs under DHS: Rogi Kalyan Scheme under NRHM; HCEs under DHS (SI): SOE-Material and Supply; HCEs under PHSC: User Charges; and HCEs under DRME: SOE-Public Professional Social Services.

private HCEs, it was stated that the same were fixed taking into account the number of dental chairs also. On being pointed out that there was no provision in the orders issued by PPCB for considering the number of dental chairs while fixing the rates, it was stated that the said orders would be suitably amended.

2.3.8 Handling, treatment and disposal of bio-medical waste

(A) Health Care Establishments

2.3.8.1 Agreement with the Common Bio-Medical Waste Treatment Facility

As per Rule 5, every occupier, where required, shall set up requisite BMW facilities like incinerator, autoclave, microwave system for the treatment of waste, or ensure requisite treatment of waste at a common waste treatment or any other waste treatment facility. Since none of the HCEs in the State had set up its own treatment facility, all the HCEs were required to enter into an agreement with the respective CBWTF prescribed for that area for the treatment and disposal of BMW. The Department apprised (March 2009) PAC, while discussing paragraph 6.1.11.3(ii) of the Comptroller and Auditor General's Report (Civil) for the year ended 31 March 2002, that all the major hospitals/HCEs had entered into agreement with CBWTF.

Audit, however, noticed that:

- In six[55] out of 14 ROs, 372 HCEs (29 *per cent*) (Government:61 and private: 311) out of 1280 HCEs (Government: 108 and private:1172) did not have any agreement with the CBWTF of their respective areas. Remaining eight[56] ROs did not supply the information (November 2014).

- Out of 105 test-checked Government HCEs, 39 HCEs (37 *per cent*) did not have any agreement with CBWTFs for treatment and disposal of BMW. Of these, eight[57] HCEs attributed the reasons for not having agreement with CBWTF to lack of funds.

The Secretary attributed (November 2014) the lapse to shortage of staff and stated that the situation would improve after recruitment of new staff by December 2014. As regards, test-checked Government HCEs, it was stated that the compliance by 35 HCEs had been made and in remaining four cases legal action had been initiated.

2.3.8.2 Segregation of bio-medical waste

Rule 6 provides that BMW shall not be mixed with other wastes and shall be segregated into containers/bags at the point of generation in accordance with

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55 (i) Batala; (ii) Bathinda; (iii) Fatehgarh Sahib; (iv) Ludhiana-III; (v) Ludhiana-IV; and (vi) Patiala.

56 (i) Amritsar; (ii) Faridkot; (iii) Hoshiarpur; (iv) Jalandhar; (v) Ludhiana-I; (vi) Ludhiana-II; (vii) Mohali; and (viii) Sangrur.

57 ESI Dispensaries: (i) No. 10 Ludhiana, (ii) Lehra Mohabbat (iii) Machhiwara, (iv) No. 1 Bathinda; PHCs: (v) Jaura Chattra, (vi) Dayalpur Mirza, (vii) Lehra Mohabbat; and (viii) Veterinary Polyclinic, Bathinda.

Schedule-II. However, in order to avoid overlapping of BMW categories, PPCB provided (August 2011) an option to HCEs to segregate BMW at the point of generation in the manner as given in **Table 2.3.1**.

Table 2.3.1: Colour coding for segregation of BMW prescribed by PPCB

Colour coding of container/bag	Particular of waste category	Category No.	Mode of treatment
Yellow	Human anatomical waste, animal waste, micro-biological and bio-technological waste, soiled waste.	1, 2, 3 and 6	Incineration
Blue	Solid wastes generated from disposable items other than the waste sharps such as tubings, catheters, intra-venous sets etc.	7	Autoclaving and shredding
White translucent	Waste sharps such as needles, syringes, scalpels, blades, glass etc.	4	Chemical treatment/ autoclaving and shredding
Black	Discarded medicines and Cytotoxic drugs, incineration ash and chemical waste.	5, 9, 10 (Solid)	Disposal in secured land fill

Source: Departmental information
Note: Category No. 8 pertains to liquid waste which is to be chemically disinfected.

Joint inspection along with the authorities of 105 test-checked Government HCEs showed the following discrepancies in segregation of BMW:

(i) Irregular colour coding

In 105 Government HCEs at 575 generation points, it was seen that:

- In 87 HCEs at 222 generation points (39 *per cent*), appropriate colour coded containers were not placed;

- In 45 HCEs at 115 generation points (20 *per cent*), containers were placed without plastic bags; and

- In 27 HCEs at 59 generation points (10 *per cent*) containers were placed with wrong (other than prescribed) coloured bags.



Veterinary Polyclinic, Bathinda (10 June 2014)



CH, Tanda (17 April 2014)

(ii) Improper/Non-segregation

During joint inspections in 105 test checked HCEs, cases of improper/non-segregation were noticed as discussed below:

- In 57 HCEs at 119 generation points, BMW was not kept in the prescribed colour coded bags. Of these, in CHC Payal, placenta and related BMW generated during delivery was kept in blue bag instead of yellow bag. In labour room also blue bag was being used instead of yellow bag.

- In 62 HCEs at 129 generation points, BMW was found mixed with general waste either in the container or thrown in open area with municipal solid waste. Of these, in SDH Khanna, large quantity of all categories of BMW was found scattered near water tank of the laundry where clothes/bed sheets were kept for washing.



ESI Dispensary, Dina Nagar (2 June 2014)



SDH, Khanna (10 December 2013)

The Secretary while agreeing to the audit observations attributed (November 2014) the reasons to lack of awareness at lower level, which would be overcome by initiating extensive training programmes in all the districts.

(iii) Training to Staff

Clause 6 of the agreement made between HCE and CBWTF operator provides that the initial training about segregation of BMW in colour plastic bags and methods of collection of BMW shall be provided by the service provider (CBWTF) at no extra cost.

Audit noticed that in 66 test-checked HCEs having agreement with the respective CBWTFs, training was imparted only in eight HCEs by CBWTF.

The Secretary stated (November 2014) that the Department was going to impart dedicated training to staff for the purpose.

2.3.8.3 Storage of bio-medical waste

Para H-1 of the guidelines for CBWTF provides that temporary storage at healthcare unit shall be designated. Further, Ministry of Environment and Forests, Government of India instructed (2009) that PPCB should ensure that

BMW shall not be stored beyond 24 hours in hot and humid climate or shall be stored in cold containers till it is transported to CBWTF.

Joint inspection in 105 test-checked Government HCEs showed that:

- Temporary storage room was not found in 69 HCEs (66 *per cent*). Of these:
  - In CHC Khemkaran and TB Hospital Amritsar, BMW was kept in open area easily accessible to animals;
  - In SDH Naushera Majha Singh, a small room adjacent to the labour room was being used for keeping BMW; and
  - In CHC Mahilpur and SDH Khanna, space at the middle portion of stairs and mortuary, respectively was being used as temporary collection room.
- Out of 36 Government HCEs where temporary collection room was designated, in ESI Hospital Amritsar, BMW bags were found floating in the containers full of water due to leakage in the water pipe passing through collection room.
- None of the 105 test-checked Government HCEs was having cold container to store BMW in hot and humid climate though in 45 HCEs delay beyond 24 hours was noticed in hot and humid season.

The Secretary stated (November 2014) that it had been decided to initiate legal action against the defaulters.

2.3.8.4 Treatment and disposal of BMW by HCEs

As per Rules, BMW is categorised into ten types according to the nature of waste. The treatment/disposal options are incinerator, deep burial, autoclaving, mutilation/shredding, microwaving, chemical treatment, secured landfills, etc. depending upon the type of waste. Cases of improper treatment and disposal of BMW in 105 test-checked Government HCEs are discussed in the succeeding paragraphs.

(i) Deep burial pit

PPCB clarified (July 2013) that use of deep burial pits is strictly prohibited in the State since March 2002.

It was noticed that despite ban on the use of burial pits, 11 HCEs were using the deep burial method wherein all categories of BMW were being mixed with general waste. Of these, in CHC Khemkaran and PHC Kum Kalan, the waste was being burnt in deep burial pit from time to time though the former was having an agreement with CBWTF.

	
CHC Khemkaran (24 December 2013)	**CHC Kum Kalan (23 April 2014)**

The Secretary stated (November 2014) that all HCEs had been instructed to enter into agreements with CBWTFs. He further stated that legal action would be initiated against the HCEs using deep burial pits.

(ii) Mutilation/Shredding and chemical treatment

Schedule I of BMW Rules provides that categories 4 and 7 of BMW i.e. waste sharps and solid waste should be disinfected by chemical treatment using at least one *per cent* hypochlorite solution or any other equivalent chemical reagent and mutilated/shredded to prevent its unauthorised reuse.

Audit noticed that in 105 selected Government HCEs:

- Waste sharp was not being disinfected in 45 HCEs due to non-availability of hypochlorite solution, while in 10 HCEs, though the hypochlorite solution was in stock, the waste sharp was not being disinfected at all the generation points due to non-provision of hypochlorite solution at those points.

- In 59 HCEs, at 116 generation points, the shredder for needles and syringes either was not provided or was out of order.

- In 58 HCEs at 137 generation points, unshredded needles, syringes, plastic glucose bottles, tubings, etc. were found. Of these, in PHC Sarhala Kalan, large quantity of unshredded needles and syringes were lying for more than six months and in ESI Dispensary Chohal, unshredded needles were lying for more than two years.

The Secretary stated (November 2014) that show-cause notices had been issued and legal action would be taken against the defaulters.

(iii) Treatment of liquid waste

As per Schedule V of BMW Rules, the effluent generated from hospitals should conform to specified standards. These standards were applicable to those hospitals which were either connected with sewers without terminal sewage treatment plants or not connected to public sewers. To achieve prescribed parameters Effluent Treatment Plant (ETP) should be installed. HCEs which are connected with terminal sewage treatment plant should

disinfect liquid BMW by chemical treatment[58] before its discharge to public drains.

Audit of records of PPCB showed that while 16 ETPs had been installed by the private hospitals in the State, no Government HCE except one i.e. Guru Gobind Singh Medical College and Hospital, Faridkot had installed ETP due to shortage of funds, land etc. However, PPCB never took any sample of liquid BMW from HCEs without ETP to ensure that the liquid waste was disinfected properly before its disposal.

Test-check of 105 Government HCEs showed that out of 88 HCEs where treatment of liquid waste was required, 70 HCEs (80 *per cent*) did not have proper arrangement for disinfection through chemical treatment and untreated liquid waste was being discharged directly in the drain. In CH Batala, untreated liquid waste released in drain was accumulating in the hospital campus as the sewerage was choked (28 May 2014). The discharge of untreated liquid waste in drain carried a high risk of pollution of surrounding water bodies.

The Secretary stated (November 2014) that show cause notices had been issued and decided to take legal action against the defaulters.

(iv) Other irregularities

Test-check of 105 Government HCEs showed that:

➢ Placenta**,** potentially infectious Category-1 BMW, was to be kept in yellow bag for incineration. Audit of records showed improper disposal of placenta in 21 test-checked Government HCEs as:

- In 13 HCEs having agreement with the CBWTF, despite delivery cases, no BMW was handed over to CBWTF in yellow bags. Of these, nine[59] HCEs admitted handing over of Placenta to the relatives of the patients.
- In eight[60] HCEs which did not have agreement with CBWTF, seven HCEs admitted handing over of Placenta to the relatives of patients, whereas PHC Chamunda Devi stated (May 2014) that placenta was being thrown in the drains outside the city.

➢ In 42 HCEs, BMW was being burnt from time to time. Of these, 18 HCEs were having agreement with CBWTF for treatment and disposal of BMW.

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[58] Chemical treatment using at least one *per cent* hypochlorite solution or any other equivalent chemical reagent.

[59] (i) CHs-Garhshankar; (ii) Mukerian; (iii) Tanda; (iv) CHCs-Adampur ; (v); Bhaini Mian Khan; (vi) Bhucho Mandi; (vii) Mahilpur; (viii) N.M. Singh; and (ix) Veterinary Polyclinic, Gurdaspur.

[60] (i) PHCs-Bulhowal; (ii) Dosanjh Kalan; (iii) Chamunda Devi; (iii) Bhullar; (v) Shri Hargobindpur Sahib; (vi) Lehra Mohabbat; (vii) CHCs-Kum Kalan; and (viii) Dhariwal.



SDH, Khanna (10 December 2013)



CHC, Khemkaran (24 December 2013)



ESI Dispensary, Phillaur(12 May 2014)



CHC, Bhaini Mian Khan(30 May 2014)

➢ In four[61] HCEs, expired medicines (category No. 5) were found stored with usable medicines or in other open places instead of disposing the same through secured land fill.

➢ In four[62] HCEs, BMW was not handed over to CBWTF up to 23 consecutive days though the patients were being treated during these days.

The Secretary stated (November 2014) that some HCEs were handing over the Placenta to the relatives of patient on demand due to old beliefs. However, he agreed that such practice needed to be stopped. As regards expired medicines, matter would be taken up with the concerned authorities for taking remedial action. In other cases, it was stated that legal action had already been initiated.

(B) Common Bio-medical Waste Treatment Facilities

A Common Bio-medical Waste Treatment Facility (CBWTF) is set up in private sector with the permission of PPCB where bio-medical waste, generated from a number of HCEs, is imparted necessary treatment to reduce adverse effects that the waste may pose. There are four[63] CBWTF operators for providing facilities for collection, treatment and disposal of BMW for all the functional HCEs in Punjab.

2.3.8.5 Collection and transportation

Para H of the guidelines for CBWTF provides that BMW collected in colour coded containers/bags shall be transported to the CBWTF in a fully covered vehicle. The CBWTF shall not accept non-segregated waste from HCEs and

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61 PHCs- (i) Lehra Mohabbat; (ii) Khilchian; (iii) Sudhar; and (iv) Chamunda Devi.

62 (i) CH-Raikot; (ii) Veterinary Polyclinic, Tarn Taran; (iii) CHC- Bucho Mandi; and (iv) SDH-Ghudda.

63 (i)Amritsar: M/s Amritsar Envirocare Systems Pvt Ltd; (ii)Ludhiana: M/s Sembramky Environment Management Pvt Ltd; (iii) Mohali: M/s Rainbow Environments Pvt. Ltd; and (iv) Pathankot: M/s Bio-Medical Waste Treatment Plant Pvt. Ltd.

list of such HCEs shall be communicated to PPCB every week. Further, Rule 6(5) of BMW Rules provides that no untreated BMW shall be kept stored beyond a period of 48 hours; and during hot and humid climate, the period of storage shall be restricted to 24 hours, as per instructions of GOI.

A Joint inspection of four CBWTFs and 66 (out of 105) test-checked Government HCEs having agreement with CBWTFs showed that:

- In 47 HCEs at 104 generation points, although BMW was not being segregated properly yet CBWTF operators never intimated about this to PPCB.

- In 51 HCEs, BMW was collected after a gap up to 18 days. In 45 HCEs, BMW was lifted beyond 24 hours in hot and humid climate. Five[64] HCEs accepted that the CBWTF collected BMW once or twice a week but provided collection receipts of BMW for previous days also.

- In Veterinary polyclinic, Tarn Taran, serial numbers of hand receipts provided (between 15 June 2014 and 19 June 2014) by CBWTF Amritsar were not in consonance with dates which showed that receipts were not issued on the same day of collection.

- In SDH Khanna, roof, sides and floor of the vehicle deployed for collection of BMW by CBWTF Ludhiana was eroded by rust increasing the possibility of spillage of liquid BMW, especially in rainy days.

- In SDH Khanna, CHC Noor Mahal and CH Patti, CBWTFs Ludhiana and Amritsar collected BMW without weighing. In CH Patti, no weighing machine/facility was available in the vehicle.

- White bags filled with blood soiled hand gloves and syringes (which should have been in blue bags) without disinfection by HCEs were collected by CBWTF Amritsar.

The Secretary viewed the irregularities seriously and stated (November 2014) that show-cause notices had been served and bank guarantees encashed for the lapses though not provided for in the Rules. It was further added that suitable instructions would be issued to avoid such violations in future.

2.3.8.6 Operational capacity

CPCB guidelines for CBWTF provide that only one CBWTF may be allowed to cater up to 10,000 beds and shall not be allowed to cater to healthcare units situated beyond a radius of 150 km. The CBWTF would set up requisite infrastructure i.e. separate housing for each of the treatment equipment, main waste storage room, treated waste storage room, administrative room, parking etc.

[64] (i) Dental College Amritsar, (ii) CHC Bundala,(iii) Veterinary Polyclinic Ludhiana, (iv) ESI Dispensary, Verka and (v) SDH Ghudda.

Audit examination showed (November 2013) that three (Amritsar, Ludhiana and Mohali) out of four CBWTFs were catering to HCEs beyond a radius of 150 Km. CBWTF Ludhiana was also catering to 17500 beds. Further, the area where washing of vehicles was to be done was fully occupied with containers for BMW, in contravention of the guidelines.

The Secretary while admitting the facts attributed the reasons for the lapse to inadequate number of CBWTFs in the State and added that to overcome the capacity/area limitation violations, the Department had called for Expression of Interest (EOI) for setting up of two more CBWTFs.

2.3.8.7 Treatment and disposal of BMW by CBWTFs

Joint inspection of four CBWTFs conducted along with PPCB authorities showed the following discrepancies in treatment and disposal of BMW:

(i) Incineration

Incineration is a controlled combustion process where waste is completely oxidized and harmful micro-organisms present in it are destroyed/denatured under high temperature. The temperature of the primary and secondary chamber should be 800 ± 50^0C and 1050 ± 50^0C, respectively.

At CBWTF, Mohali, it was seen (3 January 2014) that temperature of secondary chamber was not being displayed, in the absence of which it could not be ascertained whether its temperature was within prescribed norms. Category 7 of BMW (plastic glucose bottles, tubings, etc.) in blue bag to be autoclaved was found with yellow bags in front of conveyer belt of incinerator kept for incineration.

(ii) Autoclaving

As per Rules (Schedule I), BMW under categories 4 and 7 shall be disinfected by chemical treatment/autoclaving/microwaving and mutilation/shredding. However, as per Para E of the guidelines for CBWTF, the use of chemical disinfection for the treatment of BMW at CBWTFs is not recommended.

It was noticed at CBWTF, Mohali that the autoclave was out of order since 3 December 2013 and BMW under categories 4 and 7 was being disinfected manually by chemical treatment. Even when the autoclave was in order prior to December 2013, only partial quantity was autoclaved and rest was manually treated through chemical, in contravention of the guidelines.

During exit conference, it was stated that a show-cause notice was issued to CBWTF (Mohali) and the bank guarantee had already been encashed. The CBWTF had also been directed to avoid such violations in future.

2.3.8.8 Data analysis of barcode-based software

Punjab is the first State to introduce (August 2012) barcode-based online software to monitor efficient and timely collection of BMW for better management as well as effective control over CBWTFs. For this purpose,

PPCB entered into an agreement with a software company[65] at cost of ₹ five lakh for development of software and ₹ 0.60 lakh per annum towards maintenance and server charges to be equally shared amongst PPCB and four CBWTFs for the period of five years.

Results of joint analysis (November 2014) of data pertaining to the period November 2012 to March 2014 conducted with the software company (authorised by PPCB) in respect of 4939 HCEs[66] (Government: 287 and private: 4652) having agreement with CBWTFs are given in the **Table 2.3.2.**

Table 2.3.2: Results of joint analysis of data for the period November 2012 to March 2014

Particulars	Type	Common Bio-medical Waste Treatment Facility at								Total	
		Amritsar		Ludhiana		Mohali		Pathankot			
		No. of HCEs	No. of instances	No. of HCEs	No. of instances	No. of HCEs	No. of instances	No. of HCEs	No. of instances	No. of HCEs	No. of instances
HCEs not visited for more than two days (after 48 hours)	Government	49	254	79	377	83	383	25	79	236	1093
	Private	725	3211	1387	6021	1465	7150	487	1609	4064	17991
	Total	**774**	**3465**	**1466**	**6398**	**1548**	**7533**	**512**	**1688**	**4300**	**19084**
Nil quantity handed over by the HCEs for more than 6 days	Government	20	75	40	218	46	197	23	188	129	678
	Private	523	4828	1375	13410	1252	10425	468	5631	3618	34294
	Total	**543**	**4903**	**1415**	**13628**	**1298**	**10622**	**491**	**5819**	**3747**	**34972**
Multiple scan of bar-code stickers within a minute	Government	10	130	44	1020	30	3541	3	203	87	4894
	Private	190		736		771		184		1881	
	Total	**200**	**130**	**780**	**1020**	**801**	**3541**	**187**	**203**	**1968**	**4894**
Variation (more than 25 *per cent*) in BMW collected from HCEs and received at Facility	Government	3	123	11	14	32	535	10	57	56	729
	Private	21	234	109	5425	363	4331	127	433	620	10423
	Total	**24**	**357**	**120**	**5439**	**395**	**4866**	**137**	**490**	**676**	**11152**

Source: Departmental information

Analysis of data showed that:

- In 4300 HCEs (Government: 236 and private: 4064) on 19084 instances (Government: 1093 and private: 17991) concerned CBWTFs did not visit HCEs for more than two consecutive days (48 hours) as prescribed under the BMW Rules. The delay ranged up to 298 days in Government HCEs and 463 days in private HCEs.

- In 3747 HCEs (Government: 129 and private: 3618) on 34972 instances (Government: 678 and private: 34294) nil BMW was handed over by HCEs for more than six consecutive days. The delay ranged up to 207 days in Government HCEs and 330 days in private HCEs.

- In 1968 HCEs (Government: 87 and private: 1881) on 4894 instances, BMW was collected from multiple HCEs ranging between 3 and 17 HCEs within a minute on the same route, which did not seem to be viable.

[65] M/s Butterfly Softwares LLP, Mohali.

[66] PPCB identified only 3111 HCEs (Government: 245 and private: 2866) as on 1 April 2014, as mentioned in paragraph 2.3.6.1.

- In 676 HCEs (Government: 56 and private: 620), 11152 instances (Government: 729 and private: 10423) with variation of more than 25 *per cent* in the quantity of BMW at the point of collection and that at CBWTF were noticed.

- In 4437 HCEs (Government: 264 and private: 4173), CBWTFs did not weigh the BMW collected from HCEs to ensure that the segregated BMW handed over by HCEs had reached CBWTF without any spillage or unauthorized access to public or animals.

Joint Inspection in test-checked 105 Government HCEs showed that out of 66 HCEs where CBWTFs were collecting BMW, in 35 HCEs barcode stickers were not pasted properly[67]. However, concerned CBWTF never reported the matter to PPCB.

In reply, PPCB attributed (December 2014) the reasons for variations to hardware and software related problems being faced by CBWTF operators. Thus, the objective of the Department to monitor efficient and timely collection of BMW for better management as well as effective control over CBWTFs through barcode-based online software remained unachieved.

2.3.9 Human resource management

At State level, only four personnel[68] had been deployed in EPA Section (PPCB), whereas no dedicated staff was provided at regional level to monitor the implementation of BMW Rules. In PPCB, against the sanctioned strength of 665 posts, 239 posts (36 *per cent*) were lying vacant in different cadres as on 31 March 2014. Shortage of staff led to lack of monitoring of implementation of BMW Rules by HCEs, as discussed in the preceding paragraphs.

The Secretary stated (November 2014) that necessary steps had already been taken to fill up the vacant posts by December 2014.

2.3.10 Internal control mechanism

2.3.10.1 Inspection

Rule 11 of BMW rules provides that all records maintained by HCEs were to be subject to inspection and verification by PPCB at any time. The PPCB had not fixed any norms for conducting inspection of HCEs and CBWTFs. However, the advisory committee advised (November 2013) PPCB to conduct inspection on quarterly basis.

No data with regard to inspection of HCEs and CBWTFs conducted by PPCB was provided to Audit. Details of inspections conducted by PPCB during 2009-14, collected from nine ROs in respect of test-checked HCEs showed

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[67] Non-pasting of barcode stickers; and pasting of wrong colour and hospitals/CBWTFs barcode stickers.

[68] Additional Secretary, Environmental Engineer, Assistant Environmental Engineer, Junior Environmental Engineer and Driver.

that 39 Government HCEs were never visited by PPCB and 62 HCEs were visited after gap of up to nine years. Thus, lack of adequate inspections affected the implementation of BMW Rules by HCEs, as discussed in the preceding paragraphs.

The Department attributed this to shortage of staff and assured (November 2014) that the issue regarding inadequate inspections would be overcome after recruitment of staff by December 2014.

2.3.10.2 Monitoring

Audit noticed that:

- In spite of the directions (June 2011) of the advisory committee to PPCB to visit all the veterinary hospitals, dispensaries and polyclinics to collect data regarding quantity and category of BMW generated by these institutions, no such data was collected by PPCB.

- Out of 105 test-checked HCEs, 87 HCEs (83 *per cent*) did not submit their annual reports to PPCB in contravention to BMW Rule 10. As such, the annual reports furnished by PPCB to CPCB were not containing authentic data.

- Forty four test-checked HCEs were not maintaining records relating to BMW generation and its handing over to CBWTF. Whereas 60 HCEs were maintaining their records on the basis of collection slips supplied by CBWTFs. Of these, only 39 HCEs were maintaining the log books of BMW. However, the time of lifting (to ascertain prescribed time limit) by CBWTFs was not being mentioned in 34 log books and 27 log books were never signed by the nodal officer or any other competent authority.

During exit conference, it was stated that they had also reviewed such cases and show cause notices had been issued. It had also been decided to take legal action against the defaulters. Further, it was also added that requisite provision in the software had been made to enable the HCEs and PPCB to generate daily, weekly and monthly reports.

2.3.10.3 Penalty

Section 15 of the Environment (Protection) Act, 1986 provides that failure to comply with or contravention of any of the provisions of Environment Act, shall attract penalty with imprisonment up to five years or fine up to ₹ one lakh or both, and in case the failure or contravention continues, with additional fine which may extend to ₹ five thousand per day.

Information collected (July 2014) from PPCB showed that against 419 violations (Government: 48 and private: 371) noticed during 2009-13 (up to October 2013), PPCB invoked bank guarantee of ₹ four lakh during 2009 and 2010 in two cases pertaining to CBWTF Pathankot though not provided for under the Act/Rules. Of the remaining 417 cases:

- 200 cases (Government: 28 and private: 172) were decided without taking any action being minor violations;

- warning was issued in 32 cases (Government: 2 and private: 30);

- prosecution was launched in 25 cases (Government: 14 and private: 11); and

- bank guarantee was obtained in 160 cases (Government: 4 and private: 156) though not provided for under the Rules.

The Secretary stated (November 2014) that there was no penal provisions in the Rules under which PPCB would impose penalty. The matter would be taken up with the Ministry of Environment and Forest, GOI to consider amendment in the Rules to delegate some penal powers to the Department to impose penalties in case of minor violations.

2.3.11 Impact of Audit

The Department stated (November 2014) that they had revisited the test-checked 105 HCEs and four CBWTFs to review the extent of violations in management and disposal of BMW and to initiate remedial action. It was stated that show cause notices were served, personal hearings held and legal action initiated in cases of serious violations. In a few cases, bank guarantees of defaulters had been invoked. Further, PHSC has also formulated (October 2014) eight-member district level committees to monitor the management and disposal of BMW and issued instructions to all HCEs highlighting the shortcomings pointed out in the performance audit for taking remedial action.

Conclusions

Though Punjab Pollution Control Board (PPCB) was notified as statutory authority responsible to enforce the implementation of bio-medical waste (BMW) Rules, it did not have a comprehensive list of institutions generating BMW in the State. As of March 2014, only eight *per cent* of the Government Health Care Establishments (HCE) were brought under the purview of BMW Rules and sixty *per cent* of HCEs had no valid authorization. Dedicated funds were not provided to Government HCEs for proper management of BMW. BMW was not properly segregated, stored and treated/disposed of by HCEs and Common Bio-medical Waste Treatment Facilities (CBWTF) in accordance with the prevalent Rules/guidelines. Human resource and internal control mechanism was inadequate. In spite of being designated the oversight body for ensuring compliance with BMW Rules, governing the treatment and disposal of bio-medical waste in the State of Punjab, the extent and frequency of PPCB's inspection of HCEs was low. There was lack of monitoring by PPCB in the State as no checks were being exercised to see that waste processing and disposal facilities met the compliance criteria outlined in the BMW Rules.

Recommendations

The State Government may:

- ensure identification of all the BMW generating HCEs in the State to bring them under the purview of BMW Rules and issue authorisation to eligible HCEs;
- ensure availability of dedicated funds for proper management and disposal of BMW in Government sector;
- ensure that BMW is handled, treated and disposed of by HCEs and CBWTFs as per the prescribed Rules/guidelines; and
- provide adequate manpower for close monitoring and inspections at PPCB level, ensure adherence to the penal provisions under the Act/Rules and proper maintenance of important records to strengthen internal control mechanism in the Department for effective implementation of BMW Rules.

The matter was referred to Government in August 2014; reply was awaited (February 2015).

SOCIAL SECURITY AND WOMEN AND CHILD DEVELOPMENT DEPARTMENT

2.4 Working of Social Security and Women and Child Development Department

The Department of Social Security and Women and Child Development had been providing services to the old and infirm, widows and destitute women and women in moral danger, physically handicapped, blind, mentally retarded children and children in need of care and protection.

Some of the significant findings of the performance audit are given below:

- ***Shortfall in coverage ranged between 50 and 53 per cent in case of eligible children; between 23 and 26 per cent in case of pregnant women and lactating mothers under Supplementary Nutrition Programme; and between 51 and 59 per cent in Non-formal pre-school education during the years 2009-14.***

  (Paragraphs 2.4.8.1(i&iv))

- ***Shortfall in supply of Medicine Kits was between 27 and 75 per cent and of Pre-school Education kits between 20 to 74 per cent.***

  (Paragraphs 2.4.8.1 (ii&iii))

- ***Funds of ₹ 37.05 crore under four schemes were either not released or partially released by the Finance Department/treasury despite availability of budget provisions.***

  (Paragraphs 2.4.8.2(i), 2.4.8.3(iii),2.4.8.6&2.4.8.7)

- ***Facilities of drinking water and toilets were not available in 1524 (15 per cent) and 4181 (42 per cent) Anganwadi Centres respectively in the five test-checked districts.***

  (Paragraph 2.4.8.2(ii))

- ***Under 'Awareness against Drug Abuse Scheme', the Department could organize only 41 (against 260) theme camps at District/Block level; 52 (against 410) TV campaigns; 418 (against 2031) radio campaigns, etc. during 2010-14.***

  (Paragraph 2.4.8.5)

- ***No budget provisions were made under Information Technology for braille literacy in Indian Languages Scheme for the last eight years.***

  (Paragraph 2.4.8.8)

2.4.1 Introduction

The Department of Social Security and Women and Child Development (SSWCD) had been providing services to the old and infirm, widows and destitute women and women in moral danger, physically handicapped, blind,

mentally retarded children and children in need of care and protection. To fulfil the objectives of the department, Government of India (GOI) and Government of Punjab (GOP) had been implementing 39 schemes in the Punjab during 2009-14.

2.4.2 Organizational set up

Principal Secretary to the GOP, SSWCD is the administrative head of the Department. The Director, SSWCD is the overall in-charge for administration, coordination, implementation and monitoring of the schemes (both Centrally and State sponsored) and is assisted by Additional Director, Joint Director, Deputy Controller (Finance and Accounts) and Deputy Directors at the Directorate Level, District Social Security Officers (DSSOs), District Programme Officers (DPOs) and Superintendent Homes at district level and Child Development Project Officers (CDPOs) at block level.

2.4.3 Audit objectives

The Performance audit was conducted to assess whether:

- adequate planning for implementation of welfare measures was in place and effective;
- the financial management was effective and adequate;
- the infrastructure and human resources were adequate; and
- internal control system was in place.

2.4.4 Scope of Audit and Methodology

The Performance Audit for the period 2009-14 was conducted from November 2013 to July 2014 by test checking the records relating to nine selected schemes[69] out of 39 schemes in the offices of Director, SSWCD, DPOs, DSSOs, CDPOs and Superintendents, Homes. Out of 20 districts, five districts[70] (25 *per cent*) were selected on the basis of expenditure incurred under the selected schemes in the districts by adopting Probability Proportional to Size with Replacement Method.

An entry conference was held in March 2014 with the Principal Secretary, SSWCD to know about the implementation of various schemes/programmes and other activities of the Department as well as to explain the scope, objectives, plan, methodology and time schedule for conducting the Performance Audit. Audit findings were discussed with the Special Secretary to the Government of Punjab, Department of SSWCD, in an exit conference held in November 2014. Responses received from the departments concerned have suitably been incorporated in the report.

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[69] (i) Awareness against drug abuse; (ii) Enforcement of Juvenile Justice Act 2000; (iii) Integrated Child Protection Scheme;(iv) Setting-up of Community Home for mentally ill person; (v) Information Technology for Braille Literacy in Indian Languages; (vi) Indira Gandhi Matritva Sahyog Yojana; (vii) Infrastructure for Anganwadi Centres, (viii) Integrated Child Development Scheme; (ix) Awareness Programme for Domestic Violence.

[70] (i)Amritsar; (ii) Ferozepur; (iii) Gurdaspur; (iv) Jalandhar; and (v) Ludhiana.

2.4.5 Audit criteria

The audit criteria was based on the following sources:

- Provisions contained in the Punjab Budget Manual, Punjab Financial Rules and instructions issued by State Government/GOI from time to time;
- Guidelines of the schemes;
- Norms prescribed for manpower requirement and its skill upgradation by the Department; and
- Guidelines issued by the Finance Department for internal control mechanism.

Audit findings

2.4.6 Planning

Proper planning and survey of beneficiaries are imperative and a pre-requisite for achieving the objectives of programmes/schemes. The Department was to establish model Anganwadi Centres (AWCs), construct Homes for Children in need of care and protection, cover beneficiaries below six years under Supplementary Nutrition Programme (SNP), provide non-formal Education, Health and Nutrition Services and provide basic amenities in the AWCs, create awareness among the masses about the ill effects of drug usages and to create awareness among the rural masses about domestic violence Act to liberate women of various kinds of domestic violence.

Audit of records showed that the Department had not prepared any long term comprehensive plan to achieve its objectives. In the exit conference, Special Secretary, SSWCD stated that planning was done on yearly basis as it was difficult to prepare medium or long term perspective plan due to uncertainty about availability of funds. The reply was not convincing as non-preparation of perspective plans had resulted in improper implementation of various schemes.

2.4.7 Financial Position

The budget provisions and expenditure incurred by the SSWCD department under Plan and Non-Plan heads during 2009-14 are given in the **Table 2.4.1**.

Table 2.4.1: Statement showing budget provisions and expenditure

(₹in crore)

Year	Budget Estimates		Revised Estimates		Expenditure		Excess(+) Saving(-)	
	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan	Plan /(Percentage)	Non Plan /(Percentage)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(4-6)	(5-7)
2009-10	645.81.	285.80	678.02	346.40	568.72	285.03	(-) 109.30(16)	(-) 61.36 (18)
2010-11	907.26	215.45	904.43	212.00	839.25	215.89	(-) 65.18 (7)	(+) 3.89 (2)
2011-12	1157.41	209.43	1253.15	272.39	900.19	241.45	(-) 352.96 (28)	(-) 30.94 (11)
2012-13	1316.59	256.15	1246.30	336.63	940.30	311.22	(-) 306.00 (25)	(-) 25.41 (8)
2013-14	1187.76	619.88	804.54	344.11	869.87	361.41	(+) 65.33(8)	(+) 17.30 (5)

Source: - Departmental Data

The Department attributed the reasons for savings to non-release of funds by the Finance Department or by the treasuries.

The budget provisions and expenditure incurred under nine selected schemes are given in ***Appendix-2.4***. It is evident from the Appendix that against total allocation of ₹ 1807.23 crore, an expenditure of ₹ 1343.79 crore was incurred under the selected schemes. The expenditure incurred under the four schemes[71] out of nine selected schemes was either nil or negligible. Audit observed that implementation of social welfare schemes suffered despite many schemes being funded by GOI. In most of these cases, budget provisions had been made but either funds were not released by the State Government or treasuries were holding up payments. Thus, even the Central funds were not released by the Finance Department (FD).

2.4.7.1 Non-accountal of interest

Audit of records (January to July 2014) showed that Drawing and Disbursing Officers (DDOs) kept unutilized funds in the Saving Bank account. Interest earned on the funds are given in the **Table 2.4.2**.

Table 2.4.2: Statement showing interest earned

Name of DDO	Name of Bank	Period	Amount of interest (In ₹)
DPO, Amritsar	HDFC	12.12.13 to 31.03.14	478860
-do-	HDFC	01.10.12 to 31.03.14	587676
DSSO, Jalandhar	PNB	01.09.12 to 28.02.14	525056
CDPO, Chogawan	AXIS	Upto 31.03.2014	3072
Children Homes for Girls, Jalandhar	HDFC	Upto 31.03.2014	12834
CDPO, Lehragaga	State Bank of Patiala	1.4.12 to 31.03.2013	11826
Directorate Office-Deputy Director (ICPS)	HDFC	24.09.12 to 31.03.14	2699219
Total			**4318543**

Source:- Departmental Data

The interest earned (₹ 43 lakh) on unutilized funds of different schemes was not accounted for in the cash book. The scheme-wise details of unutilized funds and instructions/ guidelines regarding adjustment of interest receipt were not available with the DDOs. Similarly an amount of ₹ 44.64 lakh lying in OBC bank (DSSO Amritsar) was also not accounted for in the cash book. Thus, chances of misutilisation of funds could not be ruled out.

In the exit conference, the Special Secretary stated (November 2014) that necessary instructions were being issued to the concerned DDOs for accountal of unutilized funds of different schemes in the cash books. However, no reply regarding non-accountal of interest receipts was furnished.

2.4.7.2 Blockade of funds

The Director SSWCD decided (August 2011) to provide gas connections to all the AWCs by covering 50 *per cent* AWCs in 2011-12 and balance 50 *per cent* AWCs in 2012-13. The expenditure was to be met from the funds provided for fuel expenses under the ICDS scheme.

[71] (i) Awareness against Drug Abuse; (ii) Awareness programme for Domestic Violence Act, 2005; (iii) Setting up of community homes for mentally ill person; and (iv) Information technology for Braille Literacy in Indian Languages.

Audit of the records (May 2014) of District Programme Officer, Amritsar showed that the Department purchased 1847 gas *chullas* during the year 2011-13 without obtaining gas connection, reasons for which were not on record. Resultantly an amount of ₹ 22.30 lakh was blocked since 2011-12.

In the exit conference, the Department stated (November 2014) that efforts were being made to obtain gas connections. The Special Secretary also assured that necessary directions would be issued in this regard to the DPOs.

2.4.8 Implementation of the schemes:

Out of 39 schemes implemented by the department, 9 schemes were selected for the Performance Audit, important findings of which are given below.

2.4.8.1 Integrated Child Development Services scheme

The Integrated Child Development Services scheme (ICDS), a centrally sponsored scheme, was started in 1975-76 in the State with a holistic approach to provide integrated services for the development of children and to enhance the capability of the mother to look after the normal health and nutritional needs of the child. Under this scheme, six services[72] are provided to children in the age group of 0-6 years and to pregnant women and lactating mothers. Funds of ₹ 1636.94 crore were allotted during 2009-14 under this scheme against which an expenditure of ₹ 1300.11 crore was incurred as of March 2014.

(i) Shortfall in the coverage of beneficiaries under Supplementary Nutrition Programme

As per Para 15 of the ICDS guidelines, Central Assistance for Supplementary Nutrition under the ICDS scheme was to be provided for 300 days in a year to all the children of 6 months to 6 years, to pregnant women and lactating mothers.

Audit of records (June 2014) of Director SSWCD showed short coverage of eligible beneficiaries under Supplementary Nutrition Programme (SNP) during 2009-14 as given in the **Table 2.4.3**.

Table 2.4.3: Coverage of beneficiaries under SNP

Year	Eligible Beneficiaries		Beneficiaries provided Supplementary Nutrition		Shortfall *(Per cent)*	
	Children (1)	Pregnant women and lactating mothers (2)	Children (3)	Pregnant women and Lactating mothers (4)	Children (1-3)	Pregnant women and lactating mothers (2-4)
2009-10	2315079	420433	1118380	309285	1196699 (52)	111148 (26)
2010-11	2292700	414010	1150718	317725	1141982 (50)	96285 (23)
2011-12	2242399	400108	1105167	307715	1137232 (51)	92393 (23)
2012-13	2198981	388003	1047909	291669	1151072 (52)	96334 (25)
2013-14	2144153	369856	1006705	279728	1137448 (53)	90128 (24)

Source: Departmental Data

[72] Supplementary Nutrition, Immunization, Health Check up, Referral Services, Nutrition and Health Education and Pre-school Education.

From the table it is evident that the shortfall in the coverage of eligible children ranged between 50 and 53 *per cent* whereas in case of pregnant women and lactating mothers it was between 23 and 26 *per cent.*

Audit of records (November 2013–June 2014) of DPOs in the selected districts showed that the coverage of eligible beneficiaries under SNP during the years 2009-14 ranged between 46 and 49 *per cent* in respect of children and between 18 and 38 *per cent* in case of pregnant women and lactating mothers.

In the exit conference (November 2014), the Department admitted the fact and stated that shortfall was due to shortage of funds.

(ii) Short supply of Medicine Kits

As per GOI, Ministry of Human Resources Development (MoHRD), Department of Women and Child Development (DoWCD) instruction (March 2000) as a vital input to provide essential services of health check up and referral services, each AWC was to be provided with a medicine kit each year consisting of easy to use dispensable medicines for common ailment like cough, common cold, skin infections, etc.

Audit of records (November 2013 –June 2014) in selected districts showed that against the requirement of 42193 medicine kits, only 18722 kits were supplied during the period 2009-14 resulting in shortfall between 27 and 75 *per cent.* Thus, the supply of medicine kits, which is an important component under the ICDS was not ensured resulting in deprival of intended benefits to the beneficiaries.

(iii) Short Supply of Pre School Education Kits

As per GOI, MoHRD, DoWCD instruction (March 2000), Pre-School Education (PSE) component under the ICDS scheme is a crucial component to ensure holistic development of children. Recognizing the significance of early child development in attainment of the goal of Universal Elementary Education, GOI decided to improve the quality of education in AWCs through a new initiative of regular provision of PSE Kits for each AWC. The PSE in AWCs is provided through non-formal and play way methods.

Test check of records (November 2013–June 2014) of 48 blocks in selected districts showed that against the requirement of 42193 kits, as per the norms of minimum one kit per centre per year, only 22336 kits were supplied during the period 2009-10 to 2013-14 resulting in shortfall between 20 and 74 *per cent.*

In the exit conference, while admitting the fact, the Department stated (November 2014) that shortfall in supply of Medicine and Education kits was due to non-release of funds in time by FD and delay in finalization of rate contract.

(iv) Non-formal pre-school education

As per Para 23 of the ICDS guidelines, Children between 3-6 years of age were to be provided non-formal PSE through AWCs to develop desirable

attitudes, values and behaviour pattern among them. The target for enrolment under PSE was 100 *per cent*.

Audit of records (July 2014) of Director, SSWCD, showed that PSE was not provided to all the children in the age group 3-6 years. There was shortfall in providing PSE ranging between 51 and 59 *per cent*.

In the exit conference, the Department stated (November 2014) that ICDS was a voluntary scheme and it was not mandatory to reach an unwilling target group. The reply is not tenable because hundred *per cent* coverage was to be achieved. Hence, more efforts were required to achieve the target.

(v) Nutritional status of children

As per Appendix-B (iii) of the ICDS Guidelines, to detect diseases and evidence of malnutrition or infection, etc., general check-up of all children under the age of six years was to be done after every three to six months. A close watch over their nutritional status was also to be kept by recording their height and weight and referring serious cases to appropriate hospitals for specialised treatment.

The nutritional status of children examined on the basis of weight measurement at the AWCs in the test checked districts during 2009-14 showed that the percentage of malnourished children had shown a declining trend and came down from 35 to 25 *per cent* during the years 2009-14 though no targets were fixed by the Department.

(vi) Physical monitoring of quality of food

The GOI, MoWCD guidelines (October 2010) for monitoring and supervision visits to ICDS Blocks and AWCs provide that officials from the field units of Food and Nutrition Board (Board) under the MWCD should visit 10 AWCs per month or as prescribed, whichever is more, to be equally distributed across all districts in the State.

Test check of records (July 2014) and information supplied by the Board showed that officials of the Board, Ludhiana had visited the Anganwadi Centres (AWCs) for physical monitoring of quality of food all over the Punjab State during 2009-14 and collected the food samples. It was noticed that 414 AWCs were only visited against the target of 600 AWCs during 2009-14 resulting in shortfall of 31 *per cent*. During 2009-14 Board covered 3 to 7 districts out of 20 districts of the State resulting in non-coverage of other districts. Further, the food samples of ready to eat item *Panjiri* annually collected from only 73 AWCs were sent to Regional Headquarter at New Delhi for estimation and analysis. No report from that office had been received, in the absence of which the quality of food could not be verified in audit. However, the GOP did not take up the matter with GOI at any stage for monitoring of quality of food as per the prescribed norms.

In the exit conference, the department stated (November 2014) that the matter would be taken up with the authorities of the Board (Field Unit).

(vii) Shortfall in Inspection/field visits

The GOI, MoWCD, issued guidelines (October 2010) for monitoring and supervision through visits to ICDS Blocks to provide necessary support to the ICDS field functionaries in improving the quality of service delivery by addressing various problems/bottlenecks and also to elicit views and perspective from the community for improvement in day-to-day functioning of AWCs. Intensive monitoring and supervision visits by Programme Officials at different levels are essential for taking appropriate corrective actions.

For this purpose, a schedule for State/District/Block level functionaries was framed, to ensure coverage of at least 20 AWCs in each quarter and 10 *per cent* of blocks every year by the State Director, at least 10 AWCs and two blocks in each month by Nodal Officer and at least five AWCs in each month and 20 *per cent* of blocks every year by the Joint Director/Deputy Director.

The norms of field visits /inspections fixed for CDPOs is 20 AWCs per month on rotational basis and to ensure 100 *per cent* coverage in a year and in the case of Supervisors, a minimum of 50 *per cent* of AWCs under his jurisdiction every month. Against 1300 AWCs to be visited, only 258 AWC were visited by the Directorate level functionaries and as per information made available by the Department no field visits to blocks were made by the State Director.

Further, CDPOs and Supervisors had not conducted inspection/field visits to the AWCs as per norms. Shortfall of inspections ranged between 58 and 69 *per cent* by the CDPOs and between 44 and 56 *per cent* by the Supervisors during the period 2009-14.

In the exit conference (November 2014), the Department stated that due to additional charge of the Director and shortage of State Level Officer in ICDS, CDPOs and supervisors, the required number of visits could not be conducted.

2.4.8.2 Infrastructure/basic amenities for Anganwadi Centres in the State

The Anganwadi centres (AWCs) cater to the needs of children in the age group of 6 months to 6 years and women in the reproductive age of 15-45 years. In order to provide all the child friendly facilities to the children, it is necessary to have own buildings as facilities could not be provided in the buildings like Dharamshalas, Gurudwaras, etc., where at present these Anganwadi Centres are functioning. For construction of AWC building, the land would be provided by the Panchayats. In order to provide clean and healthy environment to the beneficiaries, ₹ 38 crore were allotted under the scheme – 'Infrastructure/basic amenities for Anganwadi Centres in the State' during the years 2011-14 by the GOP for construction of 850 AWCs. Test check of records showed the following:

(i) Construction of Anganwadi Centre buildings

The AWC is the focal point where the services under different schemes of Centre/State Government are to be delivered. Test check of records

(November 2013–June 2014) of 48 blocks showed that out of 8471 operational AWCs in the selected districts, 178 AWCs were functioning in own buildings; 1271 AWCs in rented buildings; 6905 AWCs in community buildings; and 117 AWCs in open spaces during the year 2013-14. In order to provide clean and healthy environment to the beneficiaries, ₹ 38 crore were allotted during the years 2011-14 by the GOP for construction of 850 AWCs in different blocks under the scheme. The expenditure was to be shared[73] between GOI and GOP.

Against the total allocation of ₹ 38 crore, ₹ 4.59 crore only were released to the DPOs[74] for construction of 114 AWCs. No funds were released during 2013-14. Further, it was noticed that no new AWCs was constructed out of the funds withdrawn during 2011-13. The funds of ₹ 4.59 crore were lying unutilized with the Department resulting in continuation of the AWCs in improper environment besides blockade of funds.

In the exit conference, the Department stated (November 2014) that status of utilization of funds and construction work of AWC buildings would be supplied shortly but the same was still awaited (December 2014).

It is, thus, evident that the AWCs were forced to function in improper environment for the tender aged children thereby adversely affecting their development and the Government had not taken remedial measures by constructing new buildings despite availability of Central funds.

(ii) Inadequate basic facilities in the Anganwadi Centres

As per Para 3.2, Chapter-3 of ICDS Manual the facility of safe drinking water and hygienic sanitary conditions in the AWCs is an essential element of ICDS Scheme. It was, however, noticed that though the ICDS Scheme was being implemented in the State since 1975-76 yet inadequacy in facilities still persisted in the AWCs as of June 2014.

Audit of records (November 2013 to June 2014) of selected districts showed that out of 9922 AWCs, drinking water facility in 1524 AWCs (15 *per cent*) and toilet facilities in 4181 AWCs (42 *per cent*) were not available.

In the exit conference, the department stated (November 2014) that due to non-provision of funds by the FD the requisite basic facilities could not be provided in the AWCs. The fact remains that the department failed to provide the basic facilities in the AWCs even after a lapse of more than 38 years of inception.

2.4.8.3 Enforcement of Juvenile Justice Act 2000 and Integrated Child Protection Scheme

The Juvenile Justice (Care and Protection of Children) Act, 2000 was enacted with the basic objective of providing justice to children in conflict with law and

[73] In the ratio of 30:70 during 2011-13 and 75:25 during 2013-14.

[74] Amritsar, Barnala,Bathinda, Ferozepur, Gurdaspur, Kapurthala,Moga, Mohali, Sri Muktsar Sahib, Patiala

children in need of care and protection by adopting child friendly approach and to rehabilitate them keeping in view their development needs. The scheme was merged (2011-12) with the Integrated Child Protection Scheme (ICPS). Funds of ₹ 76.53 crore were allotted during 2009-14 under this scheme against which an expenditure of ₹ 23.23 crore was incurred as of March 2014.

(i) Shortfall in occupancy against sanctioned capacity in Homes

The Ministry of Social Justice and Empowerment, GOI, issued (January 2003) basic guidelines for the maintenance/upkeep/construction of the Children Homes/State After Care Homes set up under the Scheme "A home for juvenile justice" in every district or in group of districts as required. Eleven such Homes were functioning in the eight districts of Punjab for providing shelter to the children of deprived sections of society.

Audit of records (July 2014) of Director SSWCD showed that Children Homes/State After Care Homes remained under utilized during the years 2009-14 as the occupancy was in the range of 221 to 241 (37 *per cent* to 40 *per cent*) against the sanctioned capacity of 600 inmates, primarily due to insufficient publicity about the scheme**.**

In the exit conference, Special Secretary stated (November 2014) that efforts would be made to create more awareness among people through press, media, etc. for enrolment of needy children.

(ii) Irregular functioning of Children Homes/State After Care Home

Under Rule 36 of Punjab Juvenile Justice (Care and Protection of Children) Rules 2014, the homes for juvenile in conflict with law and children in need of care and protection, shall function from separate premises. Further, After Care Organisation shall be available for people between 18-21 years of age, who have no place to go and are unable to support themselves.

In two, out of six homes in five selected districts, audit of records (April-May 2014) showed that out of 57 inmates, 12 inmates, in conflict with law and with court cases pending against them, were accommodated in Children Homes for Girls at Jalandhar whereas these inmates were required to be accommodated in Observation Homes. Similarly, two inmates in conflict with law and 14 inmates above 21 years of age were also residing in the State After Care Home, Amritsar in contravention of the rule. The retention of inmates in conflict with law was not only against the rules but could also adversely impact the mind set of other children residing with them in the Homes.

In the exit conference, Special Secretary stated (November 2014) that inmates in conflict with law, would be shifted to observation homes shortly.

(iii) Non-Construction of Observation and Children Homes

The Ministry of Woman and Child Development (MWCD), GOI sanctioned (August 2011) grant-in-aid of ₹119.44 lakh (₹ 89.58 lakh as Central share and ₹ 29.86 lakh as State share in the ratio of 75:25) for construction of Observation Home and Children Home at Faridkot and Patiala respectively.

Though the GOI released (2011-12) funds of ₹ 89.58 lakh for construction of the Homes, the work could not be started due to non-release of State share of ₹ 29.86 lakh. It is also pertinent to mention that despite the fact that children of Observation Homes were being accommodated in Children Homes in violation of the rules, at Jalandhar and Amritsar (as discussed in Para 2.4.8.3(ii)), the GOP had not utilized the Central assistance for the said purpose and was lying in the saving bank account.

In the exit conference, the Department stated (November 2014) that due to non-release of State share, construction work of Homes could not be started.

Thus, it is evident that due importance/priority to this issue was not given by the Government and as such the much needed Observation/Children Homes could not be constructed.

(iv) Non-formation of Home Management Committee and non-conducting of meetings of Child Welfare Committee

As per guidelines of the ICPS issued by the MWCD, GOI every institution shall constitute a Home Management Committee (HMC) chaired by the Assistant Director Child Protection from the District Child Protection Unit to ensure effective functioning of the institution.

Audit of records (April 2014–June 2014) of State After Care Homes, Ludhiana and Amritsar, Observation Home Ludhiana and Children Home, Jalandhar showed that HMC was not constituted. Further, audit of records (June 2014) of State After Care Home and Observation Home, Ludhiana showed that no meeting was held though CWC was constituted in July 2011.

In the exit conference (November 2014), the Department stated that HMCs had been constituted in 12 districts and in the remaining districts it would be constituted shortly and efforts would be made to conduct the meetings of CWC as per norms.

Thus, the quality of services delivered to the inmates could not be ensured and their grievances could not be redressed.

2.4.8.4 Indira Gandhi Matritiva Sehyog Yojana

(i) Outstanding payments to beneficiaries

Indira Gandhi Matritiva Sehyog Yojana (IGMSY) a Conditional Maternity Benefit Centrally sponsored scheme was launched in April 2011 and was being implemented on pilot basis in Amritsar and Kapurthala districts. Under the scheme, a cash incentive of ₹ 4000 is to be provided to women of 19 years and above for the first two live births. The payment is made to the beneficiaries directly in their bank accounts. Further, cash incentive of ₹ 200 and ₹ 100 is also provided to Anganwadi Worker (AWW) and Anganwadi Helper (AWH) respectively after all the cash transfers to the beneficiaries bank accounts are completed. Funds of ₹ 40.87 crore were allotted during 2009-14 under this scheme against which an expenditure of ₹ 9.82 crore was incurred as of March 2014.

Audit of records (May 2014) of DPO, Amritsar showed an outstanding amount of ₹ 89.73 lakh payable to 3186 eligible beneficiaries as of March 2014. Further, the incentive of ₹ 1.06 lakh payable to AWWs /AWHs was also not paid.

In the exit conference, the Department stated (November 2014) that out of sanctioned funds of ₹ 529.18 lakh during the current financial year, an amount of ₹ 352.80 lakh had been transferred to the DPO, Amritsar for further disbursement to the beneficiaries. However, the documentary evidence in support of this had not been supplied.

2.4.8.5 Awareness against Drug Abuse Scheme

The scheme was formulated in 2005 with the objective to create awareness against drug abuse among the people through Electronic and Print media, counselling in school/colleges and theme camps in villages, blocks and districts.

The funds of ₹ 0.98 crore (24 *per cent*) were only released/utilized against the total budget allotment of ₹ 4.14 crore during 2010-14. The Department could organize only 41 (against 260) theme camps at District/Block level; 52 (against 410) TV campaigns; 418 (against 2031) radio campaigns, etc. during 2010-14. However, during 2009-10, no expenditure was incurred under the scheme.

In the exit conference, the Department stated (November 2014) that due to non-release of funds by the Finance Department (FD), the targeted awareness among the masses about the ill effects of drugs could not be created. Thus, despite provision of funds and the fact that the drug abuse is a serious problem in the State, the State Government failed to provide due importance to the problem.

2.4.8.6 Awareness Programme for Domestic Violence Act, 2005

The Scheme was formulated in 2008-09 to liberate women of various kinds of domestic violence by creating awareness among the rural masses about the said Act and penal provisions involved through print and electronic media, street plays, skits, seminars, speeches, etc.

Against the total budget allotment of ₹ 1.75 crore during 2009-13, an amount of ₹ 0.30 crore (17 *per cent*) was only released/utilized on 24 seminars at District/Block level and awareness through TV and Radio medium during 2010-11 and 2012-13, Further, no funds were allotted during the year 2013-14. The department failed to organize other planned activities such as street plays, skits, etc.

In the exit conference, the Department stated (November 2014) that due to non-release of funds by FD, targeted activities could not be carried out.

2.4.8.7 Setting up of Community Homes for Mentally ill Persons Scheme

The scheme was launched in 2011-12 with the objective to provide financial assistance to Non-Government Organizations (NGOs) for establishing

protected community homes for those mentally ill/retarded persons who were discharged from prison and no longer require full time care for mental illness, but are unable to take care of themselves.

A budget allotment of ₹ one crore during the period 2009-14 was made under this scheme. However, no expenditure was incurred by the Department under the scheme.

In the exit conference, the Department stated (November 2014) that the scheme was launched in 2011-12 to be run through NGOs. But no NGO volunteered to setup such home, so the budget provided under this scheme could not be utilized. The fact remains that despite availability of funds, the mentally ill persons were deprived of the intended benefits.

2.4.8.8 Information technology for Braille Literacy in Indian Languages Scheme

The scheme was launched in 2005-06 with the objective to develop educational infrastructure for the blind through application of information technology, to develop technology for dissemination of educational material and information in Indian languages, to develop an electronic library and to establish source centre, training centres and networking.

The scheme could not be implemented at all and remained on paper only as neither any funds were allocated under the scheme nor any discussion regarding implementation of the scheme was held with the Government at any stage.

In the exit conference, the Department stated (November 2014) that the scheme was not implemented since the last eight years as no budget had been allocated under the scheme. Thus, the objective of the scheme stood totally defeated.

2.4.9 Human Resource Management

The Director, Women and Child Development is the overall-in-charge for implementation of the schemes. He is assisted by the Programme Officer, District Social Security officer, Superintendent Homes at the district level and CDPOs at the Block level. Field level functionaries comprising AWWs, Supervisors, CDPOs, POs, DSSOs and Superintendent Homes play an important role in implementation of the schemes.

2.4.9.1 Shortage of staff

The position of sanctioned strength of staff and men-in-position in the Department during the period 2009-14 is given in **Table 2.4.4.**

Table 2.4.4: Sanctioned strength (SS) of staff and men-in-position (MIP) during 2009-14

Name of posts	2009-10		2010-11		2011-12		2012-13		2013-14	
	SS	MIP	SS	MIP	SS	MIP	SS	MIP	SS	MIP
DPO	20	15	20	15	20	19	20	19	20	18
CDPO	146	100	146	100	146	124	146	123	146	124
Supervisor	963	702	963	673	963	620	963	620	963	591
Superintendent Gr-II	43	4	43	4	43	3	43	1	43	0
DSSOs	19	17	19	16	19	14	21	12	21	8
Superintendent Homes	20	4	20	4	20	4	20	12	20	12
TOTAL	**1211**	**842**	**1211**	**812**	**1211**	**784**	**1213**	**787**	**1213**	**753**
Shortage (%)	**30**		**33**		**35**		**35**		**38**	

Source: Departmental data

There was a shortage of staff ranging between 30 and 38 *per cent* in the Department during 2009-14. The shortage of staff adversely affected the delivery of services like SNP, non-formal pre education and nutritional and health services to the beneficiaries.

In the exit conference, the Department stated (November 2014) that matter regarding filling up of the remaining vacant posts would be taken up with the Government.

2.4.9.2 Training

As per Para 51 of ICDS guidelines, CDPOs, Supervisors, AWWs and AWHs are required to be trained for the tasks assigned to them in order to improve quality of services to be provided by them.

There was a shortfall in imparting training to the staff in selected districts (as on 31.03.2014) as against target of imparting training to 7275, only 6415 AWHs were trained (March 2014). Further, training was not imparted to eight CDPOs, 19 Supervisors and 68 AWWs. In the absence of trained staff, delivery of quality services to the beneficiaries could not be ensured.

In the exit conference, the department stated (November 2014) that training was an on-going process and would be imparted to the untrained staff.

2.4.10 Internal Control Mechanism

The Director was responsible for monitoring and evaluation of implementation of the programmes, schemes and other activities of the department. However, it was noticed that:

- The periodical reports of each programme/scheme which were submitted to the Director SSWCD by the Controlling Officers in the field were merely compiled at Directorate level but no corrective measures were being taken to improve the working of the department.

- No Internal Audit Wing of the department was functioning at Directorate level as FD entrusted with the responsibility of internal audit of accounts kept in the subordinate offices.

- Inadequate field inspections were conducted by the Directorate level functionaries, CDPOs and Supervisors.

- Quality of Services related to Children Home, State After Care Home and Observation Homes in the State could not be ensured due to non-

constitution of Home Management Committees and non-conducting of meetings of Child Welfare Committees.

In the exit conference, the Department stated (November 2014) that internal audit of the Department was required to be conducted by Internal Audit Wing of the Finance Department. But due to shortage of staff Internal Audit wing of the Department was not functional during 2009-14.

Conclusions

It was evident that despite making provisions in the budget estimates and release of central share by the Government of India, funds were either not released by the Finance Department or by the treasuries with the result social welfare schemes suffered. There was shortfall in coverage of beneficiaries under SNP and Pre-school education. Under Health and Nutritional status, the proportion of malnourished children had come down. The department failed to provide minimum basic facilities of safe drinking water, toilets etc. in large number of AWCs. The AWCs/Children Homes/Observations Home could not be constructed despite availability of Central funds. Due to lack of public awareness, the occupancy of existing capacity in Children Homes/State After Care Homes was very low. Though Drug Abuse and Domestic Violence are serious problems in the State, the requisite awareness could not be created due to non-availability of timely and adequate funds. The schemes for setting up community homes for mentally ill persons and Information Technology for Braille Literacy in Indian Languages could not be implemented at all due to non-release of funds by the State Government. Staff availability at field levels was not adequate. Physical monitoring of quality of food was not done as per norms, as visits and samples of food were not taken by the officials of Nutrition Board. The monitoring at Directorate level/field level was not adequate and internal audit was not functional.

Recommendations

The Government may:

- ensure timely release of Centre/State funds by Finance Department/treasury as per budget provisions;
- ensure construction of Anganwadi Centres, much needed Observation/Children Homes, setting up of Community Homes for Mentally ill Persons and to provide basic amenities, in all the Anganwadi Centres;
- provide adequate funds for the sensitive issues like Awareness of Drug Abuse, Domestic Violence and Child Protection; Information Technology for Braille Literacy in Indian Languages; and
- strengthen internal control mechanism – monitoring, inspection and internal audit.

The matter was referred to Government in August 2014; reply was awaited (February 2015).