
Executive Summary

About this Report

This Report of the Comptroller and Auditor General of India relates to matters arising from performance audit of selected programmes/ activities and Government organisations and compliance audit of Government Departments, their functionaries and autonomous bodies under the General and Social Sectors.

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

The present report contains three performance audits and seventeen paragraphs arising out of Compliance Audit, which *inter alia* include comprehensive coverage of four themes and one Information Technology based Audit.

The significant observations contained in this report are discussed in brief in the following paragraphs.

Performance audit observations

(i) National Rural Health Mission

The National Rural Health Mission (NRHM) was launched by the Government of India in April 2005 to provide accessible, affordable and quality health care to the rural population. A performance audit of the NRHM, covering a period from 2011-12 to 2015-16, has thrown light on various areas of deficiencies, which call for immediate attention of the Government.

- The State had not set any benchmark of its own in respect of availability of health facilities *vis-à-vis* population or distances. However, there was shortfall in the number of health centres as compared to the Indian Public Health Standards (IPHS) norms, resulting in health centres being burdened with excess patient load. Even the existing health centres lacked basic facilities *e.g.* running water supply, uninterrupted electricity, staff quarters, etc.
- Progress in the construction of buildings for health facilities lagged behind the targets. Failure in sorting out land problems as well as under-performance of implementing agencies factored behind such slow progress. Even a good number of the created/ upgraded infrastructure like PHCs with round the clock delivery service, could not be made functional depriving the public of the emergency obstetric care. This had in turn put additional pressure on the Sub-Divisional Hospitals/ District Hospitals affecting the quality of service at those points too.
- Round the clock services were further affected by reluctance of the health centre staff in staying in quarters attached to the hospitals. While a large number of quarters constructed for Auxiliary Nursing Midwives remained vacant, a number of staff quarters also were in dilapidated conditions.

- Installation of New Born Care Corner and New Born Stabilisation Units without proper planning and necessary training of the doctors/ staff resulted in a number of such facilities remaining idle.
- Shortage of doctors, nurse and other support staff were observed at every level. Not only the number of posts fell short of the posts required under IPHS norms, but also there were substantial vacancies against the sanctioned posts.
- Ante-natal and Post-natal care and other health related services could not be extended to a considerable number of villages due to shortfall in appointment of ASHA workers.

(ii) Secondary Education in West Bengal

Secondary education forms the first stepping stone for students towards their career path. In India, classes IX and X (normal age group: 14-16 years) constitute the secondary stage, whereas classes XI and XII (age group: 16-18 years) are designated as the higher secondary stage.

- While the Rashtriya Madhyamik Siksha Abhiyan (RMSA), a centrally sponsored scheme, had the target of achieving Gross Enrolment Ratio (GER) of 75 *per cent* by 2014-15, the Government of West Bengal had set an ambitious objective of achieving 100 *per cent* Net Enrolment Ratio (NER) in Secondary Education by 2014-15. It was observed that though West Bengal has surpassed the GER based target of RMSA, it fell short of its own target, as almost half of the eligible students did not get into secondary education. Drop-out rate has shown an increasing trend during 2011-16 pointing to the need for increased efforts keep the children in school.
- Though the growing pressure for admission to secondary level education was foreseeable, the departmental efforts to cope with the growing need were found to be deficient in many respects. There was neither any analysis of the demand-availability gap in the secondary education, nor any roadmap for attaining its own NER-based target.
- The data of unserved habitations had serious discrepancies and consistency issues which was indicative of lack of diligence and cross-check at the State level in consolidation of the lower level proposals. Owing to lack of preparedness and slipshod approach in submitting the work proposals, the Department was unable to avail itself of all the benefits of RMSA.
- The sense of urgency was also missing in the departmental approach in upgrading the existing upper primary schools into the secondary ones.
- The test-checked schools were found to suffer from significant infrastructural deficiencies in terms of availability of adequate numbers of classrooms, science laboratories, computer rooms, toilets, etc. affecting the quality of curricular activities at the secondary level. Efforts in addressing such deficiencies in the infrastructure remained unproductive due to slow progress of civil works in schools.

- Availability of teachers *vis-à-vis* the number of students was also a matter of concern as 70 *per cent* of the test-checked schools had significantly high pupil-teacher ratios at the secondary/ higher secondary level. In 20 *per cent* of the test-checked schools, the situation was found to be alarming.
- Quality of teaching in schools was also an area of concern as significant number of teachers did not have the necessary professional qualification in training. Monitoring of the quality of education remained weak as the number of inspections conducted was much lower than the norms.

(iii) Schemes implemented by Housing Department

The access to a safe and healthy shelter is essential for a person's wellbeing. With an aim to providing 'Affordable Housing to All' with special emphasis on the disadvantaged sections of the population, the Housing Department had launched (2009-10) a flagship programme namely '*Gitanjali*'. Apart from this, the Housing Department constructed Rental Housing Estates (RHEs) and Public Rental Housing Estates (PRHEs) which were rented out to the State Government employees and common people respectively.

- Though the Department prepared a Plan outlining the housing shortage in the State, the magnitude of the shortage remained under-estimated as it had relied on outdated data. Even the interventions envisaged in the Plan were not enough to address the housing shortage worked out by it. The Housing Department did not co-ordinate with the multiple departments working in the housing sector to bring about synergy in their activities.
- The implementation of the flagship scheme for housing, '*Gitanjali*', suffered from various implementation bottlenecks such as arbitrary selection of beneficiaries, inclusion of ineligible beneficiaries, inaccurate reporting, retention of unspent funds, etc. This was attributable to the fact that the Housing Department had to depend on multiple departments for implementation in the absence of a district level set up of its own.
- The houses built under the scheme in the test-checked districts did not adhere to the guidelines in terms of the minimum area requirement; they also often lacked toilets.
- The Government did not have adequate control over the assets held in PRHEs and RHEs. In both PRHEs and RHEs, people continued to occupy the Government property unauthorisedly, with many tenants not paying the rent regularly. In PRHEs, several tenants had made unauthorised alteration to Government properties and even sold it.

Compliance audit observations

(i) IT Audit of e-enabled services in the Backward Classes Welfare Department

The Backward Classes Welfare (BCW) Department and Tribal Development (TD) Department *inter alia* provide e-enabled services *e.g.* issue of caste certificates, promotion and implementation of educational schemes, like payment of grants and scholarships, running hostels, etc. to the people belonging to Scheduled Castes (SCs), Scheduled Tribes (STs) and Other

Backward Classes (OBCs) in West Bengal. Audit conducted an IT audit of three such applications namely, Online Application for Scholarship in Studies (OASIS), Online Application for Issuance of Caste Certificate (OSCAR) and Hostel Monitoring System (HMS).

- Though the BCW Department took IT initiatives for quick delivery of some of its services, test-check revealed that there was much scope to increase the efficiency and effectiveness of these applications.
- OASIS application was not mapped fully with the business rules. The system was deficient in validation control and processed applications for scholarships without adhering to the income criteria and even without information on bank accounts. Audit noted that the system also allowed payment of hostel fees even where the students were not residing in hostels. Lack of controls would be further evidenced from the instances of multiple payments of scholarships to the same students in the same academic year as they could apply for scholarships multiple times by changing districts, courses, etc. This may be viewed with the fact that user-ids and passwords were available even to lower level non-government functionaries at the block level leaving the system exposed to unauthorised intrusions.
- Reliability of the data under HMS was also doubtful as substantial variation was observed between number of beneficiaries of hostel grants as per district level records and those captured in the HMS.
- As a serious weakness in the business continuity plan, the vendor was found to be the owner of the data as per the agreement. The department would not be in a position to continue with the operations if the vendor chose to discontinue.

(ii) Identification of beneficiaries and disbursement of loans by State Corporations

For the economic upliftment and self-employment activities of people belonging Scheduled Castes (SCs), Scheduled Tribes (STs), minority groups, scavengers, etc., various central corporations provide funds to the State Channelizing Agencies (SCAs) as soft loans under different schemes for further disbursement to the targeted people as loans as per stipulated guidelines of those corporations. In West Bengal, West Bengal SC ST Development & Finance Corporation (WBSCSTD&FC) and West Bengal Minority Development & Finance Corporation (WBMD&FC) work as SCAs for loan schemes of the Central Corporations for SCs, STs, Safai Karmacharis and minority groups.

- State Channelising Agencies were not found to have any robust mechanism, which should have been in place to ensure actual percolation of the benefits of the loan-based schemes to the targeted disadvantaged sections of the population belonging to SCs/ STs/ minorities and Safai Karmacharis.
- The coverage under various schemes (especially Mahila Samridhi Yojana Loan) showed erratic fluctuations in achievement, with higher achievement disproportionate to the targets during recent years. Such higher achievement under MSY was attributable mainly to the relaxation of certain controls. Using such relaxations, 1223 MSY beneficiaries even extracted undue financial benefits of ₹ 1.22 crore out of Government subsidies.

- There were many instances of selection of ineligible beneficiaries under the schemes, especially under loan schemes for minority beneficiaries, which calls for closer surveillance by the Corporations.

(iii) Implementation of Food Safety & Standards Act, 2006

The Food Safety & Standards Act, 2006 envisages to lay down scientific standards for articles of food and to regulate their production, storage, distribution and sale, to ensure availability of safe and wholesome food for human consumption.

- Even after five years of the implementation of the Act, the Health & Family Welfare Department could not bring all the Food Business Operators under the Act as a significant number of them were yet to register or obtain licences under the Act. Even the registered/ licensed ones continued business with expired registration/ licence in the absence of any system to watch over their periodical renewal.
- Though envisaged in the Act, the Department could not deploy full-time Designated Officers and adequate number of Food Safety Officers and had been functioning with significant shortage of manpower. Such shortage of manpower, coupled with the absence of any target for the collection of food samples, resulted in grossly inadequate number of inspections conducted and food samples collected. Given the fact that almost 42 *per cent* of the test reports showed “sub-standard” results, the shortfalls in inspection and sample collection have the potential to expose the consumers to severe risks from unsafe food products.
- Only two Food Testing Laboratories were available under the Department for food testing and that too with severe shortages of equipment and chemicals. No laboratory is available in North Bengal in the Government sector. Consumers remained exposed to unsafe food-stuff as some vital tests are not conducted in those laboratories. Even the accuracy of the test results was questionable as the functional laboratories were also deficient in infrastructure.
- No awareness campaigns were undertaken and scant regard was given to Information, Education and Communication activities.

(iv) Preservation of historical monuments and archaeological sites

An assessment of the Government’s efforts on preservation and conservation of historical monuments and maintenance of archaeological museums during 2011-16 highlights serious structural weaknesses in the entities responsible for such preservation/ conservation.

- There was no full time Director also at the Directorate of Archaeology and Museums, the apex body in respect of the historical sites/ monuments in the State. Functioning of the Directorate and the West Bengal Heritage Commission was seriously jeopardised by the acute shortage of key technical personnel.
- There was no system of identification of monuments/ heritage sites for annual work plan, in the absence of which there were no correlation between budget allocation and actual requirement at the field level. As a

result, more than half the funds allocated under State Plan during 2011-16 remained unspent. The structural weakness in the Directorate/ Heritage Commission led to the lapse of ₹ 14.48 crore of grants receivable under the recommendations of the 13th Finance Commission.

- The quality of maintenance of archives/ artefacts/ historical items in the State Archaeological Museum or at the Centre for Archaeological Studies & Training, Eastern India was not satisfactory as scientific storage norms were flouted.
- Physical inspection of some of the heritage sites by Audit showed significant deficiencies in creation of visitors' amenities and exhibition of information boards indicating indifference towards the aspect of tourism.

(v) Execution of flyover projects by Kolkata Metropolitan Development Authority

As a part of infrastructure development activities, KMDA had taken up a number of flyover/ bridge projects, of which records in respect of three fly over projects, namely Parama flyover, Ultadanga flyover and Wipro flyover were scrutinised by audit to assess the sufficiency in quality control activities and level of adherence to the statutory requirements at various stages of their lifecycle of implementation.

- It was observed that KMDA authorities were heavily dependent on the services of the private consultants on technical matters. However, in the absence of norms/ guidelines for selection criteria of consultants, level of competence of the selected consultants was not ensured. Appointments of such consultants had also been made without following the competitive bidding process. There was also no mechanism for monitoring on the activities of the consultants and fixing up of accountability in case of under-performance.
- The DPRs were often prepared without adequate ground work which necessitated midway alteration in the scope of work. Availability of encumbrance-free land was also not ensured before issuing work orders. All these factored behind delay in execution and time and cost-overrun.
- There were deficiencies in contract managements also. Instances were seen where scope of work had been reduced after awarding of the contract without downward revision of contract price. In one case, contract was awarded to an agency not technically qualified enough to handle the assigned work. KMDA also extended undue financial benefit to contractors by shouldering contactors' liabilities.
- Negligence in quality control work on the part of both consultant and KMDA authorities was also evident. Instances came to notice where corrective action was not taken even after adverse quality test reports.

(vi) Some other significant observations of non-compliance

Disaster Management Department incurred extra expenditure of ₹ 17.67 crore during 2013-16 on procurement of tarpaulin sheets by not observing tender formalities or following DGS&D rates.

(Paragraph 3.3)

Even after introduction of mechanised cleaning/ housekeeping services from October 2014, SSKM hospital remained dependent on 314 to 326 pre-existing outsourced staff. This had led to an avoidable expenditure of ₹ 4.54 crore, while the services of the mechanised cleaning agency were apparently under-utilised.

(Paragraph 3.6)

Under the scheme of development of Wakf properties, the Board of Wakf released ₹ 269.36 crore to Imams and Muezzins as honoraria, which was unproductive in the absence of any plan for developmental works and proper identification of Imams and Muezzins to be involved in such developmental works. The Board also irregularly used the Government grants to pay honoraria to them.

(Paragraph 3.8)

Negligence of the Treasurer and the Secretary to the Burdwan Zilla Saksharata Samity in cross-verifying entries in the cash book and cheque register with corresponding entries in the bank pass book and bank scroll facilitated defalcation of ₹ 4.40 lakh.

(Paragraph 3.9)

Block Development Officers of Gopiballavpur-II and Beldanga-I blocks did not cross-verify collection and remittance of water tax with duplicate carbon receipts and treasury schedules of remittances. This had facilitated defalcation of ₹ 10.60 lakh.

(Paragraph 3.10)

The objective of improvement of the living conditions in the rural colonies for displaced populations remained largely unachieved due to tardy implementation of a centrally assisted scheme coupled with delayed percolation of central funds to the executing agencies. The State Government also failed to avail itself of the central assistance of ₹ 48.10 crore.

(Paragraph 3.11)

Lack of initiative of the Directorate of Technical Education & Training resulted in the Community College scheme remaining a non-starter for almost three years. Further, the fate of trainees enrolled in one polytechnic remained undecided for want of valid certificate.

(Paragraph 3.12)

During implementation of Barrackpore-Kalyani-Dum Dum Expressway road project, KMDA shouldered an unjustified and excess expenditure of ₹ 4.38 crore for earth work compared to PWD's Schedule of Rates.

(Paragraph 3.14)