

## OVERVIEW

This Report comprises three Chapters: Chapter I presents the planning and extent of audit and a brief analysis on the expenditure of major Departments along with responses of Government to the Audit Inspection Reports/Audit Reports. Chapter II deals with the findings of two Performance Audits (PA) on (i) National Rural Health Mission (NRHM); and (ii) implementation of National Food Security Mission (NFSM). Chapter III presents Compliance Audits on (i) e-Procurement system in Chhattisgarh; (ii) Follow-up Audit of the PA on development of roads under Central Road Fund (CRF) and Minimum Needs Programme (MNP); and (iii) seven Audit paragraphs in various Departments. The audit findings included in this Report have total money value of ₹ 384.05 crore involving issues of systemic deficiencies, misappropriation, fraud, loss, wasteful/ unfruitful expenditures, avoidable extra expenditure, extension of undue favours, excess payments etc.

The audit has been conducted in conformity with the Auditing Standards of the Comptroller and Auditor General of India. Audit samples have been drawn based on Simple Random Sampling without Replacement and Probability Proportionate Size without Replacement methods. The specific audit methodology adopted has been mentioned in each PA and the Compliance Audits. The audit conclusions have been drawn and recommendations have been made taking into consideration the views of the State Government. The main audit findings are summarised in this overview.

### 1. Performance Audit of Programmes/Activities/Department

#### (i) Performance Audit on National Rural Health Mission

The National Rural Health Mission (NRHM) was launched (April 2005) by Government of India (GoI) to provide accessible, affordable, accountable, effective and reliable health care facilities in rural areas to strengthen public health systems. The key strategy of the mission was to bridge the gaps in health care facilities, facilitate decentralised planning in health sector, providing an umbrella to existing programmes of Health and Family Welfare including Reproductive and Child Health (RCH) and various disease control programmes. The important Audit findings are:

##### **Human Resource Management**

There were shortages in human resources in critical positions in the District Hospitals (DHs), Community Health Centres (CHCs) and Primary Health Centres (PHCs) in the State which adversely affected the delivery of mandate of NRHM. These included shortages of specialist doctors to the extent of 89 *per cent* (1,167 out of 1,312), Medical Officers (MO) by 36 *per cent* (583 out of 1,640), staff nurses by 34 *per cent* (1,225 out of 3,603) and paramedics to the extent of 12 *per cent* (429 out of 3,716) against their sanctioned strengths. Though the Directorate of Health Services appointed 1,226 doctors in the post of MOs during 2012-13 to 2017-18 (February 2018), only 474 MOs (including 35 on contract basis) joined the Department as of February 2018. The reasons for reluctance of doctors to join the Department were not assessed by the Government. In addition, approval of Finance

Department was also obtained (August 2018) for recruitment of 208 MOs/Assistant MOs, 911 staff nurses and 196 other paramedical staff which is awaited (August 2018). In the sampled DHs/CHCs/PHCs, major vacancies were in the field of surgery, anesthesia, gynecology, ophthalmology, radiology, orthopedics, pathology, ENT, and dental. Even where doctors were available<sup>1</sup>, the patients were still deprived of necessary treatments for various illnesses and diagnostic services in these health centres due to shortages<sup>2</sup> of medical equipment, drugs and consumables, laboratory services, and were referred to other hospitals such as Dr. Bhim Rao Ambedkar Hospital, Raipur, Chhattisgarh Institute of Medical Sciences, Bilaspur etc., as observed from the indoor patient department (IPD) registers.

### **Recommendation**

***The Department should prioritise the filling up of critical vacancies, especially those of specialist doctors and Medical officers and ensure availability of medical equipment, drugs, consumables, laboratory services so as to deliver the required health facilities at each level in line with the mandate of the Mission.***

***Paragraph 2.1.8.1***

### **Availability of infrastructure**

The State had shortage of CHCs to the extent of 24 *per cent* (54 out of 223) and PHCs by 11 *per cent* (99 out of 884) vis-à-vis the Indian Public Health Standards (IPHS). Further, 20 CHCs, 88 PHCs and 768 Sub Health Centres (SHCs) did not have designated Government buildings and were operational from private buildings, *panchayat* buildings, other Government buildings etc., as on March 2017. These buildings lacked space, infrastructure, delivery service, outdoor patient Department (OPD) facilities, labour rooms, beds, water connectivity, toilets etc., which impaired the healthcare services through these centres.

Though the Department aimed to bridge these gaps, 186 works sanctioned during 2012-16, and on which expenditure of ₹ 14.06 crore was incurred, remained incomplete despite lapse of 20 to 56 months from the dates of sanction, on grounds of non-participation of bidders in the tender for works located in sensitive areas, receipt of high tender premiums, delays in identification and finalisation of availability of land. This included 32 health centres in the sampled districts which could not be completed till June 2018 despite incurring expenditure of ₹ 2.25 crore and delays between eight and 44 months from their completion dates on same grounds. In addition, 70 health facilities (sanctioned during 2012-16) were also not taken up for construction for more than one to four years till December 2017 on grounds of change of place, delay in tender process, non-finalisation of tenders due to receipt of higher rates etc.

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<sup>1</sup> Between 75 and 100 *per cent* in four out of seven sampled DHs, six out of 14 sampled CHCs and nine out of 28 sampled PHCs

<sup>2</sup> Shortages of equipment were in the range of 27 to 41 *per cent* in DHs, 25 to 69 *per cent* in CHCs and 32 to 64 *per cent* in PHCs. Similarly the shortage of drugs and consumables were in the range of 40 to 76 *per cent* in DHs, 52 to 75 *per cent* in CHCs and 45 to 67 *per cent* in PHCs and shortage of laboratory services was 45 to 63 *per cent* in DHs, 36 to 58 *per cent* in CHCs and 38 to 71 *per cent* in PHCs

In addition, the sampled health centres have acute shortage of residential quarters to the extent of 81 *per cent* in the seven DHs, 36 *per cent* in 14 CHCs and 87 *per cent* in 28 PHCs with respect to IPHS norms due to failure of the Department to complete 159 quarters for medical and paramedical staffs valued at ₹ 25.33 crore taken up during 2012-13 till March 2017 on grounds of non-participation of tenderers, naxal affected area and delay in availability of land.

**Recommendation**

***The Department should assess the gaps in availability of physical infrastructure and ensure that all civil works are completed at the earliest and address the project bottlenecks to put the completed buildings to use.***

***Paragraphs 2.1.9.1 & 2.1.9.3 (i)***

**Quality of health infrastructure**

The Department upgraded 28 (61 *per cent*) CHCs as first referral unit (FRU) against the target of upgrading 46 CHCs into FRU though the State had 169 CHCs on grounds of shortage of doctors and specialists. Resultantly, C-section deliveries were limited to these FRUs. In the test checked districts, 220 (2.3 *per cent*) out of total 9,412 C-section deliveries were conducted in the CHCs which were FRUs. This indicated that women had to depend mostly on district level hospitals for C-section deliveries as this facility was available only in 14 *per cent* (24 out of 169) CHCs in the State.

Similarly, 273 (55 *per cent*) out of targeted 492 PHCs was made 24x7 service provider in the absence of doctors and nurses. Though 14 PHCs (out of the 28 PHCs test checked) were upgraded to 24x7, the MTP service was not available in any of the PHCs, child care and immunisation was not available in one PHC, emergency service and separate male and female wards were not available in 11 PHCs.

There were significant shortages of essential equipment to the extent of 38 *per cent* at DHs, and 53 *per cent* at CHCs, while deficit of drugs and consumables were by 40 to 75 *per cent* in DHs, 33 to 75 *per cent* in CHCs and 45 to 75 *per cent* in PHCs. Shortages were mainly due to failure of the Chhattisgarh Medical Services Corporation limited (Corporation) to supply the drugs and equipment despite receiving indents from the Department on grounds of non-availability of rate contract for medicines, non-receipt of tenders, late receipt of annual demand from Directorate of Health services etc. Resultantly, the patients have to purchase the drugs from outside such as *Jan aushadhi kendra* or local medicine shops etc., while seven DHs and 10 out of 14 sampled CHCs incurred an expenditure of ₹ 2.54 crore to purchase required drugs and consumables from the local market during 2013-17.

**Recommendation**

***The Department should assess the gaps in equipment, medicines, diagnostic services etc., and take immediate measures to bridge these by coordinating with the Corporation. Concerted efforts may also be taken to upgrade CHCs to FRUs and all PHCs into 24x7 service providers.***

***Paragraphs 2.1.9.5 (ii) & (iii), 2.1.9.6 & 2.1.9.8***

### **Quality of healthcare services**

Out of 33.09 lakh pregnant women (PW) registered in the State for ANC, 20.73 lakh (62.65 per cent) were registered in the first trimester. In the test checked districts, only 63.54 per cent PWs could be registered within first trimester of pregnancies while 18 per cent PWs could not receive all the three ANC check-ups. Hence, the Department lagged behind in extending the benefits of NRHM to all the PWs. Further, 5.42 to 28.62 per cent women were not immunised during their pregnancy with both doses (TT-1 and TT-2) of TT vaccine during 2012-17. The reasons included late disclosure of pregnancy by pregnant women, non-availability of transport facility due to inaccessible areas, abortion in some cases, migration of women to other districts or states after ANC registration and insufficient visits by the female health workers.

#### **Recommendation**

*The Department should ensure that all the pregnant women are invariably registered in the first trimester with the help of ASHAs and their cases followed-up for complete ante-natal care. Besides, TT vaccine to all pregnant women should be provided.*

*Paragraph 2.1.10.1 (i)*

### **Post-natal care and immunisation**

Against the objective of promoting 48 hours stay in hospital after child birth, 5.05 lakh (35.27 per cent) women in the State and 1.72 lakh (35.02 per cent) women in the sampled districts were discharged within 48 hours of delivery during 2012-17 on account of left against medical advice (LAMA), non-availability of diet facility in some of the PHCs, absence of 24x7 facilities in 512 (out of 785) PHCs and absence of C-section delivery facilities in 145 (out of 169) CHCs.

The targets set for child immunisation against seven vaccine preventable diseases could not be achieved in 17 to 23 per cent cases during 2012-17 due to lack of awareness, inaccessible area and migration of families along with children to other States etc.

#### **Recommendation**

*The Department should ensure that the PWs invariably stay for 48 hours in the health centres after delivery as part of post-natal care. Child immunisation should be ensured on priority basis to achieve the target.*

*Paragraphs 2.1.10.3 & 2.1.10.4*

### **(ii) PA on implementation of National Food Security Mission**

National Food Security Mission (NFSM) was implemented in Chhattisgarh in 13 districts for rice, nine districts for coarse cereals and all the 27 districts for pulses. It has benefitted only four per cent farmers (1.38 lakh) who owns six per cent (2.76 lakh ha) of cultivated land in the State. The objectives of this Mission are to increase the production of food grains through interventions such as demonstration, need based inputs and local initiatives. The important Audit findings are:

## Production of crops

The production and yield of different crops (rice, pulses and coarse cereals) remained range bound during 2012-17, and no dramatic increases attributable to NFSM could be found. Part of the lesser production and yield in respect of rice could be attributed to decrease in rainfall which ranged between 1,009 mm and 1,250 mm during this period, against an average of 1,317 mm in preceding periods. The yield of rice, pulses and coarse cereals of Chhattisgarh was less<sup>3</sup> when compared to neighboring States of Jharkhand, Madhya Pradesh and Uttar Pradesh and also against the National yield for the period 2012-13 to 2014-15<sup>4</sup>.

Productivity of rice of NFSM districts could not be brought on par with non-NFSM districts in any of the last five years due to more numbers of irrigation projects (25 medium irrigation projects out of 33 in the State) in the non-NFSM districts as compared to the NFSM districts. This accounted for comparatively better yield in non-NFSM districts. However, there is no evidence that the Agriculture Department, though aware of the core problem areas, had coordinated with the Water Resources Department to address the issue by providing necessary infrastructure (such as check dams, anicuts etc.) for irrigation in the NFSM districts to achieve the objectives of the Mission.

### *Recommendation*

***The Department should make concerted efforts to increase the productivity of the food grains by extending irrigation facilities in the NFSM districts in coordination with Water Resources Department.***

*Paragraphs 2.2.8 (i) & (ii)*

### **Implementation of NFSM through demonstration**

Production performance of 200 demonstration plots against their control plots in the selected districts revealed improved productions by more than 50 per cent in 13 per cent demonstrations (26 out of 200). Though productions in demonstration plots have surged, the comparative rise remains almost the same even when the farmers in the control plots had used either local seeds or hybrid/HYV seeds. Resultantly, the farmers were not keen on using the hybrid/HYV seeds as also reported (2014) by National level monitoring team (NLMT). However, such reservations of the farmers were not dispelled by the Department by educating them or conducting awareness drives. This was noticed while examining 74 clusters under demonstration component of the scheme where only 34 per cent of the earmarked cost for undertaking field day/publicity material /visits of scientist/staff was spent. Further, the data on production of demonstrations plot and control plots up to district level were not compiled at State level. Hence, contribution of various interventions under demonstration could not be analysed and the Department failed to ensure up-scaling of particular interventions in the succeeding years, though stipulated in the guidelines.

<sup>3</sup> Except Madhya Pradesh for rice for 2012-15 and coarse cereals in 2013-14; and Jharkhand for pulses for 2014-15

<sup>4</sup> Only data for up to 2014-15 pertaining to yield of various crops of different States was available in the web site of NFSM, Ministry of Agriculture (GoI).

### **Recommendation**

***The Department should increase publicity of demonstration of crop farming through field days, distribution of public materials and visits of scientist and State officials by spending the money provided under this head.***

*Paragraphs 2.2.9.1 (ii) & (iii)*

### **Achievements of other NFSM interventions**

NFSM had suffered from implementation deficits under important components such as demonstration done in less than the norms of 100 ha area, absence of soil health of cultivable land, failure to ensure visits of scientists, non-organisation of field days, low utilisation of hybrid/ high yield variety seeds, micronutrients and soil ameliorants, absence of trainings to farmers for improved crop production practices etc., which resulted in short achievement of targets. The achievements under seed distribution was 70 per cent for rice, 71 per cent for pulses and only 18 per cent for coarse cereals while it was 71 per cent under integrated nutrient management (INM) and soil ameliorants and 69 per cent under integrated pest management and plant protection measure. Further, the achievement under training was 83 per cent and 59 per cent under local initiatives during 2012-17. The main reasons for shortfall included absence of monitoring, failure to form district level seed committee to augment seed distribution, failure to educate the farmers who mostly (80 per cent) belong to small and marginal category and are not willing to use INM, soil ameliorants etc., even with 50 per cent subsidy from the Government, deviations from scheme designs, absence of trainings, non-identification of works under local initiatives etc. Resultantly, the productivity of rice, pulses and coarse cereals in the State did not improve on the expected lines of NFSM.

### **Recommendation:**

***The Department should create awareness and educate farmers to ensure use of hybrid seeds/ HYV seeds to achieve the objective of the Mission. Moreover, the Department should resolve the bottlenecks under different interventions of NFSM (need based inputs, training and local initiative) to optimise achievements against targets.***

*Paragraphs 2.2.9.2 & 2.2.9.3*

### **Monitoring**

The project management team (PMT) responsible for monitoring the implementation of each demonstration was functioning with only one (out of 17 sanctioned posts) technical assistant due to failure of the Department to appoint them at district level for no reasons on record. Moreover, the DLSC tasked with monitoring the distribution of seeds to farmers was not formed. Thus, monitoring and supervision was not effective for the implementation of the scheme and it impacted demonstration activities, seed distribution, concurrent evaluation of the interventions, educating the farmers to effectively use the available interventions under NFSM.

**Recommendation**

*The Department should strengthen the monitoring and supervision by ensuring concurrent evaluation of implementation of the scheme, form the DLSC and instruct the SFSMEC to conduct meetings for effective discharge of its functions. Appointments of consultants, technical assistants at State and districts level for streamlining the monitoring activities of the mission should also be ensured.*

*Paragraphs 2.2.10, 2.2.10.1 & 2.2.10.2*

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| <b>2. Compliance Audit of Programmes/Activities/Departments</b> |
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| <b>(i) Audit on e-Procurement system in Chhattisgarh</b> |
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Audit examined the functionality of the new e-Procurement system developed by Department of Electronics and Information Technology (DEIT) through the System Integrator (Mjunction) for the period April 2016 to March 2017. The system was aimed at vendor registration, tendering, award of work etc., for all tenders above ₹ 20 lakh (the threshold was lowered to ₹ 10 lakh in May 2016). Chhattisgarh InfoTech & Biotech Promotion Society (CHiPS) is the nodal agency for setting up and overseeing the functioning of the system. Mjunction is responsible for customisation of the application software under the monitoring of CHiPS to meet the needs of the user entities/Departments. The important Audit findings are:

**Partial functionality of the e-Procurement system**

The system was declared go-live on 1 April 2016 with only four operational modules (vendor management, e-tendering, e-payment and MIS) and rolled out in 35 entities/departments. Of these, 22 entities gave user acceptance test (UAT) for the four modules while 13 entities did not give UAT for any module. Despite that ₹ 19.78 crore (69 per cent of contract value of) was paid<sup>5</sup> upfront (between February 2016 and September 2016) to Mjunction without customisation of four modules in 22 Departments/ entities and any module in 13 entities/Department. As a result, functions such as award of work after tendering, record of measurement, preparation of progress reports, were done manually despite the system having dedicated modules for these services. The payments to the contractors/suppliers were routed through another system (e-works<sup>6</sup> portal) which limited the effectiveness of the e-Procurement system. The MIS, in the absence of other modules remaining non-functional, could not be used to generate the reports for monitoring.

**Recommendation**

*All the eight modules of the software should be made operational with required customisation as per the needs of all the Departments within a specified time span to optimise the system.*

*Paragraph 3.1.2.1*

<sup>5</sup> For application software with licenses, supply of hardware and yearly cost of ATS (Annual Technical Support) in advance

<sup>6</sup> e-Works is a separate portal which was prepared by NIC for works Department particularly for PWD, PHE and WRD and through this portal, these Departments makes payment to the contractors

### **Bypassing the e-Procurement system**

Engineers-in-Chief of PWD and WRD did not instruct the works divisions under them to follow the orders of CHiPS for reasons not on record. Consequently, 48 PWD divisions and 18 Water Resources Department (WRD) divisions invited (between May 2016 and June 2017) 658 tenders<sup>7</sup> worth ₹ 108.35 crore manually each valued between ₹ 10 lakh and ₹ 20 lakh despite instructions (May 2016) from CHiPS for inviting tenders valued at ₹ 10 lakh and above only through the e-Procurement system.

#### **Recommendation**

***CHiPS must ensure that concerted efforts are made by the user Department/entities to float tenders valued above ₹10 lakh through the system.***

*Paragraph 3.1.2.2*

### **Lack of transparency of the e-Procurement system**

In 1,921 tenders valued at ₹ 4,601 crore invited during September 2016 to August 2017, 74 computers were used to upload tender details by 17 Departments of the State Government and these computers were also used by one or more bidders to upload their quotes for these 1,921 tenders. Of these, 477 bidders who used these common computers with at least one Government official were awarded works worth ₹ 961.26 crore. Surprisingly, the system, which had an inbuilt business intelligence module to block such violations, failed to detect such lapses until these were pointed out by Audit.

#### **Recommendation**

***DEIT should ensure investigation from a vigilance angle on the use of same machines in 1,921 tenders by officials and bidders worth ₹4,601 crore under 17 Departments by an independent agency for taking suitable action within a specified time period.***

*Paragraph 3.1.3.1*

### **Systemic/Control failures**

✓ Seventy-nine contractors/vendors used two sets of permanent account numbers (PAN), one for registration in the e-Works portal of PWD and the other for generation of their vendor IDs in e-Procurement system in violation of section 272 B of Income Tax Act 1961, which stipulates that one individual can hold only one PAN. Of these, 25 contractors were awarded works worth ₹ 209.50 crore.

✓ Though the vendor management module is designed to restrict creation of two vendor IDs against the same PAN already recorded in the e-Procurement system, in 90 cases (vendor ID), two vendor IDs were generated against the same PAN. Thus, PAN was not created as unique field against the architectural design of the system.

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<sup>7</sup> PWD-624 amounting to ₹ 102.92 crore and WRD-34 amounting to ₹ 5.43 crore

**Recommendation**

***CHiPS should take adequate and timely measures to put in place input controls for the unique fields like PAN and to integrate the system with income tax Department and e-works portal maintained by NIC.***

**Paragraph 3.1.3.2**

✓ In 133 tenders valued at ₹ 225.14 crore, multiple bidders applying for the same tender mentioned same the partner's email ID for obtaining vendor ID while in 48 of these tenders, more than one bidder mentioned the same primary email ID in addition to the common partner's email ID. In all these 133 tenders, one such bidder got the works which indicated that these bidders possibly formed cartel among themselves to bid for the tenders by adjusting their offers to suit their competitors.

✓ In five tenders valued at ₹ 15.44 crore, works were secured by those contractors who were not eligible to participate in the bidding process as their eligibilities were lower than the classes of tenders. Further, in 12 tenders, contracts worth ₹ 89.34 crore was awarded to those contractors who did not submit Income Tax returns/other requisite documents of the previous five years or submitted partial documentation on financial capacities.

**Recommendation**

***CHiPS should ensure putting in place adequate input controls for the different modules to prevent use of common emails by different vendors, ineligible contractors to bid for works and to ensure submission of all pre-qualification documents by bidders before processing of bids through the system.***

**Paragraphs 3.1.3.3, 3.1.3.4 & 3.1.3.5**

✓ Against the bid capacity of only ₹ 4.38 crore, a contractor was awarded tender worth ₹ 7.19 crore by the tender committee members of PWD by suppressing his bid capacity. Resultantly, his bid capacity dropped to minus ₹ 2.75 crore. The contractor was additionally awarded 10 more works valued at ₹ 16.58 crore between August 2016 and October 2016 by suppressing his actual bid capacity. Thus, in the entirety, the contractor was favoured with 11 tenders valued at ₹ 23.77 crore by suppressing his bid capacity although all his ongoing work details were available in the system itself. This clearly indicates that the systemic controls have either been weakened or compromised to award such works.

**Recommendation**

***DEIT in coordination with PWD should ensure vigilance investigation of all cases of suppression of bid capacity of contractors to award works to the ineligible bidders. Disciplinary action should be taken against the tender committee members involved in the above cases. The in-built business intelligence mechanism should be extensively used to prevent suppression of bid capacity of bidders.***

**Paragraph 3.1.3.7**

**(ii) Follow-up Audit of the PA on development of roads under Central Road Fund and Minimum Needs Programme**

The Performance Audit of Public Works Department covering the period 2008-13 was included in the Audit Report on General, Social and Economic (Non-PSUs) Sectors for the year ended 31 March 2013, Government of Chhattisgarh. The Report was laid in the State Legislative Assembly in July 2014. The Audit recommendations were accepted by the Department for implementation.

Follow-up Audit revealed that two out of the four recommendations were not implemented which included (i) utilisation of funds in time bound manner on earmarked projects; and (ii) adherence to specifications and provisions of manual.

The recommendations on (i) overlapping of sanctions; (ii) taking up work only upon detailed survey, investigation and finalisation of land were partially implemented.

*Paragraph 3.2*

**(iii) Audit paragraphs**

Audit observed significant deficiencies in critical areas, which impact the effectiveness of the State Government. Some important findings arising out of Compliance Audit (seven paragraphs) are included in the Report. The major observations relate to absence of compliance with rules and regulations, audit against propriety, cases of systemic deficiencies, misappropriation, fraud, loss, wasteful/ unfruitful expenditures, avoidable extra expenditure, undue favours, excess payments. Some of these are mentioned below:

✓ Fraudulent payment of ₹ 1.40 crore was made to 21 non-functional private schools with possible collusion at various levels under the Assistant Commissioner, Tribal Development and the District Education Officer Janjgir-Champa.

*(Paragraph 3.3.1)*

✓ Executive Engineer (EE), PWD Ramanujganj irregularly awarded supply orders valued at ₹ 39.16 lakh to a firm and fraudulently made inflated payment of ₹ 17.24 lakh to the firm.

*(Paragraph 3.3.2)*

✓ Execution of layer of inverted choke in the construction of a road by EE, Public Works Division, Pathalgaon in contravention of MORT&H specifications and IRC pavement design led to avoidable extra cost of ₹ 4.75 crore.

*(Paragraph 3.3.3)*

✓ Sanction of a six lane road by PWD including service road in violation of MORT&H and IRC provisions besides execution of another road in Railway land in violation of Works Department manual led to unfruitful expenditure of ₹ 61.29 lakh on incomplete service road and wasteful expenditure of ₹ 33.81 lakh on road works on Railway land.

*(Paragraph 3.3.4)*

✓ Execution of unwarranted sand layer by Chhattisgarh Rural Road Development Authority, Kawardha despite upgrading the existing sub-grade by bringing soil from borrow pits led to avoidable extra cost of ₹ 78.64 lakh including excess payment of ₹ 49.01 lakh by inflating the rate of execution of sand layer work.

*(Paragraph 3.3.5)*

✓ Commencement of Mohar Project work by Water Resources Department without preparing land acquisition programme and ensuring its acquisition besides failing to obtain prior environment and forest clearance from Government of India led to unfruitful expenditure of ₹ 9.28 crore on the incomplete works which could not be put to intended use.

*(Paragraph 3.3.6)*

✓ Recovery of water charges at lower rate by Water Resources Division, Dantewada due to application of wrong tariff from two companies besides failure to recover outstanding water charges from another company by Water Resources Construction Division, Kasdol led to non-recovery of Government revenue of ₹ 1.31 crore.

*(Paragraph 3.3.7)*

#### **Non-production of records to Audit**

Section 18 (1) (b) of the C&AG's (Duties, Powers and Conditions of Service) Act, 1971 stipulates that the C&AG has the authority in connection with the performance of his duties under the said Act to requisition any accounts, books and other documents which deal with or form the basis of or are otherwise relevant to the transactions to which his duties in respect of audit extends. This provision has been further amplified by Regulation 181 of the Regulation on Audit and Accounts 2007 which stipulates that every department or entity shall establish and implement a mechanism to ensure that data, information and documents that are required by Audit are made available to it in time.

The records<sup>8</sup> of appointments and promotions of the staff of Chhattisgarh Vidhan Sabha Secretariat (CVSS) were not furnished by the Deputy Secretary (Accounts) to Audit twice, first in February 2017 and again in August-September 2018, though requisitioned and reminded repeatedly by Audit. Such non-production of records severely limits the exercise of CAG's constitutional mandate and may result in possibility of wrong doing, wrong appointments etc. This is a red flag which should be investigated from vigilance angle and considered for disciplinary action against the concerned Deputy Secretary (Accounts).

#### ***Recommendation***

***The State Government should direct Secretary, CVSS to examine the matter of non-production of records from a vigilance angle, and consider taking appropriate action against the Deputy Secretary (Accounts).***

<sup>8</sup> Service book, personal files of officials, appointment and promotion orders, gradation list etc.