

## PREFACE

This Report for the year ended 31 March 2017 has been prepared for submission to the Governor of Madhya Pradesh under Article 151 of the Constitution of India.

The Report contains an overview of significant audit observations and two chapters. Chapter I of the Report narrates the general information about audited entities, audit coverage, responses of the Government to the Audit Inspection Reports/Audit Reports and instances of fraudulent withdrawals and recoveries at the instance of Audit. Chapter II of Report includes one Compliance Audit Paragraph on 'Functioning of Residential Schools and Hostels for Scheduled Tribes' and two Audit Paragraphs of Departments of the Government of Madhya Pradesh under General and Social Sectors. Significant deficiencies were as mentioned below:

### **Compliance Audit on 'Functioning of Residential Schools and Hostels for Scheduled Tribes':**

During the years 2012-13 to 2016-17, State Government incurred ₹ 2,686.12 crore on functioning of residential schools and hostels for scheduled tribes (STs). However, residential schools and hostels were deficient in infrastructure, such as inadequate accommodation for inmates as well as staff, cots, dinning space, toilets, incomplete construction works, etc. Tribal Affairs Department increased seats in 247 pre-matric hostels without any actual increase in the accommodation capacities of these hostels. Residential schools had substantial shortage of teachers, which affected the quality of education. Collectors failed to ensure regular health check-up of inmates.

Commissioner Tribal Development furnished fictitious utilisation certificates of ₹ 113.84 crore in respect of grants-in-aid received from Government of India during 2012-13 to 2016-17. Audit also noticed untraceable advances of ₹ 6.03 crore which were released to Collectors eight to 15 years back, besides violation of codal provisions in purchases.

The instances mentioned in this Report are among those which came to notice in the course of test audit for the period 2016-17 as well as those which came to notice in earlier years but could not be reported in previous Audit Reports; instances relating to the period subsequent to year 2016-17 have also been included, wherever necessary.

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