

**Report of the
Comptroller and Auditor General
of India**

**Impact of Implementation of
Developmental Schemes in South District**

**Government of Sikkim
Report No. 3 of the year 2010-11**

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PREFACE

1. This Report of the Comptroller and Auditor General of India contains the results of district centric audit of South district of the State of Sikkim. The Report has been prepared for submission to the Governor of the State under article 151 (2) of the Constitution of India.
2. A Performance Audit of the significant socio-economic developmental activities implemented in the South district during the period 2006-11 was conducted. Audit process involved test check of records pertaining to the South district, in the office of the District Collector, District Development Officer, District Planning Officer, Zilla Panchayat, selected Blocks, Gram Panchayats, Urban Development and Housing Department, other departments and various district level implementing agencies.
3. The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

Recognising the importance accorded by the Planning Commission, Government of India for a district-centric approach to devolution of finances for integrated local area development, a district-centric Performance Audit (PA) of South district was carried out to assess the status and impact of implementation of various socio-economic developmental activities in the district during 2006-11 and also to evaluate whether quality of life of people has improved.

The PA covered key areas of social sector programmes relating to Health, Education, Water supply, sewerage and Urban Development, economic sector programmes relating to Creation of roads and other infrastructure, Employment generation, Energy and power, Tourism and Agriculture and allied services and general sector programmes relating to use of Information Technology to provide better public services, Policing and Provision of basic civic amenities, etc.

While the PA has brought out many positives in the social sector programmes relating to health; there were, however, many other areas where the State/ District administration needs to focus its attention.

Planning

Audit scrutiny revealed that District Planning Committee (DPC) had neither prepared Perspective Plan nor any Consolidated Annual Plan for the district for the period 2006-11 except preparing a statement of targeted number of works and outlay at the level of the GPs / villages, the Blocks and the District. No shelf of projects was prepared at any level on annual basis. The local level of administration like the Blocks and GPUs were not involved in providing any inputs to the planning process. Other line departments got their works sanctioned on an adhoc basis by their head office based on availability of funds and on the proposals submitted by the MPs/MLAs/Other individuals as per perceived benefit to the local populace. In fact, there was no integrated District Plan. District Technical Support Committee (DTSC) and Gram Planning Forum (GPF) were not constituted in the district.

In the absence of perspective plans and annual action plans for the development of the district with inputs from Blocks and GPUs, gaps in various developmental schemes/programmes remained unidentified.

Recommendation

Perspective plan and consolidated annual action plans for the district should be prepared on priority basis to avail the benefit of planned development. Immediate steps may be initiated to revive the DPC to ensure people's participation in the planning process for robust and efficient plan formulation. Further, steps may also be taken to constitute DTSC and the GPF.

Accounting Framework and Financial Management

Neither the district administration nor any other authority was vested with the responsibility to maintain consolidated accounts of the funds inflow to the district and expenditure incurred there against. As a result, total quantum of funds received by the district during 2006-07 to 2010-11 and the expenditure there against was not available centrally with any of the district authorities such as District Collector (DC), District Development Officer (DDO) or District Planning Officer (DPO).

The unspent balances ranged upto 35.24 *per cent* in case of flagship programmes (NLCPR, IAY, NRHM, NREGA, etc.).

Recommendation

DC may be vested with the authorities to exercise control over the receipt of funds and expenditure there against by the various offices of the district through submission of returns to DC on monthly basis.

Social services

Health

The process of assessing the healthcare requirements and gaps in infrastructure, equipment, manpower, etc. as per NRHM stipulation was not completed in the district. The district had one CHC, six PHCs and 39 PHSCs. There was a shortfall of one CHC, one PHC and ten PHSCs as compared to the norms prescribed. The basic health care services required to be provided in the health centres were not available at many of the centres (out of 14) visited by the audit team.

Though the State fared well in various health indicators, separate targets/ health indicators for the district were not prescribed despite the NRHM requirement to do so.

In the absence of proper planning involving identification of gaps in the healthcare infrastructure and non-availability of stipulated facilities and skilled manpower in the health institutions, the aim of providing accessible and affordable healthcare to people remained to be achieved in the district.

Recommendations

The District Health Society should play a more proactive role in commissioning a survey to identify the gaps in healthcare infrastructure and facilities and draw up a specific timeframe as per the NRHM guidelines, to provide accessible and affordable health care to the rural poor and vulnerable sections of the district. Community involvement should be ensured at every stage in planning, implementation and monitoring of the programme. All the health centres should be equipped with adequate and skilled manpower to achieve the objectives of the programme.

Education

A review of status of education in the district, especially in the context of implementation of SSA, revealed that the number of primary and upper primary schools (up to class VIII) increased but enrolment of children in the targeted age group of 6-14 years in these schools decreased during 2006-11.

Status of infrastructure in the Government schools in the district as of March 2011 was not sufficient and in good condition. Out of total 925 numbers of class rooms in primary and junior high schools and 711 numbers of class rooms in secondary and senior secondary schools, 425 class rooms in primary and junior high schools and 245 class rooms in secondary and senior secondary schools required repairs. Beside this, most of the schools were not having sufficient class rooms. Out of 237 schools in all categories in the district, 19 schools were not having separate toilets for boys, 87 schools were not having separate toilets for girls, 20 schools were not having drinking water facility, 96 schools were not having electricity, 52 schools were not having playground and 180 schools were not having boundary wall.

Secondary and senior secondary schools were not being provided science kits, chemicals and reagents for practical classes for science students. Therefore, practical classes for science students were not being run and laboratories were being used as store which impacted on class XII board results of science stream students.

There was uneven deployment of teachers in the schools as 30 schools were having excess teachers and 112 schools were having shortage of teachers. Due to non-availability of kitchen sheds in some schools, MDM was being cooked in an un-hygienic condition. Dropout rates and rates of out of school children were high in the district. There was shortfall in providing basic training to the teachers and there was diversion of SMs and Primary Teachers recruited from SSA funds to non-SSA schools.

Recommendations

Accommodation and basic infrastructure/facilities should be provided on a priority basis in respect of all the schools to ensure an appropriate environment for teaching and learning. Class rooms and schools buildings should be repaired immediately. All secondary and senior secondary schools should be supplied science kits, chemicals and reagents to have practical classes regularly for science students. Deployment of teachers in the schools should be done as per requirement. All schools should be provided with MDM kitchen sheds to prepare food in hygienic condition. Dropout rates and out of schools children should be monitored and checked. All teachers should be imparted basic training.

Water Supply and Sewerage

Out of 620 habitations in the district, 376 habitations (61 per cent) were fully covered with drinking water facility and remaining 244 habitations (39 per cent) remained partially covered with drinking water facility.

There was insufficient supply of potable drinking water to urban population. There was a loss of ₹ 1.31 crore due to non-metering of urban consumers. An amount of ₹ 35.84 lakh was outstanding as water charges from urban consumers.

Supply of drinking water to urban as well as to rural populace was being done without treatment and testing. As a result, substantial number of cases of water borne diseases was noticed in the district.

None of the 10 towns of the district was having sewerage treatment plant.

Recommendations

The State Government/district administration needs to prepare a strategic action plan to provide potable drinking water to the partially covered habitations in a time bound manner. Water quality testing system should be improved/upgraded to ensure supply of safe drinking water to the public. Effective steps need to be taken to ensure early completion of the sewerage schemes.

Urban Development

The infrastructure like super market at Jorethang, vegetable market at Namchi and pay and use toilets at various places were created by the Department but could not be put to use and remained idle leading to the intended benefits not being provided to the public and also revenue loss to the Government.

Recommendation

Infrastructure created by the Department should be put to use immediately to provide intended benefits to the public and to avoid further loss of revenue.

Economic Services

Infrastructure-Road connectivity

There is no airport and railway connectivity in the district. The nearest airport at Bagdogra (West Bengal) is 108 kms away from the district headquarter. The nearest railway station is Siliguri / New Jalpaiguri (West Bengal) which is 100 kms from district headquarter.

Out of 244 habitations in the district, 209 habitations have been provided road connectivity as of March 2011. Thus, 35 habitations (14 *per cent*) in the district still remain to be provided with road connectivity.

Out of 52 works at an estimated cost of ₹ 100.71 crore taken up during 2006-11 under PMGSY, only 22 works at a cost of ₹ 25.80 crore were completed during the period and 30 works after incurring ₹ 35.96 crore remained incomplete. The delay in completion of these works ranged between 19 and 31 months.

Recommendation

The present hindrance in coverage of habitations should be identified and overcome expeditiously, so as to facilitate road connectivity to the rural masses. For timely completion of road connectivity projects, mechanism is to be evolved to ensure that contractors are completing works in time. A coordinated approach needs to be adopted by the State/District administration with the executing agencies to ensure that the works are planned and completed in time to ensure that benefits percolate down to the people.

Schemes for other developmental activities

Other developmental activities like construction/renovation/repairs of Government Schools, playgrounds, allotment of land to landless persons, etc. were taken up in the district under Members of Parliament Local Area Development Scheme (MPLADS) and Land Bank Scheme.

Under MPLADS, 46.95 per cent of total funds for the State under MP, Lok Sabha and 27.38 per cent of total funds for the State under MP, Rajya Sabha was allocated exclusively for South district. Of the total available amount of ₹ 7.92 crore for 80 works with the DC, South, ₹ 6.34 crore was utilised and 48 works were completed till October 2011 leaving an unutilised amount of ₹ 1.58 crore for 32 incomplete works of which, 22 works costing ₹ 0.74 crore had not started.

Under Land Bank Scheme, an amount of ₹ 11.60 lakh (excluding the interest earning of ₹ 4.10 lakh) for 18 beneficiaries (04 nos. upto 2005-06, 04 nos. of 2006-07, 06 nos. of 2007-08, 02 nos. of 2008-09 and 02 nos. of 2009-10) could not be utilised and objective of providing land to landless Sukumbasis to raise the income of such Sukumbasis was not achieved.

Recommendations

A coordinated and equitable approach needs to be adopted by the MPs/DC, South while recommending and sanctioning the works. A coordinated approach needs to be adopted by the State/district administration with the executing agencies to ensure that the works are planned and completed in time to ensure that benefits percolate down to the people. A tangible approach needs to be taken to allot the land to landless Sukumbasis and for the older cases approach should be made for getting additional amount at revised rates.

Employment Generation

Under the National Rural Employment Guarantee Act (NREGA), the legally guaranteed 100 days wage employment to card holders increased from 3.38 per cent in 2007-08 to 34.35 per cent in 2010-11. No unemployment allowance was granted to any job card holder. More efforts need to be made by implementing agencies for ensuring effective implementation of the scheme.

Recommendation

Under NREGA, district authorities should plan and execute the works ensuring 100 days guaranteed employment.

Housing

The district had not maintained list of houseless people to facilitate allocation of appropriate funds, selection of genuine beneficiaries, etc. Non-completion of houses under IAY by 15 *per cent* beneficiaries (262 nos.) despite availing the first instalment not only blocked ₹ 0.88 crore but also did not contribute towards providing housing facilities to houseless. Even in case of Rural Housing Scheme, completion of houses by the beneficiaries was not ensured by the Department and second instalment was released to new beneficiaries instead of to earlier beneficiaries indicating that the scheme implementation process was fundamentally defective.

Recommendations

Profile of houseless people in the district may be maintained to facilitate selection of genuine and deserving beneficiaries. Proper monitoring of construction of houses by the beneficiaries may be taken up to ensure completion of houses in a time bound manner by the beneficiaries and check on misuse of public money. Allocation of funds should be based on requirement to ensure equitable distribution of funds.

Tourism

The district attracted only 0.35 *per cent* to 9.90 *per cent* of domestic tourists that visited the State during the last five years. However, there was an impressive increase in flow of domestic tourists to the South district in 2010-11 compared to the previous years.

In respect of foreign tourists, the growth percentage of tourist flow in the State ranged from 14.83 *per cent* to 27.72 *per cent*. However, the figure of tourists who visited the South district was very dismal ranging between 1.63 *per cent* and 14.69 *per cent* of the total foreign tourists who visited the State.

Energy and Power

Under Rajiv Gandhi Grameen Vidyutikaran Yojana, works were taken up in two packages in South district during February 2009. In respect of Package I, there were huge shortfalls in achieving the target for completion of work in time. Out of three 11 Kv Control rooms, not even a single had been completed, the work for drawing of 11 Kv HD Transmission line was also not completed and there were shortfall in completion of other works such as drawing of 2 Phase and 3 Phase transmission lines. Likewise, there was huge shortfall in Package II also. Out of coverage of 15 villages and 11 kms of LT 3 Phase line, only nine villages and 3.9 kms were covered. Similarly, out of 130 villages and 120.90 kms of LT 1 Phase line, only 113

villages and 107.20 kms of length were covered till September 2011.

As per the objectives of the scheme, electricity was to be provided to all the rural households within a period of five years (i.e. by August 2010). However, it was found that only 4676 households out of the total un-electrified households of 8110 in the district had been electrified. Further, out of total 3062 numbers of BPL households to be covered by August 2010 only 1533 BPL households were covered till September 2011.

Thus, non-completion of the works in time and delay in awarding the work (more than one year) resulted in failure of the objectives of the scheme and deprivation of intended benefits to the rural people including people of BPL category.

Irrigation and Flood Control

A comparative scrutiny of productivity with area under cultivation of agricultural produce in South district indicated that there were neither any increases nor consistency in area under cultivation, in production and productivity in any of the agricultural crops. Even after spending an aggregated amount of ₹ 6.87 crore (₹ 3.67 crore under AIBP, ₹ 2.04 crore under NABARD, ₹ 0.46 crore under FC&RT and ₹ 0.70 crore under Minor Works) during 2006-11, the Department neither could ensure increase in yield per hectare nor increase in the overall area brought under cultivation.

General Services

E-Governance

As regards the e-governance activities, 12 e-governance projects in nine departments were implemented, out of which, two projects were not operative and computers were being used as standalone computers and all the departments had not been covered under the project. Gram Suchana Kendras had neither been installed with required software nor internet facility been provided.

Recommendation

All departments may be covered under e-governance. Required software may be installed in all the GSKs and may be provided with internet facility.

Waste Management

Waste management would indicate collection, transport, recovery and disposal of waste, including supervision of such operations and after-care of disposal sites. Municipal solid waste, hazardous wastes and biomedical wastes were the most common wastes generated in the towns in South district. The responsibility of waste management was assigned to Urban Development and Housing Department (UDHD).

Due to non-completion of solid waste treatment plant, untreated garbage was being dumped on the banks of river Rangeet. There was usage of open vehicles for transportation of waste. Garbage was being thrown by the public here and there in the market areas creating health hazards for the public. The UDHD in the district did not have an integrated waste management plan for collection, storage, segregation, transportation, processing and disposal of municipal solid waste thereby exposing the public to the dangers of untreated waste and pollution.

Recommendations

Solid waste treatment plant should be completed immediately to avoid exposing the public to the dangers of untreated waste and pollution. Waste management plans also need to be developed in an integrated manner to ensure proper management of disposal of municipal solid waste.

Increase in crime rate

Increase/decrease in incidence of crime indicate the performance of police force. Scrutiny of records of Superintendent of Police, South district revealed that the crime rate in the district for the last six years had been fluctuating. Compared to the base year 2006, the rate of crime had decreased by 6 per cent during 2007. However, in the subsequent years the gain could not be sustained as there was again an increase of 9.95 per cent in 2008, 20.81 per cent in 2009 and 0.75 per cent in 2010.

Very high suicide rate

During 2006 rate of suicidal death in the district was 90.34 per lakh as compared to national rate of 10.50 per lakh. Similarly during 2008 and 2010, rates of suicidal death in the district were 88.22 and 116.45 per lakh as compared to national rates of 10.80 and 11.40 per lakh respectively, which were highest as compared to any State in the country during the years. Further, the rates of suicidal death had been fluctuating during the years 2006 to 2010 between 86.10 and 116.45 per lakh which were about 9 to 10 times more than the national rates. Reasons for such significantly high rates of suicidal death in the district were stated (August 2010) to be due to socio-economic changes and disintegration of joint families into nuclear families.

Monitoring Mechanism and Impact Evaluation

Monitoring and supervision of the progress of implementation of various schemes at all tiers of local administration in the district was perfunctory which impacted the progress of developmental works/ projects undertaken by various departments/ implementing agencies. Consequently, there were number of works in the social and economic sectors which were plagued by time overruns thereby depriving the public of the benefits of these developmental schemes.

Recommendation

Monitoring, inspection and supervision needs to be strengthened at all the tiers of local administration to ensure that the programmes are executed on time and within cost and timely corrective action is taken in cases of slippage.

Conclusion

There are multiplicity of programmes and schemes and even larger number of implementing agencies, making it difficult for the district administration to effectively monitor and supervise the developmental activities. While almost all the developmental programmes are targeted at the same set of beneficiaries, the existence of numerous programmes without an integrated focus, has led to each of them being implemented in a standalone mode.

To ensure efficiency and effectiveness in delivery of key services like education, health, employment, etc., the GOI has increasingly been entrusting the responsibility at the local level, especially the PRIs. This is also intended to ensure that the local Government at the district, block and GP level are empowered to discharge the functions that are constitutionally assigned to them. It was observed that absence of adequate participation from these levels in the planning process is hindering the planned progress of the district and address the felt needs at the grass roots level. Though the PRIs were empowered to prepare specific plans for integrated development of their area, they had not prepared structured annual action plans.

Monitoring mechanism was either not instituted, or was not functioning as envisaged, with regard to execution of schemes. No plans had been formulated for providing integrated development of a sector/service. Good governance, effective and efficient delivery mechanism and sustainable development strengthens high level of performance and play a crucial role in the overall socio-economic development of the District by providing essential and quality public infrastructure and services. The State Government would have to address these serious issues in order to achieve real development of the district at the desired pace.

CHAPTER – I

Introduction

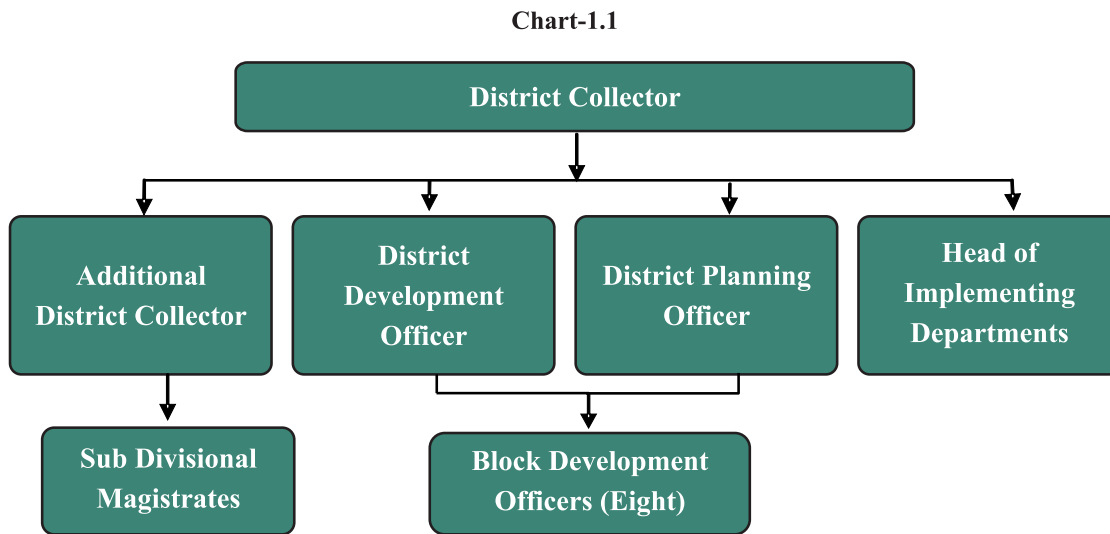
1.1 General Profile of the District

South district is one of the four districts of Sikkim. It is situated in the middle south part of the State and is bounded by East district in the east, West district in the west, North district in the north and the State of West Bengal in the south. The district spans over an area of 750 sq. km and is headquartered at Namchi. The district comprises of two Sub-Divisions. To cater to the rural developmental activities, the district has been divided into eight Development Blocks covering 45 Gram Panchayat Units (GPUs) with 145 numbers of villages out of 454 villages in Sikkim. As per the 2011 census, the district has a population of 1.47 lakh which accounts for about 24 *per cent* of the population of the State which is 6.08 lakh. Around 96 *per cent* of the population of the district is residing in rural areas (As per the 2005-06 census as no census on rural household has been conducted after 2005-06). Out of the population of 1.47 lakh in the district, 34,544 is living under the Below Poverty Line (BPL) which accounts for 26 *per cent* compared to 21 *per cent* at the State level as per 2001 census (no census on BPL households has been conducted after 2001).

1.2 Administrative Structure

The District Collector (DC) is the administrative head of the district. He is assisted by Additional District Collector (ADC), District Development Officer (DDO), District Planning Officer (DPO), Sub-Divisional Magistrates (SDMs) and Block Development Officers (BDOs) besides the head of offices of the line departments. Funds relating to rural development programmes are routed by State Government through DDO and Zilla Panchayat (ZP). Similarly, funds for execution of various programmes in the district are routed by various departments through their district offices. While expenditure for individual schemes/programmes are sanctioned by concerned departments' head of the offices, rural development programmes in respect of Rural Management and Development Department (RMDD) and ZP are sanctioned by DDO and DPO respectively after obtaining approval of District Collector.

The organisational set-up of the district is given below:



1.3 Sikkim Rural Development Agency (SRDA)

The entire State has been classified as one district by Government of India (GOI) for implementation of various schemes under District Rural Development Agency (DRDA) considering the small size of the State. The function of the DRDA is being performed by Sikkim Rural Development Agency (SRDA) in Sikkim with its headquarters at Gangtok and field offices in all the four districts of the State. The role of SRDA in the State, however, is limited to implementation of Indira Awaas Yozana (IAY) and Swarnajayanti Gram Swarozgar Yojana (SJGSY).

CHAPTER – II

Audit Framework

2.1 *Scope of Audit*

A number of developmental programmes / schemes were initiated by the State and the Central Governments with an aim to bring about upliftment of the standard of living of the general people involving various departments of the State Government including Panchayati Raj Institutions (PRIs). These developmental programmes can be categorised in Social Services (Education, health, water supply and sanitation), Economic Services (Infrastructure including roads, electricity, agriculture, employment and poverty alleviation, irrigation and tourism) as well as General Services (E-governance, waste management, policing and other amenities/services). The current audit covered almost all the important schemes/ programmes (including State Plan Schemes) implemented by various departments in South district during the period 2006-11 including e-governance, policing and waste management.

For the purpose of this audit, the departments which undertake various developmental schemes were covered and out of eight BDOs in the district, four BDOs (one based on its remoteness, one being centrally located, one being district headquarter and one being closest to district headquarter) with 14 GPUs {out of 23 GPUs of these four BDOs (45 GPUs in the district)} of these blocks were selected on the basis of BPL families (GPUs having 40 *per cent* and more BPL families).

2.2 *Audit Objectives*

The objectives of audit were as follows:

- Examine the adequacy and effectiveness of annual planning process for different programmes / schemes;
- Verify the correctness of reported expenditure on the major development programmes (Central and State) with reference to detailed Statements of Expenditure and original vouchers at lower level in a hierarchical manner (State to District, District to Block, Block to GPU and GPU to implementing agencies);
- Assess the efficiency and economy of implementation of developmental programmes and projects, and effectiveness of these programmes in terms of achievement of targeted outputs and outcomes;
- Assess the adequacy and effectiveness of the processes for inspection and reporting;
- Assess the effectiveness of monitoring and evaluation.

2.3 *Audit Criteria*

Following criteria were used to arrive at audit conclusions:

- Guidelines issued by State Government, GOI and Planning Commission towards district development, planning, etc.;
- Plan documents (Five year plans and annual plans);
- Programmes / schemes guidelines issued by GOI / State Government;
- Sikkim Financial Rules (SFR);
- Sikkim Public Works (SPW) Code and Manual;
- Notifications / Circulars issued by the Government from time to time;
- Prescribed monitoring mechanism.

2.4 *Audit Methodology*

Following audit methodology was adopted while doing Performance Audit (PA):

- Performance Audit began with Entry Conference (17 May 2010);
- Requisition for records / data, issue of questionnaires, analysis of data, examination of documents at the district, block and the GPU level, including correlation of information at different levels;
- Physical examination of assets (jointly with the departments, where feasible) with photographic evidence;
- Survey of beneficiaries and interview of stakeholders with the assistance of departmental officers;
- Framing of audit observations;
- Discussion with DC, Head of the Offices and the Secretaries of the State Government;
- PA concluded with the Exit Conference (16 February 2012);
- Refinement of report based on discussion (exit conference) and reply of the departments;
- Preparation of final PA Report.

Image – 2.1



A photo of Exit Conference held with DC, South and other officers of various departments

CHAPTER – III

Planning

GOI envisaged an inclusive and participative planning process for the development of districts. The 74th Amendment (1992) to the Constitution mandated the establishment of a District Planning Committee (DPC) for consolidating the plans prepared by the Panchayats in the district into an integrated District Plan. Accordingly, Gram Panchayats (GP) and the ZP were required to prepare annual action plan and submit it to District Planning Officer (DPO) through BDOs and DDO respectively. The efficacy of the planning process in the district was analysed in audit and results are enumerated below:

3.1 *Perspective and Annual Plans*

Scrutiny of the records of the DDO, ZP and selected BDOs revealed that neither Perspective Plan was prepared nor any Consolidated Annual Plan was formulated for the district for the period 2006-07 to 2010-11, except preparing a statement of targeted number of works and outlay at the level of the GPs / villages, the Blocks and the District. No shelf of projects was prepared at any level on annual basis.

3.2 *District Plan*

A consolidated plan for the district as a whole was never prepared by the district authorities. The perspective plan and the annual action plans for the district as a whole were also never attempted during the financial years 2006-07 to 2010-11. Line departments were implementing various schemes / projects according to the resource allocation made to them by their respective head office located at Gangtok based on the annual plans of their departments.

Even after constituting the DPC for South district as late as July 2008 with the Adhyaksha, ZP (South) as the Chairman, DPO as Member Secretary and the Member of Parliaments (MPs), Member of Legislative Assemblies (MLAs), and others as members to consolidate the plans prepared by the ZP and GPs in the draft development plan for the district as a whole for approval by the State Government, perspective plan for the district and consolidated annual action plans for the district were not prepared. Neither the DPC sought inputs from GPs for preparation of the district plans nor the GPs proposed any such plans for their portion for inclusion in the district plan. As a result, the planning process for development of district duly reflecting the aspirations of the people at the grassroots levels and lower formations as envisaged in the 74th amendment was missing.

It was also noticed that the mandate of the DPC did not specify the number of meetings to be

convened in a year. However, no record was produced to show that the DPC had ever met.

3.3 District Technical Support Committee

The district was supposed to constitute a District Technical Support Committee (DTSC) with the DC as chairperson and all district level heads of office of line departments as ex-officio members for (i) preparation of sector-specific district perspective plan for the GPs and ZP, (ii) supporting and coordinate with the Gram Planning Forum for preparation of GP plan, (iii) assisting in formulation of ZP plan and district plan.

Audit noticed that no such Committee was constituted during the period under Audit and accordingly no such district perspective plan was prepared and technical inputs to the GP and ZP for formulation of plans were not provided.

3.4 Gram Panchayat Plan

The State Government notified (August 2006) formation of Gram Planning Forum (GPF) at the GP unit for:

- (i) preparation of prospective planning duly laying down development goals for the GPU and identifying the ways and means to achieve it,
- (ii) preparation of periodical and annual plan for the GP,
- (iii) monitoring the implementation of works,
- (iv) maintaining year wise records of the schemes, and
- (v) presenting all the executed / completed schemes in the gram sabha.

The GPF would consist of President of the GPU as chairperson, all elected members of the GP and concerned elected members of the ZP as members. Besides, the Forum would also consist of one senior most official from each of the department working under the GPU and BDO as ex-officio members and five expert members from different fields as advisory members.

Audit noticed (November 2011) that the GPs had neither constituted GPF nor framed annual plans as envisaged. Further, no working group was formed in any of the 14 selected GPs to facilitate sector wise preparation of plan for the GP. However, GPs prepared list of works to be executed in the GPUs in their gram sabhas. Thus, planning process at the GP level was almost non-existent.

3.5 Conclusion

Perspective plan and consolidated annual action plans for the district as a whole were not prepared during the years 2006-11 despite formation of various Committees for preparation of these plans. No record was produced to show that the DPC had ever met for formulating a plan for the district as a whole. Planning process at the GP level was almost non-existent as the GPs had not framed annual plans and working group to facilitate sector wise preparation of plan

were not formed in any of the 14 GPs visited by audit.

3.6 Recommendation

- *Perspective plan and consolidated annual action plans for the district should be prepared on priority basis to avail the benefit of planned development.*
- *Immediate steps may be initiated to revive the DPC to ensure peoples participation in the planning process for robust and efficient plan formulation. Further, steps may also be taken to constitute District Technical Support Committee and the Gram Planning Forum.*

CHAPTER – IV

Accounting Framework and Financial Management

The funds for implementation of schemes / projects were allocated to the departments in their respective budget head by the Finance, Revenue and Expenditure Department (FRED) without any district-wise segregation except for the direction and administration head for which district specific department-wise allocations were reflected. The funds required by the districts for implementation of scheme / project was allocated to the district by their head office on receipt of requisition by the district offices based on resources made available by the FRED.

Neither the district administration nor any other authority was vested with the responsibility to maintain consolidated accounts of the funds inflow to the district and expenditure incurred there against. As a result, total quantum of funds received by the district during 2006-07 to 2010-11 and the expenditure there against was not available centrally with any of the district authorities such as DC, DDO or DPO.

4.1 Budget and Expenditure

As mentioned in the preceding paragraphs, fund flow statement was not available in the district centrally with any of the authorities. The details of funds received and expenditure for the selected major schemes during 2006-07 to 2010-11 was, however, collected from the various implementing departments/ agencies and have been shown in the table below:

Table-4.1

(₹ in lakh)

Department	Scheme	Receipt/ Provision	Expenditure	Unspent balance	Percentage of non- utilisation of funds
Rural Management and Development	NREGA	5619.48	5370.48	249.00	4.43
	PMGSY	13652.07	13652.07	Nil	0
	PMGY	184.88	177.36	7.52	4.07
	ARWSS (CSS)	975.52	966.70	8.82	0.90
	VWSS (State)	384.44	382.70	1.74	0.45
	NLCPR	578.98	579.98	-1.00	
	NABARD	282.07	280.32	1.75	0.62
	IAY	455.55	381.42	74.13	16.27
	RHS	1067.42	986.70	80.72	7.56
	Total Sanitation	183.64	173.04	10.60	5.77
Zilla Panchayat	BRGF	742.90	682.42	60.48	8.14
	12 th Finance Commission	173.20	125.95	47.25	27.28
	Others	1312.32	849.86	462.46	35.24

Department	Scheme	Receipt/ Provision	Expenditure	Unspent balance	Percentage of non- utilisation of funds
Tourism	NLCPR&Other CSS	6362.59	4210.36	2152.23	33.83
Health Care, Human Services and Family Welfare	NRHM	1062.13	947.29	114.84	10.81
Human Resource Development	SSA	2517.44	2333.02	184.42	7.33
	MDM	761.05	761.03	0.02	0
	NLCPR	330.34	330.35	-0.01	-
	NABARD	302.73	302.41	0.32	0.11
	NEC	82.02	82.02	Nil	-
District Collector	MPLADS	791.72	634.43	157.29	19.87
	Land Bank Scheme (State Plan)	158.55	146.96	11.59	7.31
Energy and Power	RGGVY	2564.00	1826.30	737.70	28.77
	NLCPR	2071.76	2086.08	-14.32	-
	NEC	443.91	443.85	0.06	0.01
Roads & Bridges	NLCPR	1647.41	1284.97	362.44	22.00
	NABARD	1776.23	1701.18	75.05	4.23
	NEC	4058.81	4055.76	3.05	0.08
	CRF	30.44	30.43	0.01	0.03
Water Security & Public Health Engineering	NEC	792.41	775.97	16.44	2.07
	ACA	925.77	894.58	31.19	3.37
	PMGY	10.00	10.00	Nil	-
Urban Development & Housing	NABARD	593.39	593.37	0.02	0
Irrigation & Flood Control	ACA	314.51	314.51	Nil	-
	NABARD	235.15	205.85	29.30	12.46
	Bramhaputra Board	737.85	724.46	13.39	1.81
	AIBP	258.40	181.92	76.48	29.66

Source: Departmental figures

The unspent balances ranged between 0 and 35.24 *per cent*, the highest being ZP followed by Tourism, Irrigation & Flood Control, Energy and Power, Roads & Bridges, Member of Parliament Local Area Development Scheme (MPLADS), IAY, National Rural Health Mission (NRHM), Rural Housing Scheme (RHS), Sarva Shiksha Abhiyan (SSA) and National Rural Employment Generation Scheme (NREGA). Audit analysis of the reasons for unspent balances in case of IAY revealed that the funds could not be utilised in full as the beneficiaries could not complete the construction within the scheduled time and thus could not claim subsequent second instalment. The constitution of various Committees as enshrined under NRHM guidelines for implementation of the schemes in the district and village level was delayed in initial years leading to unspent balances under NRHM. The position, however, showed improvement in the subsequent years.

4.2 Decentralised Financial Planning

The State Government announced (September 2009) its decentralised planning for speedy implementation of schemes / projects through payment of bills of the district at their doorsteps and accordingly delegated following financial powers:

Table-4.2

Authority	Tenders
Gram Panchayat	Up to ₹ 20 lakh
Block Development Officer	₹ 20 lakh to ₹ 50 lakh
Sub-Divisional Magistrate	₹ 50 lakh to ₹ 100 lakh

It was noticed in audit that decentralisation was only partially successful as the line departments were dependent upon the resources released by their head of the department who in turn were dependent upon FRED for resource allocation. Accordingly, although the powers were vested with the district authorities, bills could not be released without the consent and approval of the head of the departments. This was not only against the intent of the notification but also time consuming and adversely affected the progress of works in the district.

4.3 Conclusion

The total quantum of funds received by the district during the financial year and expenditure there against was not available centrally either with DC or any other district authorities and the unspent balances ranged upto 35.24 *per cent* in case of flagship programmes (NLCPR, IAY, NRHM, NREGA, etc.).

4.4 Recommendation

- *DC may be vested with the authority to exercise control over the receipt of funds and expenditure there against by the various offices of the district through submission of returns to DC on monthly basis.*

CHAPTER – V

Social Services

Social sector has been receiving priority in funding – both by the Central and the State Governments. A review of the implementation of the flagship programmes like SSA, NRHM and Accelerated Rural Water Supply Programme (ARWSP) brought out the successful efforts of the State and district administration in improving the basic infrastructure in both health and education sectors. However, there was a need to provide adequate and skilled manpower in these sectors to be able to use the infrastructure to achieve the intended objective of providing quality health care, education, water and basic civic amenities to the people of the district, as can be seen from the audit findings relating to these sectors enumerated below:

5.1 Health and Family Welfare (HFW)

Accessible, affordable and quality health care to its citizen is the aim of the Government. Keeping this in mind, GOI launched (April 2005) NRHM to provide accessible, affordable and quality health care to the rural population, especially the marginalised and vulnerable sections of the society. It also sought to reduce the Maternal Mortality Rate (MMR), Infant Mortality Rate (IMR), Total Fertility Rate (TFR) and to bring about an improvement in the healthcare system by converging various stand-alone disease control programmes under the umbrella of the Mission.

Chief Medical Officer (CMO), South was responsible for implementation of various programmes in the areas of health care and family welfare as well as prevention and control of diseases. These services were rendered through a network of 39 Public Health Sub-Centres (PHSCs), six Public Health Centres (PHCs) and one District Hospital (DH). Position of health indicators, planning, implementation, etc. as noted during the performance audit is given below:

5.1.1 Policy and Planning

Existence of appropriate policy, adequacy of planning, etc. for health sector and their effect in the programme implementation was analysed in audit and the results are enumerated below:

➤ Absence of Comprehensive Health Policy

The Union Government announced a revised 'National Health Policy' in 2002 which *inter alia* stipulated framing of a State policy taking into consideration the specific conditions prevailing in the State. It also stipulated effective service delivery by augmenting existing health infrastructure and creating new infrastructure in deficit areas.

It was, however, noticed that the State Government had not formulated (November 2011) a comprehensive health policy for implementation of various measures towards equitable and quality health care in the State.

➤ ***Decentralised Planning***

The NRHM guidelines provided for decentralised planning and implementation to ensure that need based community owned District Health Action Plans (DHAP) become the basis for interventions in the health sector.

Audit noticed that preparation of DHAP commenced as late as 2007-08, that too without involvement of representatives of villages. Notwithstanding belated commencement of DHAP, it was also deficient as it did not mention about the activities on strengthening of PHCs, Auxiliary Nurse Midwife (ANM)/ General Nurse, Midwife training schools, ambulance services, provision for telephones, etc. The district authorities had not ensured preparation of Village Health Action Plan (VHAP) by the Village Health Sanitation Committees (VHSC), perspective plans for the entire mission period (2005-12) and the annual plans by consolidation of VHAP by the district was prepared only in 2008-09.

Thus, planning was not accorded due priority by the district to ensure need based community participation in planning.

In their reply, the Department stated (February 2012) that after 2008-09 action plan did not have the provision of VHAP and instead PHSC and PHC wise plan were prepared by involving the community.

5.1.2 Achievement against Performance Indicators

Performance indicators quantifying the targets for reducing IMR, MMR, TFR, reducing morbidity and mortality rate and increasing cure rate of different endemic diseases are generally prescribed by the State Government.

Audit noticed that the State performed well in the important health parameters of IMR, TFR and MMR and in fact recorded better position even compared to the national average. The IMR of the State was 33 against the national average of 53, Sex Ratio in the State was 889 (South district was 914) as compared to 940 for the country, Crude Birth Rate was 18.1 against the national average of 22.8 and Crude Death Rate was 5.2 against national average of 7.4. Although, the targets set for these parameters were exceeded by the State, district specific data in respect of South district for the above indicators were not available. As a result, performance of South district could not be gauged in audit.

5.1.3 Reproductive Child Health Programme

The Reproductive Child Health Programme-II (RCH-II) was launched in 2005 as the principal vehicle for reducing IMR, MMR and TFR. It also included upgradation of CHCs as first

referral units for dealing with emergency obstetric care, 24x7 delivery services at PHCs, operationalising of sub-centres, multi-skilling of doctors, contractual appointment of Medical Officers and AMOs, training of Medical Officers in different streams, partnerships with voluntary organisations, RCH camps and accreditation of non-profit organisations and Information Education Communication (IEC) activities as the major interventions in reducing MMR. The programme also envisaged involvement of ASHAs, Anganwadi Workers and Auxiliary Nursing Midwives (ANMs) at the village level with focus on both preventive and promotional aspects of healthcare, accelerated immunisation programme, advocacy on age of marriage and against sex determination, spacing of births, institutional delivery, breast feeding, meeting unmet demands for contraception, besides providing a range of RCH services to have a positive impact on the health indicators as discussed below:

➤ **Maternal Health**

Maternal health is an important component of RCH-II. Maternal health programme seeks to fine tune the earlier programmes in an instrumental manner with addition to certain service components and giving special quality touch on other service components already being provided.

➤ **Janani Suraksha Yojana**

Janani Suraksha Yojana (JSY) was one of the important components of the RCH programme to encourage pregnant women to have an institutional delivery rather than domiciliary delivery in order to reduce maternal and neo-natal mortality. South district recorded enhancement in the institutional delivery from 45 to 80 *per cent*, home deliveries showed a decline from 55 to 20 *per cent* which is quite encouraging as shown below in the table:

Table-5.1

Component	2006-07	2007-08	2008-09	2009-10	2010-11	Total
Total deliveries	2222	2033	1593	1786	2054	9688
Domiciliary deliveries	1224 (55)	975 (48)	476 (30)	587 (33)	405 (20)	3667
Institutional deliveries	998 (45)	1058 (52)	1117 (70)	1199 (67)	1649 (80)	6021

Source: Departmental figures (figures in the bracket are percentage)

Certain factors as mentioned below are acting as constraint in further increase in institutional deliveries:

- ❖ ASHA cannot accompany patients during night because there is no place to stay at hospital (96 *per cent*)
- ❖ Non-availability of vehicle at the emergency (93 *per cent*)
- ❖ Improper guidance and lack of awareness (90.6 *per cent*)
- ❖ Outdated equipment (79 *per cent*)

➤ **Focus Group Discussion**

The focus group discussion was conducted only once during 2010-11 amongst the Rogi Kalyan Samiti, Community Monitoring Committee and Mother Non-Government Organisation/Field Non-Government Organisation members at six PHCs and one at district level at Namchi. The discussion was finalised on the topic “Promotion of Institutional Delivery” by the District Planning team. The total numbers of participants were 118. During the group discussion some vital shortcomings were highlighted.

➤ **Major Maternal Health Issues**

Anaemia is the biggest concern in the maternal health issue for the South district. It was found that out of total 145 villages, 117 villages (81 *per cent*) reported anaemia. The anaemia in itself is a big concern and causes many other side effects such as low birth weight, prolonged labour, etc. The other major concern regarding the maternal health, hypertensive disorder, was found in 57 villages (39 *per cent*) which may cause prevalence of ante-partum and post-partum haemorrhage.

➤ **Ante Natal Care (ANC)**

ANC, Natal Care (NC), Pre Natal Care (PNC) plays very important role with regard to child health and health of the mother. Scrutiny revealed that the percentage of pregnant women in the Namchi District Hospital and six PHCs who had received three antenatal check-ups against the ANC registration during 2006-07 to 2010-11 ranged between 63 and 124 *per cent* as of March 2011. The lowest achievement was noticed in Ravongla PHC in which the coverage of 100 *per cent* of three ANCs was never achieved in last five years. Similarly, in the year 2007-08, none of the PHCs and District Hospital (DH) could achieve 100 *per cent* coverage of three ANCs in the South district. The DH as well as PHC-wise details is given below:

Table-5.2

Health institutions	2006-07		2007-08		2008-09		2009-10		2010-11	
	ANC registration	3 ANCs	ANC registration	3 ANCs	ANC registration	3 ANCs	ANC registration	3 ANCs	ANC registration	3 ANCs
Namchi DH	428	470(110)	475	465(98)	387	391(101)	409	332(81)	373	380(102)
Namthang PHC	321	324(101)	312	310(99)	288	232(81)	271	223(82)	287	222(77)
Jorethang PHC	464	421(91)	469	437(93)	474	396(84)	412	391(95)	394	394(100)
Temi PHC	292	295(101)	307	295(96)	391	256(65)	251	310(124)	291	291(100)
Yangang PHC	341	344(101)	392	332(85)	368	419(114)	363	379(104)	356	285(80)
Melli PHC	250	235(94)	256	250(98)	252	180(71)	199	199(100)	207	174(84)
Ravongla PHC	431	421(98)	403	396(98)	424	336(79)	391	384(98)	399	252(63)

Source: Departmental figures (Figures in the brackets show the percentage)

It was further noticed that only 34 *per cent* of the pregnant women had received 100 or more IFA tabs from any of the health workers and only 13 *per cent* of the children were breastfed for

at least 6 months. These were some of the issues needing close examination and remedial steps.

The complete courses of the vaccine doses were not given to the pregnant women after the ANC registration (like TT1, TT2, Booster, etc.) except for the year 2010-11. It was found that the complete courses, which were not given to the pregnant women during the period 2006-07 to 2009-10, ranged between 37 and 74 *per cent*. The figures are given in the table below:

Table-5.3

	2006-07	2007-08	2008-09	2009-10	2010-11
Total number of ANC cases registered	2599	2614	2473	2308	2112
Completed the course	1204(46%)	966 (37%)	1358 (55%)	1714 (74%)	2248 (100%)

Source: Departmental figures

While accepting the fact, the Department stated (February 2012) that to improve the ANC services more supervision and monitoring would be done in future.

5.1.4 New Born and Child Health

To achieve the NRHM goal of reducing the IMR and TFR, the State Government prescribed various health indicators to be achieved by 2008. As per the details provided by the State Government, all the prescribed targets were achieved/ exceeded.

➤ **Immunisation Programme**

Immunisation plays an important role in safeguarding the children against the dreaded diseases, infection, deformities, etc. The overall achievement in the district with regard to immunisation of children covering BCG, DPT/ OPV, Polio, Measles, doses of Vitamin A, full immunisation, etc. during 2006-07 to 2010-11 was satisfactory which ranged between 71 and 97 *per cent* against the national figure of 21 to 78 *per cent* which is detailed below:

Table-5.4

Achievement in <i>per cent</i> (As per DLHS-3)						
Year	Polio 50	BCG	DPT	Measles	Vitamin A supplementation	Fully immunised
India	78.2	78.2	55.3	58.8	21.0	43.5
Sikkim	86.6	98.5	88.7	92.5	86.8	77.8
South district	81.4	97.4	83.3	92.8	85.1	70.8

Source: District Health Action Plan

The figure for routine immunisation was quite impressive when compared to the national figure but still lagging behind the State figure. The district needs to improve doses in respect of Polio, DPT, Vitamin A supplementation and coverage of full immunisation in the new born child to protect it from diseases like diarrhoea, pneumonia, anaemia, polio, malnutrition, etc.

5.1.5 National Programme for Control of Blindness (NPCB)

The NPCB was launched in the year 1976 as a 100 *per cent* Centrally Sponsored Scheme (CSS) with a goal to reduce the prevalence of blindness by 0.5 *per cent* by 2010 through increased cataract surgery, eye screening of school children, collection of donated eyes, creation of donation centres, eye bank, strengthening of infrastructure, etc. The blindness control programme is focusing its efforts on using school health programme for detection of refractive errors and distribution of spectacles.

Test check of records revealed that during 2006-07 to 2010-11 no targets for cataract surgeries and screening of school children were prescribed. In the district 6 cataract camps were held in which 501 cataract surgeries were done. There were 42 screening camps held in the district during 2006-07 to 2010-11 where 17236 school children were screened. It was found that there was no eye surgeon except one Ophthalmic Assistant in the whole district. There was only a State based NPCB Programme Officer from Gangtok, who from time to time visited the district and treated the cataract cases or conducted operations. Further, there was no facility for eye bank for eye donation in the district hospital.

5.1.6 National Leprosy Eradication Programme (NLEP)

The NLEP aimed at eliminating leprosy by the end of Eleventh Plan and ensure that the leprosy prevalence rate is less than one per ten thousand. During 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11 the incidence of 16, 10, 11, 12 and 5 new cases were detected and 7, 3, 6, 5 and 3 cases were under continued treatment respectively.

5.1.7 National AIDS Control Programme (NACP)

The Programme was launched by the GOI in September 1992 with the assistance of World Bank and had been extended upto the year 2012. The main objectives of the programme were to:

- Reduce the spread of HIV infection in the country; and
- Strengthen the capacity to respond to HIV / AIDS on a long term basis.

To achieve the above objectives, funds were to be utilised on different components / activities of the programme like priority intervention for the general community, low cost AIDS care / STI / HIV / AIDS sentinel surveillance, training, etc.

As designated under National AIDS Control Organisation (NACO), Sikkim comes under low HIV Prevalence State and the cases reported till March 2009 was 139. The State AIDS Control Society, Sikkim, was established in 1991 which acts as a hub for planning and implementation of the activities of the entire State. The first HIV positive case in Sikkim was reported in 1995. The Integrated Counselling and Testing Centre (ICTC) was established in Namchi Hospital in 2003 with one Counsellor and Lab Technicians. The main objective of ICTC was to access accurate and confidential testing of HIV. The following services were provided under ICTC.

- Early detection of HIV,
- Provision of basic information on modes of transmission and prevention of HIV/ AIDS through promoting behavioural change and reducing vulnerability,
- Linking people with other HIV prevention, care and treatment services.

Further details were as under:

Table-5.5

	2006-07	2007-08	2008-09	2009-10	2010-11
Number of sample counselled and tested	184	290	899	2213	2563
Number of sample found Positive	0	0	03	02	05
Number of ANC counselled & treated	429	808	694	1395	1424
Number of spouse counselled & treated	0	0	25	575	346
Number of ANC found positive	0	0	0	01	0
Number of persons tested for VDRL	613	1098	1618	4184	304
Number of persons found reactive	18	21	20	51	04

Source: Departmental figures

5.1.8 Infrastructure

Appropriate and up-to-date infrastructure is an important component for providing quality health care. Accordingly, GOI and the State Government attached a lot of importance for development of infrastructure in the State. Position as analysed in audit is mentioned below:

➤ *Inadequacy of CHCs, PHCs and PHSCs*

As per GOI guidelines, for every 80000 population, there should be a Community Health Centre (CHC), for population over 20000 there should be one Primary Health Centre (PHC) and for population over 3000, one Primary Health Sub-Centre (PHSC). In terms of these norms, the requirement of CHCs, PHCs and PHSCs worked out to two, seven and 49 respectively. The district had one DH/ CHC, six PHCs and 39 PHSCs as of October 2011 thereby recording a shortage of one CHC, one PHC and ten PHSCs as mentioned in the table below:

Table-5.6

Population of the South district as per 2001 census	Institutions	Particulars	Shortage (-) / Excess (+)
131525	CHCs	Required	2
		Existed	1
		Shortage (-)	(-) 1
	PHCs	Required	7
		Existed	6
		Shortage (-)	(-) 1
	PHSCs	Required	49
		Existed	39
		Shortage (-)	(-) 10

Thus, physical infrastructure in terms of CHC, PHCs and PHSCs was not adequate in the

district as per the Indian Public Health Standard (IPHS) norms.

➤ **Basic Amenities**

The basic amenities were required for overall achievement of any successful project. As per information supplied by the Department, all the healthcare centres in the district were provided with basic amenities required under IPHS norms.

However, physical Verification of one CHC, three PHCs and ten PHSCs selected for test check revealed that the CHC/DH was having all the basic amenities as required. Out of three test checked PHCs, one PHC was not having any Waiting room for patients; two PHCs were not having any Emergency/Casualty Room and one PHC was not having separate utility/toilet for male and female. Similarly, in case of 10 PHSCs, it was found that nine PHSCs were having no Emergency/Casualty Rooms; in five PHSCs there were no waiting room for patients and residential facilities for staff; in three PHSCs there were no separate utility/toilet for male and female and one PHSC did not have Labour and clinic room facilities as given below:

Table-5.7

Sl. No.	Particulars	Centres where service was not available		
		CHCs	PHCs	PHSCs
1	Total number of health centres visited	1	3	10
2	Waiting room for patients	0	1	5
3	Operation theatre	0	0	Not Required
4	Labour Room	0	0	1
5	Clinic Room	0	0	1
6	Emergency/Casualty Room	0	2	9
7	Separate utility/ toilet for male and female	0	1	3
8	Residential facilities for staff	0	0	5

Source: Physical verification report signed by the in-charge of the centres

In the absence of above amenities at health centres, the basic healthcare provided to the rural population was curtailed to that extent.

5.1.9 Basic Healthcare Services

The details of services provided at various healthcare centres in the district as per information provided by the District Health Authorities is given in the following table:

Table-5.8

Particulars	Number of centres where service was available		
	DH / CHC	PHCs	PHSCs
Blood storage	1	0	Not Required
New born care	1	6	39
24 x 7 deliveries	1	6	25
In-patient services	1	6	Not Required
X-rays	1	2	Not Required
Ultrasound	1	0	Not Required
ECG	1	0	Not Required
Obstetric care	1	6	Not Required
Emergency services (24 hours)	1	6	Not Required
Family Planning (Tubectomy and Vasectomy)	1	0	Not Required
Intra-natal examination of gynaecological conditions	1	6	Not Required
Paediatrics	1	0	Not Required

Source: Figures supplied by the Department.

As could be seen from the table, DH/CHC was providing all healthcare services as required. Out of six PHCs in the district, none were having Blood Storage facilities, Ultrasound, ECG, Family Planning, Paediatrics services and only two PHCs had X-ray facilities. Out of 39 PHSCs in the district, while all PHSCs had new born care services; only 25 PHSCs were having 24x7 deliveries services.

However, physical verification of one CHC, three PHCs and 10 PHSCs selected for test check reconfirms the information provided by the district health authorities that the healthcare services provided at PHCs and PHSCs were deficient as could be seen from details provided in the following table:

Table-5.9

Particulars	No. of Centres where service was not available		
	DH / CHC	PHC	PHSC
Total number of health centres verified	1	3	10
Blood storage	0	0	Not Required
New born care	0	1	7
24 x 7 deliveries	0	1	9
In-patient services	0	2	Not Required
X-rays	0	2	Not Required
Ultrasound	0	3	Not Required
ECG	0	3	Not Required
Obstetric care	0	0	Not Required
Emergency services (24 hours)	0	0	Not Required
Family Planning (Tubectomy and Vasectomy)	0	3	Not Required
Intra-natal examination of gynaecological conditions	0	2	Not Required
Paediatrics	0	2	Not Required

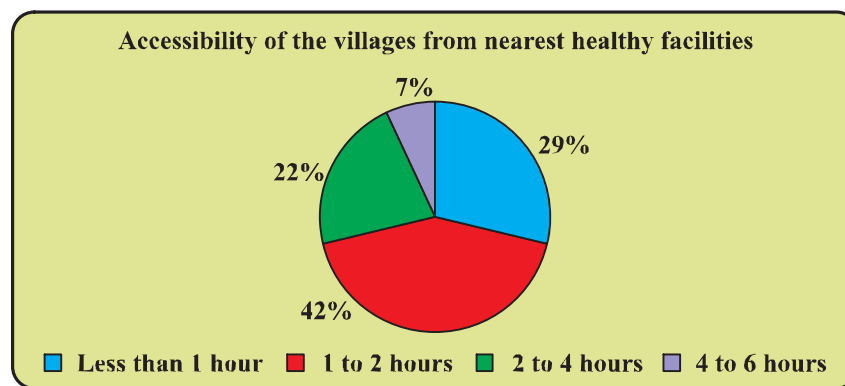
In the absence of above basic health care services at health centres, such health care services could not be provided to the rural population.

While accepting the contention of audit, the Department stated (February 2012) that out of 39 PHSCs, only 25 PHSCs were having trained ANM on Skilled Birth Attendance (SBA) performing 24x7 delivery services at present and the rest ANMs will be trained in mission period. Similarly, it was stated that the facilities such as Ultrasound, ECG, Paediatrics were not available in PHCs level due to shortage of skilled manpower and necessary equipment.

5.1.10 Accessibility of the Villages from Nearest Health Facilities

South district had 18 PHSCs located in difficult, hard to reach and inaccessible areas. Two PHCs were identified difficult due to geographical terrain. The details of accessibility of the villages from the nearest health facility are given in the chart below:

Chart-5.1



Out of 145 villages in the South district, inhabitants of 61 villages (42 *per cent*) had to travel a minimum distance of 1 to 2 hours to reach the nearest health facility. The people from 32 villages (22 *per cent*) were more vulnerable as those villages are located in such a distance which takes a minimum of 2 to 4 hours to reach the nearest health facility. 10 villages (7 *per cent*) were really inaccessible. Only the inhabitants of 42 villages (29 *per cent*) were located near the health centres which can be covered in less than one hour. During emergency those couple of hours may turn out to be fatal.

5.1.11 Poor Outturn of Patients

The PHCs and CHCs were established to provide health care facilities to both indoor and outdoor patients. The position of indoor patients in six PHCs (having 10 beds each) and one CHC (having 100 beds) of the district during 2006-07 to 2010-11 is given below:

Table-5.10

Name of hospital	Bed occupancy rate in percentage				
	2006-07	2007-08	2008-09	2009-10	2010-11
CHC, Namchi	81	91	93	91	94
PHC, Namthang	16	15	13	16	15
PHC, Jorethang	89	93	91	95	98
PHC, Temi	17	12	12	30	33
PHC, Yangang	18	21	22	35	49
PHC, Melli	28	33	31	22	19
PHC, Ravangla	16	13	21	28	19

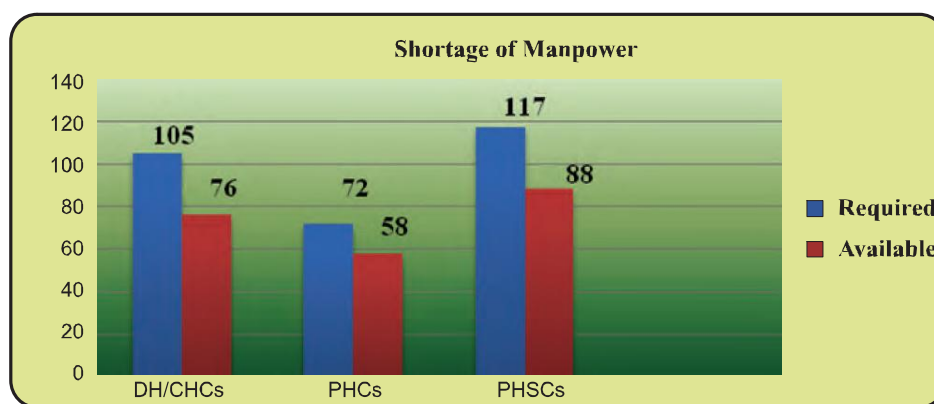
Source: Departmental figures

From the above table it could be seen that except CHC, Namchi and PHC, Jorethang, bed occupancy rates in other five PHCs were very meagre, which was ranging between 12 and 49 *per cent* only. Though the department did not furnish reasons for the same, audit analysis revealed that it was mainly due to poor accessibility of the PHCs and lack of sufficient facilities. This had also resulted in referring of 2816 patients from PHCs to DH and 2945 patients from DH to State Hospital and Central Referral Hospital at Gangtok.

5.1.12 Manpower Resources

Manpower plays a vital role in providing health care services to people. NRHM aimed at providing adequate skilled manpower at all the health centres as per the norms of IPHS. The position of required manpower and manpower available are given in the chart below:

Chart-5.2



As can be seen from the above chart, the shortfall in manpower was 28 *per cent* in respect of the DH/CHC, 19 *per cent* and 25 *per cent* in respect of the PHCs and PHSCs respectively.

Physical Verification of one CHC, three PHCs and 10 PHSCs selected for test check revealed that all centres were not staffed adequately as per the IPHS norms. Further, there was acute shortage of specialists in all the categories as on date in the District Hospital, Namchi which is enumerated below:

Table-5.11

Personnel	IPHS Norm	Men-in-position	Shortages
Chief Medical Officer	1	1	0
Hospital Superintendent	1	1	0
Medical Specialist	2	1	1
Surgery Specialist	2	1	1
O&G Specialist	2	2	0
Dermatologist/Venereologist	1	0	1
Paediatrician	2	1	1
Anaesthetist	2	1	1
Blood Bank Office	1	1	0
Ophthalmologist	1	1	0
Orthopedician	1	1	0
Radiologist	2	1	1
Casualty Doctors/ General Duty	9	7	2
Forensic Specialist	1	1	0
ENT Surgeon	1	1	0
Total	29	21	8

Source: Data supplied by the Department

5.1.13 Other Irregularities

➤ Dilapidated Condition of Store

While physically verifying the District Hospital, Namchi, it was seen that the central store of the district was in a dilapidated condition and medicines and other items were kept in a haphazard manner in a damp room as could be seen from the photographs below:

Image – 5.1



Image – 5.2



Dilapidated condition of store at district hospital, Namchi – Photo taken May 2010

Image – 5.3



Image – 5.4



Condition of store at district hospital Namchi had not improved – Photo taken September 2011

In reply, the Department stated (February 2012) that the stores had been temporarily shifted from damaged rooms to new eye building and arranged in proper manner.

5.1.14 Conclusion

In the absence of proper planning involving identification of gaps in the healthcare infrastructure and lack of stipulated facilities and skilled manpower in the health institutions, the aim of providing accessible and affordable healthcare to people remained to be achieved in the district. This resulted in referral of 2816 cases from PHCs to DH and 2945 cases from DH to STNM Hospital, Gangtok and Central Referral Hospital, Gangtok.

5.1.15 Recommendations

- *The District Health Society should play a more proactive role in commissioning a survey to identify the gaps in health care infrastructure and facilities and draw up a specific timeframe as per the NRHM guidelines, to provide accessible and affordable health care to the rural poor and vulnerable sections of the district.*
- *Community involvement should be ensured at every stage in planning, implementation and monitoring of the programme.*
- *All the health centres should be equipped with adequate and skilled manpower to achieve the objectives of the programme.*

5.2 Human Resources Development (HRD)

Education is one of the most important indicators of social progress of a nation. Both the State and the Central Governments have been spending enormous amounts on increasing the enrolment and retention of children in schools, especially in the primary and elementary segments. Focus is also on an inclusive progress, with special attention to girls, SC / ST communities, other vulnerable sections of the society and remote and backward areas. The

Sarva Shiksha Abhiyan (SSA) is one of the flagship programmes of the Government for universalisation of primary education.

5.2.1 Elementary Education

The SSA is a flagship programme of GOI, launched in January 2001, to achieve Universal Elementary Education (UEE) in the country in a mission mode by providing useful and relevant elementary education to all children in the age group 6 to 14 years by 2010. The main objectives of the programme were as follows:

- To have all children in school, education guarantee centre, alternative schools and ‘back to school’ camps by 2003 (revised to 2005 in March 2005);
- To ensure that all children complete five years of primary schooling by 2007;
- To ensure all children complete eight years of elementary schooling by 2010;
- Focus on elementary education of satisfactory quality with emphasis on education for life;
- Bridge all gender and social category gaps at primary stage by 2007 and at elementary education stage by 2010;
- Universal retention by 2010.

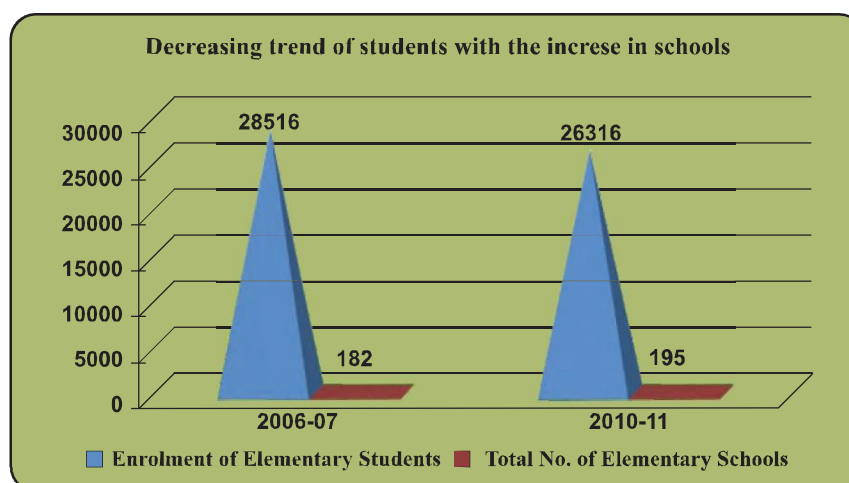
➤ Planning

National Policy on Education stipulated (1986) framing of Education Policy by each of the States in line with National Policy on Education duly reflecting the specific needs and requirement of the State. The State Government, however, had not framed and documented the State Policy on Education as of March 2011. Thus, the benefit of policy direction for effective and proper execution of programme could not be availed of by the State.

➤ Enrolment in Elementary Education

A review of the status of education in the district, especially in the context of implementation of SSA, revealed that the number of primary and upper primary schools (up to standard VIII) increased but enrolment of children in the targeted age group of 6-14 years in these schools decreased during 2006-11, as can be seen from the chart below:

Chart-5.3



The above Chart showed an increase in the number of elementary schools from 182 in 2006-07 to 195 in 2010-11 (seven *per cent*) in the district and decrease in the number of children enrolled (eight *per cent*) in these schools during the same period. This fact was corroborated by a visit to 29 primary and upper primary schools wherein it was seen that enrolment in 22 schools had decreased while in six schools enrolment had increased (one school just started from 2010-11).

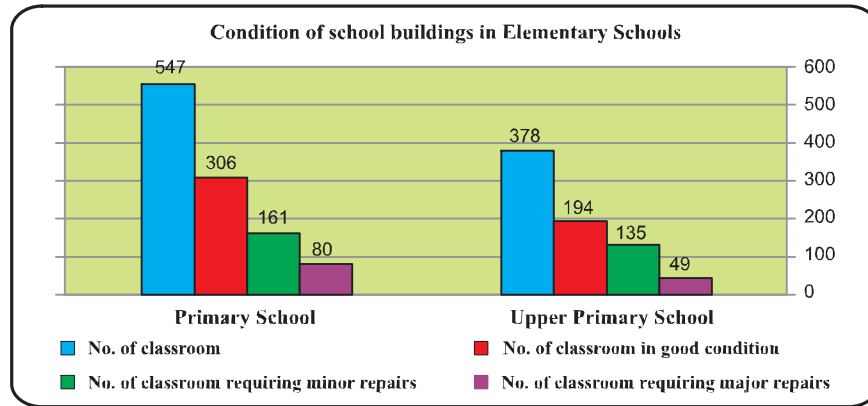
The Department stated (February 2012) that new primary and upper primary schools were opened as per the criteria given by the GOI but State policy of opening private school had not been regularised resulting in the mushrooming of primary schools all over the State which catered to the children of the age group of 6 – 14 years. Further, due to Right to Education Act, they had upgraded and opened new schools to access the children of particular group. The fact, however, remained that the Government could not make any policy to regularise opening of private schools.

➤ **Infrastructure**

The status of infrastructure in the Government schools in the district as of March 2011 is given below:

Out of the total number of classrooms of 547 in Primary Schools (PS) and 378 in Junior High Schools (JHS) in the district as of March 2011, 80 classrooms in PS and 49 classrooms of JHS required major repairs as depicted below:

Chart-5.4



This fact was corroborated during physical verification of 29 schools where out of 168 classrooms, 41 classrooms required major repairs and 41 classrooms required minor repairs. Few photographs depicting the condition of classrooms are given below:

Image – 5.5



Image – 5.6



Dilapidated conditions of classrooms of JHS, Namphing GPU

Image – 5.7



Image – 5.8



Dilapidated condition of school buildings of JHS, Niya Mangzing GPU and PS, Simkharka, Ben-Nampruk GPU

Image – 5.9



Image – 5.10



Dilapidated condition of school buildings of Karongthang JHS under Sripatam-Gagyong GPU

Image – 5.11



Image – 5.12



Dilapidated condition of school buildings of Karongthang JHS under Sripatam-Gagyong GPU

Image – 5.13



Image – 5.14



A good classroom of Lower Chalamthang PS under Namphing GPU

A good school building of Mangzing JHS under Niya Mangzing GPU

Further, physical verification revealed that 16 schools were not having sufficient classrooms as could be seen from few photographs below:

Image – 5.15

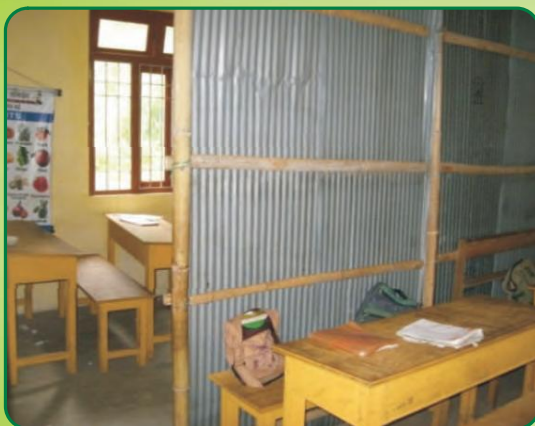


Image – 5.16



Classes being run by making partition in classrooms at LPS, Rekahe under Namphing GPU

Image – 5.17



Image – 5.18



Classes being run by making partition in classrooms at JHS, Namphing GPU and PS, Nizrameng GPU

The Department stated (February 2012) that only 33 *per cent* of the total allocation was to be utilised for civil works and hence, all schools could not be considered at a stretch. However, major repairs for 10 schools were sanctioned during 2010-11.

➤ ***Basic Amenities in Elementary Education***

A majority of the elementary schools did not have the basic minimum amenities such as drinking water, separate toilets for girls and boys, electricity, playgrounds, kitchen for midday meal, etc. Details of elementary schools where basic minimum amenities were not available are given below:

Table-5.12

(In numbers)

Category	Total Schools in district	Toilets	Separate Toilets for Girls	Drinking water	Electricity	Play ground	Kitchen for midday meal	Boundary wall
Lower Primary	52	1	45	7	49	25	4	52
Primary	94	4	30	8	24	19	41	86
Junior High School	49	0	0	3	7	5	0	30
Total	195	5	75	18	80	49	45	168

Source: Departmental figures

This fact was corroborated during physical verification of 29 such schools in which it was seen that 11 schools were not having playgrounds, 11 schools were not having separate toilets for boys and girls, 12 schools were not having drinking water and 18 schools were not having electricity.

➤ **Opening of New Upper Primary Schools (UPS)**

SSA guidelines laid down one upper primary school (UPS) for every two primary schools (PS). As on date of audit, the ratio between available UPS 91 (49 UPS + 42 in SS and SSS) and PS (237) was 1:2.60, indicating a shortage of 28 UPSs in the district as can be seen from the table below:

Table -5.13

Primary school	Required UPS as per norms	UPS available	Shortage of UPS	Ratio
237	119	91	28	1:2.60

Source: Departmental figures

Mismatch between the desired ratio (1:2 between UPS and PS) and actual ratio was indicative of improper planning which was bound to have adverse impact on effective programme implementation.

The Department stated (February 2012) that emphasis was given to open schools in all inaccessible hamlets without considering the above criteria.

➤ **Shortfall in Teachers' Training Under SSA**

To upgrade the skills of teachers, the SSA provided for 20 days in-service course for all teachers each year, 60 days refresher course for untrained teachers and 30 days orientation for fresh recruits. The State had one institute each of District Institute of Education and Training (DIET) and State Council of Education, Research and Training (SCERT) located at State Capital. According to the annual plan of SSA, the responsibility of teachers' training was assigned to DIET and SCERT and accordingly ₹ 74.08 lakh was provided in the budget during 2006-07 to 2010-11 for imparting training to 3748 teachers in various categories.

Test check of records revealed that against the target of 3748 teachers only 616 teachers were imparted training in various categories leaving 3132 teachers untrained. Shortfall of training in various categories ranged between 36 and 100 *per cent* in achieving the physical target. The overall shortfall during the last five years was as high as 84 *per cent*. It was seen that during the period none of the training was conducted in the category of 30 days resulting in 100 *per cent* shortfall. There was a shortfall of 82 *per cent* in 20 days training and shortfall of 87 *per cent* in the 60 days category. The Department failed to utilise the funds provided for the training and could utilise only ₹ 11.21 lakh out of ₹ 74.08 lakh during the period 2006-07 to 2010-11. Details are shown below:

Table -5.14

Training Category		2006-07	2007-08	2008-09	2009-10	2010-11	Total
20 DAYS	Phy Target	536	650	800	800	No training was imparted during the year.	2786
	Achievement	Nil	Nil	515	Nil		515
	Shortfall	(100%)	(100%)	(36%)	(100%)		(82%)
30 DAYS	Phy Target	75	64	19	27		185
	Achievement	Nil	Nil	Nil	Nil		Nil
	Shortfall	(100%)	(100%)	(100%)	(100%)		(100%)
60 DAYS	Phy Target	380	46	175	176		777
	Achievement	Nil	Nil	101	Nil		101
	Shortfall	(100%)	(100%)	(42%)	(100%)		(87%)
TOTAL	Phy Target	991	760	994	1003		3748
	Achievement	Nil	Nil	616	Nil		616
	Shortfall	(100%)	(100%)	(38%)	(100%)		(84%)
Budget provision	₹ in lakh	25.04	14.60	17.07	17.37		74.08
Expenditure		Nil	Nil	11.21	Nil		11.21
Savings (-)		25.04	14.60	5.86	17.37		62.87
Non-utilisation		(100 %)	(100 %)	(34%)	(100 %)		(85%)

Source: Departmental figures

Thus, failure to achieve the target as fixed for imparting training in various categories indicated that the objective of training the teachers, with the ultimate goal of improvement in quality of education, remained largely hampered.

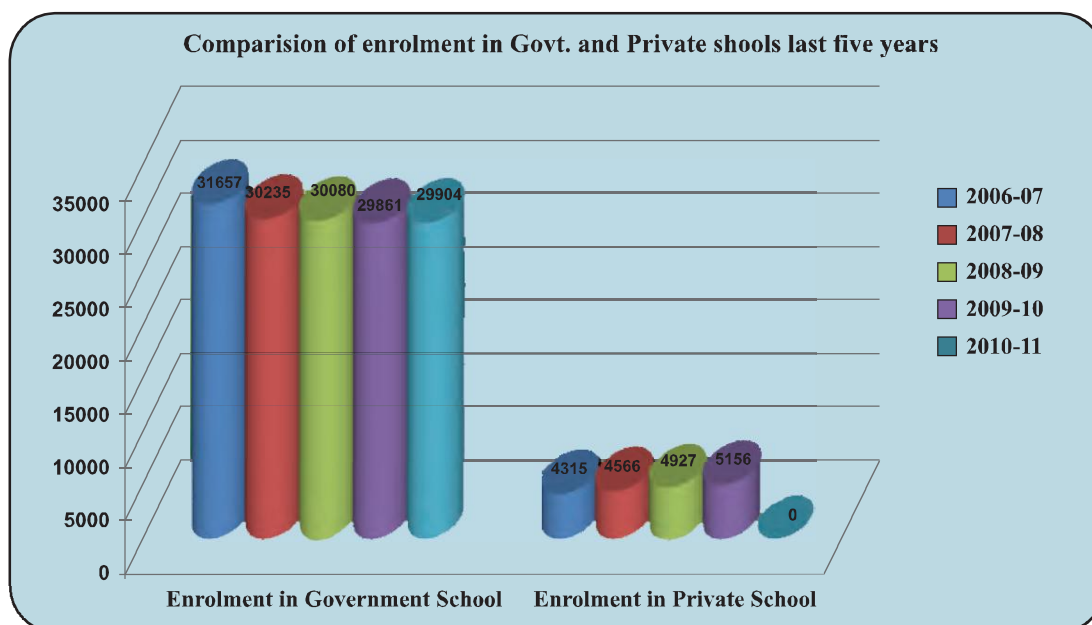
The Department stated (February 2012) that the planning was done as per requirement but facilities required for imparting training was not available at the district. However, the District Project Office had tried its level best. The shortage of well qualified resource teachers in the district had also affected this programme.

5.2.2 Higher Education

Higher education is being imparted in the district through a network of 32 Secondary Schools (SS), 10 Senior Secondary Schools (SSS), 4 Graduate Degree Colleges and one Sanskrit Mahavidhyalaya. The Deputy Director, Higher Education is the Controlling Officer at the district level for implementation of the schemes for educational development. Enrolment in classes IX to XII has however, shown increase of 51 *per cent* in the district from 3141 in 2006-07 academic session to 4729 in 2010-11 academic session, against the decrease of

enrolment in elementary segment. The overall enrolment in the Private schools has shown an increasing trend of 19 *per cent* against the decreasing trend of six *per cent* enrolment in the Government schools during the last five years (2006-07 to 2010-11) as shown in the chart below:

Chart-5.5



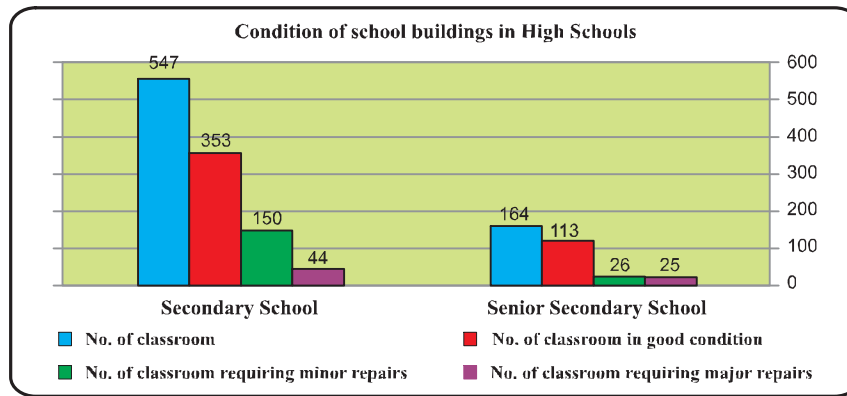
This fact was corroborated while conducting physical verification of eight secondary and senior secondary schools wherein it was seen that the enrolment had increased in three schools and decreased in five schools during the period under Audit.

The Department stated (February 2012) that there was no act to regularise public school in the State till 2009. The Department had not formulated proper guidelines for opening of private schools during this period; the unlimited number of private schools started up in the district and had catered a huge enrolment.

➤ **Infrastructure**

Out of the total number of 547 classrooms in SS and 164 classrooms in SSS in the district as of March 2011, only 353 classrooms in Secondary and 113 classrooms in SSS were in good condition and 194 (150 minor and 44 major repairs) required repairs in SS and 51 number of classrooms (26 minor and 25 major repairs) required repairs in SSS as depicted below:

Chart-5.6



This fact was corroborated while conducting physical verification of eight schools in which out of 165 classrooms, 33 classrooms required major repairs and 32 classrooms required minor repairs. Few photographs depicting the condition of classrooms are given below:

Image – 5.19



Image – 5.20



Dilapidated condition of school building of Senior Secondary School, Jorethang

Image – 5.21

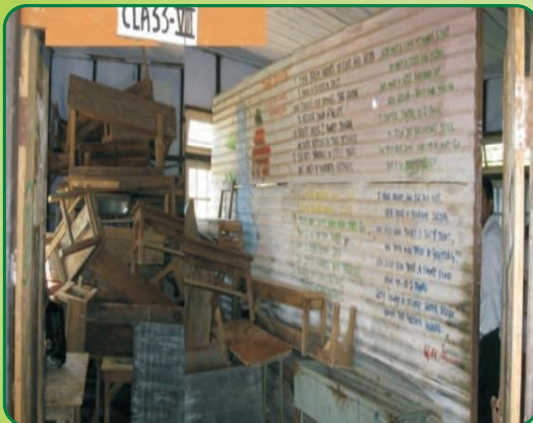


Image – 5.22



Dilapidated condition of classroom of Secondary School, Salghari under Salghari GPU

Dilapidated condition of classrooms of Lingmoo SSS under Lingmoo GPU

Image – 5.23

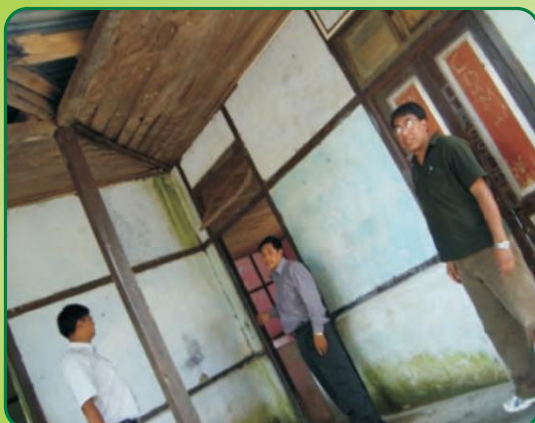


Image – 5.24



Dilapidated condition of classrooms of Secondary School, Nandugaon under Poklok Denchung GPU

Image – 5.25



A good school building of SSS, Jorethang

Image – 5.26



A good classroom of SS, Salghari

Further physical verification revealed that out of eight, five schools were not having sufficient classrooms as could be seen from few photographs below:

Image – 5.27



Image – 5.28



Classes were being run by making partition in the classrooms in SS, Salghari under Salghari GPU

Image – 5.29

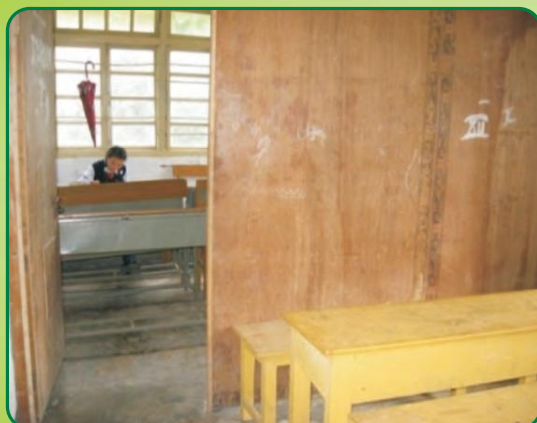


Image – 5.30



Classes were being run by making partition in the classrooms in SSS, Yangang

Image – 5.31

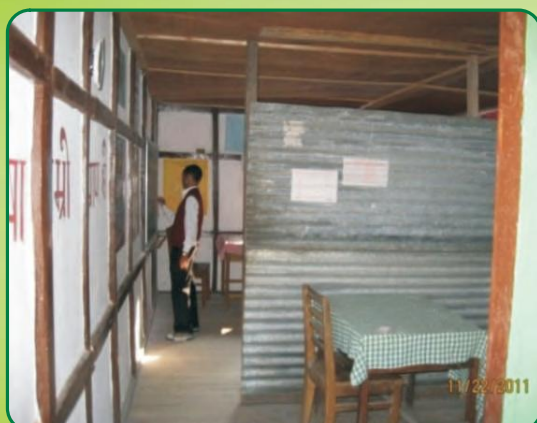
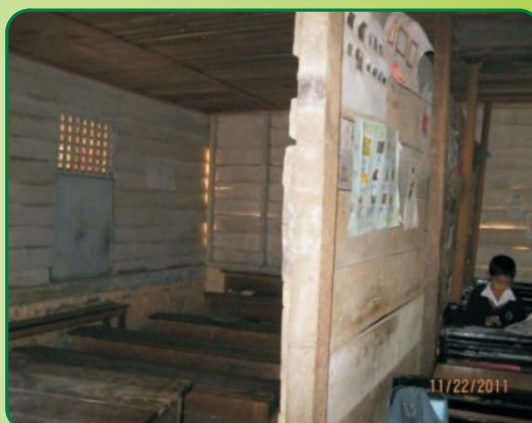


Image – 5.32



Classes were being run by making partition in the classrooms in Lingee Sec School under Lingee GPU

➤ Basic Amenities

A majority of the schools did not have the basic minimum amenities such as drinking water, separate toilets for girls and boys, electricity, playgrounds, boundary walls, etc. as detailed below:

Table-5.15

(In numbers)

Category	Total Schools in district	Basic amenities not available						
		Toilets	Separate Toilets for Girls	Drinking water	Electricity	Play-ground	Boundary wall	Science Labs
Secondary	32	10	9	2	15	1	10	4
Senior Secondary	10	4	3	0	1	2	2	0
Total	42	14	12	2	16	3	12	4

Source: Figures provided by PME Cell of the Department

This fact was corroborated while conducting physical verification of four secondary and four senior secondary schools wherein it was seen that two schools were not having playgrounds, three schools were not having separate toilets for boys and girls, three schools were not having drinking water and three schools were not having electricity.

The Department stated (February 2012) that after a 42 days village tour programme of the Chief Minister during 2011-12, construction works in the schools without proper infrastructure had been sanctioned and the same would materialise in due course of time.

5.2.3 Quality of Education

Quality education can be imparted only when there is an adequate availability of teachers in schools / colleges and the quality of teaching is reflected in the level of improvement evident from the board results of class X and XII.

➤ Training

Quality education depends on quality of teachers as they are the backbone of the education system. To bring quality transformation in education there should be continuous improvement in teaching. The year-wise position of trained and untrained teachers in the South district was as under:

Table-5.16

Year	Position of teachers in PS			Position of teachers in JHS			Position of teachers in SS			Position of teachers in SSS		
	Total	Trained	Untrained	Total	Trained	Untrained	Total	Trained	Untrained	Total	Trained	Untrained
2006-07	1435	962	473 (33)	335	130	205 (61)	292	102	190 (65)	116	50	66 (57)
2007-08	1109	1016	93 (8)	314	146	168 (54)	NA	NA	NA	NA	NA	NA
2008-09	1281	983	298 (23)	339	154	185 (55)	281	162	119 (42)	98	60	38 (39)
2009-10	579	415	164 (28)	463	375	88 (19)	416	389	27 (6)	298	267	31 (10)
2010-11	594	415	179 (30)	519	375	144 (28)	480	389	91 (19)	323	267	56 (17)

Source: Departmental figures (figures in bracket show the percentage)

Scrutiny of records revealed that the Department had not fixed any year-wise targets for training of the teachers. The overall percentages of untrained teachers ranged between six and 65 as of 2010-11 academic session. It could be seen from the table above that the percentage of untrained teachers was highest in teachers from the Secondary Schools (six to 65 per cent), followed by teachers from Junior High Schools (19 to 61 per cent), teachers from Senior Secondary Schools (10 to 57 per cent) and teachers from the Primary Schools (eight to 33 per cent) during the period 2006-11. Since the training of the teachers of different categories is an important tool which is responsible for quality education to the students in the present environment, lack of training to the teachers will ultimately affect in delivery of quality education to the students.

➤ Uneven Deployment of Teachers in the Schools

As per the norms prescribed by the State Government in May 2004, the deployment of teachers will be three General Primary teachers and one Headmaster in LPS; five General Primary Teachers and one Headmaster for PS; six General Primary Teachers (GPTs), four

Graduate Teachers (GT) and one Headmaster for JHS and six GPTs, eight GTs and one Headmaster for SS. Audit scrutiny of the deployment of teachers from the records showed that as of 2010-11 session there were uneven deployment of teachers in each of the categories as shown in the table below:

Table-5.17

Category of school	Excess deployment of teachers				Less deployment of teachers			
	Number of school	Teacher required	Teachers available	Excess	Number of school	Teacher required	Teachers available	Shortage
LPS	6	24	31	7	38	152	93	59
PS	9	54	66	12	42	252	184	68
JHS	8	88	105	17	20	220	182	38
SS	7	105	115	10	12	180	145	35
Total	30	271	317	46	112	804	604	200

Source: Departmental figures

From the above table it could be seen that deployment of teachers was not uniform in the district. Out of total 237 schools there were 46 teachers, who were deployed in excess of the requirement in 30 schools whereas in 112 schools there were shortages of 200 teachers against the prescribed staffing norms of the State. The Department may take effective initiatives to deploy the teachers as per the required norms, as the shortage of teachers in these 200 schools will compromise delivery of quality education to the students.

➤ **Inspections of Schools**

For quality education, periodical visits to the schools by higher authorities must be made. However, it was seen that most of the schools were never visited by any authority even once as could be seen from the details below:

Table-5.18

Year	Primary schools (no. of schools-94)		JHS (no. of schools-49)		SS (no. of schools-32)		SSS (no. of schools-10)		Total (no. of schools-185)	
	Schools inspected	% of inspection	Schools inspected	% of inspection	Schools inspected	% of inspection	Schools inspected	% of inspection	Schools inspected	% of inspection
2006-07	69	73	26	53	20	63	7	70	122	66
2007-08	71	76	20	41	22	69	6	60	119	64
2008-09	72	77	21	43	23	72	6	60	122	66
2009-10	76	81	28	57	23	72	10	100	137	74
2010-11	94	100	49	100	29	91	10	100	171	92

Source: Departmental figures

From the above it is seen that regular inspections were not conducted by any authority during 2006-11, while upto 59 *per cent* schools were never visited by any authority. Further, inspections were very less in respect of JHSs where inspections were done 41 to 57 *per cent* only during 2006-10.

Physical verification of 37 schools revealed that 23 schools were not inspected every year and three schools were never inspected by any authority during the period under Audit.

The Department stated (February 2012) that all schools could not be inspected because of the

shortage of touring officers in the district as well as in the Block Administrative Centres. There was also a shortage of vehicle for touring officers and insufficient funds under TA/DA. Reply is not acceptable as most of the officers in the district were provided vehicle and there was sufficient funds under TA/DA head.

➤ ***Inadequacy of Science Kits, Chemicals and Reagents in the Schools***

Supply of science kits, chemicals and reagents for the science laboratories in secondary and senior secondary schools is one of the important components for imparting quality education for science students. However, while physically visiting eight secondary and senior secondary schools, it was found that none of the schools had received any science kit, chemical and reagent during the period under Audit. In most of the schools science laboratories were lying inoperative and being used as store as could be seen from few photographs below:

Image – 5.33



Image – 5.34



Science laboratory of Senior Secondary School, Jorethang hardly being used as laboratory

Image – 5.35



Image – 5.36



Science laboratory of Secondary School, Ben being used as a MDM store

Image – 5.37



Image – 5.38



Science laboratory of Secondary School, Salghari being used as a store

The absence of providing practical knowledge in science subjects had impacted on class XII board results of science stream students where pass percentage was the lowest i.e. 59 to 70 *per cent* as compared to other three streams as could be seen from the table below:

Table-5.19

Year	Pass percentage in class XII board examination			
	Humanities	Commerce	Vocational education	Science
2006	79.23	67.08	80.61	61.69
2007	80.04	66.67	84.01	58.96
2008	81.02	60.72	88.52	59.11
2009	80.14	71.66	85.65	60.99
2010	93.60	74.25	87.00	69.60
Average	79 to 94	61 to 74	81 to 89	59 to 70

Source: Departmental figures

The Department stated (February 2012) that this was being dealt with by the planning section of head office at Gangtok and the district office had only submitted the list of required items as a whole. However, proper instruction had been given to all such schools.

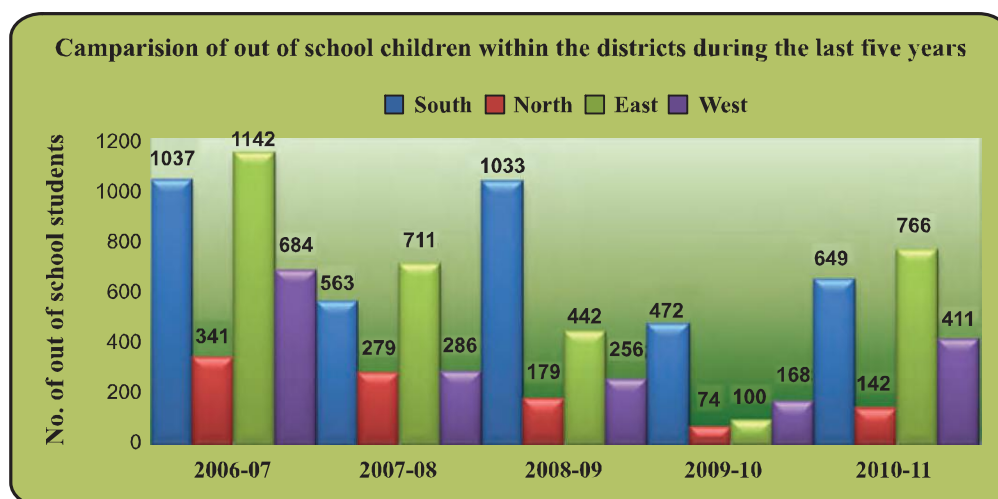
5.2.4 Education Indicators

➤ Out of School Children

The main objective of the SSA was to enrol all the children in schools, education guarantee centres, alternative schools and back to school camps by 2003. It was noticed in audit that the Department failed to make 100 *per cent* enrolment of children in the age group of 6-14 years in the school system till the academic year 2010-11. The number of out of school children (OoSC) in the South district identified in the household survey in 2004-05 was 2800, out of which 649 children (indicating a shortfall of 23 *per cent*) are yet to be brought back to school as of March 2011. Thus, the Department failed to achieve the basic objectives of SSA to bring back all the children to school by 2003 even after eight years of implementation of the scheme

and involvement of considerable expenditure. The district wise details of the out of school children are shown in the chart below:

Chart-5.7



From the above chart it can be seen that the number of out of school children in the South district was always high except for the East district during 2006-07, 2007-08 and 2010-11. The figure of OoSC in the South district recorded highest in the State during 2008-09 and 2009-10. Though the total number of OoSC had gone down from 1037 in 2006-07 to 649 in 2010-11, the percentage of the OoSC was not so encouraging which was 33 *per cent* of the total figure of the State in 2010-11. The total number of OoSC in the State had gone down to 814 in 2009-10 but again rose to 1968 (an increase of 142 *per cent*). It shows that enough emphasis had not been given towards achieving the target of 100 *per cent* for bringing the out of school children back to schools in the South district.

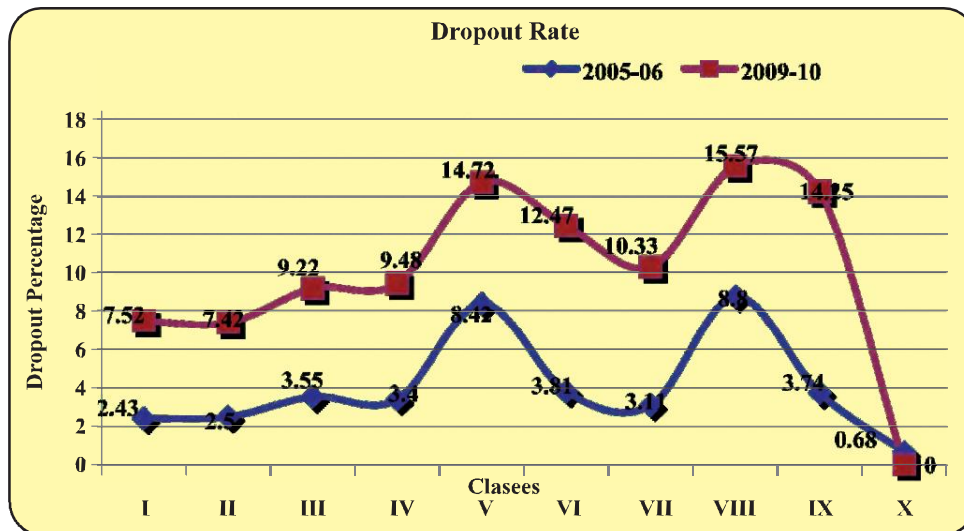
The Department stated (February 2012) that steps had now been initiated to cater to those children who were out of school in the district through Residential Bridge Course (RBC). The number of out of school children could be brought down in coming years through this programme.

➤ **Dropout Rate**

Dropout rate is one of the most important parameters to gauge the effort initiated by the Department to retain the students in the teaching learning process. The dropout rate had recorded a rise in case of class V and VIII from 12.03 to 21.08 *per cent* and 12.32 to 23.16 *per cent* respectively between 2004 and 2008 and dipped from 17.76 to nil *per cent* in case of class X. The dropout rate was lowest in 2005-06 except in class X. The dropout rate was highest in class I, III, V, VI, VIII & IX during 2008-09 and class II, IV, VII and X during 2006-07. The highest dropouts were recorded in class VIII with 24.70 *per cent* in 2008-09. The average dropouts during last five years was also recorded highest in class VIII with 17.45 *per cent* followed by class V with 14.72 *per cent*, with 11.15 *per cent* in class VI and 10.15 *per cent* in

class IX. The lowest dropouts were in class X. Analysis of the figures further revealed that the dropouts were higher in the classes V and VIII where students appeared for board exams. The average dropout rate was lowest during 2005-06 which rose to 12.35 *per cent* in 2008-09, 11.64 *per cent* in 2006-07 and 10.01 *per cent* in 2009-10. The district is required to minimise the dropout rate which is one of the most important parameters to gauge the effort initiated by the Department to retain the students in the teaching learning process. The chart given below shows the trend of dropouts in South district.

Chart-5.8



Source: Departmental figures

The Department stated (February 2012) that no tool had been generated till date for finding out dropout children in the schools which led to discrepancy in the number of dropout children in the district. The district project office had now taken up different activities to minimise dropouts.

5.2.5 Other Irregularities

➤ Diversion of SSA funds

The Department appointed¹ (2003-04) 28 School Mothers (SM) and 13 PTs under SSA during 2003-04 in the South district whereas no new school buildings were constructed under the SSA. The construction of one new school building under the SSA was completed during 2006-07 and subsequently four, two, eight and four new school buildings were completed during 2007-08, 2008-09, 2009-10 and 2010-11 respectively. This led to appointment of excess SM and PTs under the scheme, whose services were utilised in non-SSA schools. Expenditure of ₹ 1.60 crore incurred on the salary of these SMs (₹ 101.71 lakh) and PTs (₹ 58.60 lakh) was thus diverted from the scheme. Details are shown below:

¹The teachers and School Mothers in primary schools were to be appointed on the basis of actual number of UPS and PS under SSA

Table-5.20

Year	Number of teachers and SM appointed during the year		Progressive appointment of teachers and SMs		No. of primary schools constructed during the year under SSA		Requirement as per norms		Excess Teachers appointed		Amount of salary paid to teachers from SSA funds services of whom were utilised in non-SSA schools (₹ in lakh)		Remarks
	PT	SM	PT	SM	Constructed	Progressive Total	PT	SM	PT	SM	PT	SM	
2003-04	15	29	15	29	0	0	0	0	15	29	2.34	8.53	
2004-05	0	0	15	29	0	0	0	0	15	29	7.34	10.20	
2005-06			13	28	0	0	0	0	13	28	9.02	12.04	Two PT and one SM left the job
2006-07	3	2	16	30	1	1	2	1	14	29	14.47	16.72	
2007-08	0	6	16	36	4	5	10	5	6	31	6.20	16.78	
2008-09	0	0	16	35	2	7	14	7	2	28	3.54	18.38	One SM left the job
2009-10	0	0	16	33	8	15	30	15	--	18	--	11.02	Two SM left the job
2010-11	39	0	55	32	4	19	38	19	17	13	15.69	8.04	One SM left the job
Total						19			--	--	58.60	101.71	

Source: Departmental figures

The Department stated (February 2012) that during the year 2003-04, the appointment had been carried out by the State Project Office, Gangtok and the posting was done as per the vacancies shown by the schools for non-SSA schools. The district project office was not functional during that period. Reply is not acceptable as without construction of SSA schools, appointment of PT and SM for SSA schools was made who were deployed in non-SSA schools.

➤ ***Non-provision of Kitchen Sheds under Midday-Meal Programme (MDM)***

Under MDM, kitchen sheds were to be constructed in all the schools. From the information made available to audit, it was seen that out of 237 schools in South district, kitchen sheds had been constructed only in 192 schools and 45 schools had not so far been provided with kitchen sheds and school authorities were forced to cook meal in unhygienic conditions. This fact was corroborated while doing physical verification of the schools of selected GPUs as could be seen from the photographs below:

Image – 5.39



Image – 5.40



MDM being cooked in a temporary shed in unhygienic condition at LPS, Rekepe under Namphing GPU

As per the information furnished to audit regarding the schools, where kitchen sheds had been constructed, it was found while physically verifying the Secondary School, Salghari that no such kitchen shed was constructed in that school and MDM food was being cooked in a classroom in an unhygienic condition as could be seen from the photographs below:

Image – 5.41



Image – 5.42



MDM being cooked in unhygienic condition in a classroom at Secondary School, Salghari GPU

Further, it was also found that the LPG cylinder was not supplied to 100 schools and the schools were forced to cook meals by firewood arranged by schools themselves.

➤ ***Non-maintenance of Assets Registers***

According to the conditions of sanction of grants, asset register indicating all assets acquired out of the grant upto the end of the period of the return was to be maintained and submitted at the close of the financial year along with certified copies of such register. Details of funds received and utilised by District Project Officer, South (DPO) for creation of various assets are given below:

Table-5.21

Year	Assets created (₹ in lakh)
Upto 2005-06	108.68
2006-07	19.17
2007-08	8.82
2008-09	227.05
2009-10	85.24
2010-11	68.46
Total	517.42

It was seen during audit that although the major chunk of funds released by the GOI and State Government for implementation of the programme was utilised towards creation of assets (school buildings and other infrastructure, computers, furniture, vehicles, Xerox machines and other fixed assets), the asset registers as required under the terms and condition of sanctions were neither maintained by the DPO nor the yearly returns furnished to the Ministry. The joint physical verification carried out by departmental officers and audit also confirmed the above facts.

5.2.6 Conclusion

The Department could not provide basic facilities such as playground, drinking water and separate toilets for girls and electricity to various schools of the South district. Classrooms and school buildings were in dilapidated condition requiring major repairs and some schools were not having sufficient classrooms. Science kits, chemicals and reagents were not being supplied to the schools and practical classes of the science students were not being conducted and laboratories were being used as stores. There was uneven deployment of teachers in the schools as some schools were having excess teachers and some schools were having shortage of teachers. Due to non-availability of kitchen sheds, MDM was being cooked in an unhygienic condition. Dropout rates and rates of out of school children were high in the district. There was shortfall in providing basic training to the teachers and there were excess deployment of SMs and Primary Teachers in the schools under SSA.

5.2.7 Recommendations

- *Accommodation and basic infrastructure/facilities should be provided on a priority basis in respect of all the schools to ensure an appropriate environment for teaching and learning.*
- *Classrooms and schools buildings should be repaired immediately.*
- *All secondary and senior secondary schools should be supplied science kits, chemicals and reagents to have practical classes regularly for science students.*
- *Deployment of teachers in the schools should be done as per requirement.*
- *All schools should be provided with MDM kitchen sheds to prepare food in hygienic condition.*

- ***Dropout rates and out of school children should be monitored and checked.***
- ***All teachers should be imparted basic training.***

5.3 Water Supply and Sewerage

Provision of adequate and safe drinking water to all the citizens, especially those living in the rural areas, has been a priority area for both the Central and the State Governments. In South district, as well as the State as a whole, various Centrally Sponsored Schemes and State Plan Schemes were being implemented for provision of drinking water through Water Security and Public Health Engineering Department (WSPHED) in urban areas and Rural Management and Development Department (RMDD) in rural areas. The budget allocation and expenditure on water supply schemes in the district during 2006-11 was as follows:

Table-5.22

(₹ in lakh)

Year	Central Funds Allocation	Expenditure	State Funds Allocation	Expenditure
2006-07	288.16	211.08	275.14	263.31
2007-08	515.37	331.08	323.71	287.96
2008-09	782.00	538.36	279.49	259.45
2009-10	1378.55	1357.27	125.50	125.21
2010-11	1034.80	891.80	165.00	161.00
Total	3998.88	3329.59	1168.84	1096.93

Source: Departmental Figures

5.3.1 Policy and Planning

A National Water Policy (NWP) adopted in September 1987 and reviewed and updated in April 2002 *inter alia* envisaged formulation of State Water Policy (SWP) backed by an operational action plan to achieve the desired objective of provision of safe drinking water to the entire population. The State Government, however, had neither formulated any SWP nor worked out any long term perspective plan to build capacity for increased demand in future. Besides, no base line survey was ever conducted to assess the present and future requirements of water given the population growth and expansion of urban conglomerates.

The WSPHED stated (February 2012) that State Government had prepared State Water Policy (SWP) during August 2009. Reply is not tenable as though SWP was prepared late during 2009, the State Government could not prepare any operational action plan to achieve the desired objective of provision of safe drinking water to the entire population. Absence of policy directives resulted in the following deficiencies:

5.3.2 Fixation of Annual Targets

The departments did not have annual targets for accomplishing various works (new construction, upgradation and maintenance) since there was no long term perspective plan in place. Audit analysis revealed that even the broad based targets (institutional reforms, preparation of master plan, outsourcing revenue collection, contain leakages, and

establishment of water testing laboratories and water treatment plants in the district) mentioned in the State Plan documents (2002-07) were not achieved as of November 2011. There was no time frame set by the departments as to when each of these targets would be met.

The WSPHED stated (February 2012) that the head office had been preparing annual action plan based on feedback from the district offices and had been preparing guidelines for field functionaries. Reply is not acceptable as the Department could not provide such targets and guidelines prepared by head office.

5.3.3 Status of Water Supply

As per habitation census (February 2004), out of 620 habitations in the district, 334 (54 *per cent*) habitations were fully covered with drinking water facility and 286 (46 *per cent*) habitations were partially covered. Despite implementation of various water supply schemes and incurring huge expenditure during 2004-11, out of 286 partially covered habitations, 42 habitations only could be brought under fully covered habitations with drinking water facility and position of coverage of habitations with drinking water facility in the district as of March 2011 remained as under:

Table-5.23

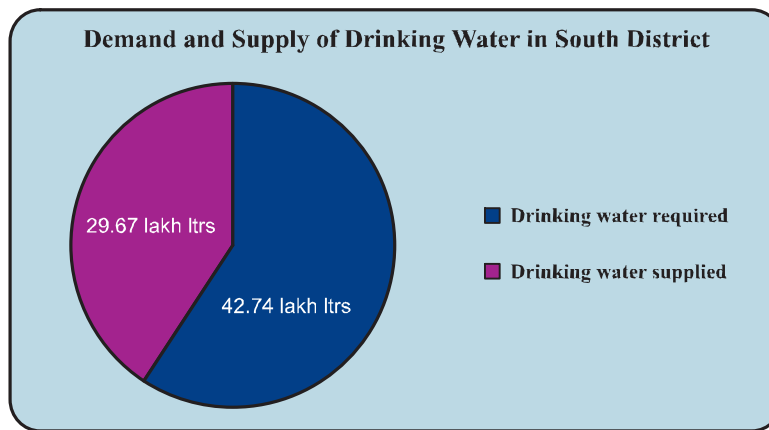
Category of habitation	No. of habitations
Habitation with population coverage with drinking water up to 25 per cent	39
Habitation with population coverage with drinking water in between 25 to 50 <i>per cent</i>	122
Habitation with population coverage with drinking water in between 50 to 75 <i>per cent</i>	83
Habitation with population coverage with drinking water in between 75 to 100 <i>per cent</i>	0
Habitation with 100 <i>per cent</i> population coverage with drinking water	376

Source: Data downloaded from the website of the Ministry

5.3.4 Insufficient Supply of Potable Drinking Water to the Urban Population

The South district has ten numbers of towns. The total urban population who were being supplied drinking water by the WSPHED in the South district was 34330 (as per the departmental figure). The Department assessed the total requirement of water in the South district about 42.74 lakh litres per day (@ 135 lit/day/capita in respect of Namchi and Jorethang towns and @ 90 litres/day/capita in respect of other towns) for its consumers. Against this, the Department could supply only 29.67 lakh litres per day during the period under Audit. There was a shortfall of 13.07 lakh litres per day (31 *per cent*) of drinking water in the South district as shown in the graph below:

Chart-5.9



The Department stated (February 2012) that the shortage of water in the towns of the district was mainly due to rapid growth of population in the last decade and also due to the depletion of water at source. The problem of water scarcity in the district was also due to being a dry area with lesser number of perennial water sources. Remedial measures like augmentation of water supply scheme to the towns facing water scarcity were being taken up in phase wise manner wherever new water sources were available.

5.3.5 Supply of Drinking Water Without Treatment and Testing

It was found that the WSPHED failed to provide potable drinking water with complete filtration and treatment units to its urban consumers. Out of 10 towns in the district only two towns were being supplied with fully treated drinking water and rest eight towns were provided with partially treated drinking water due to non-establishing the treatment plants in those towns. Further, there was no water testing laboratories in the district for testing the drinking water. The RMDD, who was responsible for providing drinking water to the rural populace, was neither having any water testing laboratory in the district nor had ever done water testing. Water supply schemes in the district were neither provided chlorinators nor were being treated chemically by putting bleaching powder, etc. Water testing kits were also not provided to any of the GPUs. Thus, the Department failed to provide potable drinking water with complete filtration and treatment units to its rural consumers. This fact was corroborated by a physical verification of water supply schemes of 14 GPUs which showed that schemes were not provided with chlorinators and were not being treated chemically by putting bleaching powder, etc. and also none of the GPU was provided any water testing kit. This fact was further corroborated by the water borne diseases such as diarrhoea and dehydration which affected 28,306 numbers of children in the district during the period of Audit.

The WSPHED stated (February 2012) that Detailed Project Report for providing full treatment system for rest of the towns had already been prepared and submitted for sanction. The proposal for setting up of a water testing laboratory in the district had already been initiated by the Department. The RMDD did not furnish any reply to the observation relating

to rural areas.

5.3.6 Non-establishment of Sewerage Treatment Plant in the District

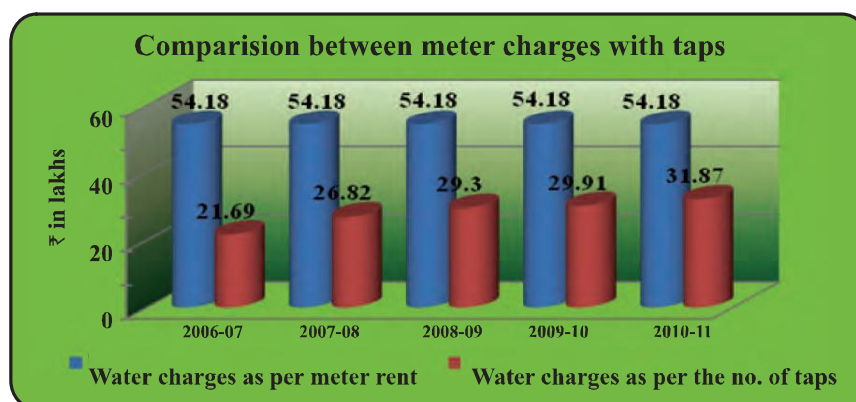
Scrutiny of records revealed that the WSPHED had not established any sewerage treatment plant in the district till September 2011. However, three sewerage treatment plants in Namchi, Melli and Jorethang had been approved and the works started in 2008-09 with an estimated cost of ₹ 19.19 crore with stipulated date of completion by March 2011, out of which, an expenditure of ₹ 9.13 crore had been incurred till March 2011. The work was yet to be completed even after a lapse of eight months from the stipulated date of completion of the project. Thus, in the absence of sewerage facilities in the district, the residents of these towns were exposed to untreated waste and sewage which was a health hazard.

The WSPHED stated (February 2012) that sewerage systems of three towns were under progress and Detailed Project Reports for providing sewerage systems for other remaining towns were being prepared.

5.3.7 Loss due to Non-metering of Consumers

Sikkim Water Supply and Water Tax Act 1986 stipulated fixation of water charges for supply of water under the Act on metered basis or on the basis of number of taps installed. The WSPHED continued to fix water charges on the basis of number of taps installed rather than on metered consumption although the former had several well-known inherent deficiencies. The Government introduced tariff for water charges from 1 April 2006 on metered basis at the rate of ₹ 5 per 1000 litres for domestic consumers and ₹ 10 per 1000 litres for commercial consumers. Quantum of water supplied and consumed each year in 10 towns of South district with population of 34,330 was 108.30 crore litres. The revenue from water charges for every year, therefore, worked out to ₹ 54.18 lakh on metered basis. Thus, for five years (2006-07 to 2010-11) the water charge on metered basis worked out to ₹ 2.71 crore. Against this, the revenue realised on the prevailing tap based tariff for the year 2006-07 to 2010-11 was only ₹ 1.40 crore. This resulted in loss of revenue of ₹ 1.31 crore in the last five years due to non-imposition of meter rent. Details are given in the chart below:

Chart-5.10

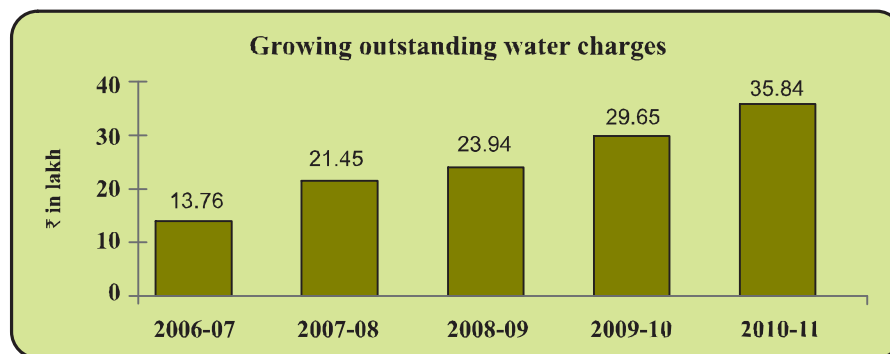


The Department stated (February 2012) that they were following the fixation of water charges on the basis of taps installed. But they had now taken decision to go ahead with the meter system. Henceforth, the Department would be adopting the meter system for revenue collection in the upcoming new projects with the aim to increase the revenue.

5.3.8 Non- realisation of Outstanding Water Charges

The WSPHED had failed to realise its outstanding revenues on water charges. The outstanding water charge of the district for the period 2006-07 was ₹ 13.76 lakh which rose to ₹ 35.84 lakh in 2010-11. The Department did not have any mechanism which forced or compelled the consumers to pay the water charges in time and without fail. The details of the outstanding revenue in terms of water charges are shown in the chart below:

Chart-5.11



The Department stated (February 2012) that they were putting all out efforts to realise the revenue of water charges and it had been involving local broadcasting network, print media and other means to create awareness among the consumers to clear the revenue bills on time. Further, many times individual notices were also being sent to the consumers urging them to clear their bills.

5.3.9 Conclusion

State Government prepared State Water Policy late during August 2009 but could not prepare any operational action plan to achieve the desired objective of provision of safe drinking water to the entire population. Despite incurring huge expenditure year after year, 244 habitations remained partially covered in providing drinking water. None of the 10 towns of the district was having sewerage treatment plant. Drinking water was being provided without treatment and testing. There was a loss of Government revenue due to non-metering of urban consumers.

5.3.10 Recommendations

- *The State Government/District Administration needs to prepare a strategic action plan to provide potable drinking water to the uncovered habitations in a time bound manner.*
- *Water quality testing system should be improved/upgraded to ensure supply of safe drinking water to the public.*
- *Effective steps need to be taken to ensure early completion of the sewerage schemes.*

5.4 Urban Development and Housing (UDH)

Provision of basic civic amenities in the towns is the responsibility of the UDHD through the office of the Joint Secretary (South/West) at Jorethang. South district has ten towns. The office of the Joint secretary (South/West) had been receiving funds from the Government through its head office at Gangtok for provision of adequate civic amenities to the public.

5.4.1 Execution of Developmental Works

The functioning of office of the Joint Secretary for the period 2006-07 to 2010-11 was reviewed (May-September 2010 and September-November 2011) in audit and there were instances of non-utilisation of infrastructure created which deprived the general public of the intended benefits; as is evidenced from the following findings:

- The work construction of Super market at Jorethang with car parking facility was started (August 2003) under the scheme Integrated Development of Small and Medium Towns (IDSMTs) with an estimated cost of ₹ 94.35 lakh. The work was completed in January 2009. Even after the delayed completion of the shopping complex with 24 number of shops in the first and second floors covering an area of 4140 sq feet and 40 Haat Yards instead of Car Parking at ground floor with an area of 1700 sq feet, the shops were not allotted. The reasons for non-allotment of shops to the shopkeepers/hawkers could not be ascertained as no recorded reasons could be provided by the Department to audit. However, the Department stated (June 2010) in their reply that the process was going on for allotment of these shops which would be allotted to the shopkeepers very soon. Further verification (October-November 2011) revealed that the Department allotted the Haat Shed to the Hawkers since October 2010 but failed to allot the 24 number of shops which were being used as different offices like UDHD and Municipal offices and not put to use for the purpose for which they were meant. Thus, non-allotment of the shops even after the completion of the shopping complex led to a revenue loss to the Department of ₹15.78 lakh. Further, had the Department completed the work in scheduled time (November 2005) and put to use and allotted to the shopkeepers and hawkers, the Department could have earned an additional revenue of ₹19.96 lakh. The photographs taken by audit during physical verification are shown below:

Image – 5.43



Image – 5.44



Image – 5.45

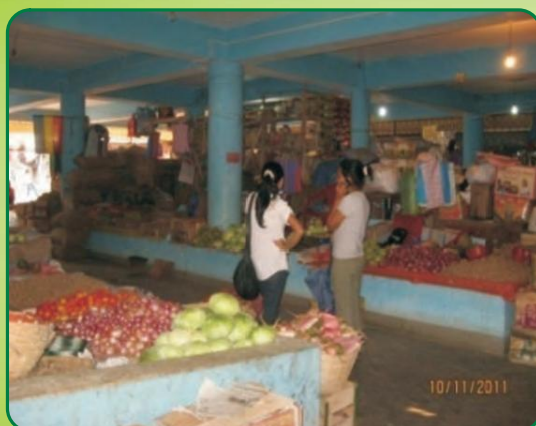


Image – 5.46



Complex lying vacant without use (Photographs taken during August 2010)

Image – 5.47



Ground floor stalls allotted to the Hawkers

Image – 5.48



Shops are being utilised as Office by the UDHD

Thus, the casual approach in completion of the work within scheduled time and non-allotment of the shopping complex even after its completion had resulted in a loss of revenue totalling to ₹ 35.74 lakh besides diversion of the created asset without any reason which led to depriving beneficiaries of intended benefits for which an amount of ₹ 94.33 lakh was spent.

- The work for construction of the three storey vegetable market complex at Namchi under NABARD was put to tender and the work was awarded to the lowest tenderer for ₹ 276.84 lakh in August 2007 with stipulated date of completion by February 2009. The work was completed in March 2009 and a total number of 62 shops with an area of 6703.79 sq.ft. were built. The total cost of the construction was ₹ 273.21 lakh. Though the work was completed in due time, the market complex was allotted to the shopkeepers and hawkers from August 2010. Thus, due to delay in allotment there was a revenue loss of ₹ 10.73 lakh which is exclusive of additional rent/lease rent from the four Pay and Use toilets with an area of 440 sq.ft. till July 2010 as shop rents for the above complex. Further, the intended benefits which could have been provided to the public of the town could not be made available for more than 16 months even after the completion of the construction. Some of the photographs of vacant stalls of the vegetable market taken during August 2010 are given below:

Image – 5.49



Image – 5.50



Complex lying vacant without use (Photographs taken during August 2010)

It was also seen from records that the Department allowed excess payment of ₹ 6.67 lakh on carriage of non-stock materials. The Department allowed different rates for carriage of non-stock materials i.e. ₹ 265/cum, ₹ 352.20/cum and ₹ 532.10/cum without any justification. Thus, due to allowing various rates for the same non-stock materials by the Department, there were excess payment of ₹ 6.67 lakh to the contractor which led to loss of Government money.

- The work “construction of seven numbers of Pay and Use Toilets in Rural Market Centres of South and West Districts” was sanctioned under the scheme of NABARD

with an estimated cost of ₹ 167.62 lakh. These pay and use toilets were to be constructed in Namchi (two), Jorethang (one), Pelling (one) and Ravongla (three). The works were awarded in August 2007 with stipulated date of completion by September 2008. Though the works were completed during September 2009 with a delay of one year at a cost of ₹ 145.02 lakh, the said toilets had not so far been put to use as the same could not be given on lease for their running. The Department stated (June 2010) in their reply that the assets would be put to use after the approval from the higher authority as the file was under process. However, further verification (September – October 2011) revealed that the assets created were not yet leased out and used so far due to delay in taking policy decision by the Government in allotting these assets. Thus, due to keeping the infrastructure unused, the amount of ₹ 145.02 lakh spent on their construction remained unfruitful for more than two years seven months, besides, a substantial revenue loss to the Government which could have been earned by the Department as lease rents for the above toilets. The intended benefits could also not be provided to the public.

While accepting the fact, the Department stated (February 2012) that action was being taken for allotment of residual infrastructure.

5.4.2 Conclusion

The infrastructure like super market at Jorethang and Pay and Use Toilets at various places were created by the Department but could not be put to use and remained idle leading to non-providing of intended benefits to the public and also revenue loss to the Government.

5.4.3 Recommendation

- *Infrastructure created by the Department should be put to use immediately to provide intended benefits to the public and to avoid further loss of revenue.*

5.5 Delay in Execution of Various Developmental Works

Under social sector, various developmental works like school buildings, dispensaries, water supply schemes, haats/ markets, pay and use toilets, office buildings, etc. were taken up. Scrutiny of records of HCHSFWD, HRDD, WSPHED, UDHD and BHD revealed that during the period 2006-11, 192 such developmental works were taken up by these departments. Out of these, 41 works (estimated cost ₹ 67.55 crore) were not completed within the scheduled time despite incurring an expenditure of ₹ 33.43 crore on these works. The delay in completion ranged from two to 40 months till November 2011 and the physical progress ranged between seven and 98 per cent as per following details:

Table-5.24

(₹ in lakh)

Department	Total nos. of works taken up during 2006-11	No. of incomplete works as on November 2011	Estimated cost of incomplete works	Expenditure incurred on incomplete works	Period of delay as on November 2011 (in months)	Physical progress ranged between
HCHSFWD	50	4	88.59	35.60	2 to 29	40% and 95%
HRDD	61	8	941.35	525.82	15 to 40	20% and 97%
WSPHED	11	6	2635.81	1309.38	8 to 29	77% and 98%
UDHD	44	18	1089.07	377.74	3 to 10	7% and 98%
BHD	26	5	2000.52	1094.31	5 to 21	40% and 95%
Total	192	41	6755.34	3342.85	2 to 40	7% and 98%

In reply, Health Care, Human Services and Family Welfare Department stated (February 2012) that delay in completion of works was due to pending cases in the court of law. Similarly, the Building and Housing Department stated (February 2012) that the delay was due to revision of estimate, use of manual labour and excavators instead of explosives as the site being situated in the built up area, non-release of funds by the line departments and revision in drawings. WSPHED stated (February 2012) that delay in completion of works were mainly due to delay in forest clearance, non-release of funds in time, problems in land acquisition, delay in supply of materials, delay in awarding the works, etc. However, fact remained that due to delay in completion of works intended benefit from the above projects could not be provided to the public.

CHAPTER – VI

Economic Services

Rural Management and Development

6.1 *Infrastructure*

Good infrastructure will go a long way in enhancing the growth potential of the district and bridging the gap between the urban and rural areas. It will also bring the remote and backward areas closer to the district headquarters and bring about equity and inclusive growth of the economy. Infrastructure includes provision of good all weather roads, adequate electricity for households, industrial and irrigation needs, railway connectivity, air services and reliable communication facilities.

Audit analysis revealed that there was no airport and railway connectivity in the district. The nearest airport at Bagdogra (West Bengal) is 108 kms away from the district headquarter. The nearest railway station is Siliguri/New Jalpaiguri (West Bengal) which is 100 kms from district headquarters.

Findings of review of development of roads and other infrastructure in the district are discussed below.

6.1.1 *Road Connectivity*

Road connectivity is the basic infrastructural prerequisite for economic development through easy transportation of goods, services and latest technological machines and instruments for all out development in every field. In a State like Sikkim where National Highway 31A is the only lifeline to provide vital road link with the rest of the country, intra-road connectivity among the rural habitations of any district is critical. Good road connectivity could ensure habitations to be connected with the mainstream and could enhance better success for poverty alleviation and other social and economic welfare programmes of the Government (both the Centre and the State).

6.1.1.1 *Pradhan Mantri Gram Sadak Yojana (PMGSY)*

➤ *Introduction*

Rural Road Connectivity is a key component of rural development by promoting access to economic and social services and thereby generating increased agricultural incomes and productive employment opportunities in India. With a view to redressing the situation, GOI launched the Pradhan Mantri Gram Sadak Yojana (PMGSY) on 25 December 2000 to provide all-weather access to unconnected habitations. The PMGSY is a 100 *per cent* Centrally Sponsored Scheme.

➤ **Programme Objectives**

The primary objective of the PMGSY is to provide connectivity, by way of an all-weather road (with necessary culverts and cross-drainage structures, which is operable throughout the year), to the eligible unconnected habitations in the rural areas, in such a way that all unconnected habitations with a population of 1000 persons and above are covered by 2003 and all unconnected habitations with a population of 500 persons and above by the end of the Tenth Plan Period (2007). In respect of the Hill States including Sikkim, the objective would be to connect habitations with a population of 250 persons and above. Subsequently, Bharat Nirman Programme was announced in February 2005 and construction of rural road under PMGSY for habitations having 500 or more was made one of the six components of Bharat Nirman.

➤ **Status of Work**

As per the PMGSY guidelines, the projects would be executed by the Project Implementation Unit (PIU) and completed within a period of 9 months from the date of issue of the work order. A work programme shall be obtained from the contractor for each work and approved by the PIU. In case the period for execution is likely to be adversely affected by monsoon or other seasonal factors, the time period for execution may be suitably determined while approving the work programme, but shall not exceed 12 calendar months in any case.

The State Government neither distributed its allocation of PMGSY among the districts despite being so provided in the guidelines nor did it keep the district-wise accounts of the coverage of habitations separately. However, the PMGSY projects were sanctioned for the State in different phases viz. Phase II, III, IV, V and VI. The roads taken up in the South district since 2006-07 onwards were included in various Phases VI and VII. The number of works taken up in these phases for the South district during the period of audit with related financial and other particulars are furnished in the table below:

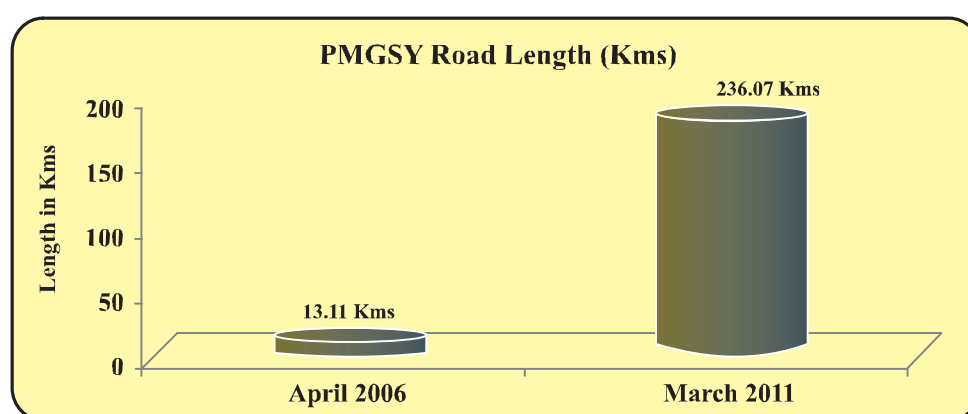
Table-6.1

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	Total
No of works sanctioned	31	-	21	-	--	52
No of works taken up	31	-	21	-	--	52
No of works completed	13		9		--	22
Work in Progress	18		12			30
Work held up due to land dispute	--	--	--	--		-
Total amount sanctioned(₹ in lakh)	6086.15		3984.97		--	10071.12
Length in Kms to be covered	249.84	209.35	279.22	252.25	169.58	330.71
Length in Kms completed	40.49	11.00	26.97	82.67	61.83	222.96
Length in Kms not completed	209.35	198.35	252.25	169.58		107.75
Habitations to be covered	31	-	29	-		60
Habitations covered during 2006-07 to 2010-11	13		14			27
Habitations not covered during 2006-07 to 2010-11	18		15			33
Expenditure incurred (₹ in lakh)	3704.93	-	2471.13			6176.06

Source: Departmental figures and data downloaded from the website of the Ministry

From the table above it could be seen that out of 52 roads sanctioned under rural connectivity for the South district during 2006-07 to 2010-11, only 22 works (42 *per cent*) had been completed and 30 works were in progress. During the year 2007-08, 2009-10 and 2010-11 no road works were sanctioned due to non-completion of the earlier sanctioned works/ projects. It was found that the reason for slow progress of works was non-availability of land, delay in forest clearance, delay in awarding the work, etc. 27 habitation (45 *per cent*) were connected through roads out of 60 habitations required to be covered during that period. Similarly, out of required road coverage of 330.71 Km, under the PMGSY only 222.96 Km (81 *per cent*) of road length were covered during the last five years after spending ₹ 61.76 crore against the sanctioned cost of ₹ 100.71 crore which is shown in the graph below:

Chart-6.1



➤ Coverage of Habitations

The progress made by the State Government in coverage of habitations for the South district during the period from 2006-07 to 2010-11 is shown in table below:

Table-6.2

Category of Habitations	Total No. of habitations	No. of Habitations not connected as of 01-04-2005	Habitations connected during 2005-11	Habitations not yet connected	Percentage of shortfall
With 1000 & more people	12	3	3	0	Nil
With 500 & more people	102	40	37	3	8
With 250 & more people	89	39	21	18	46
With below 250 people	41	23	9	14	61
Total	244	105	70	35	33

Source: Departmental figures and data downloaded from the website of the Ministry

From the above table it is seen that provision of new connectivity under this scheme varied from 39 to 100 *per cent* for the four categories and was 67 *per cent* only on overall basis. In other words, three habitations in the South district, having 500 population or more stood uncovered even after more than four years from the targeted time schedule (by 2007). Similarly, 18 habitations having 250 population or more stood uncovered till date.

➤ **Payment to the Contractor Without Completion of Work**

The RMDD is the nodal Department implementing the PMGSY schemes under the rural connectivity. Scrutiny of progress reports of the Department revealed that the road Yangang to Satam under BDO, Yangang was sanctioned under phase V in 2006-07 at an estimated cost of ₹ 1.05 crore covering a length of three kilometres, with schedule date of completion by March 2008. However, the work was shown as completed by the Department during March 2011 after incurring an expenditure of ₹ 1.05 crore.

While physically verifying the road in November 2011, it was found that the road was not completed and after executing upto 2.7 kms of length it was stopped by the contractor. But the Department cleared the bill and paid the full amount of ₹ 1.05 crore. Thus, payment of full amount without completion of work led to irregular payment to the contractor without completion of work apart from the non-connectivity of village for which this was executed and depriving 95 households with a population of 476 in Satam village of the benefits. This fact could be seen from the photographs taken during the site visits.

Image – 6.1



Image – 6.2



Entry Point of Yangang-Satam road from Yangang

Image – 6.3



Image – 6.4



Incomplete End Point at 2.7 kms of the Yangang-Satam road

➤ ***Non-maintenance of Roads***

Under the PMGSY guidelines, repairs and maintenance of PMGSY roads was the responsibility of the State Government. However, the State Government did not make any provision for repairs and maintenance of PMGSY roads during the entire period under review. This resulted in blocking and narrowing of the roads due to landslides at various places as can be seen from the photographs taken during field visits by audit.

Image – 6.5

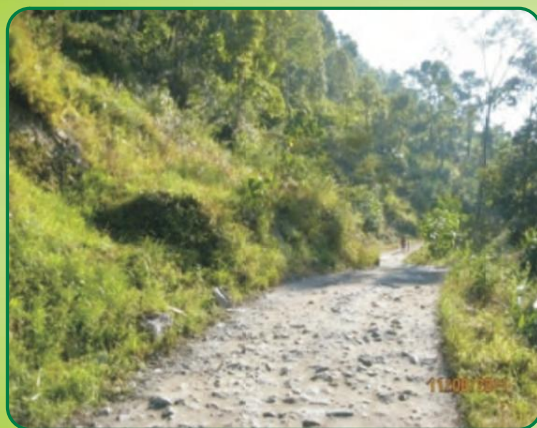
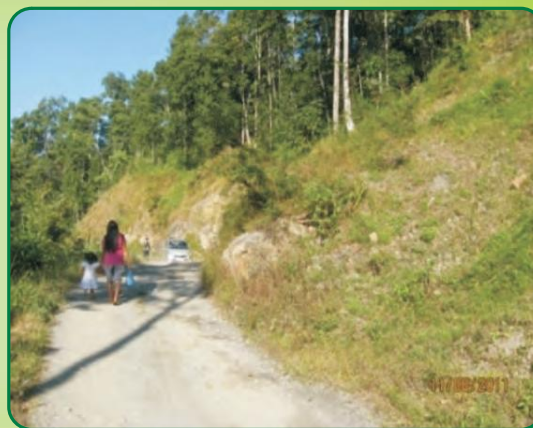


Image – 6.6



Narrowing of road due to landslide (8+ mile PWD road to Salghari JHS under Salghari GPU)

Image – 6.7

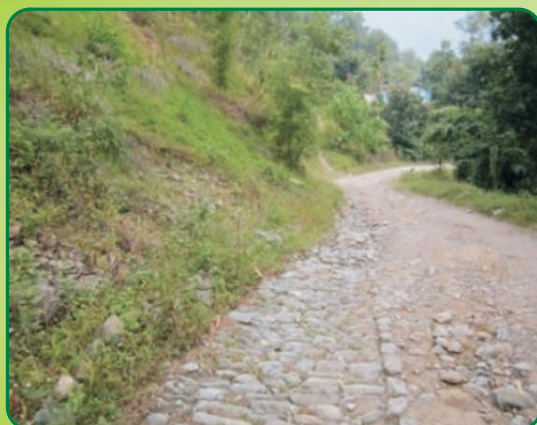
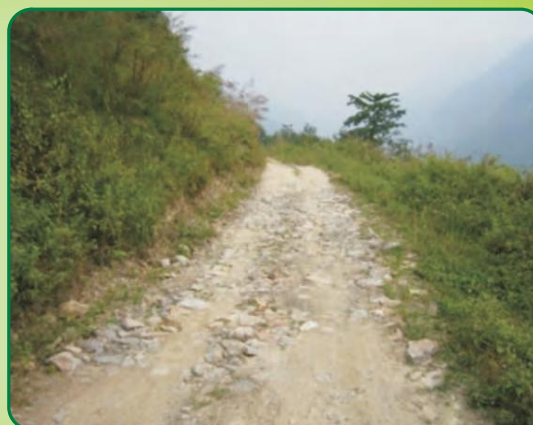


Image – 6.8



Narrowing of road due to landslide (Namphing Turning to Tshalamthang JHS under Namphing GPU)

Image – 6.9



Image – 6.10



Blocking of road due to landslide (Salghari-Assangthang road under Salghari GPU)

➤ Delay in Completion of Works

During 2006-07 to 2010-11, funds of ₹ 100.71 crore were approved by the GOI under the PMGSY for construction of rural roads in the district. Of this, expenditure incurred was ₹ 61.76 crore. The details of road works taken up in the district during the period of Performance Audit and progress of their execution are tabulated below:

Table-6.3

(₹ in lakh)

Year	No. of works taken up under PMGSY	Approved cost	Works completed		Works not completed	
			(In nos)	Cost	(In nos)	Cost
2006-07	31	6086.15	13	1368.99	18	2335.94
2007-08	--	--	--	--	--	--
2008-09	21	3984.37	9	1210.73	12	1260.40
2009-10	--	--	--	--	--	--
2010-11	--	--	--	--	--	--
Total	52	10071.12	22	2579.72	30	3596.34

Source: Data compiled by audit from information supplied by the Department

Audit analysis revealed that out of 52 works taken up during 2006-11 under PMGSY, only 22 rural road works (42 *per cent*) were found to be completed as on the date of audit (September 2011) and 30 number of works were still incomplete. The delay in completion of 52 works ranged between 19 and 31 months.

➤ Conclusion

Out of habitations not connected with road as on March 2005, only 67 *per cent* habitations could be connected. 58 *per cent* of road works taken up during 2006-11 could not be completed.

➤ **Recommendation**

- *The present hindrance in coverage of habitations should be identified and overcome expeditiously, so as to facilitate road connectivity to the rural masses.*
- *To ensure timely completion of road connectivity projects, mechanism should be evolved to ensure that contractors are completing works in time*
- *A coordinated approach needs to be adopted by the State/district administration with the executing agencies to ensure that the works are planned and completed in time to ensure that benefits percolate down to the people.*

6.1.2 Schemes for Other Developmental Activities

Other developmental activities like construction/ renovation/repairs of Government Schools, play grounds, allotment of land to land less persons, etc. were taken up in the district under Members of Parliament Local Area Development Scheme (MPLADS) and Land Bank Scheme.

6.1.2.1 Member of Parliament Local Area Development Scheme (MPLADS)

The MPLADS is a Plan Scheme fully funded by GOI and being implemented in the country since December 1993. The annual MPLADS funds entitlement per Member of Parliament (MP) constituency, is ₹ 2 crore. Lok Sabha Members can recommend works for their respective constituencies. Elected Members of Rajya Sabha can recommend works for implementation in one or more districts as they may choose in the State of their election.

South district is a part of Sikkim Parliamentary constituency which includes East, West and North districts also. Sikkim Parliamentary constituency is having one MP from Lok Sabha and one MP from Rajya Sabha. DC East is the Nodal Officer for release of funds to the South district.

During 2006-11, ₹ 20 crore (₹ 10 crore each for MP Lok Sabha and MP Rajya Sabha) was received by the DC, East for approval and sanction of works relating to the development of the constituency under MPLADS. Taking into account unspent balance as of March and other miscellaneous receipts during the period, an amount of ₹ 21.41 crore was available with the DC, East. Out of this, 54 works costing ₹ 5.08 crore (46.95 per cent of total funds) under MP Lok Sabha and 26 works costing ₹ 2.90 crore (27.38 per cent of total funds) under MP Rajya Sabha were recommended by the MPs and sanctioned by the DC, East for South district during the period 2006-11. The above sanctioned works of ₹ 5.08 crore for 54 works under MP, Lok Sabha and ₹ 2.84 crore for 26 works under MP, Rajya Sabha was transferred to South district. Of the total available fund of ₹ 7.92 crore for 80 works with the DC, South, ₹ 6.34 crore was utilised and 48 works were completed till October 2011 leaving an unutilised amount of ₹ 1.58 crore for 32 incomplete works of which, 22 works costing ₹ 0.74 crore had not yet been started. Reasons for non-completion of works and not starting other works till date were not stated (November 2011) by the DC, South.

While accepting the facts, the DC, South stated (February 2012) that delay in completion of works were mainly due to lengthy process in completion of formalities before the start of the works.

6.1.2.2 Land Bank Scheme

Under the Land Bank Scheme¹, identified land would be purchased at the maximum rate of ₹ 2.50 lakh per acre (till 2007-08 @ ₹ 50000 per half an acre) and shall be transferred and registered in favour of the State Government at the cost of the State Government. After registration and mutation of land, the Land Revenue Department shall execute a deed of settlement in the form of a lease deed for a period of 99 years between the State Government and the beneficiaries at the cost of the beneficiaries.

Scrutiny (November 2011) of records of the DC, South revealed that during the years 2006-11 an amount of ₹ 158.55 lakh was received for 184 beneficiaries (including opening balance of ₹ 2.10 lakh of four beneficiaries) against which ₹ 146.96 lakh only for 166 beneficiaries could be utilised under the scheme as per following details:

Table-6.4

(Amount in ₹)

Year	Opening balance of funds	No. of beneficiaries for whom funds remained unutilised	Funds received during the year including registration charges	No. of beneficiaries for whom funds received	Funds utilised during the year	No. of beneficiaries for whom funds utilised	Amount remaining unutilised	No. of beneficiaries for whom funds remained unutilised
2006-07	210000	4	1522500	29 @ ₹ 50000 per beneficiary	1312500	25	420000	8
2007-08	420000	8	1732500	33 @ ₹ 50000 per beneficiary	1417500	27	735000	14
2008-09	735000	14	8925000	85 @ ₹ 100000 per beneficiary	8500500	81	1159500	18
2009-10	1159500	18	3465000	33 @ ₹ 100000 per beneficiary	2625000	25	1999500	26
2010-11	1999500	26	Nil	Nil	840000	8	1159500	18
Total			15645000	180	14695500	166		

Source: Departmental figures

From the above, it could be seen that an amount of ₹ 11.60 lakh (excluding the interest earning of ₹ 4.10 lakh) for 18 beneficiaries (4 nos. upto 2005-06, 4 nos. of 2006-07, 6 nos. of 2007-08, 2 nos. of 2008-09 and 2 nos. of 2009-10) could not be utilised and objective of providing of land to landless Sukumbasis to raise the income of such Sukumbasis was not fully achieved. For the reasons for non-allotment of land to the beneficiaries it was stated (November 2011) that beneficiaries could not approach the collectorate as they could not find a land of their choice. Further, it was also seen that land was directly transferred and registered in the name of the beneficiaries instead of making registration in the name of the State Government and thereafter making lease deed with the beneficiaries for 99 years.

¹Under Notification dated 13 August 1997 the State Government formulated a 'Land Bank Scheme' for providing facilities to landless Sukumbasis in rural areas by allotting minimum of half an acre of land for cultivation, for construction of houses for purely residential purpose with a view to raise the income of such Sukumbasis.

While accepting the facts, the DC stated (February 2012) that the acquisition of land could not be done at old rate due to enhancement of acquisition rate of the land. However, action was being taken to initiate acquisition process duly applying for additional amount at revised rates. Further regarding making registration in the name of State Government, it was stated that the matter was already at discussion level with headquarters office at Gangtok.

6.1.2.3 Conclusion

Under MPLADS 46.95 *per cent* of the total funds for the State under MP, Lok Sabha and 27.38 *per cent* of the total funds for the State under MP, Rajya Sabha was allocated exclusively for South district. Of the total available amount of ₹ 7.92 crore for 80 works with the DC, South, ₹ 6.34 crore was utilised and 48 works were completed till October 2011 leaving an unutilised amount of ₹ 1.58 crore for 32 incomplete works. Under Land Bank Scheme, an amount of ₹ 11.60 lakh (excluding the interest of ₹ 4.10 lakh), for 18 beneficiaries, could not be utilised and objective of providing of land to landless Sukumbasis, to raise the income of such Sukumbasis, was not fully achieved.

6.1.2.4 Recommendations

- *A coordinated and equitable approach needs to be adopted by the MPs/DC, East while recommending and sanctioning the works.*
- *A coordinated approach needs to be adopted by the State/District Administration with the executing agencies to ensure that the works are planned and completed in time to ensure that benefits percolate down to the people.*
- *A tangible approach needs to be taken to allot the land to landless Sukumbasis and for older cases, approach may be made for getting additional amount at revised rates.*

6.2 Employment Generation

The GOI and the State Government have initiated numerous measures to tackle problems of poverty, unemployment and the slow pace of progress in rural economy. In addition, provision of food security, especially to the poor and vulnerable sections of the society, has been envisioned as one of the important components of an inclusive growth of the economy. The two most important schemes sponsored by the GOI for providing employment in the rural areas as a means of poverty alleviation are Sampoorna Gramin Rozgar Yojana (SGRY) and Swarnajayanti Gram Swarozgar Yojana (SGSY). The SGRY was subsequently subsumed in National Rural Employment Guarantee Programme (NREGP) in February 2006.

6.2.1 SGRY

The objectives of the SGRY were to provide additional wage employment to the rural poor who were in need and willing to do manual and unskilled work in and around their village and to create durable community, social and economic assets and infrastructure in rural areas.

Towards this end, the GPUs were to submit work proposals through the BDOs to the DDO, based on a comprehensive shelf of works to be approved at the beginning of the year. As mentioned earlier, schemes were sanctioned by the DC in an adhoc manner, since the GPUs and the Blocks had not prepared any Perspective Plan or Annual Action Plans. Consequently, works were proposed on a perceived need basis, rather than in a planned and coordinated manner, resulting in underutilisation of available funds. Also, there was no database at the district level, detailing the developmental works undertaken in various Blocks and GPUs.

The SGRY was funded on 75:25 basis by the GOI and the State Government. The year-wise position relating to the funds received by DDO, South district and utilisation there against is given below:

Table-6.5

(₹ in lakh)

Year	Opening balance	Funds received			Total	Funds utilised	Unspent balance
		Centre	State	Other misc. receipts			
2005-06	0.64	247.96	-	0.47	249.07	240.26	8.81
2006-07	8.81	154.80	-	0.24	163.85	139.51	24.34
2007-08	24.34	134.38	-	0.66	159.38	129.55	29.83
2008-09	29.83	-	-	0.54	30.37	20.33	10.04
2009-10	10.04	-	-	0.13	10.17	7.55	2.62
Total		537.14		2.04		537.20	

Source: Departmental figures

After merger of SGRY under NREGA since February 2006, remaining unspent balance was supposed to be transferred to NREGA account but it could be seen from the above that the DDO continued to utilise the funds unauthorisedly under SGRY till March 2010. Finally the unutilised amount of ₹ 2.62 lakh was transferred to NREGA account during 2010-11 only.

➤ **Employment Generation under SGRY**

The details of employment generated under this scheme during 2006-11 as reported by DDO to SRDA were as under:

Table-6.6

(Mandays in number)

Year	Mandays for SC/ST	Mandays for women	Mandays for others	Total mandays generated
2005-06	46351	65596	152354	198705
2006-07	29987	9344	53800	83787
2007-08	24929	27760	54183	79072
2008-09	3032	6352	11358	14390
2009-10	525	-	4067	4592
2010-11	Scheme closed and not implemented			
Total	104824	120412	275722	380546

Source: Departmental figures

There were no annual targets relating to employment generation although the DDO planned to execute small works like construction of footpath, waiting sheds, etc. for generating

employment. Therefore, the extent of employment generated vis-à-vis targets could not be ascertained.

The DDO had not maintained employment registers indicating the category wise details of people provided employment and the number of mandays generated for each work. In the absence of these details, the figures of employment generated were compiled from the muster rolls directly. In the absence of complete details in the employment registers, the employment reported to have been generated, especially in respect of women and SC/ST categories could not be verified in audit.

6.2.2 National Rural Employment Guarantee Act-2005

The National Rural Employment Guarantee Act 2005 (NREGA) is being implemented in the district since 2007-08. The basic objective of the Act is to enhance security of livelihood in rural areas by providing at least 100 days of guaranteed wage employment.

Under NREGA, the wages of skilled and semi-skilled workers and cost of material is shared in the ratio of 75:25 by GOI and State Government. In addition, the State Government bears the unemployment allowance and the administrative expenses. The year-wise position of funds received by the DDO, South district and utilisation there against during 2007-08 to 2010-11 is given below:

Table-6.7

(₹ in lakh)

Year	Opening balance	Funds received		Other misc. receipts	Total	Funds utilised	Unspent balance	Percentage of unspent balance
		Centre	State					
2007-08	Nil	350.76	7.00	20.52	378.28	214.75	163.53	43
2008-09	163.53	1392.04	89.61	10.67	1655.85	1156.22	499.63	30
2009-10	499.63	2448.98	85.22	16.15	3049.98	1753.44	1296.54	43
2010-11	1296.54	1175.90	Nil	22.63	2495.07	2246.07	249.00	10

Source: Departmental figures

From the above, it could be seen that percentage of unspent balances ranged between 10 and 43 per cent. Reasons for unspent balances were not stated by the Department.

➤ Employment Generation Under NREGA

The details of employment generated under this scheme during 2007-08 to 2010-11 as reported by DDO were as follows:

Table-6.8

Year	Total job card holders who demanded job	Mandays for SC / ST	Mandays for others	Total mandays generated	Mandays for women	Total required mandays of minimum 100 days/ card holder	Shortfall in providing 100 days employment
2007-08	7199	67623	168511	236134	86069	719900	483766
2008-09	14690	268949	576680	845629	324357	1469000	623371
2009-10	14200	482326	639366	1121692	415000	1420000	298308
2010-11	15113	387871	821180	1209051	563120	1511300	302249

Source: Departmental figures

During the first two years 2005-06 and 2006-07, the project was not implemented in the district due to non-receipt of funds and also no employment was generated by the implementation agencies during these years. From the above table it could be seen that during 2007-08 to 2010-11 the total mandays generated was not sufficient to provide 100 days employment to all the job card holders who demanded job. The shortfall in providing 100 days employment ranged between 2.98 lakh and 6.23 lakh mandays.

The details of job card holders registered those who demanded employment and those who were provided employment in the district during 2007-11 were as under:

Table-6.9

Year	Total no. of job card holders registered	Job card holders who demanded employment	Job card holders who were provided employment	Job card holders provided 100 days employment	Percentage of job card holders who were provided 100 days employment
2007-08	10931	7199	6885	243	3.38
2008-09	20780	14690	14690	713	4.85
2009-10	20802	14200	14200	3772	26.56
2010-11	20924	15113	15113	5192	34.35

Source: Figures supplied by the Department

The percentage of job card holders who were provided 100 days employment increased from 3.38 per cent in 2007-08 to 34.35 per cent in 2010-11. It was also noticed that no unemployment allowance was granted to any job card holder. More efforts need to be made by the implementing agencies for ensuring effective implementation of the scheme.

The DDO stated (February 2012) that scheme being demand driven, the employment could be provided only to those job card holders and for only that period of time for which employment had been demanded. It was also stated that in some cases job card holders demanded employment for 100 days but came to work for lesser days mainly due to their domestic work during agriculture season and also due to the fact that they got employment at other places which provide them better wage than that of this scheme.

6.2.3 Conclusion

Under SGRY, the Department continued to incur expenditure till March 2010 instead of depositing the unused amount under NREGA as of March 2006. Under NREGA, there were shortfalls in providing 100 days guaranteed employment to the job card holders thereby defeating the objective of security of livelihood to the needy and the vulnerable sections.

6.2.4 Recommendation

- *Under NREGA, district authorities should plan and execute the works ensuring 100 days guaranteed employment.*

6.3 Housing

Providing shelter to economically weaker section is the main element of socio-economic development programme. The State Government accordingly laid emphasis for providing housing to houseless through implementation of Indira Awaas Yozana (IAY) and Rural Housing Scheme (RHS). The list of houseless people was not maintained either by the District Collector or the DDO to facilitate selection of genuine beneficiaries.

The DDO stated (February 2012) that though the list of houseless people was not maintained, benefit had been provided to only those beneficiaries who were recommended by area MLAs who also recommended the names in consultation with the concerned Panchayats which ensured genuineness of the beneficiaries. Reply is not acceptable as following defects were noticed in implementation of housing schemes:

6.3.1 Indira Awaas Yojana

The year-wise allocation, utilisation of funds and number of houses constructed during 2006-07 to 2010-11 under IAY was as below:

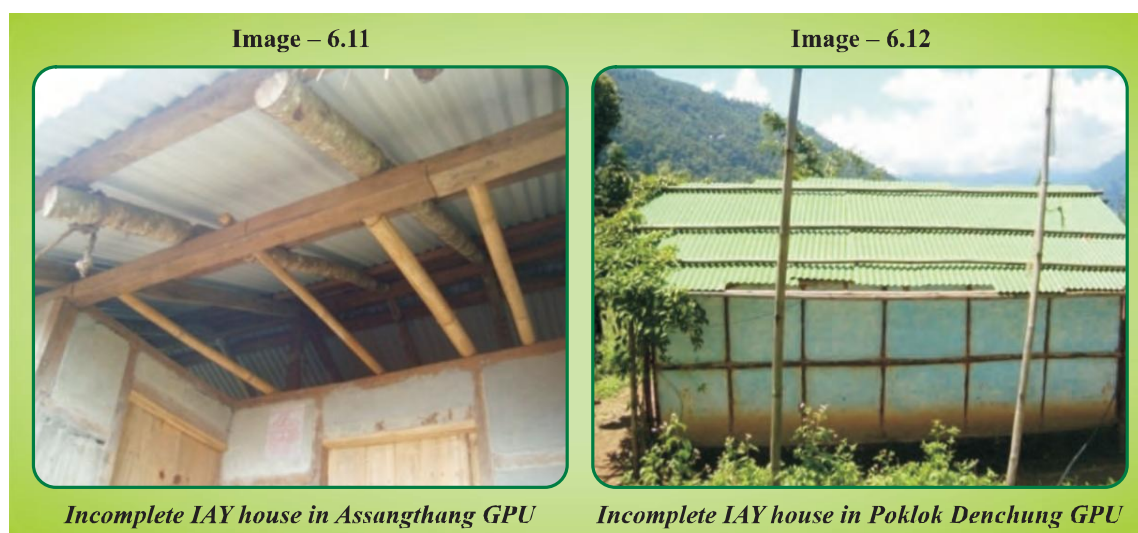
Table-6.10

(₹ in lakh)

Years	Particulars	Number of beneficiaries	Funds allocation			Utilisation			Savings	Number of houses constructed	No. of houses incomplete
			Cash	Materials	Total	Cash	Materials	Total			
2006-07	New construction	298	35.05	46.90	81.95	34.67	46.90	81.57	0.38	290	8 (3%)
	Upgradation	70	8.75	-	8.75	8.75	--	8.75	--	70	--
2007-08	New construction	384	42.34	63.26	105.60	41.61	63.26	104.87	0.73	366	18 (5%)
	Upgradation	101	12.62	-	12.62	12.62	--	12.62	--	101	--
2008-09	New construction	520	102.01	98.19	200.20	99.89	98.19	198.08	2.12	498	22 (4%)
	Upgradation	16	2.40	-	2.40	2.40	--	2.40	--	16	--
2009-10	New construction	317	70.44	51.60	122.04	61.52	51.60	113.12	8.92	244	73 (23%)
	Upgradation	54	8.10	-	8.10	8.10	--	8.10	--	54	--
2010-11	New construction	218	61.59	44.14	105.73	49.95	44.14	94.09	11.64	77	141 (65%)
	Upgradation	24	3.60	--	3.60	3.60	--	3.60	--	24	--
Total	New construction	1737	311.43	304.09	615.52	287.64	304.09	591.73	23.79	1475	262 (15%)
	Upgradation	265	35.47	--	35.47	35.47	--	35.47	--	265	--

Source: Departmental figures

From the table above it could be seen that out of a total number of 1737 houses sanctioned and release of first instalment along with the materials valued ₹ 6.16 crore, only 1475 number of houses were completed till the date of audit (November 2011). 262 numbers of beneficiaries (15 per cent) had not completed the houses despite availing the first instalment thereby blocking ₹ 88.33 lakh. Apart from the houses remaining incomplete, the possibility that the assistance was not utilised for the intended purpose could not be ruled out. Neither the IAY cell nor the district administration initiated any investigation or follow up of any of these cases indicating that administration and monitoring of the scheme was lax. This was corroborated by the fact that while visiting GPUs, some houses were lying incomplete as could be seen from the photographs below:



The DDO stated (February 2012) that some of the beneficiaries delayed the construction of houses and the matter was always taken up with the concerned Panchayats to persuade those beneficiaries to complete the construction of houses and till 14 February 2012 incomplete houses was reduced to 237.

Further, as per IAY guidelines, the benefit was to be given to BPL categories beneficiaries only. However, scrutiny of records relating to selection of beneficiaries revealed that the benefits were granted to ineligible persons without adhering to the above criteria. Out of 1113 cases test checked in audit, it was found that only 139 beneficiaries were under BPL categories and rest 974 were APL persons who were extended benefit of the scheme based on either recommendation of Panchayat or Members of Legislative Assembly (MLAs). Thus, granting of benefits to the beneficiaries who actually did not fulfil the criteria under IAY led to irregular and unauthorised expenditure of ₹ 3.60 crore.

The DDO stated (February 2012) that though the beneficiaries did not possess BPL cards, the selection was done on the recommendation of the Panchayats and concerned area MLAs and in some cases, Panchayats had reported that beneficiaries had been issued APL cards erroneously whereas beneficiaries actually belonged to BPL category. Reply is not tenable as

issue of APL and BPL cards were done by the State Government after exhaustive household survey.

6.3.2 Rural Housing Schemes (RHS)

To supplement the IAY, the State Government implemented RHS through State funding with the objective to provide shelter to the homeless rural poor who were living below the poverty line in the State. Under this programme, the intended BPL families were to get financial assistance of ₹ 20000, in two equal instalments of ₹ 10000 each and 30 GCI sheets. While the first instalment of the cash assistance was provided to the selected beneficiaries at the time of allotment, the second or the subsequent instalments was to be released only after completion of at least 50 *per cent* works. In case of default, assistance (both cash and kind) granted would be recovered. The Department had also been providing the assistance for house upgradation in which ₹ 15000 per household to the rural poor to take up immediate repair of their houses constructed earlier which were in dilapidated condition and need immediate repair was sanctioned.

Audit noticed that the Department incurred expenditure to the tune of ₹ 15.57 crore (₹ 8.89 crore in cash and ₹ 6.68 crore in GCI sheets) in the South district during 2006-07 to 2010-11 towards payment of 1st instalment of ₹ 10000 and cost of 30 pieces of GCI sheets each to 3121 beneficiaries for new construction and at the rate of ₹ 15000 per beneficiary to 3,846 beneficiaries for upgradation as per following details:

Table-6.11

(₹ in lakh)

Year	No. of beneficiaries to whom released	Purpose	Amount paid	Cost of 30 pieces of GCI sheets provided to each beneficiary	Remarks
2006-07	1496	New construction	149.60	319.99	₹ 10000 each as 1 st instalment only
2007-08	1625	Do	162.50	347.59	Do
2008-09	1861	Upgradation	279.15	Nil	₹ 15000 each as final payment
2009-10	1985	Do	297.75	Nil	Do
2010-11	Not implemented				
Total	6967		889.00	667.58	

From the above it could be seen that, for new construction during the years 2006-07 and 2007-08, 3121 beneficiaries after taking payment of 1st instalment of ₹ 312.10 lakh and GCI sheets costing ₹ 667.58 lakh did not turn up for their 2nd instalments and the Department also did not ensure completion of these houses and subsequent payment of 2nd instalments. There were no records found maintained detailing the completion of the houses. Neither the DC nor the DDO had the statistics of homeless people in the district to whom the benefits should have been provided and in the absence of this statistics, the allocation of funds made by the Department did not seem to be based on any norm or with reference to any targeted population. Due to this, genuineness of benefits provided to the homeless rural poor living below poverty line could

not be verified due to absence of records maintained in the district. Since ₹ 20000 and 30 GCI sheets were required for completion of one rural house as per guidelines prepared by the Department, non-release of second instalments to the same beneficiary was fraught with the risk of non-completion of houses defeating the very objective of providing houses to the rural poor. Further, it could also be seen from the above table that ₹ 576.90 lakh was paid to 3846 beneficiaries at the rate of ₹ 15000 each for upgradation of houses. However, the Department was not having any record as to whether the beneficiaries have actually utilised the amount towards upgradation of their houses and completed the work. This was corroborated by the fact that while visiting GPUs, some houses were lying incomplete and in some cases it was misutilised as could be seen from the photographs below:

Image – 6.13



Incomplete RHS at Poklok Denchung GPU

Image – 6.14



A shed constructed under RHS at Assangthang GPU

Image – 6.15



GCI sheets distributed under RHS being misutilised by the beneficiaries at Poklok-Denchung GPU

Image – 6.16



The DDO stated (February 2012) that 2nd instalments had already been released to the beneficiaries in front of Chief Minister, area MLAs and Panchayats during Janata Mela organised by the Department. Reply is not acceptable as the Department could not furnish any

document in support of their reply and also the Department kept mum about mis-utilisation of funds as stated above with photographic evidences.

6.3.3 Conclusion

The district had not maintained list of houseless people to facilitate allocation of appropriate funds, selection of genuine beneficiaries, etc. Non-completion of houses under IAY by 15 *per cent* beneficiaries (262 nos.) despite availing the first instalment not only blocked ₹ 0.88 crore but also did not contribute towards providing housing facilities to houseless. Even in case of Rural Housing Scheme, completion of houses by the beneficiaries was not ensured by the Department and instead second instalment was released to new beneficiaries instead of earlier beneficiaries indicating that the scheme implementation process was fundamentally defective.

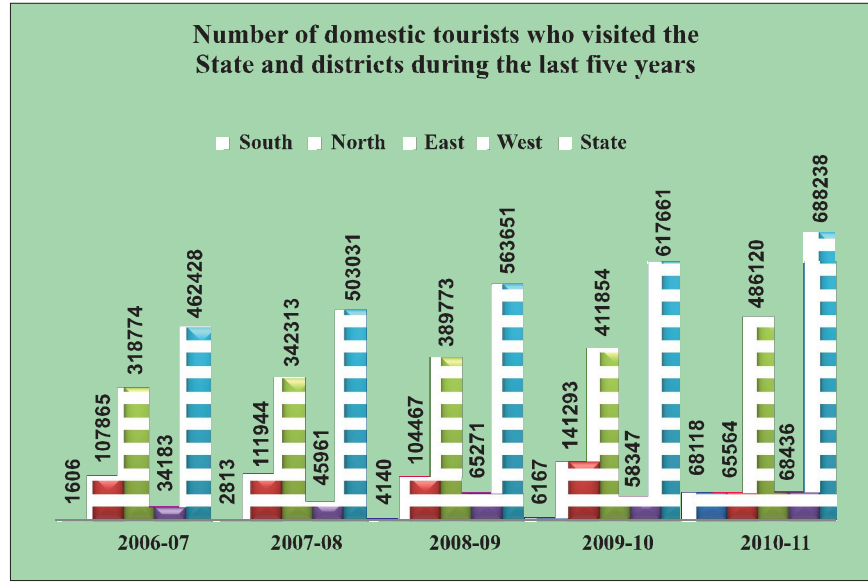
6.3.4 Recommendations

- *Profile of houseless people in the district may be maintained to facilitate selection of genuine and deserving beneficiaries.*
- *Proper monitoring of construction of houses by the beneficiaries may be taken up to ensure completion of houses in a time bound manner by the beneficiaries to check misuse of public money.*
- *Allocation of funds should be based on requirement to ensure equitable distribution of funds.*

6.4 Tourism

Tourism is one of the fastest growing sectors in the State and holds tremendous potential for future economic growth with equity and employment generation. Realising the potential of tourism sector, the State Government has accorded topmost priority to this sector. Both domestic as well as international tourist arrival in the State stood at 6.88 lakh and 25,585 respectively during 2010-11. There has been a notable increase in the number of tourists visiting the State, both domestic and foreign ranging from 9.58 to 12.05 *per cent* (except (-) 7.38 *per cent* in 2006-07 and (-) 8.78 *per cent* in 2007-08) and from 14.83 to 27.72 *per cent* respectively as compared to previous years during 2006-07 to 2010-11. The status of inflow of tourist in the State as well as in the South district is shown in the chart below:-

Chart-6.2



It can be seen from the chart above that the district attracted only 0.35 to 9.90 *per cent* of domestic tourists that visited the State during the last five years. However, there was an impressive increase in flow of domestic tourists in the South district in 2010-11 compared to the previous years.

In respect of the foreign tourists, the growth percentage of tourists flow in State was from 14.83 to 27.72 *per cent*. The figure of tourists who visited the South district was very dismal ranging between 1.63 and 14.69 *per cent* of the foreign tourists who visited the State as can be seen from the table below:

Table-6.12

Years	Number of tourists who visited Sikkim		% growth of tourists flow in State against the previous years		Number of tourists who visited South district		% of tourists who visited the South district compared to tourists who visited the State	
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
2005-06	499261	10534	-	-	2419	172	0.48	1.63
2006-07	462428	12096	(-) 7.38	14.83	1606	228	0.35	1.88
2007-08	503031	13904	8.78	14.95	2813	976	0.56	7.02
2008-09	563651	16505	12.05	18.71	4140	513	0.73	3.11
2009-10	617661	21081	9.58	27.72	6167	616	1.00	2.92
2010-11	688238	25585	11.43	21.37	68118	3759	9.90	14.69

Source: Departmental figures

Even though the State had shown a tremendous growth in the field of tourism and was able to attract the tourists with a growth of 48.83 *per cent* comparing the figure of 2006-07 with the figure of 2010-11, the district was not attracting tourists to that extent. More efforts should be made to attract tourists by creating proper infrastructure.

6.4.1 Recommendations

- *The Department is required to give more emphasis to South district in the field of attracting more tourists.*

6.5 Energy and Power

The Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) was launched by the GOI in March 2005 to provide electricity to all the rural households within a period of five years. The Rural Electrification Corporation (REC) is the nodal agency for implementation of this scheme which has the following objectives:

- Provide 11/11KV Control Room, Installation of 25 KVA and 10 KVA Sub Station;
- Drawing of 11KV Heavy Duty Trans. Line, 11KV 3-Phase Trans. Line and 11KV 2-Phase Trans. Line;
- Create Village Electrification Infrastructure (VEI) for:
 - Electrification of un-electrified villages
 - Electrification of un-electrified habitations with a population of above 100 persons
- Provision of distribution transformers of appropriate capacity in electrified villages/habitations;
- Decentralised generation, distribution and supply.

The rural electrification is aimed at facilitating overall rural development, employment generation and poverty alleviation. The scheme is to be implemented with 90 *per cent* funding from the GOI. Electrification of BPL households is to be financed 100 *per cent* by the Central Government.

The Energy and Power Department prepared a Detailed Project Report (DPR) in August 2007 for:

- Electrification of 8110 un-electrified households among all the 145 villages;
- Electrification of 3062 BPL households;
- Provision of new sub stations/transmission lines and distribution transformers; and
- Electrification of all the nine un-electrified habitations.

The Ministry of Power, GOI through REC provided the assistance to Energy and Power Department, Government of Sikkim for rural electrification work for the State under RGGVY. The DPR was prepared in August 2007. To execute the work the Department invited Expression of Interest from various agencies. The work was divided into two Packages with an estimated cost of ₹ 12.64 crore (viz. Package I - ₹ 9.00 crore and Package II - ₹ 3.64 crore).

The work was awarded (February 2009) to the two contractors with a stipulated date of

completion in August 2010. During audit it was found that the progress of work was very slow and the benefits could not reach the villagers in time. Though the scheduled date for completion was already over the work was yet to be completed even after the lapse of more than a year as can be seen from the table below:

Table-6.13

Package I											
Target						Achievement					
Estab of 11/11 Kv control room	Instt of 25 KVA S/S	Instt of 10 KVA S/S	Drawing of 11 Kv HD Trans line	Drawing of 11 Kv 3 Ph Trans line	Drawing of 11 Kv 2 Ph Trans line	Estab of 11/11 Kv control room	Instt of 25 KVA S/S	Instt of 10 KVA S/S	Drawing of 11 Kv HD Trans line	Drawing of 11 Kv 3 Ph Trans line	Drawing of 11 Kv 2 Ph Trans line
3 nos	7 nos	67 nos	39 kms	4.20 kms	29.20 kms	Nil	6 nos	54 nos	Nil	3.7 Kms	25.86 Kms
Package II											
Target					Achievement						
LT 3 Phase line		LT 1 Phase line		Number of Households to be covered	LT 3 Phase line		LT 1 Phase line		Number of Households covered		
Number of villages	Length in Kms	Number of villages	Length in Kms		Number of villages	Length in Kms	Number of villages	Length in Kms			
15	11	130	120.90	8110	9	3.9	113	107.20	4676		

Thus, from the table above it can be seen that in respect of Package I, there was shortfall in achieving the target for completion of work in time. Out of three 11 KV control rooms, not even a single one had been completed, the work for drawing of 11 KV HD Transmission line was also not completed and there were shortfall in completion of other works such as drawing of 2 Phase and 3 Phase transmission lines. Likewise, there was huge shortfall in Package II also. Out of coverage of 15 villages and 11 kms of LT 3 Phase line, only nine villages and 3.9 kms were covered. Similarly, out of 130 villages and 120.90 kms of LT 1 Phase line, only 113 villages and 107.20 kms of length were covered till September 2011.

As per the objectives of the scheme, electricity was to be provided to all the rural households within a period of five years (by August 2010) whereas it was found that only 4676 households out of the total un-electrified households of 8110 in the district had been electrified as of October 2011. Further, out of total 3062 numbers of BPL households to be covered by August 2010 only 1533 BPL households were covered till September 2011.

Thus, non-completion of the work in time and delay in awarding the work (more than one year) resulted in failure of the objectives of the scheme and deprivation of intended benefits to the rural people including people of BPL category.

While accepting the facts the Department stated (February 2012) that the implementation of scheme was delayed due to long tendering process, obtaining of forest clearance and non-provision of funds for land compensation for execution of work in private holdings.

6.5.1 Recommendations

- *The residual works should be completed immediately to provide intended benefits to the rural people including people of BPL category.*

6.6 Irrigation and Flood Control

Sikkim is a hilly and mountainous State with a total geographical area of 709600 hectares, of which the cultivable area is about 109000 hectares. About 64 *per cent* of the working population is dependent on agriculture and horticulture which contributes about 30 *per cent* of the Gross State Domestic Product. The total rainfall in the State ranges from 100 to 145 inches. The rainfall is very high and of very high intensity during May to September and tapers to almost zero during December to February. Against the backdrop of a predominantly agricultural State, irrigation plays an important role in the economic upliftment of the people of Sikkim. For irrigation, Irrigation and Flood Control Department had been implementing various minor irrigation schemes under various programmes in the South district.

6.6.1 Impact on Agricultural Productivity

A comparative scrutiny of productivity of the area under cultivation indicated that there was neither any increase nor consistency in area under cultivation, in production and productivity in any of the agricultural crops. Even after spending an aggregated amount of ₹ 6.87 crore (₹ 3.67 crore under AIBP, ₹ 2.04 crore under NABARD, ₹ 0.46 crore under Flood Control and River Training and ₹ 0.70 crore under Minor Works) during 2006-11, the Department neither could ensure increase in yield per hectare nor increase the overall area brought under cultivation. The details are given below:

Table-6.14

Crop	Area in (000' hectare)					Production in 000' tons					Yield in kg/hectare				
	06-07	07-08	08-09	09-10	10-11	06-07	07-08	08-09	09-10	10-11	06-07	07-08	08-09	09-10	10-11
Cereal	23.15	17.90	15.89	20.79	17.82	35.23	35.54	20.61	30.49	27.78	1522	1985	1297	1467	1220
Pulse	1.43	2.35	1.56	4.24	2.51	1.18	1.89	1.36	2.01	2.38	825	804	872	474	940
Oilseeds	2.45	2.88	2.30	2.95	3.48	2.16	2.07	0.42	2.42	2.60	882	719	183	820	753
Fruits	1.78	1.79	1.77	1.59	1.71	2.78	3.38	2.77	2.74	3.08	1562	1887	1562	1719	1237
Vegetable	3.18	4.20	3.23	3.23	3.38	14.70	19.43	14.92	14.94	15.74	4626	4629	4625	4624	4663
Roots and Tuber	2.10	2.121	2.10	2.20	2.06	9.73	9.88	9.74	9.68	9.58	4633	4659	4638	4400	4650
Spices	6.501	5.22	5.22	5.22	5.23	14.74	14.88	14.75	16.00	14.86	2267	2853	2828	3067	3072

Source: Data compiled from the progress reports of the Department

Though the Department did not furnish any reason for non-increase of productivity, audit analysis revealed that there was absence of co-ordination between Irrigation and Flood Control Department, Horticulture and Cash Crop Department, Food Security and Agriculture Development Department and Panchayats. The above statistical data was further corroborated by interviews of beneficiaries of 14 GPUs which confirmed that there was no increase in production after construction of the Minor Irrigation Schemes.

6.6.2 Recommendations

- *The Department is required to give more emphasis on increasing production and productivity of various crops by increasing co-ordination between all concerned departments and panchayats.*

6.7 Food Security and Agriculture Development (FSAD)

6.7.1 Unfruitful Expenditure on the Implementation of Vermin Composting Units under Macro Management for ₹ 2.17 crore

Under the Macro Management Programme, the GOI introduced Vermin Composting Programme in the farmers' field using earthworm eco technology from 2005-06 with the basic objective to maintain the fertility of soil; to do successful high yielding integrated sustainable farming or organic farming and to reduce the use of chemical fertilizers and pesticides.

During 2006-07 to 2010-11 the FSAD Department constructed 6192 numbers of vermin compost pits in South district at an expenditure of ₹ 2.17 crore. As per the programme, the yield/ production of the compost for each pit should be one ton in first lot which takes 4-6 months to be produced and in one year at least two lots of the produce is required to be achieved, i.e. two tons every year.

Scrutiny of records revealed that the Department was not having any record of output/ production of the vermin compost and had never assessed the impact of implementation of the scheme. Thus, after incurring such a huge expenditure of ₹ 2.17 crore during last five years, the impact of the scheme by way of production of compost was not known to anyone.

During Physical verification of 14 GPUs and on interaction with some of the farmers/beneficiaries in the district it was seen that even the first lots of the vermin compost were not produced from most of the farmers' pits till date and pits were lying defunct and the result was not satisfactory. However, some of the farmers have shown interest in producing vermin compost and using it as manure in their farming. But the overall picture of the scheme was not as good as envisaged, evident from the photographs below which were taken during field visit.

Image – 6.17



Image – 6.18



Defunct vermin compost pits in Assangthang GPU

Image – 6.19



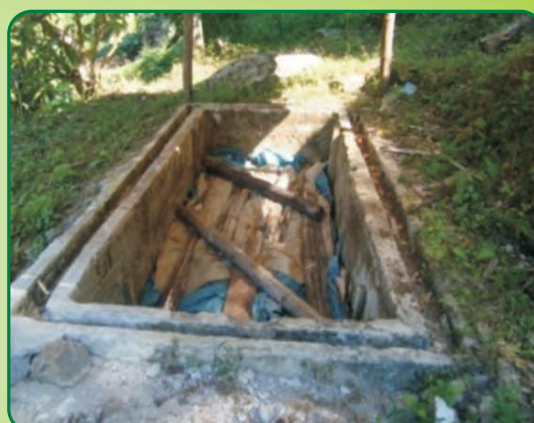
Image – 6.20

*Defunct vermin compost pit in Rameng-Nizrameng GPU*

Image – 6.21

*Defunct vermin compost pit under Namphing GPU*

Image – 6.22

*Defunct vermin compost pit under Poklok Denchung GPU*

In reply, the Department stated (February 2012) that record of the manure produce could not be maintained as the majority of farmers were not literate. Further, some of the defunct vermin post pits were partly due to bad weather conditions and destruction by their inherent natural enemies like ants, rats, termites, pigs, birds, etc. However, complete awareness and instructions were given to the farmers before the implementation of the programme. The reply of the Department is not convincing as it was supposed to monitor and supervise the scheme properly at every level for the success of the scheme considering the fact that substantial amount of funds were involved in the scheme.

6.7.2 Recommendation

- *The Department is required to monitor and supervise the scheme of Vermin Composting Programme in the farmers' field properly at every level for the success of the scheme considering the fact that substantial amount of funds is involved in the scheme.*

6.8 *Animal Husbandry, Livestock, Fisheries and Veterinary Services (AHLFVS)*

The AHLFVS Department took up the scheme “Assistance to State Poultry Farms” in association with Indian Council of Agricultural Research, a targeted programme for up-gradation of low-input technology birds through their All India Coordinated Research Project on Poultry. The pattern envisaged to cater to intermediate rungs of poultry farmers who will rear the chicks in so called mother units and also help in providing the backyard poultry rearers with 4-8 weeks old reared chicks so as to minimise the otherwise high chick mortality. Under this Scheme, one time assistance is provided to State Poultry Farms to suitably strengthen them in terms of hatching, breeding and rearing of the birds with provision for feed mill, their quality monitoring and in-house disease diagnostic facilities. The main objective was to make it a financially self- sufficient unit. The State Government was expected to ensure health coverage, marketing, extension and training of beneficiaries.

Test check of records (October 2011) revealed that the Department spent a sum of ₹ 14.87 lakh during the year 2010-11 under Backyard Poultry Mission on distribution of 7020 chicks to 351 beneficiaries at the rate of 20 numbers of chicks (two males and 18 females) to each beneficiary in the three Constituencies (selected blocks of Temi, Namchi and Jorethang) during July to September 2010 in the South district.

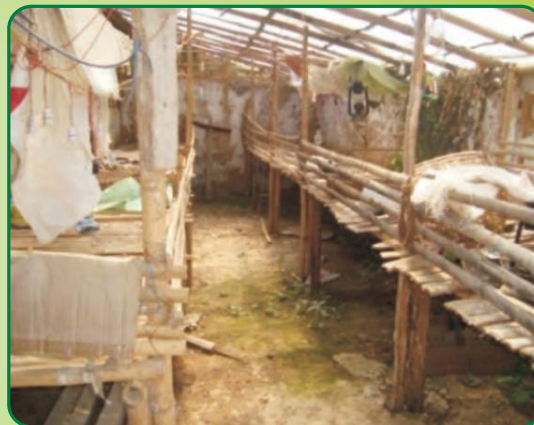
During Physical verification of selected GPUs in November 2011, it was found that the scheme could not be successful as in almost all the cases, it was seen that all the chicks died within one or two months time after they were distributed. The reasons for mortality of these chicks also could not be established. However, on interactions with the beneficiaries it was found that the reasons for failure of the scheme was due to uneven distribution of chicks (i.e. the male chicks were supplied in excess of female chicks instead of 2:18), mortality of chicks due to extreme weather condition, absence of technical knowledge for rearing the chicks and medical facilities, etc. The failure of the scheme is evident from the photographs taken during the field visit in the selected GPUs where it was seen that poultry sheds were lying empty as portrayed below:

Image – 6.23



Empty poultry shed at Sorok Shampani GPU

Image – 6.24



Empty poultry shed at Poklok-Denchung GPU

Image – 6.25



Image – 6.26

*Empty poultry sheds at Namphing GPU*

Thus, failure in implementation of the scheme led to unfruitful expenditure of ₹ 14.87 lakh towards implementation of the scheme. However, it was seen that poultry mission, in which 200 chicks were distributed by the Department as broiler chicks was quite successful and doing well and improving the financial position of the beneficiaries as well.

In reply, the Department stated (February 2012) that there were only 20 to 30 *per cent* mortality due to poor feeding and management at farmers level. Reply is not acceptable as all the beneficiaries of the physically verified GPUs had stated in writing that chicks could not survive due to distribution of uneven ratio of male and female chicks and due to unsuitable weather condition.

6.8.1 Recommendation

- *The Department is required to give awareness and training to the farmers and also to verify feasibility of the scheme prior to its implementation.*

6.9 Food and Civil Supplies and Consumer Affairs

6.9.1 Issue of Rice at BPL Rate to Non-BPL Families

As per the Government policy, the people living Below Poverty Line (BPL) are allowed BPL rice at the rate of 35 kg per family at the rate of ₹ 4/kg every month. Accordingly, the Food and Civil Supplies Department identified 10203 BPL families under the South district which was intimated to the GOI for which the allocation was made by the GOI for issue of rice at subsidised BPL rates of ₹ 4/kg per month. The allocation was made accordingly and same quantity of rice was issued to eight godowns in the South district.

Test check of records of the District Civil Supply Officer, South (DCSO) revealed that the Department had increased the number of BPL families to 16789 for which no intimation was forwarded to the GOI. The State Government instead issued rice from the Above Poverty

Lines (APL) quota to these additional families at BPL rates. The reason for increasing the number of BPL families was neither found on records nor was any justification given for that. Further, these additional beneficiaries were not even having the BPL cards. The issue of APL rice to these beneficiaries at the BPL rate was made as per the list prepared by the MLAs/Panchayats and was handed over to the Fair Price Shops through the DCSO and on the basis of this, rice was issued to the listed beneficiaries at BPL rates.

Thus, issue of rice at the BPL rates to the non-BPL families resulted in excess financial burden to the State exchequer to the tune of ₹ 6.92 crore during the period of Performance Audit.

While accepting the fact, the Department stated (February 2012) that the issue of rice at BPL rate to the non-BPL families was done as per the list prepared by the MLAs and was part of the policy decision of the State Government. Reply is not acceptable as all such beneficiaries were having APL cards only and were neither BPL consumers nor having BPL cards and no rice at BPL rate was allocated for them by the GOI.

6.9.2 Recommendation

- *The Department is required to identify actual BPL families and include them in the GOI BPL list.*

6.10 Other Irregularities

6.10.1 Delay in Execution of Various Developmental Works

Scrutiny of records revealed that 405 works like Minor Irrigation Channels (MICs), electrification, tourist infrastructure, roads, etc. were taken up during the period 2006-07 to 2010-11 in the district. Out of these, 75 works (estimated cost : ₹ 217.11 crore) were not completed within the scheduled time despite incurring an expenditure of ₹ 112.71 crore on these works. The delay in completion ranged from two to 61 months till November 2011 and the physical progress ranged between 20 and 98 per cent as per the following details:

Table-6.15

Department	Total nos. of works taken up during 2006-07 to 2010-11	No. of incomplete works as on September 2011	Estimated cost of incomplete works (₹ in lakh)	Expenditure incurred on incomplete works (₹ in lakh)	Period of delay as of September 2011	Physical progress ranged between
IFCD	194	10	488.26	46.73	4 to 18	20% and 95%
EPD	130	20	3685.25	1826.30	10 to 61	20% and 95%
Tourism	36	22	9384.07	4775.10	5 to 45	37% and 97%
RBD	45	23	8153.10	4623.30	2 to 30	35% and 98%
Total	405	75	21710.68	11271.43	2 to 61	20% and 98%

In reply, the Roads & Bridges Department stated (February 2012) that the delays in completion of works in most cases were due to shortage of explosives and other materials and in some cases were due to land disputes. The Irrigation and Flood Control Department stated (February 2012) that the delays in completion of works were due to forest clearance and rainy season. The Energy and Power Department stated (February 2012) that the delays in completion of works were due to forest clearance, long tendering process and non-provision of funds for land compensation. However, fact remained that due to delay in completion of works intended benefit from the above projects could not be provided to the public.

6.10.2 Irregular Payment of Mobilisation Advances- ₹ 43.32 crore

The Sikkim Financial Rules and Sikkim PWD Code and Manual do not provide for grant of mobilisation advances (MAs) to the contractors for any reason whatsoever. The matter relating to irregular grant of MAs was mentioned in Comptroller and Auditor General's Audit Reports for the years 1997-98 and 2001-02. The Public Accounts Committee (PAC) also recommended (February 2005) that the grant of MAs should be discouraged completely in future.

Audit analysis revealed that five departments² paid MAs to various contractors relating to 89 number of works amounting to ₹ 43.32 crore during the period of Audit. It was, however, noticed that in almost all the cases the progress of works was behind schedule suggesting that the resource mobilisation in terms of man and material by the contractor in the interest of early completion of work was not ensured despite availing MAs. Out of total 89 works, only 32 numbers of works were completed that too with delay ranging between 32 and 64 months and rest 57 works were yet to be completed as of November 2011 (Delay ranged between eight and 68 months). The physical progress of works ranged from 10 to 90 *per cent*. Delayed progress of works also postponed the recovery of MAs ranging between eight and 68 months amounting to ₹ 43.32 crore. Thus, the action of the departments to grant MAs to the contractors were against the PAC recommendations which failed to protect the interest of the Government and only served the interest of the contractors leading to undue favour to the tune of ₹ 43.32 crore as an advance which did not serve the purpose.

Audit analysis further revealed that in one project of Tourism Department interest free MA was given to the contractor that too before commencement of the work immediately after the issue of work orders. The execution was later commenced after a delay of more than 32 months (November 2006). The work was yet to be completed and the physical progress was 70 *per cent* only as of November 2011. Thus, allowing the contractors MAs to the tune of ₹ 43.32 crore not only led to defying the PAC recommendation but also resulted in undue favour to the contractors.

In reply, the departments (R&B and B&H) stated (February 2012) that the MAs were paid as

²Roads and Bridges, Rural Management and Development, Energy and Power, Building & Housing and Tourism Departments.

per Para 24.6 of amended (2009) provision of SPWD manual. The reply of the departments is not acceptable as the MAs were meant for speedy completion of the works but none of the works were completed in time and further most of the MAs were paid prior to the amendment of the manual in 2009.

6.10.3 Irregular Expenditure Towards Land Compensation

Guidelines forbade utilisation of NLCPR funds towards meeting the cost of land acquisition. Audit noticed that two departments incurred ₹ 2.13 crore from the project funds towards meeting the cost of land acquisition pertaining to two projects. The heads of the departments and Development Commissioner who countersigned the utilisation certificates (UCs) had mentioned in the UCs that necessary checks have been exercised before submission of utilisation certificate to the Ministry which was misleading in view of payment for land acquisition cases out of project funds. Details are as under:

Table-6.16

Name of Department	Name of work	Date	Particulars of payment	Expenditure incurred (₹ in lakh)
Tourism	Construction of Ropeway at Namchi, South Sikkim	20.3.08	Pr. Chief Conservator of Forest –cum-Secretary, Forest Department	42.68
RMDD	Multistage water pumping from river Rangeet.	--	Secretary LRD on a/c of land compensation	170.00
			Total	212.68

This had resulted in diversion of NLCPR funds of ₹ 212.68 lakh for other purposes beside intended benefit of the scheme could not be given to the public to the extent of above diversion.

6.10.4 Recommendations

- *Departments are required to give more emphasis on completion of works in time to ensure flow of intended benefit to the public at the earliest.*
- *In respect of payment of mobilisation advances, the Departments are required to ensure completion of works in time otherwise, objective of giving mobilisation advance would be defeated.*
- *In respect of diversion of NLCPR funds, the Departments are required to supplement funds from State side under the said schemes/ project so that full intended benefit flows to the public.*

CHAPTER – VII

General Services

7.1 *E-Governance*

The Information Technology (IT) revolution has catalysed growth and innovation across the world in a manner which has few parallels in modern history. This has enormous implications on culture, way of life and governance. The Government of Sikkim has placed IT high on its agenda. The IT Policy had been formulated to put IT on a firm footing in the State. The Government of Sikkim vide Gazette Notification dated 15 July 2006 issued a policy on IT for the State of Sikkim with the following objectives and mission statements:

- Empowering citizens and making life easier for them through E-Governance;
- Facilitating income and employment generation in the private sector;
- Improving productivity in the Government departments through computerisation;
- Use of information tools in the administration to improve governance;
- Making Sikkim a totally computer literate State;
- Reducing the digital divide;
- Using Information Technology to map the resources of the State; and
- Using Information Technology to bring succor to the disabled.

7.1.1 *Computerisation in the Departments*

National Informatics Centre (NIC), a GOI agency had setup a District Informatics Centre (DIC) at District Headquarter to support the District Administration in promoting awareness about the use of IT in various departments. The DIC had undertaken and implemented 12 projects in various offices in the South district.

All the e-governance projects were physically verified in Audit (October-November 2011) and it was seen that in case of projects of AGMARKNET installed in Horticulture Office during 2004 and COMFONET installed in Consumer Forum Office during 2007, though the hardware were provided, due to non-providing of internet connectivity, these were not being used for the purpose for which these were provided and computers were being used as stand-alone computers.

While accepting the facts, the NIC, Namchi stated (February 2012) that above projects could not be implemented due to problem in providing internet connections.

7.1.2 Gram Suchana Kendras (GSKs)

Creating awareness among the elected representatives and Panchayati Raj Institution (PRI) functionaries about the general issues related to local self-governance and Panchayati Raj and Information and Communication Technology (ICT) as a tool for good governance is an important aspect for introducing e-governance in PRIs. Capacity building in the area of ICT usage and e-governance could be taken up as a part of capacity building. Capacity building should be provided to all PRIs functionaries and elected representatives such as all District (Zilla) Panchayat and Gram Panchayat members and functionaries.

The main objective of establishing the GSKs in all the ZPs and GPs were:

- To bridge the e-gap between the villages and the towns by providing urban amenities in the rural areas;
- To demonstrate the effective use of information technology infrastructure in the accelerated e-governance development in the rural areas of the State by setting up the Common Service Centre at all Zilla and Gram Panchayat level;
- Speedy dissemination of information to Panchayati Raj Institutions; and
- Providing the world wide information to PRIs.

Accordingly, the GOI approved a proposal through the Rural Management and Development Department for establishment of GSKs in all the ZPs and GPUs of Sikkim and released ₹ 5.04 crore during 2005-06 (₹ 3.04 crore in January 2006 and ₹ 2 crore in March 2006).

Scrutiny of records (August 2010 and November 2011) revealed that the Department assigned (June 2006) the job of establishment of GSKs to the State Trading Corporation of Sikkim (STCS), a State Government undertaking, without any time frame for the establishment of GSKs throughout Sikkim. The Department paid advances of ₹ 5.02 crore during August 2006 to March 2007 to the STCS, which engaged two private firms for establishment of GSKs in 157 GPUs and 4 ZPs which *inter alia* included 45 GPUs and 1 ZP in South district.

Physical verification (August – September 2010) in all the selected 14 GPUs and one ZP with departmental officials revealed that the requisite software was not installed in any of the computers in these GSKs and above all no internet connectivity was found in place in any of the GSKs. The audit team visited and physically verified all the GSKs again in November 2011 but it was found that the position of previous year had not changed and GSKs were not functioning as it should be due to non-installation of required software and internet connection. Further, it was seen that the hardware supplied to the GSKs were very old and obsolete with very poor configuration which also needs to be upgraded or replaced. The computer hardware were simply being utilised for office use for typing and taking printouts of some official documents only.

Thus, due to non-establishment of GSKs the very objective of bridging the e-gap between villages and towns and providing speedy information to the PRIs, etc. could not be achieved despite spending ₹ 1.43 crore in South district alone in 2006-07, i.e. even after more than four

years.

7.1.3 Conclusion

As regards the e-governance activities, all the departments and other services had not been covered and in some cases provided facilities could not be put to use. GSKs have neither been installed with required software nor internet facility been provided.

7.1.4 Recommendation

- *All departments/ offices may be covered under e-governance and where facilities were provided but could not be put to use, the same may be put to use immediately.*
- *Required software may be installed in all the GSKs and may be provided with internet facility.*

7.2 Waste Management

Waste management includes collection, transport, recovery and disposal of waste, including supervision of such operations and after-care of disposal sites. Municipal solid waste, hazardous wastes and biomedical wastes were the most common wastes generated in the towns in South district. The responsibility of waste management was assigned to UDHD. A review of the processes involved in solid waste management in the district revealed the following:

7.2.1 Delay in Setting up of Solid Waste Treatment Plant

The UDHD formulated and submitted the proposal to the Central Pollution Control Board (CPCB) through Sikkim State Pollution Control Board (SSPCB) with an aim to set up model facilities for demonstration of management of urban solid waste in the cluster towns of the South and West districts on the cost sharing basis of 90:10 (Centre and State). The project was approved by the CPCB in January 2006 with an estimated cost of ₹ 2.50 crore. Accordingly, the CPCB sanctioned and released its first instalment of ₹ 60 lakh in February 2006 for commencement of the project. The project was to be completed within 36 months after the date of receipt of 1st instalment from the CPCB, i.e. by February 2009.

Scrutiny revealed that the civil work was awarded (June 2007) to a contractor with a tender value of ₹ 1.52 crore. On physical verification of the project site in November 2011, it was found that the work was far from completion even after spending a sum of ₹ 2.64 crore (₹ 91.74 lakh spent on machine and equipment, ₹ 98.96 lakh on payment to contractor and ₹ 73.56 lakh on acquisition of land not forming part of approved project cost). The progress of work was hampered due to non-availability of funds. Further analysis revealed that the delay in release of 2nd instalment of the funds from CPCB was due to non-release of State share of 10 *per cent* in time and only in May 2008 the State released its share of ₹ 25 lakh. This in turn, delayed submission of utilisation certificate by the Department to the CPCB. However, the 2nd instalment of ₹ 110.83 lakh was released by the CPCB in April 2010. Thus, due to delay in completion of the project in time and in the absence of any dumping site, the whole garbage of

the towns were being dumped in an open space at the project site near the banks of river Rangeet as could be seen from the following photographs:

Image – 7.1



Untreated Garbage being dumped on the banks of river Rangeet near Shipchu site

Image – 7.2



Incomplete work of Solid Waste Management at Shipchu (work was started four years back)

While accepting the facts, the Department stated (February 2012) that the project could not be completed due to non-release of last instalment of funds by CPCB.

7.2.2 Transportation

According to Municipal Solid Waste (MSW) Rules, wastes shall be transported in covered vehicles to prevent exposure to open environment and scattering. In the South district (ten towns) a total of 120 MT of garbage was generated every day. Till date, the Department does not have any solid waste plant to convert this garbage into compost. The garbage was being transported in open tippers and trucks to recently started project site at the bank of river which can be seen from the photograph below:

Image – 7.3



Image – 7.4



Garbage being transported in open trucks by UDHD at Jorethang

Image – 7.5

*Garbage being transported in open truck by UDHD at Namchi*

Further, it was also noticed that treatment plant at Shipchu was situated at a distance ranging from 4 km (Jorethang) to 96 km (Yangang) as detailed in the table below. The transportation of garbage from these long distances every day was not feasible as the Department was having only two trucks and three Tata 407 trucks for this purpose and it did not seem possible to transport 120 tons of garbage daily to the treatment site from various distances of ten towns.

Table-7.1

Distance (in Kms) of towns from the Sipchu treatment plant

Namchi	Jorethang	Melli	Mazitaar	Temi	Ravangla	Namthang	Damthang	Yangang	Kewzing
24	4	33	14	50	50	48	37	96	58

Further, the State Government had made a regulation that throwing of garbage here and there was a punishable offence. Garbage would be collected from each and every household in the morning by the tippers of the UDHD. Despite this, it was seen that in the market areas garbage was being thrown by the public here and there creating health hazards for the public on which the UDHD did not have any control as could be seen from the photographs below:

Image – 7.6

*Garbage being thrown in front of lower Side main gate of District Hospital, Namchi*

Image – 7.7

*Garbage being thrown on the road side in Kazitar at district headquarter, Namchi*

7.2.3 Segregation of Waste

MSW Rules 2000 (Management and Handling) require separation of waste into bio-degradable and non-biodegradable categories right from the point of generation itself by putting them in green and blue containers respectively. While the bio-degradable waste was to be converted to compost, the non-biodegradable waste was to be thrown at landfill sites and thereby decrease the volume of waste to be thrown into landfill sites and improve the environment. Physical verification by Audit with departmental officers revealed that segregation of waste as prescribed was not being adopted by the Department either at the point of generation or during treatment as can be seen in the photographs below:



Dumping of untreated waste in open space near river side was indicative of callous approach of the Department and would also be an environmental hazard which needs to be attended.

7.2.4 Conclusion

The UDHD in the South district did not have an integrated waste management plan for collection, storage, segregation, transportation, processing and disposal of municipal solid waste thereby exposing the public to the dangers of untreated waste and pollution.

7.2.5 Recommendations

- *Solid waste treatment plant should be completed immediately to avoid exposing the public to the dangers of untreated waste and pollution.*
- *Waste management plans also needs to be developed in an integrated manner to ensure proper management of disposal of municipal solid waste.*

7.3 Civil Amenities

7.3.1 Increase in Crime Rate

The GOI introduced the scheme of Modernisation of Police Force (MOPF) to augment the operational efficiency of the State police so as to face the emerging challenges to internal

security. Audit scrutiny of records of Superintendent of Police, South district revealed that during the years 2006 to 2010, 1172 crime cases were reported in the district. Major crime cases were against bodily offences and property offences. Further, increase/decrease in incidence of crime indicate the performance of police force. However, crime rate in the district for the last five years had been fluctuating as shown below:

Table-7.2

Year	No. of Indian Penal Code crimes	No. of Special Local Laws crimes	Total no. of crimes	Percentage of increase with previous year
2006	198	16	214	-
2007	182	19	201	(-) 6.07
2008	200	21	221	9.95
2009	235	32	267	20.81
2010	201	68	269	0.75

Source: Departmental figures

Compared to the base year 2006, the rate of crime had decreased by 6 per cent during 2007. However, in the subsequent years the gain could not be sustained as there was again an increase of 9.95 per cent in 2008, 20.81 per cent in 2009 and 0.75 per cent in 2010.

7.3.2 Computerisation of Police Force

Common Integrated Police Application (CIPA) was one of the important components of Modernisation of Police Force which was designed and developed to maintain the details pertaining to all the activities of the Police Station (PS) relating to crime and criminals. Accordingly, the GOI directed the State Government to cover all PSs with CIPA in a phased manner commencing from 2004-05 and to complete it by 2007-08. Though the State Government provided one computer each to six PSs of South district, none of the six PSs of South district could be connected with CIPA and the computers were being used as stand-alone computers. Hence, the State Government had not brought any PSs under CIPA and the State Government was in the process of implementation of Crime and Criminal Tracing Network and Systems (CCTNS) by replacing CIPA by transferring of hardware provided under CIPA to CCTNS. The fact however, remained that as of November 2011, CIPA could not be implemented and none of the PSs in the district could be connected with networking.

7.3.3 Very High Suicide Rate

The statistics concerning the rates of suicidal death in the district as compared to national rates during 2006 to 2010 showed that it was significantly very high as detailed below:

Table-7.3

Year	No. of suicide cases in the district	Rate of suicide per lakh population in the district	National rate of suicide per lakh population
2006	128	90.34	10.5
2007	122	86.10	10.8
2008	125	88.22	10.8
2009	165	116.45	10.9
2010	165	116.45	11.4

Source: Departmental figures and book 'Accidental deaths and suicides in India 2010'

It could be seen from the above that during 2006 rate of suicidal death in the district was 90.34 per lakh as compared to national rate of 10.50 per lakh. Similarly during 2008 and 2010, rates of suicidal death in the district were 88.22 and 116.45 per lakh as compared to national rates of 10.80 and 11.40 per lakh respectively, which were highest of any State in the country during the years. Further, the rates of suicidal death have been fluctuating during the years 2006 to 2010 between 86.10 and 116.45 per lakh which were about 9 to 10 times more than the national rates. Reasons for such significantly high rates of suicidal death in the district were stated (August 2010) to be due to socio-economic changes and disintegration of joint families into nuclear families.

7.3.4 Position of Disposal of Civil and Criminal Cases

Information furnished by the District and Session Judge, South District indicated the following regarding disposal of civil and criminal cases:

Table-7.4

Year	Opening balance		Cases instituted during the year		Total cases		Disposed during the year		Closing balance		Percentage of disposal	
	Civil	Criminal	Civil	Criminal	Civil	Criminal	Civil	Criminal	Civil	Criminal	Civil	Criminal
2006-07	28	27	139	144	167	171	112	121	55	50	67	71
2007-08	55	50	117	100	172	150	79	89	93	61	46	59
2008-09	93	61	124	132	217	192	138	111	79	82	64	58
2009-10	79	82	162	251	241	333	107	188	134	145	44	56
2010-11	134	145	145	274	279	419	155	269	124	150	56	64

Source: Information furnished by the District and Session Judge, South District, Namchi

From the above statement it could be seen that 44 to 71 per cent cases only were disposed of during 2006-11 leaving huge number of cases pending. Reasons for their pendency were not stated. However, considering the low rate of crime in the district, these pending cases appeared to be very high for the district.

7.3.5 Availability of Banking Facilities

The GOI decided to provide essential financial services like savings, credit, micro-insurance and remittance to all villages with population over 2000 by March 2012. The objective of the scheme was to deliver financial services at an affordable cost to vast sections of the low-income groups.

The Reserve Bank of India (RBI) started its operation in the State of Sikkim very recently and hence, Audit tried to collect information from the branches of various commercial banks available in the district as well as from the State Bank of India working as the lead bank. From the information received from all bank branches of the district, it was gathered that all bank branches are termed as rural branches and all investors are termed as rural investors. In the district, six commercial banks were having 16 branches at various places in which as of March 2011, 62273 savings accounts with investment of ₹ 119.40 crore, 523 current accounts with investment of ₹ 19.45 crore and 7801 fixed deposit accounts with investment of ₹ 113.45 crore were available as per following details:

Table-7.5

(₹ in crore)

Sl. No.	Name of the bank	No. of branches available in the district	Savings accounts		Current accounts		Fixed deposit accounts	
			No. of accounts	Amount invested	No. of accounts	Amount invested	No. of accounts	Amount invested
1	State Bank of India	10	39964	82.66	310	6.44	6244	85.26
2	Sikkim State Co-operative Bank Limited	2	11984	10.25	20	0.12	348	1.47
3	Axis Bank	1	2504	6.66	31	5.29	52	3.38
4	Union Bank of India	1	3247	4.68	79	0.19	299	7.80
5	Central Bank of India	1	2254	5.92	20	5.79	513	3.76
6	United Bank of India	1	2320	9.23	63	1.62	345	11.78
	Total	16	62273	119.40	523	19.45	7801	113.45

Source: Data supplied by various banks

Further, State Bank of Sikkim (SBS) functions as State's Banker having its branches all over the State which operate State Government accounts as well as deposits made by individuals. From the information received from all branches of the SBS in the district, it was gathered that all branches are termed as rural branches and all investors are termed as rural investors. In the district, six branches of SBS were operating at various places in which as of March 2011, 26261 savings accounts with investment of ₹ 51.38 crore, 570 current accounts with investment of ₹ 4.53 crore and 2970 fixed deposit accounts with investment of ₹ 16.88 crore were available.

While comparing the statistics of investors and investments with previous years during last five years, it was seen that investors and investments in various bank branches in the district had increased considerably. Though the coverage of the district under financial inclusion by 2012 was to be fulfilled, most of the villages in remote areas still remained uncovered with banking facilities.

CHAPTER – VIII

Satisfaction Level of Beneficiaries in the District

To assess the impact of the various developmental schemes in the district, 275 number of questionnaires regarding satisfaction level on different parameters were issued to various beneficiaries of 14 GPUs and four towns of four Block Development Offices for their response and the responses were received from all the beneficiaries/stakeholders of these GPUs and towns and their responses/reactions were as under:

Table-8.1

Sl No	Parameters	Response	
1	Condition of the roads connecting villages, village headquarters and district towns with Blocks	Bad	6 per cent
		Require maintenance	81 per cent
		Good	13 per cent
2	Regular bus services between the villages, village and block Headquarters and district towns	Available	20 per cent
		Not available	80 per cent
3	Safe Drinking water supply	Available	40 per cent
		Partially available	55 per cent
		Not available	5 per cent
4	Electricity supply	Regular	50 per cent
		Irregular	50 per cent
5	Bank branch in the village	Available	28 per cent
		Not available	72 per cent
6	Availability of cooking gas (LPG)	Regular	44 per cent
		Irregular	56 per cent
7	Medical facilities	Available	56 per cent
		Not available	44 per cent
8	Education facility (upto Class-X)	Available	82 per cent
		Not available	18 per cent
9	Sanitation facilities	Available	74 per cent
		Partially available	11 per cent
		Not available	15 per cent

The responses indicate poor satisfaction level of the people in respect of road conditions where 81 per cent responded for roads requiring maintenance, similarly 80 per cent responded that the villages were not connected by bus services, 72 per cent responses were received stating non-availability of Bank branches in the villages and 56 per cent responded that villagers were not supplied LPG in time. However, the responses of the beneficiaries on drinking water supply, supply of electricity, medical facilities, education and sanitation facilities were at satisfactory level.

8.1 Recommendation

- *The District authority should take concrete and tangible efforts to improve the quality of life in the district by efficient implementation of the development programmes specially for maintaining the roads in good condition, to regulate the bus services effectively in the rural areas for the villagers and to operate bank facilities in the rural areas to facilitate the banking services in the villages.*

CHAPTER – IX

Monitoring Mechanism and Impact Evaluation

9.1 *Monitoring by District Administration*

Timely and proper monitoring of all developmental works executed by the various departments in the district was the overall responsibility of DC. However, the DC intimated (November 2011) that mechanism for monitoring the execution of schemes/ programmes through obtaining regular feedback from head of the offices of the departments, field visits by the SDMs and DC himself did not exist. Though various meetings were convened by the DC, these meetings were mostly relating to celebration of festive programmes, disaster management, etc. It was also noticed that inspection schedule for field visit to monitor the progress of schemes/ programmes was neither drawn up by the departments concerned nor by the DC office. Details indicating outcome of field visits were never recorded and passed on to the department concerned for initiating corrective action. Evaluation of the scheme/ programme at district and State level was not attempted as yet. Besides, following were also noticed:

9.1.1 *Suitable Mechanism not Developed for Monitoring*

According to State Government notification (January 2007), suitable mechanism for reporting of the progress of the various schemes undertaken at the Block level to the concerned line department through the designated Nodal officers along with a copy to head of departments is required to be developed.

It was, however, noticed that these prescriptions were not adhered as no documentation indicated physical verification was ever recorded. In the absence of documentation, the field visits by the authorities could not be vouched for in audit and corrective action, if any, could not be initiated by the implementing departments.

9.1.2 *Schedule of Inspection for Field Visits not Drawn*

Reports related to all ongoing schemes within the block shall be forwarded to the concerned line department on a monthly basis and field visits should be conducted by DDO on quarterly basis and DC on half yearly basis. The district authorities have not drawn up such schedule for inspections and indicated their findings, if any, for initiating corrective actions by implementing agency/departments.

Even in case of SGRY and NREGA schemes, where the scheme required preparation of

schedule of inspection for State/district level officers for monitoring the execution of projects and overall implementation of scheme through visit to work site and submitting returns to GOI in prescribed format; schedule of inspection and visit reports to worksite by district level officers could not be made available to Audit. Thus, effective monitoring of the scheme in terms of actual execution of work was severely lacking in the existing system.

In reply, the DC stated (February 2012) that periodical meetings were held with the Heads of Office of each Department in the district where developmental works were being analysed and the DC coordinates for overall monitoring in the district. Whenever meetings were called for any particular purpose, it did not mean that the progress of development was not discussed. A system of recording field visits in the DC's Office was going on and a suitable mechanism was getting developed in the DC's Office for timely and proper monitoring of all the developmental works.

9.2 Grievance Redressal

The State Government had not instituted any mechanism at the district level to address the grievances of the public relating to the services/ utilities provided by various departments and agencies of the State. No Grievance Cell had been set up in the district. The DC, South stated (November 2011 and February 2012) that the grievances received were attended instantly depending upon their nature and the public grievances received in the office of the DC, South on daily basis relating to other departments were forwarded to the concerned departments for redressal at their end. However, no records were maintained for such grievances. Since no records were maintained, details relating to grievances received, disposed of and pending were not available with any authority.

In further reply, the DC stated (February 2012) that the Grievance Redressal mechanism was well established at Single Window System with a complaint register/box, kept over there. There was no record of pending grievances. There was also a provision to make online complaint on official website of South District – www.southsikkim.nic.in and through the official mail at dmnamchi@gmail.com. Records were also maintained at Under Secretary level and PA to DC level for better disposal of works. The District Collectorate was trying its best to give justice to the public at large. The reply is not acceptable as no such records were maintained either at Private Secretary level or at Under Secretary level.

9.3 Conclusion

Monitoring and supervision of the progress of implementation of various schemes at all tiers of local administration in the district was perfunctory which impacted the progress of developmental works/projects undertaken by various departments/implementing agencies. Consequently, there were number of works in the social and economic sectors which were plagued by time overruns thereby depriving the public of the benefits of these developmental schemes.

9.4 Recommendation

- *Monitoring, inspection and supervision needs to be strengthened at all the tiers of local administration to ensure that the programmes are executed on time and within cost and timely corrective action is taken in cases of slippage.*

CHAPTER – X

Conclusion

There are multiplicity of programmes and schemes and even larger number of implementing agencies, making it difficult for the district administration to effectively monitor and supervise the developmental activities. While almost all the developmental programmes are targeted at the same set of beneficiaries, the existence of numerous programmes without an integrated focus, has led to each of them being implemented in a standalone mode.

To ensure efficiency and effectiveness in delivery of key services like education, health, employment, etc., the GOI has increasingly been entrusting the responsibility at the local level, especially the PRIs. This is also intended to ensure that the local Government at the district, block and GP level are empowered to discharge the functions that are constitutionally assigned to them. It was observed that absence of adequate participation from these levels in the planning process is hindering the planned progress of the district and address the felt needs at the grass roots level. Though the PRIs were empowered to prepare specific plans for integrated development of their area, they had not prepared structured annual action plans.

Monitoring mechanism was either not instituted, or was not functioning as envisaged, with regard to execution of schemes. No plans had been formulated for providing integrated development of a sector/service. Good governance, effective and efficient delivery mechanism and sustainable development strengthens high level of performance and play a crucial role in the overall socio-economic development of the district by providing essential and quality public infrastructure and services. The State Government would have to address these serious issues in order to achieve real development of the district at the desired pace.



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