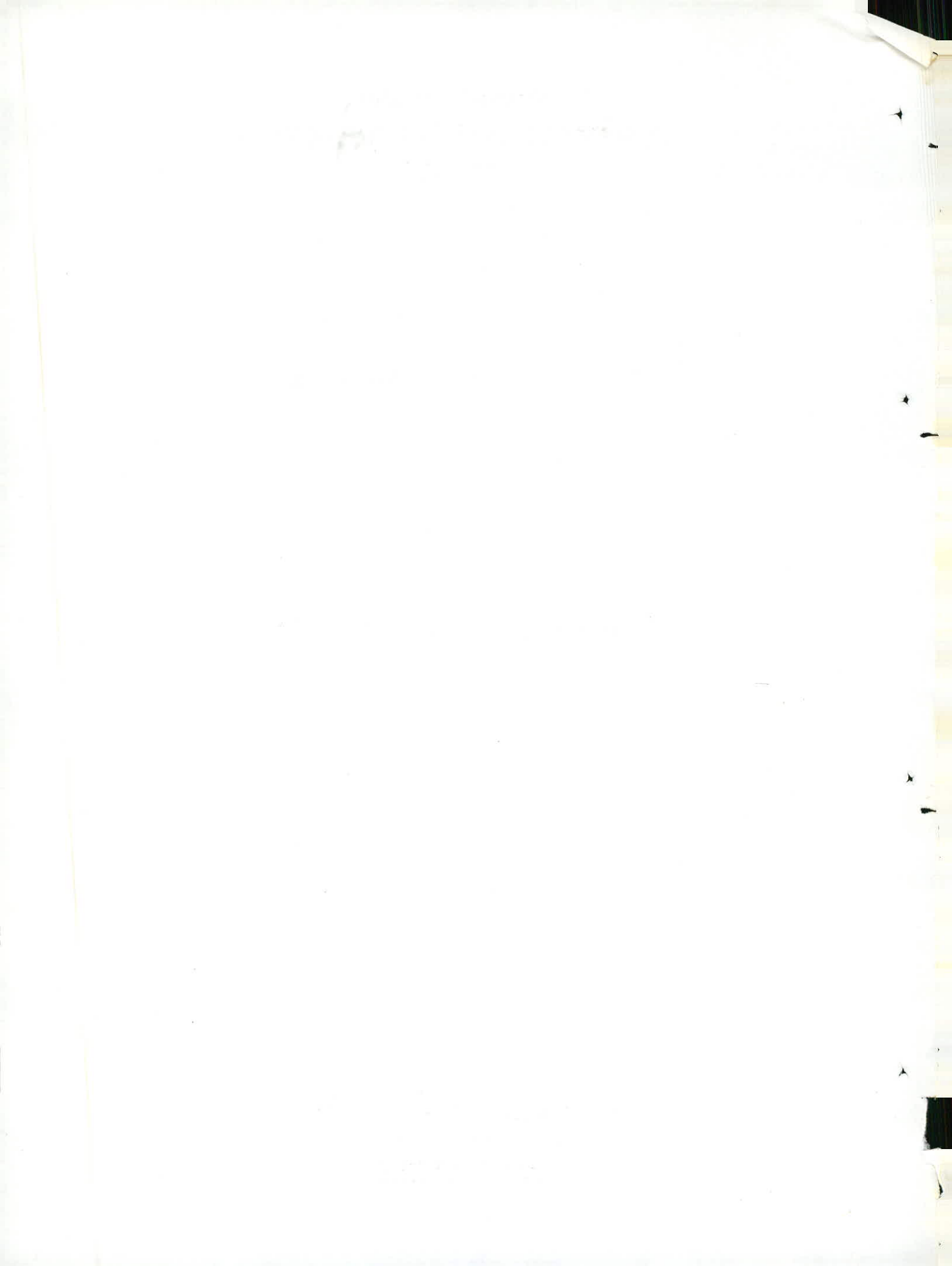


**Report of the  
Comptroller and Auditor General  
of India**

**for the year ended March 2001**

**Union Government (Civil)  
Performance Appraisals  
No.3 of 2002**



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## PREFACE

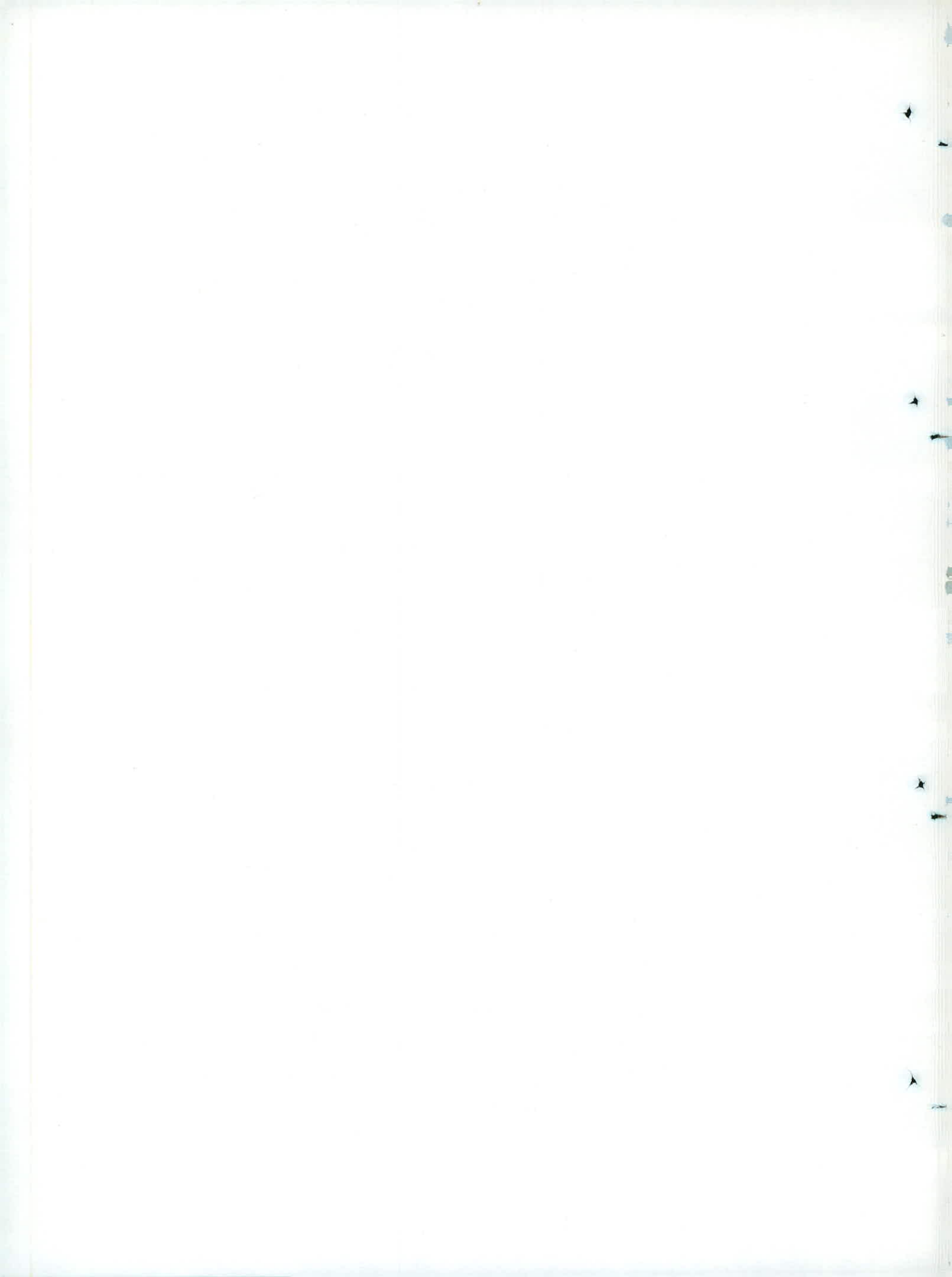
This Report for the year ended March 2001 has been prepared for submission to the President under Article 151 of the Constitution.

The audit observations on Union Finance Accounts and Union Appropriation Accounts for the financial year 2000-01 and the matters arising from test audit of the financial transactions and accounts of Union Ministries and of Union Territories have been included in Comptroller and Auditor General's Reports No. 1 and 2 of 2002.

The present Report includes matters arising from performance appraisals of the following Centrally Sponsored/Funded Schemes. These All India Reviews incorporate the result of test check of documents conducted in various States and Union Territories as well as in the controlling ministries of the Union Government.

- |    |  |   |
|----|--|---|
| 1. | National Disease Control Programme       | Ministry of Health and Family Welfare                 |
| 2. | Non-Formal Education Programme           | Ministry of Human Resource Development                |
| 3. | Accelerated Rural Water Supply Programme | Ministry of Rural Development                         |
| 4. | Accelerated Urban Water Supply Programme | Ministry of Urban Development and Poverty Alleviation |

Separate Reports are also issued for Union Government: Autonomous Bodies (No.4), Scientific Departments (No.5), Post and Telecommunications (No.6), Defence-Army and Ordnance Factories (No.7), Air Force and Navy (No.8), Railways (No.9 and No.9A), Receipts of the Union Government-Indirect Taxes-Customs (No.10), Central Excise and Service Tax (No.11) and Direct Taxes (No.12 and 12A).



## OVERVIEW

This Audit Report contains performance appraisals of four Centrally Sponsored/Funded Programmes: (i) National Disease Control Programme (ii) Non-formal Education Programme (iii) Accelerated Rural Water Supply Programme and (iv) Accelerated Urban Water Supply Programme.

### Ministry of Health and Family Welfare (Department of Health)

#### National Disease Control Programme

National Disease Control Programme is a cluster of programmes, which have commenced at different periods of time, with different methodologies and approaches. These programmes are aimed at the treatment, prevention and control of major diseases like Cataract Blindness, Tuberculosis, Leprosy and Acquired Immune Deficiency Syndrome (AIDS) in the country. Schemes relating to two of these major diseases, namely Blindness and Tuberculosis were selected for review in audit. The significant shortcomings noticed are detailed below:

#### National Programme for Control of Blindness

- The programme aimed to bring down the rate of prevalence of blindness from 1.4 to 0.3 *per cent* by 2000 A.D. The target fixed at 600 cataract operations per lakh population per year was not achieved. The rate of success/failure of the cataract operations was not measurable as no record was available with the states.
- The reach of the programme left more than 70 lakh prospective beneficiaries untargeted. In terms of delivery, the programme relied more on private sector for its success as only 21 to 26 *per cent* cataract operations in project states and 11 to 28 *per cent* cataract operations in non-project states were performed by the Government sector.
- Shortfall in surgeries performed by Government doctors ranged between 19 and 98 *per cent* and underutilisation of ophthalmic beds was between 8 and 90 *per cent*. The programme failed to succeed in mobilizing the base hospital approach and greater reliance was placed on camp approach.
- Village wise blind registers were not maintained. Shortfall in the deployment of Mobile Units ranged between 9 and 45 *per cent* in project states. Shortfall in surgeries performed in Mobile Units ranged between 24 and 100 *per cent*.
- No new eye banks were opened. Only 55 and 45 *per cent* of eyes collected by Government and voluntary sector respectively were utilised for keratoplasty.

- Unspent grants of Rs 30.89 crore were lying with District Blindness Control Societies. 106 annual statements of accounts and 129 UCs relating to grants released up to 1999-2000 were not received.

### **National Tuberculosis Control Programme**

- The reach of the programme was inadequate. The performance of NTP States was poor. Under RNTCP, the cure rate was below the stipulated rate. The defaulter rate could not be minimised.
- The grants released to District Tuberculosis Control Societies were utilised only to the extent of 13 to 27 *per cent* during 1996-97 to 2000-01. Grants to DTCS for assistance to NGOs could only be utilised to the extent of 12 *per cent*.
- Management of drugs at MSDs/States was not efficient. Time expired anti-TB drugs worth Rs 1.87 crore were lying with MSDs/DTCs. Substandard drugs worth Rs 34.33 lakh had been purchased by different States/MSDs. 48 utilisation certificates involving grant of Rs 52.53 crore for purchase of anti TB drugs were not received.
- World Bank aid to RNTCP increased from Rs 37.07 crore to 71.01 crore over the five years under review, while the Government's commitment level to the programme was limited to about 24 *per cent* of the expenditure in the same period. However, only 20 *per cent* of World Bank aid had been utilised after completion of four years of the total project period of five years.
- Shortfall in supervisory visits undertaken by states ranged between 3 and 100 *per cent*. No evaluation of the programme was done at state level.

**Ministry of Human Resource Development  
(Department of Elementary Education and Literacy)**

### **Non-Formal Education Programme**

Despite the considerable expansion of formal education, large groups of children in school going age still remain outside the formal system of education. In order to reach this large segment of marginalized children, a Centrally Sponsored Scheme of Non-Formal Education (NFE) was launched in 1979-80. This review summarizes the significant findings of audit in regard to the implementation of the Scheme in respect of 20 States and 2 Union Territories (UTs) covering the period from 1995-96 to 1999-2000.

- Short release of central funds along with the short releases by the States led to a weakened resource base for the scheme.
- Target of opening 3.50 lakh NFE Centres per year by the end of VIII Five Year Plan remained unattained. Up to 1999-2000, grants were provided for 2.93 lakh centres in the state sector and the voluntary sector. In most



of them study material was either not procured or provided only at the end of the session.

- The Scheme adopted the strategy of condensed course of five-year duration – two years for Class I to V and three years for Class VI to VIII to cover the syllabi of eight years (Class I to VIII) with the help of specially designed educational curriculum. But in most States/UTs, this strategy was not implemented.
- Non-enrolment of children in NFE Centres as per norms of the Scheme deprived 43.59 lakh children of its benefits during 1995-96 to 1999-2000.
- The pass percentage of NFE learners in five States/UT was below 17 *per cent*. Records of lateral entry of NFE learners into the main stream of formal education were not maintained in most of the States.
- Grants, totalling Rs.24.74 crore released to eight States for opening night centers, were unwarranted since the centres in these States were running during daytime.
- The implementation of the scheme in voluntary sector was required to be monitored through quarterly progress reports. This proved a failure because no mechanism to verify the authenticity of facts given in such progress reports existed. The Village Education Committees were not constituted as required.

**Ministry of Rural Development  
(Department of Drinking Water Supply)**

**Accelerated Rural Water Supply Programme**

The programme aimed to ensure coverage of all rural habitations, especially those hitherto un-reached and not having access to safe drinking water; sustainability of the systems and sources and preservation of quality of water by institutionalising water quality monitoring and surveillance, through a catchment area approach.

Impact assessment of ARWSP by independent sources revealed the re-emergence of problem villages and shortcomings in critical parameters of adequacy, regularity, quality, distance of source of water, etc. in many States. Despite the added thrust given to the programme since 1999, planning and implementation suffered on account of neglect of priority areas like sustainability, community participation, operation and maintenance, etc. Poor fund management led to large amounts being diverted or retained in deposits, apart from expenditure being incurred in excess over approved norms.

- About 20,073 habitations did not have any source of water. 1.55 lakh habitations remained only partially covered. Re-emergence of 73,197 problem habitations in 7 States, negated the impact of the programme. Inadequate maintenance of water sources resulted in failure of a substantial number of hand pumps installed. In 13 States, water modes, set up at a

cost of Rs 369.20 crore were non-operational. Water treatment plants, installed at a cost of Rs 16.32 crore to control fluorosis, excess iron and salinity were non-functional. Poor performance of water quality testing laboratories defeated the objective of providing safe drinking water to the rural population in the affected areas.

- Rs 283.90 crore were spent on coverage of partially covered habitations during 1997-2001, contrary to the priority norms even though there were habitations having no source of drinking water.
- Significant components of the Programme such as Human Resource Development and Information, Education and Communication failed to achieve the objectives of creating awareness on use of safe drinking water and imparting training to the local population.
- Application of funds without adequate planning and scientific identification of water sources led to abandonment of 2,371 schemes midway in 19 States, costing Rs 197.52 crore. Scientific methods of source selection were not adopted in 10 States, causing failure of the schemes and rendering Rs 64.71 crore wasteful.
- Diversion of funds of Rs 86.15 crore to activities not connected with the programme, unauthorised retention of funds of Rs 393.77 crore in Civil/Revenue/Public Works Deposit, inflated financial achievement of Rs 307.69 crore, excess expenditure of Rs 191.41 crore met from ARWSP funds instead of from State Plan funds, materials costing Rs 68.79 crore purchased in excess of requirements were amongst the shortcomings noticed in programme implementation.

**Ministry of Urban Development and Poverty Alleviation  
(Department of Urban Development)**

### **Accelerated Urban Water Supply Programme**

The basic objectives of the programme included the provision of safe and adequate water supply facilities to entire towns with a population of less than 20,000 in the country within a fixed time frame, improvement of the environment, quality of life and socio-economic conditions with a view to increasing productivity for sustained economic development.

The implementation of the Programme was deficient in critical areas. No effective system to identify towns/schemes was instituted in most States. Towns in which water availability was already in excess of the prescribed limit of 70 LPCD as well as ongoing schemes under the State plans or those financed with assistance from HUDCO were also included under the Programme. Financial resources were improperly managed and excess releases of funds to non-performing States resulted in accumulation of unspent balances. Shortfalls in contributing the matching States's share led to non-realisation of the programme objectives. Proper monitoring was lacking, both at the Ministry and State levels. Crucial aspects of the programme like

community participation; adoption of a realistic tariff structure and establishment of the sustainability of the schemes were neglected in most schemes. The Ministry did not evaluate the programme to assess its impact.

- Only 575 schemes were sanctioned, while a total of 2151 small towns were to be covered. Of these, 200 schemes had been completed/commissioned, 274 schemes were ongoing and 101 were to be taken up as of March 2001.
- Of the total Central and State assistance of Rs 479.14 crore released up to March 2001, Rs 329.45 crore were spent, leaving an unspent balance of Rs 149.69 crore (31.24 *per cent*). Rs 55.73 crore were diverted to activities not connected with the Programme, retained in deposits or were misutilised etc.
- Against the total Central share of Rs 265.57 crore, matching State Share and ULB's contribution fell short by Rs 51.38 crore. There were delays in release of funds to the executing agencies by the State Governments, ranging from 2 to 60 months and short/non-release of funds to the implementing agencies aggregating to Rs 55.41 crore.
- Against 1025 problem towns identified in 18 states, only 201 such towns in 15 States had been covered. In Sikkim, Assam and Bihar, none of the 98 problem towns identified were covered. In the States of Gujarat, Rajasthan, Jammu & Kashmir, Karnataka and Arunachal Pradesh, problem towns were not identified.
- Asset maintenance was poor. Inventory records were not maintained and assets were not handed over to the communities.
- Tariff structure had either not been evolved or was inadequate to meet expenditure on the operation and maintenance of the schemes.
- Quality of water supplied was neither tested nor maintained in six States namely Karnataka, Orissa, Tamil Nadu, Uttar Pradesh, Manipur and Himachal Pradesh.



**MINISTRY HEALTH AND FAMILY WELFARE**

**NATIONAL DISEASE CONTROL PROGRAMME**

THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT

## CHAPTER I: MINISTRY OF HEALTH AND FAMILY WELFARE

### Department of Health

#### National Disease Control Programme

*The National Disease Control Programme in respect of Blindness and Tuberculosis has met with limited success. Programmes assisted by multilateral agencies and bilateral donors achieved comparatively better success due to sustained funding and better monitoring. The Government Sector programme in non-project states/districts suffered due to lack of co-ordination at the grassroot level. The reach of the programme left out a sizable population from its scope. There was room for improvement in implementation by the States as well as for more efficient use of resources allocated. The activities under the programmes were not conducted efficiently due to lack of infrastructural facilities, drugs, equipments, laboratories and testing devices. Between the two diseases, a greater degree of community involvement was generated by the National Programme for Control of Blindness (NPCB). The District Blindness Control Societies and District Tuberculosis Control Societies, which were intended to perform as community focal points, remained trapped in the governmental machinery. Success of voluntarism in NPCB could not be repeated in the case of National Tuberculosis Control Programme apparently because social perception towards these diseases is oriented differently. Though TB is still considered a stigma and the message that it is fully curable is yet to percolate to the grassroot level, no separate information and education campaign was launched for the control of TB. No baseline or bench-mark surveys were carried out in both cases and monitoring of programme implementation was inadequate.*

#### Highlights

##### National Programme for Control of Blindness

The reach of the programme left more than 70 lakh prospective beneficiaries untargeted. In terms of delivery, the programme relied more on private sector for its success as only 21 to 26 per cent in project states and 11 to 28 per cent catops in non-project states were performed by the Government sector. The poor reach of the programme was also evident from the fact that shortfall in surgeries performed by Government doctors ranged between 19 to 98 per cent and underutilisation of ophthalmic beds was between 8 to 90 per cent. The programme failed to succeed in mobilizing the base hospital approach and greater reliance was placed on camp approach.

To bring down the rate of prevalence of blindness from 1.4 per cent to 0.3 per cent by 2000, target fixed at 600 catops per lakh population per year could not be achieved except in Delhi, Gujarat and Pondicherry. In 8 programme States/UTs, the Cataract Surgery Rate was less than 100 per lakh population

per year. The rate of success/failure of the cataract operations was not measurable as no record was available with the states.

Distribution of Vitamin A solution, which is crucial to the success of the programme, was not ensured by the District Blindness Control Societies (DBCS). Village wise blind registers were not maintained in test checked districts and Information, Education and Communication activities were negligible.

Shortfall in the deployment of Mobile Units ranged between 9 and 45 *per cent* in project states while shortfall in surgeries performed in Mobile Units ranged between 24 and 100 *per cent*. Rehabilitation of the incurably blind was almost completely neglected as only 34 incurably blind persons were rehabilitated in 13 states.

Training activities were not given adequate attention.

No new eye banks were opened. Utilisation of eyes for keratoplasty was very limited. Only 55 and 45 *per cent* of eyes collected by Government and voluntary sector respectively were utilised.

Non-formation of Programme Implementation Committees and absence of any evaluation of returns received from DBCS/NGOs deprived the State Government of concurrent feed back on the execution of the programme.

During 1996-2001, funds utilised in non-project states were 63 *per cent* of allotment, whereas in project states expenditure exceeded the funds released. While unspent grant of Rs 30.89 crore was lying with DBCS, 106 annual statements of accounts and 129 UCs were pending receipt relating to grants released up to 1999-2000.

By the end of 2001, project states had utilised only Rs 297.66 crore against Rs 554 crore available during the project period of seven years. Funds to the tune of Rs 8.55 crore released for renovation and furnishing were not utilised in nine states.

### **National Tuberculosis Control Programme**

The reach of the programme was inadequate. The performance of NTP states was poor whereas under RNTCP the cure rate was below the stipulated rate and the defaulter rate could not be minimised.

The programme failed to make use of the available resources, which adversely affected its implementation. Programme activities suffered in as much as the grants released to District Tuberculosis Control Societies were utilised only to the extent of 13 to 27 *per cent* during 1996-97 to 2000-01. 142 utilisation certificates involving grants of Rs 32.52 crore were pending with DTCS. Grants to DTCS for assistance to NGOs and IEC activities could only be utilised to the extent of 12 *per cent* and 40 *per cent* respectively.



Due to non-establishment of DTCS as per norms and non-observance of parameters in regard to their staffing, the services contemplated under the scheme could not be provided. However, under the RNTCP, TUs and MCs were established as per norms with marginal deficiency of 4 *per cent*. Around 10 *per cent* of the monocular and binocular microscopes and x-ray machines were not in working order. Shortages in manpower at the crucial levels of Laboratory Technicians, Treatment Organisers, Medical Officers, Pharmacists, Lady Health Visitors and TB Health Visitors exceeded 10 *per cent*. Anganwadi workers and staff nurses were found to be the least trained, and the shortage ranged between 55 and 59 *per cent*.

The conversion of sputum positive cases to sputum negative at 2/3 months was very low in many states. In some states, these tests had not been carried out in many cases.

Management of drugs at MSDs/States was not efficient. Expired anti TB drugs worth Rs 1.87 crore were lying with MSDs/DTCs. Substandard drugs worth Rs 34.33 lakh had been purchased by different States/MSDs. Excess payments for drugs and irregular purchase of drugs were also noticed.

Only 70 to 88 *per cent* quarterly reports were received from DTCs by NTI Bangalore for analysis. Shortfall in supervisory visits undertaken by states ranged between 3 to 100 *per cent*. No evaluation of the programme was done at state level.

World Bank aid to RNTCP increased from Rs 37.07 crore to 71.01 crore over the five years under review, while the Government's commitment level to the programme was limited to about 24 *per cent* of the expenditure in the same period.

Poor performance is also attributed to poor management of financial resources. After completion of four years of the total project period of 5 years, only 20 *per cent* of the aid from World Bank had been utilised.

48 Utilisation certificates involving cash grant of Rs 52.53 crore for purchase of anti TB drugs for sputum negative cases were pending receipt. Out of these grants, Rs 4.52 crore were utilised for purchase of anti TB drugs other than those prescribed in the regimen.

### **Background**

There is no single framework of "National Disease Control Programme" as such. It is a cluster of programmes encompassing a wide range of major diseases which have commenced at different periods of time and with different methodologies and approaches. All such programmes contribute eventually to the efforts of the Government to treat, prevent and control major diseases like Cataract Blindness, Tuberculosis, Leprosy and Acquired Immune Deficiency Syndrome (AIDS) in the country. Schemes relating to two of these major diseases, namely Blindness and Tuberculosis were selected in audit for review,

mainly because these diseases are geographically more wide-spread, the programmes have been in operation for a long period, using large sums of resources and have undergone significant policy changes over time. Section I deals with National Programme for Control of Blindness and Section II deals with National Tuberculosis Control Programme.

## **Section-I**

### **National Programme for Control of Blindness**

#### **1. Introduction**

The first organized national effort to control blindness in India was the National Programme for Trachoma launched in 1963. Twelve years later, the programme underwent extensive modification with the identification of cataract as the major cause of blindness in India. The programme nomenclature was changed to cover visual impairment and control of blindness. The new strategy focused on disseminating information about eye care through mass communication, expanding mobile health care through eye camp approach and establishing the permanent infrastructure of community oriented eye health care. In 1976, the National Programme for Control of Blindness (NPCB) was formally launched and incorporated in the Prime Minister's 20-Point Development Programme. In December 1993, the Ministry of Health and Family Welfare, the nodal Ministry for the programme conceded that despite impressive improvement in the number of cataract operations under the NPCB, the backlog and the annual incidence would continue to overtake the number of cataract operations performed. Citing the survey conducted by the World Health Organisation (WHO) for the NPCB during 1986-89, the Ministry opined that special measures were required to handle the severity of the problem in seven states (Andhra Pradesh, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamil Nadu and Uttar Pradesh) with high prevalence levels. Special measures were proposed to be taken with an assistance of Rs 554.36 crore from the World Bank, spread over a period of seven years starting from 1993-94. The other states were to continue under the Central Government funded programme of NPCB. Some specific project assistance was also provided by the Danish International Development Agency (DANIDA) in phases that commenced in 1979. The first phase of Danish assistance covering the period 1979-87 focused on supply of equipment and the second phase, covering the period 1989-96, focused on manpower development. The third phase of Danish assistance that commenced in 1998 and projected to continue up to 2002 adopted **Karnataka** as the pilot state for exclusive attention. Thus, the National Programme for Control of Blindness is operated on a project format in seven high prevalence states with the assistance of the World Bank, on a pilot basis in **Karnataka** through Danish assistance and on a Central Government assisted programme basis in the rest of the States and the Union Territories of India.

## **2. Goal**

The programme goal, despite the changes in the format and emphasis remains, fixed as projected in 1976 at the commencement of the programme. The goal was to reduce blindness from a prevalence rate of 1.4 to 0.3 *per cent* by 2000 A.D

## **3. Strategy**

The programme strategies have evolved over a period of time based on the need for tackling the widespread prevalence of blindness, with a community focus. The principal strategies have been:

- Identifying high prevalence states for special attention
- Upgradation of facilities and skills
- Involving the private sector including NGOs
- Giving the programme the character of a movement, through the establishment of partnership institutions in the form of societies committed to the goal of the programme.

## **4. Activities**

The unifocal character of the programme and the strategy of intervention, involving both public and private sectors, envisage the following principal activities:

- Setting up of Regional Institutes of Ophthalmology
- Upgradation of the Medical Colleges, District Hospitals and block level Primary Health Centres
- Development of eye banks
- Establishment of District Blindness Control Societies
- Development of Mobile Units
- Recruitment of required ophthalmic manpower in eye care units

These are the institutional foci of the programme expected to lead the upgradation of health and management skill for eye care and improvement of services delivery for preventive, curative, rehabilitative and comprehensive eye care.

## **5. Organisational Structure**

At the national level, the programme is handled by the Directorate General of Health Services through its National Programme Management Cell which has technical and administrative divisions. The technical division is headed by Deputy Director General (DDG) who is the programme officer responsible for NPCB at the national level. The administrative division is headed by the

Additional/Joint Secretary. At the regional level, the Regional Institutes of Ophthalmology are responsible for the development of appropriate technology for the development and provision of specialized tertiary eye care and services.

At the State level, the NPCB is directly implemented by the State Programme Officer (SPO), who is an officer of a Joint/Deputy Director rank. He is responsible for implementation and monitoring of the programme in all the districts of the state. The central mobile units attached to the Ophthalmology department of the Medical Colleges report to the Director of Medical Education at the state level. At the district level, the programme is implemented by the District Blindness Control Society (DBCS), which receives the funds directly from the Government and funding agencies. District Programme Manager (DPM) is the chief executive authority who works in co-ordination with the Medical Superintendent (MS) of the District Hospital and Chief Medical Officer (CMO) and is responsible for the organisation and implementation of NPCB at the district level. The overall accountability for the performance of the NPCB and the use of funds placed at the disposal of DBCS is that of the District Collector, District Ophthalmic Surgeon and the DPM. The District Collector is the chairman and the Chief Medical Officer is the vice-chairman of DBCS. The DBCS plans and co-ordinates eye care services through eye camps. It is responsible for ensuring technical supervision of all eye camps and mobilization of resources for all camps. At the block level, Ophthalmic Assistant is posted at the PHC/CHC. Further implementation at the village level is carried out through other PHCs/sub centres/NGOs. The organogram of NPCB is given in **Annex. I**.

## **6. Scope and Objective of review**

The programme was reviewed earlier and was included as paragraph 19 of Report No. 1 of 1988 of the Comptroller & Auditor General of India. The main observations related to non-utilisation of grants, non-achievement of targets in the upgradation of existing health infrastructure and lack of monitoring arrangement. The present review of the scheme, conducted during February 2001 to October 2001, found similar deficiencies in the implementation of the programme. More importantly, the review seeks to highlight the response of the institutional arrangements to the changes initiated through the extension of coverage and development of strategic partnerships. Audit reviewed the implementation of the programme on the basis of test check of records encompassing the period 1996-97 to 2000-01 and on the basis of certain performance indicators arising out of the structure and the operational specifications of the programme. These broad indicators are (i) whether the programme succeeded in reaching the targeted areas and whether the target themselves were fixed in line with the population affliction ratio, (ii) whether the programme components were efficiently networked and delivered, (iii) whether the treatment involving surgical interventions were

successful, (iv) whether the quality of infra-structure was adequate and appropriate, (v) whether the ultimate goal of the programme aiming at a reduction in the rate of prevalence was in the process of being met through a reversal of the trend. Details of the sample selected for test audit are given in **Annex. II.**

### **6.1 Arrangement of review results:**

In terms of funding arrangements, the programme is implemented in both project and non-project formats. While seven states (**Andhra Pradesh, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamil Nadu and Uttar Pradesh**) are funded by the World Bank Project under the title Cataract Blindness Control Project (CBCP), the rest of the states are under conventional non-project programme mode of National Blindness Control Programme (NBCP). The distinction between the project and non-project format is that the seven project states receive higher allocations by way of World Bank assistance and are subjected to all the monitoring parameters applicable to World Bank Projects. The programme states follow the normal programme parameters using budgetary resources in the normal course. In presenting audit observations, the project states and the programme states have not been treated separately as the intention of audit is to assess comprehensively if the programme goal has been attained. Wherever required, specific comments relating to Project States have been made.

## **7 Programme Implementation**

The NPCB, which commenced in 1976, has used during the period 1996-97 to 2000-01, Rs 383.27 crore comprising both budgetary and extra budgetary resources on the programme. In terms of application of resources, the thrust was aimed primarily on the removal of blindness through cataract operations. As per the records of the Government of India, the success of the programme appears to have been based on the performance of cataract surgery without reference to other parameters and the follow up action. The macro picture thus gives a lopsided view of the programme performance. As per the details of catops performed, 1,62,03,834 catops were performed during 1996-97 to 2000-01 against the target of 1,62,23,052 during the same period. This shows an achievement of 99.8 *per cent*. But this is not sufficient to indicate the correct achievement of the programme. It is also due to this reason that audit evaluation of the programme relies on a host of indicators like reach, efficiency, quality of infrastructure, success of treatment and trend reversal. The results of audit review are detailed below.

### **7.1 Reach**

Achievement of the goal of reduction of the rate of prevalence of blindness implies that the services contemplated under the programme reach the potential beneficiaries. The strategy adopted for this is to first fix viable

targets to cover the beneficiary population within the timeframe and to organize services in a way that would be accessible by potential beneficiaries. Reach of the programme will indicate the extent to which services are available to the largest segment of the afflicted population.

### 7.1.1 Target Setting

The goal of the programme was to bring down the rate of prevalence of blindness from 1.4 to 0.3 *per cent* by 2000A.D. This goal was based on the assumption that it was achievable by clearing the cataract backlog and annual incidences through surgical intervention. Consequently, targets of the programme relate only to cataract operations. No targets have been fixed in respect of other components of the programme. The mid term review carried out in 1997-98 found that the targets were set arbitrarily without taking into account the prevalence of blindness in the districts, incidence of cataract performance of surgery in bilaterally blind persons, surgery in unilateral cases, second eyes operated and successful outcome of surgery. It was also admitted that it was due to arbitrary target setting that despite increase in absolute number of cataract surgeries, there was no corresponding decrease in prevalence of blindness. Taking these factors into account, the targets were re-fixed at 600 catops per one lakh population per year. Going by this criterion, audit estimated the targets required to be set for comparing it with the actual target set so as to be able to assess the level of achievement. The following two tables present the position:

#### Project States (including Chattisgarh & Uttaranchal)

Year	Estimated Population(in lakh)	Target to be set	Target allocated	Short-fall in target setting	Achievement
1996-97	--	--	16,55,000	--	17,09,805
1997-98	--	--	18,53,600	--	19,21,168
1998-99	5497.70	32,98,800	20,39,050	12,59,750	21,34,362
1999-00	5594.15	33,56,400	21,00,000	12,56,400	21,62,104
2000-01	5690.60	34,14,000	22,35,000	11,79,000	23,10,325
				36,95,150	

#### Non-Project states

Year	Estimated population (in lakh)	Target to be set	Target allocated	Achievement	Short fall	
					Against target allocated	In target setting
1996-97	--	--	10,39,600	10,12,731	26869	--
1997-98	--	--	11,64,352	11,13,449	50903	--
1998-99	4150.09	24,90,000	12,81,280	11,85,943	95337	12,08,720
1999-00	4222.89	25,33,800	14,00,000	13,37,961	62039	11,33,800
2000-01	4295.70	25,77,600	14,55,170	13,15,986	139184	11,22,430
					374332	34,64,950

36.95 lakh in project states and 34.65 lakh catops in non-project states remained untargeted.

District Manager in Rajasthan inflated achievement by 19 to 370 per cent

It will be seen from the tables that in the project states there was a shortfall of 36.95 lakh catops with reference to targets set. In respect of non-project states, similarly 34.65 lakh catops remained untargeted. In both cases, the midterm review guidelines did not result in any significant revision upwards. The nominal increase of 1 to 1.5 lakh during the last two years should be seen in the context of the fact that the total blind population was 90 and 50 lakh in project and non-project states respectively. Evidence is also available to suggest that the figures of achievement reported by states which are invariably more than hundred per cent of the target allocated might not be reliable. Trail checks conducted by audit in **Rajasthan** pointed out that the District Managers inflated the achievement by 19 to 370 per cent more than the actuals.

### 7.1.2 Cataract Operation Performance

Cataract operations are performed by Government doctors in Government Hospitals, by NGOs and Private practitioners in clinics and eye camps. The following table gives the picture of cataract operations performed in Government sector, and Private clinics in respect of project and non-project states separately.

**Statement of workload in Government and NGO/Private Sector during 1996-01**

	Performance of catops in Government Sector		Performance of catops in N.G.O		Performance of catops by private practitioners & others		Total catops
	Number*	Percentage	Number	Percentage	Number	Percentage	
<b>Project states</b>							
1996-97	3,09,498	21	6,74,352	45	5,18,953	34	15,02,803
1997-98	3,88,679	24	7,21,211	44	5,19,402	32	16,29,292
1998-99	4,14,966	23	7,19,028	39	6,92,411	38	18,26,405
1999-00	3,91,832	24	5,87,098	35	6,68,348	41	16,47,278
2000-01	4,29,267	26	6,17,205	37	6,01,059	37	16,47,531
<b>Non-project States</b>							
1996-97	48271	28	23872	14	102750	58	174893
1997-98	142870	16	331110	38	394837	46	868817
1998-99	153507	17	357163	40	389107	43	899777
1999-00	144483	11	300636	23	838229	66	1283348
2000-01	202818	24	354347	41	297220	35	854385

\* both fixed facilities & mobile camp

Only 21 to 26 per cent catops were performed by Government sector in project states

In the project states, most cataract operations have been performed through NGOs who account for 35 per cent to 45 per cent of the total number followed by private practitioners who account for 32 per cent to 41 per cent. The least operations were performed in the Government Sector ranging from 21 per cent to 26 per cent. The distribution of workload between private and public sectors was expected to be in the ratio of 1:1. While the NGOs and private sector had exceeded the 50 per cent mark, the Government Sector, failed

Only 11 to 28 per cent catops were performed by Government sector in non-project states

logging barely 21 to 26 per cent. Even in non-project states, NGOs and Private Practitioners together carried out more than 50 per cent of operations, while cataract operations in the Government Sector ranged between 11 per cent and 28 per cent. 25 per cent to 100 per cent operations were carried out through eye camps. The programme contemplated cataract operations performed in eye camps to be in the range of 20 per cent as it was felt that greater reliance on camp methodology could be counterproductive. The following table gives the detail of catops performed in 11 states through the camp approach.

Sl. No.	State	1998-99			1999-2000			2000-2001		
		No. of catops performed		%age	No. of catops performed		%age	No. of catops performed		%age
		Total	In camps		Total	In camps		Total	In camp	
1	Punjab	1,44,885	51,740	36	1,32,626	52,281	40	1,40,735	35,870	25
2	Rajasthan	1,76,955	73,942	42	1,88,417	71,762	38	1,85,036	72,354	39
3	Meghalaya	1,053	1,053	100	617	617	100	915	915	100
4	Haryana	87,757	87,757	100	92,692	92,692	100	91,515	65,508	72
5	Andhra Pradesh	3,43,680	85,383	25	3,37,980	86,634	26	3,58,799	67,112	19
6	Tamilnadu	2,82,516	2,22,445	79	2,95,949	2,27,510	77	2,57,844	1,94,763	76
7	Kerala	65,637	22,025	34	79,446	26,853	34	72,169	26,057	36
8	Jammu & Kashmir	10,646	5,308	49	8,314	3,482	42	10,092	3,505	35
9	Nagaland	324	99	30	224	74	33	300	59	20

NB: - (i) In Hamirpur and Sirmour districts of Himachal Pradesh out of 9251 catops, 4880 catops were performed in eye camps which constituted 53 per cent against maximum permissible limit of 20 per cent.

(ii) In ten test checked districts of Bihar, 71,000 (43%) catops out of 1,66,000 catops were conducted in camps during 1996-97 to 2000-01.

Shortfall in surgeries performed by Government doctors ranged between 19 to 98 per cent indicating diminishing reach of the Government

Performance of cataract operations in camps was far in excess of the norm and to that extent performance of the Government sector continues to remain unsatisfactory. Shortfall in surgeries performed by Government doctors ranged between 53 per cent and 95 per cent (**Annex-III**). In the non-project states, the shortfall ranged between 43 to 94 per cent. In Medical Colleges, the shortfall ranged between 19 to 98 per cent. This implies that the reach of the Government is reducing and the programme is relying more on private sector for its success. Private sector performance continues to remain predominantly camp based. In the case of operations in eye camps, data regarding the rate of success and follow up was absent. Hence, no worthwhile evaluation of the success of the programme can be attempted. Evidently, the intention of the programme, at least after the mid-term review to re-emphasise the base hospital approach has not been successful. Though, the eye camps attracted more beneficiaries, it was absolutely essential to keep systematic record of rate of success of operations in eye camps since there was generally lack of controlled conditions of operation theatres in base hospitals. It could not be verified in audit as to why the camp approach proliferated i.e. whether



it was due to the failure of the Government system not being able to reach the beneficiaries or whether the people were not willing to come to Government hospitals on account of factors like the location as well as the quality of service rendered by these hospitals. It is interesting to observe that the camp approach has been favoured in infrastructurally deficient states. In **Meghalaya, Haryana and Tamil Nadu**, 100, 72 and 76 per cent of cataract operations were performed in camps. The programme had not succeeded in mobilising the base hospital approach in reaching the beneficiaries.

Under utilisation of  
ophthalmic beds was  
8 to 90 per cent

The lack of reach of district hospitals and medical colleges is also suggested by the fact that ophthalmic beds in these institutions continue to remain under-utilised. Test check of records of five project states, seven non-project states and thirteen Medical colleges revealed underutilisation of ophthalmic beds., which was 59 to 85 per cent in non-project states, 39 to 73 per cent in project states and 8 to 90 per cent in Medical Colleges as per details given in **Annex IV**.

*The review disclosed that 36.95 lakh catops in project states and 34.65 lakh catops in non-project states remained untargeted. The reach of the Government reduced and the programme relied increasingly on private sector for its success as only 21 to 26 per cent catops in project states and 11 to 28 per cent catops in non-project states were performed by Government sector. The diminishing reach of the Government was also evident from the fact that shortfall in surgeries performed by Government doctors ranged between 19 to 98 per cent and under utilisation of ophthalmic beds was 8 to 90 per cent of the norms. The programme has not succeeded in mobilizing the base hospital approach and greater reliance on camps methodology was favoured for infrastructurally deficient states. In **Meghalaya, Haryana and Tamil Nadu** 100, 72 and 76 per cent of catops were performed in camps.*

## 7.2 Efficiency

Efficiency of the programme is measurable in terms of Cataract Surgery Rate (CSR), performance of catops by District Mobile Units, distribution of Vitamin 'A' solution, rehabilitation of incurably blind, success in mobilisation, identification and motivation of the beneficiary.

### 7.2.1 Cataract Surgery Rate

The Cataract Surgery Rate (cataract operations performed per lakh population per year) in project and non-project states during 1996-97 to 2000-01 is as under:

Year	Cataract Surgery Rate (per lakh population) in	
	Project States	Non-Project States
1996-97	322	253
1997-98	356	273
1998-99	388	286
1999-00	386	317
2000-01	406	306

Over all CSR ranged between 253 to 406 as against stipulated rate of 600 catops per lakh population

The overall CSR in project states and in other states during 1996-97 to 2000-2001 ranged between 322 to 406 catops and 253 to 317 catops per lakh population respectively. None of the states (except **Delhi, Gujarat** and **Pondicherry**) had reached the desired level of CSR of about 600 catops per lakh population. In 8 programme states/UTs (viz **Arunachal Pradesh, Assam, Bihar, Manipur, Meghalaya, Mizoram, Nagaland and Lakshadweep**), the CSR ranged between 28 to 90 catops per lakh population.

### 7.2.2 District Mobile Units. (DMUs)

Shortfall in deployment of mobile units ranged between 9 to 45 per cent in project and programme states

Mobile Ophthalmic Units were established to provide eye care services including cataract surgery in rural areas. Each DMU was required to conduct 1500 cataract operations each year. Mobile units required to be deployed as of March 2001 in World Bank assisted states and programme states were 279 and 283. Of these, only 254 and 155 respectively were actually deployed. The shortfall was 9 and 45 per cent respectively. A test check of records in some states further revealed that the shortfall in surgeries required to be performed and surgeries actually performed by DMUs ranged between 24 per cent and 100 per cent, as detailed in **Annex-V**:

### 7.2.3 Role of District Blindness Control Societies

The scheme of setting up District Blindness Control Society (DBCS) in each district was launched in the year 1994-95 to decentralize the implementation of the programme with a single authority at district level. The District Collector / Magistrate is the chairman of the DBCS, and the Chief Medical Officer (CMO) is the vice chairman. The DBCS is required to meet once a quarter. Guidelines were issued on utilisation of funds released to the DBCS in an effective and efficient manner. The DBCS was expected to enhance the coverage and improve the quality of eye care services in the district.

### 7.2.4 Release of funds to DBCS

Funds are to be released by the Ministry based on the District action plans prepared by the DBCS and submitted through the state Government. For release of funds, the DBCS is to submit the documents pertaining to the previous financial year by 30<sup>th</sup> June of the current financial year: (i) Statement on performance and expenditure (Form C); (ii) Audited statement of accounts;

(iii) Utilization certificate; (iv) District action plan for the current financial year.

### 7.2.5 Position of grants released to and expenditure reported by the DBCS

The position of grants released and expenditure reported by the DBCS during 1996-2001 is given below:

*(Rs in crore)*

Year	Total grant released	Expenditure reported
1996-97	14.23	15.47
1997-98	31.32	24.50
1998-99	36.30	31.67
1999-2000	36.12	30.39
2000-01	38.45	23.49
<b>Total</b>	<b>156.42</b>	<b>125.52</b>

Against 562 districts in the country only 483 DBCS were set up

Against 562 districts in the country only 483 DBCS were set up as of March 2001 in project as well as in non-project states.

The grant-in-aid of Rs 156.42 crore was released to DBCS of project and non-project states during 1996-97 to 2000-01 against which expenditure of Rs 125.52 crore was reported. Grants in aid of Rs 30.90 crore remained unutilised with the DBCS as of March 2001.

### 7.2.6 Non-distribution of prophylactic Vitamin 'A' Solution

One of the important functions of the DBCS was to ensure distribution of prophylactic Vitamin "A" to prevent blindness arising from Vitamin "A" deficiency among children (in the age group of 1-6 years) as part of Child Survival and Safe Motherhood Programme through the health functionaries of the district. Diseases like Xerophthalmia and Keratomalacia often lead to blindness due to Vitamin "A" deficiency which was largely limited to the children in the age group of 1-6 years. For this purpose, Vitamin "A" prophylaxis was introduced under National Family Welfare Programme.

In **Tripura**, against the total number of children (1-6 years) ranging from 1,97,340 (1997-98) to 2,14,500 (2000-2001), the number of children administered Vitamin "A" solution ranged between 96784 and 80220 indicating a coverage of 37 to 49 per cent.

Distribution of Vitamin "A" solution to children was not ensured by any of the test checked DBCS in the state of **Andhra Pradesh**

No information in respect of distribution of Vitamin 'A' solution was available either at district or state level in **Bihar**, indicating absence of any activity in this regard.

### 7.2.7 Rehabilitation of Incurably Blind

One of the important components of the programme envisaged rehabilitation of the incurably blind persons. DBCS were required to prepare annual action plan for rehabilitation of incurably blind persons. Test check of records of 13 States/UTs (*viz.* **Gujarat, Punjab, Kerala, Andhra Pradesh, Uttar Pradesh, Orissa, Meghalaya, Himachal Pradesh, West Bengal, Nagaland, Karnataka, Bihar and Daman & Diu**) revealed the following.

- (a) In 5 states (*viz.* **Gujarat, West Bengal, Punjab, Kerala and Meghalaya**) 6610 incurably blind persons were identified, of which only 10 blind persons in **Kerala** and 24 in **Gujarat** were rehabilitated.
- (b) In other test-checked states/UT (*viz.* **Andhra Pradesh, Uttar Pradesh, Nagaland, Orissa, Karnataka, Himachal Pradesh and Daman & Diu**), there was no activity regarding identification and rehabilitation of incurably blind person. No survey was conducted in **Bihar** for identification and rehabilitation of incurably blind person.

Only 34 incurably blind persons were rehabilitated in 13 states

### 7.2.8 Scheme for preparation of Village-wise Blind Registers

Identification of curable blind persons through active screening and setting up a mechanism to restore sight in such persons was part of the programme strategy. This activity was being carried out in most districts in project states. The State Government in non-project states would identify such districts and initiate the process. This would include, identification of personnel to undertake screening of population adopting a broad-based approach, involving grassroot workers such as anganwadi workers, teachers, panchayat members health workers, volunteers etc., printing of village wise blind registers, filling of blind register (village wise) and a situation analysis of magnitude of the problem, number of identified blind persons and target setting in the district action plan. Test check of records of two project states *viz.* **Rajasthan and Uttar Pradesh** revealed the following.

Village wise blind registers were not maintained in Rajasthan and Uttar Pradesh

In three districts (Ajmer, Jaipur and Jodhpur) out of five test-checked districts of **Rajasthan**, village wise registers were not maintained. In two districts (Kota and Udaipur) though these registers were maintained yet they were not updated after March/April 1999. In **Uttar Pradesh**, a test-check of 69 District Blindness Control Societies revealed that as of March 2001, 10 DBCS had completed the register, 24 DBCS had under-taken the work and 35 were yet to start.

### 7.2.9 Information, Education and Communication (IEC)

IEC activities include identification and motivation of potential beneficiaries, information through media, educating voluntary groups and teachers and other

relevant persons. Inter-personal communication is the most effective method for motivation of target population. The DBCS was to organise orientation of 3-4 persons from village having a population of more than one thousand, located in low performing areas and backward districts for identification and motivation of blind persons in the village. The persons identified for orientation course include Anganwadi Workers, Panchayat Members, Teachers, Members of Youth clubs or Mahila Mandals.

IEC activities were negligible almost in all states

The IEC activities under NPCB are required to be integrated with National Health and Family Welfare Programmes being implemented at various levels in the states. Programme Implementation Committee (PIC) was to be formed under the chairmanship of State Health Secretary with Director of Health Services and other concerned officers as members. State Programme Officer (SPO) incharge of NPCB would be the Member Secretary/ Convener of this Committee. The District Programme Manager (DPM) is required to send the quarterly report at the state level to the centre

However, test check of records of the Director, Health Services of various states for the year 1996-97 to 2000-01 under the programme revealed as under:

Audit findings	States
Non-preparation of action plan	Madhya Pradesh, Assam, Andhra Pradesh, Gujarat, Rajasthan, Nagaland, Himachal Pradesh and Haryana.
Non-formation of Programme Implementation Committee	Assam, Gujarat, Himachal Pradesh, Nagaland, Jammu & Kashmir, Haryana, Meghalaya, Pondicherry, Chandigarh, Karnataka and Andaman & Nicobar Island.
No IEC activity noticed in test checked districts	Madhya Pradesh, Gujarat, Orissa, Haryana and Jammu & Kashmir.
Group meetings at various levels and cultural programmes at state, district and block levels not organised	Madhya Pradesh, Assam, Rajasthan, Himachal Pradesh and Sikkim.
NGOs not involved in IEC activities	Assam, Rajasthan and Andaman & Nicobar Island
The posts of Health Educator cum Health Assistants and counsellor were lying vacant in District Mobile Units	Rajasthan
Funds allocated for IEC activities not fully utilised	Tamil Nadu (only 32% was utilised) Himachal Pradesh (only 30% was utilised)
No IEC activity was undertaken by the state due to diversion of funds towards payment of salaries to staff	Jammu & Kashmir
Monitoring of IEC activity was not done by State Programme Officer either at his level or in collaboration with Director (IEC)	Rajasthan, Assam, Himachal Pradesh and Andaman & Nicobar Island.

### 7.2.10 Refractive Error and Distribution of Spectacles

Test-check of records of DBCS/States for the period 1996-97 to 2000-01 revealed as under:

State	Audit findings
Delhi	The programme envisaged training of teachers in Government and Government aided schools, for screening refractive error among students of class VI to VIII. As against a total number of 1219 such schools in Delhi, only 394 teachers were trained. Thus coverage of schools itself was 30%. The number of free spectacles issued do not correspond to the students having refractive error in any year under review. 9700 spectacles in excess of students detected for refractive error were issued during 1996-98.
Bihar	In ten test-checked districts of Bihar, only 16% students having refractive error were provided with glasses.
Arunachal Pradesh	Out of 42,900 school children, 2741 were screened of which 219 suffered from refractive error. Only 78 school children were provided free spectacles.
Assam, Uttar Pradesh, Jammu & Kashmir	Information on camps organised, screening for refractive errors, provisions for spectacles could not be furnished due to non-receipt of information/record from DBCS indicating failure of reporting system and lack of initiative at state level to enforce regular submission of report.

*Thus, the target fixed at 600 catops per lakh population per year could not be achieved except in **Delhi, Gujarat and Pondicherry**. In 8 programme States/UTs, the CSR was less than 100 catops per lakh population per year. As against 562 districts in the country, only 483 DBCS were set up. Distribution of Vitamin A solution was not ensured by DBCS, village wise blind registers were not maintained in test checked districts and IEC activities were negligible. Shortfall in deployment of MUs ranged between 9 to 45 per cent in project and programme states while shortfall in surgeries performed in MUs ranged between 24 to 100 per cent. Only 34 incurably blind persons were rehabilitated in 13 states.*

### 7.3 Quality of Infrastructure

#### 7.3.1 Construction of Eye Wards with OT/Dark Rooms

In order to provide permanent infrastructure for eye health care at the District Hospitals and PHCs, Government of India provided funds for the construction of 10/20 bedded Eye Wards with Operation Theatres and Dark Rooms at various places in the states.

Against the estimated cost of Rs 766.20 lakh for creating such infrastructure in project states, Rs 784.21 lakh was released as of 31<sup>st</sup> March 2001. Of this, only Rs 714.76 lakh could be utilised/spent during this period, leaving an unspent balance of Rs 69.45 lakh.

According to the instructions, all works were to be completed by March 2001 and the states were to furnish details of those units for which funds were made available. These units would become functional with appointment of requisite

personnel and supply of equipments, thereby increasing the institutional capacity of the states.

The position of construction work of World Bank assisted project states as of March 2001 was as under:

Sl. No.	Facility	Units finally approved by NPCB	Completed	Shortfall	Percentage
1	Eye wards	285	232	53	19
2	Operation Theatres	293	240	53	18
3	Dark Rooms	1843	1685	158	9
4	Single OTs	63	52	11	17
5	New Beds	5039	4138	901	18

9 to 19 per cent infrastructure facilities could not be completed

It is evident that nine to nineteen *per cent* of facilities such as Eye Wards, Operation Theatres, Dark Rooms, Single OT and New could not be completed as of March 2001 thereby adversely affecting the performance of the project.

Test check of records relating to civil works of **Madhya Pradesh** revealed that the works handed over were not put to use due to paucity of staff thus depriving the public of the use of the facilities created.

Test check of records in **Orissa** revealed the following:

- (a) The referral Eye Hospital at Cuttack scheduled to be completed by March 2001 was completed only up to first floor as of May 2001.
- (b) 13 of 20 bedded eye wards and 7 of 10 bedded eye wards were yet to be given power connection (May 2001).
- (c) 4 out of 21 of 20-bedded eye wards and 3 out of 18, 10 bedded eye wards were handed over (May 2001) without power connection.
- (d) 7 of 20 bedded and 7 of 10 bedded eye wards though completed/constructed were not handed over (May 2001).

### 7.3.2 Renovation and Furnishing

Funds released for renovation and furnishing of operation theatres and eye wards were not utilised by various state Governments

Ministry of Health and Family Welfare provides funds to the states for renovation and furnishing of operation theatre and eye wards towards improvement of quality service in medical colleges and district hospitals. The funds were to be utilised for the purpose of (a) minor repairs of roof, walls and floor (b) white washing and painting (c) repair of woodwork (d) partition and false ceiling (e) air-conditioning (f) repair of OT lights & furniture.

The position of funds released, expenditure incurred and unspent balance for renovation and furnishing as of March 2001 in respect of existing units (state wise) was as under:

State	Funds released	Expenditure incurred	Rs in lakh
			Unspent Balance
Andhra Pradesh	70.00	Nil	70.00
Madhya Pradesh	166.50	Nil	166.50
Maharashtra	70.00	Nil	70.00
Orissa	100.00	Nil	100.00
Rajasthan	100.00	Nil	100.00
Tamil Nadu	145.40	Nil	145.40
Uttar Pradesh	175.00	Nil	175.00
Assam*	18.00	Nil	18.00
Himachal Pradesh	22.59	7.85	14.74
Haryana	10.00	Nil	10.00

\*Released during 1998-99 & 2000-01 (Rs 8.00 & 10.00 lakh respectively)

There has been no utilisation of funds provided for renovation and furnishing of existing units except in **Himachal Pradesh**.

### 7.3.3 Training

Training activities of trainers and ophthalmic surgeons were not given due care

Training of trainers and district eye surgeons in IOL surgery is organised by the National Programme Management Cell under, DGHS, and Ministry of Health and Family Welfare. Training of district teams in eye care Management is a central activity. Trainees would be selected by National Programme Management Cell of DGHS.

The position of training of manpower undertaken at central level during the project period 1994 –2001 is as under:

Categories of personnel for various training courses	Target	Achievement	Percentage trained
Training of trainers in IOL	102	100	98
District Ophthalmic Surgeons			
Project states	817	632	77
Non-project states	462	108	23
Ophthalmic Nursing	513	31	6

Training activity within the district is to be arranged for Health Workers, Para Medical Ophthalmic Assistants (PMOA), Medical Officers of Primary Health Centres (PHCs), Nurses, Operation Theatre Assistants and School Teachers. Test check of records of selected districts of the states revealed the following:

- (a) No targets were fixed for imparting training in the states of **Madhya Pradesh, Assam, Gujarat, Arunachal Pradesh, Chandigarh, Rajasthan, Meghalaya Goa and Haryana**.



- (b) Information was not compiled by the Director Health Services in the state of **Assam**
- (c) No training was imparted during the years 1996-97 to 2000-01 in **Delhi, Chandigarh** and two test checked districts of **Andhra Pradesh**.
- (d) 6 trained surgeons in IOL surgery trained only 21 ophthalmic surgeons during 1996-2001 in the state of **Rajasthan**.
- (e) In three test checked districts of **Himachal Pradesh** against 2227 officials required to be trained during 1996-97 to 2000-01 only 1340 were trained resulting in a shortfall of 39 *per cent*. Only 19 and 2 ophthalmic surgeons in IOL surgery against target of 112 and 91 could be trained in the states of **Uttar Pradesh** and **Andhra Pradesh** respectively during 1996-97 to 2000-01.

#### 7.3.4 Eye Banks

Development of eye banks is an important activity to address corneal blindness. In order to support eye banks in Government sector as well as in voluntary sector, non-recurring grant is given for consumables, preservation material, media transportation/ travel cost, Petrol, Oil & Lubricants (POL) and contingencies. As of March 2001, there were only 166 eye banks in the country including the voluntary sector. It was noticed that no eye bank was developed by NPCB (except four eye banks in voluntary sector) during 1996-2001. Eye Banks could not be developed in the State of **Arunachal Pradesh, Meghalaya, Orissa, Himachal Pradesh and Jammu & Kashmir** either due to lack of funds or non- response of NGOs.

No eye bank developed by NPCB during last five years

The performance of eye banks in Government and voluntary sector during the years 1996-97 to 2000-2001 was as under:

#### Government Sector

Year	No. of eyes						Percentage rendered unfit/used for research
	Opening balance	Donated	Utilised	Transferred to other Banks	Rendered unfit/used for research	Closing balance	
1996-97	NIL	8893	4665	84	4144	NIL	47
1997-98	NIL	9031	4695	108	4228	NIL	47
1998-99	NIL	9799	4980	138	4586	95	47
99-2000	95	10407	5959	63	4380	100	42
2000-01	100	3905	2519	54	1432	NIL	37
Total		42035	22818	447	18770		45

### Voluntary Sector

Year	No of eyes				Percentage of eyes	
	Total collected	Eyes used for K.P.	Sent to other Banks	Used for research/ rendered unfit	Utilised	Rendered unfit/ used for research
1995-96	2156	1171	366	619	54.31	28.71
1996-97	2454	1274	308	872	51.91	35.53
1997-98	2690	1226	441	1023	45.58	38.03
1998-99	3387	1553	414	1420	45.85	41.92
1999-2000	3599	1630	372	1597	45.29	44.37
2000-01	2201	696	283	1222	31.62	55.52
Total	16487	7550	2184	6753	45.79	40.95

55 and 46 per cent of eyes collected in Government Sector and Voluntary Sector respectively were utilised for keratoplasty

The information of performance of eye banks in Government sector was compiled on the basis of figures reported by 10 states/UTs (**Madhya Pradesh, Assam, Gujarat, Punjab, Kerala, Rajasthan, Chandigarh, Tamil Nadu, Delhi and West Bengal**). The percentage of eyes rendered unfit for Keratoplasty/used for research ranged between 37 to 47 per cent. Utilisation of eyes for Keratoplasty was 32 per cent and 54 per cent during 2000-01 and 1995-96 indicating a downward trend. It was observed that 6753 eyes were rendered unfit for Keratoplasty (KP) /used for research in voluntary sector out of 16487 eyes collected during 1995-96 to 2000-01.

#### 7.3.5 Creation and filling up of posts

Under the World Bank assisted Cataract Blindness Control Project, following manpower was required to be recruited by the state Government of **Rajasthan** during the project period: -

Sl. No.	Name of post	No. of posts as per W.B. project	Additional posts created during project period	Posts not created
1.	Official in State Cell	4	--	4
2.	Ophthalmic Surgeons	11	25	-
3.	District Coordinator	27	--	27
4.	Staff Nurses	91	--	91
5.	O.T. Nurses/Tech.	95	--	95
6.	Theatre Assistant.	90	--	90
7.	Camp Coordinators (Health Educator)	7	--	7
8.	Para Medical Ophthalmic Assistant (PMOA)	40	41	-
9.	Drivers	19	4	15
10.	Ward Boy/Sweeper	114	-	114
Total		498	70	443

80 per cent posts remained unfilled in Rajasthan

Out of 443 vacant posts, 31 District Coordinators-cum-District Programme Managers and 15 drivers were employed on contractual basis by the DBCS, leaving 397 posts (80 per cent) unfilled. Non-creation of posts in a time bound programme/project adversely affected the implementation of the programme.

### 7.3.6 Upgradation of facilities

Shortfall in upgradation of facilities in Rajasthan

The programme was to provide equipments to five medical colleges (Rs15 lakh each) 11 district hospitals (Rs 7.20 lakh each), 60 CHC/Sub-district hospitals, 3 mobile units (Rs1.20 lakh each) and 236 PHCs (Rs 0.10 lakh each) in the state of Rajasthan for their upgradation. The targets and the achievements by the state Government during 1994-95 to 2000-01 are indicated below:-

Facility	Project targets	Targets allocated	Achievement	Shortfall with reference to project target
District Hospital	11	07	06	05
CHC/SDH	60	06	04	56
PHCs	236	71	67	169

Five District Hospitals, 56 CHC/SDH and 169 PHCs were not upgraded though the project report envisaged provision of equipments worth Rs.253.40 lakh

### 7.3.7 Equipment Status

Deficiencies of operating equipments limited the utilisation of trained surgeons

Equipments required for diagnosis and treatment of cases with IOL surgery should have been available in all such hospitals where trained surgeons were posted. Evaluation of equipment status conducted by NPCB, DGHS, Ministry of Health and Family Welfare during July-October 1999 and September-November 2000 revealed that shortfalls ranged from 14 operating microscopes to 50 yag laser units in 66 hospitals and 3 operating microscopes to 33 yag lasers out of 38 surgeons covered respectively. The details are given below:

Equipment	None		One		2 or more	
	1999	2000	1999	2000	1999	2000
Operating Microscope	14	03	24	27	28	08
A-Scan	18	03	30	33	18	02
Yag Lasers	50	33	08	05	08	00
Indirect Ophthalmoscope	18	05	25	17	23	16
Slit lamp	20	06	18	22	28	10
Keratometer	28	07	24	26	14	05
Anterior Virec. Unit	42	06	18	30	06	02
Tonometer	14	--	15	--	37	--
Ophthalmoscope	13	--	13	--	40	--
Retinoscope Streak	23	--	23	--	20	--
Gonioscope	33	--	18	--	15	--
Cryonnits	21	--	12	--	33	--

Thus, the lack of equipment limited the utilisation of services of trained surgeons.

*Nine to 19 per cent of infrastructure facilities such as eye wards, OTs, darkrooms etc were not completed, while funds of Rs 8.55 crore released for renovation and furnishing could not be utilised in 9 states. Training activities were not given due care. No new eye bank was developed. Utilisation of eyes for keratoplasty was very poor, only 55 and 46 per cent of eyes collected in Government and voluntary sector respectively were utilised. Heavy shortfalls in creation and filling of posts and upgradation of facilities were noticed in Rajasthan. Deficiencies of operating equipments limited the utilisation of trained surgeons.*

#### **7.4 Success of Treatment**

##### **7.4.1 Monitoring and Evaluation**

###### **State Level**

The State Programme Management Cell/ Programme Implementation Committee (PIC) under the chairmanship of the State Health Secretary with Directorate General of Health Services as member was responsible for monitoring the programme at state level through (a) perusal of annual district plans; (b) perusal of the minutes of meetings of DBCS of the districts; (c) visits to the districts at least once a year in a large state. A group of experts /consultants could be engaged to assist the State Programme Officer for undertaking field visits and monitoring; and (d) progress reports submitted by the districts. However, scrutiny of records of State Health Secretary of States/UTs revealed that in eleven states/UTs (**Jammu & Kashmir, Haryana, Himachal Pradesh, Meghalaya, Nagaland, Assam, Karnataka, Gujarat Pondicherry, Chandigarh, Andaman & Nicobar Islands**) Programme Implementation Committee was not formed as of March 2001. In states where PIC was in place, the records of number of meetings held, details of field inspection visits undertaken by officers/committee/experts was not available. The performance of the programme on the basis of returns received from DBCS/NGOs was never evaluated during 1996-2001 in almost all the states, either by the state or by any independent agency. Thus, there was no effective monitoring or evaluation of the programme at the state level.

No effective monitoring or evaluation of programme at state level was carried out

##### **7.4.2 Successful/complication and failure rate**

The record relating to successful/complicated and failure cases was not available with the states. However, Government of India identified (March 2000) Ajmer and Udaipur Medical Colleges for establishing Sentinel Surveillance Unit (SSU). The report sent (April 2001) to GOI by the SSU Udaipur mentioned the success rate of 84.56 per cent and failure rate as 15.44 per cent against national average rate of 8.29 per cent (1997).

## 7.5 Trend Reversal

No nation wide survey was conducted to assess prevalence rate of blindness

The goal was to reduce the prevalence of blindness from 1.4 per cent to 0.3 per cent by 2000 AD. No exhaustive survey was conducted to assess the reduction of prevalence rate of blindness. However, **Andhra Pradesh, Gujarat, Tamil Nadu and Pondicherry** intimated the prevalence rate ranging between 0.5 per cent and 1.44 per cent as against targeted rate of 0.3 per cent.

## 7.6 Funding of the Programme

The pattern of assistance for the programme is a mix of budgetary and extra-budgetary resources. However, initial budget allocation by the Government provides for the entire resources. Subsequently reimbursement is sought from extra budgetary support namely the World Bank and Danish International Development Agency (DANIDA). The budget allocation and funds released during the five years under review is furnished below:

(Rs in crore)

Year	Budget Estimates	Revised Estimates	Expenditure
1996-97	75.00	75.00	58.58
1997-98	70.00	70.00	58.38
1998-99	75.00	75.00	72.74
1999-2000	85.00	84.00	83.87
2000-01	110.00	110.00	109.70
<b>Total</b>	<b>415.00</b>	<b>414.00</b>	<b>383.27</b>

68 to 85 per cent grants released to implementing agencies/ states and 15 to 32 per cent retained by Project Director.

It would be seen that the entire funds allocated in the budget had not been released in any of the years. Analysis of the component of funds released shows that during these five years, 68 per cent to 85 per cent resources were released to the implementing states/agencies and 15 per cent to 32 per cent resources were retained by the Project Director at the centre (including commodity grant).

The following table shows allocation and expenditure for project and non-project states during the relevant five years.

Year	Estimated Blind Population (in lakh)		Allocation of funds (Rs in lakh)		Expenditure incurred (Rs in lakh)		Per capita availability (In Rs)	
	Project States	Non-Project States	Project States	Non-Project States	Project States	Non-Project States	Project States	Non-Project States
1996-97	95.69	41.06	6684	816	5066	792	53	19
1997-98	97.43	41.81	5800	1200	4959	879	51	21
1998-99	99.17	42.56	5800	1700	5643	1631	57	38
1999-00	100.91	43.30	6500	1900	6487	1900	64	44
2000-01	102.65	44.05	7500	3500	7487	3483	73	79

While the allocation for other states has increased, augmented funds from funding agencies for the project states resulted in higher per capita availability of resources to these states. Per capita availability of resources in project states increased from Rs 53 annually to Rs. 73, while per capita availability of resources in non-project states has increased from Rs 19 to Rs 79 annually.

Only 63 per cent funds were utilised in non-project states while in project states expenditure exceeded the funds released

A smaller part of the Programme funds are disbursed to the implementing state Governments through budgetary allocation but the larger part is released directly to the District Blindness Control Societies (DBCS) for both project and non-project states. The funds released were utilised in non project states up to 63 per cent, while in the project states, expenditure exceeded the funds released, as shown below:-

### Cash grant to Project and Non-Project States

Year	NPCB (Non-Project States)		CBCP (Project States)	
	Release	Expenditure	Release	Expenditure
1996-97	197.35	340.08	1539.62	1974.56
1997-98	133.60	331.00	1383.56	1937.17
1998-99	602.00	332.72	1869.00	1879.18
1999-00	1182.25	680.41	1767.75	3063.34
2000-01	1505.00	593.89	2535.00	4065.90
Total	3620.20	2278.10	9094.93	12920.15

Unspent balance of Rs 30.89 crore lying with DBCS, while 106 Annual Statement of Accounts and 129 UCs still pending receipt

While funds released to the DBCS constitute major part of the release, expenditure fell short of release by 20 per cent. Funds released to DBCS are not routed through state Government and there is hardly any financial control mechanism with the Government to regulate the flow of expenditure at the society level. Failure to report expenditure by the DBCS is particularly significant in the light of the fact that unspent grant of Rs 30.89 crore was lying with the societies, as of July 2001. While 106 annual statement of accounts and 129 utilisation certificates relating to grant released up to 1999-2000 are still pending receipt, as shown below:

### Grant-in-aid to District Blindness Control Societies (Project and Non-Project States)

Year	Total Grant released	Expenditure Reported	Rs in lakh	
			No. of pending annual statement of Accounts	Pending utilisation certificates
1996-97	1423.00	1547.19	8	13
1997-98	3131.50	2449.98	15	20
1998-99	3630.05	3166.57	25	31
1999-00	3612.13	3039.22	58	65
2000-01	3844.57	2348.89	Not due	-
Total	15641.25	12551.85	106	129

**Programme  
Directorate utilised  
Rs 297.66 crore  
against Rs 554 crore  
available for project  
period**

Poor utilisation of resources by project states was a notable feature. By the end of 2000-01, these states had used 297.66 crore (out of which 226.52 crore was reimbursed by the World Bank) against Rs 554 crore available during the project period of seven years. Even though the project has been extended up to 2002, it is unlikely that the remaining 46 *per cent* of resources can be effectively utilised during the span of only one year. Inability to use resources available was a major failure of the programme and indicates both non-availability of infrastructure to receive and use the fund and poor management of flow of funds by the programme Directorate.

## **Section-II**

### **National Tuberculosis Control Programme**

#### **8. Introduction**

The National Tuberculosis Control Programme (NTP) was initiated in 1962 in the background of pervasive endemicity and fatality due to lack of treatment. The thrust of the programme rested on early diagnosis and efficient treatment. Strategically, the programme was sought to be integrated with the network of provisioning of health services. But the programme failed to make a significant impact largely due to its failure to forge constructive linkages with the existing health delivery system and lack of financial and manpower resources. Further, failure in the efficacy of the conventional drug regimen combined with lack of quality control in radiological investigation and laboratory standards resulted in militating against the very thrust of the programme. It is in this context that an evaluation of the programme was undertaken in 1992 by the Government of India with the support of World Health Organisation (WHO) and Swedish International Development Agency (SIDA). The results of evaluation, while exposing the weaknesses of the programme recommended parameters for revising the programme in line with new diagnostic needs, therapeutic requirements, and monitoring systems required to tackle the proliferation of the disease. The Revised National Tuberculosis Control Programme (RNTCP) thus took shape and phase I pilot was initiated in 1993 to demonstrate the technical feasibility of RNTCP in India with the support of SIDA and WHO. Phase II pilot was initiated in 1994, with the support of World Bank, for testing the managerial feasibility of implementation. The pre-appraisal mission of the World Bank, after reviewing the implementation of phases I and II in February 1996, endorsed the project and phase III of the programme commenced in May 1997 with the main objective of facilitating the transition of NTP to RNTCP in a project format. A time span of 8 to 12 years was visualized for the establishment of RNTCP in India of which the project period of five years i.e.1997-2002 was visualized as the stage of transition, during which institutional and managerial infrastructure could be set up. This transitional phase is currently in progress. Audit review of the National Tuberculosis Control Programme therefore consists of two elements:

- i) A scrutiny of the implementation of the RNTP in World Bank project format in selected districts of 18 states and
- ii) Quality of implementation of the NTP in rest of the states and districts not covered by the World Bank project.

Derived from this, the audit strategy consists principally of two separate lines of investigation: One line examines the activities under the World Bank project and the other line examines the activities under the conventional pre revised programme. The results are either depicted separately or fused together depending on the nature of the material contained in the review. The complexity of the review arises from the fusion of two separate lines of investigation. But then, it is expected that a review of the World Bank Project in the penultimate years combined with the progress of the programme in the conventional regime would show the degree of success of the project intervention and the workability of the conventional programme.

### **8.1 Confluence of global support**

As brought out, bilateral and multilateral funding agencies have been involved in the implementation of the Tuberculosis Control Programme since 1993. Phase I pilot was assisted by SIDA and WHO, Phase II pilot was assisted principally by the World Bank and gaps in regard to staffing, equipments and facilities were met by British assistance through Department for International Development (DFID). The Danish International Development Assistance (DANIDA) stepped in to support phase III of the programme, concentrating on the tribal districts of Orissa and DFID was assisting in the implementation of the programme in the tribal districts of Andhra Pradesh.

### **9. Goal**

The main objectives of NTP are to diagnose as a large number of cases as possible and provide efficient treatment, giving priority to Smear-Positive patients and implement these activities as an integral part of general health services. The main goal of RNTCP is to reduce mortality, morbidity and disability by curing TB, thereby reducing the annual risk of infection. Under RNTCP, active case finding is not recommended. Hence no targets are set. But it has been estimated by the Ministry that, on an average, there would be approximately one TB chest symptomatic person for every 50 new general OPD patients. There would be approximately 85 new smear positive patients per one lakh population of which 50 per lakh smear positive patients will seek treatment from Government Health facilities. Annual case detection rate is 135 per lakh population out of which 50 cases would be sputum positive, 50 cases would be sputum negative, 25 cases would be relapse cases and 10 cases would be extra pulmonary. The optimum level of cure rate was expected to be 85 *per cent* or above for new cases and relapses. Proportion of defaulters would be less than 5 *per cent* and sputum conversion for new smear positive cases at 3 months should be 85 *per cent*.



## 10. Strategy

Programme strategies were evolved on the need for containing the spread of TB and curing the disease. The principal strategies of RNTCP have been

- Focus on infectious smear-positive patients and diagnosis based on sputum analysis, rather than x-ray.
- Consolidation of diagnostic capacity at selected sites and decentralization of treatment to the periphery to facilitate access.
- Provision of drugs in blister packs or combination pills.
- Modified organizational structure at all levels.
- New training policies.
- New approach to drug procurement, inventory and distribution to enable uninterrupted drug supply.
- Rigorous Monitoring.

## 11. Activities

To meet the programme objectives three main activities have been adopted.

- a) Improving the quality, access to and outcome of TB treatment by introducing
  - (i) Directly Observed Treatment with Short-Course Chemotherapy (DOTS).
  - (ii) Covering more districts under Standard Short course Chemotherapy (SCC).
  - (iii) In non SCC districts, provision of conventional or Long Course Chemotherapy (LCC) drugs to smear-positive patients.
  - (iv) Providing conventional drugs to smear negative patients.
  - (v) Involvement of NGO and private sector in service delivery.
- b) Developing Institutional and Research capacity and enhancing technical, managerial and interpersonal skills by
  - (i) Strengthening the management unit at Central and State levels.
  - (ii) Strengthening the district level management by formation of District Tuberculosis Control Societies (DTCS), changing the role of District Tuberculosis Centres (DTCs) from being a service provider to one involving programme management, training, drug distribution, supervision, monitoring etc. and by setting up Tuberculosis Units (TUs) and Microscopy Centres (MCs).
  - (iii) Strengthening Central Training Institutes.
  - (iv) Strengthening State level training by setting up State Demonstration and training centres.

- (v) Strengthening monitoring and evaluation by regular supervisory visits at all levels, by developing management information system for data analysis at all levels, by setting clear performance indicators.
- c) Developing information, education and communication and promoting outreach activities and community development

## 12. Organisational Structure

At the national level, the TB Division is headed by a Deputy Director General (TB) who is the National Programme Director and it is assisted by collaborating Central Institutes such as National Tuberculosis Institute, Bangalore, Tuberculosis Research Centre (TRC), Chennai, Lala Ram Sarup Institute of Tuberculosis and Allied Sciences (LRS) Delhi and other institutions of repute.

At the state level, the state TB Officer (STO) monitors the activities. State TB Training and Demonstration Centres in major States of the country provide training, guidance, supervision, co-ordination, monitoring and technical assessment of the programme in the respective areas.

At the District level, the Chief District Health Officer is the Principal Health functionary in the District and is responsible for all medical and public health activities including control of TB. The District Tuberculosis Centre (DTC) is the nodal point for TB control activities in the district and also functions as a specialised referral centre. The District TB Officer is specifically responsible for the organization of TB activities in the district.

In the Sub-Divisional level, a supervisory and managerial team at the peripheral level act as a Tuberculosis unit. This unit covers a population of about 5,00,000. The functions at sub-district level are implementation, monitoring and supervision of TB control activities in the designated geographical area. The organogram of the NTCP is given in **Annex VI**.

## 13. Scope and Objective of Review

This review of the National Tuberculosis Control Programme covers the time frame from 1996-97 to 2000-01. During the period the World Bank Project for the establishment of RNTCP was in progress, the bilateral donor assistance (DFID, DANIDA) were in operation with area specific concerns and the conventional NTP parameters were under implementation in the non-project states and districts. The time segment under review does not coincide with the end of the project period, nor does it mark the completion of any aspect of the programme. Therefore, this is not an end programme evaluation but more in the nature of an evaluation of the ongoing programme. It intends to evaluate the stage of completion of various activities undertaken by multiple agencies including the government with a view to indicate the manner in which the ultimate goal is being approached. Details of samples selected for test audit are given in **Annex VII**.

The programme was reviewed earlier and the audit findings were included in paragraph 20 of Report No.1 of 1988 of Comptroller and Auditor General of India. The main observations related to non-utilisation of grants, non-achievement of targets, non-establishment of TB Centres, non-filling up of the posts of medical and paramedical staff and non-evaluation of the programme. The present review of the scheme conducted during February 2001 to October 2001 has found that similar deficiencies continue in the implementation of the programme.

#### **14. Implementation of the Programme**

The thrust areas of NTP and the RNTCP were differentiated by the degree of emphasis on case detection, drug regimen and cure rate. While the NTP emphasised case detection and conversion of sputum positive cases to sputum negative cases through long term conventional therapy, the RNTCP emphasised directly observed short term treatment with multi drug therapy. Qualitatively, the differentiation came as a consequence of the technological breakthrough which brought in short term therapy under direct observation. This, however, implied availability of greater trained manpower which could be provided only under the projectised format of RNTCP, while the rest of the non-projectised NTP states/districts have to continue with the long term conventional therapy in a phased manner of gradual switchover to short term therapy. It was observed that, in terms of outcome, the projectised states/districts under RNTCP performed better by way of achieving higher cure rates in the range of 77.9 to 84 *per cent* against the stipulated rate of 85 *per cent*. In the NTP states/districts however the cure rate was low, at 43 *per cent*. This showed the comparative advantage of RNTCP over the NTP. But a closer scrutiny of achievement recorded under RNTCP also showed that there were states/districts where the cure rate was even lower (2 to 41 *per cent*) than the cure rate achieved under NTP. Cure rate could not possibly be the sole indicator for evaluating the success of the programme. Achievement in the detection of TB cases is also not an acceptable indicator because the RNTCP missed this altogether. In this context, audit review of the programme sought to locate the programme deficiencies from the perspective of the beneficiary. The audit objective was to review the implementation of the programme under certain broad indicators arising out of structure and operational specificities of the programme namely (i) the reach of the programme i.e. whether the programme has succeeded in reaching the target areas (ii) efficiency i.e. whether resource and facilities of the programme were used efficiently and decentralised set up functioned effectively (iii) the quality of infrastructure i.e. whether the necessary facilities were created and quality inputs administered and (iv) success of treatment i.e. whether the desired cure rate was achieved.

##### **14.1 Reach**

Reach of the programme is critical to its success. Under the conventional programme mode, reach of the NTP has been estimated by audit on the basis of the achievement of targets in respect of TB cases detected, sputum

examination and detection of new sputum positive cases. Under the RNTCP, the reach of the programme has been estimated by audit with reference to the number of TB patients registered, number of patients evaluated and number of cases where patients have been cured or treatment has been completed. The achievements claimed have been compared with the trends indicated by the results of test check.

#### 14.1.1 Targets and Achievements under National Tuberculosis Control Programme (NTP)

**Annex VIII** gives the details of targets and achievements of NTP during the period 1996-97 to 2000-01. It can be seen from the Annex that in 1996-97 only two targets in respect of i) case detection and ii) sputum examination were set. In 1997-98, one more target on detection of new sputum positive cases was added. From 1998-99 only two targets – for sputum examination and detection of new sputum positives were set. In 1996-97, it is seen that in respect of **Himachal Pradesh, Karnataka, Meghalaya, West Bengal, Chandigarh and Dadra & Nagar Haveli** achievement in TB case detection was above 100 *per cent*. In sharp contrast, achievement in sputum examination was low ranging between 13.21 *per cent* and 54.40 *per cent*. In 1997-98 and 1998-99, new sputum positive case detection was nil in Union Territories **Daman and Diu** and **Lakshadweep**. The performance of **Assam, Bihar and West Bengal** was very poor during the five year period.

Cases where the achievements were far beyond the target were examined with reference to targets set. It was observed that the targets were not reviewed keeping in view the rate of achievements. States with low achievement continued to perform poorly without any corrective measures being taken. There was a decline in achievements on all fronts from the high point achieved in the first year of the programme. Test check of records in the states brought out certain interesting facts

a) In seven test checked districts of **Madhya Pradesh** the average percentage of sputum positive cases found in sputum smear examination was only six *per cent* during 1996-97 to 2000-01 against 10 *per cent* stipulated as normal in the programme. In Guna District, the conversion percentage of positive to negative was low at 14. In 2 Districts, Jabalpur and Satna it was found that sputum was examined only once where as 3 smear examinations were stipulated for a single case. The reasons were attributed to shortage of laboratory technicians.

b) In 4 test-checked districts of **West Bengal** (Burdwar, Birbhum, Darjeeling and Malda) shortfall in sputum examination and identification of new sputum positive cases ranged between 55 and 40 *per cent* during 1996-2001.

c) In 3 test-checked districts of **Maharashtra** Beed, Buldhana and Nasik the percentage of conversion from positive to negative was around 50 only during 1996-97 to 2000-01.

Performance of Assam, Bihar and West Bengal was very poor since 1996-97 to 2000-01

The targets fixed were not evaluated/reviewed keeping in view the rate of achievement

Performance of sputum examination and conversion of sputum positive to negative was poor in Madhya Pradesh

Conversion of sputum positive to negative was low in Maharashtra

Sputum examination not conducted in 10 PHIs in Andhra Pradesh

d) In **Andhra Pradesh**, the targets for sputum examination and detection of sputum positive cases were fixed at 500 cases per one lakh population and at 50 cases per one lakh population respectively. In the test-checked districts the shortfall in sputum examination was very high ranging between 32 and 85 *per cent*.

In East Godavari District, in 10 of the 72 PHIs sputum examination was not conducted continuously for periods ranging from 27 to 57 months, during January 1996 to September 2000, despite regular flow of patients.

e) In respect of 20 PHIs of West Tripura District in **Tripura**, target for sputum examination was fixed as 59500 but 28706 cases were examined leaving a short fall of 52 *per cent*. In addition, it was seen that the sputum positive cases required to be detected in the District as per norm of 50 chest symptomatic patients per 1 lakh population works out to 7942 cases whereas only 3312 cases of sputum positive had been detected.

Detection of sputum positive cases was very low in Bihar

f) In nine test-checked districts of **Bihar** detection of sputum positive cases was much less than the norm of 50 chest symptomatic patients per lakh population. The shortfall ranged between 86 *per cent* and 91 *per cent* during 1996-97 to 2000-01. During 1996-97 to 2000-01, in respect of 717 and 2183 cases sputum tests of new sputum positive patients was not done at intervals of two months and three months. Number of relapse cases and default cases increased during 1996-97 to 1998-99.

#### 14.1.2 Targets and Achievements - Revised National Tuberculosis Control Programme (RNTCP)

Goa, Sikkim, Nagaland, Meghalaya, Tripura, Mizoram and all UTs are not covered under RNTCP

RNTCP was introduced by Government of India in various districts since 1995-96. Till March 2001, 170 districts in 18 states were covered involving a total population of 3548 lakh. Many States like **Goa, Sikkim, Nagaland, Meghalaya, Tripura, Mizoram** and all Union Territories are not covered under this Programme. While 19 districts in **Sikkim, Nagaland** and **Manipur** were planned to be covered under RNTCP, only one district in **Manipur** was covered during the period. Under RNTCP, sputum microscopy is the main method of diagnosis. The programme envisaged setting up of Tuberculosis Units (TUs) for every five lakh population and Microscopy Centres (MCs) for every one lakh population. Out of 755 TUs and 3618 MCs planned, 752 TUs and 3474 MCs are operational in 18 RNTCP States.

Cure rate ranged between 77.9 to 84 *per cent*

The specific objective of the programme is to achieve 85 *per cent* cure rate in the RNTCP Districts for newly diagnosed smear positive cases. The reporting formats used in the programme give details of cases registered, results of treatment of new sputum positive patient, new sputum negative patients, treatment of extra-pulmonary patients and treatment of relapse patients (**Annex IX**). It would be seen that the overall cure rate ranged between 77.9 and 84 *per cent* during 1996-2000, which was below the stipulated rate of 85 *per cent*. The death cases ranged between 3.4 and 4.3 *per cent* while defaulter rate ranged between 8.5 and 11.6 *per cent* against the stipulated rate of 5 *per*

cent. With introduction of DOTS, the follow up of defaulters rests with the health workers. The defaulter rate can be minimized through proper follow up action. Failure of treatment is related to drug resistance and irregular drug intake.

#### 14.1.3 Interesting cases noticed in test check are detailed below:

##### (a) Shortfall in case detection

In **Karnataka** cases detected during 1998-99, 1999-2000, and 2000-01 were 820, 2629 and 8816 respectively, which were much lower than the estimated cases of 6345, 6345 and 19170 calculated at the rate of 135 cases per lakh population.

##### (b) Short fall in sputum examination

Efforts are needed to improve diagnosis of TB among patients attending health facilities as atleast two *per cent* of adult outpatients are estimated to be chest symptomatic. These patients should be asked about the presence of cough and their sputum samples, if necessary, should be collected. In **Tamil Nadu** shortfall in sputum examination ranged from 1 to 100 *per cent* in 68 PHIs covered by test check. In **Kerala**, the shortfall was 39 to 64 *per cent* in 5 test-checked districts. The shortfall was mainly due to not covering of the required minimum percentage of OPD patients attending the health units for sputum examination.

Required minimum percentage of OPD patients not covered for sputum examination in Tamil Nadu and Kerala

##### (c) Shortfall in detection of new Sputum Positive cases

As per norms, out of one lakh population 50 new smear positive patients would seek treatment from government health facilities. In **Kerala**, in 5 test-checked districts, the shortfall was between 30 and 52 *per cent* during 1999-2000 and 2000-2001. Such shortfall in detection defeats the objective of controlling the disease. In **Gujarat**, during the calendar years 1997 to 2001 the rate of new smear positive detection ranged between 9 and 44 per lakh population.

Smear positive detection rate was low in Kerala

*Thus, the reach of the programme has met with limited success. The performance of NTP states was very poor whereas under RNTCP the cure rate was below the stipulated rate and defaulter rate could not be minimised.*

## 14.2 Efficiency

### 14.2.1 Treatment - RNTCP

#### Administration of Drugs

a) Under RNTCP, the medicines are to be administered by the DOTS provider in the places accessible and acceptable to the patient. The medicine box was not to be given to the patient as the medicines were to be taken in the presence of DOTS provider. In **Kerala**, in Microscopy centre Pattambi of

Medicine boxes provided by DOTS provider in some districts of Kerala and Tamil Nadu

Palakkad District medicine boxes for intensive and continuation phases were issued to 58 patients for self-administration, which was incorrect resulting in non-follow-up of patients.

b) DOTS was implemented only from December 2000 in Government hospital of Thoracic Medicine, Tambaram Chennai in **Tamil Nadu**. Although the specified drug regimen was followed, the drugs were given to patients once in a fortnight for self-administration because of insufficient number of health workers. In five institutions in 2 districts, Kancheepuram and Salem, TB drugs were given in advance to the patients during the intensive phase.

c) DOTS did not commence in Central Prisons at Cuddalore and Vellore of **Tamil Nadu** although the strategy was already under implementation in those districts.

d) Mahatma Gandhi Memorial TB Sanatorium at Sengipatti in **Tamil Nadu** is run by a Trust receiving an annual maintenance grant of Rs 3 lakh from the State Government. Anti TB drugs were purchased by the sanatorium from Public Sector Companies and sold to the patients on cost basis. The sanatorium did not follow the regimen prescribed under RNTCP. DTO Thanjavur did not direct the hospital to follow standard RNTCP regimen.

e) In five selected districts of **Rajasthan**, 60 new positive cases were shown converted into negative though nil to 20 doses were given as against complete treatment of 24 doses.

f) Sputum (positive) patients having 1 to 9 living acid fast bacilli (AFB) are to be treated under category I or II drug regimen. But in respect of 8 cases in 4 MCs in **Rajasthan**, these patients were treated under category III regimen meant for sputum negative patients.

#### 14.2.2 Poor maintenance of Treatment cards, Lab Register, TB Register etc.

(a) Patients who are treated at the diagnostic health facility PHC/CHC/DTC receive the first dose of medication on the day the treatment card is prepared. Prescribed drug regimen is to be entered in the treatment card. Test check of 716 treatment cards in DTCs/PHCs of Jammu and Kashmir revealed that the cards were not authenticated. Treatment in all 300 smear positive cases was started only after one sputum smear test. Second and third sputum tests during follow up were done only in 137 and 46 cases respectively. Moreover, prescribed drug regimen had not been recorded in 160 cases. More than one regimen was prescribed in 34 cases. Excess dose of drugs were given to patients in 109 cases. Reasons for not following the prescribed drug regimen were attributed by DTO Udhampur to negligence on the part of staff maintaining treatment cards.

Proper treatment regimen were not followed

109 patients were given excess dose of drugs in J&K

In 18 cases sputum examination were shown as conducted even after death, in Rajasthan.

(b) In **Rajasthan**, 15 cases shown as positive in Lab Register were taken as negative in TB Register and 7 positive cases were shown as negative in TB register, without any details in Lab Register. In 15 cases, treatment was shown as continued and in 18 cases sputum examination was shown as conducted even after the death of patients.

In 79 cases, the same laboratory examination number was depicted twice in TB Register and in 68 cases the same lab number was shown against different patients. This incorrect maintenance of records casts doubts on the accuracy of the results of treatment.

#### 14.2.3 Contacts of Smear Positive Cases

Any person with productive cough and who is in contact with smear positive patient should have 3 sputum examinations. If the results are negative and the symptom persists even after treatment, the patient should have a chest X-ray and undergo examination by a M.O. If the results are doubtful, then the patient should be followed up 3 months later. Scrutiny of treatment cards in 6 districts of **Tamil Nadu** disclosed no evidence of treatment of persons in contact with positive cases. It could not be ensured that the contacts of smear positives were duly examined. Such non-examination would result in spreading of the disease.

#### 14.2.4 District/State Tuberculosis Control Societies (DTCS/STCS)

For greater decentralisation, the District has been designed as the unit for implementing various developmental programmes. The DTCS is accountable to the Central/State authorities for all programme related activities. They are registered under the Societies Registration Act. The objectives of the DTCS are:

- (i) To achieve more than 85 *per cent* cure rate among the new sputum smear positive TB cases registered.
- (ii) To detect at least 70 *per cent* of the estimated new sputum smear positive cases.
- (iii) To provide short course chemotherapy (SCC) to all TB diagnosed patients for the recommended duration of treatment to ensure that they are cured.
- (iv) To ensure the implementation of Directly Observed Treatment- Short course (DOTS) for treatment of all TB cases registered in the RNTCP.

The DTCS will plan, implement, monitor and supervise all tuberculosis control activities in the District in co-ordination with the District TB Centre (DTC) under the overall guidance of the State and Central Government. Under RNTCP, funds are directly issued by the Central TB Division to DTCS. The funds are to be utilized for (a) payment of district staff and honoraria for those who conduct DOTS (b) IEC activities (c) active involvement of private and non-government organizations (NGO) in the RNTCP (d) running and



maintenance of project vehicles, minor civil works, purchase of Xerox copiers, computers and other miscellaneous expenses.

142 UCs involving grant of Rs 35.52 crore as of March 2000 were pending receipt and accumulated unspent balance with DTCS was Rs 61.67 crore

Accounts of the DTCS are to be audited every year by a Chartered Accountant. The annual report of audited accounts are to be submitted to the Central TB Division along with Utilisation Certificate of the grant received from the Central Government.

**(a) Year wise position of grants released and expenditure reported by societies**

*(Rs. in lakh)*

Year	No. of Districts to whom grants released	Amount of grants released	Expenditure reported	Percentage of grants utilised	Unspent balance	No. of UCs awaited	Amount of grants involved in r/o pending UCs
1996-97	*	539.00	*	*	*	*	*
1997-98	39	1125.56	169.57	15	956	21	553.25
1998-99	108	2598.82	454.71	13	3100.11(x)	74	1898.00
1999-00	127	2399.74	996.31	18	4503.54(x)	47	1100.65
2000-01	239	4000.99	2337.38	27	6167.15(x)	180	2898.79

\* Information in respect of 1996-97 not furnished by central TB Division

(x) Unspent balance includes balance from previous year.

DTCS/STCS of 8 to 14 states failed to utilise any amount during 1997-98 to 2000-01

The DTCS in states have not entirely utilised the grants released to them. The range of percentage of utilisation of grants in states is given in the following table.

Year	No. of States						
	To whom grants released	Utilisation of grants					
		0 per cent	1 to 10 per cent	11 to 30 per cent	31 to 50 per cent	51 to 75 per cent	Above 75 per cent
1997-98	15	Nil	5	6	2	1	1
1998-99	29	14	5	8	2	-	-
1999-00	29	13	3	11	2	-	-
2000-01	29	8	6	8	5	1	1

The details of utilisation of Government of India grants by DTCS/STCS specifically in 7 states are given in **Annex-X**.

**(b) Assistance to Non Government Voluntary Organizations (NGOs)**

Only 12 per cent of grant released for NGOs support were utilized by DTCS

Grants are given to DTCS for involvement of voluntary organizations in the Programme. Grants amounting to Rs. 165.02 lakh had been granted to District

Tuberculosis societies during 1997-98 to 2000-2001. Of this, only Rs. 19.28 lakh (12 per cent) had been spent by DTCS. There is not much involvement of NGOs in the programme.

**(c) IEC Activities**

Only 40 per cent of funds released for IEC activities were utilised by the DTCS

It is imperative that dissemination of knowledge and awareness about different aspects of TB, its curability and control measures to providers, users and the community at large would influence the success of the programme and remove the social stigma attached to the disease. This is possible only when the IEC activities are carried out by District Tuberculosis Societies. Grants released to various societies for this component during 1997-98 to 2000-01 amounted to Rs. 651.94 lakh. Expenditure reported from these grants was Rs. 259.86 lakh. Thus, only 40 per cent of funds have been utilised for these activities.

In **Tamil Nadu** in Chennai City the post of IEC Officer was not filled since 1997. Out of grants of Rs. 11.83 lakh provided during September 1995 to March 2000 for IEC activities in Chennai, Rs. 10.69 lakh remained unutilised till March 2001.

In **Himachal Pradesh** the IEC officer had not been appointed and no IEC activities were undertaken since the formation of State Tuberculosis Control Society in July 1997.

*The programme failed to make use of the available resources which adversely affected its implementation of the programme. Programme activities suffered in as much as the grants released to DTCS were utilised only to the extent of 13 to 27 per cent during 1996-97 to 2000-01. Grants to DTCS for assistance to NGOs and IEC activities could only be utilised to the extent of 12 per cent and 40 per cent respectively.*

**14.3 Quality of Infrastructure**

**14.3.1 Establishment of District Tuberculosis Centres (DTCs)**

Successful implementation of the TB Control Programme depends upon the establishment of requisite number of TB Control Centres at district and sub-district level. One DTC has to be established for an average population of 19 lakh. In 7 out of 13 districts of **Arunachal Pradesh**, DTCs had not been established. The State TB Training and Demonstration Centre established at a cost of Rs. 8.71 lakh in Nahar Lagun in November 1997 conducted only 2 day refresher courses on two occasions during 1997-2001. The centre is being used for other purposes.

In **Tamil Nadu**, no DTC was formed in Chennai District though its population was 44.81 lakh and the Health Department of the Corporation of Chennai was implementing RNTCP in the city. Though Coimbatore District had a population of 38.87 lakh, only one DTC was functioning in the District. 12 DTCs in the State did not have the full strength of staff essential for the proper

implementation of RNTCP. DTCs were not established in the four new districts of the State.

In **Rajasthan**, against the norms of 80 per cent of staff to be trained under RNTCP before the start of service delivery in DTCs, it was noticed that in Alwar 35 per cent of laboratory technicians, in Dausa 39 per cent of medical officers and 75 per cent of laboratory technicians were not trained. In Jodhpur district, while Microscopes were not made available in 16 MCs, Laboratory Technicians were not posted in 11 MCs in desert area since their inception (September 2000). Resultantly, sputum tests were not conducted and patients had to cover a distance of about 15 to 50 Km to other MCs for this test.

In **J & K**, DTCs had been established only in 10 out of 14 districts.

In five newly created districts of **Punjab**, no DTC had been established.

#### 14.3.2 Non-Utilisation of TB wards

In Tripura, two 20 bedded wards were not handed over to TB Officer

In **Tripura**, two 20-bedded TB wards were constructed in 1986 at a total cost of Rs 15 lakh at Udaipur and Kailashahar but the buildings were utilised by the Health Department for other purposes and not handed over to the State TB Officer.

#### 14.3.3 Establishment of Tuberculosis Units (TUs) and Microscopy Centres (MCs)

As per norms, at the sub-district level one TU with a senior TB Laboratory Supervisor (STLs) and a senior treatment supervisor (STS) trained in RNTCP would be created for about five lakh population. The diagnostic component i.e. Microscopy Centre (MC) would be located in the C.H.C./P.H.C. or Taluk Hospital based on workload limited to maximum of one per lakh population. The status of establishment of TUs and MCs in respect of RNTCP as given by the Central T.B. Division Government of India is given below:-

Sl. No.	State	Population covered by RNTCP Districts (in lakh)	No. of TU		No. of Microscopy centres	
			Planned	Operational	Planned	Operational
1.	Andhra Pradesh	189.92	38	38	158	145
2.	Assam	12.00	2	2	12	12
3.	Bihar	108.32	20	20	91	58
4.	Delhi	142.20	26	26	102	92
5.	Gujarat	380.05	85	84	399	398
6.	Himachal Pradesh	168.52	24	24	106	98
7.	Haryana	49.09	10	10	38	35
8.	Jharkhand	44.15	9	9	46	44
9.	Karnataka	197.32	39	39	198	198

Sl. No.	State	Population covered by RNTCP Districts (in lakh)	No. of TU		No. of Microscopy centres	
			Planned	Operational	Planned	Operational
10.	Kerala	319.15	65	63	327	323
11.	Maharashtra	367.67	81	81	379	375
12.	Manipur	10.00	2	2	13	13
13.	Madhya Pradesh	39.63	8	8	41	41
14.	Orissa	68.55	17	17	109	108
15.	Rajasthan	534.88	136	136	757	750
16.	Tamil Nadu	329.05	71	71	310	310
17.	Uttar Pradesh	190.99	38	38	153	152
18.	West Bengal	396.61	84	84	379	322
<b>TOTAL</b>		<b>3548.10</b>	<b>755</b>	<b>752</b>	<b>3618</b>	<b>3474</b>

There was shortage of 4 per cent of MCs in all the states and in Kerala 3 out of 4 MCs were not functioning as posts were not filled up

The shortage of MCs was limited to four per cent.

In **Kerala** out of four centres sanctioned in tribal areas in Palakkad, three centres had not started functioning as three posts of Lab Technician were yet to be filled.

#### 14.3.4 Equipment and Vehicles

From the quarterly reports of RNTCP received in Central TB Division, from various states regarding equipments, vehicles and their position as on 31 December 2000, it was seen that many equipments and vehicles were not in working condition which affected the implementation of the programme. The details are as under:

Equipments not in working condition affected the implementation of programme in Orissa, Tamil Nadu and Punjab

Name of equipment	Total No.	In working condition	Not in working condition
Monocular Microscope	2896	2500	396
Binocular Microscope	3166	3014	152
X-ray machine	536	476	60
Photocopier	61	56	5
Computer	38	36	2
Air Conditioners	3	2	1
Jeep	130	118	12

In **Orissa** 30 microscopes out of 59 received from GOI in June 1999 were lying undistributed as of March 2001. X-ray machines lying out of order include 2 machines in 2 DTCs of **Orissa** (since 1996 and 1998) and one in **Tamil Nadu** (since 1999). In **Rajasthan**, 5 X-ray machines costing Rs. 6.67 lakh were lying idle for periods of 3 to 55 months in MCs/TUs. In TB Hospital Sangrur, **Punjab** X-ray machine had been out of order since 1995.

### 14.3.5 Manpower

The records of Central TB Division in respect of 167 RNTCP Districts as of March 2001 revealed that 9 districts had no District TB Officer (DTO), 56 had no Statistical Assistant (SA), 35 had no Treatment Organiser and 2 had no Lab Technician (LT). Percentage of shortage in other posts was as below:

Name of the Post	Percentage of Shortage
Medical Officer of the TB Unit	2
Senior Treatment Supervisor	2
Senior TB Lab Supervisor	5
Lab Technician	17
Treatment Organiser	14
Medical Officer (BPHC/CHC)	10
Pharmacist	13
Lady Health Visitor	14
Staff Nurse	8
Health Assistant	8
Multipurpose Health Worker	10
TB Health Visitor	13
Anganwadi Worker	7

Test check in states revealed the following:

In **Gujarat** against 24 posts of District Tuberculosis Officers and Treatment Organizer only 8 posts and 19 posts respectively were filled.

In Yanam of UT **Pondicherry**, there was no TB specialist.

In **Meghalaya**, there was shortage of one post of District TB Officer, 2 posts of Medical and Health Officer and 1 post of TB Health Visitor.

In TB Hospital Hermitage, Sangrur in **Punjab** the staff strength consisted of one medical superintendent, two Chief Pharmacists, one Pharmacist, eight Ward Attendants, one Radiographer and one X-ray Assistant. During 1998-2001, only 791 patients were admitted i.e. an average of 22 patients per month. To attend to these patients one pharmacist and three ward assistants were sufficient. Thus posts of two Chief Pharmacists and 5 Ward Attendants were rendered excess. In addition, X-ray machine was also out of order since 1995. One Radiographer and one X-ray assistant remained idle resulting in wasteful expenditure of Rs.29.44 lakh on their pay and allowances.

The Central TB Division recommended in July 1997 that the TB Headquarters unit in Chennai Corporation in **Tamil Nadu** be strengthened with additional manpower of one Data Entry Operator, Driver, IEC Officer, Medical Officer

Acute shortage of key personnel in Gujarat, Pondicherry, Tamil Nadu, Tripura, Bihar & Karnataka adversely affected the implementation of programme

and Secretarial Assistant each. However, except the post of Driver, no other - posts were filled (May 2001).

Test check of records in 3 DTCs of **Tripura** revealed shortage of key personnel (2 Second Medical Officers, 4 Treatment Organisers, 3 Laboratory Technicians, 3 Statistical Assistants).

In **Bihar** under NTP, 72 per cent posts were vacant as on 31st March 2001.

In **Karnataka** under NTP 39 per cent posts of lab technician and 31 per cent posts of x-ray technicians were vacant.

The shortage of personnel adversely affected the functioning of the programme.

#### 14.3.6 Training

State and District Level Officers, working under NTCP/RNTCP were to be trained at National TB Institute Bangalore, TRC Chennai and LRS Institute Delhi. Other categories of Medical and paramedical staff were to be imparted training within the State.

From the quarterly reports received from Districts in Central TB Division the overall position of Trained Officials in RNTCP Districts is given below:

Sl. No	Post Held	Manpower	Trained
1.	T.B. Officers	151	141
2.	Statistical Assistants	102	86
3.	Medical Officers	242	222
TB Unit			
4.	Medical Officers	704	690
5.	Senior Treatment Supervisor	727	710
6.	Lab Technician	5536	4969
7.	Staff Nurse	13299	5925
8.	Anganwadi Workers	106557	43379
9.	Trained Dai	32187	5121
10.	Multi Purpose Health Worker	63519	58410

55 per cent of staff nurses and 59 per cent of Anganwadi workers not trained

The training programmes are to be given priority as many medical/paramedical staff have not yet been trained in RNTCP activities. The slow pace of training affects the achievement of the programme.

*Thus it was seen that due to non-establishment of DTCs as per norms and non-observance of parameters in regard to their staffing, the services contemplated under the scheme could not be provided. However under the*

RNTCP, TUs and MCs were established as per norms with marginal deficiency of 4 per cent. Around 10 per cent of the monocular and binocular microscopes and x-ray machines were not in working order. Shortages in manpower at the crucial levels of Laboratory Technicians, Treatment Organisers, Medical Officers, Pharmacists, Lady Health Visitors and TB Health Visitors exceeded 10 per cent. Anganwadi workers and staff nurses were found to be the least trained, ranging between 55 to 59 per cent.

#### 14.4 Success of Treatment

##### 14.4.1 Treatment outcome (NTP)

From the reports compiled by NTI Bangalore for the calendar years 1999 and 2000 in respect of 17 and 24 states respectively, it is seen that the percentage of cured cases in 1999 and 2000 remained at 38 and 43 per cent and defaulted cases (cases where patients discontinued treatment) remained at 29 and 31 per cent respectively as given below:

Year	Cases treated				Percentage		
	Under Regimen A	Under Regimen B	Total	Cured	Died	Defaulted	Failure
1999	46656	9073	55729	38	1.2	29	1
2000	45317	3761	49078	43	1.35	31.16	1.35

These figures reflect the poor performance by all the NTP states.

##### 14.4.2 Analysis of Treatment Outcome in Various States

In **Karnataka** details of death as well as failure cases were not available in the records of test-checked districts. The percentage of defaulters ranged between 25 and 34 during 1996-97 to 2000-01.

No records of death cases were maintained in two of the test-checked districts of **Arunachal Pradesh**.

In test checked districts of **Madhya Pradesh**, the number of patients who could not be brought under treatment ranged between 7 and 20 per cent of new TB patients during 1996-97 to 1998-99. The percentage of patients who completed treatment was very low ranging between 22 per cent and 27 per cent during the five year period whereas patients who migrated/defaulted was very high, ranging between 72 and 77 per cent

In **Andhra Pradesh** number of patients not brought under treatment increased from 2282 in 1996-97 to 6014 in 2000-01. DTCS attributed the initial defaults to the patients not reporting for second and subsequent sputum tests/X-ray examination. But no step had been taken to motivate the defaulters to stick to the treatment regimen.

Number of patients who discontinued treatment was on the rise in Karnataka, Madhya Pradesh and Andhra Pradesh indicating non-reduction of incidence and spread of TB

Similarly, in six test checked districts of **Andhra Pradesh** number of patients who discontinued treatment constituted 12 *per cent* of the total number of cases placed under treatment.. Discontinuance of treatment adversely affected the objective of reducing the incidence and spread of TB cases.

#### 14.4.3 Non-achievement of Cure rate (RNTCP)

The table below shows that the cure rate achieved by states was lower than the stipulated rate which is 85 *per cent*:

Sl. No.	State	Period	Cure Rate (in per cent)	Remarks
1.	Assam	1998-99 to 2000-01	2 to 83	In respect of whole state
2.	Orissa	1997-98 to 2000-01	43 to 51	In respect of whole state
3.	Madhya Pradesh	1999-00 and 2000-01	44 and 41	In respect of three test checked districts only
4.	Gujarat	1999 & 1997	69 and 81	In respect of 5 test checked districts only
5.	Andhra Pradesh	1996-97 to 1999-00	69 to 84	In respect of 2 districts
6.	Tamil Nadu	1999-2000	74 to 75	2 districts
7.	Manipur	1998-99 and 1999-00	65.9	In respect of one district
8.	West Bengal	1999-2000	71.9 & 73	In respect of two districts

In Orissa and Madhya Pradesh, the cure rate ranged between 41 and 51 *per cent*

In **Bihar** during 1996-97 to 2000-01 only 43 *per cent* of new cases registered were evaluated. Of these, 33 *per cent* of cases evaluated were cured. Low cure rates in **Assam, Orissa and Madhya Pradesh** have not been investigated, which is a cause of concern.

#### 14.4.4 Sputum test after 2/3 months treatment

In respect of new sputum positive cases, smear examination is to be done at the end of second month of treatment. The percentage of conversion of new smear positive to smear negative should be more than 80 *per cent* which should increase to 90 *per cent* after three months. Similarly, sputum tests are to be conducted at intervals of 2/3 months in respect of retreatment cases also.

In **Karnataka** the percentage of conversion of sputum positive to negative at 2/3 months in respect of new cases, relapsed cases and failure cases are given in the following table:



## Percentage of conversion

Year	New cases		Relapse cases		Failure cases
	At 2 months	At 3 months	At 2 months	At 3 months	At 3 months
1998-99	72	52	--	87	--
1999-00	70	68	7	59	58
2000-01	78	68	13	72	56

It is seen that stipulated conversion rate of 80 per cent and 90 per cent had not been achieved in the State.

Tests of conversion of sputum positive to negative at 2/3 month either not carried out or when carried out the achievement found below desired level of 80/90 per cent

In **Bihar**, sputum test at 2 months in respect of 282 sputum positive cases and sputum test at 3 months in respect of 160 cases were not carried out during 1996-97 to 2000-01.

In four test-checked districts of **Tamil Nadu**, the sputum conversion rate at 2/3 months was not achieved. The range of sputum conversion during 1996-97 to 2000-01 is given in the following table.

## Range of percentage

New cases after 2 months treatment	New cases after 3 months treatment	Relapse cases after 3 months treatment	Failure cases after 3 months treatment
12 to 66	12 to 69	4 to 69	0 to 100

In **Andhra Pradesh** in Hyderabad (Urban) and Medak districts sputum test after 2 months was not done in 9 percent and 17 per cent of cases. Sputum test after 3 months was not done in 49 and 36 per cent of cases respectively.

## 14.4.5 Discontinuance of Treatment

10 to 12 per cent TB patients discontinued treatment

Against 242725 evaluated cases (cases brought under treatment) discontinued treatment worked out to 24443 and the defaulter rate ranged between 9.8 and 11.6 per cent during 1996-97 to 2000-01, well above the stipulated rate.

The position of patients who discontinued treatment over the five year period is given below:

State	Year	Percentage of patients who discontinued treatment	Remarks
Tamil Nadu	1996-97 to 2000-01	9 to 80	Data in respect of 6 test checked districts
Andhra Pradesh	1996-97 to 1999-00	7 to 19	Data in respect of 2 test checked districts
Assam	1996-97 to 2000-01	16 to 29	Data in respect of all RNTCP districts
West Bengal	1999 and 2000	18 & 19	Data in respect of 2 test checked districts
Karnataka	1998-99 to 2000-01	6 to 12	Data in respect of all RNTCP districts

**14.4.6 Drugs****(a) Expired Drugs**

Life expired TB drugs worth Rs 1.87 crore were lying with MSDs and DTCs

Scrutiny of monthly reports of Medical Stores Depots (MSD) of Hyderabad, Guwahati, Mumbai, Calcutta and Chennai to Central TB Division revealed that a substantial quantity of expired TB drugs was lying in stock. The list of these medicines is given in **Annex XI**. The value of these medicines worked out to approximately Rs 1.12 crore.

In addition, various District Tuberculosis Centres in some states had expired medicines worth Rs.75.38 lakh lying in stock as per the details given below.

State	Value of expired medicines/ X-ray films
1. Jammu & Kashmir	25.98 lakh
2. Haryana	3.07 lakh
3. Orissa	Value not available
4. Tamil Nadu	24.51 lakh
5. Assam	6.42 lakh
6 Madhya Pradesh	13.48 lakh
7. Andhra Pradesh	Value not available
8. West Bengal	1.92 lakh

**(b) Purchase of Substandard Drugs**

Substandard drugs valuing Rs 34.33 lakh were purchased by different states/MSDs as detailed below:

Substandard drugs valuing Rs 34.33 lakh purchased by states/MSDs

State / MSDs	Name of drug and quantity	Value of drugs (Rs in lakh)
Orissa	3,00,000 tab. Ethambutol 400 mg.	1.96
J & K	4,55,000 tab. Ethambutol 400/800 mg.	5.92
MSD, Chennai	17,92,000 tab. Ethambutol 800 mg.	26.45
<b>Total</b>		<b>34.33</b>

In addition 0.37 lakh tablets of Pyrazinamide (500 mg.) supplied in 1999 to DTC Dindigul were declared substandard. By the time this was intimated in January 2001 the tablets had been distributed.

**(c) Excessive consumption of drugs**

In Andhra Pradesh extra expenditure of Rs 50.84 lakh due to excess issue of drugs against requirement were noticed

As per the drug regimen, New Sputum positive cases should be put on treatment either on Short Course Chemotherapy with 4 drugs or standard regimen- R1 treatment with streptomycin injections during the intensive phase of two months. In all the test-checked districts of **Andhra Pradesh**, the number of streptomycin injections administered was more than that required for patients put on R 1 regimen. Against the requirement of 3.1 lakh vials of the injections in respect of 5186 patients put on R1 regimen and RB regimen (Relapsed and Retreatment cases) during 1996-97 to 2000-01, 9.86 lakh vials were used. The excess utilization of 6.78 lakh vials involved an extra expenditure of Rs 50.84 lakh.

**West Bengal**

(i) In Asansol district, Rifampicin capsule and Pyrazinamide tablet worth Rs. 4.55 lakh were issued during 1996-2001 in the sub-divisional hospital where sputum examination was never done.

Drugs worth Rs 27.50 lakh not required for treatment were shown as issued in two districts of West Bengal

(ii) In Bolpur Sub Divisional Hospital where no treatment Card/T.B. Patient Register was maintained, 428 TB cases (3 positive and 425 negative) were detected during 1996-2001. For 3 sputum positive cases the required number of Rifampicin capsule and Pyrazinamide tablet to be issued under SCC Regimen worked out to 180 capsules and 540 tablets respectively whereas 487327 capsules and 55996 tablets respectively were shown as issued. In addition 91110 Streptomycin injections, though not admissible under the above Regimen were shown as issued. The issue of excess medicine valuing Rs. 22.95 lakh appears to be fictitious and needs to be investigated.

**(d) Non availability of anti TB drugs**

Due to non-availability of stock of anti TB drugs such as streptomycin Injection (0.75 gm), Rifampicin capsules and Ethambutol, Pyrazinamide and Isoniazid tablets treatment could not be administered to 346 patients in 11 institutions of 3 districts of Tamil Nadu.

Similarly, two districts of Haryana and 7 districts of Orissa were also affected by short supply.

**(e) Diversion of ANTI TB Drugs Rs. 25.21 lakh**

Anti TB drugs worth Rs 25.21 lakh were issued to different hospitals not connected to TB in violation of guidelines

In Burdwan district of **West Bengal** Rifampicin capsules worth Rs. 2.47 lakh meant for Tuberculosis Control Programme were issued to the Modified Leprosy Control Unit, Katwa during 1996-97 and 1998-2000 for treatment of Leprosy patients. Anti TB drugs valued at Rs. 6.17 lakh in Malda and Rs. 15.44 lakh in Darjeeling and 1.13 lakh in Birbhum were issued to the Indoor Department of different hospitals in violation of guidelines.

**(f) Excess payment for Drugs**

Excess payment of  
Rs 15.36 lakh due to  
purchases at higher  
rates

One firm had supplied 3 consignments of anti TB drugs to DTCs of Andhra Pradesh in September 2000 and December 2000. Scrutiny of invoices in two test checked districts revealed that the rates charged for combi pack RA regimen and RB regimen were Rs 81.38 and 58.45 per strip respectively in September 2000, Rs 83.88 and Rs 60.23 per strip in October 2000 and Rs 12.18 and 7.44 per strip in December 2000. The excess payments made to the firm on account of varying rates amounted to Rs 15.36 lakh in these two districts alone. As the procurement of medicines is arranged centrally, Central TB Division was asked to furnish the reasons for variation in rates from and whether the rates of supplies were in accordance with the clauses of contract and also to furnish the details of supplies to various DTCs and MSDs during 2000-01 in October 2001. No reply was received as of November 2001.

**(g) Non Accountal of Anti TB Drugs**

In Darjeeling district of **West Bengal** a large difference between the quantity of drugs issued by the CMS and received by 3 units namely District Reserve Stores, District Tuberculosis centre and the Deputy Assistant Director of Health (E&S) Siliguri valuing Rs 20.26 lakh was noticed. The details are as under:

	1996-97	1998-99	1998-99	1999-2000	1999-2000	1999-2000	1999-2000
	Cap. Rifampicin (400mg)	Tab. Pyrazinamide	Tab. Ethambutol	Tab INH	Tab Ethambutal	Cap. Rifampicin (450 mg)	Tab. Pyrazinamide
Qty issued by CMS	53090	67100	38400	930000	857600	1005000	786000
Qty. received by the District	50000	25000	25000	600000	527600	675000	456000
Difference	3090	42100	13400	330000	330000	330000	330000
Value (Rs in lakh)	0.11	0.70	0.12	0.63	2.71	11.55	5.44
Total							21.26

Besides, the anti-TB drugs valuing 3.33 lakh were not found recorded in the Stock ledgers of District Tuberculosis centres:

**(h) Irregular purchase of S.C.C. drugs**

Irregular purchase of  
anti TB drugs worth  
Rs 2.34 crore

In **West Bengal** in 25 cases Deputy Director of Health Services (Equipment and Stores) of Central Medical Store, Kolkata procured SCC Drugs like Rifampicin capsule and Pyrazinamide tablet valued at Rs. 2.34 crore during 1998-2000. Since cash grants from Government of India were to be utilised only for procurement of anti TB drugs for sputum negative cases these purchases were not regular.

Further, Chief Medical Officer of Health, Birbhum also purchased SCC drugs for Rs. 0.76 crore during 1996-2001 irregularly since the district was a non-

SCC one and was not authorised to render treatment with the drugs like Rifampicin and Pyrazinamide. SCC drugs valued Rs. 1.12 crore were also stated to have been consumed in these non-SCC districts.

#### 14.4.7 Monitoring and Evaluation

National Tuberculosis Programme covers the entire country through 440 DTCs located in the district Headquarters. NTI Bangalore monitors the performance of NTP through periodic reports from the DTCs and supervisory visits to DTCs and PHIs. DOTS is provided in 149 districts under RNTCP in 2000-01. RNTCP performance of these districts is monitored by Central TB Division, New Delhi. These districts are required to report non-DOTS cases to NTI Bangalore.

The statistical details relating to the reports received and analysed by NTI are as under:

Year	Total Districts	Functioning DTCs	Reports		
			Due	Received	Analysed
1996-97	499	395	1480	1283 87 per cent	1263 98 per cent
1997-98	501	440	1760	1232 70 per cent	1232 100 per cent
1998-99	501	441	1764	1234/ 70 per cent	1234 100 per cent
1999-00	501	440	1760	1492 85 per cent	1492 100 per cent
2000-01	576	440	1760	1551 88 per cent	1551 100 per cent

As per the annual report for the year 1999-2000 of NTI Bangalore, the reporting efficiency of 15 states was more than 90 per cent, while there was need to improve it in respect of other states.

NTI had also observed that the ratio of Bacillary cases to X-ray suspects should be 1:1.2. But there was still a tendency of relying primarily on X-ray for diagnosis of pulmonary TB indicating improper development and utilisation of laboratory facilities. The ratio of Bacillary cases to X-ray suspects during 1998 to 2000 is given in the table below:

Year	Bacillary Cases	X-ray suspect	Ratio
1998	282105	769610	1:2.7
1999	291939	734190	1:2.5
2000	254362	574744	1:2.3

**Over reliance on X-ray and improper use of lab facilities for detection of pulmonary TB cases**

In **Nagaland**, from a feedback report of NTI Bangalore, it was seen that for 1999-2000 only 6 quarterly reports were sent by 2 DTOs against 28 reports accepted in respect of 7 DTOs. STO had no records to show that all reports from DTOs were received and closely monitored.

Shortfall in visits by supervisory staff ranged between 3 to 100 per cent

It was seen that in many states/UTs viz. **Haryana, Orissa, Chandigarh, Assam and Madhya Pradesh** there was no feedback to the districts either from NTI Bangalore or Central TB Division on the district progress reports. There was heavy shortfall in the required number of visits by the supervisory staff in many of the States viz. **Himachal Pradesh, Tamil Nadu, Andhra Pradesh and Gujarat** ranging between 3 to 100 per cent.

In states like **Orissa, Uttar Pradesh** and UT **Pondicherry** there was shortage in periodical meetings of the supervisory staff/DTCs. In **Himachal Pradesh** and **Uttar Pradesh** there was no periodical review on procurement of anti TB drugs and its utilization.

As per guidelines of RNTCP, District Tuberculosis Control Officer (DTCO), and Joint Director (JD) were to visit each district unit respectively once in a quarter. In **Andhra Pradesh**, the Microscopy centres at Hyderabad were visited by the DTCO once in six months. In **Bihar**, the State TB Officer who had to carry out 52 inspections of the RNTCP districts during 1996-97 to 2000-01 conducted only 11 inspections.

In **Karnataka** shortfall in State TB Officer's visit to Microscopy Centres was between 50 to 75 per cent and District TB Officer's visit to PHIs was between 3 and 50 per cent during 1998-99 to 2000-01. It was noticed by NTI that many District TB Officers did not visit PHI even once in a quarter.

Under NTP, District TB Officer was required to carry out quarterly visits of Peripheral Health Institutes (PHIs). In **Gujarat** shortfall in visit of DTOs ranged between 31 per cent in 1999-2000 to 45 per cent in 1996-97. In Tripura in test-checked districts, against required 244 visits to 61 PHIs per year, visits actually made were 77 in 1999-2000 and 101 in 2000-01. In **Arunachal Pradesh**, no supervision of PHIs were done in test-checked districts. In **Pondicherry** shortfall in visits to PHIs ranged between 25 per cent and 62 per cent during 1996-97 to 2000-01.

The governing Council of the State and DTCs were to hold six-monthly meetings. In 6 test-checked DTCs in **Rajasthan**, only 17 such meetings were held during 1996-2000 when 36 meetings were due.

Review of the RNTCP programme was done by a joint team of Government of India and WHO in February 2000 covering 6 states, although no formal document was issued in this respect. No evaluation by any other independent agency had been carried out. No evaluation had been done by the states. In **Bihar** review of the programme was done in June 2000 by World Health Organisation.

*It was noticed that non-observance of the various parameters of the programme, viz. poor conversion rate of sputum positive cases to sputum negative in many states, non-conducting of sputum tests in respect of treatment cases at stipulated intervals, non-ensuring of uninterrupted treatment, purchase of poor quality drugs, allowing excessive consumption of drugs and*

non provisioning of anti TB drugs etc. resulted in poor cure rate in 1999 and 2000 at 38 and 43 per cent under NTP. Poor supervision of the programme in implementing States was evidenced from the analysis of data conducted by NTI Bangalore which showed that shortfall in supervisory visit in certain cases was as low as 68 per cent. Further only 70 to 88 per cent quarterly reports were received by NTI from the States during the period of review.

## 14.5 Funding of the Programme

### 14.5.1 Allocation and Expenditure

Component wise budget allocation (Revised Estimates) and expenditure under National Tuberculosis Control programme during 1996-97 to 2000-01 were as follows.

*(Rs in crore)*

Component	1996-97		1997-98		1998-99		1999-00		2000-01	
	A	E	A	E	A	E	A	E	A	E
1. Central Government funds	15.00	7.77	22.00	21.30	25.00	23.99	25.00	25.82	9.99	9.43
2. Externally aided component										
a) World Bank aid										
(i) Grants-in-aid to T.B.Societies	13.47	5.39	12.00	10.23	28.00	26.00	24.00	24.00	40.01	40.01
(ii) TB Cell at HQ	4.40	0.47	4.00	0.47	1.00	1.00	1.00	1.00	2.50	2.50
(iii) Commodity grant for drugs and microscopes	19.20	-	42.00	-	18.00	17.42	45.00	36.52	28.50	28.40
b) DANIDA Assistance *	-	-	-	-	-	-	-	-	10.00	8.40
c) DFID Assistance *	-	-	-	-	-	-	-	-	19.00	19.80
Total	52.07	13.63	80.00	32.00	72.00	68.41	95.00	87.34	110.00	108.54

*A – Allocation*

*E-Expenditure*

\* Direct assistance of Rs 46.94 crore and Rs 11.74 crore provided by DFID and DANIDA to Andhra Pradesh and Orissa respectively during 1997-98 to 1999-2000 have not been included in the allocation/expenditure of Central TB Division. Only from 2000-01 appropriate budget heads have been provided in the accounts.

**Commodity grant of Rs 61.20 crore surrendered due to disagreement between World Bank and GOI on procurement procedure**

The table would show that the commitment of Central Government in the funding of the programme was limited to about 24 per cent of the expenditure over the five years under review. The Central Government's commitment level was the lowest in the year 2000-01 at Rs 9.99 crore. In the same period, World Bank aid increased from 37.07 crore to 71.01 crore. The implication of reduction in government funding support was that the non-project states/districts were deprived of the means of running the programme. An important component of World Bank aid of Rs 61.20 crore, commodity grants for drugs and microscopes was surrendered due to disagreement between the World Bank and Government of India on the procurement procedure during the years 1996-97 and 1997-98. While during the five years Rs 12.90 crore was allocated for creation of TB cell, only Rs 5.44 crore were spent until 2000-01. During the first two years, while the World Bank had made the largest allocation against which expenditure incurred was only negligible.

Only 20 per cent of WB aid claimed as reimbursement

Audit examination revealed that actual expenditure for which the central and state governments could claim reimbursement from World Bank up to March 2001 worked out to only Rs 121.6 crore against expenditure of Rs 139.86 crore claimed as spent which constitutes only 20 per cent of aid of Rs 604 crore.

#### 14.5.2 Utilisation of Central Funds

48 UCs involving grant of Rs 52.53 crore were pending receipt

Central Government Funds amounting to Rs 80.54 crore was released to the states exclusively for the purchase of anti TB drugs for sputum negative cases under NTP. No details were available for 1996-97 but the position of receipt of utilization certificates released to various states from 1997-98 to 2000-01 is given below

<i>(Rs in crore)</i>				
Year	No of States/UTs to whom grants released	Amount of grants released	No of UCs awaited	Amount of grants in UCs awaited
1997-98	32	21.30	24	17.93
1998-99	32	23.99	5	21.77
1999-00	27	25.82	6	9.69
2000-01	25	9.43	13	3.14
<b>Total</b>		<b>80.54</b>	<b>48</b>	<b>52.53</b>

No expenditure was incurred in **Gujarat** on this account even though Rs 1.86 crore was released to the State for this purpose. A table indicating the highest and lowest utilisation is given below:

<i>(Rs in lakh)</i>					
State	Years of grant	Amount released	Amount utilised	Amount unutilised	Utilisation percentage
Assam	1997-98 to 2000-01	258.84	196.55	62.29	76
Gujarat	1997-98 to 2000-01	185.81	Nil	185.81	0
Manipur	1997-98 to 2000-01	19.45	11.36	8.09	58
Madhya Pradesh	1997-98 to 2000-01	576.93	201.30	375.63	35
Haryana	1997-98 to 2000-01	218.13	100.49	117.64	46
Punjab	1997-98 to 2000-01	117.24	99.63	17.61	85

During 1997-98 and 1998-99, almost the entire grant was released in the last quarter of the financial year. Further details of UCs showed that in **Tamil Nadu, Assam, Andhra Pradesh, Andaman & Nicobar Island, Lakshadweep, Dadra & Nagar Haveli, Karnataka, Sikkim and Nagaland** drugs other than those prescribed in the regimen valuing Rs 4.52 crore had been purchased (**Annex XII**). Out of Rs 5.58 crore released during 1997-98 to 1998-99 to **Bihar** for purchase of anti TB drugs for sputum negative cases Rs 4.89 crore was distributed in cash to District Tuberculosis Centres (DTCs) instead of the Government purchasing the medicines for distribution to DTCs.



## 14.6 Other points of Interest

### 14.6.1 Avoidable payment of custom duty of Rs 3.26 crore

Failure to obtain custom exemption certificate for importing microscopes resulting in avoidable payment of Rs 3.76 crore

It was noticed that 160 and 2734 binocular microscopes were imported by the Central TB Division, Government of India from Japan and Singapore respectively. Due to delay in obtaining custom exemption certificates, the custom duties amounting to Rs 21 lakh and Rs 3.55 crore in October 1996 and November 1998 respectively were initially paid under protest to avoid payment of demurrage charges. Subsequently the certificates were to be sent for claiming refund. No further action was taken by the TB Division to obtain the customs exemption certificate for claiming refund.

### 14.6.2 Non-availability of sputum cups

For the collection and examination of each sample of sputum, new sputum cup was to be provided in T.B unit. Review of records in 10 MCs of 6 TUS in **Rajasthan** revealed that 27380 smear examinations were done during October 1999 to March 2000 although only 14615 cups were used. It was stated by the Medical Officers that under NTCP paper cups were utilized. But the evidence of paper cups were not available in stock registers.

### 14.6.3 Poor quality of sputum tests

Out of 317 cases in 5 test-checked districts of **Rajasthan**, 96 positive cases were converted into negative but cross checking by STLS showed 218 negative cases. Thus the quality of Microscopy at the centres was doubtful.

### 14.6.4 Wrong Reporting of data

Inflated figures of achievement reported by Deputy Director Orissa

The table below shows that information on identification of new cases, new sputum examination cases, total T.B patients treated and new sputum positive cases reported by the Deputy Director (TB) of **Orissa** State to Government of India in respect of 6 selected districts (Cuttack, Kalahandi, Koraput, Puri, Sambalpur, and Mayurbhanj) varied from the figures reported by the District Tuberculosis Centre in respect of 1997-98 to 2000-01:

Category of cases reported	Figures reported by districts	Figures reported by Dy. Director
Identification of cases	40213	51471
New sputum examination	198353	208327
Total TB patients treated	59472	164053
New Sputum positive cases	14989	16127

In **Rajasthan**, in respect of 5 test-checked districts 13250 patients were shown discharged during 1996 to March 2000 on quarterly progress reports whereas as per records the total number works out to 12942.

In respect of **Nagaland**, the data collected from the State in respect of sputum examination and detection of new sputum positive cases varied from the data furnished by Central T.B Division and collected from the States. Moreover the State Tuberculosis offices had also furnished two different sets of figures to audit. The details are given below:

	Year		
	1997-98	1998-99	1999-2000
<b>(a) Sputum Examination</b>			
As per central T.B Division	1707	2963	2253
As per State Report I dated 16.10.2000	1581	2513	2189
As per State Report II dated August 2001	-	-	New 2306 Old 1616
<b>(b) Sputum positive cases</b>			
As per central T.B Division	168	528	643
As per State Report I dated 16.10.2000	151	498	628
As per State Report II dated August 2001	NA	NA	868

In respect of **Haryana** out of 7.21 lakh cases examined for sputum smear 0.51 lakh were found positive. The State Directorate had stated that all the cases were converted into negative. But in test checked districts out of 0.40 lakh positive cases only 0.18 lakh cases were converted into negative. Reporting systems in the State were inadequate.

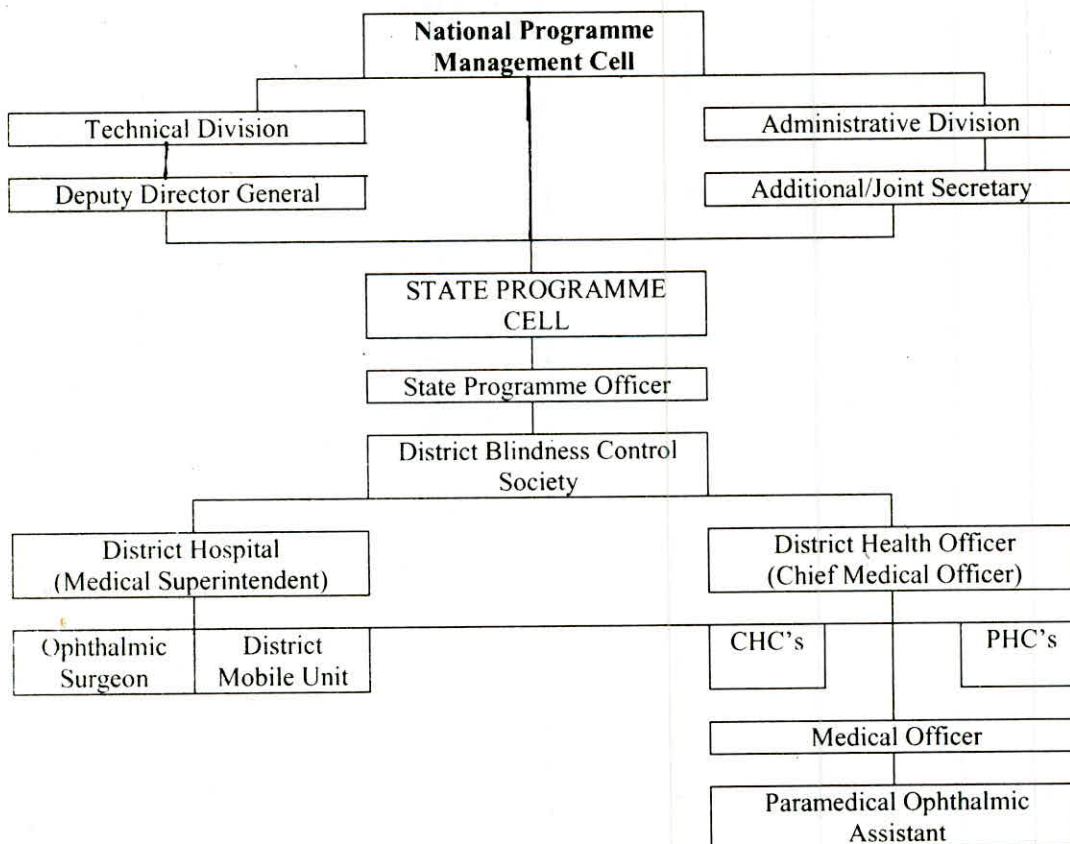
Similarly in respect of information on TUs and MCs of **Andhra Pradesh** under RNTCP variation was noticed between the data collected from Central TB Division (RNTCP) and data collected from **Andhra Pradesh** as brought out in the table below:

	No. of TUs		No. of MCs	
	Planned	Operational	Planned	Operational
As per central TB Division	38	38	158	145
As per State reports	14	13	60	35

The matter was referred to the Ministry in November 2001; their reply was awaited as of January 2002.

**Annex-I**  
(Refers to Paragraph 5)

**National Programme for Control of Blindness  
An Organogram**



**Annex- II**  
(Refers to Paragraph 6)

**Details of Sample Chosen**

Sl. No.	State	Total No. of Distt	No. of DBCS selected	Other Institutions	Name of DBCS/ Other Institutions
<b>Project States</b>					
1.	Andhra Pradesh	23	7	-	Anantpur, East Godawari, Guntur, Hyderabad, Mehboobnagar, Nizamabad, & West Godawari
2.	Madhya Pradesh (including Chattisgarh)	61	8	-	Bhopal, Gunna, Indore, Jabalpur, Mansaur, Satna, Bilaspur, Jadalpur
3.	Maharashtra	31	-	-	-
4.	Orissa	30	6	SCB Medical College Cuttack 2 NGOs	Kalahandi, Puri, Koraput, Cuttack, Sambalpur, Mayurbhanj,
5.	Rajasthan	32	5	5 Medical Colleges	Ajmer, Jaipur, Jodhpur, Kota, Udaipur,
6.	Tamil Nadu	29	6	5 Distt. Hospitals 2 Medical Colleges 18 NGOs	Tiruvannmelai, Villipuram, Madurai, Cuddalore, Coimbtore,
7.	Uttar Pradesh	73	15	-	Aligarh, Bahraich, Basti, Faizabad, Ghaziabad, Ghazipur, Gonda, Kanpur, Lucknow, Mirzopur, Muzaffer Nagar, Pilibhit, Shahjahanpur, Murabadabad, Allahabad.
<b>Non project States</b>					
8.	Arunachal Pradesh	11	3	-	Pasighat, Along, Bomdila,
9.	Assam	23	7	Regional institute of Ophthalmology, Guwahati	Kamrup, Nagaon, Barpeta, Cachar, Golaghat, Karbi, Anglong,
10.	Bihar (including Jharkhand)	55	10	-	Bhojpur, Dharbhanga, Khagaria, Nalanda, Samastipur, Saran, Veshalli, Dhanbad, Dumka and Ranchi
11.	Delhi	07	7	-	-
12.	Goa	02	-	2 Distt Hospitals 6PHCs 1 CHC	-
13.	Gujarat	20	-	5 Distt Hospitals	Ahmedabad, Rajkot, Surat, Vadodara & Valsad

Sl. No.	State	Total No. of Distt	No. of DBCS selected	Other Institutions	Name of DBCS/ Other Institutions
14.	Haryana	18	8	-	Ambala, Bhiwani, Faridabad, Hissar, Kurkshetra, Rohtak, Sonipat, Yamunanagar,
15.	Himachal Pradesh	12	3	-	Hammirpur, Kangra, Sirmaur
16.	Jammu & Kashmir	14	4	-	Srinagar, Jammu, Udhampur, Kathua
17.	Karnataka	27	6	2 District Hospitals, 2 Medical Colleges, 4 PHCs, 6 NGOs	Mandya, Gulbarga, Bellary, Belgaum, Kolar and Bangalore rural.
18.	Kerala	14	5	-	Thiruvanthapuram, Kannur, Malappuram, Palakkad, Urnakulam
19.	Manipur	08	4	-	Imphal, Bishnupur, Churachandpur, Thoubal,
20.	Meghalaya	06	3	3 DMU/CMU	East Khasi hills, West Garohills, Ribhoi
21.	Mizoram	04	-	-	Not given
22.	Nagaland	07	2	4 distt hospitals	Kohima, Mokokchung
23.	Punjab	17	10	Regional Institute of Ophthalmology	Fathehpur sahib, Ferozpur, Jalandhar, Ludhiana, Moga, Patiala, Ropar, Sangrur.
24.	Sikkim	04	01	-	DBCS North
25.	Tripura	04	-	-	Not given
26.	West Bengal	19	04	-	Bankura, Bardhman, Purulia, Uttardinaipur
27.	Andaman & Nicobar Island	02	02	-	Andaman Nicobar Island
28.	Chandigarh	01	1	-	Chandigarh
29.	Dadar & Nagar Haveli	01	1	-	Silvassa
30.	Lakshadweep	01	-	-	-
31.	Daman & Diu	02	2	-	-
32.	Pondicherry	04	1	-	Pondicherry
<b>Grand Total</b>		<b>562</b>	<b>131</b>		

**Annex- III**  
(Refers to Paragraph 7.1.2)

**Performance of Ophthalmic Surgeons in World Bank Assisted states/ Non-project states/ Medical Colleges**

Sl. No.	State	Period	No. of		No. of Catops		Shortfall	Shortfall in %
			District	Ophthalmic Surgeons	As per norms	Actually performed		
<b>A. Project States</b>								
1.	Madhya Pradesh	1996-97	8	18	12600	1861	10739	85
		1997-98	9	21	14700	2225	12475	85
		1998-99	9	21	14700	2874	11826	80
		1999-2000	9	21	14700	4333	10367	71
		2000-2001	8	20	14000	4283	9717	69
					<b>70700</b>	<b>15576</b>	<b>55124</b>	<b>78</b>
2.	Maharashtra	1996-97	5	6	4200	1457	2743	65
		1997-98	4	5	3500	1182	2318	66
		1998-99	3	4	2800	885	1915	68
		1999-2000	4	6	4200	2361	1839	44
		2000-2001	1	2	1400	690	710	51
					<b>16100</b>	<b>6575</b>	<b>9525</b>	<b>59</b>
3.	Orissa	1997-98	4	4	2800	114	2686	96
		1998-99	5	7	4900	199	4701	96
		1999-2000	7	9	6300	415	5885	93
		2000-2001	4	6	4200	169	4031	96
					<b>18200</b>	<b>897</b>	<b>17303</b>	<b>95</b>
4.	Uttar Pradesh	1996-97	16	28	19600	4705	14895	76
		1997-98	16	30	21000	5417	15583	74
		1998-99	16	31	21700	6678	15022	69
		1999-2000	16	29	20300	6257	14043	69
		2000-2001	14	27	18900	5216	13684	72
					<b>101500</b>	<b>28273</b>	<b>73227</b>	<b>72</b>
5.	Rajasthan	1996-97	5	21	14700	3553	11147	76
		1997-98	5	21	14700	3729	10971	75
		1998-99	5	21	14700	4111	10589	72
		1999-2000	5	21	14700	2170	12530	85
		2000-2001	5	21	14700	1650	13050	89
					<b>73500</b>	<b>15213</b>	<b>58287</b>	<b>79</b>
6.	Tamil Nadu	1994-2001	-	86	<b>297000</b>	<b>139984</b>	<b>157016</b>	<b>53</b>

Sl. No.	State	Period	No. of		No. of Catops		Shortfall	Shortfall in %
			District	Ophthalmic Surgeons	As per norms	Actually performed		
<b>B. Non project States</b>								
1.	Assam	1996-97	5	09	6300	650	5650	90
		1997-98	5	09	6300	381	5919	94
		1998-99	6	11	7700	415	7285	95
		1999-2000	5	10	7000	355	6645	95
		2000-2001	4	09	6300	293	6007	95
					<b>33600</b>	<b>2094</b>	<b>31506</b>	<b>94</b>
2.	Bihar	1996-97	7	11	7700	756	6944	90
		1997-98	12	17	11900	1331	10569	89
		1998-99	11	16	11200	403	10797	96
		1999-2000	11	16	11200	609	10591	94
		2000-2001	9	12	8400	469	7931	94
					<b>50400</b>	<b>3568</b>	<b>46832</b>	<b>93</b>
3.	Gujarat	1996-97	5	05	3500	1154	2346	67
		1997-98	5	05	3500	1125	2375	68
		1998-99	3	03	2100	837	1263	60
		1999-2000	4	04	2800	2045	755	27
		2000-2001	3	03	2100	1297	803	38
					<b>14000</b>	<b>6458</b>	<b>7542</b>	<b>54</b>
4.	Haryana	1996-97	1	01	700	28	672	96
		1997-98	3	03	2100	380	1720	82
		1998-99	3	03	2100	354	1746	83
		1999-2000	3	03	2100	428	1672	80
		2000-2001	3	03	2100	378	1722	82
					<b>9100</b>	<b>1568</b>	<b>7532</b>	<b>83</b>
5.	Jammu & Kashmir	1996-97	1	01	700	73	627	89
		1997-98	2	04	2800	309	2491	89
		1998-99	2	04	2800	289	2511	90
		1999-2000	2	04	2800	323	2477	88
		2000-2001	1	03	2100	159	1941	92
					<b>11200</b>	<b>1153</b>	<b>10047</b>	<b>90</b>
6.	West Bengal	1996-97	1	02	1400	81	1319	94
		1997-98	5	12	8400	2332	6068	72
		1998-99	5	13	9100	2222	6878	75
		1999-2000	5	13	9100	2474	6626	73
		2000-2001	4	10	7000	360	6640	95
					<b>35000</b>	<b>7469</b>	<b>27531</b>	<b>79</b>
7.	Karnataka	1996-97 to 2000-01	4	8	<b>28000</b>	<b>9151</b>	<b>18849</b>	<b>67</b>
8.	Kerala	1999-2000	5	59	<b>41300</b>	<b>8412</b>	<b>32888</b>	<b>80</b>
9.	Himachal Pradesh	1996-97 to 2000-01	3	10	<b>35000</b>	<b>19915</b>	<b>15085</b>	<b>43</b>

C. Medical Colleges

Sl. No.	State/District	Period	No. of Ophthalmic Surgeons	No. of Catops		Shortfall	Shortfall in %
				As per norms	Actually performed		
1.	Uttar Pradesh Allahabad	1996-97	05	3500	2845	655	19
		1997-98 to 2000-2001	17	47600	17387	30213	63
2.	Gorakhpur	1996-97	05	3500	50	3450	98
		1997-98 to 2000-2001	04	11200	3030	8170	73
3.	Madhya Pradesh Gwalior	1996-97 to 2000-2001	02	7000	2939	4062	58
4.	Maharashtra Latur	1999-2000	04	2800	2232	568	20
5.	Beed	1996-97	02	1400	526	874	62
6.	Gujarat Ahmedabad	1996-97 to 2000-2001	22	77000	18553	58447	76
7.	Vadodra	1996-97 to 2000-2001	08	28000	3033	24967	89
8.	Jammu & Kashmir Jammu	1999-2000 to 2000-2001	09	12600	2252	10348	82
9.	Rajasthan Ajmer	1996-97 to 2000-2001	07	24500	10895	13605	56
10.	Jodhpur	1996-97 to 2000-2001	05	17500	8586	8914	51
11.	Kota	1996-97	04	2800	1632		
		1997-98 to 1999-2000	03	6300		8402	80
		2000-2001	02	1400	466		
12.	Udaipur	1996-97 & 1998-99	05				
		1997-98, 99-2000 & 2000-2001	04	15400	4713	10687	69
13.	Jaipur	1996-97 to 2000-2001	11	38500	15136	23364	61



**Annex- IV**  
(Refers to Paragraph 7.1.2)

**Utilisation of Ophthalmic Beds in Project States/Non-Project States and Medical Colleges**

State	No. of Distt.	Period	No. of ophthalmic Beds	Catops as per norms	Catops actually performed	Shortfall	Shortfall in %
<b>A. Project States</b>							
Madhya Pradesh	7	1996-97	105	5250	1835	3415	65
	7	1997-98	105	5250	1485	3765	72
	8	1998-99	135	6750	2400	4350	64
	7	1999-2000	115	5750	2545	3205	56
	6	2000-2001	100	5000	2232	2768	55
				<b>28000</b>	<b>10497</b>	<b>17503</b>	<b>63</b>
Maharashtra	5	1996-97	51	2550	1457	1093	43
	5	1997-98	51	2550	1586	964	38
	3	1998-99	36	1800	1051	749	42
	2	1999-2000	30	1500	917	583	39
	4	2000-2001	20	1000	690	310	31
				<b>9400</b>	<b>5701</b>	<b>3699</b>	<b>39</b>
Orissa	2	1997-98	12	600	114	486	81
	2	1998-99	12	600	179	421	70
	2	1999-2000	12	600	181	419	70
				<b>1800</b>	<b>474</b>	<b>1326</b>	<b>73</b>
U.P.	8	1996-97	78	3900	2013	1887	48
	8	1997-98	78	3900	1779	2121	54
	8	1998-99	78	3900	1649	2251	57
	8	1999-2000	78	3900	2525	1375	35
	6	2000-2001	62	3100	1349	1751	56
				<b>18700</b>	<b>9315</b>	<b>9385</b>	<b>50</b>
Rajasthan	5	1996-97	118	5900	1407	4493	76
	5	1997-98	118	5900	1640	4260	72
	5	1998-99	118	5900	1854	4046	69
	5	1999-2000	118	5900	1673	4227	72
	5	2000-2001	118	5900	1415	4485	76
				<b>29500</b>	<b>7989</b>	<b>21511</b>	<b>73</b>

State	No. of Distt.	Period	No. of ophthalmic Beds	Catops as per norms	Catops actually performed	Shortfall	Shortfall in %
<b>B. Non-Project States</b>							
Assam	3	1996-97	26	1300	576	724	56
	3	1997-98	26	1300	362	938	72
	5	1998-99	35	1750	406	1344	77
	4	1999-2000	25	1250	355	895	72
	3	2000-2001	19	950	292	658	69
				<b>6550</b>	<b>1991</b>	<b>4559</b>	<b>70</b>
Bihar	4	1996-97	38	1900	307	1593	84
	4	1997-98	56	2800	495	2305	82
	7	1998-99	56	2800	252	2548	91
	7	1999-2000	56	2800	530	2270	81
	6	2000-2001	48	2400	358	2042	85
				<b>12700</b>	<b>1942</b>	<b>10758</b>	<b>85</b>
Gujarat	4	1996-97	70	3500	485	3015	86
	4	1997-98	70	3500	693	2807	80
	4	1998-99	70	3500	2090	1410	40
	3	1999-2000	50	2500	1400	1100	44
	3	2000-2001	50	2500	1633	867	35
				<b>15500</b>	<b>6301</b>	<b>9199</b>	<b>59</b>
Haryana	2	1996-97	19	950	28	922	97
	3	1997-98	29	1450	269	1181	81
	3	1998-99	29	1450	194	1256	87
	3	1999-2000	29	1450	268	1182	81
	3	2000-2001	29	1450	418	1032	71
				<b>6750</b>	<b>1177</b>	<b>5573</b>	<b>82</b>
J & K	1	1996-97	10	500	73	427	85
	2	1997-98	20	1000	309	691	69
	2	1998-99	20	1000	289	711	71
	2	1999-2000	20	1000	323	677	68
	2	2000-2001	10	500	159	341	68
				<b>4000</b>	<b>1153</b>	<b>2847</b>	<b>71</b>
West Bengal	2	1996-97	15	750	81	669	89
	4	1997-98	47	2350	734	1616	69
	4	1998-99	47	2350	717	1633	69
	4	1999-2000	47	2350	852	1498	64
	4	2000-2001	47	2350	460	1890	80
Purulia District Hospital		1996-97 to 2000-2001	16	4000	672	3328	83
Uttar Dinajpur District Hospital		1996-97 to 2000-2001	8	2000	359	1641	82
				<b>16150</b>	<b>3879</b>	<b>12279</b>	<b>76</b>
Karnataka	5	1996-97 to 2000-01	174	<b>43500</b>	<b>11480</b>	<b>32020</b>	<b>74</b>

## C. Medical Colleges

State/District	Period	No. of ophth. Beds	Catops as per norms	Actually performed	Shortfall	Shortfall in %
<b>Uttar Pradesh</b>						
Allahabad	1996-97 to 2000-2001	88	22000	20232	1768	8
Gorakhpur	-do-	24	6000	3080	2920	49
<b>Madhya Pradesh</b>						
Gwalior	- do -	55	13750	2939	10811	79
<b>Maharashtra</b>						
Beed	- do -	30	7500	3892	3608	48
<b>Gujarat</b>						
Ahmedabad	1996-97 to 2000-2001	250	62500	18553	43947	70
Vadodra	- do -	72	18000	3033	14967	83
<b>Rajasthan</b>						
Ajmer	1996-97	42	2100	597	1503	72
	1997-98 to 1998-99	30	3000	2010	990	33
Jodhpur	1996-97 to 2000-2001	75	18750	5655	13095	70
Kota	1996-97 to 1999-2000	16	3200	1351	1849	58
	2000-2001	30	1500	281	1219	75
Jaipur	1996-97 to 2000-2001	101	25250	15136	10114	40
Udaipur	1996-97 to 1999-2000	66	13200	1911	11289	86
	2000-2001	60	3000	589	2411	90
<b>West Bengal</b>						
Burdwan Medical College	1996-97 to 2001	60	15000	3467	11533	77
Bankura Sammilani Medical College	1996-97 to 2001	44	4000	2058	8042	81

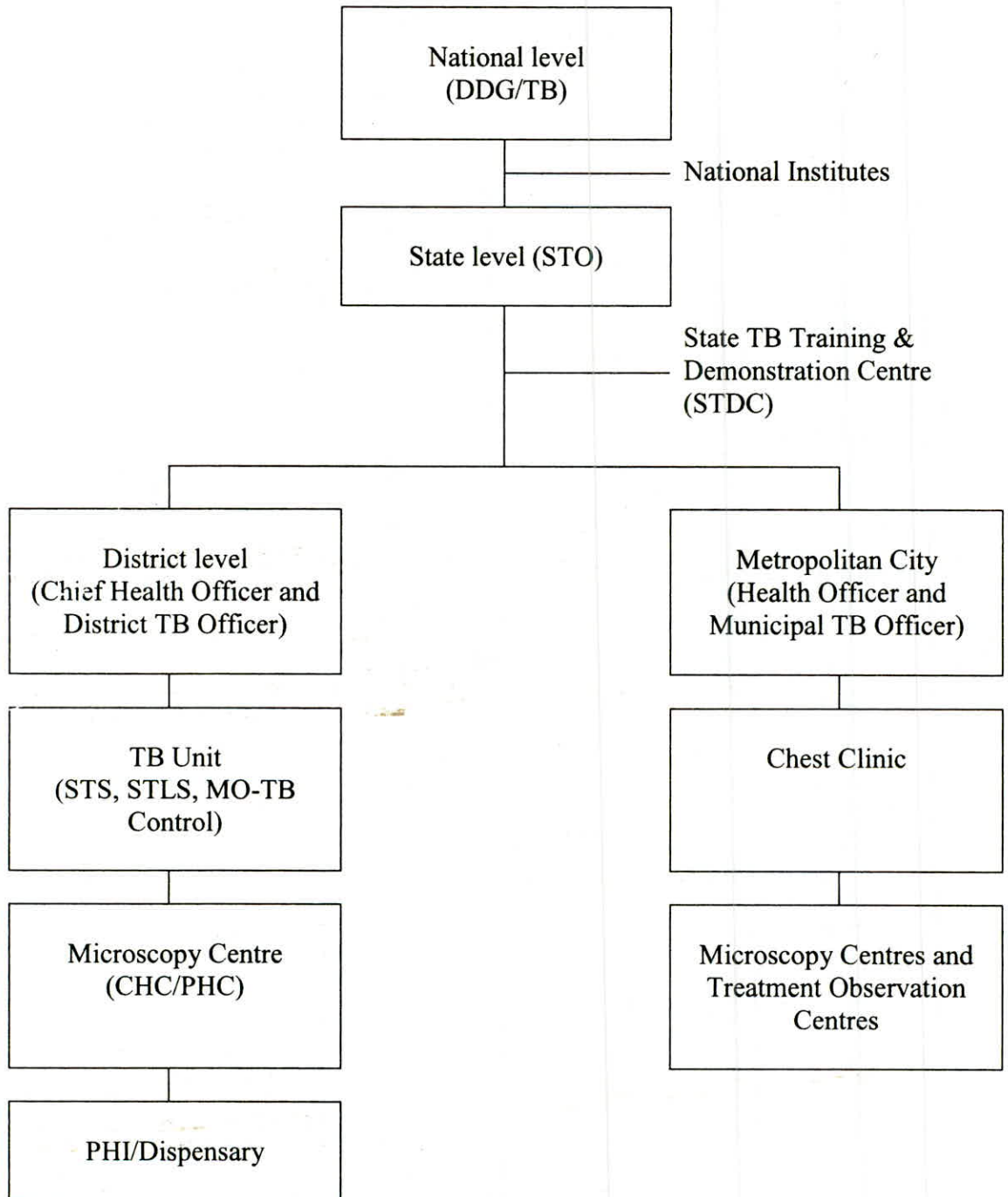
**Annex-V**  
(Refers to Paragraph 7.2.2)

**Performance of mobile units**

State	No. of DMUs test checked	Period	Surgeries required to be performed	Surgeries actually performed	Short fall	% age shortfall.
Tripura	4	1996-97 to 2000-01	30000	13723	16277	54
Rajasthan	5	1996-97 to 2000-01	37500	28360	9140	24
Goa	1	1996-97 to 2000-01	7500	Was out of order since 1996		100
Gujarat	2	1996-97 to 1999-2000	12000	7046	4954	41
Tamil Nadu	2	1997-98 to 1999-2000	9000	1436	7564	84
Uttar Pradesh	11	1996-97 to 2000-2001	82500	38014	44486	54
	1	1997-98 to 2000-2001	6000	3244	2756	46
	1	1996-97 to 1999-2000	6000	3034	2966	49
	1	1999-2000	1500	546	954	64
Bihar	9	1996-97 to 2000-2001	67500	13980	53520	79
	1	1996-97 to 2000-2001	7500	1086	6414	85
Madhya Pradesh	2	1996-97 to 2000-2001	15000	4524	10476	70
	1	1996-97 to 1999-2000	6000	830	5170	86
Nagaland	3	1998-99 to 2000-2001	13500	6	13494	100
Karnataka	22	1996-97 to 2000.2001	165000			
	7	1999-2000 to 2001	21000	110479	75521	41

**Annex VI**  
(Refers to Paragraph 12)

**Technical Organization of the Tuberculosis Programme**



**Annex – VII**  
(Refers to Paragraph 13)

**Sample selected by audit**

Sl. No.	Names of States/UTs	No. of Distt.	No. of DTCs/ DTCS chosen	Other Institution Chosen	Names of selected Districts/DTCs
1.	Andhra Pradesh	23	6		Chittor, Cuddaph, East Godavari, Karim Nagar.,Srikakulam, Warangal
2.	Arunachal Pradesh	11	2	3 (DTOs)	East Siang, West Kameng, West Siang, DTCs – Bomdila, Along
3.	Assam	23	7 (DTCs/ Chest clinic)		(Kamrup, Barpeta, Nagaon, Karbi Anglong, Cchar, Golaghat)
4.	Bihar	50	10 (5 Bihar, 5 Jharkhand)		Bhojpur, Muzzafarpur, Patna, Samastipur, Vaishali, Dhanbad, Hazarbag, Lohardaga, Palamu, Ranchi.
5.	Delhi	7		14 (DTUs)	
6.	Goa	2		7 (PHCS 6 and Chest clinic 1)	CHC – Ponda PHE – Chinchinim, Cortalim, Betki, Corlim, Candolim, Bicholim
7.	Gujarat	19	5	2 (Voluntary Hostital and TB DTC)	Ahmedabad, Rajkot, Surat, Vadodra, Valsad
8.	Haryana	16	8		Ambala, Bhiwani, Faridabad, Hissar, Kurukshetra, Rohtak, Sonipat, Yamuna Nagar
9.	Himachal Pradesh	12	3	1 (TB Sanatorium)	Hamirpur, Kangda, Sirmom
10.	Jammu & Kashmir	14	4		DTCs – Jammu, Udampur Kathua, Srinagar PHCS/SDHs – Bishnah, Akhnoor Hira Nagar, Parole, Katra
11.	Karnataka	20	7		Kolar, Gulbarga, Kolar, Gulbarga, Mysore, Bellary, Bijapur, Bangalore urban, Bangalore Mahanagar Palike
12.	Kerala	14	14	5 (DTC/DTCS/ TUs)	Pathnamthitta, Kannur, Malaphuram, Palakkad, Ernakulam
13.	Madhya Pradesh (including Chattisgarh)	45			Bhopal, Bilaspur, Guna, Indoor, Jabalpur Jagdalpur, Mandsaur, Satna
14.	Maharashtra	30	6		Amravati, Beed, Buldona, Dhule, Nasik and Thane

Sl. No.	Names of States/UTs	No. of Distt.	No. of DTCs/DTCS chosen	Other Institution Chosen	Names of selected Districts/DTCs
15.	Manipur	8	4		Imphal
16.	Meghalaya	6	3		Shillong, Nangpoh and Tura
17.	Mizoram	4	3	3 (CMO)	CMO – Aizwal, Aizwal West and Lunglei
18.	Nagaland	7	3	2 Hospitals	Kohima, Makokchung and Mon
19.	Orissa	30	6	2	Kalahandi, Puri, Karaput, Cuttack, Sambalpur, Mayur Bhanj
20.	Punjab	15	10 (Civil Surgeon)	1	Amritsar, Bathinda, Ferozepur, Fatehgarh Sahib, Jalandhar, Ludhiana, Moga, Patiala, Ropar, Sangrur TB hospital – Sangrur
21.	Rajasthan	31	6		Ajmer, Alwar, Dausa, Jaipur, Jodhpur
22.	Sikkim	4	4	1	
23.	Tamil Nadu	29	5	12	Cuddalore, Dindigul, Kancheepuram, Salem, Thanjavur
24.	Tripura	4	3	11 (PHCs) 4 (SDHs)	PHCs - Narsingarh, Bamutia Mohanpur, Bislamganj, Madhupur, Kakarban, Manu, Panisagar, Santirbazar, Fatikroy, Kadamtala SDHs - Bishalgrh, Melagha, Dharma Nagar, Belonia
25.	Uttar Pradesh	83	12		Allahbad, Aligarh, Basti, Bahraich, Gonda, Ghaziabad, Ghazipur, Lucknow, Muzaffar Nagar, Pilibhit, Shahjahanpur, Saharanpur
26.	West Bengal	17	4		Burdwen, Birbhum, Darjeeling, Howrah, Malda
27.	Andaman Nicobar	2	1	21 (PHC/CHC)	
28.	Chandigarh	1	1		
29.	Dadra & Nagar Haveli	1	1	1 (PHC)	
30.	Daman & Diu	2	1	1 (DTB)	
31.	Lakshadweep	1	-	-	-
32.	Pondicherry	1	1	15 (PHIs)	
		<b>532</b>	<b>140</b>	<b>106</b>	

**Annex-VIII**  
(Refers to Paragraph 14.1.1)

**Targets and Achievements of NTP -1996-97**

Sl. No.	State/Union Territory	1996-97					
		TB Case Detection			Sputum Examination		
		Target	Achievement		Target	Achievement	
No.	%		No.	%			
1.	Andhra Pradesh	78620	65660	83.52	235900	242264	102.70
2.	Arunachal Pradesh	1500	2880	192.00	9000	8825	98.06
3.	Assam	23500	20106	85.56	70500	7280	10.33
4.	Bihar	153000	12710	8.31	460000	78000	16.96
5.	Goa	2000	2974	148.70	15300	10040	65.62
6.	Gujarat	133900	116158	86.75	401700	344110	85.66
7.	Haryana	29000	35267	121.61	90000	66428	73.81
8.	Himachal Pradesh	9000	12084	134.27	53000	7000	13.21
9.	Jammu & Kashmir	6240	11014	176.51	18900	20899	110.58
10.	Karnataka	68370	71776	104.98	228000	96964	42.53
11.	Kerala	33800	36829	108.96	101400	128333	126.56
12.	Madhya Pradesh	87220	90858	104.17	230000	135050	58.72
13.	Maharashtra	140000	190630	136.16	420000	320000	76.19
14.	Manipur	2700	6645	246.11	8000	7647	95.59
15.	Meghalaya	2560	4618	180.39	7600	3070	40.39
16.	Mizoram	1000	1223	122.30	4500	3284	72.98
17.	Nagaland	1250	1350	108.00	3800	2400	63.16
18.	Orissa	36860	40850	110.82	124000	93033	75.03
19.	Punjab	41900	48260	115.18	125700	156659	124.63
20.	Rajasthan	45000	69344	154.10	135000	70662	52.34
21.	Sikkim	1000	2800	280.00	3700	1608	43.46
22.	Tamil Nadu	99000	104823	105.88	297000	460252	154.97
23.	Tripura	2880	2528	87.78	8700	9884	113.61
24.	Uttar Pradesh	247000	279789	113.27	740000	843780	114.02
25.	West Bengal	69000	74352	107.76	205000	84005	40.98
26.	A&N Islands	500	635	127.00	2500	1969	78.76
27.	Chandigarh	1000	1711	171.10	3000	1632	54.40
28.	Dadra & Nagar Haveli	250	300	120.00	700	285	40.71
29.	Daman & Diu	150	244	162.67	1150	1380	120.00
30.	Delhi	42000	42951	102.26	126000	140000	111.11
31.	Lakshadweep	100	180	180.00	1151	800	69.50
32.	Pondicherry	3200	3401	106.28	9600	13000	135.42
<b>Total NTCP</b>		<b>1363500</b>	<b>1354950</b>	<b>99.37</b>	<b>4140801</b>	<b>3360543</b>	<b>81.2</b>

*Till 1996-97 only two targets-detection of TB cases and sputum examination were allotted*



## Annex-VIII continued

## Targets and Achievements of NTP 1997-98

Sl. No.	State/Union Territory	1997-98								
		TB Case Detection			Sputum Examination			Detection of new Sputum Positive		
		Target	Achievement		Target	Achievement		Target	Achievement	
No.	%		No.	%		No.	%			
1.	Andhra Pradesh	98495	74137	75.27	1094400	259165	23.68	36480	23278	63.81
2.	Arunachal Pradesh	1374	3801	276.64	15270	9367	61.34	509	495	97.25
3.	Assam	33952	18625	54.86	377250	4850	1.29	12575	114	0.91
4.	Bihar	127805	11133	8.71	1420050	35731	2.52	47335	3732	7.88
5.	Goa	1844	2610	141.54	20490	14069	68.66	683	1315	192.53
6.	Gujarat	62369	104635	167.77	692985	346153	49.95	23100	44421	192.30
7.	Haryana	25530	37668	147.54	283665	52380	18.47	9456	1793	18.96
8.	Himachal Pradesh	7893	5347	67.74	87705	26964	30.74	2924	2499	85.47
9.	Jammu & Kashmir	11734	26993	230.04	130380	22356	17.15	4346	1056	24.30
10.	Karnataka	67582	78883	116.72	750900	224618	29.91	25030	19834	79.24
11.	Kerala	42314	19711	46.58	470160	105439	22.43	15672	10279	65.59
12.	Madhya Pradesh	101487	77045	75.92	1137190	478021	42.04	37773	26433	69.98
13.	Maharashtra	118639	202299	170.52	1318215	1021653	77.50	43941	82875	188.61
14.	Manipur	2908	3469	119.29	32310	3233	10.01	1077	714	66.30
15.	Meghalaya	2809	3080	109.65	31215	286	0.92	1041	41	3.94
16.	Mizoram	1098	1332	121.31	12195	4707	38.60	407	134	32.92
17.	Nagaland	1934	1626	84.07	21495	1707	7.94	717	168	23.43
18.	Orissa	47014	24912	52.99	522375	75103	14.38	17413	2678	15.38
19.	Punjab	30652	42121	137.42	340575	126258	37.07	11353	11861	104.47
20.	Rajasthan	68475	46071	67.28	760830	73018	9.60	25361	6319	24.92
21.	Sikkim	645	1861	288.53	7170	11787	164.39	239	559	233.89
22.	Tamil Nadu	81128	114065	140.60	901425	531204	58.93	30048	27513	91.56
23.	Tripura	4366	2601	59.57	48510	10477	21.60	1617	531	32.84
24.	Uttar Pradesh	215478	289431	134.32	2394195	848148	35.43	79807	59222	74.21
25.	West Bengal	102287	65018	63.56	1136520	72046	6.34	37884	8858	23.38
26.	A&N Islands	1023	1819	177.81	4950	3213	64.91	165	267	161.82
27.	Chandigarh	220	506	230.00	11370	777	6.83	379	574	151.45
28.	Dadra & Nagar Haveli	161	0	0	2443	1849	75.69	82	0	0
29.	Daman & Diu	1281	417	32.55	1785	0	0	60	0	0
30.	Delhi	13500	43313	320.84	150000	128993	86.00	5000	13160	263.20
31.	Lakshadweep	82	145	176.83	915	363	39.67	31	0	0
32.	Pondicherry	446	711	159.42	14235	24132	169.53	475	1198	252.21
<b>Total NTCP</b>		<b>1276525</b>	<b>1305385</b>	<b>102.26</b>	<b>14193173</b>	<b>4518067</b>	<b>31.83</b>	<b>472980</b>	<b>351921</b>	<b>74.41</b>

*In the year 1997-98 a third target for detection of sputum positive cases was added*

## Targets and Achievements of NTP 1998-99

Sl. No.	State/ Union Territory	1998-99					
		Sputum Examination			Detection of new Sputum Positives		
		Target	Achievement		Target	Achievement	
			No.	%		No.	%
1.	Andhra Pradesh	1094400	253239	23.14	36480	24799	67.98
2.	Arunachal Pradesh	15270	6372	41.73	509	415	81.53
3.	Assam	377250	13908	3.69	12575	1966	15.63
4.	Bihar	1420050	32290	2.27	47335	2334	4.93
5.	Goa	20490	16134	78.74	683	316	46.27
6.	Gujarat	692985	323010	46.61	23100	59814	258.94
7.	Haryana	283665	77038	27.16	9456	5674	60.00
8.	Himachal Pradesh	87705	8602	9.81	2924	302	10.33
9.	Jammu & Kashmir	130380	49092	37.65	4346	1769	40.70
10.	Karnataka	750900	284750	27.92	25030	20511	81.95
11.	Kerala	470160	39242	8.35	15672	3084	19.68
12.	Madhya Pradesh	1133190	252446	22.28	37773	16782	44.43
13.	Maharashtra	1318215	606748	46.03	43941	52220	118.84
14.	Manipur	32310	2344	7.25	1077	1150	106.78
15.	Meghalaya	31215	1024	3.28	1041	340	32.66
16.	Mizoram	12195	3975	32.60	407	226	55.53
17.	Nagaland	21495	2963	13.78	717	528	73.64
18.	Orissa	522375	94950	18.18	17413	6526	37.48
19.	Punjab	340575	231337	67.93	11353	10817	95.28
20.	Rajasthan	760830	115262	15.15	25361	14934	58.89
21.	Sikkim	7170	7362	102.68	239	336	140.59
22.	Tamil Nadu	901425	544747	60.43	30048	29971	99.74
23.	Tripura	48510	15437	31.82	1617	616	38.10
24.	Uttar Pradesh	2394195	812232	33.93	79807	57347	71.86
25.	West Bengal	1136520	6048	5.81	37884	6964	18.38
26.	A&N Islands	4950	3635	73.43	165	251	152.12
27.	Chandigarh	11370	3952	34.76	379	130	34.30
28.	Dadra & Nagar Haveli	2445	0	0	82	0	0
29.	Daman & Diu	1785	0	0	60	0	0
30.	Delhi	150000	0	0	5000	0	0
31.	Lakshadweep	915	0	0	31	0	0
32.	Pondicherry	14235	25074	176.14	475	1798	378.53
<b>Total NTCP</b>		<b>14189175</b>	<b>3833213</b>	<b>27.01</b>	<b>472980</b>	<b>321920</b>	<b>68.03</b>

From 1998-99 onwards only two targets-for sputum examination and detection sputum positive cases were allotted

## Annex-VIII continued

## Targets and Achievements of NTP 1999-2000

Sl. No.	State/ Union Territory	1999-2000					
		Sputum Examination			Detection of new Sputum Positives		
		Target	Achievement		Target	Achievement	
			No.	%		No.	%
1.	Andhra Pradesh	373090	296603	79.50	37310	24892	66.72
2.	Arunachal Pradesh	5240	7836	149.54	520	414	79.62
3.	Assam	129390	3770	2.91	12940	209	1.62
4.	Bihar	490610	55024	11.22	49060	6980	14.23
5.	Goa	7020	14063	200.33	700	515	73.57
6.	Gujarat	237760	261754	110.09	23780	34911	146.81
7.	Haryana	97730	111359	113.95	9770	9226	94.43
8.	Himachal Pradesh	29690	5064	17.06	2970	512	17.24
9.	Jammu & Kashmir	44050	25016	56.79	4400	533	12.11
10.	Karnataka	257180	208135	80.93	25720	20244	78.71
11.	Kerala	159910	0	0	15990	0	0
12.	Madhya Pradesh	391730	364475	93.04	39170	23683	60.46
13.	Maharashtra	450600	738075	163.80	45060	64966	144.18
14.	Manipur	11070	8741	78.96	1110	1012	91.17
15.	Meghalaya	10700	4108	38.39	1070	508	47.48
16.	Mizoram	4190	3615	86.28	420	299	71.19
17.	Nagaland	7400	2253	30.45	740	643	86.89
18.	Orissa	177680	110063	61.94	17770	12106	68.13
19.	Punjab	116380	168534	144.81	11640	9783	84.05
20.	Rajasthan	263200	67254	25.55	26320	22953	87.21
21.	Sikkim	2460	7190	292.28	250	417	166.80
22.	Tamil Nadu	306280	464963	151.81	30630	25756	84.09
23.	Tripura	16630	15306	92.04	1660	981	59.10
24.	Uttar Pradesh	831820	872173	104.85	83180	65596	78.86
25.	West Bengal	389860	85068	21.82	38990	15595	40.00
26.	A&N Islands	1700	4519	265.82	170	210	123.53
27.	Chandigarh	3910	612	15.65	390	23	5.90
28.	Dadra & Nagar Haveli	840	947	112.74	80	187	233.75
29.	Daman & Diu	620	1297	209.19	60	153	255.00
30.	Delhi	60910	80227	131.71	6090	26911	441.89
31.	Lakshadweep	310	177	57.10	30	0	0
32.	Pondicherry	4880	21506	440.70	490	1303	265.92
<b>Total NTCP</b>		<b>4884840</b>	<b>4009727</b>	<b>82.09</b>	<b>488480</b>	<b>371521</b>	<b>76.06</b>

*Till 1998-99 target for sputum examination included number of samples whereas from 1999-2000 onwards target for sputum examination includes number of persons undergoing sputum (3 samples of each chest symptomatic) examination for diagnosis.*

## Targets and Achievements of NTP 2000-01

Sl. No.	State/ Union Territory	2000-01					
		Sputum Examination			Detection of new sputum positive		
		Target	Achievement		Target	Achievement	
			No.	%		No.	%
1.	Andhra Pradesh	377340	313427	83.06	37730	28562	75.70
2.	Arunachal Pradesh	5960	5770	96.81	600	410	68.33
3.	Assam	130990	20390	15.57	13100	2059	15.72
4.	Bihar	499580	0	0	49960	0	0
5.	Goa	7980	14211	178.08	800	485	60.63
6.	Gujarat	241190	203219	84.26	24120	30981	128.45
7.	Haryana	99180	80568	81.23	9920	7761	78.24
8.	Himachal Pradesh	33560	54685	162.95	3360	0	0
9.	Jammu & Kashmir	49730	40493	81.43	4970	830	16.70
10.	Karnataka	260460	222210	85.31	26050	26133	100.32
11.	Kerala	161310	12630	7.83	16130	704	4.36
12.	Madhya Pradesh	398840	328658	82.40	39880	25037	62.78
13.	Maharashtra	455580	740760	162.60	45560	63797	140.03
14.	Manipur	12590	8401	66.73	1260	1385	109.92
15.	Meghalaya	12170	4421	36.33	1220	665	54.51
16.	Mizoram	4760	3473	72.96	480	336	70.00
17.	Nagaland	8420	1950	23.16	840	314	37.38
18.	Orissa	179290	46648	26.02	17930	4480	24.99
19.	Punjab	118970	124089	104.30	11900	10670	89.66
20.	Rajasthan	267800	167306	62.47	26780	23584	88.07
21.	Sikkim	2800	6484	231.57	280	409	146.07
22.	Tamil Nadu	308880	384506	124.48	30890	24533	79.42
23.	Tripura	18910	13762	72.78	1890	5555	293.92
24.	Uttar Pradesh	850630	685541	80.59	85060	62802	73.83
25.	West Bengal	395040	35820	9.07	39500	3721	9.42
26.	A&N Islands	1930	3880	201.04	190	265	139.47
27.	Chandigarh	4440	227	5.11	440	14	3.18
28.	Dadra & Nagar Haveli	950	1270	133.68	100	182	182.00
29.	Daman & Diu	700	1573	224.71	70	170	242.86
30.	Delhi	69820	50294	72.03	6980	10413	149.18
31.	Lakshadweep	360	230	63.89	40	5	-
32.	Pondicherry	5560	19885	357.64	560	1436	256.43
<b>Total NTCP</b>		<b>4985720</b>	<b>3596781</b>	<b>72.14</b>	<b>498590</b>	<b>337698</b>	<b>67.73</b>

**Annex IX**  
(Refers to Paragraph 14.1.2)

**Result of Treatment as on 31<sup>st</sup> March 2001 (RNTCP)**

Year	TB Patient registered	No of cases Evaluated	Cured +Treatment completed	Died	Failure	Defaulter	Transferred out	Cure rate	Death rate	Failure rate	Defaulter rate
1996	16442	14466	11272	499	510	1684	500	77.9	3.4	3.5	11.6
1997	20716	20526	16762	764	574	2017	456	81.7	3.7	2.8	9.8
1998	33367	33023	27741	1370	828	2794	364	84.00	4.1	2.5	8.5
1999	137050	134949	111041	5782	3428	13855	1130	82.3	4.3	2.5	10.2
2000*	40077	39761	32738	1671	1043	4093	271	81.9	4.2	2.6	10.3
	247652	242725	199554	10086	6383	24443	2721	82.2	4.1	2.6	10.1

\* Upto first quarter of 2000 only

**Annex-X**  
(Refers to Paragraph 14.2.4 (a))

**Utilisation of grants by DTCS and STCS**

Sl. No.	Name of State	Period of grant	Amount of grant (Rs. in lakh)	Amount utilised (Rs. in lakh)	Remarks
1.	Pondicherry	1998-99 to 2000-01	14.05	1.43	
2.	Manipur	1997-98 to 2000-01	153.12	108.42	
3.	West Bengal	1997-98 to 2000-01	361.00	112.00	Grants pertain to 5 test checked DTCS and STCS
4.	Kerala	1997-98 to 2000-01	590.35	276.69	Grants allocated to 14 DTCS and 1 STCS
5.	Uttar Pradesh	1996-97 to 1999-2000	291.89	98.91	Grants released to STCS and 2 DTCS
6.	Karnataka	1996-97 to 2000-01	217.75	166.05	Grants released to 4 DTCS
7.	Himachal Pradesh	1998-99	9.29	Nil	Grants released to STCS

**Annex XI**  
(Refers to Paragraph 14.4.6(a))

**Expired Drugs**

Sl No	Medical Stores Depot	Name of Medicine	Quantity	Date of Mfg.	Date of Expiry	Value (in Rs)	Remarks
1.	MSD, Chennai	Inj. Streptomycin Sulphate 0.75 gm	8,90,200 @ Rs. 4.58	1994	2/97 to 11/97	40,77,116	
		Inj. Streptomycin 1 gm	400	1994	9/98	Not given	
		Cap. Rifampicin 150 mg	1,400	1996	7/98	Not given	
		Tab. INH 100 mg	30,09,950 @ Rs. 0.05	1994 & 1995	9/99 & 1/2000	1,50,498	
		Tab. Ethambutol 800 mg	24,000 @ Rs. 1.19	3/97	2/99	28,560	
		Cap. Rifampicin 400 mg	4,14,300 capsules	2/94 & 3/94	1/96 & 2/96	Not given	
		Tab. TZN 37.5 mg + INH 75 mg	15,250 @ Rs. 0.12	3/83 & 7/92	2/88 & 6/97	1,830	
		Tab. TZN 75 mg + INH 150 mg	51,42,727 @ Rs. 0.13	9/94 & 11/94	8/99 & 10/99	6,68,555	
		Tab. TZN 50 mg	1,61,880	2/86 & 3/93	1/91 & 2/98	Not given	
		Tab. TZN 150 mg	4,419	10/90	9/95	Not given	
		Tab. Ethambutol 800mg-strips	2,24,770 @ Rs 11.95	7/98 & 1/99	6/2000 & 12/2000	26,86,002	
<b>Total</b>						<b>76,12,561</b>	
2.	MSD Mumbai	Inj. Streptomycin Sulphate 0.75 gm	79,000 @ Rs. 4.58	1/96	7/98	3,61,820	
		Tab. Ethambutol 800mg	9,700 @ Rs. 1.19	1/98	10/2000	11,543	
		Tab. INH 100 mg	14,78,000@ Rs. 0.05	10/99	9/99	73,900	
		Tab. Ethambutol 800mg	5,83,000 @ Rs. 1.19	-	-	6,93,770	Stores lying at DTC, Patiala as in formed by MSD, Mumbai in letter No. IN/AntiTB/9219 dt. 28.2.2001
		Tab. Ethambutol 800mg	8,57,950 @ Rs. 1.19		12/2000	10,20,961	These were issued to TUs in 10/2000 & some were returned to the MSD. As to whether the remaining tablets were utilised by TUs returned, no reply was given.
<b>Total</b>						<b>21,61,994</b>	

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Sl No	Medical Stores Depot	Name of Medicine	Quantity	Date of Mfg.	Date of Expiry	Value (in Rs)	Remarks
3.	MSD Guwahati	Tab. Pyrazinamide	950	-	2/2000	970	
<b>Total</b>						<b>970</b>	
4.	MSD Hyderabad	INH Tab. 100mg	1,80,000 4,45,000 @ Rs. 0.05	3/94 10/94	2/99 9/99	31,250	
		Inj. Streptomycin 0.75gm	2,50,000 @ Rs. 4.58	8/95	7/98	11,45,000	
		Tab. Combination drugs INH 150 mg+ 75mg	3,25,000 @ Rs. 0.12	6/94 & 10/94	5/99 & 10/99	39,000	Stores was found unfit for issue.
<b>Total</b>						<b>12,15,250</b>	
5.	MSD Calcutta	Cap. Rifampicin 450mg	65,000	-	10/96	Not given	
		Tab. INH-300mg (WHO)	13,90,000 @ Rs. 0.15	-	-	2,08,500	
<b>Total</b>						<b>2,08,500</b>	
<b>Grand Total</b>						<b>1,11,99,275</b>	



**Annex -XII**

(Refers to Paragraph 14.5.2)

**List of anti-TB drugs procured from cash grants for Sputum Negative cases**

Sl. No	State	Year	Name of drugs purchased	Quantity	Amount		
1	Tamil Nadu	1998-99	Streptomycin	15434	62574.00		
			Rifampicin (cap.150 mg)	2582388	3251226.50		
			Rifampicin (450 gm)	1765033	5842323.70		
			Pyrazinamide	3322854	5133161.90		
					<b>14289286.10</b>		
2	Assam	1998-99	Rifampicin (cap 450 gm)	1000000	571378.00		
			Inj.Streptomycin	2300 vials	190164.00		
			Pyrazinamide (500 mg)	637900	1187514.00		
			Streptomycin Sulpahte 1 gm	49800 vials	41333.00		
							<b>1990389.00</b>
		1999-2000	Tab Pyrazinamide 500 mg	100000 nos	209222.00		
			Cap Rifampicin 150 mg	50000 nos	107143.00		
			Cap Rifampicin 450 mg	100000 nos	593178.00		
			Cap Rifampicin 450 mg	100000 nos	596540.00		
			Inj Streptomycin 0.75 gm	110680 vials	869432.00		
			Inj Streptomycin sulphate 0.75	50000 vials	350784.00		
			Cap Rifampicin 450 mg	100000 cap	522934.00		
			Cap Rifampicin 450 mg	100000 caps	573475.00		
			Tab Pyrazinamide 500 mg	200000 tab	373752.00		
		Cap Rifampicin	100000 cap	206000.00			
							<b>4409370</b>
		3	Andhra Pradesh	1998-99	Rifampicin (cap 450 gm)	300000	1582020.00
Rifampicin (cap150 mg)	50000				89760.00		
Pyrazinamide tab (750 mg)	500000				1352010.00		
							<b>3023790.00</b>
1997-98	Rifampicin 450 mg			400000	2182400.00		
	Cap Rifampicin 450 mg			225000	1227600.00		
	Cap Rifampicin 450 mg			565000	3082640.00		
	Cap Rifampicin 450 mg			45000	83160.00		
	Pyrazinamide 750 mg			900000	2039400.00		
	Rifampicin 450 mg			431500	2354264.00		
Pyrazinamide 750 mg	400000			906400.00			
							<b>11875864</b>
4	Andaman & Nicobar			1997-98	Streptomycin. Inj 0.75 gm	15000 vials	78750.00
		1998-99					
					<b>78750.00</b>		

Sl. No	State	Year	Name of drugs purchased	Quantity	Amount
5	Lakshadweep	1997-98	Cap Rifampicin 150 mg	9000	20970
			Cap Rifampicin 300 mg	10000	42300
			Cap Rifampicin 450 mg	7500	44775
			Sy.Rifampicin 200 ml	130 bottle	8730
			Tab Pyrazinamide 500 mg	3000	11340
			Inj Streptomycin 1 gm	2100 vials	21483
6	Dadra Nagar Haveli	1997-98	Cap Rifampicin 150 mg	20000	Value not given
			Cap Rifampicin 300 mg	5500	
			Cap Rifampicin 450 mg	77850	
			Tab PYZ 500 mg	6380	
			Tab PYZ 750 mg	590	
			Inj Streptomycin 75 gm	18664 vials	
7	Karnataka	1997-98	Cap Rifampicin 150 mg	400000cap	638920.00
			Cap Rifampicin 450 mg	990000 cap	4393917.00
			Pyrazinamide 500 mg tab	700000 tab	1535100.00
			Pyrazinamide 750 mg tab	697300	2239590.00
					<b>8807527.00</b>
8	Sikkim	1997-98	Inj Streptomycin	5000 vials	33750.00
			Cap Rifampicin	4000 cap	21880.00
			Tab Pyrazinamide	2300 no	6417.00
			Sy. Ritacept	302 bottle	20536.00
					<b>82583.00</b>
9	Nagaland	1998-99 & 1999-2000	A.K (AKTG) (15X2) Pkts	70 pkt	40320.00
			Cap R Conex	148 pkt	77108.00
			Tab PZA 750 mg	70 pkt	44110.00
			Tab Combutil	58 pkt	48430.00
			Tab R. Conex	70p.kt	22400.00
			Tab R. Conex (kid)	69 pkt	12282.00
			Cap Retakem	2337 strips	161255.00
			Cap R. Conex	40 box	20840.00
			Tab Pyzinamide	40 box	21320.00
			Tab PZA (Pyrazinamide)	20box	7200.00
			Tab Refa	18 box	5750.00
			Tab Refa (KID)	20 box	3520.00
			Cap Mox bro (250 mg)	5 box	8750.00
			Cap Mox bro (250 mg)	5 box	4375.00
Tab Anaflam	50 pkt	4500.00			
					<b>482160.00</b>
<b>Grand Total</b>					<b>45189317.00</b>

**Rounded to Rs 4.52 crore**

**MINISTRY OF HUMAN RESOURCE DEVELOPMENT**

**NON-FORMAL EDUCATION PROGRAMME**

THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT

## CHAPTER II: MINISTRY OF HUMAN RESOURCE DEVELOPMENT

### Department of Elementary Education and Literacy

#### Non-Formal Education Programme

*The Scheme has had limited success. Ineffective implementation of the Scheme, coupled with large-scale mismanagement of resources and absence of monitoring standards have robbed the Scheme of its potential. In the absence of benchmark survey of the potential out-of-school children who could benefit from the Scheme, a series of half-hearted measures, without community support and the strength of network, were the principal reasons for the dismal performance of the scheme. Other deficiencies noticed in audit related to states' failure to integrate the scheme into the main fabric of Universal Elementary Education. Voluntary Agencies have proved largely unaccountable in forging partnerships with the State machinery for developing grassroot level synergies. In essence, Audit review of the Programme revealed wide divergences between policies and practices and failures in creation of infrastructure.*

#### Highlights

Funding of the Scheme revealed a pattern of high initial provisioning and subsequent reduction. Further compounded by non-release of Central share, non-application of States' shares, lack of coordinated resource planning and unauthorized retention of central funds by State Governments.

The Scheme envisaged running of 3.50 lakh NFE Centres per year by the end of VIII Five Year Plan. Up to 1999-2000, grants were provided for 2,92,934 centres in the state sector and the voluntary sector. Of 2,34,146 centres sanctioned in state sector, 2,16,036 were opened. In most of them study material was either not procured or provided only at the end of the session.

Grants totalling Rs.24.74 crore released to eight States for opening night centres was unwarranted since the centres in these States were running during daytime.

100 per cent central grant was provided to NGOs for running NFE Centres in voluntary sector. However, NGOs continued to receive grants without opening the NFE Centres and thus misutilised the funds.

Most State Governments did not provide any induction or in service training to the instructors and supervisors.

The Scheme adopted the strategy of condensed course of five-year duration – two years for Class I to V and three years for Class VI to VIII to cover the syllabi of eight years (Class I to VIII) with the help of specially designed educational curriculum. But in most States/UTs, this strategy was not

implemented. Eight States/UTs followed the system of formal education and completed the lower primary course in five years instead of the condensed course of two years. Non-adoption of condensed course not only resulted in excess release of grant of Rs.150.95 crore, but also deprived 42.45 lakh children of benefits of the Scheme. In ten States, though the two years condensed course was followed, the learners of NFE Centres were actually taught using textbooks of formal education, thus defeating the purpose of the non-formal curriculum.

Non-enrolment of children in NFE Centres as per norms of the Scheme deprived 43.59 lakh children of its benefits during 1995-96 to 1999-2000.

The ultimate goal of the Scheme viz entry of NFE learners into the mainstream of formal education after testing and certification remained unfulfilled. The system of issuing certificates was not implemented in three States. The pass percentage of NFE learners in five States was below 17 per cent. No record of lateral entry of NFE learners into the mainstream of formal education was available in most States.

The idea of exclusive girls' centres remained unimplemented, although grants for the purpose were released. In four states, co-educational centres were actually run, while grants were meant for girls' centres alone.

Payment of consolidated honorarium to NFE staff was stipulated in the Scheme. Despite this, four States paid salaries on regular scales to the NFE Staff resulting in extra payment and excess release of grant amounting to Rs.8.54 crore.

Supervision, monitoring and evaluation, both at State and Central levels were virtually absent. The entire responsibility was cast on the district authorities who took no corresponding initiative. The implementation of the scheme in voluntary sector was required to be monitored through quarterly progress reports. This proved a failure because no mechanism to verify the authenticity of facts given in such progress reports existed. The Village Education Committees were not constituted as required.

## 1. Introduction

Free and compulsory education to all children up to the age of 14 years is one of the Directive Principles of State Policy enshrined in the Constitution of India. Despite continued efforts and considerable expansion of formal education, the achievement of universalisation of elementary education has remained a distant goal, as large groups of children in school going age still remain outside the formal system of education. In order to reach this large segment of marginalized children, a Centrally Sponsored Scheme of Non-Formal Education (NFE) was launched in 1979-80. It was upgraded in 1987 and revised in 1993 as an integral component of the strategy adopted under the National Policy on Education 1986. It envisaged an organisational network, involving both Government and voluntary agencies, flexibility in regard to

admission requirements, duration and timing, relevant curriculum and instructional methods, and diversity in learning material to suit the needs of non-formal learners.

Although the focus of the scheme was on the educationally backward states, viz **Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Jammu & Kashmir, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh** and **West Bengal**, it also covered urban slums, hilly, tribal, and desert areas and projects for education of working children in other States/UTs as well.

## **2. Objectives of the Scheme**

The specific objectives of the scheme are as follows:

- (a) to develop the programme of non-formal education for meeting the educational needs of out-of-school children;
- (b) to establish a partnership between the Government on the one hand and voluntary agencies, public trusts, non-profit organisations, social activist groups, etc. on the other, in the task of providing educational opportunities for children who cannot enrol themselves in whole-day schools;
- (c) to identify young persons from the local community and train them as organizers of NFE centres and as community workers;
- (d) to give special attention to the training of women non-formal education organizers for furtherance of the objectives of women's development as envisaged in the National Policy of Education; and
- (e) to evolve curricula, learning materials, instructional methods, evaluation techniques, etc. relevant to the needs, environment and working life of the non-formal learners.

## **3. Strategies**

The strategies of the scheme include:

- Releasing instructional methods from the bounds of a fixed curriculum and to make these adaptable enough to fulfil the unstructured educational needs of out-of-school children.
- Giving greater weightage to the growth of local synergies so that the local managerial and instructional needs are fulfilled locally.
- Achieving greater confluence of interests between the State and the voluntary agencies, so as to encourage local leadership, partnership and initiative.

## **4. Scope of Review**

This review, which covers the period from 1995-96 to 1999-2000, summarizes the significant findings of audit in regard to the implementation of the Scheme

in respect of 20 States and 2 Union Territories (UTs). The broad objective of the audit review was to look into the implementation of the scheme in States/UTs and Non Government Organisations (NGOs) and ascertain how efficiently the programme was implemented in accordance with the guidelines of the scheme and the degree of success that was achieved in regard to the major objectives of the Scheme, specially enrolment of children at NFE Centres and their entry into the mainstream of formal education. The review also aims at specifically ascertaining the achievement of a cluster of other parameters leading to the fulfilment of the Scheme objective viz:

- (i) whether central financial assistance made available to States/UTs and NGOs as per norms of programme was utilised properly and whether there were any mismatches in the flow of funds, particularly with reference to the sharing arrangement;
- (ii) whether the special curriculum and the specially designed teaching and learning materials, as well as the pedagogic methods suited to special learning objectives were employed;
- (iii) whether the learners in NFE Centres were tested and certified at the end of their course for enabling their entry into the formal system of education;
- (iv) whether the trainers (supervisors and instructors) could acquire the techniques and skills required for imparting specialised teaching in a non-formal environment;
- (v) whether the extent of community participation at village level in regard to the identification of potential instructors, readiness of parents to send their children to NFE Centres was satisfactory.

The review is based on the sample check of records relating to the period 1995-96 to 1999-2000 maintained at the Union Ministry of Human Resource Development and concerned State Government Departments Details of sample size are given in **Annex - I**.

## **5. Organisational set-up**

At the Central Government level, the Department of Elementary Education and Literacy, Ministry of Human Resource Development is responsible for overall budgetary control and for formulating long term and annual plans in consultation with National and State level resource institutions. The States/UTs are responsible for planning, supervision and evaluation of the implementation process. The organisational set-up in the States is a complex interface among the State Government functionaries, voluntary agencies and the local community. At district level, the district authorities, and at project level, the project officer provides technical and academic support to the NFE Scheme. The key organisation is at village level called NFE centre and hence the Village Education Committees (VECs) constitute the last link responsible for selecting suitable locations for NFE Centres, identifying potential instructors, persuading the parents to send their children to NFE Centres,



deciding on the timings of centres and ensuring their effective functioning. Structurally, it is this last link in the network that is entrusted with the most crucial functional responsibilities. The strategies of the scheme rest critically on the initiative and resourcefulness of the Village Education Committees. Unlike other organisational structures, which are built upon the existing voluntary or governmental structures, Village Education Committees are required to be created through the mobilization of local initiative to energize the grass root level so that they assume the role visualised for them.

For the purpose of supervision and control by the State Government, the Centre provides financial assistance for the deployment of supervisory staff viz. Joint Director and his staff at State level, Assistant Director and his staff at district level and Project Officer and his staff at the project level comprising 100 NFE Centres. For every 10 NFE Centres, there is a supervisor. A NFE Centre could be opened with 20-25 children, at a place convenient to the children under the charge of locally selected instructors. The instructors of NFE Centres are given training by district resource units in District Institute of Education and Training.

The scheme is also implemented on project basis through NGOs who are provided cent *per cent* grant by the Central Government with the broad aim of involving voluntary agencies, public trusts, non profit organizations and social activist groups.

## 6. Results of Review

### 6.1 Funding of the Scheme

The Scheme aimed at opening 3.50 lakh NFE centres per year in State and voluntary sectors by the end of the VIII plan.. To achieve this, the Ministry provided financial assistance to States/UTs and to NGOs. During the years 1995-96 to 1999-00, the budget allocation and grants released by the Ministry were as under:

*(Rs in lakh)*

Year	Budget estimate		Revised estimate		Actual expenditure	
	State Sector	Voluntary Sector	State Sector	Voluntary Sector	State Sector	Voluntary Sector
1995-96	13345	2500	12845	2500	12851.69	2489.26
1996-97	12820	3000	12820	3000	12830.20	2984.65
1997-98	24870	7500	14766	3524	14766.00	3525.47
1998-99	23371	7500	11950	4000	11957.32	3992.05
1999-2000	26450	8500	11950	4000	11338.10	3999.98
<b>Total</b>	<b>100856</b>	<b>29000</b>	<b>64331</b>	<b>17024</b>	<b>63743.31</b>	<b>16991.41</b>

*Details of expenditure are given in Annex II and Annex III.*

**Weakened budgetary support and persistent debilities in implementation led to a weak infrastructure .**

The huge gap between the budget estimates and the revised estimates particularly in the last three years is a pointer to the fact that while bold policy pronouncements supporting the programme were made, corresponding financial inputs could not be used to a large extent apparently due to weaknesses in the implementation. The Ministry stated in August 2001 that the funds provided for revised NFE Scheme in budget estimates during 1997-

2000 were reduced in revised estimates as the revised scheme could not get the approval of the Cabinet. During the five years under review, Rs 1008.56 crore was the initial budgetary commitment for the State sector. This was scaled down to Rs. 643.31 crore, an overall drop of almost 36 *per cent*. Similarly, the initial budgetary commitment of Rs 290 crore for the voluntary sector was declined to Rs 170 crore in the revised estimates, a drop of around 41 *per cent*. Between the state sector and the voluntary sector, it is the voluntary sector which registered a higher capacity utilisation as it has increased from around Rs 25 crore in 1995-96 to around Rs 40 crore in 1999-2000. But this cannot be taken as an indication of a policy shift towards a larger role for the voluntary sector as the volume of resource transfer to the voluntary sector still remains low and more importantly, largely non-accountable. Persistent debilities in the implementation of the Scheme in the state sector, despite policy exhortations for greater attention towards the under privileged and the marginalized in the programme of Universalisation of Elementary Education, was on account of a combination of factors as brought out in succeeding paragraphs of the Review. Overall, it can be concluded that the nodal Ministry at Centre and the States failed to direct and supervise the course of the Scheme.

### 6.1.1 Funding support

Short releases and absence of complementary State support leading to weakened resource base.

The programme was being implemented through the State Governments with the expenditure being shared between the Central and State governments in the ratio of 60:40 for co-educational centres (including administrative resource support) and 90:10 for exclusive girls centres under state sector. Financial assistance was provided by the Ministry to the State Governments on the basis of number of NFE Centres sanctioned. In the 13 states listed below there was a shortfall of Rs. 264.22 crore (Central share Rs. 168.49 crore and state share Rs. 95.73 crore) in releasing funds for implementation of the programme during 1995-96 to 1999-2000 as detailed below:

*(Rs in lakh)*

State/UT	Central share short released	State share short provided	Total
1. Andhra Pradesh	7002	1100	8102
2. Arunachal Pradesh	8	3	11
3. Assam	806	1187	1993
4. Bihar	517	2583	3100
5. Gujarat	13	7	20
6. Jammu & Kashmir	372	Nil	372
7. Manipur	29	220	249
8. Meghalaya	28	Nil	28
9. Mizoram	34	14	48
10. Orissa	2650	600	3250
11. Rajasthan	333	NA	333
12. Tamil Nadu	193	-	193
13. Uttar Pradesh	4864	3859	8723
	<b>16849</b>	<b>9573</b>	<b>26422</b>

Ministry stated in August 2001 that the short releases of Central share was due to adjustment of unspent balances and non-release of second instalments for want of accounts of the earlier grants. The impact of this non-release of funds was that it either held back the opening of atleast 296045 NFE centres (59209 centres in each year during 1995-96 to 1999-2000) or starved the existing centres. The State's share being proportionately much lower, the volume of unreleased funds indicates a greater degree of neglect of the scheme by the State Governments.

## 6.2 Programme execution

### 6.2.1 Non-opening of required NFE centres by States and Voluntary Agencies

Target of opening 3.5 lakh NFE centres by VIII plan remained unattained

A NFE Centre, the basic component of the Scheme, was to be opened for out of school children of 6-14 age group at a place and time convenient to them under the charge of a locally selected instructor to impart primary level education equal to the quality of corresponding formal education. Though no specific target for opening NFE Centres were fixed, the scheme envisaged running of 3.50 lakh NFE Centres per year upto the end of VIII Five Year Plan. No additional target were fixed/envisaged for subsequent years. The Ministry released grants for setting up of only 278595 centres in 1995-96, 279799 in 1996-97, 290477 in 1997-98, 297044 in 1998-99 and 292934 in 1999-2000 under State and Voluntary Sectors. However, despite release of grants for opening targeted number of NFE Centres, there was substantial shortfall in the opening of NFE centres by the States/UTs in the State Sector every year as detailed below:

Year	Centres in State Sector for which grant released	Centres actually opened in State Sector	Shortfall in opening of Centres	Percentage of shortfall
1995-96	240787	201339	39448	16.38
1996-97	240899	203712	37187	15.43
1997-98	241399	211612	29787	12.34
1998-99	238256	196755	41501	17.41
1999-00	234146	216036	18110	7.73

Against the overall target of 3.5 lakh NFE centres per year the highest number that could be achieved was 2.41 lakh during 1997-98. Thereafter, the number has been declining. The State-wise position showing the number of Centres not opened vis-à-vis those sanctioned is given below:

State	NFE Centres not opened									
	1995-96		1996-97		1997-98		1998-99		1999-2000	
	Number	Percentage to Centres sanctioned	Number	Percentage to Centres sanctioned	Number	Percentage to Centres sanctioned	Number	Percentage to Centres sanctioned	Number	Percentage to Centres sanctioned
1. Andhra Pradesh	11128	31	7569	21	7443	21	4776	13	4591	12
2. Arunachal Pradesh	100	100	100	100	100	100	31	31	100	100
3. Bihar	11946	24	5185	10	3406	7	29436	59	6476	14
4. Jammu & Kashmir	583	21	566	20	550	20	-	-	29	1
5. Madhya Pradesh	3426	10	2080	6	4288	13	4290	13	4544	13
6. Mizoram	-	-	-	-	-	-	60	23	-	-
7. Orissa	8000	34	8000	34	8000	34	-	-	-	-
8. Rajasthan	2772	16	1588	9	2137	12	1783	10	2011	11
9. Uttar Pradesh	1493	3	12098	20	3863	6	1110	2	351	1
10. Chandigarh	-	-	-	-	-	-	15	13	8	7
Total	39448		37186		29787		41501		18110	

The shortfall was the highest in Arunachal Pradesh, which did not open any NFE centre during 1995-98 and 1999-2000.

Grant of Rs 4.56 crore were misutilised by NGOs as NFE centres were not opened

Further, the test-check of records of 30 voluntary agencies of **Haryana, Karnataka, Madhya Pradesh** and **West Bengal** revealed that these agencies misutilised Rs 4.56 crore as they had received the grant but had not used it for opening the NFE Centres as detailed below:-

(Rs. in lakh)

Sl. No.	State	No. of Voluntary Agencies	Year	Number of Centres	Amount of grant
1.	Haryana	2	1999-01	100 (50 each)	12.76
2.	Karnataka	1	1995-2000	N.A.	30.31
3.	Madhya Pradesh	26	NA	1875	379.00
4.	West Bengal	1	1995-2000	100	34.07
	Total	30			456.14

### 6.2.2 Enrolment of children

The NFE programme in State Sector was implemented by 16 States/UTs of **Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Gujarat, Jammu and Kashmir, Madhya Pradesh, Manipur, Meghalaya, Mizoram, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh, Chandigarh** and **Dadra & Nagar Haveli**. The year-wise details of enrolment of children in those States where shortfall in enrolment was noticed during the period 1995-96 to 1999-2000 is given below:

Year	NFE Centres		Number of Children			Percentage of shortfall
	States/UTs where shortfall noticed	Sanctioned where shortfall observed	To be enrolled as per norms	Enrolled	Shortfall	
1995-96	11	1,91,674	47,91,850	3942265	849585	18
1996-97	8	1,70,874	42,71,850	3747243	524607	12
1997-98	10	1,88,674	47,16,850	3741609	975241	21
1998-99	9	1,95,134	48,78,350	3726026	1152324	24
1999-00	12	2,12,436	53,10,900	4453797	857103	16
<b>Total</b>		<b>9,58,792</b>	<b>2,39,69,800</b>	<b>19610940</b>	<b>4358860</b>	<b>18</b>

43.59 lakh children were deprived of benefits of NFE Programme due to lesser enrolment during five years

It can be seen from the above table that there was an overall shortfall of 18 per cent in enrolment of children which meant depriving 43.59 lakh children of the benefits of NFE Programme under State Sector during the years 1995-96 to 1999-2000. The percentage shortfall in enrolment of children ranged between 12 and 24 during 1995-96 to 1999-2000, the position being more serious in 1998-99.

The State-wise and year-wise percentage of shortfall in enrolment of children in NFE Centres under State Sector during the years 1995-96 to 1999-2000 are given below:-

State	Percentage shortfall during the years				
	1995-96	1996-97	1997-98	1998-99	1999-2000
Arunachal Pradesh	NFE Centres opened in 98-99			64	64
Bihar	28	14	9	60	21
Jammu & Kashmir	39	35	37	22	32
Madhya Pradesh	7	3	12	11	29
Manipur	30	-	-		21
Mizoram	40	57	50	59	49
Orissa	43	34	34	29	23
Tamil Nadu	12	12	12	-	13
Uttar Pradesh	8	6	35	5	7
Dadra & Nagar Haveli	2	17	16	9	15

From the data given in the above table, it can be seen that there was heavy shortfall in enrolment of children in some educationally backward States - viz. 9 to 60 per cent in **Bihar**, 22 to 39 per cent in **Jammu & Kashmir**, 40 to 59 per cent in **Mizoram**, 23 to 43 per cent in **Orissa**, 5 to 35 per cent in **Uttar Pradesh** during the years 1995-96 to 1999-2000.

### 6.2.3 Adoption of condensed course

The first step in the implementation of NFE programme is the adoption of a condensed course of two years for covering the syllabi of primary level class I to V and three years for class VI to VIII with the help of a specially designed educational curriculum. The basic idea of this course is to provide education

upto class VIII to the socially marginalized children within the shortest time period. Audit findings revealed that several States and NGOs did not adopt the condensed course syllabus. Despite this, the Ministry released grants to them as discussed in paragraph 9.3.

### 6.3 Development and distribution of specially designed curriculum

The NFE Scheme envisaged development of specially designed curriculum to cover primary level course of five years within the condensed course of two years duration and to distribute it among the learners of NFE centres. Out of 23 states/UTs implementing the programme, only Bihar and Tamil Nadu had developed this curriculum.

In 9 States/UT formal education system of five years was adopted and in 10 States/UT text books of formal education were taught in two years

In the nine states/UT of **Arunachal Pradesh, Jammu and Kashmir, Madhya Pradesh, Manipur, Meghalaya, Mizoram, Orissa, Rajasthan and Chandigarh**, instead of developing specially designed curriculum, text books prescribed for formal education system were provided to students. This resulted in extension of duration of the condensed course from two years to five years. In ten states/UT of **Andhra Pradesh, Assam, Gujarat, Himachal Pradesh, Karnataka, Tripura, Uttar Pradesh, West Bengal, Delhi and Dadra & Nagar Haveli**, though the course period was limited to two years, the learners of NFE centres were taught from text books of formal education. Resultantly the quality of non-formal education imparted to students was not equal to that of formal education as a period of two years of formal teaching was not enough to cover the formal primary level course of five years.

A few other observations are as follows:

In **Bihar**, test check of five districts (Chapra, Hazaribagh, Deoghar, Vaishali and Madhubani) revealed that the specially designed curriculum was provided to only 35 to 57 *per cent* of the NFE learners during the period 1995-2000.

In **Tamil Nadu**, guidelines issued in 1989 by State Resource Centres for Non-Formal Education prescribed a separate curriculum for each subject for each level under NFE. For the first two levels, the specially designed books, curriculum was to be supplied by SRC. Against this, it was observed in April 1999, that the Centre for Social Education and Development, Madurai supplied to the learners of level-I, those books which were prescribed for first and second classes under Formal Education on the plea of non-availability of books designed by SRC. Test check by audit of four voluntary agencies revealed that the specially designed books were distributed to learners of NFE Centres late by 1 month to 11 months depriving learners of the facility in time.

In **Uttar Pradesh**, during the period 1995-96 to 1998-99, the percentage shortfall in supply of prescribed textbooks ranged between 47 (1998-99) to 100 (1996-97). Besides short supply, 9.85 lakh NFE learners were not provided any book at all during 1995-96 to 1999-2000.

Similarly in **Uttaranchal**, during 1995-96 to 1998-99, 28620 NFE students were not provided any textbooks.

#### 6.4 Provision of Teaching Learning Material

The Ministry provided grants for supply of teaching learning material (TLM: maps, charts, books, game material, etc.) at the rate of Rs. 850 per annum for each NFE Centre. Audit findings revealed various discrepancies in the supply of TLM like non supply/inadequate supply/late supply of TLM, diversion of funds meant for TLM, unauthorised purchase of TLM, etc. All these discrepancies adversely affected the learning process of the students in NFE centres. State-wise comments are given below:

**In Andhra Pradesh, Rs 4.59 crore sanctioned against Rs 28.28 crore required for TLM**

In **Andhra Pradesh**, out of Rs. 2293.00 lakh sanctioned for purchase of TLM for supply to 25400 NFE Centres during the period 1995-2000, Rs. 363 lakh was deposited in Personal Deposit Account and the remaining amount of Rs. 1931 lakh was not drawn by the State Government. The Commissioner and Director of School Education released an amount of Rs. 265 lakh for purchase of TLM out of the grants of Rs. 459 lakh sanctioned during 1992-94, against the actual requirement of TLM funds amounting to Rs. 2828 lakh. Besides, an amount of Rs. 1999 lakh sanctioned for purchase of TLM, and equipment (boxes, petromax lamp, black boards, etc.) for running 25400 centres during 1995-2001 remained unspent as of March 2001.

**In Assam Rs 6.67 crore remained unspent**

In **Assam**, against the requirement of TLM worth Rs. 1305 lakh, an amount of only Rs. 638 lakh was incurred and the remaining Rs. 667 lakh was lying unspent as of March 2000.

In **Bihar**, test check in five districts revealed that out of requirement of 10.85 lakh books, only 4.67 lakh books (43%) were supplied in State sector. In voluntary sector, the percentage shortfall in supply of books was 77 per cent.

In **Madhya Pradesh**, in six districts (Gwalior, Indore, Jhabua, Mandla, Raj Nand Gaon and Seoni), TLM was not purchased for periods ranging up to 5 years. An amount of Rs. 12.23 lakh sanctioned in 1995-96 for purchase of TLM in Zila Panchayat, Tikamgarh was utilised during 1999-2000. Purchases of TLM for the year 1999-2000 in four districts of Guna, Indore, Jhabua and Shivpuri were made at the end of the session.

In **Mizoram**, test check of 46 NFE centres revealed irregular supply of text books in 35 centres during 1995-2000, with delays ranging from 3 months to 3 years. Other TLM (maps, charts, books, games material) for which an amount of Rs. 850 per annum *per centre* was provided, which could not be purchased and distributed during 1995-2000.

In **Orissa**, the Deputy Inspectors of 19 schools failed to provide TLM to 2.51 lakh learners during 1995-2000. In 11 schools, the Deputy Inspector did not supply TLM to learners for 2 to 28 months during 1995-2000 due to late purchase of TLM. Further, in the voluntary sector, five NGOs did not purchase TLM for 2 to 5 years, thus depriving 31581 learners of the material.

In **Rajasthan**, the percentage of shortfall in supply of books to students studying in class II to V in NFE centres of voluntary sector, ranged between 71 to 100 during 1995-2000. Besides, 1.87 lakh exercise books received in 20 projects were found defective.

In 7 districts of Uttar Pradesh there was irregularity in purchase of TLM costing Rs 5.34 crore.

In **Uttar Pradesh**, funds were provided by Ministry/State Government and the district level officers to procure materials against the rate contract of the Director of Industries by following Store Purchase Rules, if the materials were not available against rate contracts. It was, however, noticed that large number of irregularities were committed by the District Non-Formal Education Officers (DNFEOs) Allahabad, Bahraich, Deoria, Jaunpur, Meerut, Rae Bareli and Sultanpur during 1995-96 to 1998-99 in the procurement of materials costing Rs.5.34 crore. Relevant records were not made available to audit as departmental enquiries in all procurement cases were reportedly under progress.

However, test-check (November 2000) of the records of the DNFE0, Allahabad disclosed that Rs.5.25 lakh were reportedly spent during 1998-99 (January 1999) for procurement of items like plastic buckets, brooms, carbon dot pens etc. without approval of the competent purchase committee for distribution to 2100 NFE Centres run in the district. The amount was charged to the contingent expenditure of the NFE Centres. These items were entered in stock register of DNFE0 but neither were entries of issue of these items to project officers for distribution to centres made nor were these items carried forward in the stock registers of the subsequent years. Besides, these items had also not been certified to be physically available in the stock. Evidently the transactions were either fictitious or the materials had been misappropriated. The DNFE0, Allahabad stated that no file concerning the above purchase was available in the office and that it was not possible to intimate the exact position in the matter.

No record for distribution of TLM costing Rs 20.93 lakh was kept by DNFE0 Deoria

In yet another case, as per entries in the Cash Book of PLA, teaching/learning materials worth Rs.20.93 lakh were purchased by the DNFE0, Deoria during February and March 1996 for distribution to NFE Centres through Project Officers. There was no record to indicate receipt or distribution of materials to centres during 1995-96 or even in the subsequent years.

## 6.5 Testing and Certification

The impact of the NFE Programme on the beneficiaries is measured by testing students through an examination. The candidates who pass this examination are issued certificates which enable them to enter the formal stream of education. The testing and certification method was to be adopted in NFE centres in State sector and voluntary sector. Audit findings in various states revealed that in some states, records of successful candidates and issue of their certificates were not maintained and the pass percentage of students was much below 50 per cent in test checked states. The entry of passed students into mainstream formal education remained uncertain in the absence of any follow-up action on this part by states.



In five states of **Andhra Pradesh, Manipur, Orissa, Uttar Pradesh** and **Tamil Nadu**, the nodal Department had not maintained any record of the number of candidates who appeared and passed in the examination and who were issued certificates. Test check of records of passed candidates in the following nine states during 1995-96 to 1999-2000 revealed the following position:

Sl. No.	State	Percentage of passed candidates to total candidates enrolled during the years				
		1995-96	1996-97	1997-98	1998-99	1999-2000
1.	Gujarat	80	77	81	N.A.	N.A.
2.	Jammu & Kashmir	72	84	88	85	94
3.	Madhya Pradesh	5	5	04	03	03
4.	Meghalaya*	N.A.	N.A.	05	06	08
5.	Mizoram**	11	15	17	17	01
6.	Rajasthan	05	06	05	04	04
7.	Tamil Nadu	N.A.	16	65	N.A.	46
8.	Uttar Pradesh	53	51	59	43	50
9.	Chandigarh	02	01	01	02	04

\* information for five districts only.

\*\* information for 34 centres only.

In five States, no record of passed students were kept. In another five States/UT pass percentage was 1 to 17%. In three States system of testing and examination was not adopted

It would be seen from the above table that in five states/UT of **Madhya Pradesh, Meghalaya, Mizoram, Rajasthan** and **Chandigarh**, the percentage of passed candidates with reference to total enrolled candidates was abysmally low as it ranged between 1 to 17. In **Tamil Nadu & Mizoram**, the decline in the percentage of passed candidates over the years was more pronounced. Some other state wise comments are given below:

In **Arunachal Pradesh**, the programme was implemented in 1998-99 and out of total of 905 learners, 378 (42%) appeared in the examination and qualified for entering the mainstream of formal education. In **Assam**, NFE learners were taught in two batches for periods of two years of December 1995 to January 1997 and June 1998 to May 2000. The pass percentage of learners in both batches was 31. Similarly, in **Bihar**, the children enrolled in NFE were imparted primary level education in two batches. In first batch of 1994-98, 34% of the total enrolled children passed and in II batch of 1995-97 to 1999-2000 this percentage was 46. In **Manipur**, as per reports of Project Officers submitted in June 2000, of the 55 NFE projects, in 34 projects having 1915 centres, 19536 learners (48.71%) out of 40102 passed the examination. Year wise number of learners, appeared and passed was not available. In **Orissa**, test-check in 33 out of 158 projects revealed that only 4.4% learners (00.49 lakh out of 11.11 lakh) passed in qualifying examination during 1995-2000. In **Uttar Pradesh**, system for assessing knowledge acquired by learners during their stay in NFE classes was not evolved and passing Class V was taken as the main criterion. In three states of **Jammu & Kashmir, Manipur** and **Tamil Nadu** system of issuing certificate to the passed students was not adopted.

## 6.6 Lateral entry of NFE learners into formal stream

### (A) State Sector

In 11 states/UT, record of lateral entry of successful learners into the formal education system was not maintained

One of the main criteria to measure the impact of NFE Programme is lateral entry of successful learners into the stream of the formal education system. It was observed that 11 States/UT- **Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Gujarat, Jammu & Kashmir, Manipur, Meghalaya, Mizoram, Orissa and Dadra & Nagar Haveli** had either no information or had not maintained any record to ascertain the number of NFE learners of State-Sector who entered the mainstream of formal education. **Tamil Nadu and Jammu & Kashmir** had not issued any certificates to NFE learners. The position of lateral entry in respect of NFE learners who were admitted into formal education in the State of **Uttar Pradesh, Rajasthan and Chandigarh** is given below: -

Sl. No.	State	Number of candidates				Entered the formal stream	Percentage of Col. 6 to 5	Percentage of Col. 6 to 3
		Enrolled	Appeared	Passed				
1	2	3	4	5	6	7	8	
<b>1995-96</b>								
1.	Uttar Pradesh	8,76,000	4,95,000	4,62,000	87,000	19	10	
2.	Rajasthan	4,29,213	28,871	22,760	10,598	47	2	
<b>1996-97</b>								
1.	Uttar Pradesh	5,12,000	2,79,000	2,59,000	94,000	36	18	
2.	Rajasthan	4,62,013	33,059	25,880	9,606	37	2	
3.	Chandigarh	3,000	35	28				
<b>1997-98</b>								
1.	Uttar Pradesh	6,05,000	3,95,000	3,56,000	1,05,000	30	17	
2.	Rajasthan	4,33,910	25,247	20,556	9,444	46	2	
3.	Chandigarh	2,708	50	35				
<b>1998-99</b>								
1.	Uttar Pradesh	4,99,000	2,33,000	2,14,000	66,000	31	13	
2.	Rajasthan	4,40,160	22,320	18,701	8,812	47	2	
3.	Chandigarh	2,914	80	65				
<b>1999-2000</b>								
1.	Uttar Pradesh	8,19,000	4,61,000	4,05,000	69,000	17	8	
2.	Rajasthan	4,15,152	20,753	16,821	8,000	48	2	
3.	Chandigarh	3,247	117	97				

8 to 18 per cent of learners in **Uttar Pradesh**, 2 per cent in **Rajasthan** had entered the formal education system, during years 1995-96 to 1999-2000. In **Chandigarh**, 225 out of 11869 NFE learners entered the formal education stream during the above period. The entry of passed candidates into mainstream formal education was also low.

**(B) Voluntary Sector**

In voluntary sector, the information regarding lateral entry of learner was available only in respect of following five States during 1995-96 to 1999-2000 as depicted below:-

Sl. No.	State	Enrolled	Appeared	Passed	Lateral entry	% of Col. 6 to 5	% of Col. 6 to 3	Period
1	2	3	4	5	6	7	8	9
1.	Haryana	78,229	5,899	4,787	2,185	46	3	1995-00
2.	West Bengal	NA	NA	45,550	4,447	10	NA	NA
3.	Uttar Pradesh (II year)	13,625	12,524	10,426	2,406	23	18	NA
4.	Tripura	4,144	NA	NA	660	NA	16	1998-2000
5.	Orissa	NA	NA	20,367	13,732	67	NA	NA

The obvious conclusion is that NFE programme was unable to make the desired impact in terms of lateral entry of children into the mainstream of formal education.

**6.7 Training of Instructors and Supervisors**

The NFE Programme envisaged the induction and in-service training of instructors and supervisors for imparting Non-Formal Education to the children equal to quality of formal education and for effective functioning of NFE Centres. Each instructor was to be imparted 30 days of induction training at the time of his appointment in addition to 20 days in-service training every year. Some of the shortcomings noticed are detailed in succeeding sub-paragraphs.

**6.7.1 Shortfall in imparting training to instructors/supervisors**

There was 14 to 100% shortfall in training of instructors in 10 States /UT

Shortfall in imparting training to instructors ranged from 14 to 100%: **Assam** (85% and 99%), **Andhra Pradesh** (74%), **Bihar** (75%), **Jammu & Kashmir** (73%), **Gujarat** (72%), **Madhya Pradesh** (14%), **Manipur** (100%), **Mizoram** (45%), **Rajasthan** (25%), **Chandigarh** (83%).

Similarly, every year, each supervisor was to be imparted 20 days induction-training and 10 days in-service training. It was observed that there was a shortfall in imparting training to supervisors, as detailed below:

Sl. No.	State	Staff to be trained	Trained	Shortfall	Percentage	Period/Remarks
1.	Assam	a. 1,126 b. 908	332 Nil	794 908	71 100	1995-98 1998-2001
2.	Andhra Pradesh	280	100	180	64	For 10 days only during 1997-98
3.	Jammu & Kashmir	439	156	283	64	
4.	Manipur	a. 300 b. 311	Nil Nil	300 311	100 100	Up to 1996-97 1997-98 to 1999-2000
5.	Orissa	1,267	608	659	52	1995-2000 Orientation training in 33 Projects
6.	Rajasthan	5,975	3,575	2,400	40	1995-2000 26 to 55 per cent
7.	Chandigarh	28	7	21	75	1996-97 to 1999-2000

There was 40 to 100% shortfall in training of supervisors in 7 States/ UT

Thus, there was shortfall in training of supervisors ranging from 40 to 100 per cent. Non-imparting of training affected the quality of the programme as non-formal education called for intensive exposure to the use of specialized teaching materials and teaching methodologies.

#### 6.7.2 Deficiencies in training imparted

Test check of records of various States revealed various deficiencies, as detailed below:

There was heavy shortfall in training of instructors and supervisors

In **Andhra Pradesh**, the Government sanctioned Rs 12.84 crore during 1995-2001 for imparting training to Instructors and Supervisors of 25,400 NFE Centres under State Sector and Rs 1.31 crore for Centres run by ZSS during 1995-2000. It did not release the amount to the implementing agencies. During 1996-97, the State Govt. released Rs. 1.61 crore to all DEO's and Principals of DIETs for conducting training programme. The Commissioner, however, did not have any information about the numbers of Instructors and Supervisors actually trained. In **Arunachal Pradesh**, instructors were provided only 3 days training during 1998-99. In **Bihar**, no training was imparted to 6,089 instructors. In **Madhya Pradesh**, against the target of 15,000 personnel to be trained by SCERT, the shortfall in training ranged between 15 to 28 per cent during 1995-2000. The position of instructors and supervisors trained was not on record. Though 355 to 400 training programmes were proposed every year, achievement there against was not on record. In **Meghalaya**, no fund was allotted for training of instructors and supervisors. In **Orissa**, test check of 28 projects revealed that 1,32,600 days of training could be provided to 15,418 instructors against the requirement of 3,08,360 days training resulting in shortfall of 1,75,760 days (57 % of requirement). In **Uttar Pradesh**, supervisors were not appointed and their work was entrusted to VECs.

However, the State Government continued to receive the grant. 8316 instructors were imparted 10 days training during 1995-96. Further, no induction training for 30 days was conducted during 1995-2000. In **Dadra & Nagar Haveli**, instructors/supervisors were trained for 7 days only in 1996-97 as against 20 days in service training each year. In **Tamil Nadu**, the shortfall in relation to the duration of imparting training to instructors and supervisors during the two years of 1995-96 and 1996-97 (covering the period up to 1998-99), was 83 per cent and 50 per cent and 75 per cent and 10 per cent respectively. In **Haryana**, test check of records of 6 Voluntary Agencies revealed that the agencies imparted training for 5 to 25 days in a year to the instructors and supervisors at their own level instead of arranging it through DIET. In **Himachal Pradesh**, no training was imparted by a Voluntary Agency to the functionaries of the scheme.

#### 7. Village Education Committee

Village Education Committees not formed.

The programme envisaged formation of Village Education Committees at village level and assigned the VECs the most crucial responsibilities for selecting suitable location for NFE centres, identifying potential instructors, persuading parents to send their children to NFE centres, deciding on the timings of centres and ensuring their effective functioning. Audit scrutiny revealed that the Village Education Committees were formed only in seven States- **Andhra Pradesh, Madhya Pradesh, Meghalaya, Orissa, Tripura, Uttar Pradesh** and **West Bengal**. In rest of the 16 States/UTs, no Village Education Committees were formed. In **Uttar Pradesh**, where the post of supervisor was abolished, and work of supervision of NFE centres was to be conducted only by the Village Education Committees, it could not be ascertained whether VECs ever functioned. In **Meghalaya**, no survey was conducted by VECs which were formed by 22 out of 25 test-checked voluntary agencies. Thus it could not be ascertained in audit as to how the NFE Scheme was implemented effectively in the absence of VECs in these States/UTs.

#### 8. Monitoring and Evaluation

The programme envisaged supervision, monitoring and evaluation both at state and central levels through quarterly progress reports to be submitted by the State Governments and voluntary agencies and Joint Evaluation Teams setup for the purpose. The District Authorities were also responsible for supervision and control of NFE Centres running in their jurisdiction. At grass root level, Village Education Committees were also to be constituted to supervise effective functioning of NFE centres.

Besides lack of control of State over NGOs, no mechanism was devised to ascertain the facts given in quarterly progress report submitted to them

Audit findings at state level revealed that State/UTs took no serious steps to monitor the scheme and left it to the district authorities who also did not take initiative to monitor the scheme. Although monitoring at central level was done through progress reports received from state/voluntary agencies no mechanism was devised by the Ministry to verify the facts given in the report and to take any follow up action on these reports.

No study was conducted by the Ministry to evaluate the impact of the programme. At the instance of the Planning Commission, the Programme Evaluation Organization (PEO) undertook an evaluation of the Scheme in 1998 and concluded as follows:

Planning Commission highlighted many deficiencies in the scheme. No appropriate evaluation done at the State level.

- (a) The financial needs of NFE centres were not being met, as both the Centre and States were not releasing their shares of allocation for NFE fully. Inadequate financial resources and their untimely release had affected the performance of the centres adversely.
- (b) In addition to inadequate resources, the performance of NFE centres was affected by non-availability of TLMs, unqualified instructors and inadequate supervision and monitoring.
- (c) The NFE system has not made any significant contribution to the realization of the goal of UEE. Only a small fraction of the out-of-school children have been benefited by it.

The evaluation emphatically concluded that NFE cannot be a major instrument for achieving UEE.

At the state level also very little effort was made to form the Joint Evaluation Team except in **Bihar** and **Gujarat** where Teams were constituted but no evaluation study was conducted. However evaluation of the scheme conducted in **Madhya Pradesh** in 1996 and 1998 by a voluntary agency and the Planning Commission respectively, revealed that the NFE scheme had not made any significant contribution to the realization of the goal of UEE. The Principal Secretary of the Education Department stated in October 1999 that the implementation of the NFE scheme had resulted in enormous wastage of resources besides acquiring the dubious name of non-functioning education centres, as 86 per cent of NFE centres had become redundant.

## 9 Other topics of interest

### 9.1 Mismatches in grants released

The details of number of NFE centres sanctioned and grants released to States/UTs in State Sector during 1995-96 to 1999-2000 were as under:

(Rs in lakh)

State	1995-96		1996-97		1997-98		1998-99		1999-2000	
	No. of NFE Centres	Grant released	No. of NFE Centres	Grant released	No. of NFE Centres	Grant released	No. of NFE Centres	Grant released	No. of NFE Centres	Grant released
1. Andhra Pradesh	35,400	419.24	35,400	-	35,400	2483.45	35,400	991.00	35,400	2001.36
2. Assam	13,508	734.85	13,508	975.05	13,508	490.31	10,890	756.19	10,890	515.10
3. Bihar	50,000	2978.31	50,000	2541.67	50,000	3534.24	50,000	1249.07	45890	1513.82
4. Gujarat	200	1.82	200	2.78	200	6.07	200	7.48	200	1.49
5. Jammu & Kashmir	2,746	97.29	2,746	19.45	2,746	62.32	2,146	151.91	2,146	30.38
6. Madhya Pradesh	34,080	2414.78	34,080	2645.76	34,080	2325.79	34,080	2869.85	34,080	2578.35
7. Manipur	3000	158.43	3,112	228.50	3,112	268.01	3,112	141.94	3,112	152.70
8. Meghalaya	-	-	-	-	500	17.35	500	7.70	500	6.45
9. Mizoram	200	9.03	200	8.70	200	8.70	260	8.29	260	8.76
10. Orissa	23,448	1251.90	23,448	1178.64	23,448	235.72	23,448	489.84	23,448	1267.03
11. Rajasthan	17,600	1037.42	17,600	1284.40	17,600	1394.96	17,600	1554.47	17,600	1219.51
12. Tamil Nadu	700	13.39	700	43.30	700	47.33	700	25.63	700	314.19
13. Uttar Pradesh	59,600	3720.70	59,600	3891.75	59,600	3891.75	59,600	3695.62	59,600	1720.04
14. Chandigarh	105	3.52	105	5.65	105	00.14	120	3.02	120	3.61
15. Dadra & Nagar Haveli	100	3.17	100	4.55	100	5.06	100	5.31	100	5.31
<b>Total</b>	<b>240687</b>	<b>12843.85</b>	<b>240799</b>	<b>12830.20</b>	<b>241,299</b>	<b>14771.2</b>	<b>238,156</b>	<b>11957.32</b>	<b>234,046</b>	<b>11338.10</b>

Grants released was unrelated to the number of NFE centres

In 4 States/UT (**Andhra Pradesh, Madhya Pradesh, Tamil Nadu and Dadra & Nagar Haveli**) though the number of NFE centres remained static, the grant released increased disproportionately although there was no change in the funding pattern. Similarly, in 4 States (**Gujarat, Meghalaya, Orissa and Uttar Pradesh**) though the number of NFE centres remained static, the allocated amount decreased sharply which adversely affected the implementation of the programme in the existing centres.

## 9.2 Diversion of Central grant

Seven State Governments kept Rs 79.22 crore in PD Accounts and one State Government utilised Rs 41.99 crore for purposes other than the NFE Scheme.

Contrary to the guidelines, the Central funds of Rs 121.21 crore provided to eight States<sup>1</sup> was kept by them in Personal Deposit (PD) Accounts and utilised for purposes other than the NFE Scheme. As a result of retention of Central grant by the above states in PD Accounts and diversion of funds for other purposes to the tune of Rs 121.21 crore, the scheme suffered as 1.36 lakh NFE Centres in these states could not be opened in the State Sector, depriving 34 lakh children of the benefits of the scheme during 1995-96 to 1999-2000. Bihar utilised Rs.41.99 crore for purposes other than the NFE Scheme

## 9.3 Release of grants without ascertaining adoption of condensed course

Non-adoption of condensed course had not only resulted in excess release of grant of Rs.150.95 crore but also deprived 42.45 lakh children of benefits of NFE programme

The NFE programme stipulated that grants would be released for running NFE Centres only after ascertaining they had adopted the condensed course. However, contrary to this condition, the Ministry released grants to the following states for running NFE centres in state sector and voluntary sector even though the state/NGOs had not adopted condensed course and classes of primary level were held on annual basis: five years with traditional curriculum applicable to formal education. A table depicting the excess grant paid to states during 1997-98 to 1999-2000 is given below:

*(Rs in lakh)*

Sl. No.	State	No. of NFE centres during 1997-98 to 1999-2000			Grant released to NFE centres during 1997-98 to 1999-2000		
		State sector	Voluntary sector	Total	State sector	Voluntary sector	Total
1.	Jammu & Kashmir	7038	525	7563	244.61	27.12	271.73
2.	Bihar	Nil	13050	13050	Nil	761.19	761.19
3.	Madhya Pradesh	102240	9780	112020	7773.99	687.05	8461.04
4.	Manipur	9336	2900	12236	552.65	186.14	738.79
5.	Mizoram	720	Nil	720	26.36	Nil	26.36
6.	Orissa	72504	36208	108712	1992.59	2617.59	4610.18
7.	Chandigarh	345	Nil	345	15.77	Nil	15.77
8.	Haryana	Nil	2445	2445	Nil	209.51	209.51
<b>Total</b>				<b>257091</b>			<b>15094.57</b>

It can be seen from the above table that excess grant of Rs. 15094.57 lakh was released for the same children who had enrolled in 1995-96 in 257091 centres. During the years 1997-98 and 1999-2000, 63690 and 63166 centres respectively existed in above six states under state sector. Under voluntary

<sup>1</sup> Andhra Pradesh (7.45 crore), Assam (Rs 20.6 crore), Bihar (Rs 41.99 crore), Madhya Pradesh (Rs 2.95 crore), Manipur (Rs 0.91 crore), Orissa (Rs 2.49 crore), Rajasthan (Rs 12.16 crore) and Uttar Pradesh (Rs 32.66 crore)



sector, 20746 and 22216 centres existed during these years. Had the above states followed the condensed course for two years, two more batches of students could have been enrolled during ensuing two years. Thus 42.45 lakh children in 169818 centres of State and Voluntary Sector of these States, taking an average of 25 children per centre, were deprived of the benefits of NFE Scheme these States.

#### 9.4 Excess claim for co-education centres –Rs. 24.69 crore

Grant of Rs 24.69 crore claimed by four States for girls centres while centres for which grant was received were co-educational.

The expenditure on running of NFE Centres in the scheme was to be shared in the ratio of 60:40 for co-education centres (including administrative resource support) and 90:10 for exclusive girls' centre under state sector. However it was noticed that in 4 States although the programme was run in co-education centres, the grant paid to them was for girls' centres. This resulted in excess release of grant to the tune of Rs 24.69 crore, as per details given below:

*(Rs. in lakh)*

Sl. No.	State	Number of co-ed centres shown as girls centres	Excess grant received
1.	Andhra Pradesh (3 test checked districts)	6202	49.43
2.	Bihar	59207	1461.00
3.	Mizoram	29	3.80
4.	Rajasthan	39753	954.32
<b>Total</b>			<b>2468.55</b>

#### 9.5 Excess/overpayment

Excess expenditure of Rs.3.47 crore was incurred due to payment of running scale instead of consolidated salary to staff

As per norms of the Scheme instructors and supervisors at Central level and the staff employed at State level, district level, project level, were to be paid fixed consolidated salary and honorarium. Audit found that in 4 States- Assam, Jammu and Kashmir, Orissa and Tamil Nadu- the staff employed at state level, district level were paid running scale. Resultantly, an excess payment of Rs 3.47 crore was made to them as per details given below:-

*(Rs in lakh)*

State	Description of staff	Amount due as per norms	Amount paid	Excess amount paid
1. Assam	(a) State level staff	8.73	72.41	63.68
	(b) Directorate level staff	213.00	321.00	108.00
2. Jammu & Kashmir	District level staff	26.00	119.63	93.63
3. Tamil Nadu	State level	10.34	31.50	21.16
4. Orissa	District level staff	200.48	260.91	60.43
<b>Total</b>		<b>458.55</b>	<b>805.45</b>	<b>346.90</b>

In addition to excess payment, cases of over payment of Rs. 5.07 crore to the staff, was also noticed during test check of records of 9 states as detailed below:

Rs.5.07 crore was paid in excess of norms towards payment of honorarium to instructors and supervisors

Name of State	Amount paid excess (Rs in lakh)	Remarks
1. Assam	7.84	Employment of drivers not permissible in scheme
2. Arunachal Pradesh	00.97	Excess payment of honorarium TA&DA to instructors & supervisors
3. Bihar	95.06	Employment of 43375 instructors against 39414 NFE Centres during 1999-2000
4. Manipur	114.81	Excess salary to staff
5. Meghalaya	7.85	Excess payment of honorarium to instructors Rs 250/- in place of Rs 200/- p.m.
6. Uttar Pradesh	254.16	Employment of 58092 instructors against 47502 centres run during 1996-97
7. Tamil Nadu	9.73	Excess payment of honorarium and bonus to instructors.
8. Haryana	2.81	Excess payment of honorarium to instructors
9. Gujarat	1.27	Payment of salary to project staff after closure of NFE Centres
	12.19	Honorarium of Rs 5.56 lakh to instructors and Rs 6.63 lakh to supervisors for attending centres in excess of prescribed norms.
<b>Total</b>	<b>506.69</b>	

### 9.6 Lighting and fuel charges for day schools

Grant of Rs 24.74 crore was provided for light and fuel charges when centres were running in day time

The scheme, in visualizing the time constraints imposed on working children, promoted the opening of night-schools by providing Rs 100 per centre per month to take care of the expenses on account of lighting and fuel. Rs 24.74 crore was released by the Government of India for eight states and voluntary agencies operating there, even though the centres were running in the day-time. Evidently, funds received for lighting and fuel charges were not put to intended use. Out of Rs 24.74 crore, Rs 14.07 crore was received by Orissa. Such incorrect releases took place because the Central or State Governments did not have any monitoring mechanism in place. It was seen that in Rajasthan, the money received for night-school arrangement was actually passed on to the instructors as remuneration. Further, local families refused to send their daughters to the night-school. This was one of the reasons for closing down a number of night schools.

### 9.7 Mismanagement of centres

Information about running of NFE centres was available for state sector, whereas for NFE centres in voluntary sector, this information was available only in two states. In rest of the states, records of NFE Centres were not provided by the NGOs. There was total absence of control and supervision over the implementation of NFE programme in voluntary sector. A few instances of mismanagement are given below:

942 centres were not opened by NGOs in Andhra Pradesh

In **Andhra Pradesh**, 4424 centres were found running out of a total of 5366 NFE centres sanctioned, resulting in shortfall of 942 centres. In Visakhapatnam, 21 NGOs were allowed to run 500 centres sanctioned to Zila Saksharta Samiti (ZSS). Out of these 500 centres, 255 centres were taken over by ZSS and shifted to new locations, which resulted in discontinuation of studies of 12500 children, besides causing infructuous expenditure of Rs.126 lakh on them during 1996-98. In **Assam**, NFE centres of 13 districts in hilly areas were not found running. In two districts of **Gujarat**, NFE centres were stopped from March 1997 and June 1998 in Rajkot and Surat Municipal Corporations respectively. Despite closure of these centres, unspent balance of Rs.6.29 lakh was not refunded to Government (January 2000). In **Jammu & Kashmir**, in three districts of Jammu province, NFE centres were run in daytime (10 A.M. to 12 A.M.), which resulted in non-admission of working children in these centres. In Kathua and Jammu districts, not a single girls' centre was opened. In **Madhya Pradesh**, an amount of Rs.82.21 lakh was provided by the Ministry to nine voluntary agencies for running 400 NFE centres in five districts. During test check by Audit, the Collectors/District Education Officers of these districts intimated that no NFE centre was being run in their districts. Thus grant of Rs 82.21 lakh has been misappropriated by these nine voluntary agencies. The number of NFE centres run in another eight districts came down from 5700 in 1995-96 to 4256 in 1999-2000. In **Orissa**, out of 5049 centres sanctioned for four districts, only 3930 centres were found running. Though the Ministry provided funds for opening 8000 girls' centres in 1995-96, no such centre was opened till March 1998. 299 centres in seven districts were not functioning since June 1997 due to non-filling up of posts of instructors. Overlapping in opening of 62 NFE centres by State sector in areas in which NGOs were already running their own centres, was noticed, which resulted in avoidable expenditure of Rs.16.92 lakh.

In Madhya Pradesh, 400 NFE centres for which grant of Rs 82.21 lakh was provided to NGOs were not opened

### 9.8 Non-recovery of motorcycle advance Rs 95.80 lakh

Rs.95.80 lakh paid towards loan for purchasing motorcycle remained unrecovered

According to Government of India's funding pattern the Project Management Cost *inter-alia* included an allocation of Rs 25,000/- on loan basis, for purchase of motorcycle for the purpose of supervision of NFE Centres. This facility was also extended to voluntary agencies in the first year of the project period on the operation of 100 NFE Centres. This part of grant was recoverable/adjustable against the grant of subsequent years. It was observed in audit that Rs 95.80 lakh was spent on purchase of motor-cycle in four States, Andhra Pradesh Rs 1.25 lakh in voluntary sector, Gujarat Rs 0.82 lakh in state sector and voluntary sector, Uttar Pradesh Rs 89.40 lakh in state sector, Tamil Nadu Rs 4.33 lakh in voluntary sector by 8 NGOs, but no evidence either of its recovery or adjustment was found in audit. Thus expenditure of Rs 95.80 lakh was incurred in deviation of funding pattern of the NFE Programme, which should be recovered.

The matter was referred to the Ministry in November 2001; their reply was awaited as of January 2002.

**Annex-I**  
(Refers to Paragraph 4)

**No. of Districts in State Sector and No. of in Voluntary Sector test checked in audit:**

Name of State	State Sector	Voluntary Sector
	No. of Districts	No. of NGOs
Andhra Pradesh	3	35
Arunachal Pradesh	3	Nil
Assam	5	6
Bihar	6	27
Gujarat	2	12
Haryana	Nil	9.
Himachal Pradesh	Nil	3
Jammu & Kashmir	4	1
Karnataka	-	2
Madhya Pradesh	9	5
Manipur	5	Nil
Meghalaya	3	Nil
Mizoram	3	Nil
Orissa	11	26
Rajasthan	6	4
Tamil Nadu	3	11
Tripura	Nil	3
Uttar Pradesh	24	NA
West Bengal	Nil	7
Chandigarh	1	Nil
Delhi	Nil	5
Dadar & Nagar Haveli	1	Nil
<b>Total</b>	<b>89</b>	<b>156</b>

**Annex-II**  
(Refers to Paragraph 6.1 )

**Grant released by Ministry to States/UTs**

*(Rs. in lakh)*

States/UTs	1995-96	1996-97	1997-98	1998-99	1999-2000	Total
1. AndhraPradesh	419.24	Nil	2483.45	991.00	2001.36	5895.05
2. Arunachal Pradesh	7.84	Nil	Nil	Nil	Nil	7.84
3. Assam	734.85	975.05	490.31	756.19	515.10	3471.5
4. Bihar	2978.31	2541.67	3534.24	1249.07	1513.82	11817.11
5. Gujarat	1.82	2.78	6.07	7.48	1.49	19.64
6. Jammu & Kashmir	97.29	19.45	62.32	151.91	30.38	361.35
7. Madhya Pradesh	2414.78	2645.76	2325.79	2869.85	2578.35	12834.53
8. Manipur	158.43	228.50	268.01	141.94	152.70	949.58
9. Meghalaya	Nil	Nil	17.35	7.70	6.45	31.50
10. Mizoram	9.03	8.70	8.70	8.29	8.76	43.48
11. Orissa	1251.90	1178.64	235.72	489.84	1267.03	4423.13
12. Rajasthan	1037.42	1284.40	1394.96	1554.47	1219.51	6490.76
13. Tamil Nadu	13.39	43.30	47.33	25.63	314.19	443.84
14. Uttar Pradesh	3720.70	3891.75	3891.75	3695.62	1720.04	16919.86
15. Chandigarh	3.52	5.65	00.14*	3.02	3.61	15.80
16. Dadar & Nagar Haveli	3.17	4.55	5.06*	5.31	5.31	18.34
<b>Total</b>	<b>12851.69</b>	<b>12830.20</b>	<b>14766.00</b>	<b>11,957.32</b>	<b>11,338.10</b>	<b>63,743.31</b>

\* Under VA Budget

**Annex-III**  
(Refers to Paragraph 6.1 )

**Grant released by the Ministry to Voluntary Agencies**

*(Rs in lakh)*

State/UT	1995-96	1996-97	1997-98	1998-99	1999-2000	Total
1. Andhra Pradesh	469.68	546.25	645.51	613.96	726.48	3001.88
2. Assam	43.86	37.10	38.22	68.40	90.85	278.43
3 Bihar	176.48	249.07	259.00	294.90	207.29	1186.74
4. Gujarat	98.45	81.06	59.97	124.00	65.57	429.05
5 Haryana	49.83	48.01	54.69	87.04	67.78	307.35
6. Himachal Pradesh	16.17	12.00	22.16	17.10	7.38	74.81
7. Jammu & Kashmir	2.57	2.54	13.03	13.13	00.96	32.23
8. Kamataka	19.53	33.76	46.43	57.08	57.16	213.96
9. Madhya Pradesh	92.21	173.52	228.42	209.06	249.57	952.78
10. Mahrastra	128.05	153.84	163.38	160.60	196.41	802.28
11. Manipur	24.91	66.59	43.25	53.61	89.28	277.64
12. Nagaland	Nil	Nil	Nil	10.36	10.37	20.73
13. Punjab	Nil	Nil	Nil	Nil	5.31	5.30
14. Orissa	648.41	734.20	969.76	790.32	857.51	4000.20
15- Rajasthan	115.57	139.07	149.05	511.04	491.26	1405.99
16. Tamil Nadu	175.94	169.19	207.61	254.28	190.69	997.71
17. Tripura	Nil	Nil	13.49	5.07	22.39	40.95
18. Uttar Pradesh	318.75	411.71	360.75	527.64	476.35	2095.20
19. West Bengal	59.64	103.36	140.46	138.44	131.37	573.27
20. Delhi	49.21	23.38	105.09	56.02	57.00	290.70
Total	2489.26	2984.65	3525.47 *	3992.05	3999.98	16991.41

\* Grants Rs 3520.27 lakh + 2 UTs in state sector paid under VA Budget Rs 5.20 lakh.

**MINISTRY OF RURAL DEVELOPMENT**

**ACCELERATED RURAL WATER SUPPLY PROGRAMME**





## CHAPTER III: MINISTRY OF RURAL DEVELOPMENT

### Department of Drinking Water Supply

#### Accelerated Rural Water Supply Programme

*The basic objective of ARWSP (Accelerated Rural Water Supply Programme) launched in 1972-73 was to supplement the efforts of the State Governments in providing safe and potable drinking water to rural habitations on a long-term basis. Despite incurring Rs. 32,302.21 crore (including MNP) on the programmes, since First Five Year Plan, 20,073 habitations were still without any source of water and 1.55 lakh habitations remained partially covered as of March 2001. Significant re-emergence of problem habitations further negated the impact of the Programme. Impact assessment of ARWSP by independent sources also revealed the re-emergence of problem villages and shortcomings in critical parameters of adequacy, regularity, quality, distance of source of water, etc. in many States. Despite the added thrust given to the programme since 1999, planning and implementation suffered due to neglect of priority areas, sustainability, community participation, Operation & Maintenance, etc. Resultantly, schemes costing Rs.197.52 crore were abandoned and water supply modes involving an expenditure of Rs 369.20 crore remained non-operational. The Ministry and State Governments did not ensure monitoring of the quality of the water supplied as many water quality laboratories and treatment plants remained non-functional. The objective of institutionalising community participation also appears to have been largely defeated as only Rs. 6.13 crore were spent against Rs. 473.15 crore released for 58 pilot projects. Poor funds management led to large amounts being diverted or retained in deposits, apart from expenditure being incurred in excess over approved norms. Inadequate and inefficient monitoring of Programme at the Ministry and State level resulted in extension of the Programme from the 8th to the 9th Five Year Plan, raising question mark about achieving the stated objective to provide potable drinking water to all villages by 2004.*

#### **Highlights**

Despite investment of Rs 32,302.21 crore, on implementation of Rural Water Supply Schemes under this Programme and the minimum Needs Programme since the First Five Year Plan, about 20,073 habitations still did not have any source of water. 1.55 lakh habitations remained only partially covered. Re-emergence of 73,197 problem habitations, as reported in 7 States, further negated the impact of the programme.

Rs 283.90 crore were spent in 11 States on coverage of partially covered habitations during 1997-2001, contrary to the priority norms at the cost of habitations having no source of drinking water.

Application of funds without adequate planning and scientific identification of water sources resulted in abandonment of 2,371 schemes midway in 19 States, after spending Rs 197.52 crore.

Scientific methods of source selection were not adopted in 10 States, resulting in failure of schemes and the expenditure of Rs 64.71 crore incurred thereon being rendered infructuous.

Inadequate maintenance of water sources resulted in failure of 3,85,854 of the 37,57,862 hand pumps installed. In 13 States, water modes, set up at a cost of Rs 369.20 crore, were non-operational.

Water treatment plants, installed at a cost of Rs 16.32 crore to control fluorosis, excess iron and salinity were non-functional in 9 States. Poor performance of water quality testing laboratories in 11 States defeated the objective of providing safe drinking water to the rural population in the affected areas.

Significant components of the Programme such as Human Resource Development and Information Education and Communication failed to achieve the objectives of creating awareness about use of safe drinking water and imparting training to the local population in 19 States.

Poor progress of the Sector Reforms Programme was observed, as only Rs 6.13 crore were spent out of Rs 473.15 crore released for 58 pilot projects, undermining the concept of institutionalised community participation.

Release of funds by the Department of Drinking Water, before arriving at decisions on suppliers and ineffective monitoring led to blockade of Central funds aggregating Rs 18.30 crore and non-achievement of the objectives of computerization.

Audit noticed diversion of funds of Rs 86.15 crore to activities not connected with ARWSP in 19 States and unauthorised retention of funds of Rs 393.77 crore in Civil/Revenue/Public Works Deposit.

Financial achievement reported was inflated to the extent of Rs 307.69 crore in 15 States.

In 10 States, excess expenditure of Rs 191.41 crore was irregularly met from ARWSP funds instead of from State Plan funds, in violation of the guidelines.

Materials costing Rs 68.79 crore were purchased in excess of requirements in 16 States.

Impact Assessment of the Programme by Audit in 10 States revealed poor performance in all the critical parameters of adequacy, regularity, distance, quality of water, maintenance of assets, cost recovery, etc.

## **1. Introduction**

Supply of drinking water is primarily the responsibility of the State Governments. However, being a priority on the national agenda, it had also attracted the intervention of the Government of India (GOI). Considering the magnitude of the problem and in order to accelerate the pace of coverage of

problem villages, GOI launched, in 1972-73, the Accelerated Rural Water Supply Programme (ARWSP) to supplement the efforts of the State Governments, which was to be financed entirely by grant-in-aid. Following, however, the introduction of the Minimum Needs Programme (MNP) in the State Sector in 1974-75, the ARWSP was discontinued. The Programme was revived in 1977-78, when the progress in regard to provision of safe drinking water to the identified problem villages under MNP was not found to be satisfactory. In order to ensure maximum inflow of scientific and technical inputs into the Rural Water Supply Programme and to ensure availability of adequate water of acceptable quality on a long-term basis, the Programme was taken up on a Mission<sup>1</sup> mode and the National Drinking Water Mission (NDWM) was launched in 1986 and renamed Rajiv Gandhi National Drinking Water Mission (RGNDWM) in 1991.

Under the Programme, provision of safe drinking water of 40 litres per capita per day (LPCD) and additional 30 LPCD for animals in hot and cold desert-ecosystems in States<sup>2</sup> implementing the Desert Development Programme was to be made. The water source was to exist within 1.6 Kilometre (Km), in the plains and at an elevation of 100 meters in the hilly areas. One hand pump or stand post was to be set up for every 250 persons. Priority was to be given to problem villages (PVs)<sup>3</sup>, followed by partially covered<sup>4</sup> problem villages.

The Programme envisaged coverage of all rural habitations in the country during the 8th Plan period. However, this could not be achieved due to lack of sufficient funds and re-emergence of the Not Covered (NC) habitations. Hence, the Programme continued during the 9th Plan.

In April 1999, GOI restructured the Programme and recategorised habitations with reference to adequacy and safety factors as Not Covered/No Safe Source (NC/NSS) and Partially Covered/Safe Source (PC/SS)<sup>5</sup>. It further introduced

<sup>1</sup> The Mission mode implied the provision of low cost solutions to identify problems associated with the supply of safe drinking water through the application of scientific and technological inputs.

<sup>2</sup> Desert Development Programme was being implemented in 227 blocks of 36 districts in the States of Andhra Pradesh, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka and Rajasthan.

<sup>3</sup> Problem villages included (i) those not having an assured source of water within 1.6 Km; (ii) where the available water had excessive salinity, iron, fluoride or other toxic elements; and (iii) where diseases like cholera, guinea-worm, etc. were endemic.

<sup>4</sup> Till March 1999, partially covered habitations included habitations having water supply below 40 LPCD. From April 1999 onwards, these also included habitations having safe drinking water between 10 LPCD and 40 LPCD

<sup>5</sup> NC/NSS category included habitations having no drinking water within 1.6 km. in plains and below 100 metres in hilly areas, habitations which had a water source but were affected with quality problems such as excess salinity, iron, fluoride, arsenic or other toxic elements, habitations where quantum of availability of safe water from any source was not enough to meet drinking and cooking needs of 8 LPCD. Habitations having a safe drinking water source/point (either private or public) within 1.6 km. in plains and below 100 metres in hilly areas, but where the capacity of the system ranged between 10 and 40 LPCD were categorized as PC habitations. These PC habitations were considered as SS habitations, subject to water quality parameters. All the remaining habitations were categorized as Fully Covered (FC).

the concept of Sector Reforms<sup>6</sup> to achieve the goal of providing safe and sustainable drinking water to all rural habitations of the country through institutionalising community participation during the remaining part of the 9th Plan period. The prime objectives of the Programme as modified in April 1999 were to:

- (i) ensure coverage of all rural habitations, especially those hitherto unreached and not having access to safe drinking water;
- (ii) ensure sustainability of the systems and sources; and
- (iii) preserve quality of water by institutionalising water quality monitoring and surveillance through a catchment area approach<sup>7</sup>.

## **2. Organisational Structure**

At the Central level, the Ministry of Rural Development (Ministry), Department of Drinking Water Supply (Department), was responsible for planning, policy formulation, direction, financing, monitoring and reviewing the implementation and progress of the Programme. The Ministry had set up the National Drinking Water Mission Authority with the Prime Minister as Chairman and an Empowered Committee headed by the Cabinet Secretary to review the progress of implementation of the Programme.

At the State level, the Public Health Engineering Departments, Panchayati Raj Departments, Water Boards, etc. were executing the Programme. However, in **Gujarat, Kerala, Maharashtra, Tamil Nadu and Uttar Pradesh**, the Programme was being executed through the Gujarat Water Supply and Sewerage Board, Kerala Water Authority, Maharashtra Jeevan Pradhikaran, Tamil Nadu Water Supply and Drainage Board and Uttar Pradesh Jal Nigam respectively.

## **3. Scope of Audit**

Audit had earlier reviewed the implementation of the Programme during the period 1992-1997 in Report No.3 of 1998 (Civil) of the Comptroller and Auditor General of India. Some significant observations included in that Report related to deficiencies in planning, unscientific identification of water sources, re-emergence of problem villages/habitations, non-functional water treatment plants, expenditure on non-priority areas, incorrect reporting of financial achievements, diversion/misuse of funds, ineffective control, monitoring and review, excessive purchases of materials, etc.

In their Action Taken Note submitted in February 1999, the Ministry had stated that all rural habitations would be provided drinking water by the 9<sup>th</sup> Five-year Plan. It further stated that instructions had been issued to all States to ensure sustainability of the sources, regular monitoring of the functioning of hand pumps/tube wells, development of inventory of sources, that recourse

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<sup>6</sup> Sector reforms introduced in 1999-2000 aimed at institutionalizing community participation in rural water supply schemes. Users were to share at least 10 per cent of the capital cost and 100 per cent of the cost of operation and maintenance and were to follow a participatory demand driven approach in planning, implementation and maintenance of schemes.

<sup>7</sup> Catchments area approach implied institutionalizing the water quality monitoring systems by involving various grass root level technical and educational institutions.

was not taken to diversion/misuse of funds and improvements in the monitoring and evaluation of the Programme.

Implementation of the Programme during the period from 1997-98 to 2000-01 was again reviewed through test check conducted in the Ministry, Public Health Engineering Departments, Water Supply Boards and other implementing agencies in 185 districts and 306 divisions of 25 States between November 2000 and June 2001. Thirty three *per cent* of the districts and 29 *per cent* of the divisions were test checked, details of which are contained in **Annex-1**. The review aims at examining the execution of the Programme and its overall impact in achieving the primary objective of providing adequate and safe drinking water to all rural habitations, especially to the problem ones, in the most cost effective manner.

#### 4. Financial Outlay and Expenditure

ARWSP is a Programme sponsored entirely by the Central Government. The allocation of Central assistance under ARWSP was, however, subject to a matching provision/ expenditure by the States under the State Sector MNP. With effect from April 1999, 20 *per cent* of ARWSP funds were earmarked for Sector Reforms and States could utilise up to another 20 *per cent* for Sub-Mission Projects (SMP)<sup>8</sup>. Up to 15 *per cent* of the funds were to be earmarked for operation and maintenance and 35 *per cent* for drinking water supply to Scheduled Castes/Scheduled Tribes (SC/STs). Funding under ARSWP also included 100 *per cent* assistance to States for other components like human resources development (HRD), information, education and communication (IEC), management information system (MIS), including training, etc. In addition, financial assistance for water supply schemes was also provided by UNICEF and CAPART.

Details of funds released and utilised by the States/UTs under ARWSP and MNP during the period covered by audit as compiled from the records of the Ministry, are as under:

*(Rs in crore)*

Year	Central Release (ARWSP)	States' Provisions (MNP)	Total Availability (ARWSP+MNP)	Expenditure (ARWSP+MNP)
1997-98	1299.91	1845.17	3145.08	2905.75
1998-99	1610.64	2167.47	3778.11	3643.62
1999-00	1717.91	2731.07	4448.98	4102.05
2000-01	1896.55	2467.02	4363.57	2945.89
<b>Total</b>	<b>6525.01</b>	<b>9210.73</b>	<b>15735.74</b>	<b>13597.31</b>

*Note: - Data in regard to releases and expenditure relating to ARWSP are inclusive of those relating to other components like HRD, IEC and Sub-Missions as well as assistance from UNICEF and CAPART.*

Details of the State-wise releases/expenditure under ARWSP and MNP and other components are contained in **Annex-2 and 2A**. Other points relating to financial aspects are contained in **Paragraph 17** of the Report.

<sup>8</sup> *Sub-mission projects were to be undertaken by the States for providing safe drinking water to the rural habitations facing water quality problems like fluorosis, arsenic content, brackishness, excess iron and also for ensuring source sustainability through rain water harvesting, artificial recharge, etc.*

## 5. Physical Achievements

As mentioned earlier, the Programme was continued in the 9<sup>th</sup> Plan period on account of non-realisation of the intended objectives. The Ministry attributed (April 1999) the reasons for number of problem habitations not declining to fast depletion of ground water levels, deforestation resulting in sources going dry, greater emphasis on new construction and poor maintenance, non-involvement of people in the operation and maintenance of completed schemes and neglect of traditional water management system and practices. The National Agenda for Governance adopted by the new Government made a commitment to provide potable drinking water to all the habitations by March 2004. Though the Ministry of Rural Development claimed coverage of more than 95 per cent as of March 2001, independent surveys revealed a different picture. The critical issue here has been that the number of problem villages has been changing from time to time and despite substantial coverage, such villages have continued to grow.

Surveys conducted in 1972 revealed that of the 5.80 lakh revenue villages in the country, 1.5 lakh were Problem Villages (PVs). By 1980, 94,000 PVs were covered by the Government and 56,000 villages were left uncovered. However, a subsequent survey undertaken in 1980 had estimated that there were 2.31 lakh PVs. Of these, 1.92 lakh villages were covered in the Sixth Plan (1980-85), leaving only 39,000 villages uncovered. A fresh survey conducted in 1985, however, identified 1.62 lakh problem villages as on April 1, 1985. All the PVs other than 20 of them were stated to have been covered as of April 1, 2001. A habitation driven approach was adopted in preference to a purely village centred approach. A survey conducted by the States at the instance of the Mission in 1991-93, the findings of which were revalidated through reputed independent Research Engineering Organisations in 1994, revealed 13.18 lakh habitations as on April 1, 1994, of which 1.41 lakh habitations did not have any source of water provided by the Government and 4.30 lakh habitations were partially covered. It would therefore, be evident that each successive survey reflected different pictures in regard to problem habitations/villages.

The status of the total number of FC, PC and NC habitations as per surveys conducted and coverage of habitations during the years 1997-2001 were as follows:

Status of habitations as on 1 April	Habitations				PC habitations covered during the year			NC habitations covered during the year		
	Total	Fully covered (FC)	Partially covered (PC)	Not covered (NC)	Target	Achievement	Percent achieved	Target	Achievement	Percent achieved
1.4.1997	1430543	954470	391047	85026	69061	85410	124	30552	31584	103
1.4.1998	1430543	1060137	316919	53487	73367	93925	128	31535	19008	60
1.4.1999	1422664	1116103	268496	38065	72732	62769	86	17329	11868	68
1.4.2000	1422664	1183316	213151	26197	65198	58638	90	14270	6124	43

*Source: Statement of Status of Habitations prepared by the Ministry based on the survey conducted by the States/as per Comprehensive Action Plan sent by all the States in 1999.*

Despite investment of Rs 32,302.21 crore, 20,073 NC and 1.55 lakh PC habitations remained to be covered.

As of April 2001, of the total 14,22,664 rural habitations, 1,54,513 PC and 20,073 NC habitations still remained to be covered notwithstanding large investments aggregating to Rs 32,302.21 crore made on various water supply schemes since the First Five-year Plan. This by itself would also not appear to reveal the total magnitude of the problem because of the reported re-emergence of PC/NC habitations that were earlier reported to have been covered.

### 5.1 Re-emergence of problem habitations

As seen from table above, at the beginning of the 9<sup>th</sup> plan period, there were .85 lakh NC habitations and 3.91 lakh PC habitations. During the first three years of the 9th Plan, 0.62 lakh NC and 2.42 lakh PC habitations respectively were covered, following which 0.23 lakh NC habitations and 1.49 lakh PC habitations respectively should have remained uncovered. However, based on the updated figures received from the State Governments as on April 1, 2000, there were 0.26 lakh NC habitations and 2.13 lakh PC habitations respectively remaining uncovered. This indicated the re-emergence of NC and PC habitations during the years 1997-2000, thus negating the impact of Programme.

Re-emergence of 73,197 problem habitations in 7 States.

Sample check of records in various States also revealed re-emergence of 73,197 problem habitations in 7 states, as detailed below:

In **Gujarat**, 3,911 habitations had re-emerged as 'No source' habitations. In **Haryana**, there were 1,087 deficient villages as of April 1997. However, a fresh survey carried out in June 1999 revealed another 331 deficient villages.

In **Karnataka**, as against 3,410 NC and 18,960 PC habitations as of April 1997, the State Government had reportedly covered all NC habitations and 9,185 PC habitations as of March 2001. However, a survey conducted by the Agricultural Finance Corporation, Bangalore, in December 2000 revealed that there were 2,386 NC and 22,980 PC habitations indicating the re-emergence of 2,386 NC and 13,205 PC habitations.

In **Maharashtra**, the Comprehensive Action Plan for the period 1999-2004 furnished to the Government of India indicated re-emergence of 11,943 problem habitations.

In **Tamil Nadu**, despite 25,931 habitations having been fully covered by the end of 1998-99, a survey conducted during 1999-2000 revealed that these habitations had reemerged as 17,149 PC habitations and 8,782 NC habitations. In addition, 2,315 NC and 7,290 PC habitations were also identified.

In **Tripura**, as on April 1999, there were 1,849 NC/NSS, 5,434 PC and 129 FC habitations as against 982 NC, 2,400 PC and 4,030 FC habitations identified in a survey conducted in 1997, showing re-emergence of 867 NC and 3,034 PC habitations.

In **West Bengal**, despite coverage of 79,031 habitations either partially or fully out of a total of 79,036 habitations, 1,984 habitations re-emerged as problem habitations, due to arsenic pollution of the ground water.

Re-emergence of NC/PC habitations throws up the issue of '**indefinite continuity**' of the Programme. Moreover, the Ministry's efforts to reorient the Programme in April 1999 by recategorisation of habitations to include water quality parameters was defeated as the States were not reporting the coverage of NSS habitations separately as stipulated in the guidelines. The Ministry did not also insist on reports of coverage based on the revised categorisation.

## 5.2 Non-prioritisation

The guidelines of 1996 emphasized prioritisation of PVs having no assured source of water or where the available quantity had excessive salinity, iron, fluoride problems, followed by partially covered problem villages. The guidelines introduced in April 1999 also accorded priority to the coverage of NC and quality-affected habitations followed by PC habitations.

Rs 283.90 crore spent on non-priority areas at the expense of NC habitations in 11 States.

According to the coverage reported by the Ministry, 3,00,742 PC habitations were covered during 1997-2001 while only 68,584 NC habitations could be covered in violation of the norms of priority evolved by Ministry.

Sample check of records also revealed that **Rs 283.90 crore** were spent in 11 States on non-priority areas as discussed below, at the expense of the rural population which had no safe source of drinking water:

**Arunachal Pradesh:** In nine divisions, expenditure of Rs 128.44 lakh was incurred during 1997-2001 on 23 RWSS implemented in FC habitations, at the expense of the population residing in habitations with no drinking water.

**Gujarat:** The achievement in respect of coverage of NC habitations declined from 91 *per cent* in 1997-98 to 20 *per cent* in 2000-2001. In the result, 190 habitations were still without potable water as of March 2001.

**Haryana :** In Hissar district, Rs 104.76 lakh were spent as of February, 2001 for construction of 3 independent water works for villages, which were already covered under the scheme 'Augmentation of water supply for 70 LPCD' and on which expenditure of Rs 123.48 lakh had been incurred upto October 2000. Similarly in the same district, an expenditure of Rs 20.82 lakh was incurred upto October 2000 on independent water works constructed for two such villages, where the water availability was already 93 LPCD. Thus Rs 125.58 lakh were spent on non-priority areas when there were 617 priority villages at least some of which could instead have been extended the benefit of the Programme.

**Jammu & Kashmir:** During 1998-2000, the achievement in respect of NC habitations was only 38 *per cent* as against 115 *per cent* in respect of PC



habitations. This appeared to indicate that the priority norms were not adhered to.

**Karnataka:** Nine Zilla Parishad Engineering Divisions (ZPEDs) executed 267 Piped Water Supply and 314 Mini Water Supply schemes at a cost of Rs 1301 lakh during 1997-2001 in FC habitations, ignoring the requirements of the population in habitations with no drinking water source. The ZPEDs concerned had irregularly included these schemes in disregard of the norms.

**Madhya Pradesh:** In Bastar region, a project was sanctioned at a cost of Rs 5.45 crore covering 173 villages. However, only 2 of these villages had no safe drinking water source, while water availability in a third village was less than prescribed. An expenditure of Rs 43.55 lakh has been incurred on the project so far.

**Maharashtra:** In 8 districts, Rs 214.35 crore were spent on execution of 127 water supply schemes during 1997-2001 in PC villages, receiving water between 11-40 LPCD at the expense of NC habitations.

**Nagaland:** During 1995-2000, Rs 242 lakh were spent on execution of the water supply programme in 33 villages. Of these, 11 villages were already included in the covered habitations under other rural and urban water supply programmes and 22 villages had not been identified as PVs in the survey conducted by the State in April 1999. Further, the Department spent Rs 618 lakh on 68 FC habitations during 1997-2001, neglecting 417 NC habitations, which had to be accorded priority.

**Tamil Nadu:** The coverage in respect of NC/NSS habitations during 1999-2001 ranged between 59 per cent and 63 per cent, whereas the coverage of PC habitations was 125 per cent during the same period.

**Tripura:** During 1997-2001, 2,252 of the 2,400 PC habitations were covered in the State, though 287 NC habitations were yet to be covered.

**Uttar Pradesh:** The UP Jal Nigam installed 21,607 hand pumps at a cost of Rs 44.96 crore during 1998-2001 in 11 districts already having 12,488 hand pumps in excess of requirements, while 3,461 PC and 45 NC habitations in the State were left uncovered.

### 5.3 Abandoned schemes

Sample check revealed that in 19 states, implementing agencies abandoned 2,371 schemes in the course of their execution after incurring an aggregate expenditure of Rs 197.52 crore, rendering the entire expenditure infructuous. Of the 2,371 schemes, 1,549 schemes involving an expenditure of Rs 129 crore, failed due to various reasons such as sources drying up, failure of tube wells, low discharge of water, non-availability of ground and raw water and wrong selection of sites. Further, 789 schemes on which Rs 54.37 crore were spent were abandoned due to non-availability of land, objections raised by the

Abandonment of  
2,371 schemes led to  
infructuous  
expenditure of  
Rs 197.52 crore.

local people, other disputes, non-completion of dam work, non-construction of treatment plant, non-availability of critical materials, etc. Thirty-three schemes (expenditure incurred: Rs 14.15 crore) were suspended by the Executive Engineer, of which the suspension of 29 schemes was attributable to errors in designs and drawings. Reasons for suspending the remaining schemes were not on record. The abandonment or suspension of these schemes would appear to be indicative of serious defects in planning and ineffective implementation.

#### 5.4 Rig management

Rig performance was critical to the success of the Mission in bore well areas. 671 departmental and 166 UNICEF supplied rigs of different types were available as on January 2001 for deployment in 22 States and one Union Territory for drilling borewells. Test check of the performance of 260 rigs revealed that 131 rigs in 9 States [**Assam (16), Andhra Pradesh (6), Gujarat (47), Jammu and Kashmir (16), Manipur(2), Meghalaya (1), Orissa (20), Tripura (7) and West Bengal (16)**] were lying unused or were beyond economic repairs since 1996. The performance of rigs in terms of drilling of bores ranged between 14 and 66 *per cent* during 1997-2001 in 5 States (**Assam, Gujarat, J&K, Madhya Pradesh and Tripura**) which was attributable to delays in repairing malfunctioning rigs, failure of the Department concerned to shift the rigs, etc. Other findings were as follows:

(i) In order to ensure successful implementation of scheme, it was essential that the rigs achieved the maximum success rate of drilling bores. In **Gujarat**, of the 45,000 bores drilled during 1997-2000, 7,000 bores drilled at

a total cost of Rs 10.16 crore failed due to wrong selection of sites based on the opinions of the MLAs and Sarpanches. In **Orissa**, of the 24,722 bores drilled during 1997-2001, 1,755 bores drilled at a cost of Rs 3.86 crore failed because the water yield was either less than anticipated or there was no yield at all. The implementing agency had not utilized the available data of the Central Ground Water Board before selecting sites for drilling. As a result, the expenditure of Rs.3.86 crore had proved unfruitful.

(ii). Drilling Division, Srinagar (**Jammu & Kashmir**) incurred an expenditure of Rs 0.96 crore during 1996-2001 on repairs to old rigs, without any technical survey and obtaining approval to the estimate.

(iii) In **Orissa and West Bengal** the department got tubewells drilled through private contractors during 1997-2001 at a cost of Rs 15.68 crore, notwithstanding the fact that departmental rigs available at the relevant time were under utilised.

Rs 15.68 crore spent on drilling tube wells through private contractors while departmental rigs were under -utilised.

#### 5.5 Other findings

In **Himachal Pradesh**, a water supply scheme, covering a group of 38 villages in Kangra District and executed at a cost of Rs.19.87 lakh failed to provide

adequate water. The scheme was further augmented by incurring an expenditure of Rs.14.51 lakh without obtaining the necessary technical sanction. Even thereafter, the availability of water to the villages was inadequate. An expenditure of Rs. 1.36 crore (including Rs 1.02 crore spent on maintenance) had been incurred on the scheme as of March 2001.

In **Maharashtra**, the Pomendi Water Supply Scheme in Ratnagiri district was executed at a cost of Rs.410.55 lakh, as against the sanctioned cost of Rs.331.49 lakh, based on a temporary connection obtained from the Maharashtra Industrial Development Corporation (MIDC). Though the agreement with MIDC spelt out the need for locating an alternate source in view of the temporary nature of tapping, the implementing agency had not taken action to identify an alternate source. The execution of the scheme using a temporary source would not appear to have been appropriate in the context of providing an assured supply of water on a long-term basis.

Similarly, in Gumgaon, the source for the Regional RWSS, sanctioned under ARWSP in August 1998 to cover 11 villages in Nagpur district was located 8 km downstream at a point where a drain carrying industrial effluents met the Vena River. The Maharashtra Pollution Control Board (MPCB) asked the implementing agency to change the site. However, instead of shifting the source to an upstream site, the Department incurred an expenditure of Rs 1.61 crore on execution of various components of the scheme up to February 2001. Non-implementation of the MPCB suggestions could result in supply of unsafe water and thereby render the expenditure wasteful.

## 6. Sustainability of water sources

Sustainability did not get the desired priority resulting in failure of schemes in 10 States.

In order to ensure supply of safe drinking water to the rural population, it was essential to establish the sustainability of the water sources. The guidelines introduced in April 1999 accorded the highest priority to the sustainability aspect. Twenty *per cent* of ARWSP funds were to be earmarked and utilized for addressing problems related to water quality and sustainability of sources.

Sample check of records in various States, however, revealed that sites were selected without using satellite imagery, data of the Central Ground Water Board, scientific technology or taking advantage of the assistance of expert agencies like the National Remote Sensing Agency (NRSA) as was envisaged in instructions of the Ministry. This contributed substantially to failure of schemes in **Bihar and Jharkhand, Gujarat, Himachal Pradesh, Karnataka, Madhya Pradesh, Mizoram, Nagaland, Orissa, and Sikkim.**

In **Karnataka**, no water harvesting structures like check dams, percolation tanks, etc. were constructed and there was no tie up with other line departments for implementing the water conservation measures.

In **Madhya Pradesh**, despite the State Government's direction that tube wells be surveyed by the Departmental hydrologist in areas where failure exceeded 10 *per cent*, this was not done. Non-adoption of scientific techniques for

identification of sources resulted in failure of 15,842 tube wells and wasteful expenditure of Rs 63.37 crore incurred during 1997-2001.

In **Nagaland**, 6 deep tube wells (DTWs) were got dug during 1998-2000 by the PHED through a private firm, without taking advantage of expertise from agencies like NRSA and the Department of Geology and Mining of the State Government. Two of the DTWs were unsuccessful, resulting in an infructuous expenditure of Rs 35.02 lakh.

In **Sikkim**, though the water supply schemes were taken up as early as in 1977-78, no survey had ever been conducted till February 2001 to identify the sources and to determine their sustainability. Further, though the State Government received Rs 50.40 lakh during 2000-2001 for augmentation of traditional water sources, no work was taken up.

In **West Bengal**, contrary to the instructions of the State Government, the Divisional Officer incurred an expenditure of Rs. 48.89 lakh on execution of ancillary works of the Juranpur water supply scheme (Nadia), though the water from the tube wells was found to be high in arsenic content and was also inadequate. A suitable alternate aquifer had also not been tapped as of February 2001. In the circumstances, the expenditure incurred on the ancillary works continues to remain unfruitful.

Thus, despite the added emphasis placed on establishing the sustainability of sources with effect from April 1999, this aspect was not accorded the desired priority, resulting in failure of sources/schemes.

## 7. Operation and Maintenance

Proper upkeep and maintenance of drinking water sources was essential for sustained availability of drinking water on a long-term basis to the rural population. Data in regard to the status of hand pumps, piped water supply schemes and public stand posts as on April 1, 1999 as available with the Ministry/State Governments are presented in the following table:

Sl. No	Water Supply mode	Installed	Functional	Non-functional
1.	Hand Pumps	37,38,039	33,54,753	3,83,286
2.	Piped Water supply Scheme	1,04,119	99,255	4,864
3.	Public Stand posts	9,85,855	9,59,471	26,384

Water supply modes costing Rs 369.20 crore lying non-functional in 13 States depriving rural population of safe drinking water.

According to the information made available by the Ministry, 3,85,854 of the 37,57,862 hand pumps installed till then were non-functional as of March 2001. Information on functional/non-functional Piped Water Supply Schemes and Public Stand Posts was, however, not furnished. The Working Group on Rural Water Supply for the 9<sup>th</sup> Plan had estimated the cost of installation of hand pumps at Rs 30,000 and that of rejuvenation Rs 10,000 per hand pump. Assuming that all these hand pumps could be made functional, an investment of Rs 385.85 crore approximately would be required for their rejuvenation.

Sample check of records in 13 States also revealed that 85,301 hand pumps, 80,046 tube wells, 752 piped water schemes, 687 power pumps, 1,268 mini water schemes and 35 RWSS involving a total investment of Rs 369.20 crore were not functioning at all or were non-operational on account of various reasons such as drying up of sources, collapse of assemblies, lowering of water table, filling up of bore wells, blocks in pipes, failure of pumping machinery and distribution system, poor maintenance by local bodies and non-adoption of scientific technology for identification of sources, etc.

### 7.1 Inventory of assets

Inventory of assets not maintained in 16 States.

A complete inventory of drinking water sources under different programmes like ARWSP, MNP, other sources, etc. was also to be maintained by each village panchayat, block and district. Sample check of records in various States revealed that implementing / executing agencies did not maintain inventory of assets in 16 States (**Andhra Pradesh, Arunachal Pradesh, Assam, Gujarat, Himachal Pradesh, Jammu & Kashmir, Karnataka, Madhya Pradesh, Mizoram, Nagaland, Orissa, Rajasthan, Sikkim, Tamil Nadu, Tripura and Uttar Pradesh**). Without an inventory of assets, the actual availability of the assets created could not be vouchsafed in Audit. Sample check further revealed that in **Maharashtra** and **Sikkim**, assets were only partially handed over to the local bodies/Pachayats. In **Mizoram** and **Orissa**, none of the assets had been handed over to the local bodies.

### 8. Solar Photo Voltaic Pumping System

The Solar Photo Voltaic Pumping System is intended for lifting water from depths by tapping solar energy. In 16 states, 308 such systems had been installed as of March 2001. Sample check of records in the States revealed that 104 SPV pumping systems were not operational in **Andhra Pradesh (11), Assam (4), Gujarat (7), Madhya Pradesh (35), Rajasthan (44) and Sikkim (3)**, for reasons such as theft of solar panels, inadequate upkeep and maintenance, repairs, failure of sources, etc.

### 9. Water quality

#### 9.1 Problems faced in Rural Water Supply

5674 Water treatment plants costing Rs 16.32 crore remained inoperative.

To provide safe drinking water to rural habitations facing water quality problems like fluorosis, arsenic content, brackishness, excess iron, etc. ARWSP provided for execution of Sub-Mission projects in States involving the setting up of desalination, defluoridation and iron removal plants.

##### 9.1.1 Excess Brackishness

Excess brackishness of water affects taste and has laxative effects. Control measures included supply of water with dissolved solids within permissible limits (1500 PPM) by providing alternative sources and supply of water after treatment by desalination process. Excess salinity in drinking water, as per

Ministry's records, was prevalent in 7 states and 2 UTs. For treating brackish water, the Ministry had approved the setting up of 194 desalination plants. Of these, 150 plants had been commissioned, as of March 2001.

Sample check of records in various states revealed that of the 89 plants installed in **Rajasthan** during 1989-92, 64 plants were not put to use as of August 2001 for the following reasons:

- (i) Nine plants (Rs 56.06 lakh) were not required as potable water was made available subsequently through regular water supply schemes.
- (ii) Two plants in Barmer district (Rs 5.82 lakh) were not utilised in the absence of trained staff.
- (iii) One plant in Jaipur (Rs 13.32 lakh) was installed in 1990-91 but was not commissioned by the contractor due to delay in development of source.
- (iv) Forty-six plants (Rs 3.79 crore) required repairs, which were not done since 1997.
- (v) Parts of 6 plants in Barmer (Rs 17.47 lakh) were used in other plants.

Of the 25 plants installed in Barmer district at a cost of Rs 563.22 lakh during 1996-97, 11 plants installed at a cost of Rs 247.82 lakh were not functioning since 1999 due to technical defects and non-availability of skilled staff.

In **Andhra Pradesh**, of 16 desalination plants, 7 plants installed at a cost of Rs 42.64 lakh were not working for periods ranging between 2 months and 156 months and 3 plants installed at a cost of Rs.35.58 lakh were not commissioned as of May 2001.

In **Madhya Pradesh**, excess salinity in drinking water was prevalent in 1,729 water sources of 822 villages in 12 districts. No remedial measures had been initiated in any district other than Ujjain as of June 2001. In Ujjain district, a project was sanctioned for control of brackishness. Though the project was due for completion by February 2001, physical progress was only 29.33 *per cent* as of March 2001. Further, 78 of the 187 tube wells drilled in the districts upto March 2001 were not found suitable for installation of power pumps.

### **9.1.2 Control of fluorosis**

Presence of excessive fluoride in drinking water causes dental and skeletal fluorosis, which could be controlled by supply of water containing fluoride within permissible limits (1.5 PPM) by providing alternative sources and supply of defluoridated water after treatment. The Ministry had approved 845 defluoridation plants in 19 States (fill and draw: 448; and hand pump attached: 397), of which 632 plants had been commissioned in eleven States upto March 2001. Test check of records pertaining to 296 plants, revealed that 96 plants installed at a cost of Rs 3.93 crore were not functioning in **Gujarat (26), Haryana (1), Rajasthan (57) and Uttar Pradesh (12)** due to the

village panchayats not taking possession of the plants or not maintaining them, failure of sources, plants left incomplete by contractors, plants requiring repairs, etc. defeating the objective of providing safe drinking water to the rural population in the affected areas. Other findings are mentioned in the following paragraphs.

In **Madhya Pradesh**, schemes had been sanctioned only in 611 of the 3,340 villages identified as being prone to fluorosis. Of these, only 186 schemes had been completed and 40 had not even commenced as of March 2001. Further, in 17 villages in Shivpuri district, villages having safe sources were included under the defluoridation project at a cost of Rs 1.58 crore, resulting in avoidable extra expenditure.

In **Orissa**, excess fluoride was detected in 634 tubewells. No remedial steps were taken to install treatment plants or to provide alternative sources.

In **Jammu and Kashmir**, excess fluoride was found in water supplied in Srinagar (Rural), Budgam, Chadora and Doda.

Failure to take appropriate remedial action in all these cases exposed the affected rural population to the hazards of drinking unsafe water.

### 9.1.3 Removal of Excess iron

The problem of excess iron, as per Ministry's records, was prevalent in 15 States and one UT. Excess iron causes corrosion of tube wells, water supply installations and encourages growth of bacteria, apart from causing physiological disorders. The control measures included supply of water within permissible limits (1.10 PPM) by providing alternative sources and supply after treating the contaminated water with the help of Iron Removal Plants (IRP). The Ministry had approved the establishment of 16,384 iron removal plants, of which 9,524 plants had been commissioned as of March 2001. Sample check of records in various States revealed that of the 6,190 plants installed, 5,493 plants installed at a cost of Rs 4.41 crore were non-functional in **Arunachal Pradesh (21)**, **Assam (2,796)**, **Madhya Pradesh (2,640)**, and **Mizoram (36)**, resulting in supply of unsafe drinking water. Other findings were as follows:

In 9 districts of **Bihar**, against a target of digging 18,245 tube wells with IRPs during 1998-2001 at a total cost of Rs. 22.70 crore, only 9,244 tube wells with IRPs were completed, after incurring an expenditure of Rs16.58 crore. Physical progress was only 51 *per cent*. The objective of providing safe drinking water free from iron content to the targeted rural people was consequently only partially met.

In three divisions of **Himachal Pradesh**, water tests conducted between March 1992 and December 2000 showed excessive iron content in 87 hand pumps. No remedial measures were taken in these cases for removal of the excess iron.

In **Orissa**, 11,297 tube wells were found to contain excess iron. In 4 districts of **Tamil Nadu**, high incidence of iron was recorded. In **Tripura**, only 8 plants were commissioned during 1998-2000, after incurring an expenditure of Rs 1.78 crore on construction of 38 IRPs.

#### 9.1.4 Removal of Arsenic

Continuous consumption of arsenic contaminated water (beyond the permissible limit of 0.05 mg/litre) causes respiratory, gastrointestinal and cardio vascular problems which may ultimately result in death. Considering the gravity of the situation in West Bengal, the State government and GOI constituted three Committees in 1983, 1988 and 1992 to conduct an in depth study into the causes of pollution and recommend remedial measures. The Committees found that ground water in 68 blocks in 8 districts of the State, with a population of 44.42 lakh, contained arsenic beyond the permissible limit of 0.05 mg./ltr. They further opined that:

- a) arsenic contamination occurs in aquifers at depths ranging from 30 to 70 metres below ground level;
- b) sand grains in these aquifers are generally coated with iron and arsenic rich materials;
- c) source of arsenic is considered to be geological and not anthropogenic; and
- d) use of heavy duty pumps for irrigation in the arsenic zone leads to wide incidence of arsenic contamination.

On the basis of the aforesaid reports, the PHED launched action plans in two phases and two Surface Water Supply Schemes to combat arsenic pollution and supply arsenic free drinking water. GOI accorded sanction for implementation of these Programmes under the 'Sub-Mission Programme' with financing in the ratio of 75:25. However, none of the targets could be achieved for reasons like preparation of projects without proper survey and investigation, lack of planning, slow progress of work, etc.

In Murshidabad district, the Zila Parishad (ZP) sank 19,321 tube wells in arsenic affected zones at depths varying from 40 to 90 meters as against the recommendation of one of the committees to construct tube well tapping aquifers occurring below 200 metre of depth. Since the water obtained from these tube wells contained arsenic beyond the permissible limit, and in order to mitigate the problem, the ZP installed arsenic removal plants in 573 tube wells at a cost of Rs 3.02 crore. The committee had also cautioned that the candles installed in these plants, if not properly disposed of, would further pollute the surface water and ground water. The ZP did not have the technology for proper disposal of the candles. Thus, non-adherence to the committee's recommendations defeated the basic objective of removing arsenic contamination and providing safe drinking water.



In 11 villages of Rajnandgaon district in **Madhya Pradesh**, arsenic was found in water. No remedial measures were taken as of March 2001.

## 9.2 Water Quality Surveillance

Regular monitoring of water quality both at source and supply points, was essential for safeguarding potable drinking water from chemical and biological contamination. The Ministry sanctioned the establishment of 567 stationary laboratories, of which 215 stationary laboratories and 32 mobile laboratories had been set up in various States as of March 2001. It was envisaged that each laboratory would be capable of testing 6,000 samples per annum providing the service to two or three districts. Premier technical institutions, schools etc. were also to be involved in the water quality testing/surveillance network. Sample check of records in various States revealed that in 11 States, percentage of water samples tested was very low and ranged between only one percent and 35 per cent in 97 laboratories, resulting in the capacity created not being utilized fully.

Fifty-six laboratories in **Arunachal Pradesh (1), Assam ( 2), Jammu & Kashmir (3), Karnataka (19), Madhya Pradesh (26), Mizoram (2), Sikkim (1) and Uttar Pradesh (2)** were not functioning, due to non-posting of qualified/technical staff or because of non-availability of buildings to house the laboratories.

In 9 districts of **Bihar**, out of Rs 18.00 lakh released for the establishment of water testing laboratories during 2000-2001, Rs 16.74 lakh were spent on procurement of equipment for chemical and bacteriological tests, glassware, etc., but the laboratories had not been established as of September 2001. Besides, there were no chemists or laboratory assistants for conducting tests, rendering the entire expenditure unfruitful.

Due to non-functioning of plants/laboratories and inadequate surveillance, unsafe drinking water continued to be supplied to the affected rural population. Health Departments in 18 States also reported increase in the incidence of water-borne diseases such as Jaundice, Gastroenteritis, Diarrhea, Cholera, Typhoid, etc. during this period.

In **Karnataka**, 4,291 habitations (excessive fluoride), 4,309 (brackishness), 4,064 (excessive nitrate) and 6,359 (excessive iron) in the State were reported to have been affected. District Health and Family Welfare officers of Gulbarga and Tumkur reported that 1.29 lakh persons were affected by dental and skeletal fluorosis due to continuous use of water contaminated by excess fluoride.

In Rajouri District of **Jammu and Kashmir**, water contained bacteria and was declared unfit for drinking. Water was supplied without testing/treatment in Udhampur and Doda Districts, which resulted in spread of water-borne diseases and death of 21 people in December 1997.

The Director General, Health services, **Haryana** reported (April 2001) 143 cases of Cholera, 4,102 cases of gastroenteritis, 6,00,678 cases of diarrhea, 4,690 cases of jaundice, 2,234 cases of enteric fever and 62 cases of meningitis. 160 deaths occurred during 1997 to 2000, which were attributable to waterborne diseases.

In **Madhya Pradesh**, the incidence of diarrhoea increased from 1.52 lakh cases during 1997 to 2.33 lakh cases during 2000. As many as 1,872 deaths were also reported during this period.

In **Sikkim**, sample testing during 1992-97 revealed bacteriological contamination. No water testing was done after 1997. During April to August 1998, there was an outbreak of cholera in West District, apart from 300 cases (including 7 deaths) of gastroenteritis.

These cases indicate that the objective of providing safe/potable water was yet to be achieved.

## 10. Human Resources Development

Under ARWSP, a National Human Resource Development Programme (NHRDP) was launched in 1994 to build a human resource base of appropriately trained personnel to serve the needs of rural water supply with 100 *per cent* Central assistance. Implementation of NHRDP involved establishment of HRD cells in States, creation of a resource pool of trainers for training the grass root level functionaries and imparting training to beneficiaries. The Ministry had released Rs 2,047.05 lakh for this component between April 1997 and March 2001 against which an expenditure of Rs 425.96 lakh was incurred as detailed below:

<i>(Rs in lakh)</i>		
Year	Amount Released	Expenditure
1997-98	500.00	352.16
1998-99	191.75	73.80
1999-2000	565.77	-
2000-01	791.53	-
<b>Total</b>	<b>2047.05</b>	<b>425.96</b>

Test check of records in the States revealed that no HRD cell was established in **Jammu and Kashmir and Sikkim**. Though HRD cells were established in **Bihar and Jharkhand, Himachal Pradesh and Karnataka**, training at the grass root level was not imparted. In **Andhra Pradesh, Gujarat, Haryana, Madhya Pradesh, Manipur, Meghalaya, Mizoram, Rajasthan, and Tamil Nadu**, training imparted at the grass root level was less than the targets fixed, the shortfalls ranged between 14 and 92 *per cent*. Similarly in **Andhra Pradesh, Manipur and Rajasthan**, professional training imparted was less than the target fixed, the shortfalls ranged between 20 and 91 *per cent*. In **Arunachal Pradesh, Meghalaya and Mizoram**, the services of the trained personnel were not utilized, defeating the very purpose of creation of the cells.

Shortfall ranging from 14 to 92 *per cent* in training in 12 States.

## 11. Information, Education and Communication (IEC)

IEC strategy was prepared by the Ministry of Rural Development for creation of public awareness on the water and sanitary sector. The objective was to provide publicity through mass media to disseminate information about the programme, highlighting the achievements and emphasising the use of safe water to overcome waterborne diseases. This component was to be funded entirely by the Central Government. The Ministry released Rs 15.78 crore during 1997-2001, against which expenditure of Rs 5.79 crore was incurred as detailed below:

*(Rs in lakh)*

Year	Amount Released	Expenditure
1997-98	576.70	576.70
1998-99	179.87	2.16
1999-2000	81.59	-
2000-01	740.00	-
<b>Total</b>	<b>1578.16</b>	<b>578.86</b>

Sample check of records of various States revealed that in **Haryana, Manipur and Meghalaya**, no IEC activity was taken up. In **Assam** (release by GOI : Rs 23.05 lakh) and **Mizoram**, no IEC cell was established. In **Punjab**, no awareness campaign was taken up. In **Kerala and Himachal Pradesh**, IEC projects were not implemented within the time frame. In **Uttar Pradesh**, no IEC strategy was adopted. Of Rs 80.04 lakh released by GOI to the UP Jal Nigam for telecasting of awareness programme, Rs 75 lakh remained unutilised with the implementing agency and the State HRD cell.

Due to non-implementation of IEC Programme in the above States, the objective of creating awareness of rural habitations could not be achieved.

## 12. Community participation

Involvement of the community was essential to ensure successful implementation of the Programme. With a view to institutionalising community participation and giving the Programme a participatory demand-driven approach instead of a target based supply-driven approach, the Ministry introduced Sector Reforms from April 1999. This envisaged at least 10 *per cent* capital cost sharing in cash or kind or both and 100 *per cent* sharing of O&M cost by users. The focus was on village level capacity building by setting up of Village Water and Sanitation Committees. 20 *per cent* of the ARWSP outlay was to be earmarked and kept aside for implementation of Sector Reforms (Pilot Projects).

Under the Programme, GOI had sanctioned 58 pilot projects in 22 States at a cost of Rs 1,690.71 crore. The projects were sanctioned without conducting any initial survey of the people's willingness for participation. Of the Central Government share of Rs 1,577.18 crore, Rs 473.15 crore had been released as of March 2001, against which expenditure of only Rs 6.13 crore was incurred,

Poor progress as Rs 6.13 crore only spent against Rs 473.15 crore released for 58 pilot projects

indicating that the progress was very poor. Sample check of records of various States revealed the following:

In **Sikkim**, beneficiaries were stated to be not willing to participate and no expenditure under Sector Reforms was reported. In **Maharashtra**, expenditure reported was negligible and projects were reported to be at their initial stage in **Andhra Pradesh, Arunachal Pradesh, Assam and Tripura**. No activity or progress under Sector Reforms Programmes was reported in **Madhya Pradesh, Nagaland and Rajasthan**. District Water and Sanitation Committees were formed only in **Assam, Gujarat, Tamil Nadu and Tripura**, and Village Level Water and Sanitation Committees in **Assam, Jammu and Kashmir, Tamil Nadu and Tripura**.

In **Tamil Nadu**, only 1,409 of the 2,146 Village Level Water Sanitation Committees were formed and Rs 174.72 lakh were collected as community contribution as of November 2000.

In **Jammu and Kashmir**, against 618 villages, Village Committees were set up in 55 villages only as of March 2001 and the collection of beneficiary contribution was not on record.

The guidelines stipulated that ARWSP funds were not to be utilised for rural water supply activities in districts where Sector Reforms were introduced. Contrary to this stipulation, ARWSP funds of Rs 12.09 crore were spent in **Madhya Pradesh**, in districts approved under pilot projects under Sector Reforms. In Cuddalore district of **Tamil Nadu**, Rs 78 lakh were spent on ARWSP activities during 2000-2001 from the funds earmarked for Sector Reforms.

### 13. Involvement of Women

For efficient performance and effective maintenance of water supply systems, the guidelines of the Programme provided for the involvement of women at all stages, particularly in decision-making on the location of the spot sources in the villages/habitations. At least 30 *per cent* of hand pump mistries under the National Human Resources Development and other training schemes were to be women of the local areas/habitations for better operation and maintenance of hand pump schemes. The guidelines also envisaged the engagement of women caretakers for hand pumps in the habitations and that certificates of completion of schemes should be obtained from women groups in the habitations. Scrutiny revealed that there was no involvement of women in **Arunachal Pradesh, Assam, Sikkim, Haryana, Himachal Pradesh, Kerala, Madhya Pradesh, Manipur, Nagaland, Orissa, Punjab, Rajasthan, Uttar Pradesh and West Bengal**.

### 14. Coverage of Rural Schools/Anganwadis

The Programme was to provide safe drinking water to rural schools, which could not obtain allocations for this purpose from the 10<sup>th</sup> Finance

Commission. Funding was to be shared equally between the Centre and the States. All rural schools were to be provided drinking water facilities by the end of the 9<sup>th</sup> Plan. As per the Sixth All India Educational Survey (September 1993), there were about 6.37 lakh rural primary/upper primary schools in the country and 3.52 lakh rural primary/upper primary schools were not having drinking water facilities. Sample check of records of various States revealed the following shortcomings:

(i) In **Madhya Pradesh**, test check of eight divisions revealed that 620 rural schools were targeted to be connected with existing piped water supply schemes, besides drilling of 2,461 tube wells, against which only 40 schools (6.45 per cent) were connected with PWSS and 1,138 tube wells (46 per cent) were drilled at a cost of Rs 4.80 crore during 1996-2000. For covering the 2,947 schools in Indore Zone, 2,623 tube wells were drilled during 2000-01. 341 tube wells were unsuccessful, resulting in unfruitful expenditure of Rs 1.36 crore. Hand pumps were not installed on 130 successful tube wells drilled during 2000-01 in Khargone district depriving children of drinking water in 130 schools, besides resulting in idle outlay of Rs 52 lakh.

(ii) No targets were fixed for coverage of schools in **Himachal Pradesh, Karnataka, Sikkim and West Bengal**. The Department did not have information regarding the number of schools having safe drinking water facilities in the above States except Karnataka. In **Karnataka**, 11,782 schools out of 13,863 rural schools did not have drinking water facilities. In **Sikkim**, only 7 schools under MNP and one school under ARWSP were covered under the Programme during 1997-2001. In **West Bengal**, 1,171 schools were covered upto March 2001 at a cost of Rs 4.79 crore.

(iii) In **Rajasthan**, as against 1,417 hand pumps required for 1,417 Anganwadis, only 100 hand pumps were drilled during 2000-01.

(iv) In **Tamil Nadu**, as against the target of providing 1,000 litres per day per school for 18,511 schools at a total cost of Rs 18.51 crore only 3,254 schools were covered in 1999-2000 and 2,257 in 2000-01 utilizing ARSWP funds.

It is, therefore, evident that the objective of coverage of all schools by end of 9<sup>th</sup> Plan is not likely to be achieved.

### 15. Management Information System (MIS)

For effective planning, monitoring and implementation of various schemes under different Programmes, the Mission envisaged the introduction of Information Technology based MIS in the States. The Ministry released Rs 5,944.55 lakh during 1997-2001 for the purpose against which only Rs 17.51 lakh were spent as detailed below:

(Rs. in lakh)		
Year	Amount released	Expenditure
1997-98	2899.00	-
1998-99	357.00	17.51
1999-2000	1283.55	-
2000-01	1405.00	-
<b>Total</b>	<b>5944.55</b>	<b>17.51</b>

The Ministry accorded sanction for implementation of computerization projects in various States and released funds from March 1996 onwards, subject to the condition that the hardware and software should be procured under a central umbrella arrangement from an agency to be finalised by the former. In October 1996, the Ministry entered into a memorandum of understanding (MOU) with the National Informatics Centre (NIC) for 30 months for providing technical consultancy for deciding the modalities for procurement of computers, peripherals, etc. and finalising the supplies. Procurement of computers, peripherals, Constant Voltage Transformer (CVT), Uninterrupted Power Supply (UPS) systems, etc. was on open tender basis adopting the two bid system, viz. technical and price bids.

Four vendors for hardware, and three vendors for CVT/UPS were, however, finalised by the Department only in May 1998, after a delay of more than two years since the release of funds. The Ministry did not stipulate any time frame within which the supply orders were to be placed and did not fix or intimate the validity period of the rates approved. It did not also regularly monitor the procurement and installation and use of computers. Test check of records of States revealed the following shortcomings:

- (i) Delay in placing the supply orders for procurement of computers on the agencies selected by the GOI ranged between 10 months and 35 months in 5 States (**Arunachal Pradesh, Meghalaya, Orissa, Rajasthan and Sikkim**).
- (ii) Computers were not supplied/purchased despite purchase orders having been placed in 3 States (**Arunachal Pradesh, Meghalaya and Tripura**). In **Tripura**, the Department failed to purchase computers but spent Rs 4.79 lakh on the purchase of UPS systems, which was rendered unfruitful. In **Meghalaya**, the firm failed to supply computer hardware as per specifications in response to the supply order placed in June 1999. The Department again placed an order for supply of desktop computers in November 2000 on the vendor finalised by the GOI. However, the computers had not been supplied as of April 2001. As such, the UPS systems procured with accessories at a cost of Rs 7.78 lakh by the Department during May to August 2000 remained unutilised. Due to non-supply of computers, the Department also did not undertake the training programme and introduce the office automation package for which GOI released Rs 7.92 lakh. In **Arunachal Pradesh**, the PHED placed supply orders, one for hardware in March 1999 at a cost of Rs 23.84 lakh and another for UPS systems at a cost of Rs 17.28 lakh in April 1999. The UPS systems were supplied but the firm

did not supply the computers as of March 2001. The delay was attributed to non-availability of clarification of configuration from the Ministry.

(iii) In **Orissa**, computers procured for use in 32 sites were installed in 12 sites without net working among the sites. The remaining 20 sites were not ready for installation. Further, against a requirement of 96 skilled operators, the Department could train (October 2000) only 75 personnel at a cost of Rs 2.24 lakh. Due to non-synchronization of purchase of computers accessories/peripherals, training of personnel and non-installation, the investment of Rs 110.52 lakh was idle.

(iv) Computers, hardware and accessories were installed but were not utilised due to non-availability of trained staff, non-installation of operating system, absence of office automation and customized software in 9 States (**Andhra Pradesh, Assam, Haryana, Karnataka, Kerala, Maharashtra, Mizoram, Nagaland and Rajasthan**) resulting in an idle expenditure of Rs 850.48 lakh.

(v) In **Uttar Pradesh**, GOI release of Rs 831 lakh for the MIS Programme was spent on other works not connected with MIS.

Ineffective monitoring led to non-achievement of Computerisation Programme in 15 States.

Further, the contract with NIC had also expired without completion of all modalities of procurement of hardware/software and pre-despatch inspection. Thus, sanction of the project and release of funds by the Ministry without deciding the suppliers, and without specifying the schedule for placement of supply orders by the States and ineffective monitoring by the Ministry had led to blockade of Rs 18.30 crore and non-achievement of the objectives of the Computerisation Programme in 15 states.

## 16 Bilateral Projects

Various external agencies like the World Bank and DANIDA also supported rural water supply projects. There were 18 projects being implemented in 11 States through bilateral and multilateral assistance. Sample check revealed the following:

**Gujarat:** In the Netherlands Government-aided Ghoga Regional Water Supply Scheme, out of 235 bores drilled at a cost of Rs.45 lakh, 199 bores failed to yield potable water, resulting in infructuous expenditure of Rs.38.25 lakh on these bores.

**Karnataka:** In the World Bank assisted Karnataka Integrated Rural Water Supply and Environmental Sanitation Project, there were delays ranging from 12 to 36 months in implementation of individual schemes, with a resultant cost over run of Rs 128.52 crore. Laboratory equipment costing Rs.33 lakh purchased during 1999-2000 with the assistance of the World Bank remained idle in seven divisions in the absence of staff. Further, the Executive Engineer, World Bank Division, Bellary, rescinded the contract of an agency in July 1999 due to poor progress but failed to encash the bank guarantee given by the

agency towards mobilisation advance within the validity period resulting in non-recovery of Rs 5.10 lakh due from the agency.

**Madhya Pradesh:** In a World Bank aided project in 32 divisions during 1997-2000, Rs.21.24 crore were provided for drilling 4,918 tube wells at Anganwadi centres. The Division spent Rs 17.30 crore up to July 2000 for drilling 4,483 tube wells and the balance Rs 3.94 crore was lying in civil deposits. An excess expenditure of Rs 1.61 crore was incurred on drilling and Rs 2.87 crore on 589 unsuccessful tube wells. The Department failed to provide safe drinking water to 1,024 Anganwadis.

**Rajasthan:** In the externally aided project in Churu, following irregularities were noticed:

(a) Irregular acceptance of the liability of the contractor entrusted with the work of laying and commissioning of the pipelines from Dhannasar water treatment plant to Sardarshahar for replanting trees felled by him (Rs 13.97 lakh), incorrect computation of the escalation admissible to him under the price variation clause (Rs 22.21 lakh) and changes introduced in the alignment after certain works had been partially completed (Rs 15.92 lakh) resulted in avoidable additional expenditure of Rs 52.10 lakh.

(b) Tender premium of Rs 67.08 lakh was incorrectly paid to the contractor entrusted with the construction of a raw water reservoir in respect of items not included in the Basic Schedule of rates, instead of regulating the payment only on the basis of prevailing market rates.

(c) An amount of Rs 28.43 lakh was overpaid to Rajasthan State Electricity Board due to incorrect calculation of overhead and workshop charges.

(d) Rs 18.28 lakh were spent on the purchase of bulk water meters without any analysis of the justification for the rates.

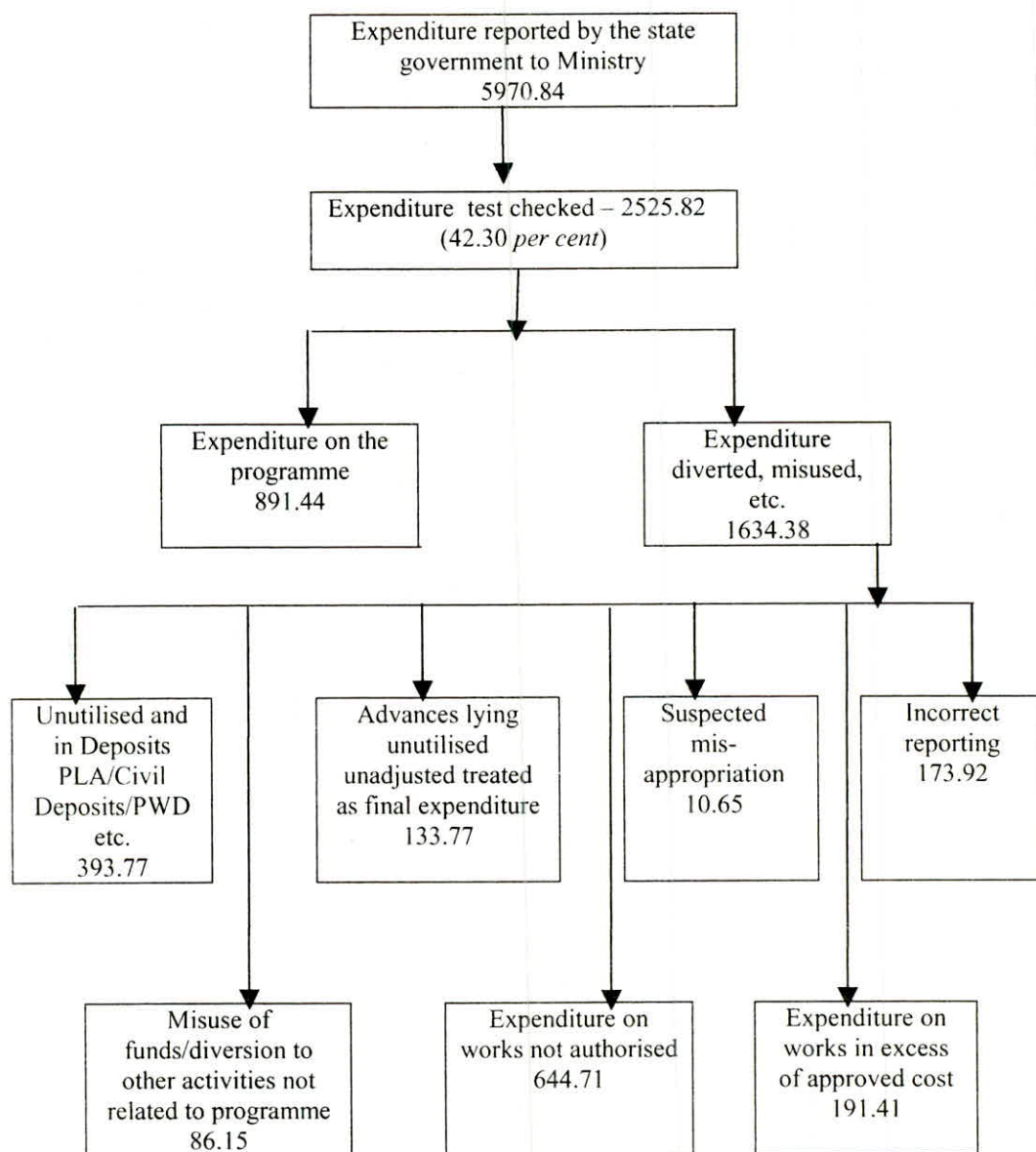
## 17 Financial Management

Against the total available funds of Rs 15735.74 crore under both ARWSP and MNP, the reported expenditure was Rs 5970.84 crore (91 *per cent*) under ARWSP and Rs 7626.47 crore (83 *per cent*) under MNP. The amount reported as spent under ARWSP was however, inflated and not actually utilized to the extent of Rs 1634.38 crore (65 *per cent*), as it included various deposits (Rs 179.89 crore), funds remaining unutilised with State governments/implementing agencies (Rs 213.88 crore), advances treated as expenditure though actually not adjusted (Rs 133.77 crore), diversions to other activities not connected with ARWSP (Rs 86.15 crore), suspected misappropriation of funds (Rs 10.65 crore), expenditure incurred on unapproved works (Rs 644.71 crore), expenditure in excess of provisions (Rs 191.41 crore) and expenditure incorrectly reported (Rs 173.92 crore). Deficiencies noticed in the course of test check have been dealt with in succeeding paragraphs.



## FINANCE INVERSE TREE IN RESPECT OF ARWSP FOR THE PERIOD 1997-2001

(Rs in crore)



### 17.1 Delay in release of funds

According to the guidelines, the States/UTs were to release the entire amount of Central assistance received, alongwith the matching MNP share, to the executing agencies without delay, and in any case not later than one month (changed to 15 days with effect from April 1999) after its release. Scrutiny revealed that in **Andhra Pradesh, Arunachal Pradesh, Bihar & Jharkhand, Jammu & Kashmir, Karnataka, Maharashtra and Punjab** the State Governments released Central funds amounting to **Rs 533.05 crore** to the implementing/executing agencies only belatedly, the extent of delay ranging from **2 to 57 months**. Relevant details are contained in **Annex-3**.

### 17.2 Non-release/Short release of Central/State share to implementing agencies

Delays in release of funds upto 57 months and non-release/short release of Rs 97.42 crore in 9 States.

Sample check of records in States revealed instances of non-release or short release of Central/State funds aggregating to **Rs 97.42 crore** (not released : Rs.27.85 crore; short released : Rs.69.57 crore) by the State Governments to the implementing agencies in 9 States, as indicated in **Annex-4**.

### 17.3 Advances lying unutilised/unadjusted treated as final expenditure

Rs 133.77 crore lying unadjusted in 12 States.

In twelve States, advances totalling **Rs 133.77 crore** made by them or various executing agencies to other agencies like Electricity Boards, State Trading Corporations, Civil Supply Corporations, etc. were treated as final expenditure though the amounts advanced were not actually adjusted or the related utilisation certificates were not received. State-wise details are contained in **Annex-5**. This resulted in inflation of expenditure figures.

### 17.4 Diversion of funds

Rs 479.92 crore diverted to other activities/retained in deposit accounts.

Sample check of records in the States disclosed the following instances of irregular diversion of funds aggregating to **Rs 479.92 crore** during 1997-2001 to activities not connected with the Programme and retention of funds in Personal Ledger Accounts/Deposit Account/Revenue Deposits, etc:

#### (i) Diversion to activities not connected with Programme

In **19 States**, expenditure totalling **Rs. 86.15 crore** was incurred on purchase of vehicles, spare parts, carpets, curtains, office expenses, muster-roll payments, salaries of staff, meeting cost escalation, expenses on inaugural ceremony, dinner, construction of office building, meeting hall, residential flats, godowns, etc. Details are contained in **Annex-6**.

#### (ii) Retention of funds in deposits

In 18 States, **Rs 393.77 crore** were retained in Personal Ledger Accounts, Public Works Deposit Accounts, Civil deposits, revenue deposits, etc. for periods ranging from 1 month to 276 months, though drawal of money for retention in such deposits was not permissible. Relevant details are contained in **Annex-6A**.

### 17.5 Unauthorized expenditure

In 12 States, Rs 644.71 crore were spent on 20,777 unapproved works.

During 1997-2001, implementing agencies executed 20,777 works, at a total cost of **Rs 644.71 crore** without obtaining the approval and technical sanction of the competent authority in **Assam** (Rs 120 crore), **Haryana** (Rs 38.21crores), **Himachal Pradesh** (Rs 51.60 crore), **Jammu & Kashmir** (Rs 0.31 crore), **Karnataka** (Rs 1.80 crore), **Maharashtra** (Rs 0.98 crore), **Meghalaya** (Rs 0.84 crore), **Orissa** (Rs 37.90 crore), **Punjab** (Rs 7.71 crore), **Rajasthan** (Rs 5.45 crore), **Tamil Nadu** (Rs 379.45 crore) and **Uttar**

**Pradesh** (Rs 0.46 crore). The entire expenditure had not been regularised as of March 2001.

### 17.6 Inflated reporting of expenditure

Expenditure reported was in excess of that actually incurred to the extent of **Rs 173.92 crore** in **Gujarat** (Rs 25.33 crore), **Himachal Pradesh** (Rs 0.20 crore), **Kerala** (Rs 2.06 crore), **Madhya Pradesh** (Rs 6.84 crore), **Maharashtra** (Rs 0.40 crore), **Rajasthan** (Rs 5.13 crore) and **Tamil Nadu** (Rs 133.96 crore), resulting in inflated reporting of expenditure.

### 17.7 Expenditure incurred in excess of approved project cost

The guidelines provided that any expenditure in excess of the approved cost of schemes necessary for their completion was to be met from State funds. Contrary to the guidelines, **Rs 191.41 crore** were spent in excess of the sanctioned cost/provisions and the expenditure met out of ARWSP funds during 1997-2001 in **Arunachal Pradesh** (Rs 2.23 crore), **Gujarat** (Rs 25.44 crore), **Himachal Pradesh** (Rs 109.18 crore), **Karnataka** (Rs 29.17 crore), **Maharashtra** (Rs 13.65 crore), **Meghalaya** (Rs 1.19 crore), **Mizoram** (Rs 0.04 crore), **Rajasthan** (Rs 0.81 crore), **Tamil Nadu** (Rs 6.95 crore) and **Uttar Pradesh** (Rs 2.75 crore).

Excess expenditure of Rs 191.41 crore over the provisions met from ARWSP fund, in violation of guidelines in 10 States.

### 17.8 Suspected misappropriation of funds/material

Sample check of records revealed the following cases of suspected misappropriation or defalcation in 5 States;

**Assam:** Mention was made in Para 6.6.4 of the Audit Report No. 3 (Civil) of the Comptroller and Auditor General of India for the year ended 31 March 1997 that materials worth Rs one crore was lying at 16 sites at the time of transfer of a Junior Engineer in-charge who failed to hand over the materials. Further examination revealed that as of March 2001, even after a lapse of seven years, no action had been initiated by the Chief Public Health Engineer to verify the availability of the materials at site and to investigate the shortages, if any.

**Bihar and Jharkhand:** In 5 divisions test checked, hand receipts for works departmentally executed for Rs 50.07 lakh did not indicate details of the actual labour engaged and duration of execution of work. Payments were made to the same agency through different vouchers. Prescribed check of measurement of work was also not done by the Assistant Engineer/Executive Engineer. In the circumstances, it was doubtful if the works were actually executed. This would require to be investigated.

**Gujarat:** In Panch Mahal district, drilling was done to a depth of 49 metres for the installation of a hand pump. However, payment to the rig operator was made for a depth of 60 metres. In Bedala village of Rajkot district, shortage of

two hand pumps was noticed during spot verification of hand pumps, contrary to the divisional records.

**Mizoram:** - Khazawl PHE Division spent Rs 21.54 lakh towards payment of wages of muster roll labourers engaged in repairing different water supply schemes and also issued materials like GI Pipes, fittings, special valves, etc. No entries in support of the works having been executed were, however, available in the Measurement Book.

**Orissa:** In 5 RWSS Divisions, Rs 481 lakh were released during 1991-2001 for execution of 12 Piped Water Supply schemes. Though the works could not be taken up due to non-finalisation of water sources and non-availability of materials, the entire amount was shown as having been utilized by fictitious booking of materials against the works.

## 18 Materials Management

Shortcomings in purchase and management of materials costing Rs 118.39 crore

(i) In terms of Rule 103 of the General Financial Rules, purchases of stores should be made in the most economical manner and after assessing definite requirements. Advance purchase of stores in excess of actual requirements is to be avoided. Sample check of records in various States revealed shortcomings in purchase and management of materials such as pipes, pumping machinery, DG sets etc. worth Rs. 118.39 crore (**Annex-7**) as detailed below:

- In 16 States, materials costing Rs 68.79 crore were lying idle due to purchases having been made in excess of actual requirements. In **Arunachal Pradesh and Orissa** materials costing Rs 4.54 crore were purchased without provision / allotment in the sanctioned estimate.
- In 4 States, materials valued at Rs 4.93 crore were found short. In **Jammu & Kashmir** materials costing Rs 0.12 crore were outstanding against concerned Junior Engineers. In **Assam** materials costing Rs 0.45 crore were lying in the site accounts even after completion of schemes between August 1979 and February 2001.
- In **Orissa and Madhya Pradesh**, materials costing Rs 3.32 crore were declared obsolete or were damaged, but these continued to be retained in stock.
- In **Bihar and Jharkhand, Madhya Pradesh, Rajasthan and Assam** materials-at-site accounts were not maintained in respect of materials costing Rs 14.68 crore.
- In **Mizoram** (Rs 60.66 lakh) and **Nagaland** (Rs. 997.00 lakh), materials at a total cost of Rs. 10.58 crore were purchased without inviting tenders, obtaining bank guarantee and without execution of agreements.

- In **Karnataka**, materials valued at Rs 0.76 crore were issued without any indents and were not accounted for.
- In **Meghalaya** (Rs 64.36 lakh), and **Orissa** (Rs 7.95 lakh), materials aggregating Rs 0.72 crore were stolen and had not been recovered as of March 2001.
- In **Madhya Pradesh** (Rs.920 lakh) and **Rajasthan** Rs. 7.86 lakh), old pipes costing Rs 9.28 crore were not retrieved or were not returned from abandoned/ dry bores.
- In **Tripura** materials worth Rs.0.12 crore were lying with contractors who had gone in for arbitration.

(ii) **Extra expenditure of Rs. 78.69 crore on use of costlier pipes**

The Manual on Water Supply and Treatment, 3<sup>rd</sup> edition (issued by the Ministry of Urban Development) emphasized the use of rigid AC/PVC pipes instead of conventional GI pipes for tube wells and piped water supply schemes as AC/PVC pipes are resistant to corrosion in iron bearing water, better in toughness and rigidity, easy in transportation, handling, laying and jointing, etc. being of light weight. Though AC/PVC pipes were cheaper than iron pipes, the PHED in **Madhya Pradesh** used GI pipes in tube wells and piped water supply schemes. Test check of 6 Divisions in Raipur Zone and 5 other Zones (including Mechanical) revealed the use of costlier GI pipes in tube wells during 1997-2001, resulting in extra expenditure of Rs 76.11 crore. Similarly, purchase of costlier GI pipes by CE, Raipur, between January and March 2001 resulted in additional expenditure of Rs 2.58 crore.

## **19 Monitoring**

At the Central level, the Ministry is responsible for monitoring the performance of the Programme. The RGNDWM Authority (the Authority) and the Empowered Committee (EC) of the Ministry were also to review the progress of the implementation of the Programme. The Authority was to meet once a year and the Empowered Committee as often as necessary but not less than once in three months to review progress. The Ministry was also to review the progress of the implementation of Programme through Area officers. The guidelines also provided for submission of periodical financial and physical progress reports.

At the State level, progress of implementation was to be reviewed by State committees. Special monitoring cells and investigating units were to be set up at the State headquarters. The Monitoring unit was responsible for collecting information from the executing agencies, maintenance of data and timely submission of the prescribed reports and returns to the Central Government. Besides, it was also to maintain water quality data, details of technologies developed by Institutions for tackling different problems and to provide the same to field level executing agencies. The guidelines also envisaged regular

field inspections by officers of the State headquarters by undertaking visits to the districts, blocks and villages for effective implementation of the Programme.

**Inadequate and ineffective monitoring and review mechanisms at both Central and State level**

The monitoring, inspection and review of the Programme at the Central and State levels was inadequate, particularly in the context of ensuring the correctness of physical and financial achievements. The Authority at the Central level had not met even once to review the progress of the Programme. The Empowered Committee did not also meet after October 1997. Records in the Ministry did not reveal any evidence to indicate that achievement of the basic objective of providing 40 litres of water per day for each person on a sustainable basis was monitored. The Ministry was compiling data on physical and financial achievements, but there was no follow-up action on the irregularities noticed in the progress reports received. The field inspections by the Area officers were inadequate, both quantitatively and qualitatively.

Monitoring of the Programme was not done or was inadequate in **Assam, Bihar and Jharkhand,, Goa, Jammu & Kashmir, Karnataka, Madhya Pradesh, Maharashtra, Meghalaya, Nagaland, Punjab, Rajasthan, Sikkim, Tamil Nadu, Tripura, Uttar Pradesh and West Bengal**. In **Karnataka**, the high-level Committee appointed by the State Government met only once after its formation in January 2000. The Empowered Committee did not meet at all and district level Committees were not constituted. Schedule of inspections was not prepared in **Meghalaya** and inspections were not conducted in **Jammu & Kashmir**. Records of inspection carried out were not maintained in **Arunachal Pradesh, Gujarat, Himachal Pradesh, and Mizoram**.

## **20. Evaluation/Impact Assessment**

Evaluation of impact of implementation of the Programme is the key to its effective administration. The Ministry and State governments were to undertake evaluation studies from time to time to assess the extent to which the Programme had been successful in ensuring the provision of adequate safe drinking water to rural people in a sustained manner and whether achievements and performance were commensurate with the investments made. In 1998, the Ministry got comprehensive evaluation studies conducted of the impact of the Programme in 12 States (**Punjab, Haryana, Bihar, Andhra Pradesh, Tamil Nadu, Maharashtra, Gujarat, Karnataka, Madhya Pradesh, Rajasthan, Uttar Pradesh and West Bengal**) in approximately 50 sample districts by various agencies. The Planning Commission commented on the Programme in their Mid term Appraisal of the Ninth Five Year Plan in 1998 in respect of 74 districts. The National Sample Survey Organisation (NSSO) conducted its 54th round of survey during January 1998 to June 1998 in 24 States covering 78,990 households.

## Impact Study by AsG

Impact Assessment of the Programme was also got done in August 2001 by the State AsG in test checked blocks<sup>9</sup> by Panchayat Samities / executing divisions in respect of 10 States which furnished the evaluation on key parameters. Some of the important findings emerging from various studies are detailed below:

	Parameters of Evaluation	Ministry	PEO	NSSO	AsG
1	Adequacy of water supply	Inadequacy of water supply in 4 States ranged between 12 to 60 per cent. (Madhya Pradesh - 12 %, Rajasthan - 30%, Andhra Pradesh - 60% & Bihar - 39.5 %)	59 per cent people felt supply was inadequate	-	5 States reported inadequacy of water supply, ranging between 5 to 50 per cent of habitations. (Madhya Pradesh - 5%, Gujarat - 8% Rajasthan - 20%, Andhra Pradesh - 37% & Karnataka - 50%). In Maharashtra, 825 habitations out of 1,394 habitations in 3 blocks reported inadequacy.
2	Regularity of water supply	During summer water supply was irregular in Andhra Pradesh, 56.24 per cent households reported water scarcity for 1-2 months in Bihar.		13 per cent of households suffered from irregular water supply.	4 States reported irregular water supply ranging between 5% - 62% of habitations (Madhya Pradesh - 5%, Rajasthan - 13%, Andhra Pradesh - 37% and Karnataka - 62%). In Gujarat and West Bengal water scarcity was reported during summer. In Maharashtra 824 habitations out of 1394 habitations in 3 blocks reported irregular water supply.
3	Convenient/ Inconvenient location of source	36.85 per cent of households in surveyed districts of Bihar reported water sources at a long distance.	-	-	3 States reported inconvenient source location viz. Madhya Pradesh - 5%, Andhra Pradesh - 15% and Rajasthan - 8%. In Maharashtra, 825 habitations out of 1,394 in 3 blocks reported inconvenient location of source.
4	Quality of Water	Poor quality of water reported in Rajasthan, Gujarat (25% households), and Haryana - 17% households and also in 18 out of 72 sources in Punjab quality of water perceived was reported as not good.	12 per cent of household said that quality of water was not potable.	15 per cent households suffered from quality-affected water.	5 States reported unsatisfactory Water quality. Percentage of habitations ranged between 6 and 37 (Madhya Pradesh - 6%, Gujarat - 15%, Rajasthan - 12%, Andhra Pradesh 18% and Karnataka 37%). In West Bengal, water supply quality was reported to be unsatisfactory. In Maharashtra 46 habitations in 2 blocks reported unsatisfactory water quality.
5	Frequency of testing of water	Water quality testing was reported as irregular in Rajasthan, Andhra Pradesh, Maharashtra, Uttar Pradesh, Madhya Pradesh, West Bengal and Bihar (98.66% households in Bihar). In Bihar, 79.03 per cent households were of the opinion that there was no facility for testing drinking water.	98 per cent households reported that there was no regular quality testing of drinking water sources.	77 per cent of households reported to be consuming water without treatment.	5 States reported that water testing was not being conducted regularly (Madhya Pradesh, West Bengal, Gujarat, Bihar and Karnataka). In Karnataka, it was reported that Water testing was conducted during 2000-01 only. In Andhra Pradesh - (14 per cent) and Rajasthan - (41 per cent) habitations supplied water without any test for water quality.

<sup>9</sup> Blocks-170, Divisions-32 (Karnataka-35 Blocks, Madhya Pradesh-33 Blocks, Maharashtra-30 Blocks, Tamil Nadu-63 Blocks, West Bengal-9 Blocks, Andhra Pradesh-13 Divisions, J&K-9 Divisions, Rajasthan-10 Divisions, Bihar & Jharkhand and Gujarat-not known).

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	Parameters of Evaluation	Ministry	PEO	NSSO	AsG																	
6	Constitution/functioning of Water and Sanitation Committee.	No water Committees were formed in West Bengal.	-	-	5 States reported not having Water and Sanitation Committees (Madhya Pradesh, Gujarat, West Bengal, Bihar & Jharkhand and Jammu & Kashmir.) and 5 States reported having Water and Sanitation Committees partially (Karnataka, Tamil Nadu, Andhra Pradesh, Rajasthan and Maharashtra)																	
7	Maintenance of Assets by Beneficiaries	-	-	-	4 States reported that assets were not being maintained by beneficiaries/public (Bihar & Jharkhand, Karnataka, Jammu & Kashmir, and Rajasthan) and 4 States reported partial maintenance (Madhya Pradesh, West Bengal, Gujarat and Tamil Nadu)																	
8	Extent of Cost Recovery	-	54 per cent of people were willing to pay for water.	-	5 States reported nil recovery (Madhya Pradesh, Bihar & Jharkhand, Karnataka, Tamil Nadu, Jammu & Kashmir) and 4 States reported negligible recovery (West Bengal, Gujarat, Andhra Pradesh & Rajasthan). In Maharashtra, the recovery was partial in one block and nil in 3 blocks out of 30 blocks.																	
9	Contribution to capital cost	-	-	-	8 States reported nil contribution to capital cost (Madhya Pradesh, West Bengal, Gujarat, Bihar and Jharkhand, Karnataka, Tamil Nadu, Rajasthan and Jammu & Kashmir. In Maharashtra, contribution to capital cost was reported nil in 28 blocks out of 30 test checked blocks and in Andhra Pradesh it was reported as 70 habitations in test checked districts.																	
10	Adequacy of operating staff	Strength of operating staff was reported as inadequate in Bihar.	-	-	Inadequate operating staff reported in 5 States (West Bengal, Karnataka, Andhra Pradesh, Rajasthan and Jammu & Kashmir).																	
11	Incidence of water Borne diseases	Prevalence of water borne diseases was reported in Punjab.	-	-	Incidence of water borne diseases was reported as increasing in 4 States (Madhya Pradesh, Bihar and Jharkhand, Karnataka and Rajasthan). In Tamil Nadu, Karnataka partial decline was reported and no change reported in Gujarat.																	
12	Non-functioning assets	In Andhra Pradesh, 26 per cent and 35 per cent of the hand pumps were not working due to lowering of water table. 42 per cent of hand pumps were reported not working in Tamil Nadu (Out of 58 per cent hand pumps working only 41 per cent reported fit for drinking purpose). In Karnataka, 34 per cent hand pumps, 15 per cent Public stand posts, 8 per cent MWS	20 per cent of sources were non-functional at any time. (35 per cent of defects remained unattended for more than a month).	-	<table border="1"> <thead> <tr> <th rowspan="2">States</th> <th colspan="2">Hand pumps</th> </tr> <tr> <th>Functional</th> <th>Non-functional</th> </tr> </thead> <tbody> <tr> <td>M.P.</td> <td>23816</td> <td>9589</td> </tr> <tr> <td>Karnataka</td> <td>24153</td> <td>8328</td> </tr> <tr> <td>Rajasthan</td> <td>66137</td> <td>853</td> </tr> <tr> <td>Maharashtra</td> <td>662</td> <td>18</td> </tr> </tbody> </table>	States	Hand pumps		Functional	Non-functional	M.P.	23816	9589	Karnataka	24153	8328	Rajasthan	66137	853	Maharashtra	662	18
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Parameters of Evaluation	Ministry	PEO	NSS0	AsG		
				States	Functional	Non-functional
	stand posts, 8 per cent MWS and 5 per cent house connection was defunct due to lack of sufficient ground water salinity/fluoride problems, lack of repairs etc. In Maharashtra, 40 per cent hand pumps and 18 per cent stand posts were not in working condition. In Bihar, 60.8 per cent reported sources got dried up. None of the tube wells was functional in some of the villages of Bihar, which as per records were reported fully covered. In Khalka village of Bihar it was reported not even a single tube well as functioning.			Piped water supply		
				M.P.	824	136
				Karnataka	2402	222
				Mini water supply		
				Karnataka	3742	343
				Maharashtra	1	3
13	<b>Re-emergence of FC habitations as PC, NC and quality affected habitations.</b>	-	-	Re-emergence of 29,583 PC habitations, 403 NC habitations, 6,825/60,000 Quality Affected habitations/population reported in 9 States (Andhra Pradesh, Karnataka, Madhya Pradesh, Tamil Nadu, West Bengal, Rajasthan, Gujarat and Uttar Pradesh) due to various reasons, like deterioration of ground water, failure of borewells, sources drying up, presence of excess fluoride, brackishness, nitrate and arsenic contamination etc.		

As seen from above, evaluation of the Programme by different agencies along critical parameters of adequacy, regularity, quality, distance, community participation, O&M, etc. revealed poor performance in the States of Andhra Pradesh, Rajasthan, Karnataka, Maharashtra, Madhya Pradesh, Gujarat, West Bengal, and Bihar. Significant re-emergence of NC/PC habitations was also revealed in Karnataka, AP, UP, MP, Rajasthan, West Bengal due to drying up of sources, failure of borewells, etc. These issues need to be addressed by Ministry to ensure safe drinking water supply to all its rural habitations, as envisaged under the Programme.

### Conclusion

From the foregoing paragraphs, it is evident that in terms of providing adequate and potable water to the rural population the picture was far from satisfactory, despite incurring an expenditure Rs 32302.21 crore on the Rural Water Supply Programme since the First Five Year Plan. As of April 2001, there were still 1.55 lakh PC habitations and 20,073 NC habitations uncovered. These figures will go up further if one takes into account the significant re-emergence of PC/NC habitations, despite their reported coverage in many States. In the present monitoring system of the Ministry,

this negative coverage was not being accounted for. The impact assessment of ARWSP by independent sources reveals the problem of re-emergence and also shortcomings in critical parameters of adequacy, regularity, quality and distance of source of water in many States. Despite the added thrust given to the Programme since 1999, planning and implementation suffered due to neglect of priority areas like sustainability, community participation and O&M. Resultantly, many schemes were abandoned midway and a large number of non-functional assets and unsustainable systems/sources were created which were indicative of serious planning weaknesses. Poor funds management resulted in substantial amounts being diverted to unapproved works and also being retained in Deposit Accounts. There is a strong question mark about the possibility of the achievement of the new envisaged objective of providing potable drinking water to all villages by 2004.

The matter was referred to the Ministry in November 2001; their reply was awaited as of January 2002.

**Annex-I**  
(Refers to Paragraph 3)

**Scope of Audit**

State	Districts		Divisions		Blocks		Period of Audit	Name of District Test checked
	Total	Test checked	Total	Test checked	Total	Test checked		
Andhra Pradesh	22	6	52	16	1098	317	February-June 2001	Chittoor, East Godavari, Medak, Krishna, Kurnool, Khammam
Arunachal Pradesh	13	4	13	4	110	32	January-April 2001	Lower subansiri Distt., Upper Subansiri Distt, West Kamang Distt. ,Papumpare Distt .
Assam	23	9	41	11	219	88	January-May 2001	
Gujarat	25	8	70	20	-----	-----		Ahmedabad, Mehsana, Palanpur, Vadodara, Junagarh, Rajkot, Jamnagar & Godhra
Haryana	19	10	41	12	114	50		Ambala, Bhiwani, Hissar, Kaithal, Karnal, Kurukshetra, Narnaul, Panchkula, Rewari, Sirsa
Himachal Pradesh	12	7	41	11	69	-	Dec 2000-Mar 2001	Bilaspur, Hamirpur, Kangara, Mandi, Shimla, Solan and Una.
Jammu & Kashmir	14	5	29	09	NA	NA	Jan-May 2001	
Kerala	14	4	32	11	-	-	Feb-June 2001	
Maharashtra	33	9	106	32	323	111	Jan-June 2001	Amarawati, Ahmednagar, Nagpur, Nasik, Nanded, Pune, Raigarh, Ratnagiri, Solapur
Goa	2	2	4	4	11	11	Apr-June 2001	
Meghalaya	7	3	14	4	32	9	Jan-April 2001	East Khasi Hills West Garo Hills South Garo Hills
Mizoram	8	4	10	5	22	5	January-March 2001	
Madhya Pradesh & Chattisgarh	61	11	78	16	459	102	November 2000-June 2001	Rajgarh, Shajapur, Guna, Kanker, Ujjain, Indore, Durg, Raipur, Jagdalpur, Dantewara, Bilaspur
Nagaland	8	6	10	6	52	-	Feb-May 2001	Kohima, Dimapur, Thensang, Phék, Zunheboto, Mon
Punjab	17	7	30	8	137	35	Nov 2000-March 2001	Gurdaspur, Faridkot, Patiala, Ropar, Amritsar, Ferozepur, Ludhiana
Orissa	30	14	24	12	314	152	Dec 2000-May 2001	Cuttak, Jagatsinghpur, Kedrapara, Rayagada, Kalahandi, Nuapada, Nabrangpur, Malkangiri, Bolangir, Sonepur, Boudh, Kandhamala, Mayurbhanj, Ganjan (PT)
Sikkim	4	4	4	4	4	447	February-April 2001	North District(Mangan),East District(Gangtok),West District(Gyalshing),South District(Namchi)
Rajasthan	32	9	82	21	-----	-----	November 2000-May 2001	Barmer Bikaner , Chittor , Churu ,Dausa , Jalore , Udaipur , Jhunjhunu , Rajsamand

State	Districts		Divisions		Blocks		Period of Audit	Name of District Test checked
	Total	Test checked	Total	Test checked	Total	Test checked		
Tamil Nadu	28	9	41	11	385	147	November 2000- March 2001	Kancheepuram Dharmapuri , Cuddalore Erode ,Salem , Thiruchiyapalli Ramanathah puram, Vellore Thiruvannamalai
Uttar Pradesh	83	17	153	32	809	209		Agra ,Allahabad , Barabanki, Bijnor Gorakhpur , Hardoi, Jaunpur , Maharajganj, Meerut ,Muzaffar nagar , Pratapgarh, Sitapur, Unnao, Almora Dehradun , Tehri, Pithoragarh.
West Bengal	17	9	46	21	341	14	October 2000- April 2001	Darjeeling , Malda , Murshidabad Nadia , North- 24 Paragana , South-24 Paragana, Bankura, Medinapore, Purilea
Tripura	4	4	4	4	38	10	February - January2001	West Tripura, South Tripura, North Tripura and Dhalai
Manipur	9	5	12	6	31	20	April - June 2001	--
Bihar & Jharkhand	55	12	84	14	727	30	May -June 2001	Darbhangha, East Champaran, Mdhutrani, Patna, Samastipur, Sasaram. Bokaro, Dhanbad, Dumka, Garhwa, Jamshedpur and Ranchi
Karnataka	27	7	38	12	175	60	January-June 2001	-----
<b>Total</b>	<b>567</b>	<b>185</b>	<b>1059</b>	<b>306</b>	<b>5470</b>	<b>1849</b>		

**Annex- 2**  
(Refers to Paragraph 4)

**State-wise details of releases/provision and expenditure under ARWSP and MNP**

*(Rs. in lakh)*

S.No	State/UT	(1997-2001)			
		Central Release (ARWSP)	Provision (MNP)	Total Availability (ARWSP + MNP)	Expenditure (ARWSP + MNP)
1.	Andhra Pradesh	44633.59	41265.66	85899.25	83018.85
2.	Arunachal Pradesh	8803.12	10215.00	19018.12	15792.02
3.	Assam	16343.30	25851.00	42194.30	38983.71
4.	Bihar (Including Jharkhand)	7049.50	23866.00	30915.50	19369.18
5.	GOA	1085.09	2518.31	3603.40	3438.93
6.	Gujarat	38365.17	70240.00	108605.17	100301.11
7.	Haryana	12493.48	14457.04	26950.52	27550.26
8.	Himachal Pradesh	13141.01	26225.76	39366.77	32149.81
9.	Jammu & Kashmir	16238.13	26745.32	42983.45	33238.77
10.	Karnataka	40316.14	36679.29	76995.43	63406.37
11.	Kerala	16828.86	22513.00	39341.86	29778.97
12.	Madhya Pradesh (Including Chattisgarh)	42846.26	49071.47	91917.73	73800.35
13.	Maharashtra	62708.24	186366.20	249074.44	258808.04
14.	Manipur	1573.74	6659.97	8233.71	6432.51
15.	Meghalaya	4875.48	7254.73	12130.21	10152.86
16.	Mizoram	3459.28	3452.79	6912.07	5042.69
17.	Nagaland	2409.71	5203.80	7613.51	4871.28
18.	Orissa	17786.57	21907.33	39693.90	30288.88
19.	Punjab	8022.91	13499.50	21522.41	13786.54
20.	Rajasthan	66456.06	74221.01	140677.07	119523.55
21.	Sikkim	3207.31	3607.00	6814.31	6050.84
22.	Tamil Nadu	32628.17	95771.12	128399.29	130297.53
23.	Tripura	6073.95	7683.86	13757.81	12525.90
24.	Uttar Pradesh & Uttranchal	59493.67	108114.65	167608.32	137311.36
25.	West Bengal	24282.13	27500.00	51782.13	48129.85
26.	Andaman & Nicobar Islands	00.00	4113.30	4113.30	3439.94
27.	Dadra & Nagar Haveli	3.50	1346.30	1349.80	1301.17
28.	Daman & Diu	00.00	680.00	680.00	508.93
29.	Delhi	00.00	2756.65	2756.65	2031.96
30.	Lakshadweep	00.00	575.52	575.52	587.11
31.	Pondicherry	10.00	711.43	721.43	571.86
	<b>Total</b>	<b>551134.37</b>	<b>921073.01</b>	<b>1472207.38</b>	<b>1312491.13</b>

**Annex- 2A**  
(Refers to Paragraph 4)

**Details of releases and expenditure under ARWSP &  
other components of the programme for 1997-2001**

(Rs. in lakh)

Name of component	Releases					Expenditure				
	1997-98	1998-99	1999-2000	2000-2001	Total	1997-98	1998-99	1999-2000	2000-2001	Total
ARWSP (Sector Reform)			21265.44	20491.99	41757.43					
ARWSP (Normal+DDP)	112956.30	143988.16	141879.00	152310.91	551134.7	111430.6	158247.62	162374.3	136398.08	568450.09
Monitoring & Evaluation	16.90	68.60	10.10		95.60	16.90	68.60	10.10		95.60
ARWSP (M&I Units)	185.99	232.55	174.45	203.55	796.54	185.99	232.55	174.45		592.99
Mini-Mission / DDP Areas	0.00	0.00	0.00			0.06	0.00			0.06
Sub-Mission	12200.41	15622.69	6140.34	13209.63	47173.07	9371.10	15284.56			24655.66
Professional Services	466.58	270.00	300.00	401.00	1437.58	466.58	270.00	300.00		1036.58
Research	150.00	138.60	52.81	60.00	401.41	150.00	138.60	52.81		341.41
CAPART	0.00	0.00				342.00	378.35	79.00		799.35
HRD/ TRAINING	500.00	191.75	565.77	791.53	2049.05	352.16	73.80			425.96
IEC	576.70	179.87	81.59	740.00	1578.16	576.70	2.16			578.86
MIS	2899.00	357.00	1283.55	1405.00	5944.55		17.51			17.51
Exhibition	17.19	0.00	10.00	9.86	37.05	17.19	0.00	10.00		27.19
Seminar / Conference	1.54	2.82	9.08	15.47	28.91	1.54	1.35	9.08		11.97
Assistance from UNICEF	10.00	12.16	18.91	15.03	56.10	10.00	12.16	18.91		41.07
Other Charges	10.00	0.00	0.00	1.30	11.30	10.00	0.00			10.00
<b>Total</b>	<b>129990.61</b>	<b>161064.2</b>	<b>171791.04</b>	<b>189655.27</b>	<b>652501.12</b>	<b>122930.58</b>	<b>174727.26</b>	<b>163028.38</b>	<b>136398.08</b>	<b>597084.3</b>

**Annex-3**  
(Refers to Paragraph 17.1)  
**Delay in release of funds**

State	By whom released	Period of release	Amount (Rs in lakh)	Period of (delay in months)	Remarks
Punjab	(i) State Govt.	1997-2001	6341.00	One - 6	Central Share
	(ii) State Government	March 2001	26.34	Above 24	Delayed release of Central fund for Computer training
Arunachal Pradesh	(i) State Government	1997-2001	8803.12	3-10	Delayed release of Central fund to implementing agencies
	(ii) -do-	March 1999 December 2000	25.35 42.80	12-36	Delayed release of Central fund to the implementing agencies.
Sikkim	Rural Development Department	1997-2001	-	-	No records for release of Central fund were maintained
Jammu & Kashmir	State Government	1997-2000	7042.00	Between 8 and 57	Delayed release of fund to implementing agency.
Andhra Pradesh	(i) State Government	1998-99	112.98	3-16	Delay release of Central fund to the implementing agencies
	(ii) -do-	2000-2001	581.00	--	-do-
	(iii) -do-	1999-2000	148.75	Above 12	-do-
Maharashtra	State Government	March 1999	957.00	12	Delayed release of Central fund
Bihar & Jharkhand	Engineer-in-Chief	1997-2001	7062.45	3-11	Delayed release of funds to Divisions.
Karnataka	(i) State Government	1997-2001	12845.00	One to 5	Delayed release of Central fund on 320 occasions.
	(ii) Zila Panchayats	-----	9317.00	One to 24	Delayed release of fund to the executing agencies on 267 occasions.
<b>Total</b>			<b>53304.79</b>		

**Annex-4**

(Refers to Paragraph 17.2)

**Non-release/ Short release of Central/State share to implementing agencies***(Rs. in lakh)*

State	By whom released	Period of Release	Amount	Remarks
Punjab	(i) State Government	1998-99 1999-2000 2000-2001	1216.00 1460.00 592.00	Central fund short released to executing agencies.
	(ii) -do-	October 2000	23.18	Central fund not released as of May 2001.
	(iii) State Government	March 2000	40.67	Central fund for purchase of Computer Hardware, software not released as of March 2001.
	(iv) State Government	1997-98	18.00	Central Fund for establishment of labs not released as of March 2001.
Assam	(i) State Government	1999-2000	823.00	Central fund short released to District Water and Sanitary Mission (implementing agency). Besides, Rs. 145 lakh was released with a delay of 6 months.
	(ii) -do-	-	164.63	Central Funds of MIS not released by State Govt.
Kerala	Kerala Water Authority (KWA)	1997-2001	2866.00	Central fund short released and lying with the KWA.
Rajasthan	State Government	1997-2001	128.74	State share not released as of June 2001.
Tamil Nadu	-do-	March 2000	1122.00	Central fund not released as of March 2001.
Andhra Pradesh	(i) State Government	February 2001	111.27	Central fund not released as of July 2001.
	(ii) ----	1997-98 and 1999-2000	48.56	State matching share not released as of March 2001.
Nagaland	(i) State Government	--	7.00	State share not released.
Manipur	State Government	1997-2001	506.43	Central fund not released to implementing agencies.
Bihar & Jharkhand	State Government	1997-2001	615.00	Central fund not released as of June 2001
<b>Total</b>			<b>9742.48</b>	



## Annex-5

(Refers to Paragraph 17.3)

## Advances lying unutilised/unadjusted treated as final expenditure

(Rs in lakh)

State	District/ Divisions	To Whom advanced	Period	Amount of advance	Remarks
Sikkim	(i) South District	State Trading Corporation, Sikkim	March 2000	2.00	Central fund received for setting up of laboratory was advanced for purchase of water testing equipment and chemicals. Neither laboratory was set up nor specifications of the equipment were given as of April 2001.
	(ii) Head Office East District	-do-	March 2000	95.00	Amount released in March 1998 for purchase of computers was kept outside the Government account for one year.
	(iii) Head Office East District	-do-	--	--	Advance payment made for procurement of cement, rods, GI pipes/fittings was not adjusted. Instead adhoc/part payment was released.
	(iv) Head Office East District	-do-	October 1997 to March 2001	1568.86	Advance payment made for purchase of cement, steel, GI pipes, fittings etc. shown as final expenditure. Out of total funds advanced, Rs. 841.92 lakh was paid on 31 March 1999, 31 March 2000 and 13 March and 29 March 2001.
Assam	Biswanath, Chariali and Jochat Division	Assam State Electricity Board, (ASEB)	Between June 1989 and April 1999	8.58	Advance payment made to ASEB for Power Connection to 16 PWSS without any agreement. Connection was not given to any of the schemes. Amount kept outside the Government account for period ranging between 2 and 12 years.
West Bengal	State Government	West Bengal State Electricity Board	March 2000	198.00	Advance lying unadjusted due to non-providing of site by the Department. Loss of interest of Rs. 26.65 lakh.
Kerala	14 Divisions	--	1995-2001	5177.00	The advance paid for the benefit of SC/ST treated as final expenditure pending adjustment.
Himachal Pradesh	(i) Shimla Division No. 1	HPCSC (Himachal Pradesh State civil Supplies Corporation)	1997-2000	41.86	Advance lying unadjusted/unutilized.
	(ii) 11 Divisions	HPSEB	1997-2001	370.00	Amount charged to final head of account. UCs awaited.
	(iii) Shimla Division No. 1	HPCSC	1999-2001	2548.00	Material for advance made was not received. (December 2000)

State	District/ Divisions	To Whom advanced	Period	Amount of advance	Remarks
	(iv) State Government	State Council for Science Technology & Environment, Director, Social and Women Welfare and Kangra and Sirmoui District agencies	Between March 1997 and March 1999	35.20	Advances remained unutilized/unadjusted.
Rajasthan	(i) PHE Divisions	32 Zila Parishads	2000-01	661.00	Advance payment treated as final expenditure although UCs were pending as of March 2001.
	(ii) PHED City division and South Division, Barmer	Ground water Department, Jodhpur Vidyut Nigam and Zila Parishad, Barmer	1999-2001	209.00	Advance treated as final expenditure, of which Rs. 109 lakh was lying unadjusted as of April 2001.
	PHED Production and distribution Division (South), Jaipur	Rajasthan state agency for computer service	March 1996	93.91	Advance treated as final expenditure. Computers. not supplied as of May 2001.
Karnataka	7 ZPED	Executing agencies	--	363.00	Unadjusted advance treated as final expenditure.
Madhya Pradesh	State level	UNICEF	Between March 1998 and March 2000	66.64	Advance paid for procurement of hydro fracturing unit, machine was treated as final expenditure though the machine not supplied as of June 2001.
Andhra Pradesh	5 Divisions	Field Offices	1997-2001	30.17	Unadjusted advances.
Jammu & Kashmir	(i) PHED Jammu	Sister Divisions	1997-2001	372.60	The amount advanced for procurement of stores and execution of work to avoid lapsing of the grant.
	(ii) PHED Jammu	Seven Divisions	1997-2000	1006.00	Amount advanced for procurement of material/rendering services. Reconciliation for material received/services rendered, not conducted with the divisions.
	(iii) CE, PHE Jammu	Mechanical Procurement Division, Jammu	1999-2000	236.41	Advanced for supply of material. Amount transferred from civil components of various works to avoid lapsing of budget grant.
Tripura	(i) PHED	4 District Magistrates	Between January 2000 and February 2000	220.00	Amount was given for creation of spot sources for NC habitation. UCs were awaited as of June 2001. The amount was treated as final expenditure though Rs. 8.90 lakh remained unspent as of March 2001.
Manipur	2 Divisions	--	1997-99	73.67	Advance made for procurement of construction material remained unadjusted.
<b>Total</b>				<b>13376.90</b>	

**Annex-6**  
(Refers to paragraph 17.4(i))

**Diversion to activities not connected with programme**

State	District/ Division	Year	Amount (Rs. in lakh)	Remarks
Arunachal Pradesh	(i) 2 PHE Divisions	1999-2000	3.94	Diverted to activities not connected with the programme.
	(ii) 3 PHE Divisions	Between March 1997 and August 2000	17.16	Purchase of spare parts, repairs and maintenance of departmental vehicles from the ARWSP Schemes fund.
Mizoram	Aizwal and Lunglei PHED	February 1998 to March 2000	12.51	Purchase of Carpets, Curtains, Spare parts of vehicles, office stationery etc. Expenditure charged to various schemes under ARWSP.
Sikkim	--	1997-98 to 2000-01	2.47	Purchase and repair of furniture, coolie Charges, muster Roll payments, dinner/lunch provided to Union Ministry officials etc.
Karnataka	2 ZPED	--	44.00	Diverted to works under India Population Project.
Nagaland	(i) 4 PHED and Directorate	--	13.88	Purchase of vehicles
	(ii) State level	1996-2001	25.06	Fund released for HRD activities diverted to office expenses, purchase of vehicles and miscellaneous items.
West Bengal	(i) PHED	1997-2001	66.36	Executive Engineers in-charge diverted the amount for maintenance and guarding charges of water supply schemes (WSS) meant for Kalimpong and Siliguri Municipality and defence personnel.
	(ii) Bankura Division	1997-98	23.33	Executive Engineer constructed office building-cum -meeting hall and garage without administrative approval.
	(iii) Malda Arsenic Division-I	August 1998	32.92	Construction of 12 residential flats. The Executive Engineer however, failed to allot any flat as there was no demand for the same as of January 2001.
	-do-	February 2000	14.13	Diverted for inaugural ceremony.
Uttar Pradesh	(i) UP Jal Nigam	1998-2001	873.00	Diverted for disbursement of salary to staff.
	(ii) Zonal Chief Engineer Garhwal and Kumaun	1997-2001	3389.00	Diverted for disbursement of salary to staff.
Jammu and Kashmir	(i) 3 PHED	January 2000	36.00	Amount diverted for meeting cost escalation in respect of incomplete water supply schemes.
	(ii) CE, PHE Jammu and Kashmir, PHE Division	1997-98	57.29	Diverted for other activities.
	(iii) CE, PHE Kashmir Division	1998-99 and 2000-01	55.46	Payment of wages, creation of assets out of O&M grants and expenditure on Amarnath Yatra.
	(iv) 5 PHE Divisions	1998-99 and 2000-01	38.10	Purchase of Coal, tyres, tubes payment of wages, etc.
	(v) CE, PHE Jammu	1997-98 and 1999-2000	18.50	Diverted to unapproved schemes.
	(vi) one division	1991-2001	119.00	Urban Water Supply Scheme
Assam	Biswanath Chariali and Silchar Division-I	Between June 1990 and September 1999	108.00	Expenditure incurred for providing water supply to Commercial Organizations.
Rajasthan	(i) State level	January/February 2000	50.70	Computer purchased under the programme installed-in divisions/offices not dealing with rural water supply.
	(ii) District Division-I, Jaipur	Between May 2000 and March 2001	428.00	Urban Water Supply Scheme.
Tripura	(i) 3 Divisions	April 1997-2001	18.98	Purchase of Jeeps and construction of Office Building.
	(ii) DM (West)	1999-2000	14.75	Purchase of compressors., boring machines and repair.

State	District/ Division	Year	Amount (Rs. in lakh)	Remarks
Haryana	State level	1997-98	116.00	Diverted to Operation and Maintenance beyond norm fixed.
Punjab	State level	1997-2001	799.00	Diverted to Operation and Maintenance beyond norms fixed.
Madhya Pradesh	(i) Jhabua District	May 1998	17.54	Purchase of vehicles.
	(ii) Ujjain District	2000-2001	40.87	Diverted for meeting the escalation in RCC cost.
Andhra Pradesh	(i) 5 RWS Divisions	1997-2001	1015.00	The Executive Engineer diverted the funds for payment of salaries and maintenance of schemes beyond permissible limits.
	(ii) 3 Districts	July 1999	6.00	Construction of office building.
Orissa	6 RWSS Divisions	1997-2001	295.00	Less expenditure incurred on sinking of tube wells under ARWSP was diverted for adjustment of excess expenditure on other works.
Himachal Pradesh	(i) 7 Division	1997-2001	--	Provision of house connections not contemplated under ARWSP.
	(ii) Una District	--	33.85	Augmentation of water supply scheme not envisaged under the Programme. The scheme failed to provide adequate water, as the Department failed to develop the tube-well properly.
	(iii) 9 Divisions	1997-2001	527.00	State Sector Scheme
Manipur	4 Division	1997-2001	58.12.	Diverted to repairs and maintenance of vehicles, purchase of office equipment, furniture and office expenses etc.
Bihar and Jharkhand	(i) 3 Divisions	1997-2001	46.37	Diverted/ misutilised for work undertaken by the state under MNP and clearance of other old liabilities of contractor.
	(ii) 8 Divisions	1997-2001	189.00	Material procured for ARWSP diverted to other works under MNP , special repairs and deposit works.
	(iii) Engineer-in-Chief	March 2001 to Sept.2001	8.53	Vehicles purchased out of HRD funds.
<b>Total</b>			<b>8614.82</b>	

**Annex -6 A**  
(Refers to Paragraph 17.4.(ii))

**Retention of funds in deposits**

*(Rs. in lakh)*

State	District/Division	Year	Amount	Remarks
West Bengal	PHED	1997-2001	4691.00	Kept in PL Account and Public Works Deposit.
Mizoram	Lunglei	March 2000	33.48	Lying in Civil deposits to avoid lapse of budget grant as of April 2001.
Assam	(i) 3 Divisions	Between 1978-79 and 1992-93 and March 1998	123.54	Amount lying in Public Works Deposits as of March 2001.
	(ii) State Government	1993-96	1022.00	Lying in Revenue deposit as of March 2001.
Kerala	(i) 6 Districts	as of March 2001	1048.00	Unspent balance lying in treasury accounts and State Government reported to Government of India as final expenditure.
	(ii) State Government	December 1999	113.33	Amount remained unutilized as of May 2001.
	(iii) -do-	1997-98	269.04	Lying unspent as of March 2001.
Jammu & Kashmir	Drilling Division, Srinagar	January 1996	62.00	Lying in the deposit head as of May 2001.
Himachal Pradesh	(i) Hamirpur Division	February 1996	20.00	Amount lying unutilized under deposit head as of March 2001.
	(ii) Shimla Division NO. 2	March 1996 and March 1999	4.75	Lying unutilized under Public works Deposits.
Rajasthan	(i) State Government	As of March 2001	12241.00	Central funds remained unutilised with the State Government as of March 2001.
	(ii) -do-	1997-98	21.60	Lying unutilised as of March 2001.
	(iii) State level	1996-98	35.83	Central fund released for MIS programme lying unutilized.
Madhya Pradesh	(i) Engineer-in-Chief PHED	1996-97 to 1999- 2000	10152.00	The E-in-C drew the amounts on 31 March each year and credited to Civil Deposits. Rs.. 98.52 crore was remitted to the Division in subsequent years, of which Rs. 41.05 crore is lying in Civil deposits as of June 2001.
	(ii) 13 divisions	October 2000	18.70	Kept in Civil deposits.
	(iii) CE Raipur	31.3.2001	932.00	Kept in civil deposits by debit to ARWSP

State	District/Division	Year	Amount	Remarks
Punjab	3 Divisions	January 1999 and January 2001	-	The Executive Engineer kept funds ranging from Rs. 6.79 lakh to Rs 215 lakh in current account in Commercial Bank, resulting in loss of interest to the tune of Rs. 8.54 lakh.
Nagaland	(i) District Water and Sanitation Mission, Dimapur	March 2000	167.00	Central fund remained unutilized as of May 2001.
	(ii) State Govt.	1997-98	7.00	Central funds released under MIS component remained utilized in the department.
Haryana	State Government	1999-2001	70.51	Central funds released for computerization remained unutilised/not refunded.
Maharashtra	(i) Zila Parishads	---	3849.96	Lying unspent as of March 2001.
	(ii) State Government	1995-2001	110.37	Lying unspent as of June 2001.
Andhra Pradesh	(i) 4 districts	1997-2000	52.43	Lying unutilised as of May 2001.
	(ii) Executive Director HRD	1997-2001	57.94	Lying unspent in Personal Deposit A/c as of March 2001
	(iii) Executive Director HRD	-do-	283.68	Lying unutilised in Personal Deposit A/c as of March 2001.
Bihar and Jharkhand	(i) Engineer-in-Chief	1994-95	69.95	Lying in Civil Deposit as of June 2001.
	(ii) State Govt.	1997-2001	3257.00	Lying unutilised as of June 2001.
Manipur	(i) State Govt.	March 1998 March 2000	293.48 196.98	Lying in 8449 other deposit of which Rs 293.88 crore utilised and Rs 196.58 crore lying unutilised and retained in deposit account as of March 2001.
	(ii) -do-	1996-1997 to 2000-2001	32.80	Remained unutilised
Uttar Pradesh	UP Jal Nigam	March 1997 & March 1998	75.00	Remained unutilised as of April 2001
Tripura	State Govt.	1997-2001	13.80	Central funds released for computer, hardware lying unutilized.
Arunachal Pradesh	PHED	March 1999 & December 2000	50.87	Central funds released for computer, hardware lying unutilized as of March 2001.
<b>Total</b>			<b>39377.04</b>	

**Annex -7**  
(Refers to Paragraph 18)

**Materials Management**

*(Rs. in lakh)*

State	District/ Division	Year	Material	Amount	Remarks
Meghalaya	(i) 3 Divisions	Prior to 1981-82 to 1993-94	GI Pipes Water supply fittings	109.23	Lying in Stock as of March 2001
	(ii) Hills Division Shillong	April 1997 to December 2000	Water Supply fittings	3.28	Purchased despite availability of material in the stock
	(iii) 6 Divisions	Between April 1997 to December 2000	GI pipes, Polyethene pipes, pumps & WS fittings	64.36	Stolen. Reported to Police
Arunachal Pradesh	(i) Zero PHE division	February 2000 to February 2001	GI fittings Bleaching Powder	9.20	Lying unutilized in the stock even after completion of the work
	(ii) 3 Divisions	December 1996 to September 2000	GI fittings	24.62	Lying idle in stock
	(iii) Zero PHE division	August and September 2000	Pipe wrench	7.79	Purchased without provision in the sanctioned estimate.
	(iv) Daporijo PHE division	February 2000 to February 2001	GI pipes, GI fittings, T & P	6.47	Lying in stock as of March 2001
West Bengal	(i) Malda Arsenic Division-I	Between June 1996 and May 1998	"Z" type sheet piles DI pipes	216.00	Lying in stock as of April 2001
	(ii) South - 24 Parganas Water Supply Division-I	1998	CI pipes	2034.00	Lying in stock Division did not commence any work as of December 2000.
	(iii) South - 24 Parganas Mechanical Division	March 2000 to September 2000	Pumping machines	845.00	Lying in Godown as of June 2001 due to non completion of civil work
	(iv) South - 24 Parganas water supply Division-II	1998-99	DI pipes	70.00	Pipes lying idle in stock due to non completion of related work

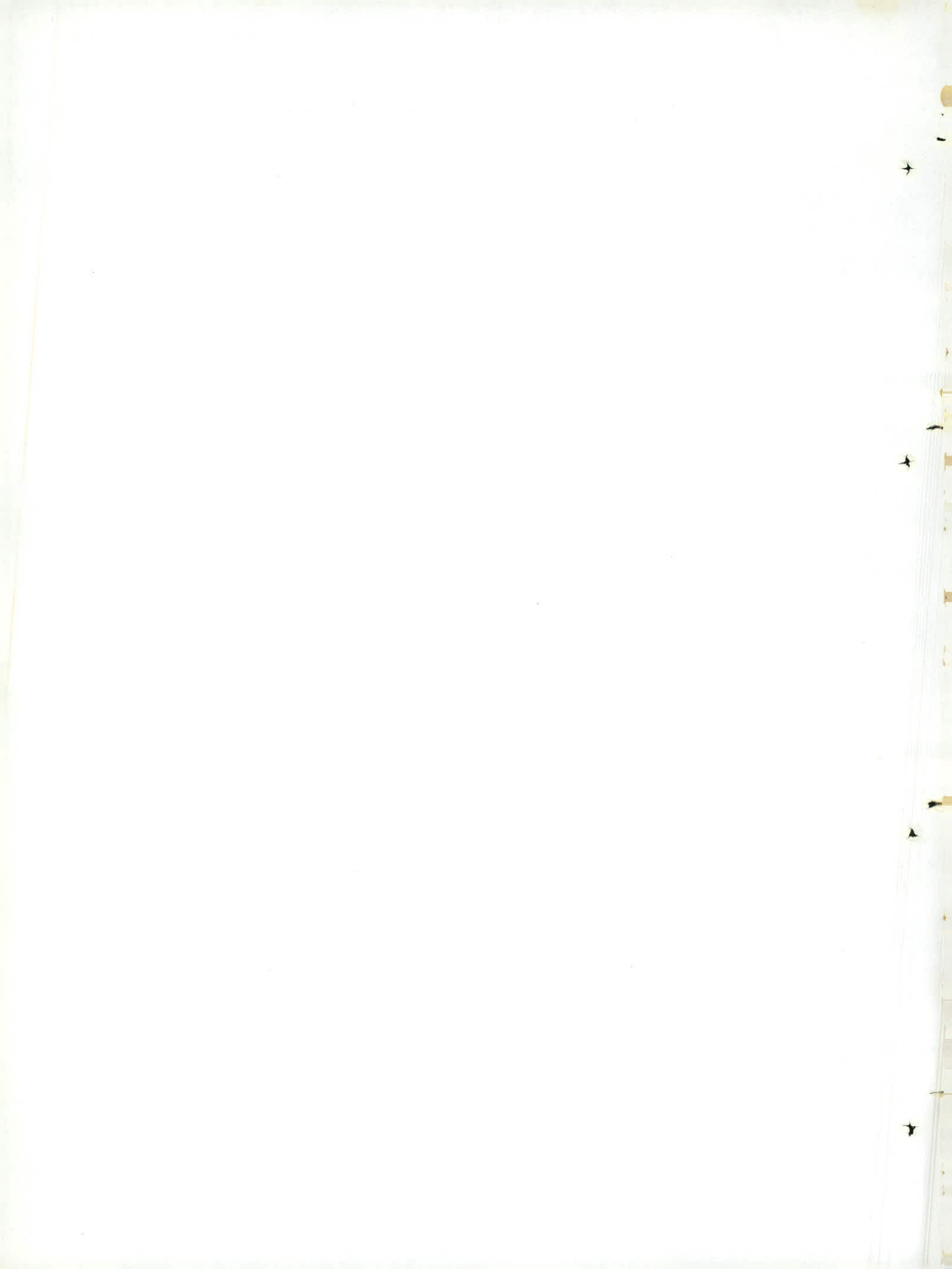
State	District/ Division	Year	Material	Amount	Remarks
Karnataka	(i) 9 ZPED	1991-2000	Material	323.27	Shortage of material. Cost of shortages not recovered as of May 2001
	(ii) ZPED Gulbarga	1995-1999	Material	76.00	Storekeeper issued material without indent and were not accounted for. Action to fix responsibility is awaited as of May 2001
	(iii) 11 ZPED		Water Supply Material	310.00	Lying in stock from 1 to 14 years
Uttar Pradesh	State level	1997-2001	Material	-	Material account not being maintained
Sikkim	State level	1997-2001	Material	-	Records of material account not being maintained. Physical verification of stores was not conducted
Kerala	2 PH Divisions	June 1997 to January 2001	AC Pipes CI Pipes	410.73	Lying in stock due to non commencement of work
Assam	(i) 8 Divisions	-	Polyvinyl, Chloride pipes Joints, Cast iron joints, Solvent Cement, Sockets etc.	55.30	Material lying in site accounts of the PWSS completed between August 1979 and February 2001
	(ii) Biswanath Chariali Division	Since September 1994	GI pipes, Cement, BJ Strainer Tara pumps, PVC pipes etc.	55.81	Material account not maintained
	(iii) CPHE	1997-2001	Hand pumps	748.00	13501 Hand pumps procured in excess of requirement. 2265 hand pumps (Mark-III) valuing Rs.. 2.70 crore and 163 hand pumps (others) lying in stock as of March 2001
	(iv) Store and workshop Division Guwahati	1997-2001	CID Joints MSBE pipe slotted strainers UPVC pipes spare parts	228.00	Lying in stock as of April 2001. Physical verification of material not conducted
	(v) Store and Workshop Division Guwahati	1997-2001	Mark-III Hand pump Tara Hand pump Singer Hand pump Pipes, Spare parts tool kits etc.	346.00	Material donated by UNICEF were lying unused and some material were kept on the open ground
	(vi) Dibrugarh PHE Division	-	-	55.01	Shortage of material noticed and departmental proceedings under process. Physical verification of material was not conducted after December 1991.



State	District/ Division	Year	Material	Amount	Remarks
Mizoram	Khawzawl PHED Division	Between July 1997 and November 2000	GI special valves etc.	60.66	Material purchased locally and without inviting tender/quotations
Orissa	(i) Cuttack RWSS Division-I	1994-95 to 1999-2000	Material	35.95	Material procured out of allotted fund remained unutilized due to non- finalisation of water source for 4 PWSS
	(ii) Mechanical Division, Sambalpur	1981-1996	Spares of rigs	41.56	Material valued at Rs. 24.80 lakh were declared obsolete/damaged due to prolong storage.
	(iii) RWSS Division, Baripada	June 1998	Material	30.50	On transfer Junior Engineer did not handover material to his successor. Recovery pending as of March 2001.
	(iv) 6 RWSS Divisions	1999-2001	Material	7.95	Material were stolen and the cases were under investigation by police/departmental officers.
	(v) Balasore RWSS Division	March 1999	Pre Pipes, Hand Pumps, Riser Pumps, etc.	446.00	Excess Expenditure over the allotment of Rs. 91 lakh was charged to miscellaneous works Advance and not cleared as of March 2001.
Himachal Pradesh	Arki and Dehra Divisions	Between October 1996 and November 1997	Pumping machinery	19.92	Lying unutilized due to non completion of Civil Works and non providing SOP.
Jammu & Kashmir	(i) 6 Divisions	1997-2000	Material	250.00	Lying in stock
	(ii) Rajouri and Jammu rural Divisions	1997-2000	Material	12.34	Material was outstanding in site accounts of the Junior Engineers as of January 1999 neither cost was recovered nor material retrieved as of May 2001. Physical verification not conducted in seven test checked divisions
	(iii) Procurement Division Jammu	2000-2001	Black ended pipe	34.20	Lying in stock due to purchase in excess of actual requirement

State	District/ Division	Year	Material	Amount	Remarks
Punjab	(i) State Level	February 1990 to March 1999	Diesel Generating Sets / Engines	105.00	Lying unused since April 1996
	(ii) Executive Engineer RWS Division Patiala	December 1992 to May 2000	-	42.30	Lying unutilized as of May 2001 but was booked as issued to 17 RWS schemes
Haryana	PHD Ambala	August 1998	4 Diesel Generating Sets	16.31	Purchased without ascertaining the demand from the field Offices lying unutilised as on March 2001
Madhya Pradesh	(i) 2 Divisions	-	Suction pipe	7.59	Lying idle since 1998-1999
	(ii) 21 Divisions	-	Pipes, Pipe fittings, spare parts etc.	627.00	Material lying unutilized 6 - 360 months
	(iii) 36 Divisions	-	Pipes, Pumps etc.	83.84	Shortage of stores revealed during Physical verification (Aug 2000)
	(iv) 56 divisions	August 2000	Pipes, Pumps and spares	291.00	Non disposal of unserviceable stores
	(v) 7 Divisions	-	Pipes, Hand pumps and spares	1235.00	Material Changed to work between Sep.87 to Jan. 2001 but no MAS A/c maintained.
	(vi) State level	1997-2001	Casing pipes	920.00	14187 dry bores/ abandoned bores were not extracted by contractors/Department.
Andhra Pradesh	(i) Medak District	August 1998 to October 1998	Duct Iron pipes	29.59	Left unutilized
	(ii) Kurnool District	July 1999	Pipes	4.67	Lying unutilized
	(iii) RWS Divisions Kakinada	Prior to 1997-1998	AC pipes, PVC pipes	13.53	-do-
Nagaland	PHED Kohima & Store Division Dimapur	1997-2001	Pipes	997.00	SO's placed without executing agreement and obtaining B.G.

State	District/ Division	Year	Material	Amount	Remarks
Rajasthan	(i) 3 PHED Division	Between July 1997 and December 2000	Pipes, Pumps and other material	34.03	Lying in divisional stores for last one to four years
	(ii) 7 PHED Divisions	1995-2001	-do-	147.00	Material shown as issued to various RWSS during 1995-2001 but was lying in store.
	(iii) 5 PHED Divisions	1999-2000	-do-	26.86	Material issued to various RWSS schemes not taken in the stock / MAS register maintained by JE.
	(iv) 1 Division	1996-97	Old pipes & other material	7.86	Old pipes dug out were not returned as of April 2001.
Tripura	(i) PHE Divisions II & III	-	-	11.65	Material lying with contractor since December 1997 i.e. suspension of works.
	(ii) State Level	1997-2001	Pump sets	106.00	Cost of excess 225 pumps purchased.
Bihar and Jharkhand	(i) 3 divisions	1997-2001	Hand pump,PVC pipes,GI pipes Strainer,etc.	150.00	Doubtful utilisation of material due to non- maintenance of site account.
	(ii) 4 divisions	1997-2001	Hand pump, GI pipes, Tara pump, Strainer etc.	45.18	Purchase of material in excess of requirement
<b>Total</b>				<b>11838.56</b>	



**MINISTRY OF URBAN DEVELOPMENT AND POVERTY  
ALLEVIATION**

**ACCELERATED URBAN WATER SUPPLY PROGRAMME**



## CHAPTER IV: MINISTRY OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION

### Department of Urban Development

#### Accelerated Urban Water Supply Programme

*The basic objective of the Programme launched in March 1994, was to provide safe and adequate water supply to towns with population less than 20,000. However, audit findings revealed that the operational objectives of the scheme to treat the water supply sector as a public utility rather than a service and to improve the quality of life of vulnerable sections of the society such as women, children and other deprived sections not having access to safe water could not materialise. Of 2,151 towns estimated to be covered at a cost of Rs 2,000 crore, schemes covering only 575 towns (27 per cent) were sanctioned, involving release of Rs 479.14 crore (24 per cent), as of March 2001. The envisaged 5 per cent contribution from the local urban bodies towards the project cost was not received and, in the absence of a proper tariff structure or inadequacies therein, the objective of the Programme to be self-sustaining was not achieved. Schemes were started without completion of necessary groundwork resulting in a large number of them remaining incomplete. There were numerous cases of diversion and retention of funds in deposits as well as misuse of resources. Water quality was suspect since no regular testing of water samples was done. In most States, the community was not involved in the planning, design, execution and operation of the schemes. Asset maintenance was poor because of non-maintenance of assets records and failure to hand over assets to the local communities. Impact Assessment of the Programme revealed absence of community participation at any level in 23 States. 824 problem towns identified in 18 states remained uncovered and no exercise was undertaken to even identify problem towns in 5 States. Incidence of water borne diseases also increased in many States. Monitoring and review mechanism of the Union Government was deficient. It did not effectively track physical and financial progress of the schemes being implemented by State Governments or suggest improvements. The Ministry did not undertake any evaluation study of the Programme to assess its impact.*

#### Highlights

Only 575 schemes were sanctioned since 1993-94 while a total of 2151 small towns were to be covered. Of these, 200 schemes (35 per cent) had been completed/commissioned, 274 schemes were ongoing and 101 were to be taken up as of March 2001.

Of the total Central and State assistance of Rs 479.14 crore released upto March 2001, constituting 67.62 per cent of the estimated cost of 575 schemes, Rs 329.45 crore (68.76 per cent) were spent, leaving an unspent balance of Rs 149.69 crore (31.24 per cent). Rs 55.73 crore were diverted to activities not connected with the Programme, retained in deposits or were misutilised etc.

Central releases were made without the states releasing their share of the first instalment of funds. Against the total Central share of Rs 265.57 crore, matching State Share and ULB's contribution fell short by Rs 51.38 crore. There were delays in release of funds to the executing agencies by the State Governments ranging from 2 to 60 months and short/non-release of funds aggregating to Rs 55.41 crore to the implementing agencies.

Against the 1025 problem towns identified in 18 states, only 201 such towns in 15 States had been covered. In Sikkim, Assam and Bihar, none of the 98 problem towns identified were covered. In the States of Gujarat, Rajasthan, Jammu & Kashmir, Karnataka and Arunachal Pradesh, problem towns were not identified. In some cases, ongoing schemes under the State plan or those financed by the Housing and Urban Development Corporation Limited (HUDCO) were also in judiciously included under the Programme.

Ministry did not lay down a time schedule for approval of DPRs. In 253 of the 301 DPRs test checked, time taken for approval ranged from one to 65 months. 17 DPRs still remained pending with the Ministry as of March 2001, for periods ranging from one to 67 months. Three States failed to submit DPRs for 6 schemes as of March 2001, though the Ministry had released its first instalment of Rs 50.22 lakh in March 1994 based on proforma proposals.

Asset maintenance was poor as inventory records were either not maintained or the assets were not handed over to the communities. Community Participation, a cardinal principle underlying the Programme was not achieved at any stage in 23 States.

Tariff structure had either not been evolved or was too inadequate to meet expenditure on the operation and maintenance of the schemes in 23 States.

Quality of water supplied was neither tested nor maintained in six States namely Karnataka, Orissa, Tamil Nadu, Uttar Pradesh, Manipur and Himachal Pradesh.

Utilisation certificates for Rs 28.94 crore were awaited as of August 2001.

Purchase of materials approved by the Purchase Committee in Assam at prices higher than those of the manufacturers or those approved by the DGS&D resulted in extra expenditure of Rs 2.48 crore.

Monitoring at the Ministry level was deficient. Quarterly Progress Reports were pending from 23 States for periods ranging between 2 and 48 months. No follow up action was taken on shortcomings noticed.

The Ministry did not carry out any evaluation study of the Programme to assess its impact.

## **1. Introduction**

Water Supply is a basic requirement affecting the quality of life and productive efficiency of the people. The State Governments and Urban Local



Bodies (ULBs) are responsible for providing this service through proper planning and implementation. Funds are made available through the State plans, internal resource generation and/or by raising loans from financial institutions. However, water supply schemes were not given adequate priority and resources by the State Governments. In 1987, the Government of India decided to extend the Accelerated Rural Water Supply Programme (ARWSP) to towns with a population of less than 20,000 as such towns were usually found to be the most neglected and worst hit during drought. As these towns could not be covered under the ARWSP due to their requirements being slightly different from other rural areas, GOI decided to launch a separate Programme of Accelerated Urban Water Supply in the 8<sup>th</sup> Five Year Plan for providing water supply in towns having population of less than 20,000 (1991 census). The programme was initiated from the annual plan 1993-94 and is under implementation in all States and Union Territories other than Andhra Pradesh, Dadra and Nagar Haveli, Delhi, Lakshadweep and Pondicherry.

## **2. Objectives of the Programme**

The objectives of the Programme are as follows:

- Provision of safe and adequate water supply facilities to entire towns with a population of less than 20,000 (1991 census) in the country within a fixed time frame.
- Improvement of the environment and quality of life.
- Improvement of socio-economic conditions with a view to increasing productivity for sustained economic development.

## **3. Salient Features**

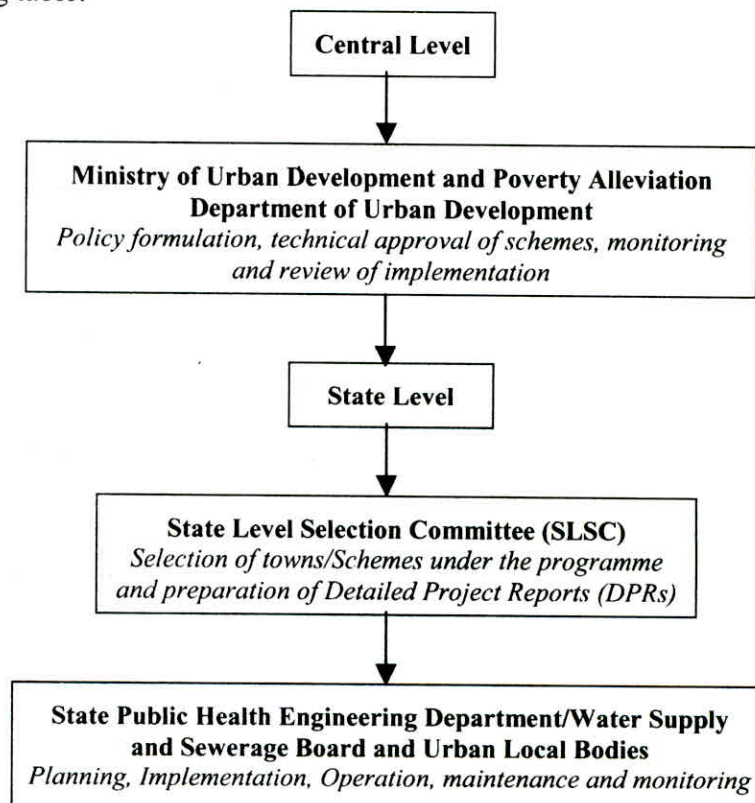
The salient features of the Programme are:

- To provide a better incentive and create an environment in the sector by placing emphasis on the rationalisation of tariffs, separation of budget of water supply and sanitation from the municipal budget, extension of subsidies to well-identified target groups, water conservation, operation and maintenance and distribution in preference to new capital works, leak detection, preventive maintenance and rehabilitation of the existing system.
- To treat water supply as a public utility rather than a service and to make efforts to bring about greater private sector participation and investment in this sector.
- To improve the quality of life of the poor, particularly the most vulnerable sections of the population such as women, children and other deprived sections who do not have access to safe water.

- To strengthen the ULBs and to closely associate them in the implementation of the Programme, with a view to realising the objective of providing water supply to the unserved population.
- To make community participation the cardinal principle underlying the whole programme.
- To formulate a plan of action for individual schemes covering a town or group of towns depending upon the requirements as assessed by the concerned Department of the State Government.
- To place greater emphasis on privatisation of the processes of implementation, operation and maintenance and cost recovery so as to make the scheme self-sustaining.
- To adopt a holistic approach covering the entire town.

#### 4. Organisational Structure

Ministry is primarily responsible for broad policy formulation, release of funds and monitoring the implementation of the Programme. The organisational structure of the agencies responsible is presented in the following table:



## 5. Scope of Audit

The review aims at examining the effectiveness of various components of the Programme, including the extent and adequacy of its implementation and evaluation of its overall impact in ensuring the availability of safe drinking water.

The implementation of the Programme during the period from March 1994 to March 2001 was reviewed between November 2000 and July 2001 based on a test check of documents in the Ministry and in 24 States. Audit coverage in the States was 25 per cent of the total number of towns taken up for implementation and 46 per cent of the actual expenditure. Audit observations emerging from the review are mentioned in the succeeding paragraphs.

## 6. Financing pattern and release of funds

The Programme was to be funded on grant basis, 50 per cent by the Central Government and 50 per cent by the State Government, including 5 per cent beneficiary contribution. Release of funds for AUWSP was *prima facie* based on the selection of towns/schemes by the SLSC, after considering the DPRs in respect of individual towns. Funds were to be released to the State Governments or the designated agencies on the basis of the estimated cost of the selected schemes. The Programme provided for release of 25 per cent of the Central share on selection of the scheme and the remaining 75 per cent in the following manner:

- (a) 50 per cent of the eligible Central share was payable as the second instalment on
  - (i) release of the first instalment (25 per cent) of the State share;
  - (ii) completion of the groundwork for execution of the scheme, including award of contracts or placement of orders for supply of materials, etc., wherever required;
  - (iii) utilisation of the first instalment of the Central share (25 per cent) and the State share (25 per cent);
  - (iv) submission of DPRs and their approval in case the first instalment was released prior to the receipt of DPRs
- (b) 25 per cent of the remaining Central share was payable as the third and final instalment on:
  - (i) release of the second instalment of the State share (50 per cent);
  - (ii) utilisation of 80 per cent of the total funds released for the scheme.

### 6.1 Financial outlay and expenditure

State-wise details of the releases of the Central and State shares and expenditure there against are contained in **Annex-I** and **Annex-II** respectively. The position in this regard, for the country as a whole, up to March 2001 is presented in the following table:

(Rs in crore)

Year	No. of projects sanctioned	Estimated cost	Opening Balance	Funds Released			Funds utilised	Closing balance at the end of March each year	Percentage of		
				Central	State	Total			State releases	Closing balance	Fund utilised with reference to total releases
March 1994	-	-	0.00	11.77	0.00	11.77	0.45	11.32	0.00	96.18	3.82
1994-95	129	82.81	11.32	16.73	8.40	25.13	5.56	30.89	50.21	184.64	22.12
1995-96	70	70.67	30.89	19.99	19.62	39.61	32.80	37.70	98.15	188.59	82.81
1996-97	24	59.78	37.70	20.13	24.55	44.68	32.06	50.32	121.96	249.98	71.75
1997-98	36	38.58	50.32	27.95	32.08	60.03	59.93	50.42	114.78	180.39	99.83
1998-99	71	89.50	50.42	40.00	27.85	67.85	53.46	64.81	69.63	162.03	78.79
1999-00	109	159.52	64.81	65.00	32.40	97.40	52.43	109.78	49.85	168.89	53.83
2000-01	136	207.70	109.78	64.00	68.67	132.67	92.76	149.69	107.30	233.89	69.92
<b>Total</b>	<b>575</b>	<b>708.56</b>		<b>265.57</b>	<b>213.57</b>	<b>479.14</b>	<b>329.45</b>	<b>149.69</b>	<b>80.42</b>	<b>56.37</b>	<b>68.76</b>

Note: Data in regard to Central releases have been obtained from the Ministry's records, while those in respect of the State releases and expenditure have been compiled from the reports of the State Accountants General.

Towns covered were only 27 per cent and funds released 24 per cent of the estimate

It was estimated in August 1993 that 2,151 towns would fall under the purview of this Programme and that funds aggregating to around Rs 2,000 crore would be necessary on a *pro rata* basis for implementing water supply schemes in all these towns. However, since the inception of the Programme in March 1994 and up to March 2001, only 575 towns had been covered, constituting only 27 per cent of the total estimated coverage. Of the estimated requirement of Rs 2,000 crore, Rs 479.14 crore (24 per cent) only were provided as of March 2001. The coverage and allocation of resources are causes for concern.

The total funds released by both the Central and State Governments amounted to 67.62 per cent of the estimated cost of the 575 schemes covered as of March 2001. The overall expenditure till then was 68.76 per cent of the total releases, the resultant unspent balances being 31.24 per cent. Other points relating to financial aspects are contained in **Paragraph 12** of this Report.

## 7. Physical Performance

Of the 575 schemes sanctioned under the Programme up to March 2001, only 200 (35 per cent) were completed/commissioned, 274 schemes (48 per cent) were in various stages of execution and the remaining 101 schemes (17 per cent) were yet to commence. Year-wise details in this regard are contained in the following table:

Year	Number of schemes		
	Sanctioned	Completed /Commissioned	Ongoing /yet to commence
1993-94	-	-	-
1994-95	129	110	19/0
1995-96	70	40	27/3
1996-97	24	11	13/0
1997-98	36	21	14/1
1998-99	71	15	51/5
1999-2000	109	3	91/15
2000-2001	136	0	59/77
<b>Total</b>	<b>575</b>	<b>200</b>	<b>274/101</b>

Only 200 of the 575 schemes sanctioned were completed/commissioned and 101 were yet to commence.

Even after taking into account the 401 schemes scheduled for completion by March 2001, only 200 schemes had been completed, of which 142 schemes had been delayed by periods ranging from 6 months to 5 years. Out of 201 schemes in progress, 18 were yet to be taken up while there was time overrun of 1 to 5 years in 94 of 183 schemes. In relation to the total number of schemes that were to be covered by the end of the century in the 2,151 towns as assessed during the 8<sup>th</sup> Five Year Plan, the percentage of completed/commissioned schemes would work out to 9.30 only. State-wise details of the physical status of the 575 schemes as on March 31, 2001 are contained in **Annex-III**. An audit analysis of various aspects of Programme planning and execution revealed the following:

### 7.1 Delay in submission /approval of DPRs

Delay of one to 65 months in approval of 253 DPRs.

The Ministry had not prescribed any time schedule for the submission of DPRs of towns/schemes by the States and their approval. The time taken in this regard ranged from one to 65 months in respect of 253 of the 301 DPRs test checked in the Ministry. 17 DPRs pertaining to 7 States involving a total investment of Rs 50.38 crore remained pending for approval with Ministry as of March 2001 for periods ranging from one month to 67 months. Three States, namely **Punjab, Madhya Pradesh and Tamil Nadu** failed to submit the DPRs for six schemes till March 2001 though the Ministry had released its first instalment of Rs 50.22 lakh in March 1994 based on proforma proposals received from the States.

### 7.2 Deficiencies in selection of towns/schemes

The SLSC was to select towns for implementation of individual schemes after due consideration of the individual DPRs and after taking into account factors such as the population of the towns, reliability of the selected raw water source, availability of a mechanism for sustainable operation and maintenance, the sustainability of the tariff system approved by the State Government, etc. Provision was also to be made for recovery of 5 *per cent* of the project cost as beneficiary contribution from the ULBs and the per capita unit cost was not to exceed Rs 1,000 without adequate justification.

Priority was to be given to towns having special problems such as (i) very low per capita availability of water, (ii) location of water source at great distances or great depths, (iii) drought, (iv) excess salinity, fluoride, iron content in the water source, (v) high incidence of water borne diseases, etc.

The States were required, in the first instance, to prepare lists of problem towns. Priority was to be given to towns in which availability of water supply was less than 70 litres per capita per day (LPCD).

Audit scrutiny revealed the following deficiencies/shortcomings in the identification, selection and coverage of towns:

Injudicious selection of 69 schemes in 11 States.

(a) Between 1993-94 and 1999-2000, the Ministry approved 69 schemes in the States of **Haryana, Himachal Pradesh, Jammu and Kashmir, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu and Uttar Pradesh** at an aggregate cost of Rs 55.88 crore (**Annex-IV**). It was, however, observed in audit that 64 of these schemes in ten of the States were on-going schemes having been taken up for implementation under the State Plans. Sufficient water supply in excess of 70 LPCD prescribed in the guidelines was available in one of the towns in Haryana, another in Maharashtra and three towns in Punjab, for which the remaining five schemes were approved. These towns were, therefore, strictly not eligible to be covered under the Programme and they would appear to have been selected injudiciously.

Only 19.61 per cent of problem towns covered.

(b) Of the 1025 towns identified as problem towns in 18 States, only 201 towns (19.61 per cent) had been covered under the Programme in 15 States. None of the 98 problem towns identified in **Assam, Bihar and Sikkim** were covered under the Programme. State-wise details are contained in **Annex-V**.

(c) No exercise was undertaken in five States (**Arunachal Pradesh, Gujarat, Jammu and Kashmir, Karnataka and Rajasthan**) to identify the problem towns.

(d) Based on the LPCD criterion, priority should have been accorded to implementation of schemes in the **Tripura** towns of Kumarghat (31.84 LPCD), Belonia (36.17 LPCD), Amarapur (37.48 LPCD) and Sabroom (42.83 LPCD). Contrary to the guidelines, Amarapur and Sabroom were not selected; instead, Kamalpur and Sonamura towns were proposed for selection, the reasons for which were not ascertainable.

(e) Priority was accorded in **Karnataka** to the implementation of schemes in towns in which the LPCD was comparatively higher (35 to 67 LPCD) in preference to those in which the availability of water was significantly lower (15 to 25 LPCD). The schemes appeared to have been selected only on an ad hoc basis.

(f) During February-May 1995, 32 towns in **Madhya Pradesh** in which the daily per capita availability of water ranged from 15 to 31 LPCD were selected. The State Government, however, failed to submit the related DPRs to the Central Government. On the other hand, schemes in 14 other towns in which the availability of water ranged between 35 to 65 LPCD were got approved and were being implemented.

(g) Contrary to the prescribed norms, two schemes in Itanagar and Naharlagun in **Arunachal Pradesh** were selected and approved notwithstanding the fact that the population of Itanagar was 53,000 (1991 census) and schemes under the State Plan were already being implemented in Naharlagun.

(h) Approval of a water supply scheme for Namrup in **Assam** did not appear to be justified because three industrial units (Hindustan Fertilizer Corporation, Assam Petro Chemical Limited, and the Namrup Thermal Power Station) had established their own water supply schemes that catered to the demand of the entire population of the town in their factories and residential complexes.

(i) Selection of the water source in Balimela in **Orissa** was not preceded by adequate investigations to determine the quality of the water. In the course of implementation of the scheme, the raw water was found to be unsuitable for human consumption on account of being it contaminated with grease and other waste materials from the Balimela Power Station. Consequently, water supply was provided in September 2000 only to a part of the town by means of two production wells and 25 stand posts, against 45 stand posts originally approved, at a cost of Rs 22.40 lakh.

### 7.3 Designing of schemes for shorter duration

Schemes under the programme were required to be designed for a period of 20-25 years. Sample check revealed that 10 schemes in five States (**Madhya Pradesh, Orissa, Manipur, Nagaland** and **Mizoram**) were irregularly designed during 1996-97 to 1999-2000 for shorter periods ranging from 5 to 19 years at a cost of Rs 18.19 crore. No reasons were adduced by the Ministry for designing them for shorter periods. Even with the implementation of these short-life schemes, the entire benefit of the resources deployed may not be derived in these five States.

### 7.4 Non-issue of Completion Certificates in respect of Completed Schemes

Completion reports were necessary to ascertain the final status of the achievement of the schemes, both in physical and financial terms. Sample check revealed that the completion certificates in respect of eighty-eight completed schemes in six States [**Haryana** (4), **Maharashtra** (12), **Rajasthan** (11), **Bihar** (1), **Tamil Nadu** (3) and **Uttar Pradesh** (57)] were not issued by the implementing agencies. The status of these schemes was consequently not susceptible of verification

## 8. Sustainability of Water Source

In order to ensure the long-term sustainability of the schemes to provide 70 LPCD of water during the prescribed designed period of 20 to 25 years, the guidelines enjoined that dependability and reliability of the selected raw water source(s) were to be established to the extent of 95 *per cent* by the State Department concerned. If supporting evidence in this regard was not included in the DPRs of the schemes proposed, the towns concerned were ineligible for inclusion in the Programme.

During 1999-2000, the Ministry, however, sanctioned schemes in 36 towns in six States (**Bihar, Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab and Uttar Pradesh**) without ensuring the sustainability of the water source as prescribed. Relevant details are contained in **Annex-VI**. The Ministry admitted the lapse in May, 2001 and assured that this requirement would be ensured and incorporated in future sanctions.

Source sustainability not established in eight States.

Scrutiny of the records of the implementing agencies also revealed that the dependability and reliability of the raw water sources were not established prior to selection in respect of 27 towns/schemes in seven states (**Gujarat, Madhya Pradesh, Maharashtra, Nagaland, Orissa, Rajasthan and Uttar Pradesh**), details of which are contained in **Annex VII**. Failure to do so resulted in these sources either not yielding sufficient quantity of water or becoming dry after commissioning of the schemes. A few of these cases noticed involving financial implications are detailed below:

### **Rajasthan**

Four schemes for enhancing the water supply in the towns of Amet, Chappar, Deogarh and Mahuwa were completed and commissioned in September 1998 / March 2001 at a total cost of Rs 649.10 lakhs. Availability of water on commissioning of all the four schemes was, however, less than 70 LPCD. In fact, water supply in Amet scheme decreased from 1,800 lakhs litres in 1998-99 to only 700 lakh litres in 2000-01 and that from the Deogarh scheme from 4,088 lakh litre in 1997-98 to 3,528 lakh litres in 1999-2000 because the wells failed within a period of two to three years. Consequently, the intended benefits could not be extended to the population of these towns, notwithstanding the investment of Rs 649.10 lakh.

### **Gujarat**

(i) The water source developed in Barwala town by drilling five tube wells at a cost of Rs 3 lakh failed in chemical tests. Water to the town was, therefore, supplied by tapping the Mahi-Pariej pipeline. The expenditure of Rs 14 lakh incurred on the development of the sub-soil based source, purchase of pump and machinery and laying of 2,100 metres of pipeline from the pump house to an underground sump proved unfruitful.

(ii) Expenditure of Rs 17 lakhs incurred on the development of a water source for the Khedbrahma scheme proved unfruitful due to insufficient discharge of water.

### **Madhya Pradesh**

(i) The State Government accorded administrative approval to the Mundi scheme in March 2000, involving, *inter alia*, the drilling of five tube wells. Seven tube wells were, however, drilled to provide raw water. The water yield from all the tube wells was insufficient for the installation of power pumps. Meanwhile, an expenditure of Rs 33.86 lakh was incurred between



March 2000 and January 2001 mainly on procurement of materials and construction of a sump well and pump house, which had also not been completed. In the circumstances, the intended objective of providing assured water supply to the town was not realized.

(ii) Administrative approval to the Sitamau scheme was accorded by the State Government in October 1994 at a cost of Rs 69 lakh. As the approved source of raw water was found to be unreliable, a revised estimate for Rs 227.50 lakh was submitted to the Engineer-in-Chief involving a change in the source. This had not been approved as of June 2001. Expenditure of Rs 27.95 lakh incurred in the meantime on the construction of RCC over head tank, laying of pipe lines, etc. remained unfruitful and the population continued to face water scarcity.

(iii) The Raghogarh Augmentation Water Supply scheme was approved by GOI in March 1994 at a cost of Rs 89.55 lakh to provide 70 LPCD of water to a population of 18,047 (1991 census). The proposed source was found to be inadequate in March 1999 as the flow of water in the Bandargarha river ceases in December. A new source was, therefore, selected in May 2000. Consequently, the scheme targeted for completion by March 1997 remained incomplete even after incurring an expenditure of Rs 131.97 lakh upto January 2001. In the meantime, the implementing agency also incurred expenditure of Rs 17.55 lakh in 1998-99 on making temporary arrangements for water supply, which was debited to AUWSP.

### **8.1 Incorrect determination of cost of schemes**

Reliability of water sources based on 95 *per cent* dependability of selected raw water sources was required to be established by the concerned State Departments, so as to ensure long term sustainability of the schemes for the prescribed designed period of 20-25 years @ 70 LPCD. Sample check revealed that, in 24 cases, the water requirement for the towns/schemes was incorrectly computed because of failure to take into account the quantities already available or because of errors in calculation. This resulted in the incorrect determination of the cost of these schemes to the extent of Rs 15.01 crore and consequential increase of Rs 7.50 crore in the liability of the GOI towards its share of funding.

## **9. Maintenance of Assets**

### **9.1 Handing over of Assets**

The guidelines for the Programme provided for the operation and maintenance of the assets created under the schemes by the community itself. However, till such time as they were properly trained to accept this responsibility, the assets were to be maintained by the implementing agencies/ ULBs. Test check revealed that 35 of the 147 schemes commissioned in 6 States (**Karnataka, Madhya Pradesh, Maharashtra, Manipur, Tamil Nadu and Uttar Pradesh**) were not handed over to the ULBs, mainly because either the

local bodies were not fully equipped to accept the responsibility for operation and maintenance or the water sources had failed or the sources created were insufficient.

## 9.2 Maintenance of Register of Assets

Inventory of all assets created under the Programme was to be maintained by the implementing agencies. Test check revealed that such inventory records had not been maintained in Himachal Pradesh, Jammu and Kashmir and Rajasthan.

Assets not handed over and inventory records not maintained.

Besides, in terms of the General Financial Rules, the grantee was required to furnish extracts of the Register of Assets, along with the Annual Statement of Accounts to the Ministry. The extracts were to contain progressive and complete information. The Ministry had not, however, obtained extracts of the Register of Assets in respect of 93 schemes approved at a total cost of Rs 8.86 crore between 1998-99 and 1999-2000 in sixteen States (**Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Nagaland, Orissa, Punjab, Rajasthan, Sikkim, Tripura, Uttar Pradesh and West Bengal**) to ascertain whether the assets sanctioned had in fact been created, existed and were properly maintained.

## 10. Water Quality

Quality of water neither tested nor maintained in six states.

Constant monitoring of the water quality in the water supply schemes was essential for safeguarding potable drinking water from turbidity, excess salinity, fluoride, iron content, chemicals, biological contamination, water borne diseases, etc. The water quality was to be assessed in the plant laboratories by testing samples of raw and treated water at discrete intervals. Complete records of bacteriological and chemical analysis of water from its source to the consumer's tap were to be maintained and reviewed periodically so that fluctuations in the quality of water could be remedied to ensure that only potable water conforming to the drinking water standards was supplied to the consumers.

Test check of records revealed the following shortcomings:

- (i) In **Uttar Pradesh**, three schemes covering Bansdih (Rs 92.74 lakh), Reoti (Rs 80.60 lakh) and Bilariyaganj (Rs 47.37 lakh) were commissioned in March 1999, March 1999 and December 2000 respectively. Disinfection units for the first two schemes were not purchased, while it was not integrated with the system in the third scheme. Resultantly, safe drinking water supply in these towns could not be ensured.
- (ii) In **Karnataka**, the quality of water in eight commissioned schemes was not tested as of March 2001 either by the Board or by the Town Municipal Councils. Part of Kottur town was still being supplied only non-potable water from a source that had been developed earlier by the ULB prior to the implementation of the scheme.

(iii) In **Orissa**, the quality of water supplied from the Kashinagar scheme, implemented at a cost of Rs 37.23 lakh and commissioned in 1997, was not tested in the absence of laboratory facilities and the requisite manpower.

(iv) In **Manipur**, cases of salinity, fluoride and iron content were reported in five schemes commissioned. The State Government also stated that only physical and chemical testings of the quality of water were conducted in laboratory but bacteriological and biological testings were not conducted, as a result of which it could not be ensured that the water supplied to the population of the five towns covered by these schemes was, in fact, safe and free from impurities.

(v) In **Himachal Pradesh**, untested water was supplied to Chopal, Dehra, Rewalsar, Rohru and Sarkaghat towns on account of shortfalls in the number of physical, chemical and bacteriological tests conducted. The Executive Engineer concerned did not furnish any reasons for the inadequate testing of the water. Dehra, Mandi and Sarkaghat Divisions had not maintained the chlorination register prescribed.

(vi) In **Maharashtra**, bacteriological tests of water conducted during 1997-2000 in nine districts, where schemes were implemented, revealed that 10,846 of the 2,29,139 samples tested were contaminated. Lack of proper maintenance and unhygienic environmental conditions were the reasons attributed by the Government in June 2001 for contamination of the water. Further, chlorine content tests of 2,696 bleaching powder samples conducted in these districts during the same period also revealed that percentage of chlorine in the samples ranged from 1 to 17 as against the required 20 *per cent*.

## 11. Community Participation

The guidelines envisaged community participation as the cardinal principle underlying the whole programme. The community was to be involved right from the planning stage of the schemes to their operation and maintenance. Involvement of non-government organisations (NGOs) and private agencies was to be explored and given due importance by the State Governments and ULBs.

Test check of the records relating to nine schemes implemented in Punjab revealed that only seven of them had been executed in consultation with the Municipal Councils having elected representatives as their members. Involvement of the community in the planning and design of schemes, their execution and operation and maintenance was not noticed in any of the other States in respect of the selected sample, defeating the programme objective of community participation.

## 12. Other Financial Points

### 12.1 Injudicious release of funds

Between 1993-94 and 2000-01, the Ministry approved 575 schemes/DPRs at a total estimated cost of Rs 708.56 crore in 24 States and released Central assistance of Rs 265.57 crore. The State Governments on their part released

Community Participation not achieved at any stage in 23 states.

Funds released despite nil/nominal expenditure.

Rs 213.57 crore for the Programme during this period. The funds were, however, released from time to time without adhering to the financing pattern prescribed in the guidelines, details of which have been mentioned in paragraph 6 *supra*. For instance, the first instalment of Central assistance released in respect of 171 schemes was in excess of the prescribed 25 *per cent* as shown in **Annex-VIII**. No expenditure was reported to have been incurred in respect of 58 of the 98 schemes sanctioned in 9 States between 1995 and 2000, while that incurred on 40 other schemes was only nominal being less than 25 *per cent*. Relevant details are contained in **Annex-IX**. Injudicious release of funds for the Programme resulted in the accumulation of unspent balances aggregating to Rs 149.69 crore as of March 2001. Sample check revealed that the releases made in Assam, Bihar, Jammu and Kashmir, Kerala and Punjab by both the State and Central Governments during 1994-2001 (**Annex-X**) bore no relation to the progress of expenditure. The consequential unspent balances at the end of March 2001 varied between Rs 1.96 crore in Jammu and Kashmir and Rs 9.10 crore in Kerala. Nevertheless, funds substantially in excess of requirements were released injudiciously to the implementing agencies.

### 12.2 Shortfalls in Matching Contributions by States

Matching state share fell short by Rs 51.38 crore.

Even though the Programme was to be funded equally by the Central and State Governments, sample check revealed that while the Government of Karnataka had not made any matching contribution against the Central releases aggregating to Rs 17.38 crore up to March 2001, it had, however, reported to the Government of India that it had released its share of Rs 11.82 crore to the implementing agencies. The contribution made by the Governments of Bihar and Tripura with reference to the Central releases constituted only 23.47 *per cent* and 9.55 *per cent* respectively. It would be seen from the details contained in **Annex-XI** that there were significant shortfalls in the release of the State's share in other States as well. Total shortfall of State's share and ULBs contribution amounting to Rs 51.38 crore (**Annex-I and Para 12.5**) and failure to adhere to the prescribed financing pattern would evidently have had an adverse impact on the realisation of the programme objectives.

### 12.3 Belated release of Funds to the Implementing Agencies

The State Governments of Assam, Jammu and Kashmir, Karnataka, Kerala, Madhya Pradesh, Orissa, Punjab, Sikkim, Tamil Nadu and Tripura released Central funds totalling Rs 65.47 crore to the implementing agencies belatedly during 1993-2001. Such delays ranging from 2 to 60 months, are brought out in **Annex-XII**. Delayed release of funds adversely affected the attainment of stated objectives of the Programme.

Rs 65.47 crore released belatedly and Rs 55.41 crore not released to implementing agencies.

### 12.4 Short / Non-release of Funds to Implementing Agencies

During 1993-2001, funds aggregating to Rs 55.41 crore were either short released or not released to the implementing agencies in ten States (Arunachal Pradesh: Rs 4.53 crore; Assam: Rs 5.87 crore; Jammu and Kashmir: Rs 0.96 crore; Karnataka: Rs 17.38 crore; Kerala: Rs 0.38 crore; Madhya Pradesh:

Rs 11.53 crore; Punjab: Rs 0.01 crore; Rajasthan: Rs 3.18 crore; Tamil Nadu: Rs 8.73 crore; Tripura: Rs 2.84 crore).

## 12.5 Contributions from ULBs

5 per cent contribution was not received in 22 states.

The Programme envisaged that 5 per cent of the cost of schemes would be made available by the ULBs. Sample check in audit, however, revealed that none of the ULBs in States other than Madhya Pradesh and Tamil Nadu had fulfilled this requirement. This was also only partially fulfilled even in the two States in as much as the ULBs in Madhya Pradesh had contributed only Rs 27.75 lakh as against Rs 1.52 crore due for schemes in 25 towns and those in Tamil Nadu had contributed Rs 34.33 lakh as against Rs 2.23 crore due for schemes in 34 towns.

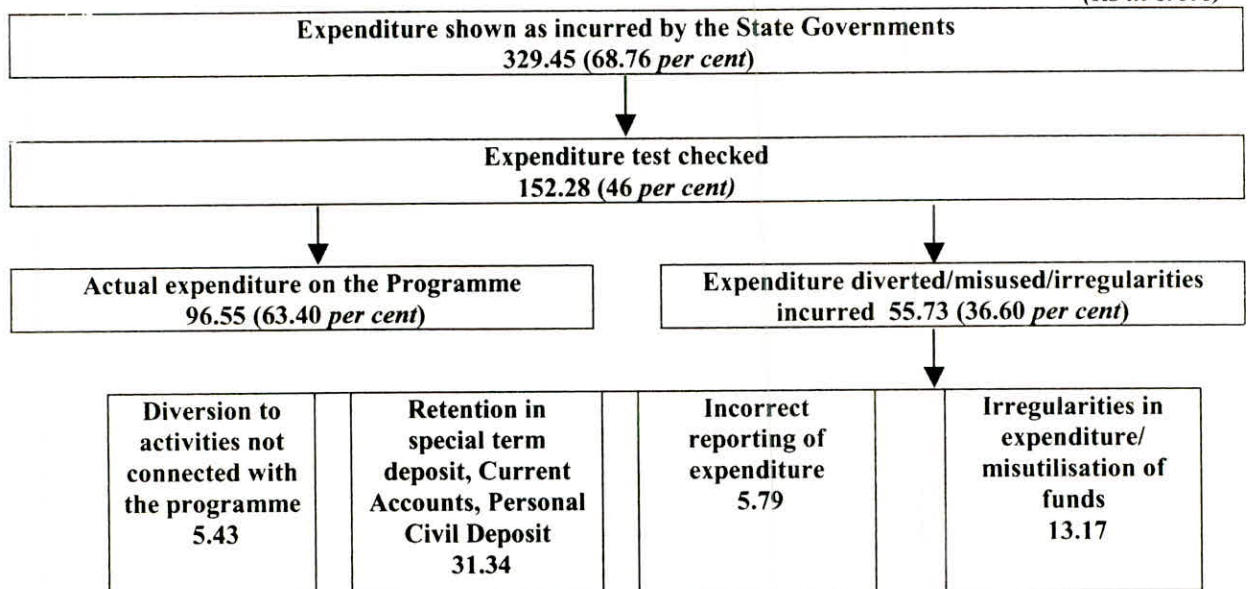
## 12.6 Financial management

Rs 55.73 crore not utilised for the programme objectives.

The expenditure of Rs 329.45 crore reported by the State Governments was found to be inflated as it included amounts retained in various deposit accounts, diverted to works and activities not related to the Programme, incorrect reporting etc. The extent of such diversion /retention in Deposits, incorrect reporting, misutilisation etc detected in Audit test check was Rs 55.73 crore as detailed in the following paragraphs:

### Finance Inverse Tree

(Rs in crore)



### 12.6.1 Diversion of Funds

Funds released for the Programme or for individual schemes and towns were not to be diverted to other programmes or schemes. Sample check disclosed diversion of Rs 5.43 crore (as shown in **Annex-XIII**) in the States of Assam, Haryana, Jammu and Kashmir, Madhya Pradesh, Rajasthan, Tripura and Uttar Pradesh to activities not connected with the Programme such as on-going State Plan schemes, repayment of HUDCO loan, other schemes, temporary arrangement for water supply, etc.

### 12.6.2 Retention of Funds in Deposit Accounts

In Assam, Kerala, Madhya Pradesh and Punjab, Rs 31.34 crore were retained in Special Term Deposits, Current Accounts, Personal/Civil Deposits, etc. instead of being utilised on the intended water supply schemes. The resultant loss of interest on the funds meant for the Programme amounted to Rs 35.91 lakhs as shown in **Annex-XIV**.

### 12.6.3 Incorrect reporting of expenditure

The expenditure reported in five States (Karnataka, Nagaland, Orissa, Rajasthan and Tamil Nadu) was in excess of the actual expenditure by Rs 5.54 crore as shown in **Annex-XV**. Further, test check of the records revealed that the Government of Kerala had determined the cost of earth work as Rs 27.18 lakhs instead of the correct cost of Rs 2.64 lakhs. The inflated reporting of expenditure to the extent of Rs 24.54 lakhs led to an excess release of Central assistance of Rs 12.27 lakhs, which had not been refunded by the State as of March 2001.

### 12.6.4 Irregularities in expenditure

In Arunachal Pradesh, Nagaland, and Rajasthan, expenditure amounting to Rs 1.23 crore was irregularly incurred on purchase of Maruti vehicles, purchase of photocopier, repairs to diesel generating set, electrification of two failed tube wells, construction of an office building, payment to a contractor for construction of a road and transportation of GI pipes, etc. The Government of Rajasthan also incurred expenditure of Rs 56.96 lakh even in the absence of the necessary provision, while expenditure aggregating to Rs 8.77 crore was incurred on five schemes in Orissa without administrative approval. Similarly, expenditure of Rs 2.43 lakh was incurred on source creation for a scheme in Tamil Nadu even before it was approved by the Government of India and that incurred on a scheme in Maharashtra was in excess of the approved cost to the extent of Rs 48.49 lakh for which the sanction of the competent authority had not been obtained. Expenditure aggregating to Rs 2.09 crore incurred on eight schemes in Karnataka in excess of the approved cost was also irregularly debited to the Programme.

### 12.6.5 Unaccounted Payment

Lack of adequate control by supervisory officers and laxity in regulation of expenditure resulted in unaccounted payment of Rs 0.60 crore in Nagaland and Rajasthan as detailed below:

State	By whom fictitious payment was made	Year	Amount (Rs in lakhs)	Remarks
Nagaland	Executive Engineer, Zunheboto	2000-01	50	The Executive Engineer (PHED) Kohima, withdrew Rs 130 lakhs in August 2000 on account of HUDCO loan and remitted (September 2000) the amount to the Executive Engineer (PHED), Zunheboto through a demand draft. The latter, however, accounted for only Rs 80 lakhs.
Rajasthan	JE Dhariawad		0.42	Neither the Material at Site Accounts (MAS) were maintained nor were the materials purchased entered in the stock registers.
	JE Chhaper		2.70	
	JE Napasar		1.48	
		<b>Total</b>	<b>60.41</b>	

UCs amounting to  
Rs 28.94 crore  
awaited from 9 states.

### 12.6.6 Outstanding Utilisation Certificates

State Governments were required to submit utilisation certificates (UC) to the Department and any shortfalls in the State's allocations were to be adjusted at the time of release of the second or subsequent instalments. As against the Central and State share of funds aggregating to Rs 479.14 crore released during 1993-94 to 2000-01, the expenditure reported by the States was only Rs 329.45 crore. Test check revealed that utilisation certificates in respect of the Central assistance of Rs 28.94 crore released to them during 1993-2000 were awaited from nine States (**Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Orissa, Rajasthan and Uttar Pradesh**). In **Tamil Nadu**, though the Central share to the extent of Rs 8.73 crore against releases made during 1993-94 to 2000-01 was not actually released to the implementing agencies by the State Governments, UC was furnished for the entire Central release of Rs 16.93 crore.

### 12.6.7 Non-recovery of funds irregularly utilised

Test check revealed that Central funds aggregating to Rs 55.86 lakh were unauthorisedly utilised by the implementing agencies on eleven schemes in the States of **Karnataka (1), Maharashtra (1), Manipur (5) and Tamil Nadu (4)** even after the schemes had been completed (**Annex-XVI**). These amounts would need to be recovered/adjusted from the concerned States.

### 12.6.8 Non-maintenance of separate scheme-wise accounts

The Programme guidelines envisaged maintenance of separate scheme-wise accounts by the implementing agencies in respect of the funds released both by the Centre and the States. This was intended to prevent the diversion of funds from the Programme to other programme or schemes. Similarly, funds intended for a particular town were not to be diverted to any other town without the prior consent of the Ministry.

Sample check revealed that the Central and State assistance was not released to the implementing agencies with reference to individual schemes. Eight States (**Gujarat, Jammu & Kashmir, Karnataka, Madhya Pradesh, Nagaland, Rajasthan, Tamil Nadu and Uttar Pradesh**) reported that the implementing agencies had not prepared scheme-wise accounts.

The Ministry stated in July 2001 that it might not be possible to maintain accounts of each scheme individually since funds were not released scheme-wise. This contention is not tenable in the context of the fact that funds had in fact been released scheme-wise earlier during 1993-94 and 1994-95.

### 12.6.9 Variations in Per Capita Unit Cost

As mentioned earlier in paragraph 7.2 *supra*, the guidelines for the Programme envisaged that the per capita unit cost of individual schemes should not normally exceed Rs 1,000 without adequate justification. The justification for any increase was required to be furnished in the DPRs. Scrutiny of the schemes sanctioned by the Ministry revealed that the per capita unit cost in respect of 185 schemes approved in 23 states ranged between Rs 1,000 to Rs 18,000, as detailed below:

Per capita unit cost (in Rs)	No. of schemes	States involved
1001 to 1500	83	Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Orissa, Punjab, Rajasthan, Tamil Nadu, Tripura, Uttar Pradesh and West Bengal
1501 to 2000	33	Assam, Gujarat, Haryana, J&K, Karnataka, Kerala, Madhya Pradesh, Manipur, Maharashtra, Meghalaya, Mizoram, Orissa, Tamil Nadu, Tripura and Uttar Pradesh
2001 to 2500	21	Assam, Haryana, J&K, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Tamil Nadu, Tripura, Uttar Pradesh and West Bengal
2501 to 3000	19	Haryana, J&K, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Mizoram, Nagaland, Rajasthan, Sikkim, Tamil Nadu, Tripura, U.P and West Bengal.
3001 to 3500	12	H.P. Manipur, Meghalaya, Mizoram, T&N, Tripura and U.P.
3501 to 4000	5	Assam, Bihar, Haryana and H.P.
4001 to 4500	3	Assam, Himachal Pradesh, Nagaland
4501 to 5000	2	Maharashtra, Uttar Pradesh
5001 to 5500	3	Himachal Pradesh, Uttar Pradesh
5501 to 6000	2	Arunachal Pradesh, Mizoram
8001 to 8500	1	Arunachal Pradesh
17501 to 18000	1	Himachal Pradesh
<b>Total</b>	<b>185</b>	

The increase in the per capita unit cost would have an inevitable impact on the final cost of the scheme and availability of resources for other water supply schemes. The justification, if any, for non-adherence to the guidelines was not readily ascertainable from the records of the Ministry.

#### 12.6.10 Adequacy of Cost Recovery Measures

The State Governments were to ensure adequate cost recovery so as to meet the expenditure on the operation and maintenance of the schemes proposed by them. Introduction of a realistic tariff structure was, therefore, necessary to ensure proper operation and maintenance and sustained permanent satisfactory performance of the commissioned schemes. The tariff structure evolved for the purpose was required to be indicated in the DPRs by the State Governments, who were also to confirm that a suitable water tariff for various categories of beneficiaries had been imposed based on the existing supply.

Test check of the records, however, revealed that the tariff structure as envisaged had not been evolved in 14 States. Further, though cost recovery was being effected in respect of 36 schemes in nine States, the tariff evolved for the purpose was not adequate to meet the expenditure on the operation and maintenance of these schemes. In the circumstances, the objective of ensuring that the schemes implemented under the Programme were self-sustaining would not appear to have been realized.

### 13. Other points of interest

#### 13.1 Extension of Undue Benefits to contractors

Test check revealed that the following undue benefits were extended to contractors in the States of Nagaland and Rajasthan:

Tariff structure not adequate/evolved in 23 states.



### **Nagaland**

(a) In violation of codal provisions, a mobilisation advance of Rs 18 lakh was paid to a contractor entrusted with the construction of a Treatment Plant at Phek, resulting in an undue benefit to him of Rs 3.90 lakh in the form of an interest-free loan.

(b) The contract for the construction of a Main Service Reservoir (capacity: 4.50 lakh litres) for the Zunheboto scheme at an estimated cost of Rs 10.91 lakh was awarded to a contractor during October 1999. This amount was also paid to him in October 2000. The contractor, however, constructed a reservoir of only one lakh litre capacity at an estimated cost of Rs 3.35 lakh, resulting in an excess payment of Rs 7.56 lakh.

### **Rajasthan**

Thirteen works entrusted to different contractors and scheduled for completion between April 1995 and June 1999 had not been completed by them. Payments aggregating to Rs 23.25 lakh had been made in respect of these incomplete works. No action had, however, been initiated against the defaulting contractors. The compensation recoverable in these cases would amount to Rs 4.89 lakh.

### **13.2 Unfruitful expenditure on schemes**

Instances of unfruitful investments aggregating to Rs 20.38 crore in five States noticed in the course of test check of the records are mentioned in the following paragraphs.

#### **Karnataka**

The water supply scheme for Arkalgud town in Hassan District, sanctioned in August 1997 at an estimated cost of Rs 213.00 lakh to enhance the availability of water from 67 LPCD to 90 LPCD, was completed in February 2000. It was observed that, on account of failure to modify the distribution system, the availability of water increased only marginally to the extent of 4 LPCD. The expenditure of Rs 196 lakh incurred on the scheme had, therefore, been rendered largely unfruitful. The Executive Engineer, Board Division, Hassan, responsible for implementation of the scheme, stated (February 2001) that action would be taken to modify the distribution system.

#### **Rajasthan**

During execution of the Napasar scheme, instead of strengthening the existing 11 kilometre long 200 mm diameter rising main pipe line from Gadhwal to Napasar by replacing the broken pipes and plugging leaks, a fresh alignment involving three railway crossings was adopted for the rising main without the approval of the competent authority. In the absence of the necessary permission from the Railway authorities, the work of laying the rising main along the fresh alignment was held up. Pipes from the old rising main having been dug out in the meantime, the existing water supply from Gadhwal was also discontinued. The expenditure of Rs 1.55 crore incurred on the scheme during 1995-2001 consequently failed to result in any tangible additional

benefit to the population, even three years after the stipulated date of completion

### **Madhya Pradesh**

(i) The State Government accorded administrative approvals to the Bhikangaon and Kasrawad schemes in December 1996 and September 1997 respectively. In the absence of decisions on the question of the appropriate technology to be adopted for the treatment plant having regard to the turbidity in the rivers and because of non-construction of a barrage, work on these schemes had not commenced as of July 2001. Expenditure of Rs 301 lakh incurred on other allied works related to these schemes was consequently rendered unfruitful.

(ii) The Central Government approved schemes for Majholi and Katangi towns at an estimated cost of Rs 77 lakh and Rs 98.90 lakh respectively in April 1996. Though scheduled for completion by March 1997, the schemes remained incomplete as of March 2001 even after incurring a total expenditure of Rs 172 lakh. Power pumps could be installed only in seven of the thirteen tube wells that were drilled. Nevertheless, the length of the distribution system was increased to 8,319 metres, and the estimate was also revised to Rs 286 lakh. Work on various components of schemes had been suspended in April 1999 because of insufficiency of funds. In the result, the investment of Rs 172 lakh had been rendered unfruitful.

(iii) In 19 commissioned schemes, availability of water ranged between 25 and 60 LPCD, as against the designed level of 70 LPCD, thereby depriving the population of these towns of adequate water supply. An expenditure of Rs 1102.74 lakh had been incurred on these schemes against the project cost of Rs 1042.45 lakh. Even after incurring an extra expenditure of Rs 60.29 lakh, the intended objectives could not be achieved.

### **Bihar**

Water supply schemes approved for Janakpur Road and Sheohar in 1997-98 at a total estimated cost of Rs 138 lakh, and due for completion in three years, had not been completed as of June 2001 due to non-release of the State Government's share of funds. This resulted in the expenditure of Rs 103 lakh, incurred on these two incomplete water supply schemes till then, remaining unfruitful.

### **Tamil Nadu**

(i) The water supply scheme for Ayyampettai town in Tamil Nadu was approved in August 1996. Works relating to the scheme were however, abandoned in April 1997 because the water was not potable having been contaminated. Expenditure of Rs 6 lakh incurred on construction of an infiltration well and pumping station was consequently rendered infructuous.

(ii) Works relating to the scheme for Vengathur town in Tamil Nadu sanctioned in January 1995 was abandoned in March 1997 because of objections from the public. This resulted in the expenditure of Rs 1.07 lakh

incurred till then on construction of an infiltration well being rendered infructuous.

#### 14. Deficiencies in Stock Records

Deficiencies in procurement and maintenance of stock amounting to Rs 986.93 lakh.

Test check of the stock records maintained by the implementing agencies in nine States revealed short comings/deficiencies amounting to Rs 986.93 lakh.

- In **Himachal Pradesh**, materials (pipes and fittings) purchased at a cost of Rs 16.03 lakh in anticipation of actual requirements were lying unutilised as of December 2000.
- In **Rajasthan**, pipes and pumps costing Rs 10.41 lakhs issued to a Junior Engineer in connection with the schemes for Chappar, Dhariawad, and Napasar towns were not found entered in his stock register. Materials valued at Rs 3.91 lakh returned from the Dhariawad scheme were adjusted twice in March 1997 and February 1999 in Salumber Division.
- In **Arunachal Pradesh**, pipes costing Rs 30.76 lakh purchased in November 2000 for the Naharlagun scheme were not found suitable and were therefore transferred to the Itanagar scheme. These were not required even for that scheme and had not been utilised as of April 2001.
- In **Madhya Pradesh**, the Department used expensive CI and GI pipes instead of low cost AC pipes in six schemes, resulting in an additional avoidable expenditure of Rs 92.05 lakh.
- In **Jammu and Kashmir**, Material at Site Accounts in respect of materials costing Rs 72.95 lakh issued to works in Samba (Rs 47.70 lakh) and Billawar (Rs 25.25 lakh) during the period from 1994-95 to 2000-01 had not been maintained to facilitate monitoring of their utilisation.
- In **Manipur**, materials such as CI pipes, DI pipes, specials and fittings, etc. costing Rs 17.71 lakh purchased during 1995-2001 were not available in the Stores Division.

Similarly, materials like cement (566.10 MT), MS rods (116.20 MT), CI pipes (63.039 RM) and DI pipes (34.044 RM) procured between 1995 and 2000 were insufficient to meet the requirements of the schemes for which they were intended, the shortfalls ranging between 47 and 90 *per cent*. This resulted in tardy progress of the works.

- In **Nagaland**, 16,000 metres of heavy and medium size GI pipes were utilised in the Zunheboto scheme and 3,561 metres of medium size pipes purchased in excess of the requirements during March 1998 and October 1999 were available at the site. Nevertheless, an additional 5,900 metres of medium size GI pipes costing Rs 57.06 lakh were ordered in October 2000 for which an advance of Rs 50 lakh was paid. Similarly, materials such as like GI union, elbow sockets, etc. costing Rs 30.86 lakh were procured for the Phek scheme during August 2000 as against the requirement of materials costing Rs 6.90 lakh only. The manner of utilisation of excess materials costing Rs 23.96 lakh was not on record.

- In **Orissa**, the overhead tank of the Chandbali scheme remained incomplete. The amount of Rs 33.94 lakh meant for the construction of the tank was fictitiously booked against materials in 2000-01.
- In **Assam**, materials (pipes and fittings) costing Rs 380.40 lakh purchased in excess of actual requirements for three schemes were lying unutilised for varying periods from January 1999 to March 2001. Further, purchase of pipes and fittings for three schemes was approved irregularly by the Purchase Committee at prices that were higher than the prices of their manufacturers and the rates approved by the DGS&D, resulting in an extra expenditure of Rs 247.75 lakh.

### 15. Monitoring

Ministry was required to monitor the physical and financial progress of each scheme based on the Quarterly Progress Reports (QPRs) furnished by the State Governments. Officers of the Central Public Health Engineering and Environmental Organisation in the Ministry were also required to be involved in periodical site visits and discussions with the State Governments and ULBs. In order to facilitate proper monitoring, separate scheme-wise accounts were also to be maintained.

**Inadequate and inefficient monitoring by the Ministry.**

Audit scrutiny revealed that the QPRs from 23 States had not been received regularly and were in arrears for periods ranging from 2 to 48 months. These were also not received after March 1997 from Jammu and Kashmir and after September 1997 from Bihar. The Ministry did not initiate appropriate follow-up action on the shortcomings observed in the QPRs

In their tour notes pertaining to the period from May 1999 to March 2001, Departmental Officers had drawn attention to certain serious shortcomings and deficiencies, such as non-recovery of savings effected in implementation of schemes, inadequacies in the tariff structure, water quality, etc. No follow-up action was, however, taken with reference to these observations. Separate scheme-wise accounts were also not maintained in many States and regular meetings between the Departmental Officers and those of the State Government and ULBs were not held in any State.

The monitoring of the implementation of the Programme by the Central Government would, therefore, appear to have been lax and inadequate. Better monitoring could conceivably have ensured timely remedial measures aimed at securing the objectives of the Programme.

### 16. Evaluation / Impact Assessment

The essential task of identifying, earmarking and co-ordinating the relevant sectoral inputs was to be undertaken by the State Governments and physical targets, in conformity with the guidelines, were also to be decided by them. The Ministry and State Governments were to undertake evaluation studies from time to time to assess the extent to which the Programme had been successful in solving the drinking water problems of small towns and whether the achievements were commensurate with the investments made.

No evaluation study by Ministry to assess impact of Programme .

In Maharashtra, a Committee of the State Government evaluated the Programme in January 2000. The evaluation brought out that the benefits to the targeted beneficiary population had not been commensurate with the expenditure incurred on various schemes. The impact of the Programme in other States had not, however, been evaluated as of August 2001.

The Mid-term appraisal of the 9th Five Year Plan conducted by the Planning Commission in October 2000 indicated that the following factors stood in the way of effective implementation of the Programme:

- Changes in priorities introduced by the State Governments.
- Non-submission or belated submission of DPRs
- Preparation of DPRs without observing the prescribed guidelines.
- Delays in according administrative approval by the State Governments to sanctioned schemes.
- Non-release of or delays in providing the matching States' shares.
- Non-submission of progress reports.
- Non-submission of utilization certificate.
- Physical/financial constraints in implementation.
- Non-completion of sanctioned schemes for many years.
- Failure to initiate advance action for land acquisition.

An impact assessment of the Programme undertaken by the Accountants General of 24 States with reference to the parameters of coverage of problem towns, community participation and incidence of water-borne diseases further revealed absence of community participation, shortfalls in coverage of towns and increase in the incidence of water-borne diseases. Their findings in this regard are briefly summarised below:

Impact Evaluation by AsG revealed critical shortcomings.

- (a) There was no participation of the community at any level in twenty-three States.
- (b) 824 towns in 18 States identified as facing special problems remained uncovered and no exercise was undertaken in five States to identify problem towns.
- (c) As reported by the State Health departments, the incidence of water-borne diseases had increased during 1993-94 to 2000-01 in some of the States (cholera: 2 States; gastroenteritis: 4 States; diarrhoea: 8 States; jaundice: 7 States; typhoid: 10 States and other diseases : 5 States).

### Conclusion

It is evident that the scheme could not largely achieve the basic objective of providing safe and adequate water supply to entire towns having population of less than 20,000. Out of 2,151 towns estimated to be covered at the estimated cost of Rs 2,000 crore (as assessed in 8<sup>th</sup> five year plan), schemes in only 575 towns (27 per cent) were sanctioned involving release of Rs 479.14 crore (24 per cent) as of March 2001. Only 200 of the 575 projects were completed/commissioned, 274 projects are ongoing and 101 were yet to be

taken up. Problems relating to towns that have been left uncovered and adequacy of funds are matters for the active consideration of the Government. The implementation of the Programme was deficient in critical areas. No effective system to identify towns/schemes was instituted in most States, and the towns in which water availability was already in excess of the prescribed limit of 70 LPCD as well as ongoing schemes under the State plans or those financed with assistance from HUDCO were also included under the Programme. The management of financial resources was deficient and excess releases of funds to non-performing States resulted in accumulation of unspent balances. Shortfalls in contributing the matching States's share led to non-realisation of the programme objectives. Due to lack of proper monitoring, both at the Ministry and State level, the implementation of the Programme was not satisfactory. Crucial aspects of the programme like involvement of the community participation; adoption of a realistic tariff structure and establishment of the sustainability of the schemes were neglected in most schemes. The Ministry did not carry out any evaluation study of the programme to assess its impact.

The matter was referred to the Ministry in November 2001; their reply was awaited as of January 2002.

New Delhi  
Date 6 March, 2002



(H.P. DAS)  
Director General of Audit  
Central Revenues

Countersigned

New Delhi  
Date 7 March, 2002



(V.K. SHUNGLU)  
Comptroller and Auditor General  
of India

**Annex-I**  
(Refers to Paragraph 6.1)

**State wise releases of central and state share of funds during 1993-94 (March 1994) to 2000-01**

Sl. No	State	Funds Released (Central/State share)								
		(Rs in lakh)								
		1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	Total
1.	Arunachal Pradesh	0.00	0.00	0.00	83.29	21.16	0.00	149.08	50.00	303.53
		0.00	0.00	0.00	0.00	130.00	170.00	100.00	0.00	400.00
2.	Assam	26.06	0.00	0.00	168.05	140.00	198.87	324.26	0.00	857.24
		0.00	0.00	0.00	0.00	159.60	161.14	170.00	153.00	643.74
3.	Bihar	0.00	0.00	94.50	0.00	0.00	192.75	319.47	0.00	606.72
		0.00	0.00	0.00	45.00	4.00	1.51	26.91	65.00	142.42
4.	Goa	6.24	10.14	0.00	9.20	0.00	0.00	0.00	0.00	25.58
		0.00	0.00	4.94	18.76	2.15	0.00	0.00	0.00	25.85
5.	Gujarat	71.08	87.24	27.30	70.00	0.00	0.00	347.25	386.10	988.97
		0.00	158.00	200.00	150.00	50.00	140.00	100.00	300.00	1098.00
6.	Haryana	30.25	34.00	77.65	86.20	87.03	130.19	259.56	438.85	1143.73
		0.00	30.00	34.00	88.00	52.00	49.00	119.00	700.00	1072.00
7.	Himachal Pradesh	8.79	9.88	82.83	16.60	44.95	58.95	156.50	125.25	503.75
		0.00	0.00	0.00	0.02	125.00	100.00	60.00	55.00	340.02
8.	Jammu & Kashmir	5.32	20.00	28.45	10.20	41.61	20.75	183.90	0.00	310.23
		0.00	5.79	15.47	52.00	90.92	37.00	30.00	100.33	331.51
9.	Karnataka	85.15	105.12	0.00	47.58	179.96	298.08	465.91	555.80	1737.60
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10.	Kerala	28.21	37.62	25.00	48.00	64.39	85.50	67.69	127.68	484.09
		0.00	65.00	100.00	250.00	0.00	100.00	125.00	112.50	752.50
11.	Madhya Pradesh	205.10	343.19	380.53	156.12	417.98	626.72	936.56	559.76	3625.96
		0.00	82.00	163.00	506.00	207.00	348.00	699.00	241.00	2246.00
12.	Maharashtra	85.36	92.50	36.30	172.75	271.80	393.94	369.01	437.92	1859.58
		0.00	0.00	0.00	0.00	1072.00	410.00	500.00	500.00	2482.00
13.	Manipur	7.65	20.50	39.00	76.04	90.99	63.16	160.51	206.00	663.85
		0.00	0.00	28.15	28.15	4.29	149.86	123.32	17.00	350.77
14.	Meghalaya	0.00	0.00	48.90	10.00	38.92	0.00	0.00	96.53	194.35
		0.00	0.00	8.00	32.50	43.50	0.00	9.75	7.00	100.75
15.	Mizoram	4.26	0.00	7.10	11.88	51.68	76.95	63.42	138.11	353.40
		0.00	0.00	0.00	23.13	35.00	54.51	32.09	111.29	256.02
16.	Nagaland	0.00	0.00	0.00	52.33	34.36	17.51	175.80	85.98	365.98
		0.00	0.00	0.00	93.47	174.60	0.00	0.00	0.00	268.07
17.	Orissa	50.23	51.13	0.90	187.47	156.62	258.00	258.62	245.79	1208.76
		0.00	0.00	0.00	0.00	0.00	100.87	34.66	343.32	478.85
18.	Punjab	26.73	35.64	77.76	44.00	0.00	0.00	105.48	0.00	289.61
		0.00	0.00	0.00	0.00	0.00	0.00	100.00	189.00	289.00
19.	Rajasthan	81.97	177.97	237.00	306.75	171.52	324.81	0.00	306.74	1606.76
		0.00	79.04	506.73	345.19	176.34	24.00	49.00	62.48	1242.78
20.	Sikkim	0.00	0.00	0.00	0.00	0.00	0.00	28.92	0.00	28.92
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.92	28.92
21.	Tamil Nadu	82.24	9.59	0.00	104.12	205.46	234.91	521.36	535.54	1693.22
		0.00	0.00	91.83	104.12	133.00	0.00	0.00	1428.07	1757.02
22.	Tripura	5.16	0.00	0.00	0.00	0.00	42.11	91.44	175.25	313.96
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.00	30.00
23.	Uttar Pradesh	327.88	586.17	764.87	352.42	776.57	932.83	1515.26	1680.19	6936.19
		0.00	400.00	755.00	619.00	729.00	900.00	920.00	2275.00	6598.00
24.	West Bengal	39.13	52.25	71.56	0.00	0.00	43.97	0.00	248.51	455.42
		0.00	20.00	55.00	100.00	20.00	39.00	41.00	148.00	423.00
	<b>Total</b>	<b>1176.81</b>	<b>1672.94</b>	<b>1999.65</b>	<b>2013.00</b>	<b>2795.00</b>	<b>4000.00</b>	<b>6500.00</b>	<b>6400.00</b>	<b>26557.40</b>
		<b>0.00</b>	<b>839.83</b>	<b>1962.12</b>	<b>2455.34</b>	<b>3208.40</b>	<b>2784.89</b>	<b>3239.73</b>	<b>6866.91</b>	<b>21357.22</b>

**Annex-II**  
(Refers to Paragraph 6.1)

**Statewise details of Central and State share of funds utilised during 1993-94  
(March 1994) to 2000-01**

Sl. No	State	Funds Utilised (Central/State share) (Rs in lakhs)								
		1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01	Total
1.	Arunachal Pradesh	0.00	0.00	0.00	0.00	131.59	86.42	500.00	323.62	1041.63
2.	Assam	0.00	0.00	0.00	0.00	27.56	260.93	184.56	245.47	718.52
3.	Bihar	0.00	0.00	0.00	0.00	23.73	57.36	100.86	160.48	342.43
4.	Goa	0.00	0.00	21.32	26.37	3.81	0.00	0.00	0.00	51.50
5.	Gujarat	0.00	0.00	42.00	57.00	173.00	59.00	366.00	366.00	1063.00
6.	Haryana	0.00	0.00	115.00	151.00	128.00	130.00	98.00	520.00	1142.00
7.	Himachal Pradesh	0.00	18.67	20.58	62.25	157.56	83.29	88.84	280.77	711.96
8.	Jammu & Kashmir	0.00	11.57	37.95	73.45	101.12	37.00	96.51	87.52	445.12
9.	Karnataka	45.00	31.00	35.00	36.00	166.00	338.00	216.00	1298.00	2165.00
10.	Kerala	0.00	0.00	10.50	42.79	70.05	93.11	55.68	54.35	326.48
11.	Madhya Pradesh	0.00	0.00	600.00	544.00	956.00	509.00	276.00	308.00	3193.00
12.	Maharashtra	0.00	0.00	0.00	0.00	1417.00	648.00	1000.00	869.00	3934.00
13.	Manipur	0.00	0.00	89.41	158.96	118.64	141.70	172.16	19.05	699.92
14.	Meghalaya	0.00	0.00	8.01	80.90	62.09	16.83	15.46	16.09	199.38
15.	Mizoram	0.00	0.00	11.36	23.13	46.88	139.14	120.19	189.93	530.63
16.	Nagaland	0.00	0.00	0.00	93.47	286.13	208.53	45.65	359.66	993.44
17.	Orissa	0.00	0.00	66.13	181.90	191.03	335.34	60.65	688.83	1523.88
18.	Punjab	0.00	0.00	0.00	0.00	0.00	50.21	79.94	223.04	353.19
19.	Rajasthan	0.00	80.82	1138.38	602.63	601.75	200.48	85.57	225.99	2935.62
20.	Sikkim	0.00	0.00	0.00	0.00	0.00	0.00	0.00	57.84	57.84
21.	Tamil Nadu	0.00	0.00	0.00	73.22	398.34	286.78	223.70	1017.15	1999.19
22.	Tripura	0.00	0.00	0.00	0.00	0.00	0.00	45.69	269.39	315.08
23.	Uttar Pradesh	0.00	319.00	981.00	891.00	903.00	1556.00	1394.00	1539.00	7583.00
24.	West Bengal	0.00	95.00	103.00	108.00	30.00	109.00	17.00	157.00	619.00
	<b>Total</b>	<b>45.00</b>	<b>556.06</b>	<b>3279.64</b>	<b>3206.07</b>	<b>5993.28</b>	<b>5346.12</b>	<b>5242.46</b>	<b>9276.18</b>	<b>32944.81</b>



**Annex-III**  
(Refers to Paragraph 7)

**Physical status of 575 Towns sanctioned as on March 31,2001.**

S.No.	Name of the Project	Date of sanction /schedule date of completion	Operationalisational Status
<b>ARUNACHAL PRADESH</b>			
1.	Itanagar	3/1997/-	Ongoing
2.	Naharlagun	3/1997/-	Ongoing
<b>ASSAM</b>			
3.	Namrup	4/1995/1997	-do-
4.	Sonari	9/1996/1998	-do-
5.	Palashbari	3/1997/1997-98	-do-
6.	Bilasipara	8/1997/1998-99	-do-
7.	Sarthebari	10/1997/1999-2000	Progress not reported
8.	Nazira	10/1997/1998-99	-do-
9.	Bihupuria	2/1999/2001	-do-
10.	Lakhipur	2/1999/2001	-do-
11.	Naharkatia	3/2000/2002	-do-
12.	Bokakhat	3/2000/2002	-do-
13.	Lala	3/2000/2002	-do-
14.	Rangapara	3/2000/2002	-do-
<b>BIHAR</b>			
15.	Janakpur Road	3/1996/1997-98	On going
16.	Seohar	3/1996/1997-98	-do-
17.	Mohiuddin Nagar	3/1996/1997-98	Completed in March 2001
18.	Barwadiah	11/1996/1997-98	On going
19.	Rajmahal	2/1999/2001	Yet to be started.
20.	Amarpur	2/1999/2001	On going
21.	Kowath	2/1999/2001	-do-
22.	Hisua	2/1999/2001	-do-
23.	Rafiganj	4/1999/2002	-do-
24.	Jamhor	4/1999/2000	-do-
25.	Chakulia	4/1999/2000	-do-
26.	Saraikealia	5/1999/2002	Not taken up
27.	Latehar	9/1999/2002	-do-
28.	Jamtara	12/1999/2001	-do-
29.	Koderma	2/2000/2002	-do-
30.	Muri	5/2000/2002	-do-
31.	Nirsa	4/1999/2001	Ongoing
<b>GOA</b>			
32.	Calangute	1/1995/1997-98	Commissioned on 6/1997
33.	Reismagas	1/1995/1997-98	Commissioned on 12/1997
<b>GUJARAT</b>			
34.	Dharampur	1/1995/1996-97	Completed/Commissioned in December 1997
35.	Bantva	1/1995/1996-97	Completed/Commissioned in June 1998
36.	Dhrol	2/1995/1995-96	Completed/Commissioned in March 2001
37.	Okha Port	3/1995/1996-97	Completed/Commissioned in May 1997
38.	Jodia	3/1995/1995-96	Completed/Commissioned in March 2001
39.	Mendarda	1/1995/1996-97	Completed/Commissioned in March 1999
40.	Barwala	1/1996/1996-97	On going
41.	Surajkardi	1/1996/1996-97	Not started
42.	Khedbrahma	4/1999/2001-2002	On going
43.	Kheralu	4/1999/2001-2002	On going
44.	Visavadar	4/1999/2001-2002	On going
45.	Adityana	4/1999/2001-2002	On going
46.	Chikhli	6/1999/2001-2002	-do-
47.	Vanthali	6/1999/2001-2002	-do-
48.	Salaya	12/1999/2001-2002	-do-

S.No.	Name of the Project	Date of sanction /schedule date of completion	Operationalisational Status
49.	Devgadh Baria	11/2000/2002-2003	Not started
50.	Bhanvad	12/2000/2002-2003	-do-
51.	Ranabav	2/2001/2002-2003	-do-
52.	Kutiyana	2/2001/2002-2003	-do-
<b>Haryana</b>			
53.	Narnaud	2/1995/1995-96	Commissioned on 6/1999
54.	Sohna	2/1995/1996-97	Commissioned on 3/1999
55.	Pataudi	2/1995/1995-96	Commissioned on 3/1999
56.	Kanina	2/1995/1995-96	Commissioned on 3/1999
57.	Babani Khera	3/1997/1997-98	Ongoing
58.	Taoru	2/1998/1999-2000	Ongoing
59.	Kharkhoda	4/1998/1999-2000	Ongoing
60.	Ratia	8/1998/1999-2000	Ongoing
61.	Uchana	10/1998/1999-2000	Ongoing
62.	Kalanaur	3/1999/2000-01	Ongoing
63.	Assandh	4/1999/2000-01	Ongoing
64.	Naraigarh	11/1999/2000-01	Ongoing
65.	Sadhaura	11/1999/2000-01	Ongoing
66.	Indri	12/1999/2000-01	Ongoing
67.	Meham	11/2000/2002-03	Ongoing
68.	Nuh	11/2000/2001-02	Ongoing
69.	Ferozepur Zirka	12/2000/2001-02	Ongoing
70.	Mohindergarh	1/2001/2002-03	Ongoing
71.	Kalanwali	1/2001/2002-03	Ongoing
72.	Pinjore	1/2001/2002-03	Ongoing
73.	Haili Mandi	1/2001/2002-03	Ongoing
74.	Beri	1/2001/2002-03	Ongoing
<b>Himachal Pradesh</b>			
75.	Rewalsar	3/1995/-	Commissioned on 3/1998
76.	Chowari	3/1995/1995-96	Commissioned on 3/1996
77.	Dehra	2/1996/1997-98	Commissioned on 6/1999
78.	Rohru	3/1996/1996-97	Commissioned on 12/1999
79.	Sarkaghat	12/1998/1999-2000	Commissioned on 6/2000
80.	Chopal	11/1999/2000-01	Ongoing
81.	Dalhousie	1/2000/2001-02	Ongoing
82.	Palampur	1/2001/2002-03	Ongoing
<b>Jammu &amp; Kashmir</b>			
83.	Qazigund	3/1995/1996/97	Commissioned on 3/1995
84.	Billawar	2/1996/1997-98	Ongoing
85.	Bijbehara	3/1997/1998-99	Progress not reported
86.	Samba	7/1999/2000-01	Progress not reported
<b>Karnataka</b>			
87.	Belur	1/1995/1998	Commissioned on 3/1999 water supply @ 80 LPCD
88.	Saligrama	1/1995/1998	Commissioned on 3/2000 water supply @ 60 LPCD
89.	Chittaguppa	3/1995/1998	Ongoing
90.	Kuttur	2/1995/1998	Commissioned on 8/1998 water supply @ 90 LPCD
91.	Kerur	1/1995/1998	Commissioned on 12/1998 water supply @ 60 LPCD
92.	Mundargi	1/1995/1998	Commissioned on 3/1999 water supply @ 70 LPCD
93.	Sadalga	2/1995/1998	Commissioned on 6/1998 water supply @ 50 LPCD
94.	Navalgund	7/1996/1997	Ongoing
95.	Srinivaspura	8/1997/1999	Commissioned on 7/1999 water supply @ 40 LPCD
96.	Arkalgud	8/1997/1999	Commissioned on 3/2001 water supply @ 60 LPCD
97.	Alur	3/1998/1999	Ongoing
98.	Badami	3/1998/1999	Ongoing
99.	Periyapatna	1/1999/2001	Ongoing
100.	Kalaghatagi	2/1999/2001	Ongoing
101.	Bilagi	4/1999/2001	Ongoing
102.	Sringeri	4/1999/2000	Ongoing

S.No.	Name of the Project	Date of sanction /schedule date of completion	Operationalisational Status
103.	Nagamangala	4/1999/2001	Ongoing
104.	Deodurga	8/1999/2002	Ongoing
105.	Koppa	2/2000/2001	Ongoing
106.	Virajpet	2/2000/2001	Ongoing
107.	Bagepally	2/2000/2001	Ongoing
108.	Turuvekere	12/2000/2002	Ongoing
109.	Gurmitkal	1/2001/2002	Ongoing
110.	Hosadurga	1/2001/2002-03	Ongoing
111.	Molakalmuru	1/2001/2002-03	Ongoing
<b>Kerala</b>			
112.	Paniyannur	3/1995/1998	Ongoing
113.	Pudukkad	8/1996/2000-01	Ongoing
114.	Koraty	10/1997/2000	Not Started
115.	Marathakkara	2/2001/2002-03	Not Started
116.	Chevoor	2/2001/2002-03	Not Started
<b>Madhya Pradesh</b>			
117.	Bhabhara	1/1995/1996-97	Commissioned on 12/99. Water Supply @ 40 LPCD.
118.	Bamnia	1/1995/1995-96	Commissioned on 6/98
119.	Badnawar	1/1995/1995-96	Ongoing
120.	Dharampuri	1/1995/1996-97	Commissioned on 6/98. Water Supply @ 25 LPCD.
121.	Dhamnood	1/1995/1996-97	Ongoing
122.	Pansemal	1/1995/1995-96	Commissioned on 3/99. Water Supply @ 38 LPCD.
123.	Gautampura	1/1995/1996-97	Ongoing
124.	Sanwer	1/1995/1995-96	Commissioned on 3/99. Water Supply @ 25 LPCD.
125.	Karnawad	1/1995/1996-97	Commissioned. Water Supply @ 40 LPCD.
126.	Hotpipliya	1/1995/1996-97	Commissioned on 3/2000. Water Supply @ 25 LPCD.
127.	Kataphod	1/1995/1996-97	Commissioned on 6/98. Water Supply @ 35 LPCD.
128.	Sohagpur	2/1995/1995-96	Commissioned on 3/99.
129.	Babai	2/1995/1995-96	Commissioned on 12/98. Water Supply @ 25 LPCD.
130.	Khirkiya	2/1995/1995-96	Commissioned on 3/99. Water Supply @ 26 LPCD.
131.	Timrani	2/1995/1995-96	Ongoing
132.	Sultanpur	1/1995/1995-96	Commissioned on 3/99.
133.	Udaipura	2/1995/1996-97	Commissioned on 3/2000. Water Supply @ 45 LPCD.
134.	Sitamau	1/1995/1995-96	Ongoing
135.	Bhatgaon	1/1995/1995-96	Ongoing
136.	Baghehra	1/1995/1995-96	Ongoing
137.	Pithora	1/1995/1995-96	Commissioned
138.	Gariyaband	1/1995/1995-96	Commissioned on 6/98
139.	Ahiwara	1/1995/1995-96	Commissioned on 6/98
140.	Dongargaon	1/1995/1995-96	Ongoing
141.	Raghogarh	2/1995/1996-97	Ongoing
142.	Khariyadhana	1/1995/1995-96	Commissioned on 6/98. Water Supply @ 50 LPCD.
143.	Gandai-Pandanya	1/1995/1995-96	Ongoing
144.	Baroda	1/1995/1995-96	Commissioned on 3/99. Water Supply @ 60 LPCD.
145.	Bamore	1/1995/1995-96	Commissioned on 3/99. Water Supply @ 40 LPCD.
146.	Vijaipur	1/1995/1995-96	Commissioned on 3/2000. Water Supply @ 50 LPCD.
147.	Budhni	1/1996/1997-98	Ongoing
148.	Lateri	1/1996/1997-98	Commissioned. Water Supply @ 35 LPCD.
149.	Kurud	1/1996/1997-98	Ongoing
150.	Barghat	1/1996/1997-98	Commissioned. Water Supply @ 26 LPCD.
151.	Mundi	1/1996/1997-98	Ongoing
152.	Bhikangaon	1/1996/1997-98	Ongoing
153.	Pachhore	3/1996/1997-98	Not Started
154.	Jobat	3/1996/1997-98	Ongoing
155.	Banda	3/1996/1997-98	Not Started
156.	Amarwara	3/1996/1997-98	Commissioned. Water Supply @ 22 LPCD.
157.	Chourai	3/1996/1997-98	Ongoing
158.	Bhainsdehi	3/1996/1997-98	Progress not reported

S.No.	Name of the Project	Date of sanction /schedule date of completion	Operationalisational Status
159.	Tirodi	3/1996/1997-98	Commissioned on 3/2000
160.	Harra	3/1996/1997-98	Commissioned on 3/1999. Water Supply @ 35 LPCD.
161.	Niwari	3/1996/1997-98	Ongoing
162.	Nalkheda	3/1996/1997-98	Ongoing
163.	Mohgaon	3/1996/1997-98	Commissioned on 3/1999. Water Supply @ 50 LPCD.
164.	Katangi	3/1996/1997-98	Ongoing
165.	Shahpura	3/1996/1997-98	Ongoing
166.	Manjholi	3/1996/1997-98	Ongoing
167.	Lakhanadon	3/1996/1997-98	Ongoing
168.	Kasrawad	7/1997/1998-99	Ongoing
169.	Lodhikheda	11/1997/1998-99	Ongoing
170.	Saunsar	11/1997/1998-99	Ongoing
171.	Shahpur	12/1998/2000-01	Ongoing
172.	Sailana	12/1998/2000-01	Not started
173.	Betama	2/1999/2000-01	Not started
174.	Patan	2/1999/2000-01	Ongoing
175.	Suthalia	2/1999/2000-01	Ongoing
176.	Chanderi	3/1999/2000-01	Not started
177.	Devendranagar	3/1999/2000-01	Ongoing
178.	Balod	3/1999/2000-01	Ongoing
179.	Pendra	3/1999/2000-01	Not started
180.	Khategaon	4/1999/2001-02	Progress not reported
181.	Kukshi	4/1999/2000-01	Not started
182.	Chakghat	4/1999/2001-02	Ongoing
183.	Govindgarh	4/1999/2001-02	Progress not reported
184.	Kanod	5/1999/2001-02	Progress not reported
185.	Rattanpur	5/1999/2000-01	Ongoing
186.	Prithvipur	5/1999/2000-01	Progress not reported
187.	Baikunthpur	5/1999/2000-01	Not started
188.	Anjad	5/1999/2000-01	Not started
189.	Sakti	5/1999/2001-02	Not started
190.	Patharia	6/1999/2001-02	Progress not reported
191.	Vijayaraghavgarh	2/2000/2001-02	Not started
192.	Barahi	2/2000/2000-01	Not started
193.	Baikunthpur	2/2000/2001-02	Progress not reported
194.	Seonda	2/2000/2001-02	Progress not reported
195.	Kotar	2/2000/2001-02	Progress not reported
196.	Mangavan	2/2000/2001-02	Progress not reported
197.	Nasrullaganj	2/2000/2001-02	Progress not reported
198.	Barod	2/2000/2001-02	Progress not reported.
199.	Taricharkalan	2/2000/2001-02	Progress not reported
200.	Isagarh	2/2000/2001-02	Progress not reported
201.	Rehti	2/2000/2001-02	Progress not reported
202.	Talen	2/2000/2001-02	Progress not reported
203.	Sheorinarayan	2/2000/2001-02	Progress not reported
204.	Gharghora	2/2000/2001-02	Progress not reported
205.	Boda	2/2000/2001-02	Not started
206.	Soyetkalan	2/2000/2001-02	Progress not reported
207.	Saranggarh	3/2000/2001-02	Progress not reported
208.	Badagaon	1/2001/2002-03	Progress not reported
209.	Jeron Khalsa	1/2001/2002-03	Progress not reported
210.	Baihar	1/2001/2002-03	Progress not reported
211.	Kothi	1/2001/2002-03	Progress not reported
212.	Khujner	1/2001/2002-03	Progress not reported
213.	Zeerapur	1/2001/2002-03	Progress not reported
214.	Rahatgarh	1/2001/2002-03	Progress not reported
215.	Mungaoli	1/2001/2002-03	Progress not reported
216.	Kurwai	2/2001/2002-03	Progress not reported

S.No.	Name of the Project	Date of sanction /schedule date of completion	Operationalisational Status
<b>Maharashtra</b>			
217.	Patur	1/1995/-	Ongoing
218.	Deulgaon Raja	1/1995/-	Commissioned on 12/1998. Water Supply @ 68 LPCD.
219.	Lonar	1/1995/-	Commissioned on N/A
220.	Main Dargi	1/1995/-	Commissioned on 12/1998. Water Supply @ 50-60 LPCD.
221.	Telhara	1/1995/-	Commissioned on 12/1998. Water Supply @ 66 LPCD.
222.	Kundalwadi	12/1995/-	Commissioned on 12/1998. Water Supply @ 50-60 LPCD.
223.	Sendurjanaghat	8/1996/-	Completed but not commissioned
224.	Saswad	10/1996/-	Commissioned on N/A. Water Supply @ 50-60 LPCD.
225.	Indapur	10/1996/-	Commissioned on N/A. Water Supply @ 40-70 LPCD.
226.	Dudhni	11/1996/-	Commissioned on 12/1998. Water Supply @ 51-60 LPCD.
227.	Rahatapimplas	8/1998/-	Ongoing
228.	Sonepeth	12/1998/-	Commissioned on 6/2000. Water Supply @ 40-50 LPCD.
229.	Hadgaon	12/1998/-	Commissioned on 3/2000. Water Supply @ 40-70 LPCD.
230.	Parandha	7/1999/-	Commissioned on 6/2000. Water Supply @ 33-50 LPCD.
231.	Naldurga	3/2000/-	Ongoing
232.	Kandhar	1/2001/-	Ongoing
233.	Bhoom	1/2001/-	Ongoing
234.	Mudkhed	1/2001/-	Ongoing
235.	Umri	1/2001/-	Ongoing
236.	Kallam	2/2001/-	Ongoing
<b>Manipur</b>			
237.	Yaripok	9/1994/1995-96	Commissioned in 1998-99
238.	Heirok	9/1994/1995-96	Commissioned in 1999-2000
239.	Li'long chajing	9/1994/1995-96	Commissioned in 1998-99
240.	Moreh	7/1995/1998	Commissioned in 1999-2000
241.	Jiribam	7/1995/1998	Commissioned in 1999-2000
242.	Nambol	3/1997/1998-99	Ongoing
243.	Moirang	11/1997/1998-99	Ongoing
244.	Wangoi	8/1998/1999-2000	Ongoing
245.	Mayang Imphal	12/1998/2000	Ongoing
246.	Sugunu	4/1999/2001	Not started
247.	Andro	4/1999/2000	Ongoing
248.	Lilong	9/1999/2001	Ongoing
249.	Bishnupur	1/2001/2003	Not started
250.	Ninthoukhong	1/2001/2003	Not started
251.	Kwakta	1/2001/2003	Not started
<b>Mizoram</b>			
252.	Hnahthial	12/1995/1997	Commissioned on 3/1998
253.	Zawl'naum	12/1997/1998-99	Commissioned on 3/1999
254.	Saitul	8/1998/2000-2001	Ongoing
255.	Sairang	4/1999/2000	Ongoing
256.	Darlwan	5/1999/2000	Ongoing
257.	Thenzawl	3/2000/2002	Ongoing
258.	Vairengte	1/2001/2002	Ongoing
<b>Meghalaya</b>			
259.	Simsangiri	5/1995/1998	Ongoing
260.	Baghmara	2001/2003	Progress not reported
<b>Nagaland</b>			
261.	Phek	3/1997/1997-98	Ongoing
262.	Zunhebotta	12/1999/2001	Ongoing
<b>Orissa</b>			
263.	Balimela	12/1994/1998	Ongoing
264.	Pipili	12/1994/1998	Commissioned on 12/1996
265.	Kasinagara	12/1994/1997	Commissioned on 12/1996 Water supply @ 40 LPCD
266.	Chandawali	10/1996/1997	Commissioned on 9/2000
267.	Panposh	10/1996/1997	Ongoing
268.	Kamakhyanager	11/1996/1997-98	Commissioned on 9/2000

S.No.	Name of the Project	Date of sanction /schedule date of completion	Operationalisational Status
269.	Malkangiri	1/1997/1999	Ongoing
270.	Polsara	3/1997/1997-98	Commissioned on 9/2000
271.	Nayagarh	8/1998/1999-2000	Commissioned on 9/2000
272.	Junagarh	3/1999/2001	Ongoing
273.	Balugaon	3/1999/2001	Ongoing
274.	Umarkote	5/1999/2001	Ongoing
275.	Boude NAC	5/1999/2001	Ongoing
276.	Deogarh	5/1999/2001	Ongoing
277.	Rambha	2/2001/2003	Progress not reported
278.	Barapalli	2/2001/2003	Progress not reported
279.	Kantabanji	2/2001/2003	Progress not reported
280.	Khandpara	2/2001/2003	Progress not reported
281.	Khalikote	2/2001/2003	Progress not reported
282.	Hinjicut	2/2001/2003	Progress not reported
<b>Punjab</b>			
283.	Sujanpur	3/1998/99-2000	Commissioned on 3/2001
284.	Sanaur	3/1998/99-2000	Commissioned on 3/2001
285.	Majitha	3/1998/99-2000	Commissioned on 3/2001
286.	Dera Baba Nanak	3/1998/99-2000	Commissioned on 3/2001
287.	Fatehgarh Churian	3/1998/99-2000	Commissioned on 3/2001
288.	Bagha Purana	3/1998/99-2000	Commissioned on 3/2001
289.	Shahkot	12/1998/99-2000	Ongoing
290.	Sham Chaurasi	12/1998/99-2000	Commissioned on 3/2001
291.	Rayya	2/2000/2000-01	Commissioned on 3/2001
<b>Rajasthan</b>			
292.	Antah	2/1995/1995-96	On going
293.	Sarwar	2/1995/1995-96	Commissioned on September 1998
294.	Baswa	2/1995/1995-96	Completed but not Commissioned
295.	Deogarh	2/1995/1995-96	Commissioned on March 2001. Water supply @ 58 LPCD.
296.	Galiakot	2/1995/1995-96	Commissioned on Sept. 1998
297.	Kherli	2/1995/1995-96	On going
298.	Mahwa	2/1995/1995-96	Commissioned on Sept. 1998. Water Supply @ 40 LPCD.
299.	Dhariwad	2/1995/1995-96	Commissioned on Dec. 1998
300.	Bali	3/1995/1995-96	Commissioned on March 2000
301.	Takhatgarh	3/1995/1995-96	Commissioned on March 2001
302.	Kaithoon	12/1995/1996-97	On going
303.	Pokharan	12/1995/1997-98	Commissioned on March 2000
304.	Shahpura	12/1995/1996-97	Commissioned on Sept. 1998
305.	Sunel	12/1995/1996-97	On going
306.	Viratnagar	3/1996/1997-98	Commissioned in Sept. 1998
307.	Amet	3/1996/1997-98	Commissioned in Sept. 1998. Water Supply @ 47 LPCD.
308.	Chhapar	3/1996/1997-98	Commissioned in Sept. 1998. Water Supply @ 53 LPCD.
309.	Nawacity	3/1996/1997-98	Commissioned in Sept. 1998
310.	Napasar	8/1997/1998-99	On going
311.	Kapreu	8/1997/1998-99	On going
312.	Gangapur	10/1998/2000-2001	On going
313.	Keshoraipatan	10/1998/1999-2000	-do-
314.	Bassi	11/1998/2000-2001	-do-
315.	Bhinder	11/1998/2000-2001	-do-
316.	Kanaore	11/1998/2000-2001	-do-
317.	Bagru	3/1999/2000-2001	Commissioned in March 2001
318.	Mandawa	10/2000/2002-2003	On going
319.	Behror	10/2000/2003-2004	-do-
320.	Losal	10/2000/2003-2004	-do-
321.	Reengus	11/2000/2002-2003	-do-
322.	Uniyara	11/2000/2002-2003	-do-
323.	Kesarisinghpur	11/2000/2002-2003	Not started

S.No.	Name of the Project	Date of sanction /schedule date of completion	Operationalisational Status
324.	Kapasan	1/2001/2002-2003	-do-
325.	Begun	1/2001/2002-2003	-do-
326.	Jobner	1/2001/2002-2003	On going
<b>Sikkim</b>			
327.	Singtam	1/2000/2001	Ongoing
<b>Tamilnadu</b>			
328.	Vengathur	1/1995/1998	Commissioned on 2/2001
329.	Denkanikottai	2/1995/1998	Commissioned on 3/1999
330.	Kaveri Pattinam	2/1995/1998	Commissioned on 3/1999
331.	Anamalai	1/1995/1998	Commissioned on 3/1998
332.	Thisayanvilai	1/1995/1998	Commissioned on 3/1998
333.	Cheyyur	2/1995/1998	Commissioned on 3/1998
334.	Padirvedu	2/1995/1998	Commissioned on 3/1997
335.	Bhuvangiri	2/1995/1998	Commissioned on 3/1998
336.	Chithode	2/1995/1998	Commissioned on 3/1998
337.	Harur	2/1995/1998	Ongoing
338.	Ayyempettai	8/1996/1997	Commissioned on 3/1997
339.	Kodivalasai	8/1996/1999	Commissioned on 11/1997
340.	Poovalur	11/1997/2000	Commissioned on 3/1999
341.	Ponnamaravathi	11/1997/1999	Commissioned on 3/1999
342.	Nattarasankottai	1/1998/2000	Commissioned on 2/1999
343.	Veerakkalpudur	1/1998/2000	Commissioned on 8/2000
344.	Othadadai	1/1999/1999	Commissioned on 6/1999
345.	Thiruppavanam	1/1999/2000	Commissioned on 8/2000
346.	Thathaiangarpet	2/1999/2000	Ongoing
347.	Mettupalayam	2/1999/2000	Ongoing
348.	Sathankulam	4/1999/2001	Ongoing
349.	Udangudi	4/1999/2001	Ongoing
350.	Walajabad	4/1999/2000	Commissioned on 3/2001
351.	Punjai Puliampattai	12/1999/2002	Ongoing
352.	Kanyakumari	12/1999/2001	Ongoing
353.	Punjaipugalur	12/1999/2002	Ongoing
354.	Vedasandur	9/2000/2002	Ongoing
355.	Ayempettai	9/2000/2002	Ongoing
356.	Pallepatti	9/2000/2002	Ongoing
357.	Veeravanallur	9/2000/2002	Ongoing
358.	Nazareth	9/2000/2002	Ongoing
359.	Palacode	1/2001/2003	Ongoing
360.	Ervadi	1/2001/2002	Ongoing
361.	Courtallam	1/2001/2003	Ongoing
<b>Tripura</b>			
362.	Kamalpur	2/1999/2000	Ongoing
363.	Belonia	12/1999/2001	Ongoing
364.	Kumarghat	5/2000/2001	Ongoing
365.	Sonamura	1/2001/2003	Not started
366.	Udaipur	1/2001/2003	Not started
<b>Uttar Pradesh</b>			
367.	Karhal	1/1995/1995-96	Commissioned in March 2000
368.	Hastinapur	1/1995/1995-96	Commissioned in Dec. 95
369.	Jalali	1/1995/1995-96	Commissioned in Jan. 1998
370.	Jattari	1/1995/1995-96	Commissioned in June 1998
371.	Harduaganj	1/1995/1995-96	Commissioned in Dec 2000
372.	Kheragarh	1/1995/1996-97	Commissioned in June 1998
373.	Haldaur	3/1995/1996-97	Commissioned in March 1997
374.	Umarikalan	3/1995/1995-96	Commissioned in Sept. 1997
375.	Nidhaulikalan	1/1995/1996-97	Commissioned in March 1997
376.	Raya	2/1995/1996-97	Commissioned in October 1998
377.	Marhera	1/1995/1996-97	Commissioned in March 1997

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S.No.	Name of the Project	Date of sanction /schedule date of completion	Operationalisational Status
378.	Achnera	3/1995/1996-97	Commissioned in October 1998
379.	Sasni	1/1995/1995-96	Commissioned in 7/96
380.	Ghiror	3/1995/1996-97	Commissioned in 3/99
381.	Tulsipur	2/1995/1996-97	Commissioned in 9/2000
382.	Golabazar	2/1995/1995-96	Commissioned in 9/98
383.	Mehnagar	1/1995/1996-97	Commissioned in 12/2000
384.	Jiyanapur	1/1995/1996-97	Commissioned in 10/2000
385.	Azmatgarh	1/1995/1996-97	Commissioned in 11/2000
386.	Ghughuli	3/1995/1995-96	Commissioned in 3/98
387.	Reoti	1/1995/1995-96	Commissioned in 3/99
388.	Sikanderpur	1/1995/1995-96	Commissioned in 3/2001
389.	Karari	3/1995/1995-96	Commissioned in 3/97
390.	Bansdih	1/1995/1995-96	Commissioned in 3/99
391.	Chandauli	1/1995/1996-97	Commissioned in 3/97
392.	Bakewar	3/1995/1995-96	Commissioned in 9/97
393.	Lakhna	2/1995/1995-96	Commissioned in 6/97
394.	Kulpahar	2/1995/1995-96	Commissioned in 3/2001
395.	Jhijnhak	2/1995/1995-96	Commissioned in 3/99
396.	Bithoar	2/1995/1996-97	Commissioned in 6/97
397.	Naraini	1/1995/1996-97	Commissioned in 9/2000
398.	Tirwaganj	1/1995/1995-96	Commissioned in 6/96
399.	Talgram	1/1995/1995-96	Commissioned in 9/96
400.	Nawabganj	1/1995/1996-97	Commissioned in 6/2000
401.	Neotini	2/1995/1996-97	Commissioned in 3/98
402.	Mohan	1/1995/1996-97	Commissioned in 6/98
403.	Sandi	3/1995/1996-97	Commissioned in 9/2000
404.	Pali (Hardoi)	1/1995/1995-96	Commissioned in 3/2001
405.	Islamnagar	2/1995/1995-96	Commissioned in 6/98
406.	Singhai Bharora	1/1995/1995-96	Commissioned in 7/96
407.	Katra	1/1995/1995-96	Commissioned in 3/97
408.	Bazpur	1/1995/1996-97	Ongoing
409.	Bilariaganj	1/1996/1996-97	Commissioned in 3/2000
410.	Ramnagar	1/1996/1996-97	Commissioned in 2/2000
411.	Sankargarh	1/1996/1997-98	Ongoing
412.	Ghorawal	1/1996/1996-97	Commissioned in 3/98
413.	Sidhaur	1/1996/1996-97	Commissioned in 2/2000
414.	Chopan	3/1996/1997-98	Commissioned in 6/98
415.	B.B.Nagar	3/1996/1997-98	Commissioned in 10/2000
416.	Daurala	3/1996/1997-98	Commissioned in 6/99
417.	Faridpur	3/1996/1997-98	Commissioned in 3/2000
418.	Usawan	3/1996/1997-98	Commissioned in 6/2000
419.	Saurik	3/1996/1997-98	Commissioned in 2/2000
420.	Harriya	3/1996/1997-98	Commissioned in 7/2000
421.	Hariharpur	3/1996/1997-98	Commissioned in 6/99
422.	Bansgaon	3/1996/1997-98	Commissioned in 9/2000
423.	Bikapur	3/1996/1997-98	Commissioned in 11/99
424.	Sarai Akil	3/1996/1997-98	Ongoing
425.	Dudhi	3/1996/1997-98	Ongoing
426.	Pali (Lalitpur)	3/1996/1997-98	Commissioned in 3/99
427.	Oran	3/1996/1997-98	Commissioned in 3/2000
428.	Risia Bazar	3/1996/1997-98	Commissioned in 3/2000
429.	Narendernagar	3/1996/1997-98	Ongoing
430.	Chamba	3/1996/1997-98	Ongoing
431.	Jhalu	3/1996/1996-97	Commissioned in 6/99
432.	Adri	3/1996/1996-97	Commissioned in 3/2000
433.	Kaladungi	3/1996/1997-98	Ongoing
434.	Atsu	3/1996/1997-98	Commissioned in 3/2000
435.	Hargaon	3/1996/1997-98	Commissioned in 6/99



S.No.	Name of the Project	Date of sanction /schedule date of completion	Operationalisational Status
436.	Purwa	1/1997/1998-99	Commissioned in 6/2000
437.	Pukharayan	1/1997/1998-99	Commissioned in 9/2000
438.	Bisharatganj	11/1997/1998-99	Commissioned in 10/2000
439.	Narora	11/1997/1998-99	Commissioned in 3/2000
440.	Jahangirpur	11/1997/1998-99	Commissioned in 3/2001
441.	Chattari	11/1997/1998-99	Commissioned in 6/2000
442.	Bilaspur	11/1997/1998-99	Commissioned in 3/2001
443.	Kakore	11/1997/1998-99	Ongoing
444.	Alum	11/1997/1998-99	Commissioned in 3/2000
445.	Banat	11/1997/1998-99	Commissioned in 3/2000
446.	Asharafpur	11/1997/1998-99	Ongoing
447.	Jyoti Khuria	11/1997/1998-99	Commissioned in 12/2000
448.	Nai Bazar	8/1998/99-2000	Ongoing
449.	Rasulabad	8/1998/99-2000	Commissioned in 9/2000
450.	Siwal Khas	8/1998/99-2000	Commissioned in 6/2000
451.	Katera	8/1998/99-2000	Ongoing
452.	Jahanabad	8/1998/99-2000	Commissioned in 12/2000
453.	Kalinagar	8/1998/99-2000	Commissioned in 12/2000
454.	Barbar	9/1998/99-2000	Commissioned in 10/2000
455.	Uschat	9/1998/99-2000	Ongoing
456.	Faizganj Behata	9/1998/99-2000	Commissioned in 3/2001
457.	Madaundh	9/1998/99-2000	Ongoing
458.	Karnawal	9/1998/99-2000	Commissioned in 3/2000
459.	Fariha	9/1998/99-2000	Ongoing
460.	Manjholiraj	9/1998/99-2000	Ongoing
461.	Ittifatganj	9/1998/99-2000	Ongoing
462.	Bhadarsa	9/1998/99-2000	Ongoing
463.	Mohammadabad	12/1998/2000-01	Ongoing
464.	Chharra	12/1998/2000-01	Ongoing
465.	Pilkhana	12/1998/2000-01	Ongoing
466.	Sahpau	12/1998/2000-01	Ongoing
467.	Sahanpur	12/1998/99-2000	Ongoing
468.	Bharatganj	12/1998/2000-01	Ongoing
469.	Sherganj	12/1998/2000-01	Ongoing
470.	Sirauli	12/1998/99-2000	Ongoing
471.	Akabarpur	12/1998/99-2000	Ongoing
472.	Shahganj	12/1998/99-2000	Ongoing
473.	Gohand	12/1998/2000-01	Ongoing
474.	Kharela	4/1999/2000-01	Ongoing
475.	Fatehpur Chaurasi	4/1999/2000-01	Ongoing
476.	Tindwari	4/1999/2000-01	Ongoing
477.	Sarila	4/1999/2000-01	Ongoing
478.	Bidhuna	4/1999/2000-01	Not Started
479.	Kithore	4/1999/2000-01	Ongoing
480.	Suriyawan	4/1999/2000-01	Ongoing
481.	Manakapur	4/1999/2000-01	Ongoing
482.	Uttarkashi	8/1999/2000-01	Not Started
483.	Ranipur	8/1999/2000-01	Ongoing
484.	Chirgaon	8/1999/2000-01	Ongoing
485.	Mahrauni	8/1999/2000-01	Ongoing
486.	Amila Nagar	10/1999/2000-01	Ongoing
487.	Aliganj	10/1999/2000-01	Ongoing
488.	Barhapur	10/1999/2000-01	Ongoing
489.	Talbehat	10/1999/2000-01	Ongoing
490.	Ahaura	10/1999/2000-01	Ongoing
491.	Raja Ka Rampur	10/1999/2000-01	Ongoing
492.	Satrikh	10/1999/2000-01	Ongoing
493.	Jasrana	10/1999/2000-01	Ongoing

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S.No.	Name of the Project	Date of sanction /schedule date of completion	Operationalisational Status
494.	Fatehganj Paschim	11/1999/2000-01	Ongoing
495.	Purdilnagar	11/1999/2000-01	Ongoing
496.	Phulpur	2/2000/2000-01	Not Started
497.	Pipraich	2/2000/2000-01	Ongoing
498.	Barahani Bazar	2/2000/2000-01	Ongoing
499.	Lalkuwa	3/2000/2001-02	Ongoing
500.	Chaparauli	3/2000/2001-02	Ongoing
501.	Sonkh	5/2000/2001-02	Ongoing
502.	Patiyali	5/2000/2001-02	Ongoing
503.	Vijaygarh	7/2000/2001-02	Ongoing
504.	Joshimath	7/2000/2001-02	Not Started
505.	Swar	7/2000/2001-02	Ongoing
506.	Dineshpur	8/2000/2001-02	Ongoing
507.	Shamsabad	9/2000/2001-02	Not Started
508.	Achhalda	9/2000/2001-02	Not Started
509.	Kerakat	9/2000/2001-02	Not Started
510.	Ramkola	9/2000/2001-02	Not Started
511.	Musafirkhana	9/2000/2001-02	Not Started
512.	Barhalganj	9/2000/2001-02	Not Started
513.	Kachhwa	9/2000/2001-02	Not Started
514.	Srinagar	10/2000/2001-02	Not Started
515.	Soharatgarh	10/2000/2001-02	Not Started
516.	Saraimmeer	10/2000/2001-02	Not Started
517.	Murawan	10/2000/2001-02	Not Started
518.	Chamuha	10/2000/2001-02	Not Started
519.	Khanpur	10/2000/2001-02	Not Started
520.	Bhinga	10/2000/2001-02	Not Started
521.	Auras	10/2000/2001-02	Not Started
522.	Dibiyapur	10/2000/2001-02	Not Started
523.	Munderabazar	10/2000/2001-02	Not Started
524.	Sewarahi	10/2000/2001-02	Not Started
525.	Captainganj	10/2000/2001-02	Not Started
526.	Kauriyaganj	10/2000/2001-02	Not Started
527.	Sisauli	10/2000/2001-02	Not Started
528.	Bhatparrani	10/2000/2001-02	Not Started
529.	Bugrasi	12/2000/2001-02	Not Started
530.	Ekauna	12/2000/2001-02	Not Started
531.	Kachhla	12/2000/2001-02	Not Started
532.	Hata	12/2000/2001-02	Not Started
533.	Gosaiganj	12/2000/2001-02	Not Started
534.	Doharighat	12/2000/2001-02	Not Started
535.	Sainthal	12/2000/2001-02	Not Started
536.	Mandawar	12/2000/2001-02	Not Started
537.	Khadda	12/2000/2001-02	Not Started
538.	Saidpur	12/2000/2001-02	Not Started
539.	Nawabganj	12/2000/2001-02	Not Started
540.	Koeripur	12/2000/2001-02	Not Started
541.	Mohammadabad - gohana	12/2000/2001-02	Not Started
542.	Safipur	12/2000/2002-03	Not Started
543.	Hasayan	12/2000/2002-03	Not Started
544.	Unchahar	12/2000/2002-03	Not Started
545.	Shahpur	1/2001/2002-03	Not Started
546.	Rabupura	1/2001/2002-03	Not Started
547.	Behat	1/2001/2002-03	Not Started
548.	Ganjmoradabad	1/2001/2002-03	Not Started
549.	Afjalgarh	1/2001/2002-03	Not Started
550.	Sultanpur	1/2001/2002-03	Not Started

S.No.	Name of the Project	Date of sanction /schedule date of completion	Operationalisational Status
551.	Malihabad	1/2001/2002-03	Not Started
552.	Iglas	1/2001/2002-03	Not Started
553.	Pipiganj	1/2001/2002-03	Not Started
554.	Dariabad	1/2001/2002-03	Not Started
555.	Mursan	1/2001/2002-03	Not Started
556.	Aminagar Sarai	1/2001/2002-03	Not Started
557.	Phaphud	1/2001/2002-03	Not Started
558.	Deorania	1/2001/2002-03	Not Started
559.	Babarpur Ajitmal	1/2001/2002-03	Not Started
560.	Nand Prayag	1/2001/2002-03	Not Started
561.	Deo Prayag	1/2001/2002-03	Not Started
562.	Hyderabad	1/2001/2002-03	Not Started
563.	Sindhauri	1/2001/2002-03	Not Started
564.	Rithora	1/2001/2002-03	Not Started
565.	Lalganj	1/2001/2002-03	Not Started
566.	Parikhitarh	1/2001/2002-03	Not Started
567.	Ambehta	1/2001/2002-03	Not Started
<b>West Bengal</b>			
568.	Khirpai	12/1994/1998	Commissioned on 6/1999
569.	Khrar	12/1994/1998	Commissioned on 6/1999
570.	Ramjibanpur	12/1994/1998	Commissioned on 6/1999
571.	Haldibari	8/1998/2000	Ongoing
572.	Deora	4/2000/2002	Ongoing
573.	Madanpur	4/2000/2002	Progress not reported
574.	Begampur U.A.	5/2000/2002	Ongoing
575.	Balrampur	1/2001/2002	Progress not reported

## Annex-IV

[Refers to Paragraph 7.2(a)]

**Injudicious selection of towns/schemes under state plan and existing quantity of water  
in excess of prescribed limit of 70 LPCD.**

(Rs in lakh)

Sl No	Name of Town	Project Cost	Sanction date of DPR	Date of start	Remarks
<b>Uttar Pradesh</b>					
1	Hastinapur	116.35	1/95	9/94	Ongoing scheme
2	Jalali	77.25	1/95	6/94	-do-
3	Jattri	100.60	1/95	6/94	-do-
4	Harduaganj	57.30	1/95	6/94	-do-
5	Azmatgarh	48.00	1/95	8/94	-do-
6	Ghughuli	79.20	3/95	11/94	-do-
7	Reoti	77.50	1/95	10/94	-do-
8	Sikandarpur	86.70	1/95	8/94	-do-
9	Bandesh	83.00	1/95	6/94	-do-
10	Naraini	54.50	1/95	9/94	-do-
11	Tirwaganj	71.20	1/95	6/94	-do-
12	Talgram	53.30	1/95	6/94	-do-
<b>Haryana</b>					
13	Narnaud	93.00	2/95	12/94	-do-
14	Sehna	77.30	2/95	11/94	-do-
15	Pataudi	62.50	2/95	11/94	-do-
16	Kanina	51.00	2/95	12/94	-do-
17	Indri	88.00	12/99	10/2000	Existing quantity of water supply was sufficient.
<b>Orissa</b>					
18	Balimela	83.65	12/94	7/94	Ongoing
<b>Karnataka</b>					
19	Sadalaga	54.50	2/95	4/93	-do-
20	Navalgond	37.92	7/96		-do-
21	Chittaguppa	97.20	3/95	2/99	-do-
<b>Rajasthan</b>					
22	Shahpura	78.60	12/95	6/95	-do-
23	Sunel	80.20	12/95	9/95	-do-
24	Viratnagar	78.00	3/96	6/95	-do-
25	Amet	164.00	3/96	10/95	-do-
26	Chhaper	195.00	3/96	7/95	-do-
27	Nawacity	114.60	3/96	11/95	-do-
<b>Madhya Pradesh</b>					
28	Bhabhara	43.00	1/95	10/94	Ongoing
29	Bamnia	34.00	1/95	10/94	-do-
30	Badnawar	56.00	1/95	10/94	-do-
31	Dharampur	51.00	1/95	10/94	-do-
32	Dhamod	163.00	1/95	10/94	-do-
33	Pansemal	49.00	1/95	10/94	-do-
34	Gautampura	56.50	1/95	10/94	-do-
35	Sanwer	49.50	1/95	10/94	-do-
36	Hot pipliya	86.00	1/95	10/94	-do-
37	Kataphod	39.50	1/95	10/94	-do-
38	Sohagpur	62.60	2/95	10/94	-do-

Sl No	Name of Town	Project Cost	Sanction date of DPR	Date of start	Remarks
34	Babai	42.00	2/95	10/94	-do-
40	Khirkiya	63.60	2/95	10/94	-do-
41	Timrani	37.30	2/95	10/94	-do-
42	Sultanpur	45.00	1/95	10/94	-do-
43	Udaipura	54.00	1/95	10/94	-do-
44	Sitamau	62.00	1/95	10/94	-do-
45	Bagbehra	56.00	1/95	10/94	-do-
46	Pithora	51.00	1/95	10/94	-do-
47	Ahiwara	56.00	1/95	10/94	-do-
48	Dangargaon	63.00	1/95	10/94	-do-
49	Raghogarh	89.55	2/95	1/94	-do-
50	Khaniandana	34.70	1/95	10/94	-do-
51	Gandi-pandanya	55.00	1/95	10/94	-do-
52	Baroda	21.55	1/95	10/94	-do-
53	Bamore	49.90	1/95	10/94	-do-
54	Vijaipur	60.00	1/95	10/94	Ongoing
<b>Jammu and Kashmir</b>					
55	Quazigund	41.40	3/94	94-95	Ongoing
<b>Maharashtra</b>					
56	Dudhani	200.19	11/96	7/96	Ongoing
57	Kundalwadi	145.10	12/95	2/97	Existing qty of water supply was in excess than admissible qty.
<b>Himachal Pradesh</b>					
58	Chawari	39.50	3/95	4/94	Ongoing scheme
<b>Tamil Nadu</b>					
59	Poovalur	55.00	11/79	3/79	Ongoing scheme
60	Nattarasankotta	48.50	1/98	3/97	Ongoing scheme
61	Thivubuvanam	53.70	1/99	9/98	Ongoing scheme
62	Santhankulam	127.95	4/99	11/98	Ongoing scheme
63	Udangudi	216.40	4/99	11/98	Ongoing scheme
64	Ponnamarvathi	145.90	11/97	12/97	Subsequently taken up under state plan
65	Mettupalyam	221.35	2/99	5/99	Subsequently taken up under state plan
66	Thathaiyangarpet	356.80	2/99	5/99	Subsequently taken up under state plan
<b>Punjab</b>					
67	Sanaur	65.62	3/98	9/98	Existing quantity of water supply was in excess than admissible qty.
68	Dera Baba Nanak	29.85	3/98	9/98	-do-
69	Majitha	49.92	3/98	9/98	-do-
	<b>Total</b>	<b>5588.25</b>			

**Annex-V**  
[Refers to Paragraph 7.2(b)]

**Deficiencies in selection of Towns/Schemes**

S.No	State	Problems town identified by states	Problems town covered by states
1.	Arunachal Pradesh	-	-
2.	Assam	49	-
3.	Bihar	41	-
4.	Goa	No problem town existed in state	-
5.	Gujarat	-	-
6.	Haryana	43	5
7.	Himachal Pradesh	46	8
8.	Jammu & Kashmir	-	-
9.	Karnataka	-	-
10.	Kerala	40	5
11.	Madhya Pradesh	154	26
12.	Maharashtra	20	12
13.	Manipur	13	2
14.	Meghalaya	3	1
15.	Mizoram	12	4
16.	Nagaland	4	2
17.	Orissa	51	20
18.	Punjab	43	9
19.	Rajasthan	-	-
20.	Sikkim	8	-
21.	Tamil Nadu	122	18
22.	Tripura	11	4
23.	Uttar Pradesh	325	81
24.	West Bengal	40	4
	<b>Total</b>	<b>1025</b>	<b>201</b>

**Annex-VI**  
(Refers to Paragraph 8)

**Details of cases where 95% dependability and reliability of water source was not established as per Technical Sanction.**

(Rs in lakh)

Sl No	Name of Scheme	District	Population as per 1991 census	Population of Design Year	Quantity of water	Estimated cost
<b>Himachal Pradesh</b>						
1	Chopal	Simla	1954	5566 (2030)	Not mentioned	193.00
<b>Bihar</b>						
2	Rafiganj	Aurangabad	18530	38000 (2028)	-do-	124.72
3	Jamhor	-do-	6741	10100 (2028)	-do-	37.17
4	Nirsa	Dhanbad	13261	27085 (2031)	-do-	197.42
<b>Punjab</b>						
5	Rayya	Amritsar	9075	23803(2028)	-do-	102.61
<b>Haryana</b>						
6	Assandh	Karnal	16648	35804 (2028)	-do-	247.32
7	Naraingarh	Ambala	13824	34382 (2020)	-do-	97.50
8	Sadhaura	Yamunanagar	11824	25528 (2029)	-do-	80.00
9	Indri	Karnal	11117	25486 (2029)	-do-	88.00
<b>Jammu and Kashmir</b>						
10	Samba	Jammu	11817	45279 (2025)	-do-	305.70
<b>Uttar Pradesh</b>						
11	Kharda	Mahoba	13774	27085 (2027)	-do-	328.63
12	Fatehpur	Unna	4244	9000 (2025)	-do-	46.29
13	Tindwari	Banda	7523	24550 (2025)	-do-	54.46
14	Sarila	Hamirpur	7413	14445 (2026)	-do-	87.93
15	Bidhuna	Etawah	19275	45000 (2028)	-do-	157.54
16	Kithore	Meerut	19270	41000 (2025)	-do-	90.50
17	Suriyawan	Sant Ravi Das Nagar	12286	33780 (2026)	-do-	74.00
18	Mankapur	Gonda	6837	15000 (2025)	-do-	36.00
19	Mahrauni	Lalitpur	7959	13800 (2027)	Not Known	18.50
20	Chirgaon	Jhansi	13900	24300 (2027)	- do-	37.07
21	Ranipur	Jhansi	15969	39000 (2027)	- do-	39.70
22	Raja Ka Rampur	Etah	9215	18000 (2025)	- do-	39.20
23	Aliganj	Etah	18765	34500 (2026)	- do-	90.03
24	Barhapur	Bijnore	17981	33200 (2026)	- do-	75.65
25	Talbehat	Lalitpur	10018	11700 (2025)	- do-	193.03
26	Amila Nagar	Mau	4282	9800 (2026)	- do-	37.48
27	Ahraura	Mizapur	18552	34850 (2025)	- do-	74.93
28	Jasrana	Firozabad	7787	19000 (2026)	- do-	52.14
29	Satrikh	Barabanki	8035	19000 (2025)	- do-	27.51
30	Purdil	Hathras	10305	18800 (2026)	- do-	60.92
31	Fateganj West	Bareilly	14420	36000 (2025)	- do-	60.19
32	Piparaich	Gorakhpur	12523	28000 (2027)	- do-	81.78
33	Barahani Bazar	Siddharthnagar	11370	18150 (2027)	- do-	56.30
34	Phoolpur	Azamgarh	6866	17400 (2026)	- do-	49.28
35	Lalkuwa	Nainital	5235	2026 (2027)	- do-	65.75
36	Chhaprauli	Baghpat	16000	24800 (2026)	- do-	43.95

**Annex-VII**  
(Refers to Paragraph 8)

**95% Dependability and reliability of water source of schemes not established as reported by states.**

(Rs in lakh)

Sl No	State	Name of Schemes	When approved	Quantity of water approved	Estimated Cost	Remarks
1	Nagaland	(i) Phek	1996-97	1.55 MLD	219.70	The reliability of water sources of Zunheboto and Phek towns was identified to 1.21 and 1.55 mld discharge capacity of sources respectively. The claim of discharged capacity could not be substantiated by the analysis of survey report of the water sources.
		(ii) Zurheboto	1999-2000	1.21 MLD	683.00	
2	Rajasthan	Almost all 10 schemes test checked	1994-01		1146.79	No advance identification of potential water source was adopted. Almost all schemes approved were dependent on ground water source and ground water table was going down sharply due to poor rainfall etc.
3	Maharashtra	Shendurjana Ghat	1996-97		117.78	Scheme taken up without assured source of water.
4	Madhya Pradesh	Bhatgaon	1994-95	0.72 MLD	56.00	Sustainability of water source at 95% dependability and reliability was not established prior to selection.
		Raghogarh	1994-95		89.55	95% reliability and dependability of raw water sources was not established.
		Mundi	4/96		58.00	Against 5 tube wells proposed in DPR, 7 were drilled but sufficient yield was not found.
		Badnawar	1/95		56.00	The source proposed was irrigation tank on Bodhi river. The Irrigation Department did not construct the tank. Hence additional TWs were drilled.
		Jobat	4/96		57.00	Against 5 TWs proposed in DPR, 6 were drilled but only 4 were reported as successful.
		Sitamau	1/95		69.00	In DPR Laduna, tank was proposed as water source, which was later on found unreliable. Alternate source has not been decided so far (April 2001).
		Katangi	4/96		98.90	Out of 13 TWs drilled, only 7 were successful.
		Manjholi	4/96		77.00	



Sl No	State	Name of Schemes	When approved	Quantity of water approved	Estimated Cost	Remarks
		Suthalia	2/99		85.53	Against 5 TWs proposed in DPR and drilled, only 2 were successful.
		Bagbahara	3/94		56.00	New tube wells drilled failed to achieve adequate yield.
5.	Orissa	Balimela	1994-95		83.65	Raw water source was found to be unsuitable for human consumption as it was contaminated with grease and other waste material from the Balimela Power Station.
6.	Gujarat	Surajkaradi	1/1996		18.20	Scheme could not be executed due to non-reliability of source proposed in DPR and non-granting of approval by the irrigation Department in the alternative proposed source.
		Barwala	1/96		90.94	In Barwala town, sources developed by drilling five tube wells at a cost of Rs 3 lakh failed in chemical tests as water was not appears to be established.
7.	Uttar Pradesh	Achhnera	3/94		67.91	Out of 3 tube wells, one tube well had failed and rest 2 had developed scanty discharge and water of one tube well was reported to be saline.
	<b>Total</b>	<b>27 schemes</b>				

**Annex-VIII**  
(Refers to Paragraph 12.1)

**Details of Central share released in excess in respect of schemes sanctioned during 1995-96 to 2000-2001.**

*(Rs in lakh)*

Year	State	No. of schemes approved	Project cost	Central share due	First Instalment (25%) of central share due	Central share released	Excess central share released
1995-96	Bihar	3	233.14	116.57	29.14	94.50	65.36
1996-97	Nagaland (Phek)	1	219.70	109.85	27.46	52.33	24.87
1998-99	Haryana, Himachal Pradesh, Maharashtra, Manipur, Mizoram, Orissa, Rajasthan, Uttar Pradesh, West Bengal	41	4467.40	2233.70	558.42	1069.03	510.61
1999-00	Bihar, Gurajat, Haryana, Karnataka, Madhya Pradesh, Manipur, Mizoram, Orissa, Tamil Nadu, Uttar Pradesh	52	7065.20	3532.60	883.15	1745.99	862.84
2000-01	Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Manipur, Meghalaya, Mizoram, Rajasthan, Tamil Nadu, Tripura, Uttar Pradesh, West Bengal, Gujarat, Maharashtra, Orissa	74	13112.71	6556.35	1639.09	3977.38	2338.29
	<b>Total</b>	<b>171</b>	<b>25098.15</b>	<b>12549.07</b>	<b>3137.26</b>	<b>6939.23</b>	<b>3801.97</b>

**Annex-IX**  
(Refers to Paragraph 12.1)

**Details of non-execution/nominal expenditure on approved schemes.**

(Rs in lakh)

Sl No.	State	Name of Scheme	Sanctioned Date	Project Cost	Expenditure Reported	Percentage of expenditure
<b>1995-1996</b>						
1.	Gujarat	Surajkaradi	January 1996	18.20	0.00	0.00
2.	Madhya Pradesh	Banda	March 1996	123.20	0.00	0.00
		Budhni	January 1996	46.80	5.10	10.90
		Mundi	January 1996	58.80	5.08	8.64
		Pachhore	March 1996	211.00	0.02	0.009
		Niwari	March 1996	47.00	3.78	8.04
		Nalkheda	March 1996	125.80	0.04	0.03
<b>1996-1997</b>						
3.	Bihar	Barwadih	November 1996	82.68	1.51	1.83
4.	Jammu & Kashmir	Bijbehara	March 1997	312.51	40.48	12.95
5.	Karnataka	Navalgund	July 1996	37.92	0.23	0.61
6.	Manipur	Nambol	March 1997	108.57	6.46	5.95
<b>1997-1998</b>						
7.	Assam	Sarthebari	October 1997	81.15	0.00	0.00
		Nazira	October 1997	97.35	0.00	0.00
8.	Kerala	Koraty	October 1997	342.00	1.39	0.41
9.	Madhya Pradesh	Lodhikheda	November 1997	32.00	5.99	18.72
10.	Manipur	Moirang	November 1997	173.40	11.25	6.49
<b>1998-1999</b>						
11.	Assam	Bihupuria	2/1999	180.60	0.00	0.00
		Lakhipur	2/1999	143.18	0.00	0.00
12.	Bihar	Rajmahal	2/1999	119.86	0.00	0.00
		Amarpur	2/1999	90.75	0.00	0.00
		Kowath	2/1999	81.56	0.00	0.00
		Hisua	2/1999	204.10	0.00	0.00
13.	Madhya Pradesh	Sailana	12/1998	43.95	0.00	0.00
		Betama	2/1999	47.52	0.00	0.00
		Chenderi	3/1999	214.84	0.00	0.00
		Pendra	3/1999	55.06	0.00	0.00
		Shahpura	December 1998	70.61	2.78	3.94
		Devendranagar	March 1999	61.51	5.15	8.37
		Balod	March 1999	131.61	0.34	0.26
14.	Punjab	Shahkot	12/1998	80.83	0.00	0.00
		Sham Chaurasi	12/1998	32.57	0.00	0.00
		Dera Baba Nanak	March 1998	29.85	7.37	24.69

Sl No.	State	Name of Scheme	Sanctioned Date	Project Cost	Expenditure Reported	Percentage of expenditure
15.	Haryana	Kalanaur	March 99	212.93	15.47	7.26
16.	Maharashtra	Rahatapimplas	August 1998	467.14	10.00	2.14
17.	Manipur	Mayang Imphal	December 1998	158.34	8.17	5.16
18.	Uttar Pradesh	Katera	August 1998	100.72	0.64	0.64
		Farina	September 1998	45.32	8.30	18.31
		Chharra	December 1998	92.35	5.00	5.41
		Pilkhana	December 1998	31.71	4.95	15.61
		Sahpau	December 1998	71.04	9.00	12.67
19.	West Bengal	Haldibari	August 1998	87.40	5.00	5.72
<b>1999-2000</b>						
20.	Assam	Naharkatia	3/2000	302.12	0.00	0.00
		Bokakhat	3/2000	313.90	0.00	0.00
		Lala	3/2000	338.42	0.00	0.00
		Rangapara	3/2000	302.87	0.00	0.00
21.	Bihar	Nirsa	4/1999	197.42	14.00	7.09
		Rafiganj	4/1999	124.72	0.05	0.04
		Jamhor	4/1999	37.17	0.05	0.13
		Chakulia	4/1999	48.61	7.55	15.33
		Saraikelela	5/1999	76.81	0.05	0.06
		Jamtara	12/1999	196.63	0.00	0.00
		Latehar	9/1999	122.32	0.05	0.04
		Koderma	2/2000	498.76	0.00	0.00
22.	Gujarat	Salaya	12/1999	343.84	0.00	0.00
23.	Karnataka	Deodurga	8/1999	238.95	0.00	0.00
		Koppa	2/2000	98.15	0.00	0.00
		Virajpet	2/2000	213.25	0.00	0.00
		Bagepally	2/2000	137.40	0.00	0.00
24.	Madhya Pradesh	Kukshi	4/1999	184.91	0.00	0.00
		Baikunthpur (Sarguja)	5/1999	38.30	0.00	0.00
		Anjad	5/1999	179.30	0.00	0.00
		Sakti	5/1999	125.34	0.00	0.00
		Vijayaraghavgarh	2/2000	27.35	0.00	0.00
		Barahi	2/2000	59.30	0.00	0.00
		Baikunthpur (Rewa)	2/2000	80.94	0.00	0.00
		Sheorinarayan	2/2000	72.69	0.00	0.00
		Gharghora	2/2000	46.75	0.00	0.00
		Boda	2/2000	65.14	0.00	0.00
		Saranggarh	3/2000	42.53	0.00	0.00

Sl No.	State	Name of Scheme	Sanctioned Date	Project Cost	Expenditure Reported	Percentage of expenditure
25.	Manipur	Sugunu	4/1999	32.45	0.00	0.00
		Andro	4/1999	51.72	0.00	0.00
		Lilong	9/1999	256.71	0.00	0.00
26.	Punjab	Rayya	2/2000	102.61	0.00	0.00
27.	Tamil Nadu	Kanyakumari	12/1999	448.85	1.44	0.32
28.	Uttar Pradesh	Kharela	4/1999	328.63	0.00	0.00
		Bidhuna	4/1999	157.54	0.00	0.00
		Manakapur	4/1999	36.00	0.00	0.00
		Uttar Kashi	8/1999	410.78	0.00	0.00
		Amilnagar	10/1999	37.48	0.00	0.00
		Barhapur	10/1999	75.65	0.00	0.00
		Talbehat	10/1999	193.03	0.00	0.00
		Ahraura	10/1999	74.93	0.00	0.00
		Satrikh	10/1999	27.51	0.00	0.00
		Jasraana	10/1999	52.14	0.00	0.00
		Fatehganj (Paschim)	11/1999	60.92	0.00	0.00
		Purdilnagar	11/1999	60.19	0.00	0.00
		Phulpur	2/2000	49.28	0.00	0.00
		Pipraich	2/2000	81.78	0.00	0.00
		Barahanibazar	2/2000	56.30	0.00	0.00
		Lalkuwa	3/2000	65.75	0.00	0.00
		Tindwari	April 1999	54.46	5.93	10.89
		Ranipur	August 1999	39.70	6.55	16.50
		Chirgaon	August 1999	37.07	6.19	16.70
		Raja ka Rampur	October 1999	39.20	3.75	9.57
Aliganj	October 1999	90.03	0.50	0.56		
29.	Orissa	Baudh	May 1999	129.19	1.00	0.77
30.	Tamil Nadu	Punjaipugalur	December 1999	169.70	11.13	6.56
31.	Gujarat	Vanthali	June 1999	128.60	4.20	3.27
	<b>Total</b>	<b>98 schemes</b>		<b>12615.82</b>	<b>225.94</b>	<b>1.79</b>

## Annex-X

(Refers to Paragraph 12.1)

Details of financial performance of Kerala, Assam, Bihar, J&K and Punjab during 1993-94 to 2000-01  
(Rs in lakh)

Sl. No	State	Year	Funds released			Reported expenditure against Central and State assistance	Cumulative unspent balance
			Central	State	Total		
1	Kerala	1993-94	28.21	0.00	28.21	0.00	28.21
		1994-95	37.62	65.00	102.62	0.00	130.83
		1995-96	25.00	100.00	125.00	10.50	245.33
		1996-97	48.00	250.00	298.00	42.79	500.54
		1997-98	64.39	0.00	64.39	70.05	494.88
		1998-99	85.50	100.00	185.50	93.11	587.27
		1999-00	67.69	125.00	192.69	55.68	724.28
		2000-01	127.68	112.50	240.18	54.35	910.11
		<b>Total</b>	<b>484.09</b>	<b>752.50</b>	<b>1236.59</b>	<b>326.48</b>	<b>910.11</b>
2	Assam	1993-94	26.06	0.00	26.06	0.00	26.06
		1994-95	0.00	0.00	0.00	0.00	26.06
		1995-96	0.00	0.00	0.00	0.00	26.06
		1996-97	168.05	0.00	168.05	0.00	194.11
		1997-98	140.00	159.60	299.60	27.56	466.15
		1998-99	198.87	161.14	360.01	260.93	565.23
		1999-00	324.26	170.00	494.26	184.56	874.93
		2000-01	0.00	153.00	153.00	245.47	782.46
		<b>Total</b>	<b>857.24</b>	<b>643.74</b>	<b>1500.98</b>	<b>718.52</b>	<b>782.46</b>
3	Bihar	1993-94	0.00	0.00	0.00	0.00	0.00
		1994-95	0.00	0.00	0.00	0.00	0.00
		1995-96	94.50	0.00	94.50	0.00	94.50
		1996-97	0.00	45.00	45.00	0.00	139.50
		1997-98	0.00	4.00	4.00	23.73	119.77
		1998-99	192.75	1.51	194.26	57.36	256.67
		1999-00	319.47	26.91	346.38	100.86	502.19
		2000-01	0.00	65.00	65.00	160.48	406.71
		<b>Total</b>	<b>606.72</b>	<b>142.42</b>	<b>749.14</b>	<b>342.43</b>	<b>406.71</b>

Sl. No	State	Year	Funds released			Reported expenditure against Central and State assistance	Cumulative unspent balance
			Central	State	Total		
4	Jammu and Kashmir	1993-94	5.32	0.00	5.32	0.00	5.32
		1994-95	20.00	5.79	25.79	11.57	19.54
		1995-96	28.45	15.47	43.92	37.95	25.51
		1996-97	10.20	52.00	62.20	73.45	14.26
		1997-98	41.61	90.92	132.53	101.12	45.67
		1998-99	20.75	37.00	57.75	37.00	66.42
		1999-00	183.90	30.00	213.90	96.51	183.81
		2000-01	0.00	100.33	100.33	87.52	196.62
		<b>Total</b>	<b>310.23</b>	<b>331.51</b>	<b>641.74</b>	<b>445.12</b>	<b>196.62</b>
5	Punjab	1993-94	26.73	0.00	26.73	0.00	26.73
		1994-95	35.64	0.00	35.64	0.00	62.37
		1995-96	77.76	0.00	77.76	0.00	140.13
		1996-97	44.00	0.00	44.00	0.00	184.13
		1997-98	0.00	0.00	0.00	0.00	184.13
		1998-99	0.00	0.00	0.00	50.21	133.92
		1999-00	105.48	100.00	205.48	79.94	259.46
		2000-01	0.00	189.00	189.00	223.04	225.42
		<b>Total</b>	<b>289.61</b>	<b>289.00</b>	<b>578.61</b>	<b>353.19</b>	<b>225.42</b>

**Annex-XI**  
(Refers to Paragraph 12.2)

**Shortfalls in Matching Contributions by States**

(Rs. In lakhs)

Sl. No.	State	Central Share	State Share	Percentage of State share with reference to central share
1.	Assam	857.24	643.74	75.09
2.	Bihar	606.72	142.42	23.47
3.	Goa	25.58	25.85	101.05
4.	Haryana	1143.73	1072.00	93.73
5.	Karnataka	1737.60	0.00	0.00
6.	Madhya Pradesh	3625.96	2246.00	61.94
7.	Meghalaya	194.35	100.75	51.84
8.	Mizoram	353.40	256.02	72.44
9.	Nagaland	365.98	268.07	73.25
10.	Orissa	1208.76	478.85	39.61
11.	Punjab	289.61	289.00	99.78
12.	Rajasthan	1606.76	1242.78	77.35
13.	Tripura	313.96	30.00	9.55
14.	Uttar Pradesh	6936.19	6598.00	95.12
15.	West Bengal	455.42	423.00	92.88



**Annex-XII**  
(Refers to Paragraph 12.3)

**Belated release of funds to the implementing agencies**

State	Year	Amount (Rs in lakh)	Period of delay
Assam	1993-94 to 2000-01	857.24	6 to 36 months
Jammu and Kashmir	1993-94 to 2000-01	213.84	2 to 11 months
Karnataka	1993-94 to 2000-01	1738.00	5 to 34 months
Kerala	1994-95 to 1998-99	131.60	12 to 24 months
Madhya Pradesh	1994-95 to 2000-01	1935.07	8 to 40 months
Orissa	2000-01	505.25	22 to 24 months
Punjab	1993-2001	289.00	12 to 60 months
Sikkim	2000-01	28.92	10 months
Tripura	1998-99 to 2000-01	218.23	2 to 2-1/2 months
Tamil Nadu	1995-96 to 1999-2000	630.07	2 to 23 months
<b>Total</b>		<b>6547.22</b>	

**Annex-XIII**  
(Refers to Paragraph 12.6.1)

**Diversion of Funds**

Sl No	State	Year	Scheme/Town	Amount (Rs in lakh)	Activities for which fund was diverted
1	Assam	1997-98 to 1999-2000	4 schemes	117.25	Rs 175 lakh diverted towards payment to HUDCO between January 1998 and October 1999. Rs 117.25 lakh remained diverted as of March 2001.
2	Haryana	1999-2000	10 towns	97.08	On abolition of 10 Municipal Committees, funds provided for AUWSP were diverted to other schemes not covered under the programme.
3	Jammu and Kashmir	1993-94 to 2000-01	2 schemes (Samba and Billawar)	18.95	Diverted to other water supply schemes (Rs 13.85 lakh) - POL, office expenses and repair of rigs (Rs 5.10 lakh)
4	Tripura	1994-95	1 scheme	5.16	The amount was spent on the ongoing State Plan Schemes.
		1999-2001	Kamalpur	77.76	Rs 77.76 lakh was spent on 0.72-MGD treatment plant being constructed under State Plan Scheme.
		1999-2001	Belonia	49.08	Spent on Minimum Needs Programme.
		1999-2001	Sonamura	68.95	Spent on construction of 1 MGD treatment plant not covered under the programme
		1999-2001		53.00	Rs 37.08 lakh was spent on settlement of claims for cost of material purchased in September 1991 and Rs 15.92 lakh on existing treatment plant.
5	Madhya Pradesh	1998-99	1 scheme (Raghogarh)	17.55	The amount was spent on temporary arrangements for water supply.
6	Uttar Pradesh	1998-99	1 scheme (Bharatgunj)	30.00	Entire scheme fund was utilized for disbursement of pay and allowances of staff.
7	Rajasthan	1993-94 to 2000-01	2 schemes	7.75	In Mahuwa & Chhappar schemes, the fund was spent on other schemes during 1996 to October 2000.
	<b>Total</b>			<b>542.53</b>	

**Annex-XIV**  
(Refers to Paragraph 12.6.2)

**Retention of Funds in Deposit Accounts**

*(Rs in lakh)*

SI No	State	Period	Amount	Loss of interest	Manner of Parking
1	Assam	March 1994 to March 2001	276.19 15.38 -	17.44	Parked in Special Term Deposits. Kept in Current Account.
2	Punjab	September 1998 to March 2001	187.00	18.47	Funds kept in Current account.
3	Kerala	March 1995 to March 2001	872.49		Deposited in Personal Deposit/Treasury Saving Bank Account
4	Madhya Pradesh	4 to 48 months	1783.00		Kept in Civil Deposits.
	<b>Total</b>		<b>3134.06</b>	<b>35.91</b>	

## Annex-XV

(Refers to Paragraph 12.6.3)

## Incorrect reporting of expenditure

(Rs in lakh)

Sl. No	State	Period	Schemes	Actual Expenditure	Expenditure reported	Expenditure Inflated / Over reported	Remarks
1	Tamil Nadu	1996-01	34	1999.19	2174.24	175.05	On comparison of the annual accounts and expenditure reported to GOI it was revealed that the actual expenditure exhibited in the annual account was Rs 19.99 crore only but Rs 21.74 crore was reported to GOI.
2	Nagaland	1997-01	2	993.44	1063.44	70.00	In two projects (Phek & Zunheboto) the actual expenditure was Rs 993.44 lakh but Rs 1063.44 lakh reported to GOI.
3	Orissa	1996-01	5	487.50	620.48	132.98	The amount was kept in the shape of fictitious booking of material.
4	Rajasthan	1993-94 to 2000-01	3			51.62	Rs 11.98 lakh was on account of excess expenditure on purchase of pipes of specifications not required, Rs 33.91 lakh was on account of fictitious booking of material and Rs 5.73 lakh charged to work without taking on Material At Site Account.
5	Karnataka	1993-2000	25	867	991	124	Against actual certified expenditure of Rs 867 lakh Rs 991 lakh was reported to GOI.
<b>Total</b>						<b>553.65</b>	

**Annex-XVI**  
(Refers to Paragraph 12.6.7)  
**Non-recovery of funds irregularly utilised**

(Rs in lakh)

Sl No	State	Name of scheme	Project cost	Central share	Date of completion of scheme	Expenditure incurred after date of completion of scheme	Amount of central share utilised (50% of Col.7)
1	2	3	4	5	6	7	8
1	Tamil Nadu	Cheyyur	19.91	9.95	5/1999	3.45	1.72
2		Poovalur	55.00	27.50	5/1999	9.26	4.63
3		Ponnmaravathi	145.90	72.50	11/1999	46.20	23.10
4		Nattarasankottai	48.50	24.25	6/1999	1.37	0.68
5	Maharashtra	Dudhani	200.19	100.10	12/1998	4.76	2.38
6	Manipur	Yairipok	26.36	13.18	3/1998	8.67	4.34
7		Lilong Chajing	36.09	18.04	3/1998	13.78	6.89
8		Jiribam	50.34	25.17	3/1999	6.10	3.05
9		Moreh	54.05	27.02	6/1999	15.77	7.89
10		Heirok	19.55	9.78	9/1999	1.02	0.51
11.	Karnataka	Srinivasapura	170.80	85.40	7/1999	1.34	0.67
<b>11 Schemes</b>			<b>Total</b>			<b>111.72</b>	<b>55.86</b>

