



LAPSES, FAILURES OR PLAIN CORRUPTION?

A Quick Sample of Violations Brought Out by the CAG

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This article discusses a raft of reports that have impacted the ordinary citizen. After all, the national audit agency's job is to hold accountable the democratic state which has a social contract with its citizens and is their representative. To give you a flavour of a series of scathing audit observations, we are providing excerpts of some of the recent CAG reports on various public service programmes. These pertain to the Right to Education programme, Namami Gange programme, Pradhan Mantri Swasthya Suraksha Yojana (PMSSY), railway station line capacity, National Rural Drinking Water Programme (NRDWP), Bihar Public Sector Undertakings (PSUs) and Chennai Flood Management Plan (CFMP).

Lapses in PDS, Lapse in Judgment?

The CAG audit report has highlighted lapses in food and ration supplies in Delhi. It reported that eight vehicles, which ferried 1589.92 quintals of food supplies to various ration shops in Delhi were registered as buses, motor cycles, two and three-wheelers. Seeking explanation from the Aam Aadmi Party (AAP) government, the CAG report flagged pilferage of food supplies in the public distribution system (PDS). It

has also rejected the party's argument that wrong vehicle numbers in the records could be attributed to data entry errors. The report held the AAP government accountable for its failure to verify genuine ration card applicants, revealing that at least 2,453 phone numbers which got alerts did not belong to common people but were of ration shop keepers. The government, in fact, has come under vicious attack for being party to an organised food scam by Fair Price Shop owners.

The numbers paint a story of serious irregularities in the ration distribution system. The food department had issued 19,40,159 National Food Security (NFS) cards covering 72,48,385 beneficiaries as of March 2017. It is to be noted that NFS cards are for beneficiaries under National Food Securities Act, 2013. Findings of the CAG report disclosed that many people with

NFS cards in Delhi could also be in possession of such cards in other states, from where they have migrated. "The department allowed persons having Aadhaar issued by other states to become NFS beneficiary in Delhi without verifying their NFS status in their home state," reads the CAG Delhi 2016-2017 report.

Right to Education, Right to Thrive

The CAG report has underlined the failure of state governments to utilise a significant percentage of funds from the allocated corpus in order to implement the Right to Education Act (RTE). A massive unspent balance of over Rs.87,427 crore remains in the corpus funds during the first six years of the Act in the kitty of 36 states and union territories. Bihar leads this infamous list by being unable to utilise Rs. 26,550 crore, even as learning outcomes in the state leave much to be desired. This distressing state of affairs has been brought out by many reports.

The CAG performance audit said that the states have shown a consistent inability to utilise funds and this under-utilisation ranged from 21-41% between 2010-11 and 2015-16. The RTE Act, under which the Sarv Shiksha Abhiyan is implemented

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	Name of state	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Unspent Balance (2010-16) in Crore
1	Bihar	5774.09	3419.25	7653.13	5070.00	2722.70	1911.26	26,550.43
2	West Bengal	119.15	1572.60	413.41	2077.56	2335.42	1992.83	8510.97
3	Jharkhand	1738.95	1386.41	1725.36	907.39	1216.71	988.55	7963.37
4	Odisha	563.77	1945.27	1782.68	1505.37	1334.32	1209.00	7440.41
5	Uttar Pradesh	482.11	968.63	1025.41	874.23	1059.92	1147.71	5558.01
6	Andhra Pradesh	628.70	940.43	454.51	591.65	809.08	554.69	3979.06

Source: CAG report on Implementation of Right to Education Act, 2009

and which came into force in 2010, pitches for eight years of compulsory school education to all children aged between six and fourteen.

The report also pointed to a shortfall in the number of mandatory School Management Committee (SMC) meetings in schools of nearly all the states. In fact, the statistics in this regard are pretty alarming. In selected districts of Assam, the shortfall ranged from 70 to 73 percent in a year. In Kokrajhar district, none of the selected 30 schools held any SMC meeting during 2013-14. In Chhattisgarh, 85 percent SMC meetings were not conducted as per norms in selected 120 schools. In Madhya Pradesh, 158 out of 203 test-checked schools showed shortfall in SMC meetings.

Saving the Ganga: A Work in Progress?

In CAG's performance audit of 'Rejuvenation of River Ganga (Namami Gange)' or the National Mission for Clean Ganga (NMCG), it has been revealed that funds earmarked for cleaning up the Ganga remain unutilised. A flagship programme of the National Democratic

Alliance (NDA) government, Namami Gange aimed to accomplish, among other things, an effective abatement of pollution, conservation, and rejuvenation of the Indian subcontinent's trans-boundary river. The auditor slammed the government for unused funds, the absence of long-term planning and lack of pollution abatement works, pointing out that want of these mechanisms are hampering Ganga's rejuvenation.

The auditor analysed 87 projects worth Rs.7,992.34 crore and discovered that eight to 63 per cent of the funds were utilised during the periods 2014-15 and 2016-17. As of March 2017, money to the tune of Rs. 2,133.76 crore, Rs.422.13 crore and Rs.59.28 crore was lying unused with NMCG and various other programmes.

The CAG report has also noted that projects related to ghats and crematoria works were not implemented due to lack of requisite clearances. In addition, solid and liquid waste management could not be taken up in many districts of West Bengal, Bihar, Uttar Pradesh and Jharkhand. The authorities even

failed to monitor the progress of cleaning work.

The report pulled up authorities over lax monitoring of the cleaning project. The central pollution control could not spend over 82 percent of funds earmarked for monitoring.

Will Clean India Remain a Pipe Dream?

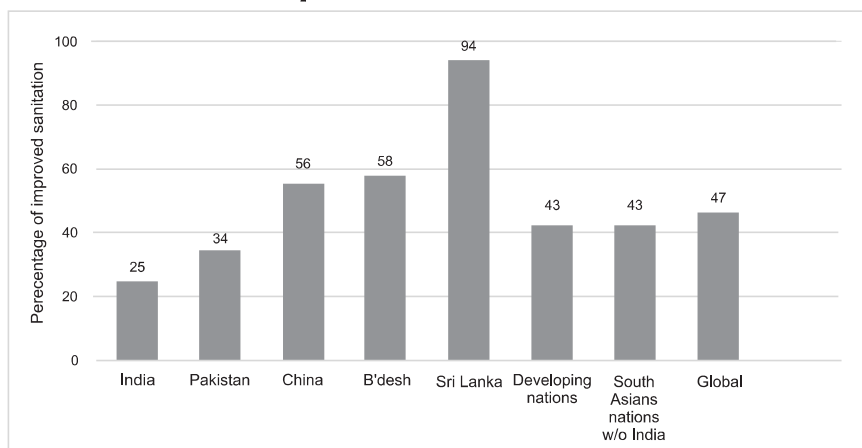
According to CAG, though Swachh Bharat Mission (SBM) launched by Prime Minister Narendra Modi on October 2, 2014, aimed for complete eradication of open defecation in the country by 2019, similar targets against the problem were earlier set for 2012, revised to 2017 and again put out for 2022. In September 2014, Nirmal Bharat Abhiyan was restructured as SBM with revision of some components. The audit pertains to the period 2009-14.

The CAG quoted UNICEF/ World Health Organization (WHO) reports saying that not only is India performing below developing countries, but is also lagging behind Pakistan, Bangladesh and Sri Lanka in the context of providing sanitation facilities to its population.





Use of improved sanitation 2012 (%)



Source: UNICEF & WHO (2012). *Progress on Drinking Water and Sanitation: 2012*

Under the Total Sanitation Campaign, which aimed to accelerate sanitation coverage across the country by 2012, only 25 per cent of rural population could be provided access to improved sanitation. This was far below the global level of 47 percent.

The CAG audit reveals the failure of the sanitation programmes in achieving the set targets and pointed out planning-level weaknesses in their implementations. More than 30 per cent of individual household latrines were defunct due to poor construction quality and non-maintenance. Only 52.15 per cent latrines for below poverty line and 44.18 per cent for above poverty line could be built against the set target during 2009-14.

A Punctuality Programme that Leads to Delays

Passengers travelling on Indian Railways often complain about excruciating delays in train

journeys. Barring the elite Rajdhani and Shatabdi trains, which also ply late at times, at least 30 percent of passenger trains have been found running late during 2017-18.¹ The CAG has indicted the railways for setting wrong priorities and has discovered serious problems with its ambitious Rs. one lakh crore station redevelopment plans. Crucial enhancements of railway infrastructure like improving station line capacity, length of the platforms, washing pit lines and stabling lines have been ignored, despite more trains being handled at stations. Inevitably, this has led to delays in train arrivals and departures.

The audit took into account data from 15 stations on parameters

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like number of trains handled, platforms, washing pit lines and stabling lines for March 2007, March 2012 and March 2017. It pointed out that despite an increase in the number of trains, the above facilities were not improved.

And Not a Drop to Drink: Potable Water Woes in Rural India

In a recent report, the CAG has pointed out how lack of planning and fund management hampered the implementation of the National Rural Drinking Water Programme (NRDWP) in villages, anganwadis and schools. By 2017, NRDWP aimed to provide all rural habitations, government schools, and anganwadis access to safe drinking water. However, the report noted that safe drinking water could only be provided to 44 per cent rural population, and 85 per cent schools and angadwadis.

Only 18 per cent people in villages were given access to potable drinking water (55 litres per capita per day) through piped supply against the target of 50 per cent.

The findings also noted that annual action plans (AAP) of states for the implementation of NRDWP not only lacked a bottom-up approach but also effective fund management and planning. Money to the tune of Rs. 8,788 crore (10%) remained unutilised, while Rs. 359 crore was diverted for work not covered by the scheme.





Twenty-one states did not prepare water security plans at any of the three levels, including Uttar Pradesh, Bihar, Andhra Pradesh, Madhya Pradesh, Rajasthan and Maharashtra. Gujarat, Tamil Nadu and Tripura failed to prepare water security plans at village and district levels whereas they weren't accomplished at the village and state levels in Chhattisgarh and Telangana.

In addition, AAPs were prepared in 10 states without any input from the district level. The auditor observed delayed submission of AAPs and lack of community involvement in its preparation. These deficiencies were enough to derail the rural water programme.

Accountability Challenges in Bihar PSUs

Indicating a massive fraud, the CAG audit of Bihar PSUs revealed that at least 56 PSUs had not finalised their accounts in the last three years, while 65 state-run companies have arrears pending in their accounts since the last 40 years.

The auditor cautioned that delay in non-finalisation of accounts or their non-preparation are fraught

“**The CAG audit of National Rural Health Mission (NRHM), a flagship programme of Union Health Ministry revealed an unspent balance of Rs. 9,509 crore in 2015-16.**”

with the risk of misrepresentation of facts and other anomalies.

It studied the performance of 18 PSUs out of 30 which have been in a working condition. Ten out of these 18 units have earned a profit of over Rs. 278 crore and seven suffered a loss of Rs. 1438 crore. Nearly Rs. 1160 crore of public money has been lost due to investments in these PSUs, while the quantum of loss in the other 56 could not be calculated as they were yet to finalise their accounts for the year 2016-17. Despite the staggering loss, the state government had chosen to extend budgetary support of nearly Rs. 4,500 crore to at least 10 of these PSUs.

Natural Calamity or Man-made Disaster?

The national auditor has termed the devastating Chennai floods of 2015, which killed 300 people, a man-made disaster. It has indicted the government of Tamil Nadu of turning a blind eye while all water bodies, river flood plains and city lakes were being encroached by the land mafia. The CAG report tabled at the state assembly in June 2018 also noted indiscriminate discharge of water from the Chembarambakkam reservoir near Chennai, which burdened the Adyar river and led to floods. At least 29,000 cusecs of water was released against the recommendation of 12,000 cusecs.

The state government and city administration were clueless about the catastrophe. They neither anticipated nor made

any emergency disaster plan to combat such a calamity. In fact, the preparation process of these entities could be gauged from the fact that concerned departments and the Disaster Management Authority constituted in 2013 never bothered to meet until the city was flooded. The government was sitting on an expert committee recommendation, which had suggested the creation of two new reservoirs upstream of Chembarambakkam Lake, for storage of additional water, the auditor noted.

Is Rural India Healthy? The Debate Continues

The CAG audit of National Rural Health Mission (NRHM), a flagship programme of Union Health Ministry revealed an unspent balance of Rs. 9,509 crore in 2015-16.

The audit also flagged several shortcomings in sub-centres, primary health centres and community health centres in the 28 states and union territories covered under the study.

Some essential drugs were not available in 24 states, which include Assam, Bihar, Chhattisgarh and Telangana. In eight of these states, essential drugs like Vitamin-A, contraceptive pills, ORS packets, RTI/STI drugs and obstetric kits were not available.

(Endnotes)

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