Medical Education and Drugs Department

2.3 Strengthening/upgradation of State Government Medical Colleges for starting post graduate courses and creating post graduate seats

2.3.1 Introduction

A centrally sponsored scheme of “Strengthening/Up-grading of State Government Medical Colleges (SUSGMC)” through financial assistance for starting Post Graduate (PG) courses by creating PG seats for new PG courses and increasing PG seats of existing courses was launched by the Ministry of Health and Family Welfare (MoHFW), Government of India (GoI) at the end of the 11th Plan and the scheme had a validity period of entire 12th Plan period (2012-13 to 2016-17), further extended up to March 2019.

To improve the quality of medical education, research and clinical treatment and to mitigate the shortage of specialists in the country, the need was felt to upgrade the PG teaching facilities in GMCs, by recruiting faculty, improving infrastructure and equipment, to increase the intake capacity of the PG students by adding seats in new and existing courses. The scheme funds were directly released to the GMCs by the MoHFW on the basis of recommendations of the Technical Evaluation Committee (TEC) under Directorate of Health Services and after the approval of the Empowered Committee (EC). Before release of funds, the State Government has to sign a Memorandum of Understanding (MoU) with MoHFW. The funds were to be released in two instalments by the MoHFW. The funds were to be shared in the ratio of 75:25 by the GoI and State Government.

Based on the TEC visit to the GMCs between 13.09.2010 and 16.09.2010 and its recommendations MoHFW selected 11 GMCs[15] (11.10.2011 and 26.12.2011), in Maharashtra for implementation of the scheme and approved a total fund of ₹ 345.79 crore with central share (75 *per cent*) of ₹ 259.34 crore and State share (25 *per cent*) of ₹ 86.45 crore. This amount was approved for starting PG courses by creating 116 PG seats in two[16] GMCs and increasing 409 PG seats for 112 existing courses and creating 167 PG seats for 60 new PG courses in remaining nine GMCs by creating new capital assets, upgrading medical equipment and appointment of faculty.

2.3.2 Audit Scope and Methodology

Audit was conducted from May 2019 to October 2019 to assess whether appropriate planning was done for effective and efficient implementation of the scheme, adequate funds were provided, monitoring was effective and envisaged outcomes of the scheme were achieved.

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15 GMC Akola, GMC Ambajogai, GMC Aurangabad, GMC Dhule, GMC Latur, Indira Gandhi GMC Nagpur, GMC Nanded, B.J. GMC Pune, GMC Sangli-Miraj, GMC Solapur, GMC Yavatmal.

16 GMC Akola and GMC Dhule.

For this purpose, records of the Government of Maharashtra (GoM), Directorate of Medical Education and Research (DMER) and 11 GMCs were test checked for the period from 2011-12 to 2018-19.

The findings were issued (February 2020) to Government; the reply of the Government was awaited as of June 2020.

Audit findings

2.3.3 Objective of Scheme not met

Audit examined the records in all the 11 GMCs and found that at the end of March 2019 an amount of ₹ 177.35 crore[17] was spent by the GMCs out of total available grant of ₹ 194.54 crore[18] and only 79 PG seats (11 *per cent*) could be increased/created as against the target of 692 PG seats[19]. Thus, as against the target of increase of 409 seats, only seven seats (1.71 *per cent*) could be increased and against target to create 283 seats, 72 seats (25 *per cent*) could be created. Even after seven years since the launch of the Scheme, including extended period of two years, and after spending more than 91 *per cent* of the funds released, the GMCs could only add 79 (11 *per cent*) PG seats of the 692 seats targeted.

Reasons for non-achievement of target of creation of/increase in PG seats are brought out in succeeding paragraphs.

2.3.3.1 Delay in completion of infrastructure works

Audit observed that in the GMC, Ambajogai ₹ 1.74 crore was transferred in April 2017 to Public Works Department (PWD) for construction of library building to be completed in February 2019. Similarly, GMC Nanded diverted GoI share of ₹ 8.93 crore meant for civil construction work of 12 PG departments in July 2014 to PWD, for construction of GoM funded college and hospital buildings to be completed by August 2015 after obtaining approval from GoM but without approval of MoHFW (as was done in June 2011 in case of Indira Gandhi Government Medical College, Nagpur). But, these works were still incomplete as of December 2019 due to want of revised administrative approval and non-pursuance of matter with PWD by the GMCs. Creation of this infrastructure was crucial for creating 36 PG seats in 12 PG courses in GMC, Nanded.

The DMER replied (January 2020) that the report from the GMC, Nanded would be called for.

2.3.3.2 Non-firming up timeline for procurement of equipment resulted in blocking of funds

The MoU of GoM with MoHFW provided for following the bid/purchase process analogous to the one followed by the GoM and it also provided that timelines should be firmed up keeping in view the requirements of equipment in existing departments. In the GMCs, procurement of equipment was carried

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[17] GoI share ₹ 112.38 crore and GoM share ₹ 64.97 crore.

[18] GoI share ₹ 129.57 crore released directly to 11 GMCs between November 2011 and January 2012 and GoM share ₹ 64.97 crore during 2014-15 and 2018-19.

[19] 283 seats in new 98 courses;409 additional seats in existing 112 courses.

out through State Level Purchase Committee till 2016-17. Thereafter, GoM directed (July 2017) that from 15 August 2017 onwards medicines, medical equipment and other related items need to be procured only through -Haffkine Bio-Pharmaceutical Corporation Limited (HBPCL), Mumbai, a Government company fully owned by Government of Maharashtra and registered under Companies Act,1956.

Audit observed that 11 GMCs transferred ₹ 35.03 crore to HBPCL for procurement of 200 medical equipment during the period from 2017-18 to 2018-19 without fixing any timelines as required under the MoU. But, only 24 equipment costing ₹ 5.75 crore were received by the seven[20] GMCs. Hence, even after lapse of nearly two years from the date of transfer of funds to HBPCL an amount of ₹ 29.28 crore is lying with the HBPCL without procurement of 176 necessary equipment for all the GMCs.

This has resulted in blocking of ₹ 29.28 crore besides defeating the objective of the scheme to create 283 seats for new PG courses and increase 409 seats for existing PG courses in 11 GMCs.

The DMER accepted the fact and stated (January 2020) that necessary instructions from the GoM would be obtained for time bound process of procurement of equipment. Reply is not acceptable as the MoU specifically provided for firming up timelines for procurement of equipment, which was neither ensured by the DMER nor by the GMCs.

2.3.3.3 Purchase of equipment not specified in original proposal

The scheme guidelines and MoU prescribed for submission of component wise and course wise proposals by all the GMCs to MoHFW for increasing/creating PG seats.

Audit observed that the original proposals were available/partly available with nine[21]GMCs and were not available with the GMCs, Aurangabad and Nanded. In eight[22]out of the nine GMCs where this plan was available/partially available, it was noticed that 131 equipment worth ₹ 21.32 crore were purchased (2014-15 to 2018-19) which were different from the ones incorporated in the originally proposed plans. This had also resulted in non-creation of 138 PG seats in 43 departments of eight GMCs.

The DMER accepted (January 2020) the deviation in procurement of equipment from the original approved proposal. The deviation was attributed to the change in Medical Council of India (MCI) guidelines for equipment required for PG courses. The reply is not tenable since deviation should have been got approved from the MoHFW, which had sanctioned original proposals.

2.3.3.4 No action under faculty component

The original proposals submitted to MoHFW furnished to audit by the eight GMCs[23] only, showed a gap of 157 faculty positions based on MCI norms.

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20 Akola, Ambajogai, Aurangabad, Dhule, Nagpur, Nanded and Pune.
21 Akola, Ambajogai, Dhule, Latur, Miraj, Nagpur, Pune, Solapur and Yavatmal.
22 Akola, Ambajogai, Dhule, Latur, Miraj, Nagpur, Solapur and Yavatmal.
23 Akola, Ambajogai, Dhule, Latur, Miraj, Pune, Solapur and Yavatmal.

Position of faculties in respect of 11 GMCs as of March 2019 showed shortfall of 236 faculties.

Audit observed that the GMC, Pune spent ₹ 0.53 crore against the released ₹ 0.81 crore on faculty component but no PG seats could be increased. Rest of the GMCs did not spend any amount under the faculty component even after lapse of around eight years from the date of receipt of central share. This resulted in non-approval of the PG courses by the MCI in five[24] GMCs due to non-availability of eligible faculty.

The DMER replied (January 2020) that the GMCs used services of existing faculty hence the amount under faculty remained unutilised. The reply is not acceptable since there was no need to submit the proposal for faculty component by the GMCs to the MoHFW if the existing faculty was sufficient for increasing/creating PG seats. Therefore, 324 seats which depended on the faculty component could not be created/added in 95 courses in 10 GMCs.

2.3.3.5 Diversion of funds sanctioned under faculty component

The MoHFW instructed (October and December 2011) that the funds must be specifically utilised for development of infrastructure, purchase of equipment and recruiting faculty without any diversion.

Audit observed that in six[25] GMCs an amount of ₹ 7.72 crore was spent out of total grant of ₹ 8.57 crore received under the faculty component on other than faculty components resulting in diversion of funds as well as violation of the MoHFW instructions as described in **Appendix 2.3.1**.

The DMER accepted the diversion and stated (January 2020) that the instructions would be issued for adjusting the diverted amount from the next sanctions of the fund. Reply is not acceptable since diversion of funds under faculty component has defeated the objective of creating 218 seats for 63 courses in six colleges.

2.3.3.6 Non-starting of new PG course/non-creation of PG seats due to delay in obtaining MoHFW permission

The Indian Medical Council (IMC) Act, 1956 provides for obtaining permission from MoHFW to start new PG course/increasing PG seats by the GMCs. The GoI sanctioned component wise and course wise grants to the GMCs under the scheme for this purpose.

Audit observed that in three[26] GMCs ₹ 8.64 crore was sanctioned by the GoI under infrastructure and equipment components for creation/increase of 33 seats in 10 PG courses. Further, these GMCs spent ₹ 11.01 crore on these two components thereby fulfilling the criteria for creating/starting PG seats. However, these GMCs did not apply to MoHFW for permission of starting new PG course/increasing PG seats as shown in the **Appendix 2.3.2**.This has resulted into non-creation of 33 PG seats in 10 PG courses even after spending more than the sanctioned amount under infrastructure and equipment components.

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[24] Akola, Ambajogai, Dhule, Solapur and Yavatmal.

[25] Ambajogai, Aurangabad, Latur, Nanded, Solapur and Yavatmal.

[26] Ambajogai, Aurangabad and Yavatmal.

The DMER replied (January 2020) that the explanation would be called from the GMCs and accordingly instructions to apply for getting permission for starting PG course and increasing PG seats would be issued.

2.3.3.7 Diversion of funds

The MoHFW sanctioned (October 2011) total grant of ₹ 18.08 crore to GMC, Miraj of which ₹ 2.50 crore was meant for infrastructure, ₹ 10.58 crore for equipment and ₹ five crore for faculty. First instalment of ₹ 6.68 crore was released (November 2011) to the GMC.

Audit observed that as per sanction order only ₹ 2.50 crore was meant for infrastructure component but the GMC, Miraj transferred (March 2012) entire amount of ₹ 6.68 crore to the Public Works Division (PWD), Miraj. Thus, huge amount of ₹ 4.18 crore meant for equipment and faculty components was diverted to the PWD and the GMC asked (November 2014) the PWD, Miraj to refund the said amount 30 months after its transfer to PWD. However, PWD, Miraj refunded (February 2017) ₹ 4.18 crore to the GMC after retaining it for five years.

This resulted in irregular diversion of funds and defeating the objective of the scheme for improvement in quality of clinical treatment. Since, immediately after receipt of ₹ 4.18 crore from PWD, GMC submitted (February 2017) a proposal to purchase Digital Subtraction Angiography (DSA), a multipurpose equipment useful for Orthopaedics, Medicine and Paediatrics departments which could not be purchased till date. Further, if the GMC had transferred only ₹ 2.50 crore for the infrastructure component to PWD instead of ₹ 6.68 crore, then the DSA machine could have been purchased well before February 2017.

The GMC, Miraj stated (June 2019) that the entire central share amount was transferred to PWD, Miraj as per the directives given in the meeting held on (January 2012) at DMER office. Reply is not acceptable as the sanctioned amount under infrastructure component was ₹ 2.50 crore only.

2.3.3.8 Non-approval of PG course

Audit observed that six[27] GMCs had applied (June 2014 to July 2018) to MoHFW for obtaining permission to increase PG seats/start new PG course in terms of section 10A (2) (a) of the IMC Act, 1956. However, MoHFW did not grant the permission (during academic years 2017-18 to 2019-20) citing reasons of deficiency in faculty, insufficient infrastructure and non-availability of upgraded equipment.

Thus, non-rectification of the deficiencies pointed out by the MoHFW even when four[28] of these GMCs have unspent GoI grant of ₹ 11.84 crore has resulted into non-creation/non-increase of PG seats.

The DMER while accepting the fact stated (January 2020) that efforts would be made to remove the deficiencies.

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[27] Akola, Ambajogai, Dhule, Nagpur, Solapur and Yavatmal.

[28] Akola, Ambajogai, Dhule and Nagpur for ₹ 2.50 crore, ₹ 0.40 crore, ₹ 7.86 crore and ₹ 1.08 crore respectively.

2.3.4 Absence of planning

2.3.4.1 Non-preparation of detailed action plan

The MoU prescribed for drawing up a detailed action plan including modalities for examining the propriety of expenditure (such as estimated value/tendered price of past supply *etc*.) by the DMER/GMCs.

Audit observed that the DMER/GMCs did not prepare any detailed action plan for implementation of the scheme.

The DMER replied that (January 2020) the discussion was regularly held in college council meeting. The reply is not acceptable since they were required to prepare detailed action plan as prescribed. A discussion cannot substitute for a properly approved action plan for a directed and coordinated effort to achieve the scheme objectives.

2.3.4.2 Request for item wise funds not sent

The MoU prescribed for sending request by all the GMCs for release of item wise funds to the MoHFW well in advance, depending on financial plan worked out by them.

It was observed that none of the GMCs sent any request for release of item wise funds. Audit analysis in respect of eight GMCs[29] revealed that had these GMCs worked out financial plan for any single component out of the three *viz*., infrastructure, equipment and faculty, then 157 PG seats could have been created by incurring expenditure of ₹ 33.42 crore as described in **Appendix 2.3.3**. As against this, although these eight GMCs received (November 2011-January 2012) ₹ 87.62 crore of central share, they could spend only ₹ 20.77 crore thereby creating 24 PG seats only.

The DMER replied (January 2020) that there was no need to send the request in advance as the item wise funds were never released by the MoHFW. The reply is not tenable since the MoHFW cannot release item wise funds unless such request is sent by the GMCs well in advance, as prescribed in MoU.

2.3.5 Financial Management

2.3.5.1 Release of funds by the GoM

Position of the GoI grant received *vis-à-vis* release of GoM share and expenditure incurred by the 11 GMCs is as indicated in **Table 2.3.1.**

[29] Akola, Ambajogai, Aurangabad, Miraj, Nagpur, Nanded, Solapur and Yavatmal.

Table 2.3.1: Fund received and Expenditure incurred during 2011-19

(₹ in crore)

Year	Opening Balance	Funds received			Expenditure incurred			Closing Balance		
		GoI	GoM share	Total (2+3+4)	GoI grant	GoM share	Total	GoI	GoM share	Total
1	2	3	4	5	6	7	8	9	10	11
2011-12	0.00	129.57	0	129.57	0	0	0	129.57	0	129.57
2012-13	129.57	0	0	129.57	0.14	0	0.14	129.43	0	129.43
2013-14	129.43	0	0	129.43	4.62	0	4.62	124.81	0	124.81
2014-15	124.81	0	1.09	125.90	29.64	1.09	30.73	95.17	0	95.17
2015-16	95.17	0	13.61	108.78	35.31	13.61	48.92	59.86	0	59.86
2016-17	59.86	0	15.19	75.05	29.91	15.19	45.10	29.95	0	29.95
2017-18	29.95	0	19.88	49.83	4.18	19.88	24.06	25.77	0	25.77
2018-19	25.77	0	15.20	40.97	8.58	15.20	23.78	17.19	0	17.19
Total		**129.57**	**64.97**		**112.38**	**64.97**	**177.35**			

It is observed from **Table 2.3.1** that the MoHFW, GoI released (November 2011 and January 2012) first instalment of ₹ 129.57 crore directly to all the GMCs out of which expenditure of ₹ 112.38 crore was incurred as of March 2019 leaving an unspent balance of ₹ 17.19 crore. However, GoM released (between 2014-15 and 2018-19) its share of ₹ 64.97 crore only as against ₹ 86.45 crore due, resulting in short release of its share by ₹ 21.48 crore. Further, GoM released its share in instalments two to three years after receipt of first instalment of GoI share. Though, matching grants were to be provided in the ratio of 75:25 by GoI and GoM, release of grants was not coordinated as such.

Besides, MoHFW released (October 2017-September 2018) last and final instalment of ₹ 103.82 crore to GoM for onward distribution to the eleven GMCs. However, this amount was not disbursed to the GMCs. It was noticed that the four[30] GMCs requested (between July 2016 and March 2019) the GoM and DMER for release of balance amount *i.e.,* the last instalment of GoI share. Due to non-receipt of GoI share GMC, Ambajogai could not purchase MRI machine and GMC, Aurangabad could not complete the infrastructure works. Further, the GoM made a provision of ₹ 49.93 crore under the 'major head - 4210' in the budget for the year 2018-19 but this was also not distributed to the GMCs concerned.

The DMER replied (January 2020) that the Finance Department, GoM had asked for up-to-date details of the scheme such as objectives, target, achievement, share of the GoI/GoM funds received, expenditure incurred, utilisation certificates submitted *etc*. The same had been called (March 2019) for from the respective GMCs.

Thus, delay in release, short release and non-release of funds to the GMCs resulted into non-achievement of targets and objectives of the scheme.

2.3.5.2 Non-disbursal of GoM share allotted under the budget head

The budget head 4210-Capital outlay on Medical and Public Health, 03-Medical Education Training and Research, 105-Allopathy (Centrally Sponsored Scheme), (00) (39)-SUSGMC and starting new PG course and

[30] Ambajogai, Aurangabad, Pune and Yavatmal.

increasing PG seat, 52-Machinery and Equipment, related to purchase of machinery and equipment from the year 2013-14 onwards.

Scrutiny of Civil Budget Estimates and Appropriation Account revealed that the Medical Education and Drugs Department (MEDD) made provision (December 2013) of ₹ 20 crore in the budget for the year 2013-14 as supplementary grant for the purchase of machinery and equipment. However, this amount was not disbursed to the GMCs. It was also noticed that during 2014-15 and 2016-17, grant of ₹ 12.91 crore and ₹ 4.74 crore respectively was surrendered in the month of March of respective years.

The DMER replied (January 2020) that ₹ 20 crore was provided as supplementary grant in fourth quarter and there was insufficient time to spend the same. Hence, it was redistributed and brought to 'nil' in final modified grant. Reply is not acceptable since the appropriation accounts for 2013-14 show a saving of ₹ 20 crore under this head.

2.3.5.3 Non-provisioning of GoM share in the budget

Again, budget head 2210-Medical and Public Health, 01-Urban Health Services-Allopathy, 001-Direction and Administration, (00) (12)-SUSGMC for starting new PG course and increasing PG seat, 01-Grant-in-aid was operated during the period from 2015-16 to 2017-18. Audit observed that no provision was made under this head in the budget during this period. This resulted into non-approval of PG courses in six[31] GMCs as discussed in **paragraph 2.3.3.8**.

Reply from DMER has not been received (January 2020).

2.3.5.4 Loss of interest

The MoU provided for opening of a separate dedicated bank account in Public Sector Bank to keep the funds received from MoHFW by the GMCs. In case of non-creation of stipulated number of PG seats, the EC may ask for return of the funds with interest and the GMCs were required to return the unutilised/misutilised funds along with interest.

Audit observed that there was no uniformity in opening of the bank accounts by all the GMCs. Six[32] GMCs opened current account and five[33] GMCs opened savings account after receipt of GoI grants (first instalment). As, no interest is earned on current account there was loss of interest of ₹ 5.78 crore on the amount of grants kept in current account, presuming the annual interest rate of 4 *per cent* on saving account as of March 2019.

2.3.5.5 Accrued interest on GoI grant lying unutilised

The MoHFW instructed (May 2018) that the accrued interest on central share should be treated as part of central share.

Audit observed that no cognizance of above instruction was taken either by the DMER or GMCs and 10 GMCs kept the central grants in fixed deposit/saving

[31] Akola, Ambajogai, Dhule, Nagpur, Solapur and Yavatmal.
[32] Akola, Aurangabad, Latur, Miraj, Nanded and Solapur.
[33] Ambajogai, Dhule, Nagpur, Pune and Yavatmal.

account for different periods. As of March 2019, these GMCs earned ₹ 22.48 crore as interest on fixed deposit and saving account.

The DMER replied (January 2020) that there was lack of clarity on the issue from GoI, hence interest amount was not utilised. The reply is not acceptable since the GoI clearly instructed (May 2018) to treat the accrued interest as part of central share.

2.3.5.6 Irregular utilisation of funds

The MoHFW instructed (October and December 2011) that the funds must be specifically utilised for development of infrastructure, purchase of equipment and recruiting faculty without any diversion. It was already instructed (March 2011) that the funds should not be utilised on electrical, plumbing and painting works *etc*.

Four GMCs[34]spent ₹ 8.11 crore for construction of library, renovation, repair and electrical works *etc.,* not provided for in the sanction order of the MoHFW. Further, electrical and repair works are not admissible as per the MoHFW instructions and under infrastructure component only work of creation of new capital assets is to be done. Thus, expenditure of ₹ 8.11 crore incurred under the scheme was irregularly utilised on inadmissible items.

The DMER replied (January 2020) that details from the GMCs had been called for and compliance would be submitted thereafter.

2.3.5.7 Irregular excess expenditure

The MoHFW had sanctioned (October-December 2011) component wise grant for infrastructure, equipment and faculty components to create/increase PG seats. The administrative approval to these purchases was accorded by the MEDD/DMER/GMCs as per the delegation of financial powers from time to time. Further, the Administrative Approvals (AA) to these purchases provided for revised AA in cases of excess expenditure than the AA.

Audit observed that in four[35] GMCs 38 equipment were purchased after incurring an expenditure of ₹ 7.44 crore under the scheme against the administrative approval of ₹ 5.14 crore. This resulted in excess expenditure to the extent of ₹ 2.30 crore. Thus, incurring excess expenditure without prior sanction of competent authority was irregular.

The DMER replied (January 2020) that excess expenditure was due to time and cost overrun and excess amount was generally met from savings under the scheme/PLA funds *etc*. Reply is not tenable since details of the source of excess expenditure were not furnished and the revised administrative approvals by the competent authority were not obtained.

[34] Aurangabad, Latur, Miraj and Yavatmal.

[35] Miraj, Nagpur, Pune and Solapur.

2.3.6 Monitoring Mechanism

Monitoring is crucial for tracking the progress of any scheme, programme or a process with a view to detect deviations for early corrective action and learn lessons for future planning. Audit observed the following inadequacies in monitoring of the SUSGMC Scheme.

2.3.6.1 Audit of GoI grants not done

The GoI grant sanction order provided for internal audit/audit of the accounts of the grantee institution by the Ministry/sanctioning authority. It was observed that no such audit was conducted either by the Ministry or by the sanctioning authority as prescribed.

All the GMCs confirmed that no such audit was ever conducted.

2.3.6.2 Submission of Utilisation Certificates

The MoU condition number 8 and Rule 212 of GFR 2005, provided for furnishing of Utilisation Certificates (UCs) by the GMCs duly countersigned by the DMER to MoHFW before 15 March and 15 September every year. It was also provided that second/subsequent instalment would be given to GMCs only after UCs in respect of first/earlier instalment is submitted in time.

Audit observed that none of the GMCs submitted any UCs to MoHFW till December 2015. Further, UCs submitted to MoHFW was without counter signature of the DMER and delay in submission of UCs ranged between 46 and 85 months. It was further observed that as of March 2019, UCs for ₹ 42.69 crore are pending. Due to non-submission of UCs in time, MoHFW had released second and last instalment to GoM during the period from October 2017 to September 2018. Thus, delayed submission of UCs by the GMCs had adversely affected the availability of funds with the GMCs for infrastructure works, purchase of equipment and appointment of faculty. This finally led to non-creation/increase of PG seats.

The DMER accepted the fact and stated (January 2020) that the instructions were issued to the GMCs to properly submit the UCs.

2.3.6.3 Physical verification of progress

The guideline issued by MoHFW prescribed for physical verification of the progress made by the GMCs by the GoM/GoI to monitor the scheme. Audit observed that no such physical verification was ever carried out by the MEDD (GoM)/GoI during the period from 2011-12 to 2018-19. This indicates that no monitoring mechanism was in existence to keep watch over the progress made by the GMCs for effective implementation of the scheme.

The DMER accepted (January 2020) the audit observation.

2.3.6.4 Non-submission of quarterly progress report by GMCs

The grant sanction order (October 2011) specifies that quarterly progress report of the activity carried out by the GMCs should be submitted to MoHFW.

Audit observed that none of the GMCs submitted any quarterly progress report of the activities to MoHFW during the period from 2011-12 to 2018-19.

The DMER accepted (January 2020) the audit observation and issued instructions to the GMCs for submission of progress report.

2.3.6.5 Gap Analysis Report and proposal under Phase-II

MoHFW has launched (April 2018) Phase-II of the SUSGMC scheme for creating new PG medical seats during the period from 2018-19 to 2020-21. The MoHFW instructed (June and October 2018) GoM to conduct the Gap Analysis and furnish the details of proposal showing component wise requirement of funds. Accordingly, DMER instructed (November 2018 and May 2019) the GMCs for submission of proposals for starting of new PG courses.

Audit observed that six[36] GMCs did not initiate any action to prepare Gap Analysis Report and to submit proposals and two[37] GMCs formed (May 2019) a committee for this purpose and remaining three[38] GMCs submitted (December 2018 to May 2019) Gap Analysis Report and proposals to DMER. Thus, the detailed proposals showing component wise requirement of funds are still to be submitted to MoHFW by the GoM under Phase-II of SUSGMC scheme.

The DMER replied (January 2020) that detailed proposal would be submitted after receipt of the same from all the GMCs.

2.3.7 Conclusion

In the absence of direction and monitoring by the DMER and GoM, although proposals were sent to GoI but detailed plans for getting funds and prioritising expenditure were not prepared. There was absence of budgetary and expenditure controls. Though, matching grants were to be provided in the ratio of 75:25 by GOI and GoM, release of grants was not coordinated as such. No report of physical progress and achievement of set targets was ever prepared and submitted by the GoM, as prescribed. Even after seven years since the launch of the Scheme, including extended period of two years, and after spending more than 91 *per cent* of the funds released, the GMCs could only add 79 (11 *per cent*) PG seats of the 692 seats targeted. Due to poor implementation of the Scheme, the objectives of upgrading the PG teaching facilities, increasing the intake capacity of the PG students, introducing new and higher courses, mitigating the shortage of specialists in the country, rectifying the deficiencies pointed out by MCI so as to protect colleges from derecognition of the existing courses and improving the quality of medical education, research and clinical treatment could not be achieved.

There was lack of monitoring and evaluation of the scheme by the GoM. Therefore, GoM/GMC need to conduct a Gap Analysis as required and detailed proposals prepared for better implementation and achieving the intended objective atleast in the second phase of SUSGMC.

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[36] Akola, Nagpur, Dhule, Nanded, Solapur and Yavatmal.
[37] Ambajogai and Aurangabad.
[38] Latur, Miraj and Pune.

2.3.8 Recommendations

1. Government may direct DMER to expedite the purchase of equipment and process of procurement of equipment, execution of infrastructure works and recruitment of faculty be well coordinated to avoid non-approval/rejection of PG courses/seats by the MOHFW;
2. Government may direct DMER to draw up a detailed action plan with component wise proposals for requirement of funds and submit to MoHFW since phase II of the scheme has started;
3. Government may ensure timely release of funds to GMC to create necessary infrastructure, equipment and faculty to increase/create PG seats. Government may also ensure necessary budgetary controls for proper utilisation of funds by the GMC; and
4. Government may direct DMER to ensure timely submission of utilisation certificate, monitoring and internal control mechanism be strengthened at all levels to achieve the objectives of the Scheme.

Urban Development Department

Municipal Corporation of Greater Mumbai

2.4 Non-recovery of premium as per the lease agreement

Failure of Municipal Corporation of Greater Mumbai to monitor compliance to the lease agreement by obtaining periodical information/financial statements from a Sports Club resulted in non-recovery of premium of ₹ 20.55 crore from non-sports activities.

The Municipal Corporation of Greater Mumbai (MCGM) executed (May 1993) an agreement for lease of land admeasuring 70,376 square meter situated at Worli, Mumbai to Sports Club for 99 years. The land was leased for sports facilities such as stadium, swimming pool, badminton hall and club house.

As per the terms and conditions of the agreement, the Sports Club should not assign or transfer the premises or any part thereof without the prior written consent of MCGM. Permission was also required to be obtained from MCGM for using the stadium for any purpose other than sports activities. Further, as per the prevailing policy of MCGM, premium at the rate of 33 *per cent* of the amount recovered by the Sports Club for holding any non-sports activities, was required to be paid to MCGM.

Scrutiny (November 2018 and November 2019) of the records of MCGM revealed the following:

Appendix 2.3.1
(Reference: Paragraph 2.3.3.5)
Statement showing diversion of funds sanctioned under faculty component

(₹ in crore)

Sr. No.	Name of GMC	No. of sanctioned PG courses	Target of PG seats as per TEC recomm-endation	Amount Sanctioned	Amount received	Expenditure incurred	Expenditure incurred on other than the Faculty component
1	Ambajogai	7	28	2.38	0.90	0	0.50
2	Aurangabad	6	18	2.16	0.81	0	0.81
3	Latur	18	60	5.12	1.92	0	1.92
4	Nanded	6	25	2.16	0.815	0	0.361
5	Solapur	20	65	8.85	3.32	0	3.32
6	Yavatmal	6	22	2.16	0.81	0	0.81
Total		**63**	**218**	**22.83**	**8.575**	**0**	**7.721**

Appendix 2.3.2
(Reference: Paragraph 2.3.3.6)
Non-starting of new PG course/increase PG seats due to delay in obtaining MoHFW permission

SN	Name of GMC	Name of PG course	No of existing PG seat	No of additional PG seats to be increased under scheme	Component wise sanctioned amount and actual expenditure incurred by GMCs (` in crore)								Period of expenditure incurred	
					Infrastructure		Equipment		Faculty		Total		Infrastructure	Equipment
					San.	Exp.	San.	Exp.	San.	Exp.	San.	Exp.		
1	Ambajogai	Pharmacology	3	1	0	0	0.06	0.10	0	0	0.06	0.10	-	December 2014 to June 2016
		Anesthesiology	3	2	0	0	0.93	1.98	0	0	0.93	1.98	-	March 2014 to March 2019
		Pediatrics	1	1	0	0	0.17	0.66	0	0	0.17	0.66	-	May 2013 to March 2019
		OBGY	1	3	0	0	0.68	0.83	0	0	0.68	0.83	-	May 2013 to March 2019
		Surgery	3	2	0	0	4.51	4.50	0	0	4.51	4.50	-	January 2014 to March 2019
2	Aurangabad	Anatomy	3	4	0.03	0.03	0.03	0.03	0	0	0.06	0.06	April 2013 to March 2014	April 2012 to March 2013
		Physiology	3	8	0	0	0.31	0.34	0	0	0.31	0.34	-	April 2012 to March 2016
		PSM/PCM	3	6	0.02	0.02	0	0	0	0	0.02	0.02	April 2016 to March 2017	-
		Radiology	2	3	0	0	0.90	0.80	0	0	0.90	0.80	-	April 2015 to March 2018
3	Yavatmal	Radiology	0	3	0	0	1.00	1.72	0	0	1.00	1.72	-	April 2015 to March 2017
	Total	**10**	**22**	**33**	**0.05**	**0.05**	**8.59**	**10.96**	**0**	**0**	**8.64**	**11.01**		

Appendix 2.3.3
(Reference: Paragraph 2.3.4.2)
Request for item-wise funds not sent

SN	Name of GMC	Central share received	No of PG course	No of PG seat Sanctioned under SUSGMC	Position of component wise sanction (San) amount by TEC and expenditure (Exp) incurred by GMC (₹ in crore)								Actual No of PG seat created
					Infrastructure		Equipment		Faculty		Total		
					San	Exp	San	Exp	San	Exp	San	Exp	
1	Akola	14.99	8	18	0	0	2.5	1.07	0	0	2.50	1.07	10
2	Ambajogai	12.18	12	22	0	0	9.48	10.94	0.36	0	9.84	10.94	3
3	Aurangabad	5.91	9	44	0.37	0.16	5.65	2.28	0.36	0	6.38	2.44	2
4	Miraj	6.68	5	17	0	0	3.69	0.4	0	0	3.69	0.4	7
5	Nagpur	18.21	2	4	0.2	0	0.24	0.3	0	0	0.44	0.3	0
6	Nanded	16.72	5	15	0	0	7.605	3.06	0	0	7.60	3.06	0
7	Solapur	9.96	3	17	0	0	0.5	0.32	0.72	0	1.22	0.32	0
8	Yavatmal	2.97	6	20	0.3	0	1.45	2.24	0	0	1.75	2.24	2
Total		**87.62**	**50**	**157**	**0.87**	**0.16**	**31.115**	**20.61**	**1.44**	**0**	**33.42**	**20.77**	**24**