CHAPTER – III

CIVIL DEPARTMENTS

SECTION-A – REVIEWS

HEALTH AND FAMILY WELFARE DEPARTMENT

3.1 Implementation of the National AIDS Control Programme

3.1.1 Highlights

Central assistance of Rs.48.88 lakh pertaining to the period 1992-99 was unauthorisedly retained by the State Government for periods ranging between four to 10 years and has not yet been transferred to Arunachal Pradesh State AIDS Control Society (APSACS)

(Paragraph 3.1.6)

Budgeting of Arunachal Pradesh State AIDS Control Society (APSACS) was unrealistic as the Society reported inflated expenditure of Rs.10 lakh for the years 1999-2000 and 2000-01 to NACO despite funds of Rs.78.08 lakh remaining unutilised. Further, expenditure of Rs.23 lakh spent on FHAC in 2001-02 was doubtful.

(Paragraphs 3.1.5 and 3.1.8)

Despite incurring an expenditure of Rs.1.13 crore, the targets under priority targeted intervention for groups at high risk were not fully achieved.

(Paragraph 3.1.10)

Condom delivery system, activities under the IEC and awareness campaigns and the blood safety programme failed to take off.

(Paragraphs 3.1.11, 3.1.15 and 3.1.16)

Despite having 6 *per cent* prevalence rate of STD, the achievement of APSACS in strengthening the STD clinics ranged from 0 to 14 *per cent* only.

(Paragraph 3.1.12)

3.1.2 Introduction

HIV/AIDS has emerged as a serious public health problem. To contain the spread of HIV/AIDS, Government of India established a National AIDS

Control Organisation (NACO) (1992) and launched a Centrally sponsored programme with World Bank assistance. The programme was implemented in two phases. The objectives of the first phase of National AIDS Control Programme (NACP) termed as NACP-I were (i) to slow down the spread of HIV, (ii) to decrease morbidity and mortality associated with HIV infection, and, (iii) to minimise the socio-economic impact resulting from HIV infection. The objectives of the second phase (NACP-II) that started from April 1999 were (i) to reduce spread of HIV infection, and, (ii) to strengthen capacity to respond to the HIV/AIDS on a long-term basis.

3.1.3 Organisational set up

At the State level the first phase of the programme (NACP-I) was implemented by the State AIDS Control Cell (SACC) created in 1992 under the Directorate of Health Services and Family Welfare which functioned from 1992 to March 1999. From April 1999 the implementation of the programme (NACP-II) was entrusted to the Arunachal Pradesh State AIDS Control Society (APSACS). APSACS formed in November 1998 has the Secretary (Health & Family Welfare Department) as the *ex-officio* Chairman, and the Director of Health Services (DHS) as its Vice-Chairman. APSACS is headed by a Project Director assisted by a State Aids Programme Officer (SAPO) who is also Member Secretary of the Society and functions as Chief Executive. In addition, APSACS has 16 other members from different departments of the Arunachal Pradesh Government including two members from non-governmental organisations. At district level the programme is implemented by District Medical Officers supported by para-medical staff.

3.1.4 Audit coverage

The implementation of the programme during the period from 1998-99 to 2002-03 was reviewed in audit (January 2003 – April 2003) based on test check of records of office of the Project Director of APSACS, three[#] out of 15 district medical officers (DMOs), two STD clinics, two blood banks (one in Naharlagun and the other in Pasighat) and two out of 4 NGOs covering 87 *per cent* (Rs.4.76 crore) of total expenditure (Rs.5.47 crore).

3.1.5 Financial management

NACP was a hundred *per cent* Centrally sponsored scheme for which funds were provided by the Government of India to the State Government upto April 1998. After the formation of APSACS (November 1998) funds were

[#] *East Siang, West Siang and Papumpare*

released directly to it by the Government of India. Year-wise release of funds by Government of India through National AIDS Control Organisation (NACO) to APSACS and expenditure incurred thereagainst during 1998-99 to 2002-03 were as under:

Table 3.1

(Rupees in lakh)

Year	Fund proposed by the Society	Opening balance	Fund released by NACO	Expenditure incurred by the Society	Closing balance
1998-99	NA	45.91	13.14	10.17	48.88[#]
1999-2000	1057.44	-	189.00	101.40	87.60
2000-01	1263.08	87.60	111.00	132.65	65.95
2001-02	407.17	65.95	214.88	162.12	118.71
2002-03	552.42	118.71	100.00	140.63	78.08
Total	**3280.11**		**628.02**	**546.97**	

Source: Society

The reason for unutilised funds of Rs.78.08 lakh has not been furnished.

3.1.6 Unauthorised retention of Central assistance by the State Government

During the first phase, grants were released by Government of India through NACO to the State and the State Finance Department accordingly allotted the grants to the State AIDS Control Cell (SACC) on the basis of State budget provisions. It was pointed out in paragraph 3.1.8 of the Audit Report of the Comptroller and Auditor General of India for the year ended 31 March 2001 that at the end of the operational period of the programme under NACP-I (upto 31.3.1999), the State Government retained the unutilised balance of Rs.48.88 lakh of Central assistance pertaining to the period 1992-93 to 1998-99. This unutilised fund which remained with the State Government was to be transferred to APSACS for utilisation under NACP-II. Scrutiny of records showed that unutilised amount of Rs.48.88 lakh pertaining to NACP-I and records relating to its implementation were not transferred to APSACS even until 31March 2003. This had resulted in unauthorised retention of Central assistance of Rs.48.88 lakh for periods ranging between 4 years to 10 years. Nothing was on record to indicate that any effort was made by APSACS to get the unutilised amount and records of NACP-I transferred to it from the State Government/SACC.

[#] *The amount of Rs.48.88 lakh is still with the State Government and has not yet been transferred to the Society.*

3.1.7 Unrealistic budgeting

Despite being unable to spend even the yearly funds at its disposal the Society was persistently asking for funds which were three to 12 times the expenditure incurred during the previous years. Such inflated budgeting reduced the entire exercise of drawing up the action plan to merely a way for getting more funds rather than realistic planning of activities to be taken up during the year.

3.1.8 Inflated reporting of expenditure

Against an actual expenditure of Rs.2.34 crore (Rs.1.01 crore + Rs.1.33 crore) during 1999-2000 and 2000-01, the expenditure reported by APSACS to NACO was Rs.2.44 crore (Rs.1.03 crore + Rs.1.41 crore) resulting in inflated reporting of expenditure of Rs.10 lakh (Rs.2.44 crore - Rs.2.34 crore). Similarly, scrutiny of audited accounts and statement of expenditure (SOE) furnished to NACO disclosed that Rs.51 lakh was shown as spent on Family Health Awareness Campaigns (FHAC) in 2001-02 instead of Rs.28 lakh. Details of expenditure for Rs.23 lakh (Rs.51 lakh – Rs.28 lakh) indicating the period/dates and places where the FHAC was organised were not on record nor produced to audit. This has also resulted in inflated reporting of expenditure of Rs.23 lakh on FHAC during 2001-02. The inflated reporting as well as suspect expenditure was either a means to tap more funds from NACO or was a result of defective monitoring and control over expenditure by the Society.

3.1.9 Programme implementation

Implementation of the NACP in the State was reviewed in audit previously and audit observations featured in paragraphs 3.1.49 to 3.1.74 of the Report of the Comptroller and Auditor General of India for the year 2000-01. The major deficiencies noticed included incomplete awareness campaign, blood safety and rational use of blood was not to the projected extent, and non-strengthening of clinics to control STD despite availability of sufficient funds.

A further review on the implementation of the programme during 1998-99 to 2002-03, revealed that activities directly linked to the prevention of the disease were yet to gather momentum as discussed in the succeeding paragraphs.

3.1.10 Priority target intervention (PTI) for groups at high risk

The project aims to reduce the spread of HIV in groups at high risk by identifying target population and provide peer counselling, condom promotion and treatment for sexually transmitted infection (STI). Marginalised groups are commercial sex workers (CSW), truck drivers (TD), injecting drug users (IDU) and men having sex with men (MSM).

During 1999-03 funds of Rs.1.75 crore (1999-2000: Rs.99 lakh, 2000-01: Rs.19 lakh, 2001-02: Rs.34 lakh, 2002-03: Rs.23 lakh) were provided by NACO for priority intervention of targeted groups at high risk against which

an expenditure of Rs.1.13 crore (1999-2000: Rs.12 lakh, 2000-01: Rs.22 lakh, 2001-02: Rs.70 lakh and 2002-03: Rs.9 lakh) only was incurred and the balance of Rs.62 lakh remained unutilised (35 *per cent*).

Further, during the period 1999-2000 to 2001-03 APSACS had spent Rs.29.91 lakh under the sub-head 'NGO support for target intervention'. Scrutiny, however, revealed that Rs.16.07 lakh was released to four NGOs during the years 2000-01 to 2002-03 for carrying out the PTI project and the balance amount of Rs.13.84 lakh was spent by APSACS. The details of expenditure incurred were not furnished.

Further, out of Rs.16.07 lakh released to the 4 NGOs an amount of Rs.7.40 lakh was spent during the years 2000-01 to 2002-03 for mapping of areas for sexual networking for truckers and associates only and the balance amount of Rs.8.67 lakh was spent on PTI project covering low risk groups such as barbers and migrant labours. Despite an expenditure of Rs.16.07 lakh made by the NGOs no arrangements were made for providing integrated peer counselling, treatment of STIs and training of representatives of groups at high risk. Besides, no action was taken to identify CSWs, IDUs and MSM as per programme. Thus, target regarding involvement of NGOs in the task was not fully achieved and the beneficiaries were deprived of the intended benefits of the programme. It was also seen that neither was any target fixed nor any para-medical staff trained for providing required services to the HIV risk groups. The reasons for non-fixation of the target and non-involvement of NGO were not stated by the Society.

3.1.11 Condom delivery system

It was mentioned in paragraph 3.1.52 of the Audit Report of the Comptroller and Auditor General of India for the year ended 31 March 2001 that 40,000 condoms valued Rs.0.10 lakh received from NACO for free distribution during 1996-97 to 1999-2000 were lying idle till April 2001. Scrutiny of records revealed that there was no further procurement of condoms either by the NACO or the Society after 1999-2000 and out of 40,000 condoms lying in stock, 17,200 were distributed free during 2001-03. Balance 22,800 valued Rs.0.06 lakh were lying idle till March 2003. Thus, it is evident that proper counselling for use of condoms was not done and the objective of the programme remained unachieved.

3.1.12 Control of STD

The programme envisages strengthening of STD clinics in every district/general hospital by providing equipment and medicines from NACO fund to ensure protection from AIDS. The target and achievement made in strengthening the STD clinics in district/general hospitals is shown in **Appendix – XV**. During 2000-01, four STD clinics were opened against the target of two STD clinics. The reason for excess achievement of target by 200 *per cent* was not stated. Scrutiny revealed that during 2001-02, out of 3936 patients attending the hospitals, 234 patients attended the STD clinic

exhibiting a prevalence rate of 6 *per cent*. The records of STD patients for other years could not be produced to audit. Despite such high prevalence rate of STD, the achievement of APSACS in strengthening the STD clinics ranged from 0 to 14 *per cent* only. Further, the records of two test-checked STD clinics did not reflect a comprehensive picture about the nature and extent of treatment (*e.g*. number of cases treated, number of cases referred and result of the treatment) provided to the STD patients on the basis of blood samples collected and tested. Existence of clinics has no meaning unless the clinics serve the purpose for which they were established.

3.1.13 Selection of NGOs

As envisaged in the guidelines, the selection of NGO was to be made in a transparent and viable process. Accordingly, APSACS was to invite applications through advertisement in newspapers for implementing AIDS awareness and control programme. Scrutiny of records revealed that the four NGOs were selected on the basis of application received and not through any advertisement or publicity. Thus selection of these four NGOs was not found to be transparent and was in violation of the prescribed norms.

Further out of Rs.16.07 lakh shown to have been released to four NGOs, an amount of Rs.5.16 lakh was shown as disbursed to one NGO. But test check of audited accounts and utilisation certificate of the NGO *viz*., Arunachal Pradesh Handicapped Welfare Society, Naharlagun disclosed that they had received Rs.3.87 lakh only. Thus, the release of the balance amount of Rs.1.29 lakh (Rs.5.16 lakh – Rs.3.87 lakh) shown in the records of APSACS was fictitious. The matter was neither investigated nor any disciplinary action taken against the defaulting person for such fictitious payment.

3.1.14 Preventive intervention for general community

The sub-component under this includes (i) information, education and communication (IEC) awareness campaign, (ii) provide voluntary testing and counselling, and, (iii) reduce transmission by blood transfusion.

3.1.15 IEC awareness campaign

Activities under the IEC and awareness campaigns include conducting mass media campaign at State and municipal levels, conducting local IEC campaign, using traditional media such as folk arts and street theatre, promoting advocacy campaigns, conducting awareness programme geared towards youth and college students and organising family health awareness campaigns (FHAC) for control of STI and RTI infections, *etc*.

Test check of records (April 2003) revealed that no targets were fixed for the IEC awareness campaign. However, to raise awareness amongst public, the campaign was mainly taken up through hoardings and display boards, *etc*. Effective mass media campaign such as Doordarshan, cable television, conferences to mobilise social and community leaders were not taken up

though an expenditure of Rs.17.25 lakh was incurred by all the 13 districts of the State during 1999-03 for advertisement through hoardings and display boards.

Further as the main IEC activity was done by holding Family Health Awareness Campaigns (FHAC), funds of family health awareness campaign were released separately and as per the condition imposed by NACO, funds approved for other components were not to be diverted for FHAC. But scrutiny of records revealed that against a grant of Rs.51.50 lakh released by NACO, expenditure of Rs.86.52 lakh was incurred by APSACS for organising FHAC in 13 districts during the period from 1999-2000 to 2000-03 as detailed below:

Table 3.2

(Rupees in lakh)

Year	Fund released by NACO for FHAC	Expenditure incurred	Excess amount of expenditure and percentage
1999-2000	--	24.02	24.02 (100%)
2000-01	23.00	34.00	11.00 (48 %)
2001-02	28.50	28.50	--
2002-03	--	--	--
Total	**51.50**	**86.52**	**35.02 (68 %)**

Source : APSACS

Thus, APSACS contravened the stipulated condition of the funding authority by diverting Rs.35.02 lakh (68 *per cent*) from other components of the programme. APSACS failed to furnish the reasons for such irregularity or provide details of the component/sub-component from which such diversion was made. APSACS had not reported the matter to NACO either and the reason thereof has not been stated.

Records of APSACS further revealed that out of Rs.24.02 lakh shown as disbursed to 13 DMOs during 1999-2000 for organising FHAC, Rs.8.55 lakh was given to two DMOs (Along: Rs.4.86 lakh and Pasighat: Rs.3.69 lakh). However, neither the receipt of the amount nor any expenditure was reflected in the cash books of the concerned DMOs. The DMOs also failed to produce any records evidencing expenditure of Rs.8.55 lakh by feedback data *i.e.* population covered, tests conducted, patients covered and drugs distributed during the campaign. Thus the expenditure of Rs.8.55 lakh incurred by these DMOs could not be vouchsafed in audit. The matter regarding mis-utilisation and non-receipt of fund by the two DMOs has not yet been investigated by the Society.

During the years 2001-02 and 2002-03 APSACS had incurred an expenditure of Rs.17.25 lakh for procuring and installing 61 hoarding and 921 display boards in 13 districts as shown below. However, records of district wise installation of hoardings and display boards were not produced to audit.

Table 3.3

Year	No. of hoarding	Rate (Rupees)	Amount (Rupees)	No. of display board	Rate (Rupees)	Amount (Rupees)	Total (4 + 7) (Rupees in lakh)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2001-02	30	14,700	4,41,000	545	900	4,90,000	9.31
2002-03	31	-do-	4,55,700	376	-do-	3,38,400	7.94
Total	**61**		**8,96,700**	**921**		**8,28,400**	**17.25**

Source : Society

Vouchers produced to audit in support of the expenditure carried a recorded certificate to the effect that completion reports for installation of hoarding and display board have been issued by the concerned DMOs. In support of installation of the same, the completion reports issued by the DMOs were, however, not produced to audit. Cross verification of records of three DMOs (Along, Pasighat and Papumpare) where hoarding and display of boards were required to be installed/displayed, revealed that no completion certificates about their installation/display were issued by them (May 2003). Further, the DMO, Pasighat stated (April 2003) that he had no knowledge about installation of hoarding and display board. Thus, in the absence of completion reports, the expenditure of Rs.3.98 lakh[#] spent on display boards/hoarding in these three districts was doubtful. The matter was neither investigated nor any remedial measures taken.

3.1.16 Reduce transmission by blood transfusion and occupational exposure

The strategies designed by NACO for achieving the objectives *inter-alia* includes (a) setting up of modern blood banks, (b) upgradation/ modernisation of existing blood banks, (c) mobilising voluntary blood donation, (d) establishing blood component separation units, *etc*.

Mention was made in paragraph 3.1.60 of the Audit Report of the Comptroller and Auditor General of India for the year ended 31 March 2001 that under Government sector there are two blood banks attached to the two general hospitals (GH) at Naharlagun and Pasighat and that APSACS had not taken any action for their upgradation and modernisation. Scrutiny of records (April 2003) revealed that although APSACS had spent Rs.70.47 lakh under the sub-head blood safety it was still unable to modernise and upgrade the blood banks or establish any new blood banks in the State, thus leaving 13 out of the 15 districts of the State uncovered. Thus, the entire process of blood safety in the State rested with two banks *viz.,* one at Naharlagun and the other at Pasighat. It was stated by APSACS that due to non-availability of infrastructure to be created by the State, no modern blood bank could be established. The reply points to the failure of APSACS to actively pursue the matter with the State Government despite setting targets for the same. Further APSACS had also failed to organise any campaign for voluntary blood donations.

[#] *Calculated proportionately : {Rs. (896700/13 × 3) + (828400/13 × 3)}*

3.1.17 Irregular procurement

Dealers and distributors of drugs must have valid drug licence from appropriate authority. Test check of records revealed that APSACS had procured drugs worth Rs.14.44 lakh for STI and OI patients during June 2000 and March 2001 from an unauthorised dealer as the drug licence of the dealer had expired in December 1999. The reason for the same was neither stated nor furnished.

3.1.18 STI/HIV/AIDS sentinel surveillance

During the period from 1999-2000 to 2001-02, sentinel surveillance was conducted in two general hospitals[#] and one district hospital[Ψ] by examining 886 STD patients and screening of 802 anti natal cases[β]. Out of it, two HIV positive cases were detected. There was nothing on record to ascertain the fate of the two HIV positive cases and the reason thereof had not been furnished. In absence of any targets, shortfall if any, in sentinel surveillance could not be ascertained in audit. The APSACS, however, had not initiated any action for collection of syndromic based information from the peripheral health institutions for reasons not on record. There was, therefore, no co-ordination between APSACS and the district medical authority regarding collection of samples in respect of suspected AIDS cases from the CHC/PHC in the districts.

3.1.19 Training

Training is an important function of programme management. During 1999-2000 all the programmes on training of the trainers and induction level training were to be completed.

Scrutiny of records (April 2003) revealed APSACS had incurred an expenditure of Rs.4.37 lakh during the period from March 2000 to February 2002 on seven induction/refresher training courses. The training for 28 core trainees was, however, imparted only during February 2002 at a cost of Rs.0.97 lakh and no other training course has been organised thereafter utilising the services of these core trainers. Thus expenditure of Rs.0.97 lakh spent on their training has proved to be unproductive. Details of six other training courses conducted during 1999-03 at a cost of Rs.3.40 lakh could not be verified due to non-production of records, *viz.*, number of trainees who have attended the courses, number of instructors deployed, duration of training course and expenditure details. The reason thereof was not stated.

[#] *Naharlagun and Pasighat*

[Ψ] *Tezu*

[β]

Year	***STD***	***Anti natal***	***Total***
1999-2000	*286*	*402*	*688*
2000-01	*238*	-	*238*
2001-02	*362*	*400*	*762*
Total	***886***	***802***	***1688***

Further, as of 31 March 2003, out of 1698 health workers (doctors – 545, nurses – 553, laboratory technician – 60, other paramedics – 540), only 181 (doctors – 109, nurses – 15, laboratory technician – 32, other paramedics – 25) were trained. The percentage of trained health workers for protection of AIDS was only 11 *per cent* after implementation of the programme since 1992 which obviously was not conducive for proper implementation of the programme though an expenditure of Rs.31.75 lakh was incurred during 1999-03. Also, the utilisation of the 181 trained man power in strengthening the management capacity under various components of the programme was not furnished by APSACS.

Further, APSACS was to prepare a district action plan and time activity schedule by the end of 2000. But till the year ended 31 March 2003 neither those tasks could be completed nor any arrangement made to train any staff for completion of the tasks. The reason thereof has not been stated.

3.1.20 Other points of interest

During the period from January 2001 to November 2002 APSACS spent Rs.28.63 lakh for procurement of drugs, equipment, *etc*., meant for various components under the NACP from local firms. Test check of stock registers revealed that these items were lying idle in stock till April 2003. Thus, procurement of drugs equipment, *etc*., without assessing actual requirements resulted in idle expenditure of Rs.28.63 lakh for 6 months to 2 years 6 months.

3.1.21 Monitoring and evaluation

Due importance is to be given under the programme by each AIDS Control Society to have a monitoring and evaluating officer (M&E) and to conduct baseline, interim and final year evaluation of the programme by an independent outside agency. Scrutiny of records revealed that APSACS did not fill up the post of M&E officer even though the final year of the project was approaching (2004). Further, other than routine compiling of progress reports for transmission to NACO, no monitoring of the activities was ever conducted to evaluate the performance of the programme and its impact on the people. Thus, the overall impact of the programme for reducing and controlling incidence of AIDS remained unassessed.

3.1.22 Conclusion

The programme was not effectively managed and implemented. The achievements under the sub-components were not substantial and in most of the cases, targets were not fixed. Sexually transmitted disease clinics and blood banks were not strengthened as required under the guidelines. Condom delivery system failed to take off due to non-purchase of condoms after April 2000 and non-utilisation of condom held in stock. APSACS failed to implement the programme as per guideline after incurring an expenditure of Rs.5.47 crore, despite availability of sufficient fund (Rs.6.28 crore).

The matter was reported to the Government/APSACS (July 2003); reply has not been received (September 2003).

APPENDIX – XV

Statement showing target and achievement of number of STD clinics strengthened in the State

(Reference: Paragraph 3.1.12 at page 32)

Year	Target	Achievement	Percentage of achievement
1998-99	2	-	0
1999-2000	2	-	0
2000-01	2	4	200
2001-02	6	-	0
2002-03	7	1	14

Source : Department