



**REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL
OF INDIA**

FOR THE YEAR ENDED 31 MARCH 1990

**NO. (3)
(CIVIL)**

GOVERNMENT OF HARYANA



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COMPTROLLER AND AUDITOR GENERAL

OF THE

FOR THE YEAR ENDING 31 MARCH 1990

NO. 181
(CIVIL)

GOVERNMENT OF HARYANA

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PREFATORY REMARKS

This Report has been prepared for submission to the Governor under Article 151 of the Constitution. It relates mainly to matters arising from the Appropriation Accounts for 1989-90 together with other points arising from audit of financial transactions of Government of Haryana. It also includes certain points of interest arising from the Finance Accounts for the year 1989-90.

2. The Report containing the observations of Audit on Statutory Corporations and Government Companies and the Report containing the observations of Audit on Revenue Receipts are being presented separately.

3. The cases mentioned in this Report are among those which came to notice in the course of test audit of accounts during 1989-90 as well as those which had come to notice in earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 1989-90 have also been included, wherever considered necessary.

OVERVIEW

This Report contains two chapters on the financial position of Government of Haryana for 1989-90 and overall control over expenditure by the Government. The other five chapters include audit reviews on developmental and welfare programmes and other activities in addition to the paragraphs containing comments on various irregularities. Some of the more important audit findings of the Report are summarised in the succeeding paragraphs.

2. Financial position and control over expenditure

- The total debt liability of the State stood at Rs. 1845.41 crores as on 31st March 1990 as against Rs. 1635.20 crores as on 31st March 1989.

(vide summary of accounts)

- The total amount overdue for recovery against loans advanced to Municipalities, Improvement Trusts and the Haryana State Electricity Board as on 31st March 1990 was Rs. 289.98 crores, including Rs. 6.79 crores on account of interest.

(Paragraph 1.10)

- The contingent liability for guarantee given by the State Government for repayment of loans etc., by Statutory Corporations, Companies etc., as on 31st March 1990 was Rs. 1116.08 crores including interest of Rs. 0.07 crore against the maximum guaranteed amount of Rs. 2834.56 crores. No guarantee fee is charged by the Government.

(Paragraph 1.13)

- 14 Government Companies in which Government had invested Rs 51.29 crores incurred accumulated losses of Rs. 43.83 crores.

(Paragraph 1.15.4)

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- Supplementary provision of Rs. 6.12 crores obtained in 5 grants/appropriations during March 1990 proved unnecessary.

(Paragraph 2.3)

- The overall excess was Rs. 33.63 crores in 6 grants/appropriations requiring regularisation by the Legislature.

(Paragraph 2.4)

3. Reviews

3.1 Technology Mission on Oilseeds

The programme was launched in Haryana during 1986-87 and 1987-88 with the main objective of increasing the production of oilseeds in the State and making available adequate supply of improved variety of oilseeds to the farmers.

- An expenditure of Rs. 220.83 lakhs was incurred on the programme during 1986-87 to 1989-90 against the budget provision of Rs. 318.38 lakhs.
- Against the target of 11,490 spray pumps, only 6,123 spray pumps were provided to the farmers; the Department had not undertaken any survey to ensure that the farmers were actually possessing them.
- Funds amounting to Rs 11.75 lakhs intended for testing of soil under oilseed crops were diverted towards other crops not covered under the programme.
- The department had not ascertained the extent of increase in the yield of the crops as a result of use of gypsum for which subsidy of Rs. 32.85 lakhs had been paid.

(Paragraph 3.1)

3.2 National Literacy Mission

A National Literacy Mission (NLM) was set up in June 1988 with a view to removing the deficiencies in the existing programmes for eradicating illiteracy specially in the population with the age group between 15—35 years. The Mission

incorporated several ongoing schemes and introduced a new programme.

- A sum of Rs. 1926.79 lakhs was spent on the programme during 1985-86 to 1989-90 against the budget provision of Rs. 2151.66 lakhs.
- The actual enrolment of learners (adult and illiterates) fell far short of the targets and the scheme of post literacy and continuing education was not taken up.
- No survey to ascertain the number of illiterates in the population with age group between 15—35 years was conducted in the Rural Functional Literacy Project.
- Stores articles worth Rs. 9.97 lakhs issued to supervisors/instructors for use in Adult Education Centres were not returned.
- Utilisation certificates of kits worth Rs. 8.00 lakhs were awaited from the universities.

(Paragraph 3.4)

3.3 Industrial Training and Vocational Education

The scheme in operation since 1966 aimed at raising the quality and quantity of industrial production by systematic training of workers and reducing unemployment amongst the educated youth.

- A sum of Rs. 6092.09 lakhs was spent on the programme during 1980-81 to 1989-90 against the budget provision of Rs. 6312.65 lakhs.
- Percentage of drop-outs and failures ranged from 36 to 52 and 52 to 70 in the case of ITI's and VEI's respectively.
- Percentage of employment of ITI certificate holders declined from 11 to 1 necessitating payment of unemployment allowance aggregating Rs. 2.58 lakhs during 1986-87 to 1989-90.

(Paragraph 3.5)

3.4 Fish Farmers Development Agencies

The programme aimed at stepping up of inland fish production through sophisticated techniques of fish farming.

- A sum of Rs. 276.86 lakhs had been spent on the programme during 1982-83 to 1989-90 against the budget provision of Rs. 328.06 lakhs.
- Agencies at Faridabad, Sonapat and Gurgaon failed to achieve the required 3 tonne average production of fish per hectare.
- Instances of avoidable, extra and wasteful expenditure of Rs. 1.90 lakhs were noticed in execution of works for remodelling of fish seed farms.
- An amount of credit of Rs. 1.12 lakhs on account of sale of fish seed to fish farmers had not been recovered.

(Paragraph 3.6)

3.5 Intensive Fisheries Development Programme

The programme aimed at stepping up fish farming so as to combat malnutrition prevalent in rural areas and to provide opportunities for self-employment to rural youth.

- A sum of Rs. 354.57 lakhs had been spent on the programme during 1982-83 to 1989-90 against the budget provision of Rs. 408.99 lakhs
- Area under water for fish farming decreased from 26.80 hectares to 4.95 hectares during 1986-87 to 1989-90.
- A subsidy of Rs. 2.20 lakhs in excess of permissible limits was paid for excavation of new ponds.
- Hatcheries set up with an expenditure of Rs. 1.56 lakhs remained unutilised.
- No record regarding distribution of 29.21 lakh fish

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seed valuing Rs. 1.46 lakhs produced at Fish seed farm, Kakroi had been maintained.

(Paragraph 3.7)

3.6 Modernisation of Existing Channels Phase II

The project envisaged ensuring optimum utilisation of available water by improving water management and eliminating seepage losses.

- A sum of Rs. 142.48 crores only had been spent on the project during 1983-84 to 1989-90 against the budget provision of Rs. 154.18 crores.
- While percentage of shortfall in irrigation ranged between 34 and 81 in respect of 18 channels, the average irrigated area decreased by 9 *per cent* after lining of 28 other channels.
- Works involving estimated cost of Rs. 3410.40 lakhs not provided in the project were taken up causing shortfall in lining of channels, remodelling of bridges, falls etc.
- While the cost of the project increased by 178.46 *per cent*, the benefit cost ratio declined from 2.2 : 1 to 1.45 : 1.
- Faulty execution of lining works resulted in extra expenditure of Rs. 2.62 lakhs and a liability of Rs. 4.41 lakhs.

(Paragraph 4.1)

3.7 National Technology Mission on Drinking Water Supply in Villages

The Programme launched in 1986-87 under the aegis of the National Technology Mission by Government of India aimed at improving the performance and cost effectiveness of the ongoing programmes for supply of drinking water in villages through the application of all available scientific and technological inputs.

- A sum of Rs. 409.80 lakhs only was spent under the programme against the financial outlay of Rs. 474 lakhs.

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- Out of 2314 problem villages and 885 non-problem villages to be covered during the VII Five Year Plan, 2143 problem villages and 235 non-problem villages were covered upto March 1990.
- Water supply schemes estimating Rs. 8.49 lakhs sanctioned in 1988-89 were not taken up.
- Non-finalisation of tenders within the validity period resulted in extra expenditure of Rs. 2.21 lakhs.
(Paragraph 4.20)

4. Other observations

- A dental treatment equipment costing Rs. 5.14 lakhs purchased in 1985 by Dental College Rohtak was not installed for more than 4 years.
(Paragraph 3.3)
- A sum of Rs. 3.64 lakhs on account of telephone calls made in excess of the prescribed limit from the residential telephones of officers of Police Department had not been recovered even when the proposal of the Department for regularisation of expenditure on such calls was turned down by the State Government.
(Paragraph 3.8)
- In Hathni Kund Barrage Division Narwana, the construction of a diversion channel without completing the preliminary investigations about the finalisation of L-section of the Sirsa Branch resulted in an avoidable expenditure of Rs. 3.36 lakhs on maintenance of diversion channel and Rs. 2.59 lakhs on lease money.
(Paragraph 4.3)
- In Gaunchi Division (GC) Faridabad, the Department had to incur an extra expenditure of Rs. 1.73 lakhs on the construction of four stonestuds for providing protection to an embankment due to their failure in finalising the design and drawing of the work in time and abnormal delays in processing tenders.
(Paragraph 4.4)

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- In Provincial Division, Faridabad, an excess payment of Rs. 0.63 lakh was made due to fictitious measurements of earthwork.

(Paragraph 4.14)

- An inordinate delay of 2 to 13 years by Land Acquisition Collectors, Gurgaon, Faridabad and Panchkula in forwarding the applications of awardees under Land Acquisition Act, 1894 to the concerned courts resulted in avoidable payment of interest of Rs. 26.22 lakhs by Haryana Urban Development Authority.

(Paragraph 6.5)

- Deputy Directors of Agriculture at Gurgaon and Narnaul disbursed to small and marginal farmers flood subsidy of Rs. 9.23 lakhs for agricultural inputs even though these districts were not affected by floods.

(Paragraph 6.9)

- A camera purchased by the Printing and Stationery Department at a cost of Rs. 1.39 lakhs in June 1985 could not be used for want of repairs since its installation in February 1987

(Paragraph 7.4)

- In Karnal Roadways Depot, 22 condemned buses were plied for short spells of one to two days during 1984-85, 1986-87 and 1987-88 resulting in an avoidable payment of token tax amounting to Rs. 1.39 lakhs against a meagre receipt of Rs. 0.24 lakh realised through these short trips which also involved risk to the lives of passengers.

(Paragraph 7.6)

THE UNIVERSITY OF CHICAGO
LIBRARY
540 EAST 57TH STREET
CHICAGO, ILL. 60637

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540 EAST 57TH STREET
CHICAGO, ILL. 60637

GENERAL

The summarised position of the accounts of the Government of Haryana emerging from the Appropriation Accounts and Finance Accounts for the year 1989-90 is indicated in the statement following :—

STATEMENT OF FINANCIAL POSITION OF THE GOVERNMENT

Amount as on 31st March 1989	Liabilities	Amount as on 31st March 1990
(1)	(2)	(3)
343.11	Internal Debt including Ways and Means Advances (Market loans, loans from LIC and others).	416.53
1292.09	Loans and Advances from Central Government	1428.88
439.14	Pre 1984-85 loans	408.60
493.77	Non plan loans	640.18
342.07	Loans for State Plans Schemes	360.58
1.77	Loans for Central Plan Schemes	1.86
15.34	Loans for Centrally Sponsored Schemes	17.66
9.41	Contingency Fund	10.00
468.58	Small Savings	552.91
106.89	Deposits	117.79
75.38	Reserve Funds	80.86
0.05	Cheques and Bills	0.04
71.19	Overdrafts from RBI	87.35(a)
903.96	Surplus on Government Accounts	809.57
905.82	Previous year	904.06
(—)1.86	Current year	(—)94.49
3270.66		3503.93

(a) Figures of overdraft are based on accounts figures.

OF HARYANA AS ON 31ST MARCH 1990 (AMOUNT IN CRORES
OF RUPEES)

Amount as on 31st March 1989	Assets	Amount as on 31st March 1990
(4)	(5)	(6)
2138.69	Gross Capital Outlay on fixed assets.	2271.48
546.98	Investment in shares of Companies, Corporations etc.	569.90
1591.71	Other Capital Outlay	1701.58
1015.13	Loans and Advances	1180.06
742.84	Loans for Power Projects	894.62
256.93	Other Development Loans	269.30
15.36	Loans to Government servants and miscellaneous loans	16.14
0.04	Other Advances	0.06
14.50	Remittances balance	12.31
15.79	Suspense and Miscellaneous	12.76
86.51	Cash	27.26
(—)1.05	Cash in Treasuries and Local Remittances	(—)0.64
0.83	Departmental balance	0.47
0.06	Permanent Cash imprest	0.06
86.67	Cash Balance Investment and other Reserve Fund Investment.	27.37
3270.66		3503.93

ABSTRACT OF RECEIPTS AND DISBURSEMENTS FOR

SECTION A

I Revenue Receipts	1607.24
(i) Tax Revenue	910.12
(ii) Non-Tax Revenue	445.93
(iii) State's Share of Union Taxes	154.11
(iv) Non-plan Grants	4.61
(v) Grants for State Plan Schemes	31.80
(vi) Grants for Central and Centrally Sponsored Schemes	60.67

II. Revenue Deficit C/o	94.49
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1701.73

SECTION B

III. Opening cash balance including permanent advance and cash balance investment and Reserve Fund Investment	86.51
----------------------------------------------------------------------------------------------------------------------	--------------

IV. Miscellaneous Capital Receipts	
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THE YEAR 1989-90 (RUPEES IN CRORES)

REVENUE

Revenue Expenditure Section		Non-plan	Plan	Total
(i)	General Services	545.06	2.18	547.24
(ii)	Social Services	353.92	248.83	602.75
(iii)	Agriculture and allied Activities	57.78	53.18	110.96
(iv)	Rural Development	26.03	31.10	57.13
(v)	Irrigation and Flood Control	134.81	10.07	144.88
(vi)	Energy	30.00	0.23	30.23
(vii)	Industry and Minerals	2.46	13.73	16.19
(viii)	Transport	175.10	0.19	175.29
(ix)	Science Technology and Environment	—	1.33	1.33
(x)	General Economic Services	4.11	6.11	13.22
(xi)	Grants-in-aid and Contributions	5.51	—	5.51
		1334.78	366.95	1701.73
II Revenue Surplus carried over to Section B				Nil
				1701.73

OTHERS

III.	Opening overdraft from RBI (Deposits with RBI)	71.19
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IV.	Capital Outlay Sector	132.68
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(i)	General Services	3.22
(ii)	Social Services	16.75
(iii)	Agriculture and Allied Activities	13.11

V. Recoveries of Loans and Advances	24.63
(i) From Government Servants	8.01
(ii) From others	16.62
VI. Revenue Surplus brought down	—
VII. Public Debt Receipts	390.38
(i) Internal Debt other than Ways and Means Advances	110.24
(ii) Ways and Means Advances	58.14
(iii) Loans and Advances from the Central Government	222.00
VIII. Contingency Fund	0.59
IX. Public Accounts Receipts	1129.20
(i) Small Savings and Provident Fund	130.27
(ii) Reserve Fund	14.29
(iii) Suspense and Miscellaneous	63.80
(iv) Remittances	306.20
(v) Deposits and Advances	614.64
X. Total overdraft from RBI at the end of the year	87.35

Total Section B-Others

1718.66

(iv)	Irrigation and Flood Control	61.52	
(v)	Energy (—)	0.62	
(vi)	Industry and Minerals	14.15	
(vii)	Transport	23.10	
(viii)	General Economic Services	1.45	
V.	Loans and Advances Disbursed		180.55
(i)	For Power Projects	151.88	
(ii)	To Government Servants	8.78	
(iii)	To others	28.89	
VI.	Revenue Deficit brought down		94.49
VII.	Payment of Public Debt		180.17
(i)	Internal Debt other than Ways and Means Advances	36.81	
(ii)	Ways and Means Advances excluding overdraft included in all above.	58.14	
(iii)	Payment of Loans and Advances to Central Government.	85.22	
VIII.	Contingency Fund		NIL
IX.	Public Accounts Disbursements		1023.32
(i)	Small Savings and Provident Fund	45.95	
(ii)	Reserve Fund	8.82	
(iii)	Suspense and Miscellaneous	60.78	
(iv)	Remittances	304.01	
(v)	Deposits and Advances	603.76	
X.	Cash Balance at end		27.26
(i)	Cash in Treasuries Local Remittances.	(—) 0.64	
(ii)	Departmental cash balance	0.47	
(iii)	Permanent cash imprest	0.06	
(iv)	Cash balance investment and Reserve Fund investment.	27.37	
			<u>1718.66</u>

III Sources and Application of Funds for the year 1989-90.

I Sources (Rupees in crores)

(i)	Revenue Receipts	1607.24
(ii)	Increase in Public Debt Small Savings deposit and Ways and Means Advances.	305.41
(iii)	Increase in Overdraft from Reserve Bank of India.	16.16
(iv)	Net contribution from Contingency Fund.	0.59
		<u>1929.40</u>

II Adjustments

(i)	Decrease in suspense balance	3.03	
(ii)	Increase in Reserve Fund	5.48	
(iii)	Effect on Remittance balance	2.19	10.69
(iv)	Miscellaneous Government Accounts	—	
(v)	Decrease in cheques and bills.	(—) 0.01	

Net funds available

1940.09

1940.09

III Application

(i)	Revenue expenditure	1701.73
(ii)	Capital Outlay	132.68
(iii)	Lending for Development	164.93
(iv)	Decrease in closing cash balance	(—) 59.25

1940.09

COMMENTS

1.1 Government accounts being on cash basis, the surplus on Government accounts as shown in the statement of affairs indicates the position on cash basis as opposed to accrual basis of commercial accounting.

1.2 The abridged accounts in the foregoing statements have to be read with the comments and explanations in the Finance Accounts.

1.3 There was an unreconciled difference of Rs. 21.91 crores between the figures of cash balance as shown in the accounts and that intimated by the Reserve Bank of India.

1.4 The net accretion from debt transactions (as adjusted by the effect of remittance, suspense balance, reserve funds and cheques and bills during 1989-90) aggregated Rs. 332.85 crores. Out of this Rs. 132.68 crores were utilised for capital expenditure leaving a balance of Rs. 200.17 crores. Out of which Rs. 164.93 crores were disbursed as loans and advances for development leaving a balance of Rs. 35.24 crores, which was further reduced by revenue deficit of Rs. 94.49 crores resulting thereby decrease in cash balance to Rs. 59.25 crores.

1.5 The credit balance of civil deposits accounts on 31st March 1990 was Rs. 110.46 crores. This included Rs. 10.83 crores as personal deposits of Departmental Officers made by withdrawal of money from the consolidated fund after booking the same as expenditure.

1.6 The Revenue receipts of Rs. 1607.24 crores were more by Rs. 166.16 crores (10.34 per cent) than that during 1988-89 i.e. Rs. 1441.08 crores. The increase was mainly under State Excise : Rs. 43.81 crores, Sales Tax : Rs. 44.62 crores, Interest Receipts : Rs. 36.86 crores, Road Transport : Rs. 10.84 crores, Stamps and Registration fee : Rs. 21.84 crores. The increase was partly offset by decrease under Grants-in-aid from Central Government : Rs 73.26 crores.

1.7 There was an increase of Rs. 114.71 crores in tax revenue during the year (Rs. 910.12 crores as compared to Rs. 795.41 crores with previous year).

1.8 The arrears of revenue at the end of the year were reported to be Rs. 98.10 crores (against Rs. 77.52 crores in the previous year).

1.9 The interest charges paid on small savings, provident fund etc was Rs. 50.50 crores while the net accretion to the balance during the year was Rs 84.32 crores.

1.10 The total amount overdue for recovery against loans advanced to Municipalities, Improvement Trust and the Haryana State Electricity Board of which detailed accounts are maintained by the Accountant General (Accounts & Entitlement) as on 31st March 1990 was Rs 289.98 crores including Rs. 6.79 crores on account of interest.

1.11 The revenue expenditure during the year was Rs. 1701.73 crores (Plan : 366.95 crores, Non Plan : Rs. 1334.78 crores) as against Rs. 1442.94 crores during 1988-89. The increase of Rs. 258.79 crores in revenue expenditure during 1989-90 over the previous year was mainly under interest payment (Rs. 45.86 crores) Police : (Rs. 17.18 crores), General Education : (Rs. 36.20 crores), Social Security and Welfare: (Rs. 24.32 crores) Power : (Rs. 20.07 crores) and Miscellaneous General Services : (Rs. 30.67 crores).

1.12 Capital expenditure during the year 1989-90 was Rs. 132.68 crores as against Rs. 140.15 crores in 1988-89 which showed a decrease by Rs 7.47 crores.

1.13 The contingent liability for guarantee given by the State Government for repayment of loans etc. by Statutory Corporations, Companies etc. on 31st March 1990 was Rs. 1116.08 crores including interest of Rs 0.07 crore against the maximum guaranteed amount of Rs 2834.56 crores. No guarantee fee is charged by the Government.

1.14 No law has been passed by the State Legislature under Article 293 of the Constitution laying down the limit within which the Government may borrow on the security of the Consolidated Fund of the State.

1.15 Investments

1.15.1 Introduction

The investments by Government may be accounted for under 'Capital Account, Cash Balance Investment Accounts, Sinking Fund Investment Accounts and Investment on Development & Welfare Funds' in so far Haryana State is concerned. Long term investments in industrial or commercial concerns etc. are routed through the Consolidated Fund under the Capital Account financed from borrowed funds. The investment from the Capital Account may be classified under (i) Statutory Corporations, (ii) Government Companies, (iii) Joint Stock Companies and (iv) Co-operative Banks, Societies etc.

1.15.2 State's investments in Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative Institutions at the end of 1989-90 stood at Rs. 569.90 crores. The year-wise position of investments vis-a-vis the amount of dividends declared/received during 1987-88 to 1989-90 was as under :—

Year	Number of concerns at the end of the year	Investment during the year	Total amount invested up to the end of the year	Amount of dividend declared/received	Percentage of dividend to investments
1	2	3*	4	5	6
		(In crores of rupees)			
1987-88	3220	10.30	135.86	0.97	0.71
1988-89	3222	411.12**	546.98	0.31	0.06
1989-90	3224	22.92	569.90	0.60	0.11

*Excludes retirement of capital of Rs. 0.49 crore (1987-88) Rs 1.06 crores (1988-89) and Rs. 1.15 crores (1989-90).

**Increase is due to conversion of loan (Rs. 361.13 crores) into share capital

1.15.3 In 1989-90 the Government invested Rs. 24.07 crores. Out of this, the investment in Statutory Corporations was Rs. 0.90 crore, in Government Companies Rs. 6.50 crores, in Joint Stock Companies Rs. 0.18 crore and in Co-operative Institutions : Rs. 16.49 crores. Further, there was retirement of capital of Rs. 1.15 crores during the year 1989-90 under Co-operative Institutions.

1.15.4 The accumulated loss was Rs. 43.83 crores for the year ending 1980-81 to 1989-90 (upto which accounts were finalised) in the Government Companies/Corporations etc., in which Government investments was Rs. 51.29 crores as on 31st March 1990.

1.16 *Cash Balance Investment Account*

1.16.1 Temporary investment of cash balance is made in short-term loans or other Government securities under Public Accounts. Any profit or loss arising out of the transfer of securities held in the investment account is adjusted by addition to or deduction from the amount of interest on cash balance investment, the sale proceeds being credited to 'Cash Balance Investment Account' to the extent of the purchase price.

1.16.2 The interest realised during the year 1989-90 on those investments was Rs. 2.74 crores as compared to Rs. 2.12 crores during 1988-89.

1.17 *Investment under Reserve Funds*

1.17.1 The amount at the credit of Sinking Funds are invested in securities. Out of total balance of Rs. 1.97 crores as on 31st March 1990 in the Sinking Fund for the repayment of loans received out of consolidated open market borrowings of the Government of India, Rs. 0.50 crore were invested at the end of March 1990 in the securities of Government of India.

1.17.2 The interest on investments credited during 1989-90 was Rs. 0.03 crore and during 1988-89 a similar amount was credited. Further, out of balance of Rs. 15.87 crores under 'Reserve Funds For Other Development and Welfare Funds-Reserve Funds Not Bearing Interest', a sum of Rs. 2.95 crores was invested under 'Funds For Village Reconstructions and Harijan Uplift (Rs. 2.19 crores) and 'Fund For Development Schemes (Rs. 0.76 crore) in the nature of share capital of Government and Joint Stock Companies.

CHAPTER II

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

2. General

2.1. The summarised position of actual expenditure during 1989-90 against grants/appropriations is as follows :—

	Original grants/ appropriation	Supple- mentary	Total	Actual expendi- ture	Variations Saving (—) Excess (+)
(In crores of rupees)					
I. Revenue					
Voted	1415.03	167.49	1582.52	1548.94	(—)33.58
Charged	217.70	0.45	218.15	208.93	(—)9.22
II. Capital					
Voted	322.43	1.28	323.71	255.29	(—)68.42
Charged	0.40	0.38	0.78	0.49	(—)0.29
III Public Debt					
Charged	416.51	Nil	416.51	180.17	(—)236.34
IV. Loans & Advances					
Voted	242.12	Nil	242.12	189.92	(—)52.20
V. Other inter State Settlement	Nil	Nil	Nil	Nil	Nil
VI. Transfer to Contingency Fund	Nil	Nil	Nil	Nil	Nil
Grand Total	2614.19	169.60	2783.79	2383.74	(—)400.05

The following results emerge broadly from the appropriation audit :—

2.2. Supplementary provision obtained during the year constituted 7 per cent of the original budget provision, as against 8 per cent in the preceding year.

2.3. Supplementary provision of Rs. 6.12 crores obtained in 5 grants/appropriations during March 1990 proved unnecessary. In 8 other cases, additional fund required was only Rs. 77.62 crores against the supplementary grant of Rs. 117.91 crores, savings in each case exceeding Rs. 10 lakhs.

In 4 grants/appropriations, supplementary provision of Rs. 39.79 crores proved insufficient by more than Rs. 10 lakhs each, leaving an aggregate uncovered excess expenditure of Rs. 28.90 crores.

2.4. The overall saving was Rs. 433.68 crores in 23 grants and appropriations. The overall excess (Appendix I) on the other hand, was Rs. 33.63 crores in 6 grants/appropriations requiring regularisation under Article 205 of the Constitution.

2.5. In the following 2 grants/appropriations, the expenditure fell short by more than Rs. 1 crore each and also by more than 10 per cent of the total provision.

Description of grants	Amount of savings (Rupees in crores) (Percentage of provision in brackets)	Reason for savings
(1)	(2)	(3)
Revenue (Voted)		
4—Revenue	3.74 (24)	Reasons have not been intimated (November 1990).
21—Community Development	9.81 (14)	Reasons have not been intimated (November 1990)

2.6. Persistent excesses were noticed in the one case as indicated below :—

Description of grants	Excess (in crores of rupees) "percentage" of excesses (in brackets)		
	1987-88	1988-89	1989-90

Revenue (Voted)

23—Transport	1.00 (1)	3.55 (3)	1.38 (1)
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2.7. In spite of repeated recommendations of the Public Accounts Committee rush of expenditure in the month of March was noticed in the following cases :—

Description of grant	Total provisions	Total expenditure	Expenditure during March	Percentage of expenditure during March to	
				Total Provision	Total expenditure
(1)	(2)	(3)	(4)	(5)	(6)
Revenue					
1. Vidhan Sabha	1.65	1.63	0.30	18	18
2. General Administration	32.84	32.20	3.95	12	12
3. Home	103.14	102.37	24.50	24	24
5. Excise and Taxation	10.54	10.23	2.08	20	20
7. Other Administrative Services	105.63	106.40	38.90	37	37

	(1)	(2)	(3)	(4)	(5)	(6)
9. Education	315.36	301.76	43.50	14	14	
10. Medical & Public Health	131.91	126.76	25.61	19	20	
11. Urban Development	8.17	8.21	1.52	19	19	
12. Labour and Employment	21.32	16.27	4.13	19	25	
13. Social Welfare & Rehabilitation	158.73	148.76	19.15	12	13	
14. Food and Supplies	4.47	4.45	0.49	11	11	
16. Industries	18.87	18.02	4.47	24	25	
17. Agriculture	63.39	58.36	14.35	23	25	
18. Animal Husbandry	23.27	22.99	2.69	12	12	
19. Fisheries	3.24	2.73	0.87	27	32	
20. Forest	35.10	33.22	4.18	12	13	
21. Community Development	70.11	60.30	7.93	11	13	
22. Co-operation	7.41	6.04	0.99	13	16	

2.8. Drawal of funds in advance of requirement

Financial rules of the Government stipulate that money should not be drawn from the treasury unless required for

immediate disbursement or had already been paid out of permanent advance. Drawal of advance from the treasury for the execution of works, completion of which is likely to take considerable time is also inadmissible. Any unspent balance is required to be refunded into the treasury promptly.

During test check, it was noticed that (as detailed in Appendix II) funds aggregating Rs. 220.87 lakhs drawn (January 1990 : Rs. 3.22 lakhs and March 1990 : Rs. 217.65 lakhs) for purchase of materials, execution of works and disbursement of grants/subsidy/loan, etc., were retained in the forms of cash or Remittance Treasury Receipts (RTRs) or other forms. Out of the amounts so retained, Rs. 29.33 lakhs were disbursed during 1990-91 and Rs. 191.54 lakhs were still lying undisbursed upto the months noted against each in the Appendix-II. The upto date position has not been intimated (November 1990).

2.9. Trend of recoveries and credits

Under the system of gross budgeting followed by Government, the demands for grants presented to the Legislature are for gross expenditure and exclude all credits and recoveries which are adjusted in the accounts in reduction of expenditure. The anticipated recoveries and credits are shown separately in the budget estimates. The anticipated amount of such recoveries during 1989-90 was Rs. 202.64 crores (Revenue : Rs. 12.21 crores, Capital : Rs. 190.43 crores). The actual recoveries during the year, however, were Rs. 179.61 crores (Revenue : Rs. 56.14 crores, Capital : Rs. 123.47 crores). Significant cases of shortfall/excess in recoveries have been given in Appendix-III. Reasons for shortfall/excess have not been intimated (November 1990).

CHAPTER—III
CIVIL DEPARTMENT
AGRICULTURE DEPARTMENT

3.1 Technology Mission on Oilseeds

3.1.1 Introduction

The technology mission on oilseeds was launched by the Government of India in May 1986 with the main objective of increasing production of oilseeds thereby reducing the import of edible oil by the end of Seventh Five Year Plan, and ultimately achieving self reliance in oilseeds during the course of Eighth Five Year Plan. For this purpose, two schemes viz. National Oilseeds Development Project (NODP) and Oilseed Production Thrust Project (OPTP) were taken up during 1985-86 and 1986-87 after re-orienting and integrating the existing oilseeds development scheme in the country. In Haryana, these schemes were implemented from 1986-87 and 1987-88 respectively in Gurgaon, Mohindergarh, Hisar, Sirsa, Bhiwani, Faridabad and Rohtak districts. The objectives of these schemes were to be achieved through adequate supply of improved variety of oilseeds, making available the inputs in time to every farmer, organising plant protection measures on a campaign basis, laying out problem oriented demonstrations and providing technical advice and service.

While the expenditure on NODP was shared equally between the Central and the State Governments, that on OPTP was fully financed by Government of India.

3.1.2. Organisational set up

At the national level, the Secretary, Department of Agriculture and Co-operation and Director General, ICAR and Secretary, Department of Agriculture Research and Agriculture were responsible for overall implementation of the programme. At the state level, the Director of Agriculture, Haryana who was to be assisted at district level by the Deputy Directors, Sub Divisional Agriculture Officers, etc., was responsible for executing the schemes.

Note : Abbreviations of all authorities/institutions figuring in this Review are alphabetically listed in the glossary at Page 34

3.1.3. Audit Coverage

The review covers the period from 1986-87 to 1989-90, with reference to test-check (June 1990) of the records of the Directorate of Agriculture, Haryana, Chandigarh and its field offices at Rohtak, Mohindergarh at Narnaul, Hisar (including Haryana Agriculture University) and Bhiwani.

3.1.4. Highlights

—Against the budget provision of Rs. 318.38 lakhs, an expenditure of Rs. 220.83 lakhs was incurred on the programme during 1986-87 to 1989-90.

(Paragraph 3.1.5)

—Machinery relating to mobile plant protection squad valuing Rs. 17.55 lakhs was lying idle.

(Paragraph 3.1.5(ii))

—Fertilisers and pesticides were not supplied with minikits to the farmers.

(Paragraph 3.1.7)

—Against the target of 11490 spray pumps, only 6123 pumps were provided to the farmers. The Department had not ascertained whether the farmers were actually possessing them.

(Paragraph 3.1.8.1)

—Plant protection van and allied material worth Rs. 5.56 lakhs were utilised for activities not connected with the NODP programme.

(Paragraph 3.1.8.2(i))

—Out of seven districts, only three districts were covered for demonstration plots and in 24 cases certified seed was not supplied to farmers for demonstration purposes.

(Paragraph 3.1.10)

—Funds amounting to Rs. 11.75 lakhs intended exclusively for soil testing of oilseed crops were utilised for soil testing of other crops not covered under scheme.

(Paragraph 3.1.11)

—In respect of subsidy of Rs. 32.85 lakhs paid to the farmers for the purchase of gypsum, the Department had not ascertained as to what extent the use of gypsum had increased the yield of crops in their fields.
(Paragraph 3.1.12)

These points are discussed in detail in the succeeding paragraphs.

3.1.5 Financial outlay

The total expenditure on the programme was Rs. 220.83 lakhs (Central : Rs. 187.58 lakhs; State : Rs. 33.25 lakhs) against the budget provision of Rs. 318.38 lakhs during 1986-87 to 1989-90. Central assistance released during this period was Rs. 293.68 lakhs. Componentwise/yearwise allocation and expenditure during this period was as under :—

General Information				Financial Data			
Item No.	Description	Unit	Quantity	Unit Price	Total Price	Tax	Net Total
1	Item 1	Unit 1	100	1.50	150.00	15.00	135.00
2	Item 2	Unit 2	200	2.00	400.00	40.00	360.00
3	Item 3	Unit 3	300	3.00	900.00	90.00	810.00
4	Item 4	Unit 4	400	4.00	1600.00	160.00	1440.00
5	Item 5	Unit 5	500	5.00	2500.00	250.00	2250.00
6	Item 6	Unit 6	600	6.00	3600.00	360.00	3240.00
7	Item 7	Unit 7	700	7.00	4900.00	490.00	4410.00
8	Item 8	Unit 8	800	8.00	6400.00	640.00	5760.00
9	Item 9	Unit 9	900	9.00	8100.00	810.00	7290.00
10	Item 10	Unit 10	1000	10.00	10000.00	1000.00	9000.00
Subtotal					50000.00	5000.00	45000.00
Total							45000.00

Components	1986-87			1987-88		
	1	2	3	1	2	3
	Budget provision	Expenditure	Percentage of short fall	Budget provision	Expenditure	Percentage of short fall
	(Rupees in lakhs)			(Rupees in lakhs)		
NODP						
Foundation seed	0.20	0.20	—	0.20	—	100.00
Stocking	0.20	0.20	—	0.42	—	100.00
Opening of new outlets	0.15	0.15	—	0.15	0.15	—
Plant protection chemicals	2.80	2.80	—	2.80	1.63	41.79
Plant protection equipments	4.77	3.63	23.9	4.99	2.41	51.90
Mobile plant protection squads	18.00	17.55	2.5	3.00	—	100.00
Demonstration plots	9.11	8.86	2.74	10.50	9.25	11.90
Improved implements	1.10	0.87	20.9	2.92	0.94	67.81
Sprinkler sets	50.00	33.62	32.76	—	—	—
Soil testing	14.70	9.67	34.72	0.70	0.69	1.43
Subsidy on gypsum	50.00	50.00	—	—	—	—
Inputs kits	—	—	—	0.42	0.85	—
Total	151.03	127.55	15.55	26.10	15.92	39.00
OPTP						
Demonstration plots	—	—	—	15.00	4.01	73.27
Plant protection chemicals	—	—	—	7.00	—	100.00
Seed production (Plant protection)	—	—	—	1.50	0.84	44.00
equipments	—	—	—	—	—	—
Gypsum	—	—	—	—	—	—
Total	—	—	—	23.50	4.85	79.36

1988-89			1989-90		
1	2	3.	1	2	3
Budget provi- sion	Expen- diture	Percen- tage of short fall	Budget provi- sion	Expen- diture	Percen- tage of short fall
(Rupees in lakhs)			(Rupees in lakhs)		
0.20	0.20	—	4.10	2.30	43.90
0.42	0.42	—	5.80	—	100.00
0.15	0.15	—	0.25	0.25	—
1.42	—	100.00	2.80	—	100.00
4.99	2.60	47.90	7.20	5.34	25.83
—	—	—	3.00	—	100.00
10.50	9.79	6.76	10.50	8.69	17.24
1.00	0.28	72.00	—	—	—
—	—	—	—	—	—
0.70	0.69	—	0.70	0.69	1.43
—	—	—	—	—	—
0.42	0.42	—	0.40	1.08	—
19.80	14.55	26.52	34.75	18.35	47.19
12.00	10.70	10.83	12.10	10.71	11.49
5.80	0.85	85.34	6.00	2.35	60.83
—	—	—	—	—	—
1.65	1.06	35.75	1.65	1.64	0.61
12.00	0.30	97.50	12.00	12.00	—
31.45	12.91	58.95	31.75	26.70	15.91

- (i) Though an expenditure of Rs. 17.55 lakhs was incurred on a Mobile Plant Protection squad during 1986-87 under NODP, the mobile vans and the plant protection equipments attached with the vans were not put to use during that year. In spite of the squad remaining idle during 1986-87, a further provision of Rs. 3 lakhs each was made during 1987-88 and 1989-90 for the purpose, and these amounts were also not utilised.
- (ii) Rupees 7.62 lakhs provided during 1987-88 for plant protection chemicals under OPTP (Rs. 7.00 lakhs) and stocking and foundation seed under NODP (Rs. 0.62 lakh) were not utilised. While non-utilisation of funds under OPTP was attributed (July 1990) to non occurrence of incidence of pests and diseases during 1987-88, those under NODP were not utilised due mainly to marginally less stocking of certified seeds of oilseeds crops during 1987-88 as compared to qualities of certified seeds stocking during 1986-87.
- (iii) Percentage of shortfall in expenditure on plant protection equipments during 1986-87 to 1989-90 and on improved implements during 1986-87 to 1988-89 under NODP ranged from 24 to 52. The Department stated (July 1990) that Haryana Agro-Industries Corporation who were assigned the job of stocking plant protection equipment and farm implements on sale under NODP and OPTP, could not stock equipment and implements in time as per the requirements of the farmers, which resulted in less utilisation of funds for the purpose. Similarly

percentage of shortfall in expenditure on plant protection chemicals during 1987-88 to 1989-90 under NODP ranged from 42 to 100. Shortfall in expenditure was attributed (July 1990) by the Department to non-occurrence of incidence of pests and diseases.

3.1.6 Targets and achievements

Targets and achievements in terms of area coverage, production and yield per hectare during 1986-87 to 1989-90 in the project area of the programme and in the four districts covered in test check as reported by the Department were as under :—

Year	Crop	Area coverage (In thousand hectares)		Production (In thousand tonnes)	
		Targets	Achievements	Targets	Achievements
1986-87	Rape-seed/ mustard	280	281	282	220
1987-88	Rape seed/ mustard	285	332	285	325
1988-89	Rape seed/ mustard	350	383	350	480
1989-90	Rape seed/ mustard	410	458	450	448
1989-90	Sunflower	10	7	10	8.5

Productivity quintals/ hectares Targets	Achieve- ments	Infour districts test checked		
		Area (in thousands hectares)	Production (In thousands tonnes)	Productivity Quintals/ hectares)
10.07	7.83	161	126	7.83
10.00	9.79	169	189	11.18
10.00	12.53	244	318	13.03
10.98	9.79	293	310	10.58
10.00	12.14	—	—	—

3.1.7 Distribution of minikits

The scheme envisaged free distribution of minikits containing seeds, seed-treating material and package of practice ingredients of inputs namely fertilisers, pesticides seeds required for sowing and cultivation sufficient for 0.5 acre to small and marginal farmers. The main purpose was to popularise new high-yielding varieties of oilseeds among the farmers, and familiarise them with the improved techniques of cultivation. Against the provision of Rs. 1.24 lakhs, an expenditure of Rs. 2.35 lakhs was incurred on distribution of minikits during 1987-88 to 1989-90. An area of 3220 hectares was covered, against the target of 1680 hectares fixed by the Department. Reasons for excess coverage/ expenditure were not intimated.

Fertilisers and pesticides prescribed for supply with minikits were not supplied with the minikits to the farmers. Reasons there of were neither intimated nor were on records.

3.1.8 Plant protection

3.1.8.1 Plant protection equipments

Small and marginal farmers were to be assisted by providing plant protection equipments on concessional price, by giving subsidy at the rate of 50 *per cent* of the cost not exceeding Rs. 300 per piece of plant protection equipments. A sum of Rs. 16.68 lakhs (NODP : Rs. 13.98 lakhs; OPTP : Rs. 2.70 lakhs) was spent on spray pump against the provision of Rs. 28.25 lakhs (NODP : Rs. 21.95 lakhs; OPTP : Rs. 6.30 lakhs) during 1986-87 to 1989-90. Against the target of 11490 spray pumps (NODP : 9390 ; OPTP : 2100) 6123 (NODP : 5136; OPTP : 987) pumps were provided to the farmers. Reasons for short fall in achievement and expenditure were neither on record nor were intimated by the Department.

Following further points were noticed :—

- (i) The Department had not undertaken any survey to ensure that the farmers were actually possessing the equipment as envisaged in the scheme.
- (ii) A sum of Rs. 0.15 lakh was given by way of

subsidy for spray pumps to 60 beneficiaries growing pulses.

- (iii) Subsidy amounting to Rs. 0.13 lakh paid in advance to Haryana Agro-Industries Corporation for spray pump during 1986-87 and 1987-88 had not been utilised (June 1990).

3.1.8.2 Plant protection squad

Six plant protection squads, consisting of a transport van, plant protection equipment and plant protection chemicals, were established during 1986-87 at a cost of Rs. 18.00 lakhs at Bhiwani, Rohtak, Narnaul, Hisar, Sirsa, and Faridabad to meet any epidemic situation arising out of the attack of pests and disease. Actual cost of transport van, necessary equipments, plant protection chemicals and petrol, oil and lubricants were to be met under NODP and staff was to be provided from the existing strength of the plant protection wings of the Department.

In the four districts test-checked, mobile plant protection squads consisting of 1620 spray pumps valuing Rs. 7.20 lakhs (Rohtak : 409 pumps : Bhiwani : 396 pumps : Mohindergarh at Narnaul : 415 pumps and Hisar 400 pumps) and plant protection chemicals worth Rs. 0.46 lakh were purchased during February/March 1987. The following points were noticed :—

- (i) Plant protection van and all allied materials worth Rs. 5.56 lakhs were utilised during 1986-87 to 1989-90 for activities relating to World Bank schemes, election duty, Rural Development Agencies, etc., not connected with NODP programme.
- (ii) In Bhiwani, 396 spray pumps costing Rs. 1.78 lakhs purchased for the squads were distributed to farmers for spray on cotton crops without payment of service charges. In the other three districts test-checked, no record of utilisation of pumps had been maintained.
- (iii) Plant protection chemicals worth Rs. 0.46 lakh intended for meeting epidemic situation arising out of the attack of pests and disease were, however utilised for demonstration of spray on the oilseed crops of the farmers.

- (iv) A sum of Rs. 3.71 lakhs : (Narnaul : Rs. 1.87 lakhs and Rohtak Rs 1.84 lakhs) drawn from the treasury during March 1987 for purchasing the spray pumps was retained in the shape of Remittance Treasury Receipts and paid to the supplier in October 1987 (Narnaul) and April 1988 (Rohtak), when the material was received.

3.1.9 Sprinkler sets

The scheme envisaged subsidy at the rate of 25 per cent of the cost of sprinkler set including installation charges subject to a maximum ceiling of Rs. 300 per set per farmer in the two districts of Mohindergarh and Hisar (Office located at Bhiwani). The assistance was to be given to the farmers growing summer/rabi groundnut. However, since the crop of summer/rabi groundnut was not grown in Haryana and was not an identified crop under the project, the Department decided to extend the assistance to the rapeseed/mustard growers.

Against the provision of Rs. 50 lakhs earmarked for 1666 beneficiaries, a sum of Rs. 33.62 lakhs was paid as subsidy to 1123 beneficiaries under the scheme during 1986-87. The following points were noticed :—

- (i) The shortfall in expenditure and coverage was attributed by the Department to allotment of funds at the far end of the year.
- (ii) The Department had not maintained any record regarding area actually irrigated as a result of installation of sprinkler sets vis-a-vis area irrigated prior to their installation.

3.1.10 Demonstration plots

With a view to educating and convincing the farmers about advantages of the production technology to be adopted for achieving higher yields, the scheme provided for laying of demonstration plots (50 hectares) in the farmer's fields to serve as models and results of cultivation were to be compared with the yield obtained in the neighbouring plots (called control plots). The demonstration plots were to be laid out in selected fields of the farmers and inputs such as improved seeds fertilisers pesticides etc., upto Rs 600 per hectare were to be supplied free of cost.

An expenditure of Rs 52.01 lakhs (NODP : Rs. 36.59 lakhs and OTP : Rs. 15.42 lakhs) was incurred on laying out 3518 demonstration plots (NODP 137 plots of 50 hectares each and OTP 3378 plots of one hectare each and 3 plots of 50 hectare) each during 1986-87 to 1989-90

The following points were noticed :—

- (i) The Department had not earmarked the problem areas where the demonstration plots were required.
- (ii) Neither was any diagnostic team constituted nor was there any record to show that the pots were inspected by an expert.
- (iii) In 24 cases, no certified seed was supplied to the farmers for demonstration purposes
- (iv) The Department had not compared the results of cultivation in the farmers' fields with the yield obtained in the neighbouring plots.
- (v) During 1987-88 only three districts of Mohinder-garh at Narnaul, Hisar and Bhiwani were covered for demonstration plots under OTP. Reasons for not covering the remaining four districts of Sirsa, Rohtak, Faridabad and Gurgaon were neither intimated, nor were on records.

3.1.11 Soil-testing

According to the decision (October 1987) of the State high Level Committee for oilseed production, the funds provided under the oilseed project were to be utilised for soil-testing work specifically relating to oilseed crops. The instructions further enjoined that specific plan for soil-testing in NODP area should be prepared, as the sulphur requirement for the oilseed crops was very high as compared to other crops.

A sum of Rs. 16.80 lakhs was placed at the disposal of Deputy Director Soil Testing, Karnal against which Rs. 11.75 lakhs were spent during 1986-87 to 1989-90. The Department had not drawn any specific plan for soil-testing in the area, nor did it utilise the funds for soil testing work specifically relating to oilseed work. The Deputy Director stated (July 1990) that soil tests of oil crops being the same as that of other crops, separate soil testing of oilseed crop was not necessary. The contention is not

tenable, as the sulphur requirement of the oilseed crops being very high, separate soil testing of such crops was prescribed to ascertain the deficiency of sulphur in the soil. Thus, the amount of Rs. 11.75 lakhs was not spent exclusively on soil testing of oilseed crops as envisaged in the programme.

3.1.12 Subsidy for purchase of gypsum

A sum of Rs. 50 lakhs was given (March 1987) to the Haryana Land Reclamation Development Corporation (HLRDC) for disbursement as subsidy to farmers for the purchase of gypsum. Out of this amount, a sum of Rs. 32.85 lakhs had been spent to the end of March 1990 and the balance amount of Rs. 17.15 lakhs was still lying with the HLRDC (June 1990). In respect of the subsidy of Rs. 32.85 lakhs availed of by 11902 beneficiaries between 1987-88 to 1989-90, the Department had not conducted any survey as to how much area was actually covered by the beneficiaries as a result of subsidy on gypsum and to what extent the use of gypsum in their fields increased yield of the crops.

3.1.13 Rush of expenditure during last quarter/March

The details of total expenditure, expenditure incurred during the last quarter of the year, and in the month of March in the four districts test-checked were as under :—

Year	Total expenditure	Expenditure in last quarter	Expenditure during March	Percentage of expenditure during last quarter and March to total expenditure	
				Last quarter	March
	(Rupees in lakhs)				
1986-87	75.04	72.94	9.99	97	13
1987-88	15.02	12.36	6.80	82	45
1988-89	16.75	11.87	5.81	71	35
1989-90	14.10	14.10	7.90	100	56
Total	120.91	111.27	30.50	—	—

The percentage of expenditure during the last quarter and March ranged from 71 to 100 and 13 to 56 respectively during 1986-87 to 1989-90.

3.1.14 Other points of interest

3.1.14.1 Unutilised central assistance

Out of the total central assistance of Rs. 298.68 lakhs (NODP : Rs. 193.88 lakhs; OTP : Rs. 99.80 lakhs), an expenditure of Rs. 187.58 lakhs (NODP : Rs. 143.12 lakhs; OTP : Rs. 44.46 lakhs) had been incurred, leaving an unspent balance of Rs. 106.10 lakhs which had not been refunded to the Government of India (June 1990).

3.1.14.2 Non-adjustment of charges

A sum of Rs. 1.63 lakhs was drawn and disbursed through Remittance Treasury Receipts during 1987-88 for reprocessing charges of 4654 litres of Phosphomidon for payment to Punjab Pesticides Industrial Co-operative Society Khanpur and Rs. 2.80 lakhs during 1986-87 for meeting the transportation charges of pesticides. The adjustment accounts in respect of these transactions had not been rendered by the Locust-Cum-Plant Protection Officer to the Deputy Director Agriculture Hisar (July 1990).

3.1.15 Monitoring and evaluation

Monitoring of the scheme at the Directorate level remained confined to consolidation of the progress reports received from the districts for submission to Government of India. Deficiencies/shortcomings noticed in these reports were neither pointed out nor was any follow up action taken to remedy these deficiencies.

No evaluation of the programme was ever conducted by the State Government to ascertain its impact on the beneficiaries.

3.1.16 The matter was reported to Government in August 1990; reply has not been received (April 1991).

GLOSSARY

HLRDC	Haryana Land Reclamation Development Corporation.
ICAR	Indian Council of Agriculture and Research.
OPTP	Oilseed Production Thrust Project.
NODP	National Oilseeds Development Project.

3.2 Wages paid to idle drivers

Two jeeps placed at the disposal of the Deputy Director of Agriculture, Jind for carrying out day-to-day activities under World Bank schemes went out of order, and were not put to use from September 1987 and February 1989. One of them, which became unserviceable in September 1987, was condemned in February 1988, but the other was awaiting condemnation (March 1990). Meanwhile, the drivers of the idle vehicles were paid wages (which totalled Rs. 0.74 lakh) without any work from September 1987/February 1989 to March 1990, whereafter they were given charge of vehicles in other offices.

The matter was reported to Government in November 1989; reply has not been received (April 1991).

MEDICAL AND HEALTH DEPARTMENT

3.3 Idle dental equipment

A casting dental equipment estimated to cost US \$ 32,413.98 (Rs. 3.94 lakhs) was purchased from an American firm in July 1985 for installation in the Dental College, Rohtak. The equipment was received in September 1985 and payment of Rs. 3.92 lakhs was released against a letter of credit opened for the purpose in the SBI, Medical College, Rohtak. The equipment was got cleared in November 1985 after payment of custom duty and clearance charges totalling to Rs. 1.22 lakhs.

On unloading the consignment at Rohtak in December 1985, it was found that one part (worth US \$ 220) was missing and another part (US \$ 2147.66) was found.

damaged. The College lodged in January 1986 a claim for US \$ 2057.50 as compensation for the damaged part with an insurance company in New York, on the basis of an estimate sent by the supplier in December 1985 after inspection of the equipment. No compensation was, however, actually received, nor did the Department pursue the matter with the company. Replacement sent by the supplier for the missing part was received in Bombay by sea in December 1985, but the Department did not get it cleared reportedly for want of complete documents from the suppliers. The consignment was ultimately auctioned by the Customs authorities for Rs. 1,000 only for recovery of custom duty.

Thus, for want of an essential part, the equipment has remained uninstalled for more than four years resulting in blocking of capital of Rs. 5.14 lakhs, attracting an interest of Rs. 4.16 lakhs at the rate of 18 per cent. The Department stated (July 1990) that the question of installation of the equipment was under correspondence with the Indian agent and the principal supplier.

The matter was reported to Government in January 1990; reply has not been received (April 1991).

EDUCATION DEPARTMENT

3.4 NATIONAL LITERACY MISSION

3.4.1 Introduction

The National Adult Education Programme (NAEP) which had been in operation since October 1978 was successful to some extent in pooling resources with the purpose of progressing adult education. In practice there were several deficiencies/shortcoming like poor quality of training of functionaries, cumbersome procedure for involvement of voluntary agencies in the implementation of the programme, poor level of achievement in literacy, irregular participation of learners, considerable number of drop-outs etc. With a view to remedying these deficiencies and giving special emphasis on programme of literacy in the age group of 15-35 as well as ensuring that technological and pedagogical advances were brought to bear on adult education programme,

Note : Abbreviations of all authorities/institutions figuring in this Review are alphabetically listed in the Glossary at page 53.

a National Literacy Mission (NLM) was set up in June 1988. The following projects/schemes were implemented in the Central Sector. Under this Mission:-

- (a) Rural Functional Literacy Project (RFLP)
- (b) Strengthening of Administrative Structure
- (c) Assistance to Voluntary Agencies
- (d) Shramik Vidyapeeth
- (e) Mass Programme for Functional Literacy (MPFL)

In the State sector, State Adult Education Programme (SAEP) financed by the State Government was implemented. While scheme at serial number (e) above is a newly introduced programme under NLM, the remaining schemes were on-going programmes when the Mission was introduced.

3.4.2. Organisational set-up

At the National level, the Directorate of Adult Education was in overall charge of the programme for providing technical resource support to and monitoring and evaluating the entire programme. At the State level, the Director of School Education and at the District level, District Adult Education Officers were responsible for implementing and supplying data to Central Directorate regarding monitoring and evaluation of the programme.

3.4.3. Audit coverage

Records of Director of Adult Education, State Resource Centre (SRC), Panchkula, Shramik Vidyapeeth, Faridabad and of Project Officers of the 4 districts (Sonapat, Hisar, Ambala and Karnal) for the period 1985-86 to 1989-90 were test checked during March to June 1990.

3.4.4. Highlights

—Against budget provision of Rs. 2151.65 lakhs a sum of Rs. 1926.79 lakhs was spent on the programme during 1985-86 to 1989-90.

(Paragraph 3.4.5.)

—The actual enrolment of learners (adult illiterates) fell far short of the targets and the scheme of post literacy and continuing education was not taken up.

(Paragraph 3.4.6.)

—No survey to ascertain the number of illiterates in the age group of 15-35 was conducted in the Rural Functional Literacy Project.

(Paragraph 3.4.7.(ii))

—Stores articles worth Rs. 9.97 lakhs issued to supervisors/instructors for use in centres were not returned.

(Paragraph 3.4.7. (vi))

—Learning environment was deficient, attendance of learners was poor and the bulk of the centres were housed in instructors' houses.

(Paragraph 3.4.7. (vii))

—Delay in supplying books and learning material ranged from 2 to 11 months.

(Paragraph 3.4.7.2 (ii))

—Percentage of persons who successfully completed the course ranged from 55 to 65.

(Paragraph 3.4.7.3 (B))

—Nine additional posts sanctioned under the revised pattern for strengthening administrative structure were not filled up.

(Paragraph 3.4.8.)

The number of NSS students involved in the Mass Programme for Functional Literacy was below the fixed norm of 35 percent and the Department had not maintained any separate data regarding number of NCC cadets

(Paragraph 3.4.11.1)

—Utilisation certificate of kits worth Rs. 8.00 lakhs were awaited from the universities/colleges.

(Paragraph 3.4.11.4)

—Posts of editor, programme recorder, film mechanic, copy holder and artist germane to the functioning of State Resource Centre had been lying vacant for one to four years.

(Paragraph 3.4.11.5)

—There was wasteful expenditure of Rs. 2.22 lakhs on purchases/pay and allowances etc.

(Paragraph 3.4.12.)

3.4.5 Financial outlay and expenditure

Funds in the shape of grants for implementing programme under NLM were provided to State Government by Government of India. Grants were given on year to year basis.

Budget provision and expenditure incurred on the programme under schemes during 1985-86 to 1989-90 were as under :—

Year	Budget provision		Expenditure	
	Central (Sector)	State (Sector)	Central (Sector)	State (Sector)
(Rupees in lakhs)				
1985-86	110.74	71.70	106.44	62.41
1986-87	122.06	76.00	120.97	75.22
1987-88	140.56	104.49	146.23	102.82
1988-89	158.54	94.21	145.66	95.74
1989-90	824.63	448.72	630.00	441.30
(provisional pending final closure of accounts)				
Total	1356.53	795.12	1149.30	777.49

The grant of Rs. 17.22 lakhs released by Government of India to Shramik Vidyapeeth Faridabad against which expenditure of Rs. 19.85 lakhs was incurred during 1985-86 to 1989-90 was not included in the budget provision.

3.4.6. Physical targets and achievements

The targets for enrolment of adult illiterates, vis-a-vis actual enrolment together with the number of persons who successfully completed the course during 1985-86 to 1989-90 were as under :—

Year	Targets	Enrolment	Persons who success-fully completed the course	Short-fall
	(Number of persons in lakhs)		(Percentage)	
1985-86	1.83	1.83	0.96	52
1986-87	2.10	1.85	0.99	47
1987-88	2.37	1.83	0.98	41
1988-89	2.62	1.56	0.79	30
1989-90	2.62	1.49	NIL	100

(i) Achievement fell far short of the targets fixed for the plan period 1985-86 to 1989.

(ii) The scheme of Post-Literacy and Continuing Education which was to be taken up after training of the beneficiaries was not implemented in the State.

3.4.7. Rural Functional Literacy Project

The scheme aimed at imparting functional literacy to all illiterate persons in the age group of 15-35 who were living in the rural areas by organising specified number of literacy centres in accordance with the norms and guidelines issued by the Department of Education, Ministry of Human Resources Development from time to time.

Against budget provision of Rs. 1,256.95 lakhs, a sum of Rs. 1,062.42 lakhs was spent on the schemes during 1985-86 to 1988-89 as detailed below :—

Year	Budget provision (Rupees in lakhs)	Expenditure
1985-86	96.55	93.27
1986-87	107.02	106.57
1987-88	120.23	126.09
1988-89	133.24	126.70
1989-90	799.91	609.79
Total	1,256.95	1,062.42

A test-check of relevant record indicated the following :

- (i) A sum of Rs. 7.00 lakhs pertaining to NAEP was inadvertently booked against this scheme during 1987-88.
- (ii) Blockwise/district-wise survey to ascertain the number of illiterates in the age group of 15-35 was not conducted in the four districts excepting Karnal where only lists of illiterate persons were prepared but no socio-economic and culture profile of population was done.
- (iii) No initial training was imparted to the instructors at the time of their appointment.
- (iv) No data regarding drop-outs had been maintained in respect of beneficiaries in all the four districts test-checked.
- (v) As against the planned 3 meetings in a year, the Project Advisory Committee did not meet after 1986-87.

(vi) Stores and stock articles worth Rs. 9.97 lakhs (Central Sector : Rs. 8 lakhs and State Sector : Rs. 1.97 lakhs) issued to Supervisors/Inspectors for use in the Adult Education Centres (AECs) were not returned after closure of the scheme in February 1990.

(vii) The learning environment was deficient and lighting arrangement was poor in all the centres. The Centres were provided lanterns instead of petromax. Durries were also not provided to quite a large number of Centres.

3.4.7.1. Attendance of Adult learners

The position of attendance in the AECs during 1985-86 to 1989-90 was as under :—

	1985-86	1986-87	1987-88	1988-89	1989-90
(a) Total number of Centres functioning in 4 districts	1,190	1,197	1,194	1,143	1,011
(b) Number of Centres in which attendance varied between 1—10 (as against 30 learners per Centre)	165	101	123	196	263
(c) Number of Centres in which attendance varied between 11—20	563	792	757	662	552
(d) Number of Centres in which attendance varied between 21—30	462	304	314	285	196

Poor attendance was attributed primarily due to lack of interest in the adult learners on account of their pre-occupation with professional and house-hold chores.

3.4.7.2. Functioning AECs

The number of AECs sanctioned, set up together with the number of instructors in position vis-a-vis location of centres

in four districts test checked were as under :—

	1985-86	1986-87	1987-88	1988-89	1989-90
(a) Centres sanctioned	1,200	1,200	1,200	1,200	1,200
(b) Centres set-up	1,190	1,197	1,194	1,143	1,011
(c) Number of Centres with instructors	1,190	1,197	1,194	1,143	1,011
(d) Number of Centres without instructors	Nil	Nil	Nil	Nil	Nil
(e) Number of women instructors	985	999	985	938	827
(f) Number of Centres in instructor's own houses	743	750	747	706	652
(g) Number of Centres in unidentified places	447	447	447	437	359

(i) No suitable accommodation for running the centres had been arranged by the Department. About 62 percent to 64 percent of the Centres were housed in instructor's own residences and the rest in unidentified places like private houses/open places etc.

(ii) Books and learning material were generally supplied late, the delay ranging from 2 to 11 months after the commencement of classes. The delay was attributed by the department to completion of purchase formalities at the State level.

3.4.7.3.(A) Environment of learners

Break up of the beneficiaries in term of male/female/SC/ST enrolment in respect of four districts test-checked was as under :—

	1985-86	1986-87	1987-88	1988-89	1989-90
	(Number of persons in lakhs)				
Total actual enrolment	0.37	0.34	0.38	0.33	0.33
Break-up					
Male (General)	0.04	0.05	0.05	0.04	0.05
Male (SC)	0.02	0.02	0.02	0.02	0.02
Female (General)	0.22	0.18	0.23	0.18	0.19
Female (SC)	0.09	0.09	0.08	0.09	0.07

Percentage of female enrolment to total enrolment varied from 79 percent (1989-90) to 84 percent (1985-86) and that of Scheduled Castes from 27 percent (1989-90) to 33 percent (1989-90). There were, however, no Scheduled Tribes candidates.

3.4.7.3.(B) Completion of course

The details of persons who completed the course were as under :—

	1985-86	1986-87	1987-88	1988-89	1989-90
	(Number of persons in lakhs)				
Total number of persons who completed the course	0.24	0.22	0.22	0.18	No examination was held in 1989-90

Break-up

Male (General)	0.03	0.03	0.03	0.02	Do
Male (SC)	0.01	0.02	0.02	0.01	Do
Female (General)	0.14	0.12	0.11	0.09	Do
Female (SC)	0.06	0.05	0.06	0.06	Do

Percentage of persons who successfully completed the course to total enrolment ranged from 55 percent to 65 percent during 1985-86 to 1988-89.

3.4.8. Strengthening of administrative structure

Under the scheme, introduced in 1978-79, the State Government/Union Territory Administration were given 100 per cent central grant (Staff liability) for creating necessary administrative structure for implementation of adult education programme. Under the revised pattern of assistance effective from 1988-89 the States/Union Territories were categorised on the basis of the size of the adult education programme being run by them.

The State of Haryana was earmarked under 'C' category. The existing strength of 15 officers/officials as per the norms laid down for 'C' category was utilised in full but the proposed additional posts as per the norms of revised scheme raising the proposed strength from 15 to 24 numbers was not implemented. Thus, all the 9 additional posts sanctioned under the revised scheme had not been filled during 1988-89 and 1989-90 reportedly due to non-implementation of post literacy and follow-up scheme.

3.4.9. Voluntary agencies

Voluntary agencies were also utilised for eradication of illiteracy and running of post-literacy and continuing education programme through establishment of Jan Shiksha Nilayams (JSNs) and other such appropriate activities. The number of voluntary agencies, AECs, JSNs sanctioned and functioning during 1985-86 to 1989-90 was as under :—

	1985-86	1986-87	1987-88	1988-89	1989-90
(a) Number of voluntary agencies	Not available	7	7	9	10
(b) Number of AECs sanctioned	Figures not available				
(c) Number of JSNs sanctioned	Nil	Nil	330	330	450
(d) Number of AECs functioning	NA	747	748	764	880
(e) Number of JSNs functioning	Nil	Nil	Nil	Nil	Nil
(f) Amount of grant released	Not available				
(g) Expenditure	Not available				

The information in respect of amounts of grant released and expenditure incurred thereagainst in respect of voluntary agencies was not available with the Department as the grants were stated to have been released directly by the Ministry. However, the amount of grants released for running AECs and JSNs was as under :—

	1985-86	1986-87	1987-88	1988-89	1989-90
	(Rupees in lakhs)				
(i) For running of AECs	4.70	23.71	22.60	29.03	25.35
(ii) JSNs	Nil	Nil	Nil	13.96	Nil

The records of three voluntary institutions viz. Shiksha Samiti, DAV Training College, Sonapat, Vidya Mahasabha Kanya Gurukul Mahavidyalaya, Sonapat and St. Paul's Education and Social Trust Ambala disclosed as under :—

- (i) Excepting one voluntary agency namely Saint Paul's Education and Social Trust Ambala, none of the remaining agencies had opened bank account with State Bank of India.
- (ii) Second instalment of grant sanctioned to Saint Paul Education and Social Trust Ambala had not been released during 1985-86 and 1986-87 by Government of India though utilisation certificates in respect of the grants released to the institution earlier had been furnished. Non release of grant retarded smooth functioning of the programme, in as much as salary to the workers for the period October 1987 to January 1988 had not been disbursed (June 1990).

3.4.10. Shramik Vidyapeeth

The primary objective of Shramik Vidyapeeth was to meet the various learning needs of workers with specifically tailored programme and to improve the occupational skills and technical knowledge of workers and their family members. In Haryana, there is one Vidyapeeth at Faridabad headed by Director and assisted by other staff such as Programme Officers, Assistant Programme Officers.

3.4.10.1. Financial targets and achievements

Against Rs. 17.22 lakhs released, a sum of Rs. 19.85

lakhs was spent during 1985-86 to 1989-90 as below :—

Year	Grants released by Government of India	Expenditure
1985-86	3.50	3.00
1986-87	2.87	3.18
1987-88	3.40	4.37
1988-89	3.50	4.23
1989-90	3.95	5.07

3.4.10.2. Physical targets and achievements

Physical targets and achievements were as under :—

Year	Physical targets	Pro-gramme/ courses conduc- ted	Beneficiaries (In numbers)	
			Enrolled	Passed
1985-86	Not fixed	182	10,100	10,100
1986-87	Not fixed	194	8,352	8,352
1987-88	Not fixed	283	25,597	25,597
1988-89	Not fixed	174	19,187	19,187
1989-90	Not fixed	229	14,571	14,571

The following points were noticed in the functioning of the Vidyapeeth :—

- (i) Against the norm of 15 officers/officials there were only 11 in position. Posts of Programme Officer, Assistant Programme Officer, Artist/Projectionist and clerk were lying vacant.
- (ii) One film projector with accessories purchased (September 1982) at a cost of Rs. 0.13 lakh was

lying idle since its purchase due to non-availability of an operator/trained person.

- (iii) No survey to identify and ascertain the educational needs of different categories of labour population was conducted by the Vidyapeeth as envisaged in the scheme. Director SVP stated (May 1990) that they mainly relied upon the survey/research work conducted by other institutions like Universities and Research bodies etc.
- (iv) No teaching/learning material and aids for the learners were provided.
- (v) The location of the office of Shramik Vidyapeeth being far away from the industrial belt and not easily accessible to the learners beneficiaries was a demotivating factor.
- (vi) One of the important functions of the Shramik Vidyapeeth was to plan and organise educational activities—including literacy, vocational and technical programmes in the form of courses and other activities. This objective, however, remained neglected as is obvious from the fact that out of the total expenditure of Rs. 19.85 lakhs incurred, only a sum of Rs. 0.03 lakh was spent on the programme, while the rest of the expenditure was on establishment during 1985-86 to 1989-90.
- (vii) No evaluation of the work and activities was undertaken by the Shramik Vidyapeeth ever since its establishment in 1982.

3.4.11 Mass Programme for Functional Literacy (MPFL)

The Mass Programme for Functional Literacy launched in May 1986 aimed at harnessing all agencies and all sections of the Society which included students of schools and colleges, teachers, University teachers, trade unions and Panchayat Raj agencies etc. so as to make eradication of illiteracy as a people's movement. To begin with, MPFL involved National Service Scheme (NSS) and other students in colleges and universities.

3.4.11.1 Physical targets and achievements

Yearwise number of institutions where the scheme was implemented as well as number of NSS/non-NSS and their involvement in the programme was as under :—

	1986-87	1987-88	1988-89	1989-90
(a) Number of institutions involved	128	143	150	157
(b) Total number of NSS students	21901	23966	23361	24169
(c) Number of NSS students involved	3750	4952	3992	7714
(d) Percentage of NSS students involved	17	21	17	32
(e) Total number of non-NSS students	305	205	292	NA
(f) Total number of non-NSS/NCC students involved	305	205	292	NA

The number of NSS students involved in the programme was below the fixed norm of 35 percent of the total number of NSS students. Separate data regarding number of NCC cadets involved was not available with the Department.

3.4.11.2 Master trainees, student volunteers

The number of master trainees (persons trained in NSS activities), student volunteers trained, enrolment of adult learners trained was as under :—

	1986-87	1987-88	1988-89	1989-90
(1) Number of master trainees	215	96	67	77
(2) Number of student volunteers trained	5193	240	395	308
(3) Enrolment of adult learners	1,7864	12,391	12,201	23,149

3.4.11.3 Training of adult illiterates

The number of student volunteers who imparted literacy training from one to five adult illiterates was as under :—

	1986-87	1987-88	1988-89	1989-90
	(Number of student volunteers)			
(1) One person literate	176	260	313	107
(2) Two persons literate	2,108	2,787	2,557	Nil
(3) Three or more persons literate	198	51	76	22

3.4.11.4 Literacy kits

Literacy kits were got prepared from the Printing and Stationery Department and provided to Universities/Colleges for distribution to adult learners through student volunteers. The requirement, preparation and distribution of kits during 1986-87 to 1989-90 were as under :—

	1986-87	1987-88	1988-89	1989-90
(1) Requirement	20,000	20,000	15,000	10,000
(2) Preparation	20,000	20,000	15,000	10,000
(3) Distribution	19,485	18,481	11,821	12,052

- (i) Utilisation Certificates of kits valuing Rs. 8.00 lakhs were awaited from the universities/colleges.
- (ii) No monitoring and evaluation of the literacy kits was conducted.
- (iii) Department had no knowledge about the grants released by the UGC to the Universities for the implementation of MPFL scheme.

3.4.11.5 State Resource Centre (SRC)

(a) State Resource Centre was set up at Panchkula under MPFL for training the various functionaries associated with the running of adult education centres and preparation of learning and teaching material on adult education. The centre was assisted by the District Resource Centres at Sonapat and Gurgaon.

Against a sum of Rs. 16.00 lakhs released as grant of preparation of literacy kits by Government of India, Rs. 8.00 lakhs were spent during 1986-87 to 1989-90.

(i) Posts of editor, programme recorder, film mechanic, copy holder and artist had been lying vacant for one to four years. Department stated (June 1990) that keeping of posts continuously vacant adversely affected the preparation of teaching/learning material.

(ii) No targets had been fixed for the preparation of teaching and training material and the teaching material in the shape of books in Hindi were prepared and issued to Project Officers during 1986-87 to 1989-90.

(b) Training of Project/Assistant Project Officer

The position of training during 1986-87 to 1989-90 was as under :—

		1986-87	1987-88	1988-89	1989-90
I.	Number of training courses conducted	—	3	2	Nil
II.	Expected number of participants Project Officers and Asstt. Project Officers	—	40	40	Nil
III.	Number of actual participants	—	35	28	Nil
IV.	Drop Outs	—	5	12	Nil

- (i) The department had not maintained any record of expected number of participants, number of actual participants and drop outs for 1986-87.
- (ii) No training course was conducted during 1989-90 due to uncertainty regarding continuance of Adult Education Programme.
- (iii) No rolling fund from out of the sale proceeds of the books published by SRC had been granted. Reasons for not creating the fund were neither intimated nor were on record.
- (iv) No evaluation and research study of learning impact and evaluation of teaching/learning materials and learning evaluation had been conducted by the SRC.

3.4.12 Other points

3.4.12.1 Wasteful expenditure on purchase of text books Rs. 0.70 lakh

The text book 'Aao Parhen, Aage Barhen' published by Vishwas Prakashan, New Delhi was prescribed in 1986 for a period of 4 years i.e. upto session of 1989-90 by the Directorate of Adult Education Haryana, Chandigarh. In the four districts test checked 20,325 books valuing Rs. 0.70 lakh (Ambala : 0.13 lakh ; Karnal : Rs. 0.13 lakh; Sonapat : 0.13 lakh; Hisar : Rs. 0.31 lakh) were, however, purchased by Project Officers from the above publisher at the end of February 1990 when the academic session for 1989-90 and the periodic limit for which the text book had been prescribed had expired. The purchase of text books at this juncture resulted in wasteful expenditure of Rs. 0.70 lakh. Reasons for the purchase of these books at the fag end of the session were not intimated. All these books were lying either in project stores or with the supervisors/instructors and were not used by the beneficiaries.

3.4.12.2 Irregular drawal of allowances

According to Government orders, no allowance except dearness allowance was to be paid to the supervisors and in-

structors. Contrary to these orders, house rent/rural allowance amounting to Rs. 0.42 lakh was paid to supervisors during February 1986 to June 1989 (Ambala : Rs. 0.06 lakh, Karnal : Rs. 0.18 lakh; Sonapat : Rs. 0.18 lakh). Recovery of these amounts had not been effected. The amounts of house rent allowance paid to supervisors at Ambala prior to January 1989 was not intimated as the records pertaining to that period were stated to be in the court.

3.4.12.3 Infuctutous expenditure

Five projectors (value Rs. 0.56 lakh) were purchased during 1982-83 to 1985-86 (Ambala, Karnal, Hisar, Sonapat and Barwala) for screening the films to learners. No projectionist/trained person was posted for its operation. The projector was used only 28 times in Karnal. 6 times in Ambala and 13 times in Sonapat during the period from 1985-86 to 1989-90.

3.4.12.4 Infuctuous expenditure on pay and allowances of a Driver Rs. 0.54 lakh

Jeep No. HRS 3826 allocated to the Project Officer Sonapat has been out of use since October 1987. The Jeep was lying in the work shop of PWD (B&R) Division, Rohtak for repairs but the Department has been paying salary to the driver since October 1987 without assigning any work to him. This resulted in infuctuous expenditure of Rs. 0.54 lakh upto February 1990. The Project Officer Sonapat brought the matter (November 1989) to the notice of Joint Director Adult Education Haryana, Chandigarh. Further developments were awaited (July 1990).

3.4.13 Monitoring and evaluation

The Department has not conducted any monitoring and evaluation of the programme to ascertain its impact on the beneficiaries.

3.4.14 The matter was reported to Government in August 1990; no reply has been received (April 1991).

GLOSSARY

AEC	Adult Education Centre.
JSNs	Jan Shiksha Nilayams
MPFL	Mass Programme for Functional Literacy
NSS	National Service Scheme
NCC	National Cadet Corps
RFLP	Rural Functional Literacy Project
NAEP	National Adult Education Programme
NLM	National Literacy Mission
SRC	State Resource Centre
UGC	University Grants Commission

TECHNICAL EDUCATION DEPARTMENT**3.5 INDUSTRIAL TRAINING AND VOCATIONAL EDUCATION****3.5.1. Introduction**

The scheme for training of craftsmen (CTS) which had been in operation in Haryana since November 1966 aimed at ensuring a steady flow of skilled workers for the industry, raising the quality and quantity of industrial production by systematic training of workers and reducing unemployment among the educated youth by equipping them for gainful employment in industry. The Scheme, which was a centrally sponsored one till March 1969 with Government of India meeting 60 percent of the cost, was implemented thereafter as a State scheme through the network of 67 Industrial Training Institutes (ITIs) with the intake capacity of 12,532 trainees, including 28 women ITIs with intake capacity of 1,728 trainees in home utility trades.

Note; : Abbreviations of all authorities/institutions figuring in this Review are alphabetically listed in Glossary at Page 68.

Apart from the Craftsmen Training Scheme (CTS), another Centrally sponsored scheme of 10+2 Vocational Education (VE) was taken up during 1983-84 with the objective of diverting matriculate students from colleges, Engineering colleges, Polytechnics and ITIs to vocations, so as to make them eligible for employment and selfemployment after training them in engineering and non-engineering vocations. For this purpose, 65 Vocational Education Institutes (VEIs) with an intake capacity of 10,640 trainees in 18 trades were established during 1983-84 and 1988-89. The assistance was to be given by Government of India in the shape of reimbursement of actual expenditure on percentage basis.

3.5.2. Organisational set-up

The Director Industrial Training & Vocational Education (DIT & VE) was in overall charge of the schemes and for their implementation. He was assisted by the Principals of ITIs and Vice-principals or Group Instructors incharge in the VEIs. There are 67 ITIs and 65 VEIs in Haryana,

3.5.3. Audit coverage

Mention was made on certain aspects of the scheme from 1973-76 to 1979-80 in paragraph 3.9 of the Report of the Comptroller & Auditor General of India, Government of Haryana (Civil)-1979-80. Shortcomings noticed in further test-check. (March-June 1990) of records of the implementation of the scheme during 1980-81 to 1989-90 in the Office of the DIT & VE, nine ITIs and 9 VEIs (Ambala, Karnal, Sonapat, Faridabad, Gurgaon, Rohtak, Hisar, Bhiwani and Yamunanagar) are mentioned in the succeeding paragraphs.

3.5.4. Highlights

— Against the budget provision of Rs. 6312.65 lakhs, a sum of Rs. 6092.08 lakhs was spent on Industrial Training/ Vocational Education during 1980-81 to 1989-90.

(Paragraph 3.5.5)

—Wastage on account of drop-outs and failures

ranged from 36 to 52 percent and 52 to 70 percent in the case of ITIs and VElS respectively.

(Paragraph 3.5.6)

— Non-installation of machinery and equipment worth Rs. 22.23 lakhs in two ITIs deprived the entire batch of trainees of the benefit of practical training in Plastic Operators course.

(Paragraph 3.5.7(a))

— One full academic year of the trainees for laboratory technician trade was lost due to inadequate machinery and equipment and non-appointment of regular instructor.

(Paragraph 3.5.7(b))

— The percentage of employment of ITI certificate holders declined from 11 to 1 and Government had to pay unemployment allowance aggregating Rs. 2.58 lakhs during 1986-87 to 1989-90.

(Paragraph 3.5.8)

— Injudicious purchase of machines, vehicles etc. resulted either in wasteful expenditure or blocking of funds to the extent of Rs. 8.56 lakhs.

(Paragraph 3.5.9)

— Unnecessary continuance of posts resulted in unfruitful expenditure of Rs. 8.53 lakhs on pay and allowances of the staff.

(Paragraph 3.5.10)

— Manufactured goods valuing Rs. 1.22 lakhs were lying unsold in ITIs and VElS.

(Paragraph 3.5.12)

— Unserviceable stores valuing Rs. 4.06 lakhs were awaiting condemnation and disposal.

(Paragraph 3.5.13.2)

These points are discussed in detail in the succeeding paragraphs.

3.5.5. Financial outlay

The budget provision and expenditure incurred on the scheme during 1980-81 to 1989-90 were as under :—

Year	Industrial Training		Vocational Education	
	Budget provision	Expenditure	Budget provision	Expenditure
(Rupees in lakhs)				
1980-81	216.25	223.20	—	—
1981-82	281.65	274.10	—	—
1982-83	365.77	349.15	—	—
1983-84	378.82	373.33	68.60	65.88
1984-85	503.80	490.57	93.72	87.00
1985-86	524.49	504.17	97.75	91.43
1986-87	628.49	562.49	104.85	100.67
1987-88	707.26	705.34	145.91	126.99
1988-89	804.03	786.45	257.47	231.68
1989-90	890.91	881.52	242.88	238.11
	5301.47	5150.32	1011.18	941.76

3.5.6. Physical targets and achievements

Physical targets and achievements in terms of number of trainees admitted, drop outs and failures during August 1980

to July 1989 were as under :—

Academic Year	Number of trainees admitted	Number of drop-outs	Number of failures in final trade test	Percentage of admission	
				Drop-outs	Failures
1980-81 ITI	4350	1080	931	25	21
1981-82 ITI	4394	1127	1126	26	26
1982-83 ITI	4313	1121	964	26	22
1983-84 ITI	4544	1148	898	25	20
VEI	672	186	166	28	25
1984-85 ITI	4515	1006	701	22	15
VEI	676	195	157	29	23
1985-86 ITI	5060	1266	563	25	11
VEI	722	221	183	31	25
1986-87 ITI	5006	1102	788	22	16
VEI	619	193	241	31	39
1987-88 ITI	5253	1284	1179	25	22
VEI	735	280	238	38	32
1988-89 ITI	5002	1005	895	19	17
VEI	822	281	Result awaited	34	—
1989-90 ITI	5042	786	Exam not yet held	16	—
VEI	727	66		9	—

N.B. The academic year indicated above covers the period from August to July.

The wastage on account of drop-outs and failures ranged from 36 to 52 *per cent* and 52 to 70 *per cent* in the case of ITIs and VETs respectively. The wastage on account of drop-outs was attributed by the Department mainly to securing admissions in other institutes, getting regular employment, shortfall in attendance and enormity of syllabi in VETs.

3.5.7. Standard of training

(a) Non-installation of machinery and equipment

In ITIs Karnal and Sonapat, machinery and equipments worth Rs. 22.23 lakhs (State Government contribution: Rs. 9.60 lakhs; Government of India contribution : Rs. 12.63 lakhs) were purchased during July 1989 to March 1990 through Indian Plastic Institute (IPI) for imparting training in plastic operator course introduced in August 1989. Both the consignees were to make arrangements for power connections, water tanks and pipe lines for cooling installing foundations etc., as per the instructions of the IPI issued in July 1989 before installation and commissioning of equipments by the supplier firms. While machinery at Sonapat was partially installed (December 1989) and awaiting commissioning due to non-availability of power and cooling arrangements at the site of installation, the machinery at Karnal was still lying (April 1990) in packed condition due to absence of the requisite infrastructure as advised by the IPI. Thus, non-installation of machinery and equipments not only resulted in blocking of funds but also deprived the entire batch of this trade of the practical training.

(b) Laboratory Technician Trade

A laboratory technician course of two years duration with an annual intake capacity of 40 trainees was introduced in VET Rohtak in August 1988. According to approved norms, 89 items of machinery and equipment valuing Rs. 5.82 lakhs were required for the training in this trade, against which only 14 items of equipment valuing Rs. 0.66 lakh were available in the Institute. No regular instructor had been appointed for this trade. Training was imparted by appointing a guest lecturer for only 15 hours in a month; with the result the practical examination could not be held on the due date i.e. March 1990 for want of machinery and equipment and instructional staff. Thus, by

not providing adequate machinery and equipment as also the regular instructor, one academic year of the trainees, who were to opt for higher courses, the admission for which were to close in the month of July, went waste.

(c) Photography trade

In VEI Hisar photography trade of 2 years duration was introduced in August 1985. 31 trainees appeared in final trade test in 1987 and out of which 25 passed out. Neither was any regular instructor appointed, nor the services of any guest lecturer requisitioned for the trade. The charge of the class was entrusted to an instructor of Basic Foundation Course who had no knowledge of photography. Vital training equipment such as printer, enlarger and flash guns etc. which were very essential for effective training in the trade, were also, not available. Even the syllabus for the course of training was not determined. Thus, the course was completed in July 1987 without any qualified instructor, essential equipment and approved syllabus of training. The Department stated (June 1990) that the training was imparted by a trainee who knew the job and also by a photographer of Haryana Agricultural University Hisar.

(d) Millwright Trade

In ITI Sonapat 2 units of Millwright trade had been continuing since 1980. According to approved norms, 370 items (tools : 199, machinery and equipment : 171) were required for training in this trade, against which only 62 items (tools : 56 machinery : 6) were available in the Institute. Out of 62 items, 5 machines worth Rs. 3.91 lakhs were purchased only in April 1989. Departmental rules provide for a qualified Group Instructor to impart training of his trade in institutes which had more than 600 trainees on their rolls. ITI Sonapat, though covered under this category of institutes had no qualified Millwright Group Instructor.

Thus, non-availability of qualified staff and sufficient training machinery adversely affected the standard of training. The Institutes stated (May 1990) that the staff and machinery had not been provided by the Government.

(e) Floriculture trade

In VEI Ambala City, Floriculture trade of 2 years' duration was introduced in August 1989 with an intake capacity of

40 trainees. Neither was any qualified regular instructor appointed, nor were sufficient training equipments available. The training was imparted by appointing a guest lecturer for 15 hours in a month on an honorarium basis. Approved syllabus was also not supplied by the Director of Industrial Training & Vocational Education till February 1990, when the trade was renamed as Horticulture and Floriculture. Defective planning by the Department resulted in wastage of one year of the trainees out of 2 year's course.

3.5.8 Employment of successful trainees

The position of employment among ITI certificate holders at the end of each year as reflected in the five registers of employment exchanges at district head quarters of selected ITI's was as under :—

Year ending	Number of ITI certificate holders as per employment exchanges	Number of applicants who were provided jobs	Percentage of employment
31st December 1980	3513	382	11
31st December 1981	3808	275	7
31st December 1982	8079	293	4
31st December 1983	8755	424	5
31st December 1984	8722	360	4
31st December 1985	8903	299	3
31st December 1986	10017	300	3
31st December 1987	10668	239	2
31st December 1988	10810	174	2
31st December 1989	7279	31	1

- (i) The employment of ITI certificate holders was continuously on the decrease. It declined from 11 per cent in 1980 to 1 per cent at the end of 31st December 1989. The Department attributed low percentage of employment to the non availability of sufficient employment opportunities and grant of insufficient financial assistance for self employment.
- (ii) Departmental instructions provided for starting of new trades, continuance or discontinuance of existing trade, on the basis of actual requirement of skilled manpower in local industry to be assessed by a local Sub-Committee comprising officials as well as representatives of local industry. This exercise was never done by the Department ever since the inception of ITIs.
- (iii) Government had to pay unemployment allowance aggregating Rs. 2.58 lakhs to 832 ITI trained persons during 1987-90 due to long waiting period before providing them with suitable employment.

3.5.9. Injudicious Purchases

3.5.9.1. Purchase of Slotting Machines

Against a supply order placed by the Director Supplies and Disposals (DS&D), Haryana in March 1987, two heavy duty slotting machines were received in ITIs Yamunanagar (One) and Faridabad (One) in January/February 1989 at a cost of Rs. 0.64 lakh (Rs. 0.32 lakh each). Both the machines were inspected by a departmental officer in January 1989 before delivery, and the machines carried a guarantee against manufacturing defects for a period of one year from the date of delivery. Both the machines, when put into operation, failed to function properly. The main body of the machine received in ITI Yamunanagar bore heavy cracks. On this being pointed out (February 1989) by the Department, the firm patched up (March 1989) the cracks by welding process, but still the machine did not function properly and the cracks re-appeared (May 1989). Instead of insisting upon replacement of the machine under the guarantee clause, the Depart-

ment asked (March 1990) the supplier firm to repair the machine. The guarantee period had expired in January 1990. Further developments were awaited (February 1991).

The slotting machine received at Faridabad was put into operation in May 1989, but during operation its crank pin was broken due to which the machine went out of order. On this being pointed out by the Department (June 1989), the firm attributed the defect to operational fault or accident in the Department which was not covered under manufacturing defect, but agreed to replace the broken part as a gesture of goodwill provided the broken part was delivered at the workshop of the firm by the Department. The Department, however, asked (November 1989) the firm to do the needful at the Institute's premises. Neither had the Department sent the broken part of the machine to the firm nor had the firm repaired or replaced the defective machine as of February 1991. Meanwhile the guarantee period of one year against any manufacturing defect expired in January 1990.

3.5.9.2. Purchase of Lathe Machine

In VEI Bhiwani, one heavy-duty lathe machine was purchased through the Director Supplies and Disposals, Haryana, from a Delhi based firm in May 1984 at a cost of Rs. 0.75 lakh (Machine : Rs. 0.59 lakh; accessories; Rs. 0.16 lakh) for imparting training in Mechanical Textile Machinery Trade. The machine had not been installed and commissioned, and was lying idle at the premises of ITI Bhiwani for the last six years due to non-availability of space and power connection. The course of training as prescribed in the syllabus of the trade did not involve any operation at any stage. Thus, purchase of the lathe machine was injudicious and resulted in wasteful expenditure of Rs. 0.75 lakh.

3.5.9.3. Purchase of shapers

According to prescribed syllabus for Machinist trade, only two shapers (Machine Tool for cutting metal) of 450 mm and 300 mm stroke were required for two units. In ITI Karnal 2 shapers of 300 mm and 450 mm strokes (including special accessories) were purchased (March 1987) at a cost of Rs. 0.99 lakh, though the number of shapers actually required, i.e. two for the trade, were already available with the Institute. On this pointed out (March 1990), the Department stated (June 1990) that 4 shapers were actually required for 3 units running in

the Institute in 1986-87. Audit scrutiny, however, disclosed that the third unit was disbanded in July 1986 and was not restarted (June 1990).

Thus, the purchase of shapers valuing Rs. 0.99 lakh resulted in blocking of funds to the tune of Rs. 0.99 lakh since March 1987 without any gainful purpose.

3.5.9.4. Purchase of Milling Machines

In ITI Hisar, against the requirement of 12 milling machines (Universal 6, Horizontal 2, Vertical 4) as per norms for Mechanical and Tool & Die making trades, 12 machines (Universal 7, Horizontal 2, Vertical 3) were actually available in January 1987. Though the deficiency of one vertical machine stood fully met with the one extra universal milling machine, as it served the purpose of both horizontal and vertical milling machines, still two more universal milling machines were purchased in March 1988 and March 1989 at a cost of Rs. 5.10 lakhs resulted in blocking of funds without serving any gainful purpose.

3.5.9.5. Purchase of Station Wagon

Under the Advanced Vocational Training Programme the entire training machinery and equipments were supplied free of cost under United Nations Development Programme and there was no provision for the purchase of training material under this scheme. However, in ITI Faridabad a Station Wagon was purchased for transportation of trainees to various factories for familiarisation with latest and improvised plant and machinery. Since its purchase in January 1987, the vehicle was being driven by a workshop attendant and an instructor of Motor mechanic trade. Out of 25,750 kilometres of journey covered by the wagon upto April 1990, only 131 Km of the journey was for the intended purpose and the remaining 25,619 Km of journey was undertaken for other purposes like making local purchases, bringing of cash from bank, use by Directorate staff for field inspection etc. Even, out of 131 kilometres for advanced vocational training purpose, only 15 kilometres of journey was for the visit of the trainees in a local factory and the remaining journey of 116 Km was performed by staff of the Institutes. During March 1987 to April 1990, 2,460 litres of fuel costing Rs. 0.09 lakh was consumed by the wagon. Thus the purchase of vehicle (Rs. 1.08 lakhs) did not serve the purpose for which it was intended.

3.5.10. Unfruitful Expenditure on Staff

(a) According to approved norms there was one post of Hostel Superintendent-cum-Physical Instructor for the hostels attached to each ITI. Consequently upon the withdrawal of hostel facilities in ITI with effect from July 1984 the existing posts of Hostel Superintendents-cum-PTIs were not abolished. They were entrusted with miscellaneous duties like library work, supervision of class IV staff, cleanliness and security of ITI building which were hitherto being performed by other members of staff as part of their prescribed duties. Test-check of records in ITIs disclosed that no period of physical training programme was provided in the time tables. Supervision of class IV staff and cleanliness and security of ITI buildings were previously performed by Office Superintendents who were not assigned any additional work in lieu of transfer of those duties to Hostel Superintendent-cum-PT Instructor. In ITI Rohtak, Hostel Superintendent-cum-PT Instructor was only performing the duty of preparation of bus passes of trainees. Thus, due to unjustified continuance of the post of Hostel Superintendent-cum-PT Instructor, the Department incurred an unfruitful expenditure of Rs. 7.26 lakhs during July 1984 to March 1990 on account of pay and allowances (Sonapat : Rs. 1.48 lakhs; Faridabad : Rs. 0.89 lakh; Hisar : Rs. 1.29 lakhs; Bhiwani : Rs. 1.55 lakhs; Yamunanagar : Rs. 1.64 lakhs; Rohtak : Rs. 0.41 lakh) and will be incurring further expenditure until the post is abolished or adjusted against future vacancies in other cadres.

(b) Similarly, in ITI Yamunanagar regular dispenser attached to the dispensary was continuing in service even after closing the dispensary in April 1986. He was assigned miscellaneous duties of office work from time to time even when there was no vacant post in the office. The Department stated (June 1990) that the matter regarding adjustment of the incumbent against some other post in the Department was under consideration with the Government. Continuance of the post of dispenser thus resulted in an unfruitful expenditure of Rs. 1.27 lakhs on account of his pay & allowance for the period from April 1986 to May 1990.

3.5.11. Inadequate Machinery and Equipment

In their 22nd Report (1984-85) on the Report of Comptroller and Auditor General of India for the year 1979-80 (Civil), the Public Accounts Committee had specifically desired that

effective steps should be taken to tide over the shortage of equipment/machinery so as to ensure that training programme in different trades did not suffer due to such shortage. In 9 ITIs and 9 VElS there were deficiencies in machinery and equipments and tools as compared to the minimum requirement on the basis of norms prescribed by the Government of India. The number of deficit items was 6595 in respect of 34 trades in ITIs and 151 items in respect of 9 trades in VElS. The major trade-wise break-up of the deficiencies was as under :

Name of trade	Number of items	Approximate value
		(Rupees in lakhs)
(a) ITIs		
Radio & T.V.	1217	32.87
Wiremen	605	2.85
Draughtsmen (Civil)	581	3.81
Electronics	458	21.92
Draughtsmen (Mech)	416	2.75
Millwright	396	9.15
Machinist	349	57.95
Motor Mechanic	342	22.08
Electrician	275	4.01
Turner	254	119.92
MEG	205	9.54
Others	1497	160.05
	6595	446.90
(b) VElS		
Designer & Master Cutter	41	2.06
Office Secretaryship	28	0.94
Two and Three Wheeler repair	20	1.74
Others	62	5.69
	151	10.43

Deficiencies were attributed to paucity of funds.

3.5.12. Non-disposal of manufactured goods

Departmental instructions require that finished goods manufactured by trainees during training should be sold within one year of their manufacture at rates fixed on the basis of cost price of the inputs used excluding labour charges. In December each year, a list of unsold items was required to be sent to the Director, Industrial Training and Vocational Education for reduction in price. In the event of items remaining unsold even at reduced price, they were to be sold through auction.

At the close of March 1990, goods valuing Rs. 1.22 lakhs were lying unsold (ITIs : 0.83 lakh, VEIs : Rs. 0.39 lakh). Age-wise position of unsold goods was as below :—

	Number of items ITI	Value (Rupees in lakhs)
	VEI	
(i) More than 1 year but Less than 3 years	123	0.22
	61	0.17
(ii) More than 3 years but less than 5 years	149	0.22
	44	0.18
(iii) More than 5 years but less than 10 years	260	0.27
	16	0.04
(iv) More than 10 years	184	0.12

Out of 9 ITIs and 3 VEIs where the unsold manufactured goods were lying, only 4 ITIs (Ambala, Karnal, Sonapat & Hisar) and one VEI (Sonapat) had initiated action for reduction in prices but final decision was not taken by the DHVE. Remaining ITIs (Faridabad, Gurgaon, Rohtak, Bhiwani & Yamunagar) and 2 VEIs (Karnal & Gurgaon) had not initiated any action for the disposal of manufactured goods (June 1990).

3.5.13. Inventory

3.5.13.1. Shortage of Stock

- (a) In ITI Karnal, articles of stores worth Rs. 0.21 lakh

were found short against two officials at the time of relinquishing charge due to their transfer in April, 1986. Both the officials expired in November 1989. Recovery of Rs. 0.21 lakh had not been made so far (March 1990).

(b) An instructor of ITI Faridabad holding charge of raw material of Turner trade expired in March 1989. As a result of physical verification of stock conducted by a Committee in March 1990 in ITI Faridabad, material worth Rs. 0.04 lakh was found short. No recovery thereof has been made so far (March 1990).

3.5.13.2. Unserviceable Stores

In six ITIs material valuing Rs. 2.03 lakhs declared unserviceable during October 1986 to March 1990 was awaiting disposal (June 1990). Out of this, material valuing Rs. 1.12 lakhs related to ITI Ambala.

Besides in 5 ITIs stores valuing Rs. 2.03 lakhs which were not fit for further use, were awaiting actual condemnation and disposal.

3.5.13.3. Surplus Stores

In order to impart training to the trainees on latest technology, improvised machinery was purchased in ITIs Yamunanagar and Gurgaon and consequently out of old machinery worth Rs. 3.03 lakhs purchased between January 1964 and May 1988, machinery valuing Rs. 2.44 lakhs (Yamunanagar Rs. 2.32 lakhs; Gurgaon : Rs. 0.12 lakhs) was declared surplus to the requirements of respective institutions and was lying in six ITIs stores (February 1991). No action has been taken to fix the responsibility for the purchase of stores remaining excess of the requirements.

3.5.14 Insufficient Funds for Training Expenses

The National Council of Vocational Training (NCVT) had fixed the scale of Rs. 25 per month per trainee for training material nearly two decades ago. Though these norms of expenditure on training were revised for NCVT to Rs. 50 per trainee per month in June 1981 in the work of price inflation, the State Government was still continuing with the old scale of Rs. 25 trainee per month.

3.5.15 Monitoring

The Industrial Training scheme envisaged setting up of a Committee at State level for the evaluation of Industrial Training Institute with a view to making definite suggestions for improvements in the standard of training to meet the requirement of Industry. Similarly 10+2 Vocational Education scheme also envisaged evaluation and monitoring of the programme to ensure identification of deficiencies in instructions, administration of financial management so that the functionaries at each level were able to take firm decisions to fill in the gaps in policy making, direction, budgeting etc. No such evaluation had been conducted to ascertain the impact of the scheme on trainees.

3.5.16 The issues mentioned in this Review were reported to Government in August 1990; reply has not been received (April 1991).

GLOSSARY

CTS	Craftsman Training Scheme
DIT	Director Industrial Training
DS & D	Director Supplies and Disposals
ITIs	Industrial Training Institutes
NCVT	National Council of Vocational Training
VE	Vocational Education
VEI's	Vocational Education Institutes

FISHERIES DEPARTMENT

FISH FARMERS DEVELOPMENT AGENCIES

3.6.1 Introduction

With a view to stepping up of inland fish production through improved techniques of fish farming, Fish Farmers Development Agencies were set up in the country on a pilot basis. In Haryana, to start with two such Agencies were set up at Karnal and Rohtak during 1976-77. By the end of 1989-90, seven more agencies were established at Sirsa, Kurukshetra,

Sonepat, Gurgaon, Rewari, Faridabad and Hisar to strengthen the programme. These agencies were to provide new avocation to rural masses, financial and technical assistance to the farmers to start fish farming for their livelihood. These objectives were to be achieved through the following measures :-

- (a) to provide finance to weaker section of the society;
- (b) to produce more per unit fish production by adopting fish culture on scientific lines ;
- (c) to train villagers in fish culture ; and
- (d) to bring available water resources under fish culture under a time bound programme.

3.6.2. Organisational set-up

The Director, Fisheries,, Haryana was in overall charge of the programme. At the District level each agency was responsible for implementation of the programme through a managing committee headed by the Chief Executive Officer.

3.6.3 Audit Coverage

The review covers the period from 1982-83 to 1989-90 with reference to test-check (February-June 1990) of the records of office of the Directorate Fisheries Haryana and the Chief Executive Officer-, Fish Farmers Development Agencies Karnal, Sonepat, Gurgaon and Faridabad.

3.6.4. Highlights

— Against Rs. 328.06 lakhs released by the State Government, a sum of Rs. 276.86 lakhs was spent by the agencies during 1982-83 to 1989-90 leaving an unspent balance of Rs. 51.20 lakhs.

(Paragraph 3.6.5)

— Against the target of 935 farmers only 602 farmers were trained in fish farming.

(Paragraph 3.6.6.(i))

— Fish seed production declined from 10.6 lakhs seed to 4.66 lakhs seed despite installation of a jar

hatchery at the cost of Rs. 2.28 lakhs at one of the seed farms.

(Paragraph 3.6.6.(iii))

— Production of fish seed had not started till June 1990 at fish seed farms Kadipur and Sohna despite construction of six nurseries, a tube-well hut and a hatchery at a cost of Rs. 1.27 lakhs during 1985-86.

(Paragraph 3.6.6.(iv & v))

— Agencies at Faridabad and Gurgaon failed to achieve the required average production of 3 tonnes of fish per hectare.

(Paragraph 3.6.7)

— Against the production cost of fish seed ranging between Rs. 94 to Rs. 380 per thousand, the agencies sold fish seed at the rate of Rs. 50 per thousand.

(Paragraph 3.6.8)

— The agencies had not maintained any record of production of fish seed by the farmers by using mini-kits valuing Rs. 0.90 lakh supplied to them free of cost by the agencies.

(Paragraph 3.6.11)

— Scrutiny of execution of works for remodelling of fish seed farms disclosed instances of avoidable, extra and wasteful expenditure to the extent of Rs. 1.90 lakhs.

(Paragraph 3.6.12)

— Training imparted to 643 farmers resulted in unfruitful expenditure of Rs. 0.87 lakh due to the farmers not adopting fish farming as profession.

(Paragraph 3.6.14(i))

— A sum of Rs. 1.12 lakhs on account of sale of fish seed on credit to fish farmers had not been recovered.

(Paragraph 3.6.14 (iv))

These points are discussed in detail in the succeeding paragraphs.

3.6.5 Budget provision and expenditure

Yearwise position of grants released by the State Govern:-

ment to the agencies, expenditure incurred and unspent balances lying with them was as under :—

Year	Amount released	Expenditure	Saving (—) Excess (+)
(Rupees in lakhs)			
1982-83	19.16	16.38	(—) 2.78
1983-84	46.88	27.34	(—) 19.54
1984-85	25.77	32.74	(+) 6.97
1985-86	35.65	35.15	(—) 0.50
1986-87	45.93	35.03	(—) 10.90
1987-88	46.63	39.90	(—) 6.73
1988-89	45.28	45.77	(+) 0.49
1989-90	62.76	44.55	(—) 18.21
Total	328.06	276.86	(—) 51.20

- (i) There was an unspent balance of Rs.51.20 lakhs (out of this Rs. 39.02 lakhs pertained to the four agencies test checked alone at the close of March 1990. The unspent balances were attributed by the agencies to non disbursement of the subsidy for renovation of ponds and inputs.
- (ii) Revenue receipt of Rs. 27.39 lakhs earned by the agencies during 1982-83 to 1989-90 was not adjusted by Government against future grants. The bulk of these receipts were utilised by the agencies on contingencies,

3.6.6 Physical targets and achievements

The targets and achievements in terms of fish farmers trained, water area under fish culture and actual production

of fish seed of the four Fish Farmers Development Agencies between 1982-83 to 1989-90 were as under :-

Agencies	1982-83		1983-84		1984-85	
	T	A	T	A	T	A
Karnal						
1. Fish farmers trained (Numbers)	50	54	50	58	50	53
2. Water area brought under fish culture (hectares)	50	50.4	50	61.4	50	74.2
3. Fish seed production (lakh numbers)	5	0.55	5	6.07	5	7.66
Sonepat						
1. Fish farmers trained (Numbers)	50	30	50	9	50	25
2. Water area brought under fish culture (hectares)	50	92.3	50	84.40	250	137.39
3. Fish seed production (lakh numbers)	18	4.74	5	6.38	14	3.05
Gurgaon						
1. Fish farmers trained (Numbers)	50	51	50	50	50	52
2. Water area brought under fish culture (hectares)	50	77.4	50	113.3	200	125.4
3. Fish seed production (lakh numbers)	3	1.25	3	1.01	8	2.6
Faridabad						
1. Fish farmers trained (Numbers)	—	—	—	—	—	—
2. Water area brought under fish culture	—	—	—	—	—	—
3. Fish seed production (lakh numbers)	—	—	—	—	—	—

1985-86		1986-87		1987-88		1988-89		1989 90	
T	A	T	A	T	A	T	A	T	A
50	78	50	62	95	71	95	75	95	96
50	107.20	50	69.2	50	41	50	54.6	100	105.36
5	7.72	7	1.41	8	0.02	8	2.08	8	7.91
50	45	50	48	95	52	95	37	95	49
250	160.30	250	209.51	250	105.50	250	140.80	350	271
15	4.02	12	8.39	14	4.65	14	7.93	14	7.20
50	70	95	86	95	96	95	98	95	103
250	165.8	250	36.7	250	95.8	250	258.5	350	365
25	2.26	38	1.69	25	0.8	10	3.66	10	1.65
20	20	95	73	95	74	95	87	95	53
50	45	100	123.9	100	105.6	200	206.51	200	167.1
—	—	16	13.27	18	8.56	18	10.06	18	4.66

T stands targets and A stands for achievements.

- (i) Against the target of 935 farmers, only 602 were trained in fish farming by the agencies at Sonapat and Faridabad during 1982-83 to 1989-90. The shortfall was attributed (February - June 1990) by the Agencies to fewer farmers taking up ponds on lease and low rate of stipend of Rs. 15 per day as compared to Rs. 25 per day given by the Fisheries Development Officer.
- (ii) Sonapat and Gurgaon Agencies brought 2439.10 hectares of water area under fish culture during 1982-83 to 1989-90 against the target of 3350 hectares. Shortfall was attributed by the agencies to non leasing of the panchyat ponds to the farmers and drought conditions.
- (iii) Low production of fish seed was attributed (February-May 1990) by the agencies to unfavourable weather conditions in breeding seasons i.e. March and July each year. To augment production of fish seed, a jar hatchery of 10,000 litre capacity was installed in 1988 at Fish seed Farm Faridabad at a cost of Rs. 2.28 lakhs to keep the temperature uniform and thus produce more quality fish seed. But the fish seed production declined from an average of 10.6 lakh seeds during 1986-87 to 4.66 lakh seeds in 1989-90,
- (iv) At Fish Seed Farm, Kadipur under Gurgaon Agency, a sum of Rs. 0.60 lakh was spent on the construction of six nurseries and a tubewell hut for the production of fish seed. The work was to be completed by May 1986 but was actually completed in 1988. No production of fish seed was reported since the completion of the nurseries. The Agencies stated (June 1990) that non-production of fish seed at the farm was due to non installation of tubewell at the farm.
- (v) At Sohna Fish Seed Farm of Gurgaon Agency, a hatchery was installed (April 1986) at a cost of Rs. 0.67 lakh for the production of quality fish seed, but it had not started functioning (June 1990). Non functioning of the hatchery was attributed by the Agency to non installation of complete equipments.

3.6.7. Fish production

According to the finding of the Director Fisheries Haryana, the average production of fish in the ponds and tanks of fish farmers should be at least 3 tonnes per hectare. Average production of fish per hectare reported by the four test checked agencies during 1982-83 to 1989-90 was as under :-

Year	KARNAL			SONEPAT		
	Area under fish culture (In hectares)	Production (In tonnes)	Production per hectare	Area under fish culture (In hectares)	Production (In tonnes)	Production per hectare
1982-83	50.4	74.04	1.4	92.30	170.4	1.8
1983-84	61.4	171.40	2.7	84.4	213.4	2.5
1984-85	74.2	193.73	2.6	137.39	216.3	1.5
1985-86	107.2	355.69	3.3	160.30	423.5	2.6
1986-87	69.2	419.31	6.0	209.51	421.8	2.0
1987-88	41.0	336.64	8.2	105.50	240.7	2.3
1988-89	54.6	711.50	13.0	140.80	461.5	3.28
1989-90	105.36	839.60	7.8	271.00	804.1	2.9

GURGAON			FARIDABAD***		
Area under fish culture (In hectares)	Production (In tonnes)	Production per hectare	Area under fish culture (In hectares)	Production (In tonnes)	Production per hectare
77.4	56.7	0.7	—	—	—
113.3	204.5	1.8	—	—	—
125.4	389.0	3.1	—	—	—
165.8	727.2	4.3	45.0	100.0	2.2
36.7	66.0	1.7	123.9	132.8	1.0
95.8	182.2	1.9	105.6	225.4	2.1
258.5	735.6	2.8	206.5	309.0	1.5
365.0	1060.0	2.9	167.1	317.0	1.9

at Faridabad started functioning during 1985-86 only

- (i) While Sonapat Agency attributed the low production to lack of interest of fish farmers in fish farming as rural population of the district was dominated by basically vegetarian people, Gurgaon and Karnal Agencies attributed it to less coverage of water area due to drought conditions and Faridabad agency to limited availability of water for eight months on an average in the year due to sandy texture of soil.
- (ii) The Agencies had not maintained any authentic record for the assessment of fish production in village ponds as envisaged in the pilot project, but had compiled the data on the basis of verbal information supplied by the fish farmers.

3.6.8. Working of fish seed farms

Each Agency had one fish seedfarm for the production of quality fish seed. Apart from the seed production at the farm, the Agencies procured fish seed at a rate below Rs. 50 per thousand from Howrah to meet the requirement of fish farmers. Expenditure incurred on running and maintaining these farms vis-a-vis production of fish seeds during 1982-83 to 1989-90 was as under :—

Name of agency	Expenditure on maintenance (Rupees in lakhs)	Production (Numbers in lakhs)	Production cost (in Rupees per thousand)	Value (at the rate of Rs. 50 per thousand (Rupees in lakhs)	Excess expenditure (Rupees in lakhs)
Karnal	4.53	48.21	94	2.41	2.12
Sonapat	7.70	49.38	156	2.46	5.24
Faridabad	8.69	38.55	225	1.92	6.77
Gurgaon	5.67	14.92	380	0.75	4.92
Total	26.59	151.06		7.54	10.05

- (i) Against the production cost ranging from Rs. 94 to Rs. 380 per thousand, the agencies sold the fish seed at the rate of Rs. 50 per thousand to the fish farmers thereby entailing loss of Rs. 19.05 lakhs in the four agencies alone.

- (ii) The Department had not evolved any system to review the working results of the fish seed farms.

3.6.9. Irregularities in releasing subsidy

3.6.9.1. Subsidy for reclamation of ponds and inputs

Government made a budget provision of Rs. 48.03 lakhs (reclamation : Rs. 38.46 lakhs; inputs : Rs. 9.57 lakhs) for distribution between 1982-83 to 1989-90 as subsidy in the four Agencies for reclamation of ponds and purchase of inputs. The subsidy was sharable between Government of India and the State Government in the ratio of 50 : 50. The Agencies, however, distributed only Rs. 11.17 lakhs (reclamation : Rs. 7.57 lakhs; inputs : Rs. 3.60 lakhs) during 1982-83 to 1989-90. The shortfall in the distribution of subsidy was attributed by the Agency *inter-alia* to weak financial position of the farmers, reluctance of the banks to advance loans to farmers who were leased ponds for less than 7 years.

3.6.9.2. Subsidy for renovation of ponds

According to instructions issued (September 1987) by the Director, Fisheries, subsidy for renovation of ponds was to be released to farmers after obtaining a certificate from the Block Development Officer to the effect that the pond was not renovated in that year or in the previous year under any scheme. Subsidy amounting to Rs. 2.57 lakhs was released to 90 farmers without obtaining such certificates.

Similarly, subsidy amounting to Rs. 0.91 lakh in 46 cases, was released for renovation of ponds without obtaining the completion certificates in contravention of the departmental instructions of July 1986.

3.6.10. Loan accounts

A loan of Rs. 1.20 lakhs (Rs. 0.60 lakh each for Karnal and Sonapat agencies) sanctioned (March 1976) by the Government of India was distributed during 1978-79 to 1980-81 among 101 farmers for the purchase of inputs. A moratorium for repayment of the principal was allowed for a period of two years, repayment to be made thereafter, in three equal annual instalments (commencing on the third anniversary of

drawal of loan) together with interest at the rate of $5\frac{1}{2}$ per cent per annum including the period of moratorium of two years. A sum of Rs. 0.68 lakh (Karnal : Rs. 0.28 lakh : Sonapat Rs. 0.40 lakh) was, however, outstanding as on 31st March 1990. The Agencies stated (June 1990) that efforts would be made to effect the recovery of outstanding dues.

3.6.11. Mini-kits

With a view to increasing quality of fish seed production by farmers in their own ponds, the Government of India introduced a scheme in July 1982 for distribution of induced breeding mini-kits. For this purpose Central assistance of Rs. 0.90 lakh (Rs. 0.30 lakh each) was provided during 1982-83 to three agencies at Karnal, Sonapat and Gurgaon to meet the expenditure on 20 kits in each agency. The agencies supplied mini-kits worth Rs. 0.90 lakh to 60 selected farmers, but had not maintained any record of production of fish seed by the farmers using these mini-kits to ascertain the impact of these kits on the farmers' ponds.

3.6.12. Re-modelling of fish seed farm

Re-modelling works at the Government fish seed farms under the Agencies were executed departmentally as well as through Panchayati Raj Department. The following irregularities were noticed in the execution of these works :—

(a) Avoidable expenditure on hatchery equipments

Sealed tenders were invited in December 1983 by the Sonapat agency for the purchase and installation of hatchery equipments at an estimated cost of Rs. 0.84 lakh. The tender of a Calcutta firm, quoted at Rs. 0.63 lakh, was the lowest, but was rejected, for the reasons not available in writing. Meanwhile the agency approached (February 1984) the Director of Fisheries, enquiring whether or not Sintex Hatchery was approved by him and in case this hatchery had not been approved by him which one would be better. Without waiting for the confirmation of the Director, however, the Agency placed (April 1984) the order on a Chandigarh based firm for the purchase of the equipment. The rates of this firm being higher (Rs. 0.85 lakh), the Agency incurred an avoidable expenditure of Rs. 0.22 lakh.

(b) Extra expenditure due to delay in execution of work

An estimate for the lining of nursery tanks was prepared in 1986 by Faridabad Agency at a cost of Rs. 0.63 lakh. The estimate provided for single layer lining in bed and double lining in side slopes. The work was not got executed till 1988. In June 1989 revised estimate amounting to Rs. 0.69 lakh for providing double layer tile lining in slopes only was prepared. The work was started in July 1989 and completed in May 1990 at the total cost of Rs. 0.92 lakh. Thus, the delay in the execution of the work led to extra expenditure of Rs. 0.58 lakh (Rs. 0.92 lakh—Rs. 0.34 lakh) owing to escalation in the cost of labour and material.

The Agency stated (March 1990) that the delay in the execution of the work was due to controversy regarding the lower productivity of pucca nursery with bed lining. This version of the Agency was, however, not supported by any record.

(c) Recovery due from contractors

- (i) In Panchayati Raj Division Gurgaon, tenders for the work, "Construction of lining work at fish seed farm Sohna" (estimated cost of Rs. 5 lakhs) were invited in May 1989. The rates offered by a contractor, being the lowest were approved by the Superintending Engineer in July 1984 subject to technical sanction of detailed estimate and design of work by the competent authority. The work was allotted (July 1984) to the contractor, with a time limit of six months. The contractor, however, left the work incomplete, and the Executive Engineer levied compensation and got the residual work executed departmentally in May 1987 at an extra cost of Rs. 0.29 lakh. Against the total recoverable amount of Rs. 0.79 lakh (compensation : Rs. 0.50 lakh; extra cost : Rs. 0.29 lakh) only a sum of Rs. 0.09 lakh on account of security deposit was available with the Division.

- (ii) In Faridabad, the work "Construction of houses for class IV employees" was allotted to a contractor in July 1988 at an estimated cost of Rs. 1.23 lakhs, with a time limit of six months. The contractor having failed to complete the work within the stipulated time, a penalty of Rs. 0.12 lakh was levied (July 1989) on him and the balance work got executed from another contractor at the risk and cost of the earlier contractor at an extra cost of Rs. 0.12 lakh. Besides, an amount of Rs. 0.07 lakh being the cost of cement supplied to the contractor was also recoverable from him. Against the total recoverable amount of Rs. 0.31 lakh, only a sum of Rs. 0.06 lakh was lying as security of the contractor with the agency. Further, developments were awaited (June 1990).

3.6.13. Marketing

Under the scheme, marketing of the fish was to be organised through co-operatives of fish farmers/fishermen. Non of the Agencies had formed any co-operative for the purpose.

3.6.14. Other points of interest

(i) Diversion of grant

(a) A grant of Rs. 5.70 lakhs was sanctioned in August 1983 by the Government to 3 agencies (Karnal : Rs. 2.17 lakhs; Sonapat : Rs. 1.55 lakhs, Gurgaon : Rs. 1.98 lakhs) for the purchase of land for expansion of fish seed farms. As the Government fish seed farms were transferred (1976-77 to 1981-82) to the agencies by the Fisheries Department, no land was then required to be purchased by them. The Agencies, instead of refunding the grant of Rs. 5.70 lakhs to Government, diverted it for expenditure on the remodelling of fish seed farms without sanction/approval of the Government.

(ii) Irregular grant of scooter advance

Contrary to the instructions of the State Government that no expenditure should be incurred on any item for

which Government of India had not accorded approval or might object to, a sum of Rs. 1.44 lakhs was disbursed during 1984-85 to 1989-90 to 16 employees of the Sonapat and Karnal Agencies as scooter advance by diverting funds allotted for setting up of fish farmers' development Agencies.

(iii) Outstanding recoveries on account of sale of fish seed

There was no provision in the scheme for the sale of fish seed on credit. However, an amount of Rs. 1.12 lakhs was outstanding on 31st March 1990 on account of sale of fish seed on credit to fish farmers during 1982-83 to 1989-90.

3.6.15. Monitoring and evaluation

According to the pilot project, a Managing Committee set up to oversee the working of each Agency was required to meet atleast six times a year. During 1982-83 to 1989-90 as against 174 the Managing Committee held 34 meetings as tabulated below. The Agencies stated (May 1990) that required number of meetings could not be held due to non-availability of important agenda.

Agency	Period	Total number of meetings required	Number of meetings actually held
Karnal	1982-83 to 1989-90	48	9
Sonapat	1982-83 to 1989-90	48	9
Faridabad	1985-86 to 1989-90	30	5
Gurgaon	1982-83 to 1989-90	48	11

The Government of India had prescribed a detailed annual evaluation of the scheme by the Director, Fisheries to watch the progress, bring out the aspects which needed

attention for remedial measures. No such evaluation of the scheme had been conducted.

3.6.16. The issues mentioned in this Review were reported to Government in August 1990; no reply has been received (April 1991).

3.7. Intensive Fisheries Development Programme

3.7.1. Introduction

The Intensive Fisheries Development Programme, a continuing programme was brought into operation during 1982-83 by merging the existing schemes of 'Intensive Fisheries Development Programme in Village Ponds', 'Development of Fisheries in Irrigation Tanks', 'Development of Fisheries in Abandoned Canals' and 'Development of Fish Farms along Dry Bunds'. The main objectives of the programme were to step up fish farming so as to combat malnutrition in rural areas and to provide opportunities for self employment to rural youth. These objectives were to be achieved by providing subsidy and quality fish seed to fish farmers, and imparting training/technical assistance to fish farmers in fish culture.

At the Headquarters level, Director of Fisheries, Haryana was in overall charge of the programme, and for its implementation at district level he was assisted by the Fisheries Development Officers (FDOs), Hatchery Managers and Fisheries Farms Managers (FFMs).

Mention was made in paragraph 3.3 of the Report of the Comptroller and Auditor General of India for 1981-82 (Civil) covering certain aspects of the programme implemented during 1976-77 to 1981-82. The present review covers its implementation from 1982-83 to 1989-90 with reference to test check (November 1989 to June 1990) of records of the Directorate of Fisheries and its field offices in the 4 districts of Hisar, Kurukshetra, Rohtak and Sonapat.

Note : Abbreviations of all authorities/institutions figuring in this Review are alphabetically listed in the Glossary at Page 95.

3.7.2. Highlights

— Against the budget provision of Rs. 408.99 lakhs, a sum of Rs. 354.57 lakhs was spent on the programme during 1982-83 to 1989-90.

(Pararaph 3.7.5)

— There was shortfall in coverage of water area, fish seed and fish production.

(Paragraph 3.7.4.)

— Despite specific instructions for motivating fish farmers to excavate new ponds, water area decreased from 26.80 hectares to 4.95 hectares during 1986-87 to 1989-90.

(Paragraph 3.7.5. (ii))

— Excess subsidy of Rs. 2.20 lakhs was paid for excavation of new ponds.

(Paragraph 3.7.5 (iv))

— Against an average cost of production ranging between Rs. 286 and Rs. 460 per thousand, fish seed was supplied to fish farmers @ Rs. 50 per thousand.

(Paragraph 3.7.6)

— Water area measuring 1.01 hectares had been lying abandoned since 1984-85 due to dismantling of R.C.C. pipe water channel.

(Paragraph 3.7.7)

— An expenditure of Rs. 1.56 lakhs incurred on setting up of hatcheries remained unfruitful.

(Paragraph 3.7.8)

— Permissible limit of mortality of fish seed had not been prescribed even though the mortality rate ranged from 8.38 to 20.30 per cent.

(Paragraph 3.7.9(ii))

— The Department had not maintained any data of distribution of 29.21 lakhs fish seed valuing Rs. 1.46 lakhs produced at Fish Seed Farm, Kakroi.

(Paragraph 3.7.9 (iii) b)

These points are discussed in detail in the succeeding paragraphs.

3.7.3. Budget provision and expenditure

The budget provision and expenditure incurred on implementation of the programme during 1982-83 to 1989-90 were as under :—

Year	Budget Provision	Final allocation of funds	Expenditure	Savings(—) excess(+)
(Rupees in lakhs)				
1982-83	23.76	26.55	25.88	(—)0.67
1983-84	28.00	31.92	28.82	(—)3.10
1984-85	50.00	43.19	42.31	(—)0.88
1985-86	46.53	59.88	57.01	(—)2.87
1986-87	65.70	52.66	47.31	(—)5.35
1987-88	65.00	44.60	44.60	Nil
1988-89	65.00	56.03	54.72	(—)1.31
1989-90	65.00	54.53	53.92	(—) 0.61
Total	408.99	369.36	354.57	

Savings over the final allocation of funds were attributed to non-filling of posts, non adjustment of book transfer bills for the purchase of new vehicles and less utilisation of funds provided for subsidy.

3.7.4. Targets and achievements

Physical targets and achievements under the scheme were as under :—

Year	Coverage of Water		Fish Production		Fish Seed production		Fish Farmers	
	Area						Benefited	
	Tar-gets	Achie-vements	Tar-gets	Achie-vements	Tar-gets	Achie-vements	Tar-gets	Achie-vements
	(In hectares)		(In metric tonnes)		(Number in lakhs)		(In numbers)	
1982-83	400	417.39	1200	1564.92	23.50	10.03	110	185
1983-84	500	682.43	1450	1451.20	25.00	30.94	250	373
1984-85	600	728.56	1800	1826.00	50.00	24.56	300	483
1985-86	700	1178.06	2100	2147.17	50.00	38.96	350	565
1986-87	1500	1447.00	4500	4512.00	73.00	33.42	400	547
1987-88	2300	1098.25	4600	3580.00	85.00	13.15	800	648
1988-89	2800	1889.23	6300	6126.00	85.00	35.13	500	583
1989-90	2350	1931.13	7000	6980.00	45.00	10.11	501	501

- (i) Shortfall in coverage of water area was attributed to drought conditions and floods during 1987-88 and 1988-89 respectively, non-leasing of ponds to the desired extent by the panchayats and non-availability of fish seed.
- (ii) Less achievements in fish seed production was stated to be due to shortage of water unfavourable climatic conditions and shortage of brooder stock.
- (iii) Shortfall in fish production was stated to be due mainly to drought conditions during 1987-88 and less coverage of water area.

3.7.5. Subsidy

The scheme envisaged granting of financial assistance in the shape of subsidy at rates of 25 *per cent* to fish farmers for development of fisheries in leased ponds as well as in new ponds excavated in their own land and balance amount was to be arranged by them from their own resources or by raising loans from any lead bank. In addition, subsidy was also admissible for the installation of tubewells, setting up of fish seed production units, purchase of nets and opening of fish markets.

Allotment of funds, subsidy provided for the purposes and water area created by excavating new ponds in their own land in the districts test checked were as under :—

Year	Provision of funds	Subsidy disbursed	Water area created
		(Rupees in lakhs)	(In hectares)
1982-83	2.70	2.79	24.31
1983-84	5.13	5.08	30.65
1984-85	7.72	7.62	31.32
1985-86	6.43	5.86	22.13
1986-87	6.14	5.78	26.80
1987-88	3.38	1.91	6.48
1988-89	3.31	1.71	4.61
1989-90	2.59	1.83	4.95

- (i) Funds from 1985-86 onwards could not be utilised due to release of huge funds for similar purposes under other schemes i.e. 'Rural Landless Employment Guarantee Programme' and 'National Rural Employment Programme' and insufficient number of suitable persons willing to patronise the scheme.

- (ii) Creation of water area decreased from 26.80 hectares in 1986-87 to 4.95 hectares in 1989-90 despite instructions (April 1986) of department to motivate fish farmers for excavation of new ponds.
- (iii) In Rohtak and Kurukshetra Districts, 17 fish farmers to whom an amount of Rs. 0.51 lakh was given as subsidy (Rs. 0.40 lakh during 1987-88 and 0.11 lakh during 1988-89) dropped out of fish farming before expiry of 3 years. Neither the amount of subsidy (Rs. 0.51 lakh) nor interest (Rs. 0.11 lakh upto March 1990) was recovered from the defaulters as envisaged in the scheme. In 8 cases pertaining to Rohtak District, specific undertaking to refund the subsidy alongwith interest was also not obtained. On this being pointed out in audit (April 1990), FDO Rohtak stated (July 1990) that 4 fish farmers (subsidy : Rs. 0.13 lakh) had again started fish farming during 1990-91.
- (iv) In 115 cases an excess subsidy of Rs. 2.20 lakhs was paid during 1982-83 to 1989-90 for excavation of new ponds on the total area of land owned and used by the fish farmers instead of area of excavation. While the Fisheries Development Officer, Kurukshetra stated (May 1990) that payment of subsidy from the year 1988-89 was being made on the basis of water area, FDOs (Hisar, Rohtak and Sonapat) contended (March-June 1990) that the fish farmers were insisting on payment of subsidy on the basis of area of land owned by them.
- (v) In 90 cases (Kurukshetra : 80, Hisar : 10) subsidy amounting to Rs. 4.29 lakhs was paid without obtaining copies of vital documents such as revenue record, (copies of Jamabandi), resolution of the village Panchayats for leasing ponds and details of actual expenditure. In their absence, title to land for construction of new ponds, title of beneficiaries leased ponds and the amount of actual expenditure incurred by the fish farmers availing of subsidy could not be vouchsafed in audit.

- (vi) In Hisar, Sonapat and Kurukshetra districts the depth of excavation of new ponds was less than the minimum depth of 1.5 metres as envisaged in the scheme. FDOs Hisar and Sonapat stated that the depth as shown in estimates were less than 1.5 metres as all the new ponds were excavated in low lying areas. However, there was nothing on record to support this version.

3.7.6. Working of Fish Seed Farms

The details of fish seed produced vis-a-vis targets of fish seed production and expenditure incurred on running these seed farms at Jhajjar, Tohana and Kakroi during 1985-86 to 1989-90 were as under :—

Year	Fish Seed Production		Shortfall percent- age	Expenditure on running of fish seed farm	Sale of Fish Seed produced @ Rs. 50 per thousand	Excess expendi- ture
	Targets	Achieve- ments				
(Number in lakhs)			(Rupees in lakhs)			
Government Fish Seed Farm Jhajjar						
1985-86	10.00	1.15	88.50	0.58	0.06	0.52
1986-87	20.00	12.43	37.85	2.52	0.62	1.90
1987-88	25.00	4.00	84.00	1.81	0.20	1.61
1988-89	25.00	7.62	69.51	3.41	0.38	3.03
1989-90	10.00	5.07	49.30	1.25	0.25	1.00
	90.00	30.27		9.57	1.51	8.06
Government Fish Seed Farm Tohana						
1985-86	10.00	2.28	77.20	2.51	0.11	2.40
1986-87	20.00	9.36	3.18	0.63	0.47	0.16
1987-88	20.00	0.95	95.25	1.68	0.05	1.63
1988-89	20.00	4.10	79.50	1.58	0.21	1.37
1989-90	10.00	1.30	87.00	1.88	0.07	1.81
	80.00	17.99		8.28	0.91	7.37
Government Fish Seed Farm Kakroi						
1985-86	10.00	7.97	20.35	4.01	0.20	3.81
1986-87	25.00	14.66	41.36	1.90	0.73	1.17
1987-88	25.00	13.50	46.00	3.80	0.68	3.12
1988-89	25.00	16.27	34.97	3.17	0.81	2.36
1989-90	15.00	3.30	77.97	3.03	0.17	2.86
	100.00	55.70		15.91	2.59	13.32

(i) Percentage of shortfall in fish seed production ranged from 37.85 to 88.50 (Jhajjar) 53.18 to 95.25 (Tohana) and 20.35 to 77.97 (Kakroi) during 1985-86 to 1989-90.

(ii) Fish seed was supplied to the fish farmers at the rate of Rs. 50 per thousand against the average cost of production of Rs. 316/- per thousand (Jhajjar) Rs. 460/- per thousand (Tohana) Rs. 286/- per thousand (Kakroi) during 1985-86 to 1989-90, whereas fish seed at much cheaper rates of Rs. 41.82 per thousand F.O.R. Delhi could be procured from Howrah during this period.

(iii) Rupees 28.75 lakhs (Jhajjar : Rs. 8.06 lakhs, Tohana : Rs. 7.37 lakhs and Kakroi : Rs. 13.32 lakhs) were spent during 1985-86 to 1989-90 on maintenance, inputs and establishment in Government Fish Seed Farms in excess of the cost of fish seed produced (Rs. 5.01 lakhs). F.D.O. Rohtak stated (May 1990) that production of fish seed at the Seed Farm was subject to many limitations like climatic, and biological conditions.

3.7.7. Transfer of land to Irrigation Department

Out of 5.8 hectares land area of GFSF Tohana, 2 hectares of land was handed over to the Irrigation Department in 1985 for construction of an irrigation channel (parallel Fatehabad Branch). Irrigation authorities agreed to re-erect the fisheries structures falling in the alignment of parallel channel, and to transfer equivalent area of land out of the abandoned channel or to make payment of the cost of land. Even after a lapse of 5 years, neither the structures (i.e. 14 nurseries, 2 tanks, hodi, R.C.C. pipeline open channel etc.) were got erected, nor was the cost of land or equivalent area of land agreed upon recovered/got transferred by the Fisheries Department. According to the Fisheries Department (April-November 1984), the total cost of dismantled structures and land was Rs. 1.40 lakhs, and a sum of Rs. 5.05 lakhs was further needed to bring the farm in proper working order. With the transfer of land and structures, culturable water area of the farm was reduced from 2.48 hectares to 1.66 hectares, out of which 1.01 hectares of water area had been

lying abandoned since 1984-85 due to dismantling of R.C.C. pipeline water channel by the Irrigation Department.

3.7.8. Unfruitful expenditure on hatcheries

(a) Equipment worth Rs. 0.32 lakh purchased (March 1983) for setting up of a hatchery at GFSF Tohana was partially (Rs. 0.23 lakh) installed (March 1985) after the construction of hatchery building at the cost of Rs. 0.39 lakh in March 1985. Equipment worth Rs. 0.09 lakh was lying unused (June 1990).

Main function of the hatchery area was to produce spawn of major carp to be reared for production of fish seed. 5.66 lakh fish seed of major carp valuing Rs. 0.28 lakh only was produced during 1985-86 and 1986-87. There was no production during 1987-88, and the hatchery was stated to be lying unused since 1988-89.

(b) At GFSF Jhajjar, an amount of Rs. 0.85 lakh was spent by the FDO Rohtak and the FFM Lahli-Banyani during 1982-83 to 1986-87 on the purchase of equipment and installation of a hatchery. It was noticed that the hatchery was not used for production of spawn/seed. Equipment valued at Rs. 0.23 lakh shown as fitted at GFSF Jhajjar during March 1987 had not been accounted for in the stock register of the concerned Fisheries Officer.

Thus, an expenditure of Rs. 1.56 lakhs (Tohana : Rs. 0.71 lakh; Jhajjar : Rs. 0.85 lakh) incurred on setting up of hatcheries remained unfruitful. Reasons for non-utilisation of the hatchery at Jhajjar were not forthcoming (July 1990).

3.7.9. Production, procurement and distribution of fish seed

The scheme provided for procurement and distribution of quality fish seed to the fish farmers @ Rs. 50 per thousand. During February 1987 the rate was increased to Rs. 100/- per thousand fry, but it was subsequently reduced to Rs. 50/- per thousand (April 1987) on public demand. The following points were noticed in audit :—

(i) Credit sale of fish seed

The scheme does not provide for the sale of fish seed on credit. However, in the districts test checked, an amount of Rs. 1.16 lakhs (Rohtak : Rs. 0.75 lakh, Kurukshetra : Rs. 0.08 lakh, Sonapat : Rs. 0.18 lakh and Hisar : Rs. 0.15 lakh) was outstanding (June 1990) against fish farmers and Panchayats on account of sale of fish seed on credit from 1982-83 to 1989-90. Fisheries Development Officers concerned stated (May 1990) that fish seed was sold on credit to avoid mortality. Delay in recovery was attributed to transfers to other stations of the Block Development and Panchayat Officers, on whose assurance fish seed had been supplied on credit.

(ii) Mortality of fish seed

Norms regarding permissible limit of mortality after receipt/procurement of fish seed and subsequent stocking in ponds, if any, were not intimated by the Fisheries Development Officers. Out of 390.74 lakh fish seed received from fish seed farms or procured from the open market during 1982-83 to 1989-90, mortality of 63.89 lakh fish seed was recorded leaving a balance of 326.85 lakh fish seed stocked in ponds for fish production. The mortality rate of fish seed ranged from 8.38 per cent (1982-83) to 20.30 per cent (1985-86). No action to investigate the reasons for such high rate of mortality had been initiated by the Department.

The FDO Rohtak stated that during 1986-87, mortality of 4.42 lakh fish seed (2.42 lakh fish seed received from Government Fish Seed Farms and 2 lakh seed procured from Howrah) valued at Rs. 0.22 lakh was due to unexpected arrival of fish seed and inability of the Department to stock the fish seed and refusal by the fish farmers to accept it.

(iii) Distribution/stocking of fish seed

- (a) The Fisheries Development Officer, Rohtak did not supply details of 9.86 lakh fish seed (valuing

Rs. 0.49 lakh) received and stated to have been stocked in ponds during 1982-83 and 1984-85 to 1986-87. Similarly, details of stocking of 1.86 lakh fish seed (valuing Rs. 0.09 lakh) from 1983-84 to 1985-86 were not supplied by the Fisheries Development Officer Kurukshetra. In their absence, recovery of cost of fish seed (Rs. 0.58 lakh) could not be verified in audit.

- (b) Out of 65.24 lakh fish seed produced and depicted in the progress reports at Government Fish Seed Farm Kakroi from 1982-83 to 1988-89, details of distribution of 36.03 lakh fish seed among different FDOs was supplied by the FFM, leaving a balance of 29.21 lakh fish seed valuing Rs. 1.46 lakhs for which no record had been maintained.

(iv) Irregular purchases

An amount of Rs. 0.34 lakh was paid to two firms in Howrah during June-July 1986 by the FDO, Hisar for the purchase of 41.70 lakhs spawn (costing Rs. 0.29 lakh) and pituitary glands (Rs. 0.05 lakh) out of which spawn valued at Rs. 0.04 lakh only was found useful and accounted for in the books. Balance spawn (Rs. 0.25 lakh) had died in transit, whereas accountal and utilisation of pituitary glands was not available with the Department. Further, it was seen in audit that Railway receipts to establish the despatch of spawn from Howrah were not on record, which rendered the purchase doubtful. Bills of firms in support of purchase of spawn (Rs. 0.05 lakh) and pituitary glands (Rs. 0.05 lakh) for which payment had been made in advance were not received by the FDOs, and stock entries of spawn worth Rs. 0.19 lakh had also not been recorded by the consignee on the bills though payment had been made to the firms. Reasons for not taking any action to investigate and make good the short accountal or to write off the losses were not forthcoming (June 1990).

3.7.10. Unjustified expenditure

The scheme did not provide for expenditure on aquarium, ornamental fish, toys and their repairs/upkeep. Contrary to this, an expenditure of Rs. 0.76 lakh was incurred on the purchase of such items by the FDOs (Hisar : Rs. 0.57 lakh; Rohtak : Rs. 0.13 lakh and Kurukshetra : Rs. 0.06 lakh). Out of this, an amount of Rs. 0.44 lakh alone was spent on providing an aquarium at Abubshehr Tourist Complex, and an amount of Rs. 0.07 lakh was spent during 1987-88 on transfer of fish culture from Sannihit tank to Brahmsarover under the Kurukshetra Development Board, (an autonomous body). The FDO, Hisar, Kurukshetra and Rohtak stated (March-May 1990) that expenditure was incurred after obtaining proper sanctions, and that the display of aquariums at public places, offices, etc. were helpful in dissemination of technology and attraction towards fish farming. The plea is not tenable, as the scheme was to be implemented in rural areas.

3.7.11. Injudicious purchases

A sprinkler set costing Rs. 0.16 lakh stated to be helpful in rearing of spawn and mass breeding of fish was purchased (November 1986) by the Fisheries Development Officer, Rohtak and issued to the Fisheries Officer Jhajjar in January 1988. The sprinkler set which was installed in May 1989 only, was not put into operation due to defective motor and was lying idle (June 1990). Similarly out of RCC pipes and collars costing Rs. 0.16 lakh purchased by the FFM Lahli-Baniyani in March 1983, material worth Rs. 0.08 lakh was lying unconsumed (June 1990).

3.7.12. Other points of interest

3.7.12.1. Non-maintenance of log books

Despite instructions issued in April 1986, log books, of each pond depicting history of the pond, stocking of fish seed, growth of fish and fish production etc. were not maintained. Quantity of fish production being shown against achievement every year was based on verbal enquiries from the fish farmers, and no authentic record to ascertain the achievement of fish production had been maintained.

3.7.12.2. Sampling survey

According to departmental instructions (March 1986), sampling survey was required to be conducted every month in order to keep a regular check over proper utilisation of subsidy, and to ascertain the reasons leading to abandoning the profession by the fish farmers. These instructions were not followed, and no record relating to sampling survey was maintained by the FDOs.

3.7.13. Monitoring and evaluation

Though yearwise targets of coverage of water area, fish seed production, fish production and fish farmers motivation, were being fixed at the Directorate level, evaluation of the scheme was not done at any stage by the Department to ascertain its impact on the beneficiaries.

3.7.14. The issues mentioned in this Review were reported to Government in August 1990, no reply has been received (April 1991).

GLOSSARY

FDO Fisheries Development Officer

FFM Fisheries Farms Manager

GFSF Government Fish Seed Farm

RCC Reinforced Cement Concrete

HOME DEPARTMENT

3.8 Non-recovery of telephone calls

Government issued instructions from time to time laying down the limit of free-local calls that could be made from the residential telephones installed at the residences of Government officers. Charges on local calls in excess of the limit prescribed were payable by the concerned officers themselves. Officers were advised to make STD calls in emergencies only.

A test check of the records of various offices of the Police Department disclosed that certain officers belonging to

six offices (Director General of Police, Chandigarh, Deputy Inspector General of Police (HAP) Madhuban and Superintendents of Police, Sonapat, Ambala, Bhiwani and Hisar) made calls in excess of the prescribed limit from the residential telephones during 1982-83 to 1988-89, Rs. 3.64 lakhs due for recovery from them had not been recovered so far, despite its being pointed out in audit from time to time and the Government turning down in December 1989 the proposal of the Department for regularisation of expenditure on excess calls and insisting on recovery from the official concerned.

The matter was reported to Government in January 1990; reply has not been received (April 1991).

POLICE AND JAIL DEPARTMENTS

3.9 Outstanding Inspection Reports

Audit observations on financial irregularities and defects in initial accounts, noticed during local audit and not settled on the spot, are communicated to the heads of offices and to next higher authorities through inspection reports. More important irregularities are also reported to the Heads of Departments and the Government.

One hundred and forty eight inspection reports (Police : 112, Jail : 36,) issued up to December 1989 still contained 305 unsettled paragraphs in June 1990. The yearwise break-up of the outstanding inspection reports/paragraphs was as under :—

Year	Police Department		Jail Department	
	Number of Inspection Reports	Number of Paragraphs	Number of Inspection Reports	Number of Paragraphs
1986-87 and earlier years	40	70	13	26
1987-88	22	46	6	19
1988-89	26	53	7	10
1989-90 Upto December 1989	24	65	10	16
	<u>112</u>	<u>234</u>	<u>36</u>	<u>71</u>

These included 23 inspection reports (Police : 19, Jail : 4) for which even the first replies (required to be submitted within four weeks) had not been received upto June 1990. The delay in the submission of initial replies in other cases ranged from one year to 5 years. The outstanding paragraphs mainly fell under the following categories :—

Nature of Irregularity	Police		Jails	
	Number of paragraphs	Amount involved (In lakhs of rupees)	Number of paragraphs	Amount involved (In lakhs of rupees)
Non observance of rules relating to handling of cash and maintenance of cash book, drawal of money to avoid lapse of funds, reconciliation of departmental receipts and remittances.	7	18.26	4	8.45
Irregularities connected with stores viz. purchase/non-accountal/shortages/non disposal of unserviceable material	80	49.65	31	68.30
Actual payees receipts	11	10.63	3	1.68
Outstanding recoveries for supply of Police Force to other states, training etc.	11	475.12	—	—
Miscellaneous irregularities	92	67.68	13	25.39

A few instances of inordinate delay in initiating action

for the settlement of outstanding paragraphs are indicated below :—

(a) Outstanding dues on account of Police Force supplied to other parties

According to the Police Rules, no additional force is to be supplied to other parties/Departments until advance payment has been received. Due to non-observance of these instructions, a sum of Rs. 464.66 lakhs had accumulated over a number of years as recoverable from banks, corporations, autonomous bodies and other States for police forces supplied to them. Some of the overdue recoveries date back to 1982-83.

(b) Extra expenditure due to irregular running of Government vehicles

Despite Government's instructions to restricting the use of Government vehicles after certain fixed mileage, an expenditure of Rs. 15.34 lakhs was incurred between 1983-84 to 1988-89 on using Government vehicles in excess of the prescribed limit. The excess expenditure had not been regularised (June 1990).

Despite their being pointed out in the inspection reports the irregularities at (a) and (b) were still persisting.

TOURISM DEPARTMENT

3.10 Loss due to short realisation

Lease of Kharif fruit crops for 1988-89 alongwith two fruit shops at Yadvindra Garden Pinjore for the period from May 1988 to March 1989 was given to a lessee in terms of an auction held on 1st May 1988 for Rs. 2.20 lakhs. Terms and conditions of the lease agreement, provided that the lease money was payable in three equal instalments, first instalment payable immediately after the bid; second on 25th May and third and final on 15th July 1988. In addition, the successful bidder was required to pay 10 percent of the final bid as security deposit maintained in Post Office saving bank account, duly pledged in favour of the Director, Tourism, Haryana. Lessee's failure to comply with any of these conditions would render him liable to make good the deficit

if any, along with interest as well as forfeiture of security deposit.

A test check (November 1989—January 1990) of records of the Haryana Tourism Corporations disclosed that against the total dues of Rs. 2.20 lakhs payable in three equal instalments in the case cited the lessee paid Rs. 1.53 lakhs only in 7 instalments during May 1988 to April 1989, and had also not deposited the security of Rs. 0.22 lakh as envisaged in the Auction Notice. Thus Government sustained a loss of Rs. 0.67lakh due to failure of the department to enforce terms and conditions of the lease agreement.

The matter was reported to Government in March, 1990; reply has not been received (April 1991).

FOREST DEPARTMENT

3.11 Embezzlement

A test-check of the records of Divisional Forest Officer (Monitoring and Evaluation) Karnal disclosed that a sum of Rs. 0.51 lakh was embezzled by a head clerk of the office during February 1988 to March 1989, by inflating totals of cash book (Rs. 0.46 lakh), recording payment enteries twice (Rs. 0.03 lakh), and inflating receipt against payment of GPF subscription (Rs. 0.02 lakh). The Department confirmed the embezzlement in October 1989. It intimated in May 1990 and September 1990 that Rs. 0.15 lakh had been recovered, and that for the remaining amount an FIR had been lodged with the police.

The embezzlement was facilitated due to the following lapses :—

- Entries in the cash book were not checked/attested by the drawing and disbursing officer.
- Totals of the cash book were not got checked by a person other than the writer of the cash book.
- The cash balances were not regularly verified by the drawing and disbursing officer at the end of the month.

The matter was reported to Government in November 1989; reply has not been received (April 1991);

CIVIL AVIATION DEPARTMENT

3.12 Avoidable expenditure on airlifting aircraft Part

In May, 1982, a propeller of Baron-58 aircraft belonging to the Civil Aviation Department was sent by air to the Hindustan Aeronautics Limited, Bangalore for overhauling. The charges paid (December 1989) for airlifting the propeller and overhauling it (January 1983) were Rs 0.52 lakh and Rs. 0.16 lakh respectively. After overhauling, the propeller was despatched (December 1983) by H.A.L. for which freight charges of Rs. 0.01 lakh were incurred. The propeller duly overhauled was thus received back in December 1983 after eighteen months, the compelling circumstances for airlifting the propeller instead of sending it by road in May 1982 were neither on record nor intimated to Audit by the Department. It was, however, noticed in audit that the Department had also procured a new propeller which was fitted in the aircraft (April 1981). Thus, by transporting the propeller by air when there was no urgency and the flights could run smoothly, the Department incurred an avoidable expenditure of Rs. 0.51 lakh.

The matter was reported to Government in June 1990; reply has not been received (April 1991).

TOWN AND COUNTRY PLANNING DEPARTMENT

3.13 Non-realisation of service charges

Under the Haryana Development and Regulation of Urban Areas Act, 1975, Haryana Urban Development Authority (HUDA) was liable to deposit service charges with the Department of Town and Country Planning at the rate of rupee one per square metre of the plotted area developed by it as residential, commercial or industrial (excluding the areas used by public or general purposes) into a colony.

A test-check of the records of the District Town Planner, Ambala (July 1989) and the Regional Town Planner, Rohtak (November 1989) disclosed that HUDA developed plotted area of 36.30 lakhs square metres (Ambala 16.67 lakhs square metres and Rohtak 18.63 lakhs square metres) during February 1971 to March 1989, But the Department did not

realise the service charges amounting to Rs. 36.30 lakhs. The service charges pertaining to these two districts as also other districts (charges for other districts are yet to be worked out by the department) had not been realised ever since the inception of HUDA. The Department, however, raised the demand on tentative basis for these charges against HUDA in February 1990 only.

The matter was reported to Government in February 1988 and September 1989 ; reply has not been received (April 1991).

GENERAL ADMINISTRATION/TRAINING DEPARTMENT

3.14 Avoidable payment

Government was allotted a piece of land measuring 7.14 acres at Gurgaon by the Haryana Urban Development Authority (HUDA) at a cost of Rs. 57.12 lakhs for construction of a complex for the Haryana Institute of Public Administration (HIPA). The possession of the land was taken in March 1988, and a payment of Rs. 40.39 lakhs made to HUDA. A notice was served by HUDA in March 1988 calling upon HIPA to make the balance payment of Rs. 16.73 lakhs by 11th April 1988, failing which interest @ 18 per cent would be charged. The Department did not make the payment by the stipulated date and thus incurred an avoidable liability of interest of Rs. 0.75 lakh. The payment along with interest was made in July 1988 only.

The matter was referred in May 1990 to Government, who stated (July 1990) that the entire amount could not be met during the year 1987-88. The reply is not tenable, as large savings were available during 1987-88 in the grant as a whole which were surrendered at the year end. Even during 1988-89, there was no justifiable reasons for delaying the payment till July 1988.

HOSPITALITY DEPARTMENT

3.15 Government dues on account of credit sales

According to Government's standing instructions applicable to Government-run-canteen, tea, snacks and other food articles

are required to be sold to customers by issuing coupons against cash payment, and no credit sales are permitted.

A test-check of the records of five canteens at Chandigarh (January 1988), however, disclosed that instead of issuing coupons against cash payments, food articles were sold on credit by the canteens to individual and Government Departments. Consequently, Government dues amounting to Rs. 1.84 lakhs pertaining to the period 1976 to 1989 (1976-80 : Rs. 0.06 lakh ; 1981-85 : Rs. 0.46 lakh and 1986-89 : Rs. 1.32 lakhs) had accumulated for recovery by the end of April 1990. Of these, a sum of Rs. 0.98 lakh (1976-80 : Rs. 0.02 lakh, 1981-85 : Rs. 0.25 lakh and 1986-89 : Rs. 0.71 lakh) were recovered during May 1990 to December 1990, and Rs. 0.86 lakh were still outstanding. The outstanding dues were expected to increase further as the credit sales were still continuing.

The matter was reported to Government in May 1990 ; who intimated (October 1990) that since most of the dues were recoverable from Government departments and corporations, every effort would be made to effect recovery expeditiously.

3.16 Misappropriations, defalcations etc.

Cases of misappropriations, defalcations, etc. of Government money reported to Audit upto the end of March, 1990, on which final action was pending at the end of August 1990 were as under :—

	Number	Amount
		(Rupees in lakhs)
1. Cases reported upto the end of March 1989 and outstanding on 31st August 1989	221	49.79
2. Cases reported between April 1989 and March 1990	42	8.47
3. Cases closed between September 1989 and August 1990	24	3.54
4. Balance	239	54.72

Of these, 102 cases (Rs. 21.74 lakhs) were outstanding for more than 5 years.

208 cases (Rs. 46.99 lakhs) were outstanding with the Irrigation, Buildings and Roads, Public Health, Education, Transport and Forest Departments. Appendix IV shows Department-wise analysis of cases in which final action was pending at the end of August 1990.

3.17 Write off losses, revenue etc.

During 1989-90, Rs. 2.22 lakhs in respect of 19 cases representing losses due to theft, fire, irrecoverable revenue, duties, were written off or recoveries waived. Details are given in Appendix V.

CHAPTER IV

IRRIGATION DEPARTMENT

4.1 Modernisation of Existing Channels—Phase II

4.1.1 Introduction

Haryana State has two major canal systems for Irrigation, namely Bhakra Canal System fed from stored water of Bhakra Dam (Punjab) and Western Jamuna Canal System which receives supply from river Jamuna (through UP State). There being no perennial river and the rainfall being scanty and erratic, to provide regular and adequate supply for irrigation purposes, the State Government formulated (1978) a project for modernisation of existing channels to ensure optimum utilisation of available water by improving water management and utilisation methods so that seepage losses were checked, water logging in the adjacent canal areas was eliminated, maintenance cost reduced and operational/regulation efficiency of channels improved. The whole work of the project was divided into three phases. Phase I of the project was completed in February 1983 and phase II (under comment), which was taken up in continuation of phase I with effect from March 1983, was in progress.

The Engineer-in-Chief was in overall charge of the project, and he was assisted by the Superintending Engineers/ Executive Engineers. The project was executed by 26 divisions in the State.

Mention was made in para 4.1 of Audit Report of Comptroller and Auditor General of India 1984-85 (Civil) about the implementation of phase I of the project during 1978-79 to 1982-83. The present review covers the period 1983-84 to 1988-89 with reference to test-check (January to June 1990) of the records of the office of the Engineer-in-Chief

Note : Abbreviations of all authorities/Institutions figuring in this Review are alphabetically listed in the Glossary at page 113.

and those of 12 Canal Lining Divisions and 12 Running Canal Divisions.

4.1.2 Highlights

—Against the budget provision of Rs. 154.18 crores, a sum of Rs. 142.48 crores was spent on the project during 1983-84 to 1989-90. (Paragraph 4.1.3)

—While percentage of shortfall in irrigation ranged between 34 and 81 in respect of 18 channels, the average irrigated area decreased by 9 per cent after lining of 28 channels. (Paragraph 4.1.6)

—Though shortfall in lining of channels, remodelling of bridges, fall etc., was attributed to paucity of funds, works involving estimated cost of Rs. 3410.40 lakhs not provided in the project estimates were executed. (Paragraph 4.1.4)

—While the cost of the project increased by 178.46 per cent, benefit cost ratio was reduced from 2.2 : 1 to 1.45 : 1. (Paragraph 4.1.5)

—As against the maintenance cost of Rs. 0.14 lakh before lining, the maintenance cost increased tremendously, increase ranging from Rs. 1.42 lakhs to Rs. 8.04 lakhs after lining. [Paragraph 4.1.6(b)]

—Cuts and breaches increased from 1 breach and 5 cuts to 23 breaches and 44 cuts after lining of 10 channels during 1989-90. [Paragraph 4.1.6(c)]

—Faulty execution of lining works resulted in extra expenditure of Rs. 2.62 lakhs and a liability of Rs. 4.41 lakhs. [Paragraph 4.1.9(a,b,c e)]

—Re-tendering of works on lining of Surkhpur minor not only resulted in extra expenditure of Rs. 0.94 lakh but also enhancement of the estimated cost from Rs. 7.03 lakhs to Rs. 11.22 lakhs. (Paragraph 4.1.10)

These points are discussed in detail in the succeeding paragraphs.

4.1.3 Budget provision and expenditure

The annual budget allotment and expenditure on the project according to the Department were as under :—

Year	Budget allotment	Expenditure	Variation (+) Excess (—) Saving
(Rupees in crores)			
1983-84	23.54	22.40	(—) 1.14
1984-85	27.76	22.17	(—) 5.59
1985-86	26.00	21.08	(—) 4.92
1986-87	28.00	22.51	(—) 5.49
1987-88	13.73	17.06	(+) 3.33
1988-89	18.65	19.73	(+) 1.08
1989-90	16.50	17.53	(+) 1.03
Total	154.18	142.48	

The Department intimated (April 1990) that while short-fall in expenditure during 1983-84 to 1986-87 was due to less release of funds the excess expenditure during 1987-88 to 1989-90 was due to reduction in the outlay after incurring of the expenditure.

4.1.4 Physical targets and achievements

The physical targets and achievements to the end of March 1989 (Data for 1990 not supplied) were as under :—

Items	Targeted to be completed as per project report	Achievements
1. Lining of channels (Kilometres)	3,700	2,972
2. Bridges (Numbers)	1,203	438
3. Falls (Numbers)	311	63
4. Regulation and other pucca works (Numbers)	6,966	3,022

Reasons for shortfall in achievements were attributed to paucity of funds, Audit scrutiny, however, disclosed that the following factors also contributed to unnecessarily depleting the funds :

- (a) Seventy six channels (estimated cost of Rs. 2,074.88 lakhs) were constructed though not provided for in the original estimate.
- (b) Thirty five parallel channels not provided for in the project estimate were constructed at an estimated cost of Rs. 1335.52 lakhs.
- (c) Woks on 49 channels involving approximate estimated cost of Rs. 1465 lakhs were spilled over from phase I to phase II.

4.1.5 Project formulation

The project (phase II) originally sanctioned (1982) for Rs. 89.78 crores was revised (1990) to Rs. 250 crores (tentative), increasing the cost of the project by 178.46 per cent. The benefits derived were not positive as tabulated below :—

Sr. No.	Salient features	Unit	As per original estimate (1982)	As per revised estimate (1990)
1.	Unlined area of channels	(M. sft)	302	302.30
2.	Lined area of the channels	(M. sft)	250	251.00
3.	Length of channels	(Kms)	3700	3954.00
4.	Water saved on account of seepage	(In cusecs)	1572	1629.00
5.	Additional area to be irrigated	(In hectares)	143000	148391
6.	Additional value of produce	(In crores of rupees)	37.24	43.40
7.	Benefit cost ratio with 10 per cent interest	—	2.2 : 1	1.45 : 1
	(i) The quantity of water saved was not commensurate with that envisaged in the original estimate;			
	(ii) Benefit cost ratio was reduced from 2.2:1 to 1.45:1.			

4.1.6 Shortfall in irrigation

The project contemplated 1.43 lakh hectares of additional land to be brought under irrigation by saving 1,572 cusecs water. Against, this, the actual coverage upto March 1990 was only 0.85 lakh hectares; reasons for shortfall were not on record. Yearwise position of potential created and utilised as also seepage losses to be saved vis-a-vis actually saved was as under :—

Year	Potential in hectares			Seepage losses in cusecs		
	Created	Utilised	Shortfall	Projected to be saved	Actually saved	Shortfall
1987-88	73456	66323	7133	993	806	187
1988-89	81781	68685	13096	1105	898	207
1989-90	85036	N.A.	N.A.	1149	934	215

- (i) Test check of 18 channels (4 distributaries and 14 minors) disclosed that against the targeted additional area of 6,206 hectares to be brought under irrigation after lining, the actual coverage ranged from 1,168 to 4,120 hectares, shortfall ranging between 34 and 81 per cent during 1986-87 to 1988-89.
- (ii) In respect of other 28 channels, the average irrigated area decreased from 93,832 hectares to 85,107 hectares (9 per cent) after lining causing loss of Rs. 2.55 crores.

The Department attributed (June 1990) the shortfall in irrigation to defective lining causing silting of beds and installation of private tubewells in the command area.

(b) Maintenance cost

Working cost of the project showed increasing trend even after lining. The percentage of reduction in maintenance cost was neither assessed in the project report nor were norms for maintenance of lined channels prescribed. Test

check of 13 channels lined during 1984-85 to 1986-87 disclosed that the maintenance cost had increased as detailed below as against the cost of Rs. 0.14 lakh during 1982-83 before lining :—

Year	Expenditure on maintenance cost (Rupees in lakhs)
1986-87	1.42
1987-88	3.16
1988-89	8.04
1989-90	2.87

Reasons for increase in maintenance cost were attributed to non-adjustment of outlets simultaneously with lining, non-completion of earth work in lined channels and price escalation.

(c) Cuts and breaches

The Project estimate envisaged that after lining the number of cuts and breaches would be minimised. Contrary to this, the cuts and breaches in respect of 10 channels lined had increased from one breach and 5 cuts to 23 breaches and 44 cuts after lining during 1989-90. The Department intimated (April-June 1990) that increase in breaches/cuts was due to inadequate staff/funds to maintain the channels.

4.1.7 Performance of outlets

The project envisaged that the lining of channels and remodeling of the old structures would improve the water conveyance efficiency of the canal system. A performance of a few outlets in Irrigation Branch Division, Kaithal and WJC Division Karnal test-checked, however, revealed that the tail outlets were still having lesser intensity of water conveyance as compared to the head outlets as per details given below :—

Number of channel

Intensity (per cent)

	Outlets Head/Tail	Before lining 1982-83	After lining 1987-88
Guhna Minor	H-8390/R	74	100
	T 33500/TL	28	27
Bhuna Sub Minor	H-3750/L	34	28
	T 57725/R II	7	3
Kachwa Minor	H-1750/L	121	130
	T-9000/L	18	12
Chiroo Minor	H-1000/L	210	196
	T-16500/R	65	46

The Department stated (March 1990) that the defective lining of the channels caused silting in the bed; consequently creating shortage of water at the tail.

4.1.8 Water logging

The project estimate envisaged that water logged area adjacent to canals would be reclaimed after lining of the channels. There was, however, no mention in the estimate as to how much area was water-logged and on which channel it existed. In spite of the fact that this was pointed out in the Audit Report for 1984-85 in respect of execution of phase I of the project and the PAC in their 29th Report had also desired to know the total logged area, the Department did not identify such areas for reclamation.

4.1.9 Other point

Faulty execution of lining works

(a) Kabir minor in RD 46000-51835 (Tail) was lined in 1981-82 at a cost of Rs. 2.13 lakhs by Canal Lining Division

No. 8 Hisar. The landholders of outlet at RD 46000-R of the minor complained in January 1986 about the shortage of water at the tail end of the minor. Investigations conducted (January 1986) by the Executive Engineer revealed that the shortage of water was due to faulty design of channel. The lining in RD.46000-51835 was, therefore, dismantled and relaid during 1986-88, resulting in extra expenditure of Rs. 1.54 lakhs for which no responsibility had been fixed (July 1990).

(b) Similarly, the lining of Bainsi Minor (RDO-23750) was completed (1982-83) by the Canal Lining Division No. 23 Rohtak at a cost of Rs. 3.56 lakhs. The joint inspection carried out (September 1987) by the Executive Engineer and two Sub-Divisional Officers disclosed excessive silting on bed due to defective lining that had obstructed the flow of water at the tail end. To overcome the problem, fresh estimate of Rs. 1.20 lakhs was sanctioned (January 1989) by the Suprintending Engineer, against which an expenditure of Rs. 0.42 lakh had been incurred upto May 1990. No responsibility for defective execution of work had been fixed (July 1990).

(c) The lining of Bhagana Minor RDO-8000 was executed (1982-83) by Canal Lining Division No. 15 (Defunct and merged with construction Division Hansi) at a cost of Rs. 2.83 lakhs. Due to defective execution of work, in Reach O-8000, the water did not reach the tail end of the minor. To rectify the defect, an estimate for Rs. 3.63 lakhs submitted in August 1989 was awaiting approval of the Chief Engineer (August 1989).

(d) In Canal Lining Division No. 13 Rohtak, Kahanaur distributary (length 46.8 Kms) was handed over (April 1986) to WJC Division Rohtak for running and maintenance. Due to defective lining in a length of 10,000 feet and variation in bed levels in RD 154000 to tail, there was excessive silting in the distributary which caused obstruction in the flow of water. For clearance of the silt in these reaches though an expenditure of Rs. 6.40 lakhs was incurred during 1986-87 to 1988-89, the flow of water of the tail end did not improve. Instead the intensity of irrigation decreased from 10 per cent in 1983-84 to 2 per cent in 1988-89.

(e) In Canal Lining Division No. 4 Fatehabad the work of construction of lined Parallel Fatehabad Branch with a

bank width of 16 feet from RD-75-76 and 77-77.500 was executed (March 1986—November 1986) ; at a cost of Rs. 15.67 lakhs. While the work was in progress, the Executive Engineer recommended (March 1985) that width of the left bank be increased from 16 feet to 25 feet as the channel was passing through high filling and sandy track. After approval by the Chief Engineer, the left bank was ultimately widened to 29.43 feet by entailing an extra expenditure of Rs. 0.66 lakh due to bad initial planning.

4.1.10 Extra expenditure

In Canal Lining Division No. 25 Rohtak, tenders for single layer tile lining of Surkhpur minor for RDO-15730 (estimated cost Rs. 7.03 lakhs) invited in May 1984 (tendered cost Rs. 3.56 lakhs) were rejected (August 1984) by the Superintending Engineer (SE), on the ground that negotiation of rates/non-deposit of earnest money by the agency were contrary to the prescribed procedure of the World Bank. Fresh tenders were opened/invited (November 1984). The rates of lowest tenderer (tendered cost Rs. 3.82 lakhs) recommended by the Executive Engineer (November 1984) were, however, reduced (January 1985) to Rs. 3.48 lakhs by the Superintending Engineer without assigning any reasons. These tenders were filed, as the reduced rates were not acceptable to the contractors. On re-invitation of tenders (October 1987) (tendered cost Rs. 4.56 lakhs), the works were got completed (January—March 1990) at higher rates resulting not only in an extra expenditure of Rs. 0.94 lakh as compared to the tendered rates of November 1984, but also in enhancement of the estimated cost from Rs. 7.03 lakhs to Rs. 11.22 lakhs.

4.1.11 Avoidable expenditure on cartage and transportation.

(a) The Superintending Engineer, Procurement Circle Panchkula placed 4 supply orders for the supply of 1,53,500 cement bags with the Cement Corporation of India. The consignee was Executive Engineer Canal Lining Division No. 9 Kaithal. After receiving the supply of 29,292 bags in August 1988, the Executive Engineer informed the SE (in September 1988) that due to paucity of storage capacity the supply order for the balance quantity be either cancelled or diverted to other Divisions. But no action in this regard was taken, and further supply of 95,563 bags were received

during September 1988 to March 1989. Out of these 45,557 bags were diverted direct from Railway Station to other Divisions, and 49,498 bags were first shifted to store at Kaithal and Pagan then transferred to other Divisions located at different stations. This led to avoidable expenditure of Rs. 0.96 lakh on cartage and transportation from the Railway station to Kaithal/Pagan stores.

(b) In Canal Lining Division No. 12 Kurukshetra 126730 Cement bags were received during July-December 1988 against four supply orders placed by the SE (Procurement) Chandigarh. Out of these, while 25,809 bags were consumed on the works and 49,947 bags were diverted direct to other divisions etc. 54,350 bags were transported to stores in the first instance and subsequently transferred to other Divisions. This resulted in avoidable expenditure of Rs. 1.47 lakhs on loading/unloading and transportation of cement from the Railway station to stores.

4.1.12 Monitoring and evaluation

The implementation of the project was to be monitored by the Engineer-in-Chief after receipt of periodical reports from the SEs concerned. However, no monitoring evaluation was conducted to ascertain the extent of saving in seepage losses, improving communication system, reducing water table and increasing canal capacities after lining as a result of executing the project.

4.1.13

The points mentioned here were reported to Government in August 1990 ; reply has not been received (April 1991).

GLOSSARY

PAC	Public Accounts Committee
RD	Reduced Distance
SE	Superintending Engineer
UP	Uttar Pradesh
WJC	Western Jamuna Canal

4.2 Working of Mechanical Divisions

4.2.1 Introduction

The Mechanical Wing of the Irrigation Department caters to repairs, maintenance and operation of machinery, to aid the Civil divisions of the Irrigation Branch. Its specific functions are as under :

- To purchase new machinery after inspection and trial testing.
- To make arrangements for transfer of Central Government machinery from other States.
- To purchase spare parts, and to obtain import licences for such spare parts not available in the country.
- To take preventive measures to keep the machinery in running condition.

4.2.2 Organisational set-up

The Engineer-in-Chief (Irrigation) is in overall charge of the Mechanical Wing, consisting of 22 Mechanical Divisions in the State. An Executive Engineer is in charge of each Division, which is attached to a Circle under the charge of a Superintending Engineer, who is under the direct control of the respective Chief Engineer.

4.2.3 Audit coverage

Mention was made on certain aspects of the working of the Mechanical Wing with regard to draglines in paragraph 5.16 of Audit Report (Civil) for 1986-87. Points noticed in test-check (April-May 1990) of the records of 13 Divisions for the period from 1985-86 to 1989-90 are discussed in the succeeding paragraphs.

Note : Abbreviations of all authorities/institutions figuring in this Review are alphabetically listed in the Glossary at Page 118.

4.2.4 General working of divisions

The following points were noticed regarding working of the Divisions :—

- (i) In five Divisions, the machinery registers were found incomplete, as the posting regarding working hours, major overhauling (MOH) earned/spent depreciated cost and residual value of the machinery was not found recorded to date nor the registers closed annually.
- (ii) Under the financial rules, manufacture accounts in respect of each machinery was required to be maintained and closed annually. However, 855 manufacture accounts had not been closed for the period from 1985-86 to 1989-90. This resulted in non-adjustment of profit and loss and consequently non-depiction of the true financial position of the units.
- (iii) None of the Divisions had prescribed any time schedule for carrying out repairs in the workshops.
- (iv) While in seven Divisions an expenditure of Rs. 5.54 crores had been incurred on running and maintenance/special repair of machinery and other works in anticipation of the sanctioned estimate, in six Division an expenditure of Rs. 1.81 crores incurred in excess of the sanctioned estimates remained un-regularised (June 1990).
- (v) Rupees 22.27 lakhs recoverable from various Departments of Punjab and Haryana Governments and autonomous bodies for services rendered (transfer of machinery to Punjab Government) to them were outstanding for the period ranging from 3 to 5 years.
- (vi) In six Divisions, 32 unserviceable tractors worth Rs. 18.90 lakhs and 4 dozers worth Rs. 6.95 lakhs were awaiting condemnation/disposal (June 1990).
- (vii) In three Divisions, tractors worth Rs. 14.62 lakhs, (Canal Lining Mechanical Division No. 14 Rohtak :

Rs. 13.55 lakhs ; Mechanical Drainage Division Rohtak : Rs. 0.82 lakh ; Mahendergarh Canal Mechanical Division, Narnaul : Rs. 0.25 lakh), though in working condition, were lying idle for one to four years as the civil Divisions did not place demand for the machinery.

- (viii) In Ujina Remodelling Mechanical Division Gurgaon the engine of P & H dragline T-1025 lying in damaged condition since 1987 had not been repaired.
- (ix) In two Divisions, spare parts valuing Rs. 46.34 lakhs (Ujina Remodelling Mechanical Division Gurgaon Rs. 30.34 lakhs ; SYL Mechanical Division Ambala Rs. 16 lakhs) had been lying unconsumed for the last 3 to 10 years.

4.2.5 Underutilisation of machinery

(i) According to the last census conducted during 1989, machinery worth Rs. 19 crores was in stock at the close of March 1988. This also included machinery worth Rs. 4.73 crores under breakdown condition and beyond economical repair as well as condemned machinery awaiting disposal. A test-check of records of eight Divisions disclosed under-utilisation of machinery as below :—

Description of machinery	Year	Number	Estimated working hours	Actual working hours	Shortfall working hours	Percentage of short fall to total
Dozers	1985-86	21	19150	4395	14755	77.05
	1986-87	23	18225	4280	13945	76.52
	1987-88	20	15350	4985	10365	67.52
	1988-89	22	18725	5606	13119	70.06
	1989-90	17	11950	4003	7947	66.50
	1989-90	2	2400	695	1705	71.04
	1985-86	33	24061	4334	19727	81.99
	1986-87	32	22090	3951	18139	82.11
	1987-88	29	21690	5105	16585	76.46
	1988-89	23	18100	2911	15189	83.92
	1989-90	21	15460	2178	13282	85.91

Despite heavy shortfall, no remedial measures had been taken by the Divisions to increase the working hours of the machinery.

(ii) Machinery worth Rs. 4 crores was lying surplus in the Department as a whole.

4.2.6 Injudicious purchases

(a) In the Ujina Remodelling Mechanical Division, Gurgaon, a crane was purchased (February 1981) at a cost of Rs. 3.02 lakhs, for loading/unloading of heavy material for Massani Barrage Project. The life span of the crane was 12 years or 15000 working hours. The crane worked only for 111 hours during 1982-83, and since then had been lying idle. It was declared surplus to the requirement of the Division only in September 1989. The purchase of the crane without assessing the requirement of the work load, thus, resulted in blocking of Government money to the extent of Rs. 3.02 lakhs. The Executive Engineer intimated (June 1990) that the crane could not be put to use as the Department had no such work, and the condition of the machine had deteriorated due to exposure to the weather.

(b) In Loharu Canal (Mechanical Division) Charkhi Dadri, spare parts worth Rs. 2.19 lakhs, purchased during March, 1983 for carrying out urgent repairs of dozers and dragline were declared surplus in March 1989, and were lying unconsumed (June 1990). According to the Executive Engineer (October 1989), the spare parts could not be utilised as the estimates for special repairs of the machine had not been sanctioned by the competent authority. Their purchase in anticipation of sanction of estimate was injudicious, resulting in unnecessary blocking of funds to the extent of Rs. 2.19 lakhs.

(c) In the Canal Lining Mechanical Division No. 20 Karnal, spare parts worth Rs. 3.11 lakhs transferred by the Munak Mechanical Division Karnal (defunct) in March 1979, were lying un-utilised (June 1990).

4.2.7 Idle operational staff

(a) The Gurgaon Water Supply (Mechanical Division) No. II, which started functioning in February 1988, was entrusted with the execution of mechanical works of three civil Divisions relating to the Gurgaon Water Supply Project (deposit

work). The work of the project was not taken up (position in March 1990) due to non-acquisition of land by the civil Divisions. Meanwhile, expenditure was being incurred on idle operational staff. This amounted to Rs. 22.60 lakhs upto March 1990, and was still continuing.

(b) Similarly, in Ujina Remodelling (Mechanical) Division Gurgaon, four draglines viz. TATA 1025, 6141, HIND MARINE 325, 328 were under break down condition. The expenditure of Rs. 0.97 lakh incurred on account of pay and allowances of operational staff without any work was rendered unfruitful. The Executive Engineer intimated (June 1990) that the operational staff was necessary for up-keep of the machinery. The reply is not tenable as up-keep of the machinery, which was in break down condition, was of no utility.

4.2.8. The matter was reported to Government in August 1990; reply has not been received (April 1991).

GLOSSARY

MOH Major Overhauling

SYL Satluj Yamuna Link

4.3. Avoidable expenditure on Sirsa Branch

Government approved (September 1986) a project for lining of Sirsa Branch in reaches RD 316000-342000 to be completed in two years at an estimated cost of Rs. 200 lakhs. The project provided for construction of a temporary diversion channel for maintaining water supply during lining of the Branch. The Department started (February 1987) the construction of the diversion channel departmentally in anticipation of approval of Longitudinal Section (L-Section) and without sanction of the detailed estimate of Sirsa Branch; and an expenditure of Rs. 20.82 lakhs was incurred upto February 1988. The diversion channel completed in February 1988 could not, however, be linked till June 1989 with the main branch due to non execution of its lining works as the L-Section had not been finalised (March 1990).

During audit (August-September 1989) of Hathni Kund Barrage Division Narwana, it was noticed that for maintenance of the diversion channel, an expenditure of Rs. 3.36

lakhs had to be incurred on clearance of vegetation growth caused due to non-commissioning of the diversion channel for a long time. Besides, a payment of Rs. 2.59 lakhs was also made to land owners as lease money for the years 1987-88 to 1989-90. Thus, the construction of the diversion channel without completing the preliminary investigations resulted in avoidable expenditure of Rs. 5.95 lakhs (Rs. 3.36 lakhs on maintenance of diversion channel; Rs. 2.59 lakhs as lease money).

The Superintending Engineer, Canal Lining Circle No. III Kaithal stated (December 1989) that the finalisation of L-Section of the Sirsa Branch had many constraints in the shape of existing railway bridge, other direct roads and village road bridges falling in that portion, and it required discussion at various levels. The reply is not tenable, as these constraints were well known to the Department at the time of conceiving the project for lining the Sirsa Branch, and the work of construction of diversion channel could have been suitably synchronised so as to avoid such wasteful expenditure of Rs. 5.95 lakhs.

The matter was reported to the Government in April 1990; reply has not been received (April 1991).

4.4. Extra expenditure due to delay in finalisation of drawings/tenders

Government accorded (May 1987) sanction for the construction of seven stone studs for providing protection to embankment as well as *'abadi' of village Mohabatpur and agricultural land on the right side of the river Yamuna, at a cost of Rs. 13.99 lakhs. In anticipation of approval of design for the construction of studs, tenders (valid upto 6th January 1988) were opened on 8th October 1987 by the Executive Engineer, Gaunchi Division GC Faridabad, and rates of the lowest tenderers were recommended for approval of the Superintending Engineer (SE) on 31st December 1987. The SE after getting the validity period extended forwarded (February 1988) the tenders for acceptance to the Chief Engineer. The CE approved (May 1988) the lowest rates for studs No. 3-7, and returned the tenders for studs No. 1 and 2 with a directive to resubmit these after stud-

*'abadi' : Inhabitants of a village.

ying floods of 1988 and working/performance of the studs 3-7. Meanwhile the validity period of the tenders had expired, and the agencies whose rates were approved declined to take up the work due to price escalation. Tenders for 3-7 were, therefore, called afresh in May 1989. The rates approved this time were higher than those approved by the Chief Engineer in May 1988. The studs were completed in August 1989, and based on the quantities of the final bills, the Department incurred an extra expenditure of Rs. 1.73 lakhs on these works as compared to the rates approved in May 1988.

The matter was reported to Government in May 1990; reply has not been received (April 1991).

4.5. Wasteful expenditure on Tejakhera Distributary

In Rori Division Sirsa, Tejakhera, distributary in reaches RD 35750 to RD 41850 was lined in 1977-78 at a cost of Rs. 2.25 lakhs. For utilising the additional discharge of 25-30 cusecs which had been passing through a regulator on the Bhakra Main Branch (BMB) and going waste since 1971 on delinking of water supply to Rajasthan State after construction of Sirhind feeder, a link channel was constructed in 1988 at a cost of Rs. 9.38 lakhs. It was linked at RD 35750 with Tejakhera distributary. The Tejakhera distributary was also remodelled in 1988 at a cost of Rs. 4.79 lakhs by dismantling the existing lining in reaches RD 35750 to 41850, for increasing its capacity from 15 cusecs to 25 cusecs to accommodate the additional discharge. The expenditure of Rs. 2.25 lakhs incurred on lining of the Tejakhera distributary was, thus, rendered wasteful due to failure of the Department in visualising the utilisation of additional discharge at the time of lining of Tejakhera distributary during 1977-78.

The matter was reported to Government in May 1990; reply has not been received (April 1991).

4.6. Sub-standard execution of work on Godhan Minor

In Western Jamuna Canal (WJC) Division Rohtak, for the construction of Godhan Minor, 70,357 Cu.m. of earth work was executed (1982-85) at an expenditure of Rs. 3.08

lakhs (earth work : Rs. 2.26 lakhs; water supply arrangement for compaction : Rs. 0.69 lakh; cavity boxes : Rs. 0.13 lakh). The work was transferred (December 1985) to the Canal Lining Division No. 25, where it was noticed (February 1986) that the earthwork done in filling was not according to specification. Due to its improper compaction big clods had appeared, and the water seeped in when released for trial in a length of about 250 feet at the head of the Minor. The site was inspected (November 1986) by the Superintending Engineer, who reported that the earth already laid should be lowered by spreading the same in full formation width and compacted properly. Extra expenditure of Rs. 0.72 lakh was incurred to set right the work departmentally. Apart from this, the expenditure of Rs. 0.82 lakh incurred by WJC Division Rohtak on water arrangement and cavity boxes was also rendered wasteful. No responsibility for execution of sub-standard work was fixed (May 1990).

The matter was referred to Government in July 1990; reply has not been received (April 1991).

4.7. Unfruitful expenditure on incomplete work

For augmenting drinking water supply to Delhi through Delhi Branch, a project estimate costing Rs. 287 lakhs for remodelling and lining of Delhi Branch and Delhi tail distributary had been approved in December 1972. It was revised to and sanctioned for Rs. 608.78 lakhs in March 1974, due to enhanced scope of work and price escalation. The revised project estimate did not contain any provision for construction Village Road (VR) bridge at RD-241950 of Delhi Branch, and a 'katcha' diversion channel to pass discharge of the main canal water during construction of the bridge.

The Executive Engineer, Construction Division No- II Sonepat, however, prepared and got sanctioned from the Superintending Engineer two estimates, one for constructing V.R. bridge (March 1983) and another for constructing Katcha diversion channel (November 1984).

While the diversion channel was completed in May 1985 at a cost of Rs. 0.86 lakh, the work of constructing the VR bridge (expenditure incurred Rs. 0.01 lakh) was suspended in June 1985 for want of sanction of the revised project estimate costing Rs. 961.81 lakhs submitted to Government in

1987. Reasons for not sanctioning the project estimate were not on record. Thus, the expenditure of Rs. 0.87 lakh incurred on the work upto June 1985 was rendered unfruitful, inasmuch as the work executed was lying abandoned.

The Executive Engineer stated (July 1990) that the work was taken in hand after the detailed estimate thereof was sanctioned by the Superintending Engineer, and was suspended at the instance of higher authorities. The fact remains that the preparation and sanction of a detailed estimate of the work not envisaged in the sanction project estimate was irregular.

The matter was reported to Government in July 1990; reply has not been received (April 1991).

4.8 Faulty design and execution of work

In Drainage Division Rohtak, on the basis of approved longitudinal section (L-Section), the work in reach 0-3000 of Bahu Akbarpur drain (total length RD 0-13500) was started (May 1984), and an expenditure of Rs. 0.88 lakh was incurred during June 1984 to September 1986, on earthwork, bricklining and sumpwell. The work was inspected (January 1986) by the Superintending Engineer, who reported that the alignment of the drain dug at site was faulty as it did not follow natural drainage line and the same could never be made functional due to excessive digging and sloughing. In order to avoid sloughing problem and to make the drain functional, it was decided (March 1986) to construct pucca drain in filling and shift the pumping site from Kahnaur distributary to a suitable point. Accordingly, a revised L-Section was approved in May 1987 but no work had been executed so far (May 1990). The expenditure of Rs. 0.88 lakh incurred on the execution of work against faulty design, thus, did not serve any purpose.

The Superintending Engineer intimated (April 1989) that the problem of sloughing was encountered on account of typical nature of soil in reach RD 0-3000, and the same was under review so as to avoid the expenditure of Rs. 0.88 lakh going waste.

The matter was referred to Government in July 1990; reply has not been received (April 1991).

4.9 Irregular heaping of silt

According to the instructions contained in PW specifi-

cations, the silt cleared from the channels should not be heaped on the berms or on the top of banks, but should be spread evenly along the backs of the banks so as to widen and strengthen them. In the Irrigation Division, Bhiwani, silt cleared (January-March 1987) from the Gujrani and Dang Minors at a cost of Rs. 4.23 lakhs and Rs. 3.61 lakhs respectively was heaped on the top of the banks in contravention of the instructions. Subsequently, 32,025 Cu.m. (Gujrani : 14294 and Dang minor : 17731) silt was re-lifted in April 1987 and placed on the backs of the banks, entailing an extra cost of Rs. 0.88 lakh. The Chief Engineer stated (October 1988) that the silt was initially heaped on the banks so as to bring them to the designed section, and that the surplus silt was to be disposed of by spreading it along the backs of the banks. The reply was not tenable, as heaping the silt on the banks beyond the required quantities violated the instructions in force.

The matter was referred to Government in July 1990; reply has not been received (April 1991).

4.10 Extra expenditure due to delay in finalisation of tender

In the Public Works Irrigation Department, works are commonly carried out as 'piece work', the agreements for which are in the form of work orders. The work orders are not contracts, and contain only a description of the work and the rate to be paid for it without any reference to the total quantity to be executed or to the time within which it is to be executed.

For the work "Constructing upstream left-side flank wall, gravity wall cum cement concrete blocks above caping slab at Massani Barrage", (estimated cost : Rs. 6.00 lakhs), tenders were opened on 24th November, 1983 by the Executive Engineer, Massani Barrage Division No. III Rewari (now defunct and merged with Drainage Investigation Division, Gurgaon). They were to be finalised within 90 days i.e. by 21st February 1984. The tender of contractor 'A' (tendered cost : Rs. 2.82 lakhs) was approved (January 1985) by the Chief Engineer after a lapse of about one year. When asked to take up the work, the contractor refused to undertake it due to non-acceptance of his tender within the validity period.

Fresh tenders were invited (April 1985), and the work was allotted (January 1986) to contractor 'B' (tendered cost: Rs. 3.14 lakhs) on work-order basis. The contractor abandoned the work after executing it to the extent of Rs. 1.20 lakhs. Tenders were invited for the residual work in June 1987, and work order was issued to contractor 'C' (tendered cost: Rs. 3.30 lakhs), who also left the work incomplete in June 1988, after executing it to the extent Rs. 2.83 lakhs.

Thus, by not finalising the tender case of contractor 'A' within the validity period and by allotting the work on work-order basis, the Department had to incur an avoidable expenditure of Rs. 1.39 lakhs.

The Executive Engineer intimated (May 1990), that this was a circumstantial case, and under work order system both the parties were at liberty to withdraw. He further stated that it might not have been possible for the Chief Engineer to convey acceptance of the tender within the validity period due to heavy work load.

The matter was reported to Government in July 1990; reply has not been received (April 1991).

4.11 Defective lining work on Rohna Minor

In the Canal Division No. 18, Sonapat, the work of lining in reaches 0-4 on Rohna Minor was executed during 1984-85 at a cost of Rs. 7.30 lakhs. After completion, the minor was transferred (November 1987) to Western Jamuna Canal (WJC) Division, Delhi for running and maintenance. On the basis of complaints from the cultivators that the tail of Rohna Minor was not being fed properly, the Superintending Engineer, WJC Feeder Gurgaon Circle, Delhi inspected (December 1988) the works executed in reaches 0-4, and observed that bed levels were not according to the approved L-Section, in that certain portions of its lined bed were higher while certain others were lower than its designed bed level. The tail of this minor was also not being fed properly, and the channel spilled at many places resulting in less discharge at tail and endangering the safety of its banks. The matter was reported (February 1989) to the Chief Engineer for rectification of the defects. To feed the tail with authorised discharge and safeguard the channel from overflowing, the Executive Engineer sanctioned

(April 1989) four estimates, and incurred (March, April 1989) expenditure of Rs. 0.99 lakh for raising left dowel of the minor by 0.5 feet and right bank by 0.75 feet than the designed levels. Thus, due to faulty execution of works, the Department had to incur an avoidable expenditure of Rs.0.99 lakh.

The Executive Engineer intimated (April 1990) that action against the Junior Engineer/Sub-Divisional Engineer responsible for faulty execution was under process (July 1990).

The matter was referred to Government in August 1991; reply has not been received (April 1991).

4.12 Outstanding Inspection Reports and paragraphs

Audit observations on financial irregularities and defects noticed in the initial accounts and record during local audit are communicated to the Heads of offices and their next departmental superiors through Inspection Reports. More important irregularities are also reported to the Heads of the concerned Department and Government for their comments.

A review of the inspection reports issued upto December 1989 pertaining to 113 Divisions of the Irrigation Department disclosed that 977 paragraphs relating to 488 inspection reports involving Rs. 6010.12 lakhs remained outstanding at the end of June 1990. These included 11 inspection reports (11 paragraphs) which had remained unsettled for more than ten years.

The yearwise position of unsettled inspection reports/ paragraphs was as under :—

Year	Inspection Reports	Paragraphs	Amount involved
Upto			(Rupees in lakhs)
1984-85	149	196	1122.41
1985-86	40	52	144.87
1986-87	60	188	1839.05
1987-88	58	94	552.31
1988-89	101	206	900.68
1989-90	80	241	1450.80
Total	488	977	6010.12

In respect of 34 inspection reports consisting of 192 paragraphs, even the initial replies though required to be furnished within six weeks were still awaited (June 1990).

Important types of irregularities noticed during inspection are summarised below ;—

Nature of irregularities	Number of Paragraphs	Amount involved
(Rupees in lakhs)		
Recoverable amounts from contractors on account of excess payment, cost of work done at their risk and cost etc.	63	76.08
Undue aid to contractors	10	5.92
Irregularities in purchases/non-accountal of material/surplus stores	127	803.58
Extra/infructuous/irregular expenditure and blockade of funds	447	2274.73
Execution of sub-standard works	31	101.85
Losses due to theft, misappropriation etc.	189	136.00

Out of total 977 outstanding paragraphs 13 were before courts, arbitrators and police authorities 227 cases were pending with Government/Engineer-in-Chief/Superintending Engineers for regularisation. The remaining 737 vested with the Divisional offices.

BUILDINGS AND ROADS DEPARTMENT

4.13 Extra payment due to incorrect entries in Measurement Book

According to the Haryana Schedule of Rates (HSR),

extra rate for shuttering pattern is to be allowed only if a definite pattern has been specified in the architectural drawings, and not otherwise. For the construction of a bus stand at Sirsa, the drawings (ground floor) approved (May 1985) by the Chief Architect Haryana did not specify a definite pattern for shuttering, but contained a general note that all Reinforced Cement Concrete (RCC) work would be finished in steel shuttering pattern. The work (estimated cost of Rs. 19.54 lakhs) awarded in July, 1985 by the Executive Engineer, Provincial Division No. 1 Sirsa, was completed in October 1987. The contractor was paid Rs. 0.71 lakh in the running payments upto September 1987 at extra rates payable for use of specific pattern of steel shuttering which was neither specified nor used. The Executive Engineer, while finalising (August 1988) the claims of the contractor disallowed the extra rate payment and allowed Rs. 0.22 lakh for using ordinary steel shuttering in RCC work. The contractor went in arbitration (November 1988) against the reduction in the claim on the plea that the Executive Engineer/Sub Divisional Engineer under whose incumbency the work was executed had never objected to this item. The Department in turn maintained that the contractor was paid according to the shuttering actually used. The Arbitrator, however, gave an award (July 1989) of Rs. 0.49 lakh in favour of the contractor on the basis of general note given in the approved drawing.

During audit (November 1989), it was also noticed that extra rate of specified pattern of steel shuttering was paid to the contractor due to incorrect entries regarding use of steel shuttering pattern in the measurement book (MB), which resulted in an extra payment of Rs. 0.49 lakh. The Executive Engineer intimated (March 1990) that action against officials responsible for recording entries was being taken.

The matter was referred to Government in April 1990; reply has not been received (April 1991).

4.14 Excess payment due to fictitious measurements of earth work

Administrative approval for the construction of a link road from Badraon to Kanjaraka Nangla (length 2 KM) was accorded in January 1983 for Rs. 3.98 lakhs. The earthwork (estimated cost Rs. 0.98 lakh) allotted (June 1983) to a contractor by the Executive Engineer, Provincial Division Faridabad, was to be completed in four months. The detailed estimate sanctioned

by the Chief Engineer in February 1984 contained a provision of 25,994 Cu.m. of earth work. The contractor did not complete the work within the stipulated period, and informed (January 1984) that he had completed the earth work except in a gap of 240 metres left due to demand of land-owners for compensation of land. The earthwork in gap was, however, shown as executed in the measurement book (MB). The quantities of earthwork were tape-measured instead of through cross sections by the Junior Engineer. They were cent per cent checked (July 1984) by the Sub Divisional Engineer and the contractor was paid Rs. 0.86 lakh (August 1984) for 24,434 Cu.m. of earth work. After receiving the payment the contractor left the work, and the Executive Engineer invoked clause 2 (November 1984) and levied compensation of Rs. 0.10 lakh. In March 1985, it was decided to get the work completed departmentally at the risk and cost of the contractor under the terms of agreement. But no action was taken till April 1987, when, on the basis of a complaint regarding irregularities in the execution of earth work, the Engineer-in-Chief deputed a Sub-Divisional Engineer of his office to remeasure the work executed by the contractor. The work was remeasured in April 1987, and it was found that the quantity of earthwork actually executed was 6,307 Cu.m. (after giving allowance of 10 per cent for loss of earth during the period of 3 years) against the quantity of 24,434 Cu.m. recorded and paid for, thereby resulting in excess payment of Rs. 0.63 lakh for fictitious/inflated measurements of 18,127 Cu.m. of earth work. On persistent demand of the public for early completion of the road, the earthwork of 19,577 Cu.m. was executed again (March 1988—July 1989), at a cost of Rs. 1.21 lakhs (including Rs. 0.58 lakh recoverable from the contractor on account of risk and cost). Against the recoverable amount of Rs. 1.31 lakhs (compensation : Rs. 0.10 lakh, excess payment : Rs. 0.63 lakh and risk and cost amount : Rs. 0.58 lakh), a security deposit of Rs. 0.17 lakh only was available with the Division.

The Department intimated (February 1990) that for recording fictitious/inflated measurements and prefatory check, the then Executive Engineer, Sub Divisional Engineer and Junior Engineer were charge-sheeted, and that a Superintending Engineer was appointed as an enquiry officer. Further developments were awaited (August 1990).

The matter was reported to Government in May 1990; reply has not been received (April 1991).

4.15 Avoidable extra expenditure due to retendering

In Provincial Division Naraingarh, tenders (valid upto 5th October 1985) for the construction of a solid causeway on link road from Barwala-Raipur Rani road to village Hangola (estimated cost : Rs. 2.10 lakhs) were opened on 8th July 1985. The lowest tendered cost of contractor 'A' was Rs. 1.30 lakhs against the cost of Rs. 2.02 lakhs estimated by the Department. The contractor set forth the following conditions in his tender :—

- (i) Nothing for voids shall be deducted from bills, as work shall be measured as laid work.
- (ii) All payments shall be made through Remittance Transfer Receipt.
- (iii) Being rainy season, the time for completion shall be five working months.
- (iv) Rebate of 0.01 lakh shall be allowed if the Department releases the final payment and security within 30 days from the date of completion.

The Executive Engineer recommended (July 1985) to the Superintending Engineer (SE) the acceptance of the tender, as the cost tendered by the contractor was 36 per cent less than the departmental cost. The SE, however, returned (August 1985) the case unapproved with the directive to get the conditions (i) and(ii) withdrawn and condition (iv) modified. The contractor did not agree to withdraw or modify any of the conditions, but brought (September 1985) an additional condition regarding supply of steel and G.I. wire by the Department, which was not conceded to by the Department. The work was allotted (October 1985) on the original terms and conditions. The contractor did not start the work, and a compensation of Rs. 0.21 lakh was levied and action initiated (May 1986) under clause III of the agreement to get the work completed at the risk and cost of the contractor. On re-tendering, the work was allotted (August 1986) to another contractor at higher rates and got completed in February 1987 by incurring an extra expenditure of Rs. 0.66 lakh.

The Engineer-in-Chief intimated (December 1989) that the then SE, Executive Engineer, Circle Head Draughtsman

and Divisional Head Draughtsman were charge-sheeted, and that the case for recovery of Rs. 0.87 lakh (compensation : Rs. 0.21 lakh and risk and cost amount Rs. 0.66 lakh) had been referred to the Arbitrator. Further developments were awaited (April 1990).

The matter was reported to Government in May 1990; reply has not been received (April 1991).

4.16 Extra Expenditure due to splitting up of work

For painting white road markings in two coats on pucca runway airstrip at Hisar (estimated cost Rs. 0.50 lakh), quotations were called in October 1986 by the Executive Engineer (EE) Provincial Division, Hisar by splitting up the work into three groups, two costing Rs. 0.20 lakh each and the third Rs. 0.10 lakh. In December 1986, the work of all the three groups was allotted to a single lowest tenderer at a negotiated rate of Rs. 1.60 per square feet on work order basis but the contractor refused to execute the work on the ground that the negotiated rate was not workable; and the EE cancelled the work order. In January 1987, the work was split up into 5 groups costing Rs. 0.20 lakh each, and allotted to a single lowest tenderer at his quoted rate of Rs. 6 per square feet. The work was completed at an extra cost of Rs. 0.72 lakh in comparison to the rate approved in December 1986. It was however, noticed that for similar road work on the National Highway (N.H.) falling in Hisar district, Superintending Engineer, N.H. circle had approved the rate of Rs. 1.40 per square feet in November 1986.

Thus due to injudicious action in splitting up the work into small groups and thereby avoiding sanction of higher authorities, and its allotment on work order instead of on agreement basis at a higher rate than the one already approved for similar work on National highway, the Department had to incur an extra expenditure of Rs. 0.72 lakh. Engineer-in-Chief intimated (August 1990) that action against the officials at fault was being taken.

The matter was reported to Government in June 1990; reply has not been received (April 1991).

4.17 Extra Expenditure due to delay in finalisation of work

Administrative approval (estimated cost Rs. 17.63 lakh)

for construction of a road from Kariwal to Sahidanwali Thar in Sirsa district (length 8 Km.) was accorded in April 1983, but the work could not be taken up for four years due to paucity of funds. In February 1987, the work was split up into four groups of two kms. each (Km. 0-2, km. 2-4, km. 4-6, Km. 6-8) The estimated cost of each group was Rs. 3.79 lakhs. The Executive Engineer, Provincial Division No. 1 Sirsa allotted the work of first two groups (March 1987) to the lowest contractor. Mean-while the work of construction of all the roads in August 1988 including this road was transferred to Provincial Division No. II, Sirsa. Tenders for the remaining two groups (Km. 4-6) and km. 6-8 invited (August 1988) by the Executive Engineer, Provincial Division No. II Sirsa and submitted to the Engineer-in-Chief for acceptance were, however, not approved by the latter, for the reason that the work was funded by World Bank and splitting up of the work was against the procedure prescribed by the World Bank.

In March 1989, after getting the validity period extended the tender case for km. 4-6 was, however again recommended by the EE/SE for approval to the Engineer-in-Charge who approved the same (March 1989) and also directed that the responsibility for splitting up the work be fixed. Mean-while, the validity period of group IV work (Km. 6-8) expired in November 1988 and on refusal of the contractor to extend the validity period of his tender, fresh tenders were called (July 1989). The work was allotted (September 1989) at higher rates, involving an extra liability of Rs. 1.34 lakhs as compared to the rates received in August 1988. Based on the actual quantities of work executed upto May 1990, the Department had to incur extra expenditure of Rs. 1.04 lakhs owing to inordinate delay in finalisation of tenders for the group (Km. 6-8) work. No responsibility for splitting up the work had been fixed though the E-I-C had specifically directed the SE to do so.

The matter was referred to Government in July 1990; reply has not been received (April 1991).

4.18 Loss due to change of road alignment

Administrative approval for construction of a road (km. 0-2580) from Dhani Dhola to Gagarwas (Harijan Basti) in Bhiwani district (estimated cost: Rs. 4.93 lakhs) was accorded in August 1982, and a detailed technical estimate of the work

was sanctioned for Rs. 3.19 lakhs by the Engineer-in-Chief in August 1985. The alignment adopted in the sanctioned estimate was through consolidation path (passing through field) upto maximum length of 2,325 metres.

Meanwhile, the residents of village Gagarwas had represented (February 1984) for a change in the alignment of the road from km. 1805 onward. The Engineer-in-Chief reported (December 1985) to Government that the change in alignment demanded by the villagers had been considered earlier but found unsuitable; therefore, he recommended that the original alignment as approved in the estimate, being technically sound and economical, should be adopted. Government, however, turned down suggestion of EIC and approved (July 1986) the alignment demanded by the villagers.

The work of the changed alignment was taken up, and an expenditure of Rs. 0.91 lakh was incurred upto December 1987, when the villagers again requested the Department for restoration of the original alignment. This was acceded to in August 1988, and the work got completed accordingly at a cost of Rs. 9.62 lakhs, which included an infructuous element of Rs. 0.91 lakh on revised alignment.

The matter was referred to the Engineer-in-Chief in February 1989 who intimated (January 1990) that in view of the urgent demand of the villagers there was no alternative but to comply with orders of the Government.

The matter was referred to Government in July 1990; reply has not been received (April 1991).

4.19 Outstanding Audit Observations

Audit observations on financial transactions are reported to the departmental authorities concerned so that appropriate action can be taken to rectify the defects and omissions. Half yearly reports of such audit observations outstanding for more than six months are also forwarded to the Government to have their settlement expedited.

Audit observations involving an amount of Rs. 489.58 lakhs issued upto March 1990 were outstanding at the end of June 1990. The yearwise break up of the outstanding items was as under:—

Period	Number of observations	Amount (Rupees in lakhs)
Upto		
1984-85	133	74.65
1985-86	44	18.40
1986-87	278	92.89
1987-88	265	123.35
1988-89	210	93.73
1989-90	139	86.56
Total	<u>1069</u>	<u>489.58</u>

The audit observations were of the following categories :—

	Number of observations	Amount (Rupees in lakhs)
Agreements	955	468.94
Payees receipts	7	5.82
Vouchers	107	14.82
	<u>1069</u>	<u>489.58</u>

PUBLIC HEALTH DEPARTMENT

4.20 National Technology Mission on Drinking Water Supply in Villages

4.20.1 Introduction

According to the 1981 census, out of the total population of 129.23 lakhs in the State, 100.95 lakhs were residing in

Note:—All abbreviations used in this Review are listed alphabetically in the Glossary at page 149.

rural areas spread over 6,745 villages. Of these, 5,686 villages with a population of 89 lakhs were identified as problem villages as per surveys conducted during 1972, 1979, 1985 and 1986. Out of this, 3,372 villages (population: 56 lakhs) were provided with safe drinking water facilities under Minimum Needs Programme Scheme (MNP) and Accelerated Rural Water Supply Programme (ARWSP) to the end of 6th Five Year Plan. Thus, 2,314 problem villages (population: 33 lakhs) were left to be covered during 7th Five Year Plan. To cover these 2,314 residual problem villages (including partially covered villages) by March 1990, the Haryana Government launched the Programme of supply of safe drinking water in August 1986 under the aegis of the Technology Mission Project (TMP).

The objectives of the programme were to supply 40 litres *per capita* per day water in all areas for human beings and in addition 30 litres per capita per day water in desert areas for cattle. The objectives were to be achieved by improving the performance and cost-effectiveness of the ongoing programmes in the field of rural drinking water supply, through the application and aid of all available scientific and technological inputs from various national laboratories and by promoting better water management.

4.20.2 Organisational set-up

At the national level, a Mission Director of the rank of Joint Secretary assisted by administrative and technical staff was responsible for the implementation of the programme. The Mission Director was also to be assisted by an Advisory Group comprising advisors and convenors of the four technology advisory groups (TAGs). At the State level, the Secretary in charge of the rural water supply was the project co-ordinator and at the project level, the District Rural Development Agencies (DRDAs) were responsible for implementation of the programme. The Secretary in charge of the rural water supply was also to be assisted by the Superintending Engineer designated as Ex-officio Executive Director, Technology Mission (EDTM) and, Executive Engineers of the State Public Health Department.

4.20.3 Audit Coverage

This Review covers the period 1986-87 to 1989-90 and test check (March-May 1990) of the records of

seven Public Health Divisions of two Districts (Gurgaon.) 3 and Ambala : 4) was carried out.

4.20.4 Highlights

- Against the financial outlay of Rs. 474 lakhs a sum of Rs. 409.80 lakhs was spent on the programme. (Paragraph 4.20.5)
- Out of 2,314 problem villages, 1,910 were targeted to be covered during the VII Five Year Plan. Actually 2,143 villages were covered by March 1990, leaving a balance of 171 villages to be covered in the VIII Five Year Plan. Out of 885 non-problem villages at the commencement of the VII Five Year Plan, 235 villages were covered upto March 1990, leaving a balance of 650 uncovered villages. (Paragraph 4.20.6)
- There was cost escalation from Rs. 18.61 lakhs to Rs. 38.14 lakhs due to delay in the execution of 4 schemes to the end of March 1990. [Paragraphs 4.20.7(a)]
- Water supply schemes for 4 villages (estimated cost : Rs. 8.49 lakhs) sanctioned during 1988-89 were not taken up. [Paragraph 4.20.7(d)]
- Four laboratories sanctioned in January 1989 for water testing had not been set up. [Paragraph 4.20.7(f)]
- There was an extra liability of Rs. 8.92 lakhs for not getting the work executed on labour rates basis. [Paragraph 4.20.8(i)]
- Non finalisation of tenders within the validity period resulted in extra expenditure of Rs. 2.21 lakhs. [Paragraph 4.20.8(ii)]
- There was irregular expenditure of Rs. 0.86 lakh incurred through a contractor for generation of employment. [Paragraph 4.20.8(iii)]
- No critical analysis of methodology and approach was followed in evaluating and monitoring the programme. (Paragraph 4.20.9 and 10)

These points are discussed in detail in the succeeding paragraphs.

4.20.5 Financial targets and achievements

Financial targets and achievements under MNP, ARWSP

Year	Budget provisions		Release of funds under TMP	Total
	MNP (Rupees in lakhs)	ARWSP		
1985-86	2172	940	—	3112
1986-87	2249	490	206	2945
1987-88	2078	618	10	2706
1988-89	1938	351	110	2399
1989-90	2306	431	148	2885
Total	10743	2830	474	14047

and Technology Mission Project were as under :—

Year	Expenditure			Short-fall	Per-centage
	MNP	ARWSP	TMP (Rupees in lakhs)		
1985-86	2000	705	—	2705.00	407.00 13.07
1986-87	1815	783	—	2598.00	347.00 11.78
1987-88	1749	678	41.56	2468.56	237.44 8.77
1988-89	1704	467	197.93	2368.93	30.07 1.25
1989-90	1488	431	170.31	2089.31	795.69 27.58
Total	8756	3064	409.80	12229.80	1817.20

The shortfall in utilisation of funds ranged from 1.25 per cent to 27.58 per cent. No reasons for shortfall were on record.

A test-check of the records showed the followings :—

- (i) In Public Health Division, Yamunanagar an expenditure of Rs. 10.50 lakhs was incurred on works not covered under the Technology Mission Project.
- (ii) According to the guidelines, the funds allotted under Technology Mission Project were in addition to funds sanctioned by the State Government for their on going programmes. Rs. 73.67 lakhs allotted under Minimum Needs Programme (MNP) in 1988-89 were withdrawn and diverted to other schemes by the Engineer-in-Chief in April 1989 on receipt of funds to the tune of Rs. 100.00 lakhs in 1988-89 and Rs. 148.00 lakhs in 1989-90 under TMP.
- (iii) Contrary to the guidelines of Government of India, the accounts were not rendered by the executive agency to the DRDAs since the inception of the Mission.

4.20.6 Physical targets and achievements

Total number of problem villages/population targeted to be covered and achievements made during the VII Five Year Plan under TMP, MNP and ARWSP were as under :—

Year		T.M.P.		M.M.P.		T.M.P.	
No. of villages	Popula- tion (in lakhs)	No. of villages	Popula- tion (in lakhs)	No. of villages	Popula- tion (in lakhs)	No. of villages	Popula- tion (in lakhs)
1887-88	—	—	280	2	2.60	110	1.40
1908-09	—	—	210	3	3.45	115	1.73
1927-28	—	—	210	3	3.60	120	1.70
1936-37	—	—	230	3	3.80	120	1.80
1953-54	25	0.98	275	1	1.80	110	1.75
Total	25	0.98	1205	10	10.25	555	8.08

Year	Targets fixed					
	TMP		MNP		ARWSP	
	No. of villages	Population (In lakhs)	No. of villages	Population (In lakhs)	No. of villages	Population (In lakhs)
1985-86	—	—	350	5.60	110	1.40
1986-87	—	—	310	3.45	110	1.13
1987-88	—	—	270	2.60	110	1.20
1988-89	—	—	220	3.50	110	1.20
1989-90	55	0.85	155	1.80	110	1.72
Total	55	0.85	1305	16.95	550	6.65

Year	Targets achieved					
	TMP		MNP		ARWSP	
	No. of villages	Population (In lakhs)	No. of villages	Population (In lakhs)	No. of villages	Population (In lakhs)
1985-86	—	—	408	4.56	182	1.61
1986-87	—	—	305	3.81	175	1.74
1987-88	—	—	245	2.91	135	1.63
1988-89	—	—	192	2.72	141	1.77
1989-90	46	0.40	178	2.34	136	2.04
Total	46	0.40	1,328	16.34	769	8.79

(i) As on 1st April 1989, there were 531 uncovered villages out of which 400 villages were targeted to be covered during 1989-90 but due to reduction in financial outlay from Rs. 2584 lakhs to Rs. 2306 lakhs the targets were reduced to 320 villages. Against the reduced target, 360 villages were covered leaving a balance of 171 villages to be spilled over on the VIII Five Year Plan.

(ii) There were 1059 non-problem villages (population : 11.03 lakhs) in the State out of which 174 were covered upto VI Five Year Plan, 235 upto March 1990, leaving 650 uncovered at the end of the VII Five Year Plan.

4.20.7 Execution

For the implementation of the mission programme, Government of India selected 586 villages (Gurgaon : 327 estimated cost : Rs. 270.07 lakhs ; Ambala : 259 estimated cost : Rs. 409.45 lakhs). Activitywise targets envisaged in the prefeasibility/revised detailed project report of the two mini-mission districts and the achievement were as under :—

Serial number	Activity	No. of villages	Estimated cost (Rs. in lakhs)	Targeted date of		Achievements	
				Start	Completion	Financial (Rs. in lakhs)	Physical (No. of villages)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Gurgaon District							
1.	Activity No. 1- Uncovered villages where source location was a problem	12	35.00	April 1987	March 1989	40.85	10
2.	Activity II- 15 spill over villages	15	13.00	Do	Do	11.57	15
3.	Activity III- 15 schemes with excessive fluorides (3 defluoridation plants 12 alternative sources)	63	53.00	Do	Do	43.23	52

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
4.	Activity IV-5 schemes with excess nitrates	17	16.00	April 1987	March 1989	13.98	17
5.	Activity V-4 schemes with excessive brackishness	14	13.00	Do	Do	6.10	12
6.	Activity VI-7 schemes having excess fluorides and brackishness	39	39.50	Do	Do	31.52	33
7.	Activity VII- scheme with special elec- trical inputs	30	1.50	Do	Do	0.17	—
8.	Activity VIII- Mobile running plant and two tankers	—	9.00	Do	Do	1.07	1
9.	Activity IX- establishments, of laboratories, purchase of equipment and chemicals	—	2.50	July 1988	September 1988	0.46	—
10.	System Improve- ment and Scarcity removal	137	60.05	1989-90	1989-90	26.35	—
11.	15 Explora- tory tubewells	—	12.00	Do	Do	2.21	2
12.	Rain water harves- ting structure	—	15.52	Do	Do	0.86	—
Total		327	270.07	—	—	178.37	142

Ambala District

1.	39 schemes for providing water supply to villages	106	327.83	August 1988	December 1989	215.47	91
2.	Providing independent feeder (30 schemes)	98	29.00	Do	Do	—	—

1	2	3	4	5	6	7	8
3.	Installation of excess iron removal plants in 3 schemes	19	39.62	September 1988	December 1989	—	—
4.	Installation of desalination plants (2 schemes)	3	5.50	Do	Do	—	—
5.	Water quality Monitoring (purchase of equipment)	—	2.50	Do	Do	—	—
6.	Preparation of detailed project reports	—	—	September 1988	December 1988	—	—
7.	Identification of sources	33	5.00	December 1987	June 1988	—	—
	Total	259	409.45	—	—	215.47	91
	Grand Total	586	679.52			393.84	233

Add :

Expenditure incurred by DRDA
(Rs. 3.26 lakhs an EDTM(Rs.
12.70 lakhs) directly on contin-
gency and miscellaneous items
not exhibited in progress reports.

15.96

Grand Total

409-80

The Department attributed the shortfall and delay in achieving the targets to financial constraints and shortage of material. The reply is not tenable, as there was a saving of Rs. 64.20 lakhs at the end of March 1990.

(a) The work in respect of four water supply schemes at village Goral, Panna Khera, Nanukhera and Budhan group of villages required to be completed during 1989-90 was still in progress. This resulted in cost escalation from Rs. 18.61 lakhs to Rs. 38.14 lakhs to the end of March 1990. Reasons for delay were not intimated.

(b) In Gurgaon, against the prescribed norms of supplying water at the rate of forty litres per capita per day for human being the actual achievement ranged between 18 and 39 litres per capita per day in 358 villages. Even the data of

daily supply of water on the basis of actual working hours of pumps was not monitored. The department had also not maintained any record for the supply of water to cattle.

(c) In Public Health Division Ambala, a sum of Rs. 4.60 lakhs was spent on boring and installation of tubewells in contravention of TMP guidelines, which envisaged utilisation of the fund on activities like remote sensing, preparation of maps, collection of land sat imageries etc.

(d) Water supply schemes in respect of one village of Ambala (estimated cost : Rs. 1.24 lakhs) and three villages in Gurgaon (estimated cost : Rs. 7.25 lakhs) sanctioned during 1988-89 were not taken up due to non-availability of land and inadequate quantity of underground water.

(e) In three villages of Ambala (Sultanpur, Gornala and Mehmoodpur), an expenditure of Rs. 17.74 lakhs was incurred on installation of tubewells and laying of pipelines in villages not covered by the programme. Reasons for unauthorised expenditure were awaited.

(f) One of the objectives of the programme was to ensure an adequate quantity of water of acceptable quality to the rural population. For this purpose, laboratories were to be set up for creating an infrastructure for water testing. In Haryana, no water-testing laboratories were set up under the programme till March 1990 though four laboratories had been sanctioned in January 1989 to be set up at Gurgaon, Bhiwani, Hisar and Sonapat.

4.20.8 Other points

(i) Extra liability of Rs. 8.92 lakhs

In Public Health Division, Panchkula two works, (a) providing water supply to Bhoj Kothi, Bhoj Naggar group of 106 hamlets (estimated cost : Rs. 18.45 lakhs) and (b) providing water supply to Bhoj Kothi, Bhoj Darara and Bhoj Tipra group of 59 hamlets of Morni areas (estimated cost : Rs. 15.85 lakhs), were allotted (January 1990) to two contractors. The contractors quoted separate rates of 28 and 31 *per cent* above the Detailed Notice Inviting Tender (DNIT) for supplying and laying of pipelines. While computing the tendered cost, the Department also included the element of sales tax at the rate

of 8 per cent surcharge on sales tax @ 10 per cent and contractor's profit @ 10 per cent though as per existing rate contract procedure, sales tax on Government supply was to be reckoned @ 4 per cent. Thus by not getting the works executed on labour rate basis, the Department had to bear an extra liability of Rs. 8.92 lakhs (Extra sales tax and surcharge on sales tax : Rs. 0.86 lakh; contractor's profit and accepted premium : Rs. 8.06 lakhs).

(ii) Extra expenditure due to retendering

In Public Health Division, Panchkula, the work of construction of percolation well, infiltration gallery, pump chamber, laying of rising main distribution system and all other works contingent thereto, for providing water supply to 7 Bhojas containing 150 hamlets of Raipur Rani block and allotted (June 1981) to a contractor for Rs. 10.00 lakhs. The scheme was scheduled to be completed with a time limit of 9 months. Under the agreement, the contractor was to lay cast iron (CI) Pipes and specials in the distribution system. After the contractor had executed the work for Rs. 11.38 lakhs (due to change of specification the estimated cost increased to Rs. 14 lakhs), the Executive Engineer withdrew (June 1984) the work of distribution of pipe line on the ground of change in specification from CI to Mild Steel (MS) pipe without approval of the competent authority.

Tenders against approved Detailed Notice Inviting Tenders (DNIT) at an estimated cost of Rs. 5.00 lakhs for the work of laying joints and testing of MS pipes were invited in June 1984. A single tenderer 'A' quoted his rates, which worked out to Rs. 6.30 lakhs. The tender case submitted for approval of the Engineer-in-Chief was, however, rejected (November 1984) by him for want of prior approval for change in specification from CI pipes to MS pipes. This was accorded only in February 1987 when the validity period of the tenderer 'A' had already expired. Fresh tenders were, therefore, invited and opened in March 1987, and the work was allotted (May 1987) to contractor 'B' at rates higher than those received in June 1984. This resulted in extra expenditure of Rs. 2.21 lakhs on the basis of quantities executed and paid for upto the IVth Running Bill (September 1988). The work suspended by the S.E. (November 1988) had not been resumed (May 1990).

(iii) Irregular expenditure

In December 1987, the construction of 2 bunds (Fazalpur and Wazirabad) included in the "Detailed Project Report" (DPR) of District Gurgaon was approved by Government of India for rain water harvesting structures covering 3.90 sq. miles benefiting a total area of 610 acres for 3 water supply schemes at an estimated cost of Rs. 15.52 lakhs. Rs. 10 lakhs were released in March 1988 to DRDA Gurgaon out of funds under Rural Landless Employment Guarantee Programme (RLEGP). The money was to be spent in accordance with guidelines, which, *inter alia*, provided (i) 50 per cent wage component; (ii) distribution of food grains @ 1.5 kg. per manday and generation of 0.64 lakh mandays employment and (iii) completion of the work within 18 months (i.e. upto September 1989) for proper soil investigation, collection and analysis of pre-monsoon and post-monsoon data to know the effectiveness of the structure in consultation with Central Ground Water Board (CGWB).

Audit scrutiny disclosed :—

(a) Rs. 10 lakhs were released by DRDA in December 1988 (though received by it in March 1988) directly to Drainage Division, Gurgaon without involving the Superintending Engineer, Public Health i.e., EDTM who was actually authorised to operate funds.

(b) Neither were soil investigations done departmentally through Central Ground Water Board (CGWB), nor was any pre-monsoon/post-monsoon data collected or analysed.

(c) Instead of executing the work departmentally and creating employment for landless workers specially scheduled castes etc., and distributing wages in kind through food grains @ 1.5 Kg. per man-day, the work of one bund (Fazilpur) was got executed through a contractor and expenditure of Rs. 0.86 lakh was incurred during 1988-89 to 1989-90. The construction of a second bund (Wazirabad) had not been started till March 1990.

(d) The scheme was neither got administratively approved from Advisory Board nor were estimates got technically sanctioned from the competent authority.

(e) Progress of work done was also not reported to the Government of India on the formats prescribed for monthly/

quarterly/annual progress reports under RLEGP to the Technology Mission, despite demi-official reminders of the Mission Director, Government of India.

(iv) Fictitious adjustments

In order to show utilisation of funds received under Technology Mission, fictitious adjustments of Rs. 112.07 lakhs in respect of 46 schemes (Ambala : 36 — Rs. 100.68 lakhs; Gurgaon : 10 — Rs. 11.39 lakhs) were carried out by transferring the works executed/being executed under other schemes such as MNP/ARWSP/World Bank/Draught Relief and Mewat Development Board to TMP.

(v) Irregular purchases

(a) Four submersible pumps and four motors valued at Rs. 0.63 lakh were purchased by Executive Engineer, P.H. II Gurgaon on a single day by splitting up the supply order to keep the amount of each supply order below Rs. 10,000, to avoid sanction of higher authority. Instead of making purchases from rate contract firms or sending the demand to Director, Supplies and Disposals Haryana, purchases were effected from the open market. Reasons for resorting to purchases from open market were not on record.

(b) A punching and binding machine valuing Rs. 0.21 lakh was purchased during April 1987, though such a purchase was not covered by TMP.

4.20.9 Evaluation

According to existing guidelines, the Mission Directorate was to identify the agencies for evaluating the progress of the individual projects. These agencies were to conduct annual evaluation to assess the progress/deficiencies, if any, and suggest changes. It was noticed that no agencies were identified/nominated by the Mission Directorate. Thus, no evaluation to assess the progress and deficiencies of the programme was conducted.

4.20.10 Monitoring

There were several instances of wrong reporting of expenditure/physical achievement of targets both at district and state level.

(a) An expenditure of Rs. 16.60 lakhs incurred under other programmes was shown to have been incurred under TMP in the progress report submitted by the Executive Engineer Public Health Division Nuh to Executive Director Gurgaon, who submits consolidated progress report to Mission Director and State Co-ordinator during March 1988.

(b) Similarly, an expenditure of Rs. 10.40 lakhs incurred by the Executive Engineer Technology Mission Ambala during 1988-89 and 1989-90 was not shown in the progress reports.

(c) Expenditure of Rs. 3.26 lakhs incurred by DRDA Gurgaon and Rs. 12.70 lakhs incurred by EDTM (Gurgaon) during 1987-88 to 1989-90 was not shown in the monthly progress reports.

Thus, the work of monitoring remained confined to assessing broader financial and physical progress and no critical analysis of methodology and approach followed in executing technology mission projects was conducted at any stage.

4.20.11 The points mentioned in this Review were referred to Government in July 1990; reply has not been received (April 1991).

GLOSSARY

ARWSP	—	Accelerated Rural Water Supply Programme
DRDA	—	District Rural Development Agency.
EDTM	—	Executive Director Technology Mission.
MNP	—	Minimum Needs Programme.
TAGs	—	Technology Advisory Groups.
TMP	—	Technology Mission Project.

4.21 Unfruitful expenditure on overhead Service Reservoir

In Mandi Public Health Division, Naraingarh, the work of construction of 5 Overhead Service Reservoirs (OHSR) at an estimated cost : Rs. 7.95 lakhs was allotted (March 1982)

to a contractor with a time limit of five months. One of the OHSR with one lakh litres capacity and full supply level (FSL) of 26 metres was to be constructed at Grain Market Shahbad, at a cost of Rs. 1.87 lakhs. The design submitted (April 1982) by the contractor and duly checked by the Department was sent (January 1983) to the Regional Engineering College Kurukshetra, (RECK) for checking calculations.

RECK returned (March 1983) the design of OHSR with FSL of 20 metres instead of 26 metres as envisaged in the Detailed Notice Inviting Tender (DNIT). The original design calculations were also inadvertently approved (September 1983) with FSL of 20 metres by the Superintending Engineer (SE), and the OHSR was constructed upto a height of 15.15 metres for which the contractor was paid (January 1984) an amount of Rs. 1.03 lakhs.

The omission regarding reduction of FSL from 26 metres to 20 metres was detected in November 1984, when the Executive Engineer ordered suspension of the work. The SE reported (January 1985) the matter to the Engineer-in-Chief, stating that the FSL of OHSR could not be increased to 26 metres at this stage as the whole design (including foundations) had to be changed. The matter, however, remained under correspondence until May 1987, when the Engineer-in-Chief approved the revised design with FSL of 20 metres. The contractor did not take up the work even after approval of reduction in FSL. The work as such had been lying abandoned and incomplete since its suspension in November 1984, and no action was taken by the Department either to get it completed or even to get the partly constructed OHSR tested for its stability.

Thus, due to failure of the Department in adopting the correct design at the initial stage, an expenditure of Rs. 1.03 lakhs incurred on the partly executed OHSR was rendered unfruitful. No responsibility has been fixed.

The matter was referred to Government in June 1989; reply has not been received (April 1991).

CHAPTER— V

PUBLIC HEALTH DEPARTMENT

5.1 Stores and stock

5.1.1 Introduction

Stores comprise all articles/material, plant machinery and equipment procured for use on works. On the basis of demand placed by field units, the material is purchased from approved source/market or through Director, Supplies and Disposals. Under the procedure prescribed for maintenance of stock accounts, value of stores received is debited to stock suspense and on issue, it is cleared by charging to works or other units. The valuation accounts of stores are kept in the Priced Store Ledger (PSL) maintained at divisional level.

Out of 36 Divisions, 23 Divisions were test checked in June-July 1990 and the following points were noticed :—

- (i) In none of the Divisions, value accounts were maintained and Priced Store Ledger (PSL) closed annually.
- (ii) In 7 Divisions, the value of items posted in PSL was in excess by Rs. 111.58 lakhs of the stock value depicted in the accounts rendered to the Accountant General.
- (iii) In 9 Divisions, the balances in the ledgers were not reconciled with those shown in the Bin Cards. Non-reconciliation of balances was susceptible of shortages remaining undetected.
- (iv) The profit or loss i.e. the difference between the issue rate and cost price was neither worked out nor adjusted in any of the Divisions.

- (v) In 14 Divisions, the preparation of accounts of Tools and Plant was in arrears and the delay ranged from 2 to 37 years.
- (vi) In 20 Divisions, material valuing Rs. 85.14 lakhs was lying surplus to the requirement of the Divisions and no action to dispose it of or transfer to other divisions was initiated.
- (vii) In 3 Divisions, the value of stock was in minus to the extent of Rs. 14.70 lakhs at the end of March 1990, due mainly to non-accountal of value of stock material received from Director General, Supplies and Disposals (DGS&D) and non-adjustment of profit/loss account of stock. Delay in adjusting of transactions and existence of minus balances was indicative of defective maintenance of store accounts.

5.1.2 Injudicious purchases

Following instances of injudicious purchases/blocking of funds were noticed :—

(a) Municipal Committee (MC), Ambala City asked (September 1985) the Public Health Department that in view of the financial constraints first priority should be given to water supply instead of sewerage schemes in the town and that the funds of Rs. 16.58 lakhs deposited for the purposes be diverted to the Water Supply Schemes. In spite of the specific request of the MC, the Public Health Department purchased RCC pipes worth Rs. 29.44 lakhs of different sizes during July to December 1987 for executing sewerage schemes. Out of these, pipes valued at Rs. 6.71 lakhs only could be utilised and the pipes worth Rs. 22.73 lakhs were still lying unconsumed due to suspension of work on sewerage (July 1990).

(b) In Mandi Public Health Division, Naraingarh Prestressed Concrete Cement (PCC) Poles and Aluminium Cable Steel Reinforcement, (ACSR) conductor valued at Rs. 2.95 lakhs and Rs. 0.46 lakh purchased during November-December 1987 for providing independent electric feeder to rural water supply scheme were lying unutilised. Executive Engineer intimated (July 1990) that no demand from the Haryana State Electricity Board had been received for executing the work of independent electric feeder. Thus, the purchase of material

in advance of the requirement had resulted in unnecessary blocking of Government money.

(c) ACSR squirrel conductor (27.370 km in length) and Aluminium conductor (16.950 Km in length) received (June 1986 and November 1987) in Public Health Division Sonapat (value : Rs. 0.63 lakh) and in World Bank Public Health Division Hisar (value : Rs. 0.37 lakh) respectively were lying unutilised (July 1990).

(d) In World Bank Public Health Division, Hisar, direct purchases valuing Rs. 2.87 lakhs were made during 1983-84 from local market by Sub Divisional Engineers in excess of delegation of powers. Charge sheets were served (November-December 1987) on them and a Superintending Engineer was appointed (April 1988) as Enquiry Officer. Further developments were awaited (July 1990).

(e) In Public Health Division Bahadurgarh, 1805 numbers SW oblique junctions valuing Rs. 0.65 lakh which had been lying unutilised since 1974 and declared surplus in June 1989 were still awaiting disposal (July 1990).

5.1.3 Shortages of material

(i) A Junior Engineer while working in Public Health Division No. 2 Gurgaon handed over short material valuing Rs. 1.54 lakhs on his transfer (March 1988). Charge sheet initiated against him was yet to be served (July 1990).

(ii) A Junior Engineer while working in Public Health Division Kurukshetra did not hand over the charge on his transfer (July 1987). After protracted correspondence, the Junior Engineer handed over (June 1989) short material valuing Rs. 0.24 lakh. A charge sheet prepared in April 1990 had yet to be served (July 1990).

5.1.4 Fictitious adjustments

In Public Health Division Karnal, material valuing Rs. 4.02 lakhs booked to various works in March 1989 was written back in April-May 1989. The adjustment was intended to avoid lapse of funds in contravention of the financial rules. The

matter was referred to the Government in August 1990; reply has not been received (February 1991).

5.2 Excess issue of material

The Financial rule provide that material should not be issued to a contractor in excess of immediate requirements of the work. The work of providing storm water sewerage in Mandi Town, Sirsa (estimated cost : Rs. 2.50 lakhs) was allotted in February 1984 to a contractor 'A' by the Executive Engineer, Public Health Division Sirsa. The time limit of the work which was to be completed by 28th August 1984 had to be extended upto 31st March 1985 as the contractor did not adhere to the time schedule. Despite extension in time limit, the contractor left the work in March 1985 after executing it to the extent of Rs. 2.44 lakhs and the balance work was got completed (June-July 1985) from another contractor without involving any extra expenditure. The final bill of contractor 'A' based on the measurement book (MB) which was not adjusted in accounts, however, disclosed that material worth Rs. 1.14 lakhs (at penal rates) was neither returned by the contractor nor were any efforts made by the Division since March 1985 to recover from the contractor.

Thus, after setting off the value of work done (Rs. 0.07 lakh) and amount of security (Rs. 0.10 lakh) available with the department, the amount recoverable from the contractor 'A' worked out to Rs. 0.97 lakh. No responsibility for excess issue of material had been fixed. The Executive Engineer intimated (May 1990) that a case for effecting recovery due from the contractor 'A' was being referred to the Arbitrator. Further developments were awaited (April 1991).

IRRIGATION DEPARTMENT

5.3 Shortage of material

In Loharu Canal (Mechanical) Division, Charkhi Dadri, a Junior Engineer (JE) in charge of stores since November 1982 did not hand over charge to his successor on his transfer (October 1987) to another Division at Charkhi Dadri. The Executive Engineer appointed (March 1988) a Committee of three Sub-Divisional Officers to conduct physical verification of the stores held by him. While report of the Committee was

still awaited, an interim report submitted (February 1989) by one of the members of the Committee disclosed a shortage of material valued at Rs. 1.29 lakhs. The amount was placed (March 1989) under 'Miscellaneous Public Works Advances' and a charge-sheet framed against the JE in May 1990 which was yet to be served on him (November 1990).

The shortage was facilitated due to failure of the Department in conducting physical verification and reconciling balances of Priced Stores Ledger with the bin cards.

The matter was reported to Government in July 1989; reply has not been received (April 1991).

BUILDINGS AND ROADS DEPARTMENT

5.4. Injudicious purchase of equipment

With a view to adopting pre-stressing system on bridges, buildings and other structures for reducing the cost of such works, Executive Engineer, Provincial Division No. IV, Karnal (formerly Bridge Construction Division Karnal) purchased two complete sets of CCL pre-stressing equipment at a cost of Rs. 3.13 lakhs in August 1988. The Chief Engineer had specifically advised the Superintending Engineer to utilise this equipment on small bridges. However, it was not put to any use because the Department had not evolved structural design of any bridge. The equipment was declared surplus by the Division in July 1989 and was offered for use in other Divisions, but none came up with a demand. Thus procuring it without assessing its actual requirement resulted in blocking of funds to the extent of Rs. 3.13 lakhs.

The matter was referred to Government in July 1990 who intimated (November 1990) that items of equipment which were to be utilised on the bridge over river Yamuna Creek Crossing Nagla to Galli Bhari in Karnal District could not be utilised as the work was not taken up owing to paucity of funds.

AGRICULTURE DEPARTMENT

STORES AND STOCK

5.5. Machinery/Equipment/Material/Pesticide (MEMP) are purchased on rate contract basis through the Director,

Supplies and Disposals, Haryana. The MEMP are kept by Heads of the Offices or other officers entrusted with stores, and the same are issued against proper indent.

The Director of Agriculture is in overall charge of the Department. The State is divided into two zones (Karnal and Hisar). Each zone is headed by a Joint Director of Agriculture (Zonal) who is assisted at district level by Deputy Directors of Agriculture, Sub-Divisional Agricultural Officers.

Results of test check (April-June 1990) of the records for the period from 1987-88 to 1988-89 of the Director of Agriculture and its field offices in the four Districts of Gurgaon, Hisar, Karnal and Ambala reveal the following points :—

(a) Budget provisions and expenditure

Budget provision and expenditure during 1987-88 to 1989-90 were as under :—

Year	Provision		Expenditure	
	Material and Supply	Machinery and Equip-ment	Material and Supply	Machinery and Equip-ment
	(In lakhs of rupees)			
1987-88	104.54	23.38	58.02	4.58
1988-89	145.40	16.09	29.54	6.59
1989-90	92.14	34.46	78.08	20.70
Total	342.08	73.93	165.64	31.87

Reasons for shortfall in expenditure were not intimated (July 1990).

(b) Machinery, equipment and material

The following points were noticed in the maintenance and upkeep of machinery and equipment, and stocking of other store articles :—

- (i) In Gurgaon, one tractor, one trolley and two tankers purchased during February 1982, August

1984 and June 1985 for Rs. 1.62 lakhs (tractor : Rs. 0.89 lakh; trolley : Rs. 0.22 lakh; tanker : Rs. 0.24 lakh and Rs. 0.27 lakh) for the development of Mewat area were used upto October 1986, whereafter these were rendered surplus and the Department stopped using them. The Director of Agriculture, Haryana was approached (November 1987) by the Divisional Soil Conservation Officer (DSCO), Gurgaon, to transfer the tractor to some other office where it could be used. Similar request was made by him (December 1989) for the transfer of trolley and tankers. Only one tanker was transferred to another office in May 1990 and the remaining items were still lying idle in the store Gurgaon (Nuh) (June 1990).

- (ii) Twelve departmental vehicles (jeeps, tractors, vans and trucks) (Gurgaon, Hisar, Karnal and Ambala) condemned between April 1981 to November 1989 had not been disposed of (June 1990).
- (iii) In Hisar, Government sanction for the auction of a tractor condemned in May 1983 was received in September 1985. The reserve price was Rs. 0.19 lakh. When put to auction, the highest bids on these auctions were Rs. 0.10 lakh (October 1985) Rs. 0.11 lakh (November 1985) and Rs. 0.16 lakh (February 1986) but the bids were cancelled on each occasion as the highest bid was below the reserve price. The vehicle was again produced (June 1986) before the condemnation board, which refixed its reserve price at Rs. 0.10 lakh. Government's sanction for further auction was still awaited (April 1990).
- (iv) Unserviceable tractors, directoratory machine (machine deployed for drilling deep tubewells), power tillers etc., worth Rs. 6.56 lakhs (Hisar : Rs. 2.56 lakhs; Gurgaon : Rs. 3.72 lakhs and Ambala : Rs. 0.28 lakh) were awaiting condemnation (June 1990).
- (v) In Ambala, a petrol van allotted in August 1979 was used upto December 1988, whereafter the

same was lying idle. Neither the Directorate office was informed about this, nor was a case for its transfer to some other office initiated (June 1990).

- (vi) In Karnal, unserviceable items of machinery and equipment worth Rs. 1.30 lakhs had not been auctioned (June 1990) despite Government's sanction for their auction being accorded in November 1988 and soil testing instruments valuing Rs. 1.37 lakhs were awaiting condemnation (June 1990).
- (vii) Unused chemicals worth Rs. 0.41 lakh purchased between 1977-78 to 1981-82 lying in two quality control laboratories at Karnal, which were declared surplus by a committee in March 1988 and remained unutilised were awaiting disposal (June 1990).
- (viii) Store articles worth Rs. 4.15 lakhs (Hisar : Rs. 1.02 lakhs; Karnal : Rs. 1.61 lakhs; Gurgaon : Rs. 0.14 lakh and Ambala : Rs. 1.38 lakhs) declared unserviceable/condemned during August 1984 to August 1989 had not been disposed of (June 1990).

(c) Other points of interest

- (i) 5,324 Inlets/Outlet sets worth Rs. 4.02 lakhs purchased in May 1982 for distribution to farmers in the districts of the State for safe storage of their foodgrains, were still lying unutilised (March 1990).
- (ii) 1,423.4 litres of Dimocron/Darcn (Pesticides to control sucking pests on crops) valuing Rs. 1.85 lakhs stocked in Gurgaon was rendered unconsumable due to prolonged storage, and was sent to the firm in February 1988 for reformulation so as to make it fit for re-use but the firm had not returned it so far (June 1990).

CHAPTER VI

FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

6.1 Grants

During 1989-90 Rs. 74.68 crores (about 4.39 per cent of the revenue expenditure) were paid as grants as shown below :—

Department	Amount (In crores of rupees)
1. Educational Institutions (including Universities)	24.85
2. Panchayati Raj Institutions	1.80
3. Municipal Councils and Corporations	5.81
4. Other Institutions (including Statutory bodies)	42.22
	<hr/> 74.68 <hr/>

The broad purposes for which grants were given are as under :—

	Amount (In crores of rupees)
A. General Services	
Other Administrative Services	00.93
B. Social Services	
(a) General Education	23.08

b) Technical Education	01.26
(c) Sports	00.51
(d) Water Supply and Sanitation	31.86
(e) Medical and Public Health	00.23
(f) Family Welfare	00.13
(g) Art and Culture	00.12
(h) Social Security and Welfare	00.57
(i) Urban Development	05.81
C. Economic Services	
(a) Other Scientific Research	00.31
(b) Other Rural Development Programme	00.70
(c) Rural Employment Programme	01.10
(d) Animal Husbandry	00.83
(e) Fisheries	00.16
(f) Secretariat Economic Services	05.04
(g) Industries/Village and Small Industries	01.67
(h) Ecology and Environment	00.07
(i) Non conventional energy	00.08
(j) Civil Aviation	00.22
	<hr/>
	74.68

6.2 Utilisation Certificates

The financial rules of Government require that certificates of proper utilisation of grants should be furnished to Audit by the departmental officers within 18 months from the date of payment of grants. Utilisation certificates had not been received (September 1990) for Rs. 320.41

crores (5705 cases) out of Rs. 355 crores (6098 cases) paid by Government as grants during 1968-69 to 1988-89. Of these, certificates for Rs. 76.00 crores were due for over 3 years. The department-wise breakup of pending utilisation certificates is given in Appendix VI. In the absence of these certificates, it was not possible to verify as to what extent the recipient bodies had spent the grants for the purpose(s) for which these were given.

6.3 Unspent balances of grants paid to Local Bodies

According to the information received from the Examiner, Local Fund Accounts Rs. 2591.12 lakhs remained un-utilised as on 31st March 1989, out of the grants given by Government to Local Bodies upto the end of March 1989. Agewise break-up of unspent balances is given below :—

Department which paid the grant	For more than 10 years	For more than 5 years but less than 10 years	For more than 3 years but less than 5 years	For 3 years or less	Total
(In lakhs of rupees)					
Sanitary Board	235.17	266.41	145.42	354.24	1001.24
Local Government	32.69	230.85	377.02	543.03	1183.59
Development and Panchayats	16.79	1.23	25.28	53.70	97.00
Miscellaneous	10.84	41.90	44.21	212.34	309.29
Total	295.49	540.39	591.93	1163.31	2591.12

The unspent balances include Rs. 1523.10 lakhs deposited by the Local Bodies with Public works Department (PWD) for execution of Water supply/sewerage schemes and other works for which the accounts of expenditure had not been rendered to the Local Bodies (March 1989). These also include Rs. 181.64 lakhs which were utilised on the expiry of the prescribed period without approval of the sanctioning authority, or were reported to have been spent but accounts thereof were not made available to the Examiner, Local Fund Accounts.

The balances of Rs. 886.37 lakhs remained unspent with the Local Bodies on 31st March 1989, mainly because the grants were generally received from Government at the fag end of the year and the local bodies did not get enough time to complete the formalities and utilise the grants before the close of the financial year.

6.4 Bodies and Authorities substantially financed by Government grants and loans

For purpose of audit under Section 14 of the Comptroller and .. Auditor General's (Duties, Powers and Conditions of Service) Act 1971 of bodies and authorities substantially financed from Union or State revenue, a grant or loan is treated as substantial if it is not less than Rs. 5 lakhs (not less than Rs. 25 lakhs from 1983-84) and constitutes not less than 75 per cent of the total expenditure of the body or authority in a financial year. Information about bodies and authorities which received grants and loans of not less than Rs. 5 lakhs upto 1982-83 and not less than Rs. 25 lakhs from 1983-84 in a year, was required to be furnished to Audit by Government. This has not been received (September 1990).

On the basis of information regarding grants and loans available with audit, 74 bodies and authorities during 1980-81, 76 during 1981-82, 77 during 1982-83 received grants and loans of Rs. 5 lakhs or more, six bodies and authorities during 1983-84, 7 during 1984-85, 7 during 1985-86, 6 during 1986-87, 35 during 1987-88, 36 during 1988-89 and 1989-90 received grants and loans for Rs. 25 lakhs or more. These bodies and authorities were asked to submit their accounts to audit. However, accounts have not been received from one body for 1980-81, one for 1981-82, 3 for 1982-83, one for 1984-85, 2 for 1985-86, 2 for 1986-87, 5 for 1987-88, 10 for 1988-89 and 27 for 1989-90, vide details in Appendix VII.

The matter was under correspondence with the State Government (April 1991).

TOWN AND COUNTRY PLANNING

(HARYANA URBAN DEVELOPMENT AUTHORITY)

6.5 Delay in land acquisition cases

Land Acquisition Act, 1894, provides that any person who has not accepted the award within the time limit specified in the Act require the matter to be referred by the Land Acquisition Collector to the Court for determination of the award. The applications for this purpose are referred to the Court by the Collector. No time limit for forwarding these applications to the court stands provided in the Act. However, failure to make references promptly to the concerned courts results in the payment of interest at the rate of 9 percent for the first year from the date of award, and 15 per cent per annum for the period beyond the expiry of one year till realisation of amount.

Test-check (May 1989 to October 1989) of the records of Land Acquisition Collectors, revealed that in 30 cases (Gurgaon: 12; Faridabad: 15; Panchkula: 3) time of 2 to 13 years was taken in forwarding the applications to the courts. This inordinate delay in forwarding applications to the courts resulted in avoidable payment of interest of Rs. 26.22 lakhs by the Haryana Urban Development Authority (HUDA). It was also noticed that HUDA had to bear this additional burden of interest due to non-prescription of any time limit for forwarding such applications to courts.

The matter was reported to Government in June 1989; reply has not been received (April 1991).

6.6 Extra contractual payment

Construction of a high-level bridge (HLB) of six spans over Sanghma Choe in Urban Estate Panchkula (estimated cost of Rs. 9.00 lakhs) was entrusted (December 1982) to contractor 'A' by the Executive Engineer, Haryana Urban Development Authority (HUDA) Division No. 2 Panchkula, with a time limit of six months. Due to certain discrepancies, the Division did not supply approved design/

working drawings to the contractor. The latter requested (June 1983) for extension in time on this ground, which was acceded to by the Department; and the completion schedule initially extended upto 15th January 1984 was further extended upto 30th June 1984.

Subsequently, certain specifications of work from brick masonry to stone masonry were also changed due to non-availability of bricks. The contractor after executing the work to the extent of Rs. 3.37 lakhs left (January 1984) the work incomplete. The Executive Engineer levied (July 1984) compensation of Rs. 0.90 lakh and got the balance work completed from another contractor at an extra cost of Rs. 3.29 lakhs at the risk and cost of the earlier contractor, who put forth a claim of Rs. 7.90 lakhs (work done : Rs. 2.30 lakhs; Losses due to suspension of work : Rs. 1.35 lakhs; due to idle labour : Rs. 4.25 lakhs; and interest @ 24 per cent on the above claim) with HUDA. The latter appointed (March 1987) an SE as the Arbitrator.

HUDA not only denied (June 1987) all the claims of the contractor, but also filed a counter claim at Rs. 4.31 lakhs (compensation : Rs 0.90 lakh; risk and cost : Rs. 3.29 lakhs; miscellaneous recovery : Rs. 0.12 lakh) with the Arbitrator. The latter, however, gave (August 1987) a non-speaking award of Rs. 2.45 lakhs along with 18 per cent interest with effect from 1st July 1984 to the date of payment in favour of the contractor. The award was made (October 1988) rule of the court and HUDA deposited Rs. 2.45 lakhs (February 1989) and Rs. 1.82 lakhs (September 1989) as interest, for the period from 1-7-1984 to 2-9-1989 in the court.

Thus, by allotting the work without finalisation of design/working drawings and changing specifications while it was in progress, HUDA had to bear an extra expenditure of Rs. 7.56 lakhs (Risk and cost amount : Rs. 3.29 lakhs; Award money : Rs. 2.45 lakhs and interest : Rs. 1.82 lakhs).

The matter was reported to Government in January 1989; reply has not been received (April 1991).

6.7 Infructuous expenditure on nursery

In April 1985, the Haryana Urban Development Authority (HUDA) decided to set up a Horticulture nursery in the Urban Estate, Sector 15, Sonapat. An estimate for Rs. 10.23 lakhs was sent (October 1986) by the Executive Engineer (EE), Horticulture Division (HUDA), Karnal to the Chief Administrator for approval. Without awaiting sanction/approval of the Chief Administrator, the EE commenced (February 1987) the work and incurred an expenditure of Rs. 1.97 lakhs during the period from 1986-87 to 1989-90. However, it was decided in July 1987 that nursery should be a small one and only ornamental plants be introduced initially. Finally, the project for setting up nursery was abandoned altogether (August 1988) for reasons not on record and the material valuing Rs. 0.97 lakh was transferred to some other nursery/landscaping work. The balance expenditure of Rs. 1.00 lakh (Fencing : Rs. 0.36 lakh; Store Room : Rs. 0.21 lakh; Plants : Rs. 0.03 lakh; Manure : Rs. 0.06 lakh; Installation of a tubewell : Rs. 0.17 lakh and labour charges : Rs. 0.17 lakh) was thus rendered infructuous.

The Department intimated (April 1990) that the left-over expenditure of Rs. 1.00 lakh would be charged to the sanctioned estimate for the development of landscape work in the same sector. The plea is not tenable, as the scope of the work of the landscaping is to be restricted to road-side plantation only and the left-over expenditure is, therefore, not a legitimate charge on landscaping.

The matter was reported to Government in December 1989; reply has not been received (April 1991).

6.8 Avoidable expenditure

For acquisition of land for public purposes, the State Government is required to issue a preliminary notification under Section 4 of the Land Acquisition Act, 1894, showing its intention to acquire the land. After hearing and settling objections, if any, received from the public or the interested parties, a final gazette notification for acquiring land is published under Section 6

ibid. Preliminary notification for acquisition of 103 acres of land in connection with development of Sector 12 in Urban Estate Gurgaon was issued in December 1977. In December 1980, when a final declaration for the acquisition of land was issued, some of the land owners challenged it in the High Court, which quashed the notification in August 1982 on the ground that mandatory provisions of the Act regarding serving notices on and granting personal hearing to the petitioners were not observed. Fresh preliminary notifications were issued during December 1982 to June 1984 followed by final declarations in January-February 1985 and award in January 1986. This resulted in an avoidable expenditure of Rs. 33.54 lakhs by way of increase in cost of land, rates of compulsory acquisition charges and levy of 12 per cent additional charges under the amended Act.

The matter was reported to Government in June 1989; reply has not been received (April 1991).

6.9 Inadmissible payment of subsidy

Government accorded sanction (November 1988) for granting subsidy to small and marginal farmers for agricultural inputs in the flood affected areas of the State during 1988-89.

A test-check (March 1990) of records of the Deputy Directors of Agriculture (DDA), Gurgaon and Narnaul disclosed that subsidy amounting to Rs. 9.23 lakhs (Gurgaon: Rs. 5.66 lakhs; Narnaul: Rs. 3.57 lakhs) was disbursed during 1988-89 to small and marginal farmers even when areas of these districts were not affected by floods. Both the DDAs Gurgaon and Narnaul confirmed (February 1990/August 1988) that no damage had occurred in these districts due to floods/heavy rains during kharif 1988.

The matter was reported to Government in May 1990; reply has not been received (April 1991).

MEDICAL AND HEALTH DEPARTMENT

6.10 Shortfall in utilisation of grant

A grant-in-aid of Rs. 15 lakhs was sanctioned by

the Medical and Health Department and released during 1986-87 to the Indian Red Cross Society, Haryana State Branch, Chandigarh, for meeting expenditure on maintaining establishments and other programmes of the State and district branches. The grant was subject, to the condition that the entire amount should be utilised within a year from the date of receipt. Any unspent balance was to be refunded to Government, and a utilisation certificate furnished immediately.

During a test-check (October 1989) of the records of the sanctioning authority, the following irregularities were noticed :—

- (i) Although a sum of Rs. 2 lakhs was lying unutilised with the Narnaul branch of the society, a utilisation certificate was furnished for the entire amount.
- (ii) Unspent balance of Rs. 2 lakhs had not been refunded. (The provision was still the same as of June, 1990).
- (iii) The sanctioning authority had not evolved any procedure to satisfy itself as to fulfilment of the conditions attached to the grant.

The matter was reported to Government in November 1989; reply has not been received (April 1991).

CO-OPERATION DEPARTMENT

6.11 Embezzlement

During the course of audit (August 1989) of the office of Assistant Registrar Co-operative Society Kaithal, an embezzlement of Rs. 6.28 lakhs by a bill clerk was noticed in March 1989, a sum of Rs. 0.41 lakh drawn on two bills was not entered in the cash book, nor was the amount shown in the list of payments for the month, as obtained by the Department from the Treasury. The bill clerk admitted the fraudulent drawals and deposited the amount (August 1989) into the Treasury.

Further scrutiny of records of the Kaithal Treasury also disclosed fraudulent drawals of Rs. 5.87 lakhs against 27 bills drawn during July 1983 to July 1989.

The following lapses facilitated the embezzlement and prevented its earlier detection :—

- (i) Arrears bills on account of pay and allowances of some persons who were not existing on the establishment strength of the office were prepared and drawn by the bill clerk, who managed to obtain incomplete list of payments for treasury omitting the fraudulent amounts in connivance with the Treasury staff.
- (ii) The Drawing and Disbursing Officer neither compared the amount passed by the Treasury officer with the bill register, nor compared the entries in the cash book with treasury schedules and also did not properly reconcile the figures of expenditure with those booked by the Accountant General (A & E)'s office.

An F.I.R. was lodged with the police against the bill clerk and he was placed under suspension in August 1989.

The matter was reported to Government in October 1989; reply has not been received (April 1991).

CHAPTER VII

COMMERCIAL ACTIVITIES

7.1 General

This Chapter deals with the audit of the departmentally managed Government commercial and quasi-commercial undertakings.

There were 6 departmentally managed Government commercial and quasi-commercial undertakings in the State as on 31st March 1990. Proforma accounts for 1989-90 in respect of these undertakings had not been received (October 1990). The extent of arrears in the submission of proforma accounts is shown below :—

Serial number	Name of undertaking	Extent of arrears
*1.	Colonisation Department	1969-70 to 1983-84 (upto September 1983)
2.	Agriculture Department (Purchase and Distribution of Pesticides)	1976-77 to 1989-90
3.	Agriculture Department (Seed Depot Scheme)	1980-81 to 1989-90
4.	Haryana Roadways	1983-84 to 1989-90
5.	Food and Supplies Department (Grain Supply Scheme)	1989-90
6.	Printing and Stationery Department (Nationalised Text-Book Scheme)	1986-87 to 1989-90
7.	Haryana Veterinary Vaccine Institute	1989-90

Summarised financial results of 6 undertakings on the basis of latest accounts made available during the year are given in Appendix VIII.

*The Colonisation Department was wound up with effect from 30th September 1983 as per Government of Haryana notification No. 18/43/82-T.C.P. dated 19th September 1983.

PRINTING AND STATIONERY DEPARTMENT

7.2 Loss on purchase of paper

Sealed tenders were invited (October 1987) by the Controller, Printing and Stationery Department Haryana for the supply of 250 tonnes creamwove paper 60 G.S.M. 59.5 CM as per I.S.I. specifications required for printing of nationalised text books in Panchkula press. After negotiations with the firms who had quoted their rates, an order was placed for Rs. 25.28 lakhs (November 1987) on a Meerut based firm 'A' @ Rs. 10350 per tonne. The supply order *inter-alia* provided for deposit of 10 per cent security of the goods within 3 days from the date of acceptance of tender; inspection of paper within 7 days of the receipt of supply order failing which 2 per cent penalty per week for delay was to be charged from the firm; and forfeiture of full security or part thereof in case the supply was not made by 31st March 1988.

The firm accepted the supply order (November 1987), deposited security of Rs. 2.59 lakhs and agreed to deliver supply by 31st March 1988. The firm submitted the sample of paper in December 1987, which was not found conforming to the I.S.I. specifications and was rejected by the Department. Thereafter both the Department and the firm remained silent about the supply of paper. In July/September 1988, the Department purchased 500 tonnes of creamwove paper for Rs. 56.50 lakhs @ Rs. 11,299 per tonne from a firm in Delhi after inviting fresh tenders, and incurred an extra expenditure of Rs. 2.37 lakhs on the purchase of 250 tonnes paper. It also showed an undue favour to the Meerut firm by releasing their security deposit of Rs. 2.59 lakhs in March 1989 contrary to legal opinion for forfeiting the same.

The matter was reported to Government in January 1990; reply has not been received (April 1991).

7.3 Avoidable expenditure

On the basis of indent (February 1987) of the Transport Department, tenders for the supply of 163 tonnes mottled paper required for printing of bus tickets were

invited (September 1987). Of the four offers received (October 1987) the rate of Rs. 12437 per tonne of a Meerut based firm was the lowest. The High Powered Committee, instead of placing the supply order on this firm, decided to re-invite fresh tenders considering the four offers as limited competition, although earlier in August 1986 the Department had purchased the paper at the rate of Rs. 14500 per tonne when only three offers had been received.

Fresh tenders elicited (November 1987) two offers, and the rate of Rs. 13,929 per tonne quoted by the same firm was the lowest. However, the firm agreed (January 1988) to supply the paper at the rate of Rs. 12437 per tonne quoted during October 1987. The firm completed the supply during February to April 1988. Meanwhile, the Transport Department approached the Controller, Printing and Stationery in December 1987 and again in January 1988 for expediting the supply, stating that the stock of tickets had been almost exhausted and that the situation might become alarming by the middle of January 1988. The Controller, instead of getting the supply expedited from the firm, who had offered to supply 50 per cent of the paper during January 1988, procured 30 tonnes of paper from the Printing and Stationery Department of Punjab Government at a higher rate of Rs. 18,590, incurring an avoidable expenditure of Rs. 1.84 lakhs.

The matter was reported to Government in April 1990; reply has not been received (April 1991).

7.4 Unfruitful purchase of Danagraf Camera

To cope with the work load of National Text Books at Panchkula Press, the Department purchased (June 1985) a Danagraf camera at a cost of Rs. 1.39 lakhs with guarantee period of 12 months from the date of installation. The camera was installed (February 1987), but the voltage stabilizer and airconditioner essential for its working were provided only in June 1987 and May 1988 respectively.

The camera was not working properly as its computer and focussing went out of order (April—August 1987) within the guarantee period. The Department approached

(September 1987) the firm to remove the defect. The firm's engineer visited (October 1987) the press, and two electronic cords/discs taken by him for repair were not repaired/returned so far (March 1990). The engineer of the firm visited the press again in December 1988, and advised the Department to import stepper motor from Denmark to put the camera in working condition. The Department deposited in November 1989 the cost of stepper motor (Rs. 0.08 lakh) with the bank and Rs. 0.20 lakh with the clearing agent (Custom duty : Rs. 0.15 lakh; Agent's commission : Rs. 0.05 lakh) for its import from Denmark. The equipment was still awaited (March 1990). Thus, the camera could not be put to use for over 3 years for want of repairs and essential parts.

The matter was reported to Government in June 1989, who stated (November 1989) that 37 jobs were executed on the camera during February to October 1987. The Department had not, however, maintained any separate record on the jobs actually executed which could be susceptible to check in audit; nor had it shown during audit any evidence of the work done with the camera.

TRANSPORT DEPARTMENT

7.5 Avoidable payment of wages

Section 25(F) of the Industrial disputes Act, 1947 lays down that a workman employed in any industry who has been in continuous service for not less than one year under an employer shall not be retrenched until he has been given one month's notice in writing indicating the reasons for retrenchment and the period of notice has expired or the workman has been paid in lieu of such notice, wages for the period of notice.

The services of 7 employees (3 drivers and 4 helpers who were appointed between November 1976 and September 1984 on temporary basis were terminated between August 1983 and July 1986 by the General Manager, Haryana Roadways Kaithal without following the provisions of Section 25(F) of the Industrial disputes Act, 1947. The employees filed an appeal against the termination orders in the Labour Court, who set aside

the termination orders and ordered reinstatement of the workmen allowing continuity of service and full back wages. The General Manager, reinstated (October 1988—February 1989) the workmen and paid Rs. 2.42 lakhs as arrears of back wages.

The matter was reported to Government in October 1989; reply has not been received (April 1991).

7.6 Avoidable payment of token tax

Under the Motor Vehicles Act, the operation of buses after condemnation and surrender of their registration book (R.C. Books) is not permissible. During audit of Karnal Depot (August 1989), it was, however, noticed that 22 condemned buses, R.C. Books in respect of which had been surrendered to the Registering Authority plied for short spells of 1 day or 2 days during 1984-85, 1986-87 and 1987-88. This resulted in avoidable payment of token tax amounting to Rs. 1.39 lakhs in May and December 1988 against meagre receipts of Rs. 0.24 lakh realised through these short trips.

The General Manager stated (March 1990) that buses were operated to clear the rush. The plea of the Department is not tenable, as the buses which were not roadworthy were not only plied at the risk of the lives of the passengers, but the Department had also to suffer a loss by paying token tax for the full quarters even though the buses had plied only for a short spell of 1-2 days.

The matter was reported to Government in April 1990; reply has not been received (April 1991).

7.7 Avoidable penal charges

Under Motor Vehicles Act 1989 and rules framed thereunder, fitness certificate is required to be obtained from the State Transport Authority before a vehicle is put on the road for public service. Failure to comply with the requirement renders the plying off such a vehicle liable to a penalty of Rs. 50 per vehicle per month.

During Audit (August 1989) it was noticed that Karnal depot of Haryana Roadways, however, plied 172

buses during October 1986 to May 1989 without fitness certificates, and had to pay (May—August 1989) a penalty of Rs. 1.25 lakhs. General Manager of the depot stated (March 1990) that enquiry against the defaulting officials was under process.

The matter was reported to Government in February 1990; reply has not been received (April 1991).

FOOD AND SUPPLIES DEPARTMENT

7.8 Avoidable shifting of foodgrains

Wheat procured in Faridabad Circle at Palwal and Katesra mandis was required to be stored at Palwal. Instead of storing wheat at Palwal where the space for the storage of 0.60 lakh bags was available, the circle office transferred 10,124 bags and 3,809 bags of wheat from Palwal and Katesra to godowns at Ballabgarh and Faridabad respectively in June 1987, by incurring an additional avoidable expenditure of Rs. 0.68 lakh on account of transportation and labour charges. The Director, Food and Supplies Department admitted the irregularity and stated (May 1990) that the shifting of this rain affected wheat was not justified, and that the departmental action was being taken against the concerned officials.

The matter was reported to the Government in March 1990; reply has not been received (April 1991).

7.9 Damage caused to wheat in storage

The Director, Food and Supplies, during an inspection of godowns at the Tohana Centre in September 1985 noticed that 17,775 bags of wheat worth Rs. 45.81 lakhs had been damaged due to negligence of the staff. Of these, 1,728 bags became unfit for human consumption, and the remaining 16,047 bags were categorised as damaged wheat of C & D categories. The entire stock, when offered to FCI during February/April 1988, was rejected by it.

The State Government accorded approval (February/August 1988) for the disposal of the damaged wheat through auction, with the stipulation that in case

sale proceeds were less than the fixed purchase price of wheat, the difference would be recovered from the officials at fault. The wheat was auctioned (March-November 1988) for Rs. 21.54 lakhs thereby resulting in a loss of Rs. 24.27 lakhs. The amount of loss had not been recovered from the officials at fault in compliance with Government instructions of February/August 1988 (June 1990).

The matter was reported to Government in May 1990; reply has not been received (April 1991).

SUPPLIES AND DISPOSALS DEPARTMENT

7.10 Extra expenditure

Tenders were invited through advertisement by the Director Supplies and Disposals for the supply of 40 tonnes of Aluminium Phosphide Tablets, ISI mark indented by the Director, Food and Supplies Haryana and opened on 2nd December 1985. In all, of the three offers received the lowest and the 2nd lowest offers were of two Delhi based firms 'A' and 'B' who had quoted rates of Rs. 103.06 and Rs. 107.50 per kg. respectively. The offers received were evaluated (December 1983) by the High Powered Committee of the Department and it was decided to place an order on the lowest tendering firm 'A'.

Instead of placing order on the lowest tenderer, the Department invited both the firms for negotiations. Firm 'B' reduced its offer from Rs. 107.50 to Rs. 100 per kg., and two members of the High Powered Committee suggested placing an order on firm 'A' if it agreed to make supplies at the rate of Rs. 100 per kg., failing which the order was to be placed on firm 'B' who had agreed to make supplies at this rate.

No action was, however, taken by the Department to place the purchase order. Both the firms were again invited (January 1986) for negotiations, but no negotiations were held. The High Powered Committee decided to place purchase order on firm 'A' at their original quoted rate of Rs. 103.06 per kg., on the ground that it was not a healthy practice to entertain revised offers once a decision had been taken by the Committee. Accordingly, purchase order was placed in February 1986 for the supply of 40 tonnes of Aluminium Phosphide tablets at the rate of Rs. 103.06 per kg., against which

39.79 tonnes of supply was received upto September 1986.

Thus, by not availing itself of the negotiated offer of Rs. 100 per kg. of firm 'B' the department incurred an extra expenditure of Rs. 1.22 lakhs. The Director Supplies and disposals stated (September 1988) that the purchase order had been placed on the basis of decision taken by the High Powered Committee. The decision was injudicious and contrary to the financial interest of the Department, as the 2nd tenderer had revised his offer in valid negotiations.

The matter was reported to Government in December 1988; reply has not been received (April 1991).

7.11 Extra expenditure due to retendering

On the basis of an indent placed (June 1988) by the Engineer-in-Chief, PWD Public Health Haryana, tenders for the supply of Asbestos Cement Pressure Pipe of 250mm diameter and 200mm dia meter were invited. (July 1988) by the Director Supplies and disposals, Haryana and opened on 1st August 1988. The seven offers received were evaluated by a Technical Committee/High Powered Purchase Committee (HPPC). The lower rates were those of a Delhi based firm 'A' for 250mm pipes (Rs. 162.66 per metre) and of a Pune based firm 'B' for 200mm pipes (Rs. 111.10 per metre).

The HPPC, however, decided (September 1988) to re-invite tenders, as even the rates tendered by these two firms were on the high side, as compared to the rates (Rs. 136.50 and Rs. 96.50) at which pipes had been procured in the previous year in August and November 1987. Fresh tenders were invited (October 1988) and opened on 2nd November 1988. On this occasion, the rates of Rs. 170.79 per metre quoted by the Delhi based firm 'A' for 250mm and Rs. 112.84 per metre quoted by a Bhubneshwar based firm 'C' for 200mm were the lowest. Purchase orders were accordingly placed (January 1989 and June 1989) on firm 'A' and 'C' for the supply of 10420 metres of 250mm and 29420 metres of 200mm diameter pipes.

While firm 'A' supplied all the 10,420 metres pipes, firm 'C' failed to execute the order within the stipulated period of four months. Tenders were again invited (November 1989) and ultimately 29420 metre pipes of

200mm diameter were purchased from firm 'A' at a rate of Rs. 164.71 per metre. The HPPC had directed the Director Supplies and Disposals in December 1989 to take legal action against firm 'C' for not executing the supplies, but no such action was initiated by the Department.

Due to the injudicious decision to re-invite tenders without taking into consideration the trend of rising prices the Department actually incurred an extra expenditure Rs. 16.62 lakhs.

The matter was reported to Government in July 1990; reply has not been received (April 1991).

CHANDIGARH

The 26th July 1991.



(RAGHUBIR SINGH)

Accountant General (Audit) Haryana

Countersigned



(C. G. SOMIAH)

Comptroller and Auditor General of India

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APPENDIX I

(Reference : Paragraph : 2.4 Page : 14)

Grants/charged Appropriation where excess requires regularisation

Sr No.	Name and number of Grant	Total Grant	Expenditure	Excess
	2	3	4	5
Revenue				
1.	6—Finance	51,51,32,000	71,26,01,624	19,74,69,624
2.	7—Other Administrative Services	1,05,63,08,000	1,06,40,25,820	77,17,820
3.	8—Buildings & Roads	50,04,40,000	57,05,30,342	7,00,90,342
4.	11—Urban Development	8,17,00,000	8,21,20,836	4,20,836
5.	23—Transport	1,42,63,09,500	1,44,01,35,181	1,38,25,681
Capital				
6	15—Irrigation	61,62,71,000	66,30,08,694	4,67,37,694
				<u>33,62,61,997</u>

APPENDIX II

(Reference : Paragraph : 2.8 Page : 16-17)

Drawal of funds in advance of requirement

Department/Office	Month of drawal	Amount (In lakhs of rupees)	Remarks
1	2	3	4
Housing Department			
Deputy Commissioner Kurukshetra (LIGH/ MIGH)	March 1990	26.00	The amount drawn and handed over to Sub Divisional Officers (Civil) Thanesar and Pehowa for disbursement of loans under LIGH/MIGH schemes were still lying undisbursed (August 1990).
Deputy Commissioner, Sirsa (LIGH/MIGH)	March 1990	18.00	The amount drawn for disbursement of loans under LIGH/MIGH schemes was still lying undisbursed (August 1990).
Deputy Commissioner, Narnaul (LIGH/MIGH)	March 1990	23.70	The amount drawn for disbursement of loans to beneficiaries under LIGH/MIGH schemes was retained in a saving bank account (August 1990)
Revenue Department			
Deputy Commissioner, Faridabad (Flood and Famine)	March 1990	0.96	Out of the total amount of Rs. 0.96 lakh drawn for payment of relief to fire sufferers, only Rs 0.06 lakh was disbursed to the beneficiaries during April 1990 and the balance amount of Rs. 0.90 lakh was lying undisbursed (August 1990).
Deputy Commissioner. Gurgaon (Flood and Famine)	January 1990	3.00	Out of the total amount of Rs 3.00 lakhs drawn in January 1990 for repair of ring bund in Gurgaon district only a sum of Rs. 0.08 lakh was spent during April 1990 and the balance amount of Rs. 2.92 lakhs was lying unutilised (August 1990).

1	2	3	4
Medical and Health Department			
Director General, Health Services, Haryana, Chandigarh	March 1990	21.92	Of the total amount of Rs 21.92 lakhs, Rs. 20.81 lakhs were drawn and retained in the shape of RTRs. An amount of Rs 0.30 lakh drawn for the purchase of film slides was lying undischursed as the material had not been supplied by the firm. Out of another amount of Rs. 0.81 lakh drawn for the purchase of tape recorders. Rs 0.75 lakh were paid to the firm and the balance amount of Rs 0.06 lakh was yet to be paid to the firm which were to supply the leather cases for the tape recorders. (August 1990).
Principal, Hospital Engineering Institute, Rohtak	March 1990	0.29	The amount drawn for the purchase of certain material and retained in the shape of bank drafts in the first instance was paid to the firm only in May 1990.
Chief Medical Officer, Sirsa	March 1990	0.26	The amount was drawn and retained in the shape of bank drafts. The purpose of withdrawal, details of material received and particulars of payment made to the firm were not intimated (August 1990).
Industries Department			
General Manager, Distt. Industries Centre, Gurgaon (Contingency)	March 1990	1.34	The amount drawn from treasury for making payment of honorarium to enumerators for conducting census of SIDO units in the State was retained in the shape of bank draft and was still lying undischursed (August 1990).
General Manager, Distt. Industries Centre, Gurgaon (Loan and Subsidy)	March 1990	0.42	The amount drawn for disbursement as shed subsidy to the beneficiaries was lying undischursed in the shape of bank drafts (August 1990).

1	2	3	4
General Manager, Distt. Industries Centre Sonapat (Contingency)	March 1990	0.60	Out of the total amount of Rs. 0.60 lakh drawn, Rs. 0.32 lakh were intended for payment of honorarium to enumerators of census work of SIDO units, Rs. 0.24 lakh for subsidy to small scale units for the purchase of testing equipments and Rs. 0.04 lakh for the purchase of furniture. The entire amount is lying undisbursed (August 1990).
General Manager, Distt. Industries Centre, Jind	March 1990	0.44	The amount drawn for making payment of subsidy to various beneficiaries under Handloom and shoe making schemes was lying undisbursed in the shape of RTRs (August 1990).
General Manager, Distt. Industries Centre Kurukshetra	March 1990	0.42	The amount drawn for releasing subsidy under various schemes like work-shop shed, toolkits and stipend for training was disbursed only in July 1990.
Animal Husbandry Department			
Deputy Director, Intensive Cattle Development Project Ambala	March 1990	5.26	The amount drawn for advance payment to the various firms for the purchase of cryocan and converted into RTRs in April 1990 was still lying un-disbursed (August 1990).
Gosala Development Officer, Haryana, Chandigarh	March 1990	5.54	The amount drawn and converted into RTRs was lying un-utilised. The purpose of withdrawal also not intimated (August 1990).
Distt. Education Officer, Ambala City	March 1990	7.93	Out of Rs. 7.93 lakhs, Rs. 4.57 lakhs were drawn for the purchase of uniform cloth for free supply to students of Scheduled Castes and weaker sections and Rs. 3.36 lakhs on account of pay and allowances for February 1989 to Employees working under Adult Education Programme. The entire grant was lying unutilised (August 1990).

1	2	3	4
Principal, Govt. National College, Sirsa	March 1990	0.57	Out of Rs. 0.57 lakh, Rs. 0.35 lakh were drawn during March 1990 for the purchase of furniture and Rs. 0.22 lakh for the purchase of service stamps. Though the amount of Rs. 0.35 lakh was shown as paid through bank draft in the cash book in March 1990, the bank draft was lying with the department. The service stamps were actually purchased in May 1990 and not in March 1990.
Block Education Officer-II Charkhi Dadri	March 1990	0.21	The amount drawn in March 1990 for the purchase of certain material was utilised in May 1990 but details of the material purchased and its cost had not been intimated (August 1990).
Technical Education Department			
Principal, Govt Poly-Technic, Jhajjar	March 1990	0.19	The amount drawn and converted into RTR was lying undisbursed. The details of the material purchased its cost as also the date of payment to the firm were, however, not intimated (August 1990).
Industrial Training Department			
Principal, Industrial Training Institute, Gohana	March 1990	2.40	The amount drawn for the purchase of surface and tool Grinders and retained in the shape of bank draft was lying undisbursed (August 1990).
Sports Department			
Director, Sports Haryana, Chandigarh	March 1990	6.91	The amount drawn for the purchase of sports material was lying undisbursed in the form of RTR (August 1990).
Principal and Director, Moti Lal Nehru Sports School Rai (Sonapat)	March 1990	10.50	The amount drawn for the purchase of sports material was lying unutilised in the accounts of school fund (August 1990)

1	2	3	4
Home Department			
Director, Forensic Science Laboratory, Madhuban (Karnal)	March 1990	31.08	The amount drawn for the purchase of certain equipments like gaschromatograph, electrophorise inverted microscope etc. was lying unutilised in the form of letters of credits opened with the State bank (August 1990).
Jail Department			
Superintendent, Distt. Jail, Jind	January 1990	0.22	The amount drawn on account of wages of prisoners was lying undisbursed (August 1990).
	March 1990	0.14	
Social Welfare Department			
Distt. Welfare Officer, Karnal	March 1990	1.30	Out of Rs. 1.30 lakhs drawn for paying subsidy/loan to various beneficiaries under well, house and interest free loan schemes, a sum of Rs. 1.19 lakhs was disbursed in August 1990 and the balance amount of Rs. 0.11 lakh was still lying undisbursed (August 1990).
Distt. Welfare Officer, Hisar	March 1990	15.47	The amount drawn for releasing subsidy/loan to various categories of beneficiaries was disbursed only during April to June 1990.
Director, Social Welfare Haryana, Chandigarh	March 1990	15.43	The entire amount of Rs. 15.43 lakhs drawn (Rs. 15.19 lakhs for the purchase of cloth of mosquito nets and Rs. 0.24 lakh for the purchase of furniture) was lying undisbursed (August 1990).
Distt. Welfare Officer, Narnaul	March 1990	8.51	Out of the amount of Rs. 8.51 lakhs drawn for the release of subsidy/loan stipend, Rs. 7.70 lakhs were disbursed only in July 1990 and the balance amount of Rs. 0.81 lakh was lying undisbursed (August 1990).

1	2	3	4	5	6
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Agriculture Department

Asstt Soil Conservation officer, Charkhi Dadri	March 1990	2.94	The amount drawn for making payment to various organisations was disbursed in April 1990 only.
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Co-operation Department

Registrar, Co-operative Societies Haryana Chandigarh	March 1990	8.92	The entire amount drawn for procurement of computer through National Co-operative Development Corporation was placed in suspense account of the Co-operative bank and order for the supply of com- puter had not been placed (August 1990).
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APPENDIX III

(Reference : Paragraph : 2.9 Page : 17)

Significant cases of shortfall/excess in recoveries

Serial Number	Number and name of grant	Estimated recovery	Actual recovery	Amount excess(+) shortfall(—) compared to estimates
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(In crores of rupees)

(Revenue)				
1.	8—Buildings and Roads	Nil	2.23	(+)2.23
2.	10—Medical and Public Health	6.35	11.38	(+)5.03
3.	14—Food and Supplies	2.68	3.11	(+)0.43
4.	17—Agriculture (Capital)	2.87	1.61	(—)1.26
5.	14—Food and Supplies	180.23	108.19	(—)72.04
6.	13—Social Welfare & Rehabilitation	0.48	Nil	(—)0.48
7.	15—Irrigation	0.24	5.40	(+)5.16
8	22—Co-operation	0.81	1.15	(+)0.34

APPENDIX—

(Reference : Paragraph :

Cases of misappropriation defalcations etc under

(Position at the end

Serial number	Department	Departmental investigation cases pertaining to			
		1984-85 and earlier years		1985-86 to 1989-90	
		Number	Amount (In lakhs of rupees)	Number	Amount (In lakhs of rupees)
1	2	3	4	5	6
1.	Irrigation	21	3.85	33	3.67
2.	Buildings and Roads	16	2.61	10	3.74
3.	Public Health	9	2.25	14	1.61
4.	Education	11	1.68	7	1.97
5.	Transport	6	0.48	9	3.14
6.	Forest	5	2.54	10	2.76
7.	Medical	2	0.32	6	0.54
8.	Industries	1	0.12	—	—
9.	Labour and Employment	2	0.11	2	0.48
10.	Treasury and Accounts	—	—	1	0.01
11.	Social Welfare	—	—	1	0.26
12.	Printing and Stationery	1	0.36	—	—
13.	Agriculture	—	—	2	0.02
14.	Animal Husbandry	2	0.25	2	0.12
15.	Food and Supplies	2	0.23	5	4.87
16.	Police	—	—	1	0.09
17.	Town and Country Planning	—	—	1	0.01
18.	Election	1	0.05	—	—
19.	Fisheries	1	0.23	1	0.15
20.	Tourism	1	0.04	—	—
		81	15.12	105	23.44

IV

3.16 Page : 102-103)

departmental investigation or criminal prosecution
of August 1990)

Criminal prosecution cases pertaining to				Grand Total	
1984-85 and earlier years		1985-86 to 1989-90			
Number	Amount (In lakhs of rupees)	Number	Amount (In lakhs of rupees)	Number	Amount ('In lakhs of rupees)
7	8	9	10	11	12
10	1.05	21	3.24	85	11.81
2	0.41	—	—	28	6.76
4	1.15	—	—	27	5.01
3	2.53	3	1.33	24	7.51
2	1.48	1	0.03	18	5.13
—	—	1	0.07	16	5.37
—	—	2	4.54	10	5.40
—	—	—	—	1	0.12
—	—	—	—	4	0.59
—	—	—	—	1	0.01
—	—	—	—	1	0.26
—	—	—	—	1	0.36
—	—	2	0.06	4	0.08
—	—	1	0.01	5	0.38
—	—	1	0.26	8	5.36
—	—	—	—	1	0.09
—	—	—	—	1	0.01
—	—	—	—	1	0.05
—	—	—	—	2	0.38
—	—	—	—	1	0.04
21	6.62	32	9.54	239	54.72

APPENDIX—V

(Reference : Paragraph : 3.17 Page : 103)

Losses due to theft, fire, irrecoverable revenue, duties, etc., written off/
recoveries waived during 1989-90.

Serial number	Department	Write off of losses, ir- recoverable revenue, duties, etc.	
		Number of cases	Amount (Rupees)
1.	Police	2	7970.00
2.	Education	4	29602.65
3.	Medical	2	12546.43
4.	Town and country Planning	1	11.00
5.	Forest	1	106553.00
6.	Agriculture	6	64395.80
7.	Village and Small Industries	3	1366.00
		19	222444.88

APPENDIX—VI

(Reference : Paragraph: 6.2 Page: 160-161)

Utilisation certificates for grants paid upto 31st March 1989 outstanding as on 30th September 1990.

Serial number	Department	Utilisation certificates awaited	
		Number	Amount
		(In lakhs of rupees)	
1.	Education	384	6010.54
2.	Medical and Family Welfare	173	279.97
3.	Public Health Sanitation and Water Supply	481	12503.98
4.	Housing	1	30.00
5.	Urban Development	42	1198.86
6.	Animal Husbandry	33	6.98
7.	Art and Culture	8	14.35
8.	Fisheries	29	73.40
9.	Industries	92	345.47
10.	Social Security and Welfare	272	351.87
11.	Other Rural Development Programme	2896	5058.85
12.	Secretariat Economic Services	49	562.99
13.	Others	1245	5603.71
		5705	32040.97

APPENDIX—VII

(Reference : Paragraph : 6.4 Page : 162)

Name of bodies and authorities the accounts of which have not been received.

Serial number	Name	Year(s) for which accounts have not been received
1	2	3
1.	Haryana State Agriculture Marketing Board, Chandigarh	1989-90
2.	Municipal Committee, Narnaul	1980-81, 1988-89, 1989-90
3.	Municipal Committee, Bahadurgarh	1986-87, 1988-89, 1989-90
4.	Municipal Committee, Rohtak	1987-88 to 1989-90
5.	Municipal Committee, Karnal	1982-83, 1988-89, 1989-90
6.	Municipal Committee, Bhiwani	1987-88 to 1989-90
7.	Municipal Committee, Sirsa	1987-88 to 1989-90
8.	Haryana State Co-operative Supply and Marketing Federation, Ltd., Chandigarh	1981-82, 1982-83, 1989-90
9.	Director Philadelphia Hospital Ambala City	1982-83
10.	Haryana Housing Board, Chandigarh	1984-85 to 1989-90
11.	Maharishi Dayanand University, Rohtak	1989-90
12.	Haryana Agriculture University, Hisar	1988-89 to 1989-90
13.	Vaish Technical Institute, Rohtak	1985-86, 1988-89, 1989-90
14.	Kurukshetra University, Kurukshetra	1989-90
15.	Y.M.C.A. Institute of Engineering, Faridabad	1989-90
16.	National Horticulture Board, Gurgaon	1987-88 to 1989-90
17.	Addl. D.C. DRDA Ambala	1989-90
18.	Addl. D.C. DRDA Karnal	1989-90
19.	Addl. D.C. DRDA Faridabad	1989-90
20.	Addl. D.C. DRDA Mohinderagarh	1989-90

1	2	3
21.	Addl. D.C. DRDA Sirsa	1989-90
22.	Addl. D.C. DRDA Rohtak	1989-90
23.	Addl. D.C. DRDA Jind	1989-90
24.	Addl. D.C. DRDA Sonapat	1989-90
25.	Administrator CADA Hisar	1989-90
26.	CADA Narnaul	1989-90
27.	CADA Rohtak	1989-90
28.	Kurukshetra Development Board	1989-90

APPENDIX—VIII

(Reference : Paragraph : 7.1. Page : 169)

Summarised Financial Results of Government Commercial/Quasi Commercial Departmental Undertakings.

Serial number	Name	Period of accounts	Turnover	Profit/Loss(+)/ (—)
(In lakhs of rupees)				
1.	Agriculture Department (Purchase and Distribution of Pesticides)	1975-76	54.88	(+) 7.35
2.	Agriculture Department (Seed Depot Scheme)	1979-80	121.02	(—) 1.68
3.	Haryana Roadways	1982-83	66.17	(—) 262.57
4.	Printing and Stationery Department (Nationalised Text Book Scheme)	1984-85 1985-86	168.65 325.80	(—) 4.64 (+) 24.09
5.	Food and Supplies Department (Grain Supply Scheme)	1988-89	8430.46	(+) 126.32
6.	Haryana Veterinary Vaccine Institute	1988-89 1989-90	6.53 6.79	(—) 0.16 (+) 1.17