



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

**FOR
THE YEAR 1985-86**

UNION GOVERNMENT (CIVIL)

VOLUME III

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VOLUME III

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PREFATORY REMARKS

As mentioned in the Prefatory Remarks of Volume I of the Report of the Comptroller and Auditor General of India – Union Government (Civil), the results of test audit of the Central Autonomous Bodies audited by the Comptroller and Auditor General of India under the various provisions of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 are set out in this Volume.

2. The report includes among others reviews on Cardamom Board, All India Institute of Medical Sciences, Rashtriya Sanskrit Sansthan, Indian Institute of Mass Communication, etc.



CHAPTER I

1. General

The accounts of autonomous bodies which are receiving financial assistance from Government are being audited by the Comptroller and Auditor General of India under various provisions of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

As on 31st March, 1986, there were 73 Central autonomous bodies whose annual accounts were to be audited by the Comptroller and Auditor General of India under Section 14(1) and (2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. During 1985-86, grants and loans amounting to Rs. 6906.15 lakhs and Rs. 55.00 lakhs respectively were paid by the Union Government to 38 bodies. The annual accounts for 1985-86 in respect of 35 bodies were awaited.

As on 31st March 1986, there were 166 Central autonomous bodies including 9 Universities whose annual accounts were to be audited by the Comptroller and Auditor General of India as sole auditor of these bodies under Section 19(2) and 20(1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. During 1985-86 grants and loans amounting to Rs. 90487.54 lakhs and Rs. 9437.13 lakhs respectively were paid by the Union Government to 157 autonomous bodies and grants to the extent of Rs. 10083.23 lakhs were received by 9 Universities from University Grants Commission. The audited accounts of these autonomous bodies along with the Separate Audit Reports on each individual body/organisation are issued to the Government of India every year for being placed before Parliament.

1.2.1 *Delay in submission of accounts by autonomous bodies*— "The Committee on Papers laid on the Table of the House" recommended in its First Report (5th Lok Sabha) 1975-76 that after the close of the accounting year every autonomous body should complete its accounts within a period of 3 months and make them available for audit and that the reports and

the audited accounts should be laid before Parliament within 9 months of the close of the accounting year. For the year 1984-85 audited accounts together with Separate Audit Reports thereon of 166 autonomous bodies (non-commercial) which were under audit by the Comptroller and Auditor General of India, were to be placed before Parliament. Out of these, the accounts of 57 autonomous bodies only were made available for audit within the prescribed time limit of 3 months of the close of the accounting year. Submission of accounts of 108 autonomous bodies was delayed as indicated below :-

Delay upto one month	57
Delay of over one month upto 3 months	34
Delay of over 3 months upto 6 months	12
Delay of over 6 months upto 12 months	5
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Accounts of 1 autonomous body were still awaited (January 1987).

1.2.2 *Outstanding utilisation certificates of grants*—

Consequent to the departmentalisation of accounts in the year 1976, certificates of utilisation of grants were required to be furnished by the Ministries/Departments concerned to the Controllers of Accounts in respect of grants released to statutory bodies, non-Government institutions, etc. for specific purposes specifying that the grants had been properly utilised on the objects for which they were sanctioned, and that, where the grants were conditional, the prescribed conditions had been fulfilled. The Ministry/Department-wise details indicating the position of outstanding utilisation certificates are given in Appendix-I.

CHAPTER II

MINISTRY OF AGRICULTURE

2. Inadequate advance planning in importing and installing a costly equipment by the National Dairy Research Institute, Karnal

The National Dairy Research Institute (Institute), Karnal, a constituent unit of the Indian Council of Agricultural Research (ICAR) imported a freeze drier under International Atomic Energy Agency / Swedish International Development Agency aid for the purposes of teaching and research work at the Institute. The equipment with accessories was imported from a firm in Italy for Liras 5,62,47,000. The order was placed in November 1982 and the equipment was received by the Institute on 12th January 1984.

The equipment needed air-conditioning facility, compressed air and stipulated water supply. The Indian Agent of the foreign firm enquired from the Institute as to whether the room where the equipment was to be installed was ready in March 1984 and reminded the Institute in April 1984. In May 1984, it was decided by the Institute to install this equipment in Dairy Bacteriology Division of the Institute (Division). Accordingly, the Division initiated (July 1984) a proposal to buy 4 air-conditioners through the Director General of Supplies and Disposals. However, the purchase division of the Institute did not take any action till December 1984.

The ICAR was addressed by the Institute in February 1985 for according relaxation for the purchase of the air-conditioners directly at the DGSD rate contract rates, as supplies through the DGSD took considerable length of time. The relaxation was given in December 1985. To avail of the concessional rate of excise duty on the air-conditioners, the Institute addressed the Central Excise Department (October 1985) and reminded the department periodically. The Central Excise Department asked for some clarifications in February 1986 and finally informed (March 1986) the Institute that Government of India had withdrawn the concessional rate in March 1986.

Four air-conditioners without any concessional rate of excise duty were received at the Institute in July 1986 and were yet to be installed (December 1986). The ICAR stated (December 1986) that the Indian Agent who took up the installation (September 1986) of the equipment had sought certain technical clarifications from their principals in Italy and these were awaited and that as the Institute was already short of air-conditioners, it was not possible to divert the air-conditioners from the available units without seriously

affecting the research programmes in progress.

However, earlier in response to an audit query, the Institute had put through an enquiry into the case and the conclusion was as under :

“There is no justification in having waited for nearly 2½ years just for 4 air-conditioners when nearly 60 such units are available in the Institute. At least the freeze drier should have been got commissioned and used before waiting for (particular) air-conditioners.”

In short, there was lack of planning and incomplete formulation of project details while deciding to procure the costly imported research equipment. The ICAR also took time to accord the necessary permission for the purchase of air-conditioners. Due to lack of co-ordinated action at various levels an equipment costing Rs. 7.32 lakhs procured under foreign aided programme in January 1984 has not yet been commissioned.

3. Blocking up of capital due to non-installation of generator sets caused by inadequate planning

The Central Arid Zone Research Institute (CAZRI), Jodhpur and the Central Institute of Cotton Research (CICR), Regional Station, Coimbatore, two constituent units of the Indian Council of Agricultural Research (ICAR) purchased generator sets to overcome disruptions in power supply. However, due to inadequate planning, these institutes could not install the generator sets in time leading to blocking of capital of Rs. 12.09 lakhs for varying periods, expiry of warranty period, etc. The facts are as under :-

(a) The CAZRI placed an indent on the Director General, Supplies and Disposals (DGSD) for purchase and installation of 2 Nos. of 62.5 KVA and one 110 KVA generator sets. The Director, CAZRI sanctioned Rs. 6.50 lakhs by May 1981 and orders were placed by the DGSD in June 1981. Firm 'A' was to supply one 110 KVA generator set and firm 'B' 2 Nos. of 62.5 KVA generator sets. The total cost was Rs. 5.84 lakhs. The sets were received in September 1981 and February 1982 respectively.

The CAZRI was to be supplied with necessary drawings before the despatch of the generator sets so that related civil foundation and engineering works could be completed. The drawings were received in September 1981 and December 1981 respectively. The civil

work was delayed and was completed only in June 1983 and the electrical works only after September 1984. Necessary permission from the Rajasthan State Electricity Board (RSEB) was sought (June 1980) and obtained in August 1985. Thus, due to delay in completion of civil work, lack of advance planning and delay in obtaining permission from the RSEB, the generator sets could be installed only in June 1985.

The warranty period for the generator sets was 15 months from the date of despatch or 12 months from the date of commissioning whichever was earlier. The sets were installed much after the expiry of the warranty period. Consequently, the 110 KVA generator set which was found faulty in July 1985 had to be repaired by CAZRI at its own cost of Rs. 0.03 lakh.

Further, firm 'A', which had included Rs. 0.30 lakh as installation charges in its quotation for 110 KVA set was relieved of the responsibility of installation due to delay in constructing the generator room and the installation was got done departmentally. The installation charges of Rs. 0.30 lakh already paid in advance and remaining with the DGSD were yet to be refunded.

(b) The CICR approved the estimate prepared by the Central Public Works Department (CPWD) for providing two generators (70 KVA and 31.25 KVA) and paid Rs. 6.22 lakhs to the CPWD in March 1983. The CPWD in turn placed an indent on the DGSD for the generator sets and obtained them in March 1984. Since the generator sets could not be installed in the available space, the CICR sent preliminary estimates for construction of two generator houses to the ICAR in March 1984 and February 1985 respectively for approval. The ICAR was also addressed in April 1985 to give *ex-post-facto* approval for the purchase of these two generator sets which was still awaited (September 1986).

The CICR accorded administrative approval and expenditure sanction for constructing the generator houses and issued the same to the CPWD only in August 1986 and September 1986 respectively. Thus, the two generators received in March 1984 were lying unused till date.

The ICAR accepted the facts (October/November 1986) and stated that instructions were issued to avoid recurrence of such lapses.

MINISTRY OF COMMERCE

4. Cardamom Board

4.1 *Introductory*

4.1.1 The Cardamom Board (hereinafter referred to as the Board) is a corporate body established under the Cardamom Act, 1965 (hereinafter referred to as the Act) to provide for the development of cardamom industry in India. The total area under "small cardamom" (grown in the Western Ghats) is estimated at 1,00,000 hectares, and large cardamom at 25,685 hectares (grown in Sikkim and Darjeeling).

4.1.2 With a view to increasing the production and productivity of cardamom, the Board is implementing, mainly for the benefit of small growers (owning upto 8 hectares), various schemes and programmes such as Extension Advisory Scheme, Departmental Nursery Scheme, Replanting Subsidy Scheme, subsidised supply of seedlings, pesticides, irrigation and plant protection equipments etc. Besides, research, labour welfare and market development are also undertaken by the Board.

4.1.3 The Board consists of a Chairman and a Director appointed by the Government and 21 nominated members (15 nominated by Government, 2 by Lok Sabha, 1 by Rajya Sabha, and 3 from the Ministries of Central Government dealing with Commerce, Agriculture and Finance). The Board with its head office at Ernakulam (Kerala) has regional offices at Saklespur (Karnataka) and Gangtok (Sikkim) and Zonal offices in Kerala, Tamil Nadu, Karnataka, Sikkim and West Bengal. Its main research station (Indian Cardamom Research Institute) is situated at Myladumpara in Idukki District of Kerala with regional research stations at Saklespur (Karnataka) and Thadankudissi (Tamil Nadu). The Board has also established a foreign office in Bahrain in February 1981 for collecting market intelligence and attending to market promotion activities in the Middle East countries.

4.2 *Finance, accounts and audit*

4.2.1 The Board maintains a Cardamom Fund under Section 17 of the Act. The fund is fed mainly by cess payments made by Government of India under Section 15 of the Act, grants and loans from Government of India, revenue from sale of seedlings, licence fees and miscellaneous receipts. The receipts of the Fund for the years 1980-81 to 1985-86 were as follows:-

Head of Income	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
	(Rupees in lakhs)					
Receipts from cess	83.70	112.00	172.20	196.10	186.43	121.65
Less amount utilised for capital expenditure	7.66	17.27	34.22	43.56	43.71	40.62
Balance	76.04	94.73	137.98	152.54	142.72	81.03

4.2.2 During the period 1980-81 to 1985-86 the Board received loans amounting to Rs. 30.50 lakhs from the Government of India and repaid loans amounting to Rs. 38.73 lakhs leaving an outstanding balance of Rs. 36.08 lakhs as on 31st March 1986. Besides, the Board also received grants-in-aid amounting to Rs. 280.77 lakhs from the Central/State Governments.

4.2.3 The annual accounts of the Board consist of Income and Expenditure account and Balance Sheet prepared under Section 19 of the Act. The Act also provides for the audit and certification of the accounts

by the Comptroller and Auditor General of India.

4.3 A review of the working of the Board was conducted by Audit during February – April 1985. The findings are given in the succeeding paragraphs.

4.3.1 Production and export of Cardamom

The Sixth Plan envisaged production of 4500 tonnes and export of 3000 tonnes in 1980-81, with a step up of 250 tonnes in production as well as export annually thereafter. The targets and achievements during the period 1980-81 to 1984-85 were as follows :-

Year	Target	Production			Target	Export		
		Achievement	Shortfall (Tonnes)	Percentage of shortfall		Achievement	Shortfall (Tonnes)	Percentage of shortfall
1980-81	4500	4400	100	2	3000	2345	655	22
1981-82	4750	4100	650	14	3250	2325	925	28
1982-83	5000	2900	2100	42	3500	1032	2468	70
1983-84	5250	1600	3650	69	3750	258	3492	93
1984-85	5500	3900	1600	29	4000	2383	1617	40

The fall in production in 1982-83 and 1983-84 was attributed by the Board to unprecedented droughts during these years.

4.3.2 Development Schemes

(a) Production of seedlings

(i) According to the Board, the productive economic life span of a cardamom plant is about 12 to 15 years on an average, 6500 to 7500 hectares annually would require replantation for achieving optimum levels of production. The Board had estimated that 100 lakh seedlings would be required every year to complete replantation in a cycle of 12 years. It was stated (October 1985) by the Board that the seedlings produced in

Board's nurseries were intended to cater mainly to the requirements of small growers and the requirements of big plantation owners were met from their own nurseries, to whom technical advice was rendered by the Board free of cost. The Board had not, however, assessed separately, the requirement of seedlings for replantation by small growers nor did it prepare annual programmes for production of seedlings to meet their requirement. On the basis of the registered area of 98,635 hectares and the Board's assessment that 54 per cent cardamom area is owned by small and marginal growers, the requirement for replantation was estimated at about 50 lakhs seedlings every year. The actual year-wise production of seedlings by the Board's nurseries during the period 1980-81 to 1985-86 was, however, as follows :-

Number of seedlings produced (in lakhs)

Year	Departmental nurseries	Certified nurseries	Polybag nurseries	Total
1980-81	17.60	3.34	--	20.94
1981-82	15.00	6.00	--	21.00
1982-83	12.36	2.85	--	15.21
1983-84	13.75	3.21	--	16.96
1984-85	27.19	15.58	15.44	58.21
1985-86	23.72	25.59	17.58	66.89

It will thus be seen that the production fell far short of the requirements during the years 1980-81 to 1983-84.

(ii) The Board decided in September 1975 to sell seedlings from its departmental nurseries at cost price/subsidised rate. The cost price under each zone/region was to be determined on the basis of estimated quantity available for distribution each season. No *pro-forma* accounts were maintained on this account and the Board's accounts did not exhibit the quantum of subsidy allowed each year.

Upto 1980-81, seedlings produced in departmental nurseries were sold to registered growers on 'no-profit-no-loss' basis. However, during 1981-82 to 1984-85 selling prices were fixed at varying rates on ad hoc basis and the subsidy worked out to 8 per cent to 73 per cent of cost price. The total value of subsidy, according to the Board's assessment, amounted to Rs. 20.85 lakhs. It was, however, seen in audit that the Board had underestimated the cost of seedlings for the years 1981-82 and 1983-84 resulting in more payment of subsidy amounting to Rs. 1.13 lakhs and Rs. 3.08 lakhs respectively during the two years.

(b) Subsidised supply of Copper Sulphate to control Azhukal disease

In order to encourage and assist small growers to take up prophylactic measures against 'azhukal' (capsule rot) disease, a scheme was drawn up by the Board in February 1981 to supply copper sulphate at 50 per cent of the cost. The physical and financial targets and achievements during the period 1981-82 to 1985-86 were as follows :-

Year	Physical		Financial	
	Target	Achievement	Target	Achievement
		(in hectares)		(in lakhs of rupees)
1981-82	2000	1761	1.50	0.50
1982-83	5000	5281	3.75	3.67
1983-84	6000	6458	4.50	4.30
1984-85	8000	9322	6.00	6.51
1985-86	9000	8655 I round	7.50	7.63
		6588 II "	7.50	4.48*

* Expenditure met from Flood Relief Assistance received from the Government of Kerala.

The quantity of copper sulphate required for one round of spraying was 10 kg. per hectare. The subsidy from 1982-83 was allowed at the rate of 50 per cent of the actual cost or Rs. 8.30 per kg. whichever was less. During 1981-82, subsidy was allowed at the rate of 4 kg. per hectare on account of a mistake in computation in the Board's office. The Board had not investigated how far the short supply of subsidised copper sulphate during 1981-82 had affected the efficiency of spraying. According to 'Cardamom-package of Practices' published by the Board, a minimum of 2 rounds of spraying in a year are required for effective control of 'azhukal' disease. However, subsidy had been allowed only for one round of spraying during the period from 1981-82 to 1984-85. Further, there were complaints of failure to supply copper sulphate before the onset of the monsoon. Although the scheme was in operation from 1981-82 and was expected to save crop loss of 125 tonnes of cardamom during four years, no post-spray survey was undertaken by the Board to evaluate its effectiveness (November 1986). The Board stated (October 1986) that the result of spraying was good in all the years and hence a post spray survey was not found necessary.

(c) Pilot scheme for production of 10 month old seedlings

With the object of producing a large number of healthy seedlings in the shortest possible time to complete replanting and gap filling works caused by drought, a scheme was approved by Government in September 1983 for setting up 2000 polybag nurseries annually through growers to make 20 to 25 lakh seedlings available for plantation each year from 1984 planting season. The scheme envisaged an annual outlay of Rs. 1.80 lakhs by way of 50 per cent subsidy on the cost of 100 gms. of good quality cardamom seeds and 3 kg. of polythene bags per unit to be made available to the growers by the Board.

The targets and achievements for the years 1983-84 and 1984-85 were as follows :-

Region	Target	Achievement	
	(annual)	1983-84	1984-85
	(number of nurseries)		
<u>Kerala-Tamil Nadu region</u>			
East Zone	700	700	841
Central Zone	500	549	293
<u>Karnataka</u>			
North Zone	800	438	695
	2000	1687	1829

The expenditure on subsidy during the two years was Rs. 1.25 lakhs and Rs. 1.54 lakhs respectively. The number of polybag seedlings supplied for planting seasons of 1984 and 1985 were 15.45 lakhs and 17.58 lakhs respectively against a target of 20 to 25 lakhs. The Board attributed the large shortfall in North Zone (Karnataka) during 1983-84 to reluctance on the part of the growers to a sudden switch over the polybag seedlings. Reasons for the shortfall during 1984-85 in the Central Zone and North Zone were awaited (November 1986).

Out of 1687 and 1829 polybag nurseries opened during 1983-84 and 1984-85, 846 nurseries and 218 nurseries respectively failed to achieve the targeted production of 1000 to 1250 seedlings each. The recovery of subsidy amounting to Rs. 0.64 lakh from 846 growers who failed to achieve the targeted production during 1983-84 had not been effected (October 1985) reportedly due to adverse climatic conditions and reluctance on the part of the growers to switch over to a new nursery technique from the traditional way. Information regarding the amount due for recovery from 218 growers who failed to achieve the targeted production during 1984-85 were awaited (November 1986).

(d) Replantation scheme

(i) A scheme for giving replanting subsidy to small growers whose holding did not exceed 8 hectares was approved by Government of India in July 1983. Subsidy was payable for replantation in contiguous area of not less than 0.20 hectare during the year after removing all existing old/damaged/uneconomic cardamom plants. Subsidy was not payable for gap filling.

Subsidy of Rs. 1.16 lakh was paid by the Board in March 1984 to a Co-operative Society for replanting 116 hectares though it was not admissible. It was also noticed in audit that the Society had applied for subsidy in November 1983 in respect of drought affected areas where replanting had reportedly been done in June-July 1983 and September 1983. The field verifi-

cation report, however, showed that the area eligible for subsidy was computed with reference to the number of plants used for gap filling which was irregular.

(ii) Under the procedure for replantation as prescribed by Government of India in July 1983/May 1984 for increasing productivity, planting was to be done only with seedlings approved by the Board. Notwithstanding this, the Board, decided (October 1983) to permit use of rhizomes meant mainly for gap filling, for replantation purposes also during 1983-84 season on the ground that the heavy demand could not be met from available seedlings. The Board stated (October 1986) that cases of replanting with rhizomes and with seedlings were not separately accounted for and, therefore, the extent of subsidy granted for replanting rhizomes during 1983-84 and 1984-85 was not available.

(e) Cardamom replantation scheme for drought affected areas

A loan-cum-subsidy scheme for replantation of drought affected areas was sanctioned by Government of India in May 1984 for implementation in an area of 15,000 hectares over a period of 3 years from 1984-85. The scheme envisaged payment of subsidy for replantation at the rate of Rs. 2,500 and Rs. 1,500 per hectare to small growers and large growers respectively.

During 1984-85, subsidy of Rs. 15.72 lakhs was paid in 862 cases (736 small growers: Rs. 8.86 lakhs; 126 large growers: Rs. 8.86 lakhs). During 1985-86, subsidy of Rs. 15.35 lakhs was paid in 1506 cases (1319 small growers: Rs. 9.93 lakhs; 187 large growers: Rs. 5.42 lakhs). A test check of subsidy payments to large growers revealed that subsidy aggregating Rs. 2.96 lakhs was paid during 1984-85 in 31 cases and Rs. 0.50 lakh during 1985-86 in 25 cases for replanting already done during 1983 season i.e., even before the scheme was sanctioned and put into operation. The Board stated (October 1986) that as the objective of the scheme was to rehabilitate the plants destroyed by drought during 1982 and early 1983, the Research and Development Committee of the Board resolved to extend the benefit to all plantations affected by drought.

(f) Scheme for subsidised supply of irrigation pump sets

In May 1983, the Board approved a scheme for providing incentive subsidy to registered small growers owning upto 5 acres of cardamom plantations for the purchase of pump sets and other accessories. The subsidy was limited to 25 per cent of actual cost subject to an overall ceiling of Rs. 3,000 per unit. The targets and achievements for the period 1983-84 to 1985-86 were as follows :-

Year	Target		Achievement	
	No. of units	Amount (in lakhs of rupees)	No. of units	Amount (in lakhs of rupees)
1983-84	65	2.00	11	0.18
1984-85	133	4.00	73	1.92
1985-86	100	3.00	128	2.73

The shortfall during 1983-84 was attributed to belated implementation of the scheme due to administrative reasons, shortage of field staff, etc. The shortfall during 1984-85, was attributed to marginal need for artificial irrigation in certain areas and so only those who feared damage to their plantation for want of irrigation availed of the subsidy. The Board stated (December 1986) that shortfall in financial achievement during 1985-86 was due to planters not utilising the maximum unit price.

(g) Soil Conservations Scheme

A Pilot scheme for payment of subsidy (Rs.1250 per hectare in one year or 25 per cent of the cost whichever is less) for soil conservation works in cardamom areas was approved by the Board in January 1980. The budget provision and the expenditure on the scheme during 1981-82 to 1985-86 were as follows:-

Year	Budget Estimates	Revised Estimates	Actual Expenditure
	(In lakhs of rupees)		
1981-82	5.00	1.25	-
1982-83	3.75	1.00	-
1983-84	8.00	2.00	0.72
1984-85	5.00	2.00	0.41
1985-86	2.00	1.90	1.63

According to the Board, the provisions in 1981-82 and 1982-83 were not utilised as the plantations were affected by drought during the period and so the planters did not evince interest in soil conservation work and they were more concerned about replanting. The reasons attributed by the Board for the huge shortfall in expenditure during 1983-84 and 1984-85 were that soil conservation in cardamom plantation being a new concept, the planters took time to adopt it.

4.3.3 Research

One of the functions of the Board is to undertake, assist and encourage scientific, technological and eco-

nomical research. In 1977, Government of India approved a scheme for the establishment of a main research station in Kerala and two sub-stations — one each in Karnataka and Tamil Nadu — for carrying out adaptive research on cardamom. Accordingly a Research Institute named as 'Indian Cardamom Research Institute' (ICRI) was established by the Board in 1978 at Myladumpara (Idukki District in Kerala) which functions as the main research station of the Board, two regional sub-stations — one at Saklespur in Karnataka and the other at Thadiankudissi in Tamil Nadu were started in 1979. The revenue expenditure on research during the period 1980-81 to 1985-86 was Rs. 101.90 lakhs.

In the proposal sent to the Government of India in 1977, the Board had indicated that adaptive research projects would be undertaken to evolve suitable agro-techniques so as to maximise production to about 150 kg. per hectare. During the period 1980-81 to 1985-86, the production per hectare in the farm (48 hectare upto 1984-85 and 66 hectare upto 1985-86) attached to the main station at Myladumpara was only between 10 kgs. and 54 kgs. In the two research stations at Saklespur and Thadiankudissi each with area of 24 hectares, the production was negligible. Notwithstanding the implementation of several development programmes and research projects, the production was far below the objectives of 150 kgs. per hectare and the national average of 62 kgs. per hectare. The Board stated (October 1986) that the farm was not a commercial farm but a research oriented farm and part of the area was earmarked for undertaking research activities. The low production of Saklespur and Thadiankudissi was attributed by the Board to delay in planting the area. The Board further stated that the drought during 1982-83 affected the plantation at Myladumpara severely and the drought affected areas were replanted and these areas would reach yielding stage only by 1987-88.

4.3.4 Purchase of Coir mattings

Coir mattings are purchased by the Board for its development wing as well as research wing.

The research wing placed orders (February 1984) for supply of 15,000 pieces with a private company at Calicut at lowest quoted rate of Rs. 22.50 per matting. However, the purchase was not effected due to 'some technical reasons'. In the meanwhile, the development wing after inviting quotations placed orders in May 1984 with a State Government Company for supply of 20,840 mattings of fine beach unsoaked yarn of superior quality at the lowest quoted rate of Rs. 29 per matting. The requirements of research wing were later reassessed as 4,200 nos. and fresh quotations were invited in anticipation of getting cheaper rates. On the basis of fresh quotations (September 1984), 4,200 mattings

were purchased from the Kerala State Co-operative Coir Marketing Federation at the rate of Rs. 49 per matting rejecting the lowest rate of Rs. 30 per matting quoted by the Calicut firm on the ground that the quality of its product was not satisfactory. Had the requirement of the research wing been pooled with that of the development wing, the entire purchase could have been made from the State Government Company at the rate of Rs. 29 per matting. This resulted in an extra expenditure of Rs. 0.84 lakh.

4.3.5 Purchase of Land

(a) Purchase procedure

Land required for setting up the research station at Myladumpara (159.75 acres: value Rs. 14.95 lakhs) and construction of Board's headquarters building at Ernakulam (Rs. 1.03 acres: value Rs. 1.90 lakhs) and a portion of the land required for the sub-station at Saklespur (47.80 acres: value Rs. 3.90 lakhs) were purchased by the Board directly from the owners after negotiations with them, instead of following the normal procedure of acquiring land through the Revenue authorities. In none of the cases, certificate of reasonableness of the price of land was obtained from the Revenue authorities. The deviation from normal procedure was justified by the Board on the ground that acquisition proceedings would have caused delay.

In the purchase of land at Myladumpara, the following points were also noticed.

(i) According to the research scheme approved by the Government of India, land required for the station was 40 hectares. The land was acquired in 3 spells—119.32 acres during 1978-79 at Rs. 8,000 per acre, 32.17 acres in January 1985 at Rs. 14,885 per acre and 8.25 acres of 'Kuthaka Pattam Land' (Government land in private possession on lease) in October 1984, paying Rs. 0.61 lakh towards development expenses.

As the extent of land required according to the approved scheme had already been purchased in 1978-79 itself, there was apparently no necessity for purchasing additional land subsequently. The Board stated (October 1986) that the additional land was purchased as it was adjacent to their plantations.

(ii) The Deputy Director in charge of the Institute had pointed out (June 1983) that the price of land in the area was declining and that a number of estates were available for sale at prices of less than Rs. 10,000 per acre. Compared to this, the price of Rs. 4,76,837 settled (February 1984) by negotiations with the land owner, which worked out to Rs. 14,885 per acre was excessive.

While approving the proposal for the purchase of additional land, the Government of India had directed

(October 1984) the Board to ensure that the price was got certified as reasonable by an officer not below the rank of a District Magistrate/Collector, who was to record the reasons leading to this conclusion. The Board did not obtain such a certificate. The District Collector, Idukki issued only a possession certificate indicating the cost.

4.3.6 Works

(a) Deviation from rules

(i) The Rules of the Board provided prior sanction of the Central Government for every contract which extends over a period of more than 3 years and involves an expenditure exceeding Rs. 1 lakh. However, in the case of 7 works costing more than Rs. 1 lakh each and executed during January 1982 to January 1985, the Board had not obtained the previous sanction of the Central Government.

(ii) The Board had entered into agreements for consultancy services with the Kerala Industrial and Technical Consultancy Organisation Limited (KITCO) and FACT Engineering And Design Organisation (FEDO), without prior sanction from the Government of India as envisaged under the rules of the Board.

(b) Extra Expenditure

The work on construction of ICRI buildings at Myladumpara (estimated cost Rs. 33.36 lakhs based on 1978 schedule of rates) was put to tender in January 1981. The lowest offer of a local firm at 74.5 per cent above the estimate was accepted, subject to issue of work order within a period of 3 months, i.e., before 21st April 1981. However, the work order was not issued within 3 months as the site was not ready for being handed over to the contractor as felling of trees in the areas required sanction of the Government. The firm intimated on 28th April 1981 its inability to undertake the work at its original rates and demanded enhanced rates (119 per cent above estimated) as the work order had not been issued before expiry of the stipulated period.

The Board neither took any effective action to obtain sanction of Government for felling the trees nor did they invoke a condition in the tender stipulating the Board to extend the period of contract in the event of delay to hand over possession of the land without affecting or vitiating the contract or altering the character thereof.

In July 1981, the Board decided to re-invite the tenders for execution of work in 2 stages. Accordingly, the first stage comprising construction of two labour lines, dormitory, six staff quarters, one guest house, water tank, roads, drains and culverts (estimated cost Rs. 15.39 lakhs) was retendered and the work was

awarded to a firm at a premium of 168 per cent above estimate for water tank and at a premium of 93 per cent above the estimate for other works. The work was commenced in January 1982 and was to be completed by October 1982. However, the buildings were completed and occupied only by August 1983 and the road works were completed along with second stage works in April 1985.

The estimate for the second stage of the work comprising construction of buildings for research station, two labour lines, seven quarters, etc. was revised from Rs. 17.97 lakhs to Rs. 33.69 lakhs on the basis of 1980 schedule of rates. The work was put to tender in January 1983 and awarded to the same firm in February 1983 at 35 per cent above the revised estimate rate. The work was required to be completed in March 1984 but was actually completed only in April 1985. According to the terms agreed upon with FEDO for the second stage work, supervision fee at Rs. 0.25 lakh per month was payable to it in the event of the delay in completion of work beyond March 1984. Due to failure to complete the work by the stipulated date, FEDO was paid an additional sum of Rs. 2 lakhs towards supervision fee for the period from May 1984 to January 1985 (after excluding a grace period of 2 months from March 1984).

The retendering of work entailed estimated extra expenditure of Rs. 23.48 lakhs.

(c) *Unauthorised aid to the contractor*

The contractor was paid Rs. 6.25 lakhs as mobilisation advance (Rs. 2.50 lakhs in January 1982 for the first stage works and Rs. 3.75 lakhs in March 1983 for the second stage works) on which no interest was charged by the Board. Payment of interest free advance constituted unauthorised aid to him. It was stated by the Board that the payment was made on the advice of the consultants that such payments were generally allowed by them as well as by some other Public Sector Undertakings.

4.4 *Summing up:-*

- Against annual target production varying from 4500 tonnes to 5250 tonnes of Cardamom during 1980-81 to 1983-84, the production declined from 4,400 tonnes in 1980-81 to 1,600 tonnes in 1983-84, owing to severe drought in 1982 and 1983.
- The production during 1984-85 was 3,900 tonnes against the target of 5,500 tonnes.
- As against about 50 lakhs seedlings required annually for replantation of areas owned by small and marginal growers, the annual produc-

tion during the period 1980-81 to 1983-84 ranged between 15.21 lakhs and 21.00 lakhs.

- The incorrect estimation of cost of seedlings for the years 1981-82 and 1983-84 season resulted in excess payment of subsidy amounting to Rs. 1.13 lakhs and Rs. 3.08 lakhs respectively.
- Under a scheme sanctioned in May 1984 for payment of subsidy for replanting, subsidy of Rs. 3.46 lakhs was paid to 56 large growers for replanting already done even before the scheme was sanctioned. In the implementation of development schemes there were lapses/defects like use of less quantity of copper sulphate for prophylactic spraying, use of rhizomes instead of seedlings for replantation etc.
- Purchase of coir mattings during 1984-85 entailed extra expenditure of Rs. 0.84 lakh.
- Land required for establishment of research stations and construction of Board's headquarters building was purchased through direct negotiations, deviating from the land acquisition procedure.
- Delay in issuing work order for the construction of ICRI building at Myladumpara resulted in an estimated extra expenditure of Rs. 23.48 lakhs.

5. Working of Export Inspection Council and Export Inspection Agencies

5.1 *Introductory:*

To aid and develop the export trade through quality control and inspection, the Government enacted the Export (Quality Control and Inspection) Act, 1963. The Act came into force on 1st January 1964. The Act, *inter alia*, empowered the Central Government to notify commodities which will be subject to quality control/inspection prior to shipment, the type of quality control/inspection to be applied and to prohibit export of any commodity without a suitable certificate regarding its quality.

To achieve the purposes of the Act, the Export Inspection Council (Council) was established in 1964 with five agencies at Bombay, Calcutta, Cochin, Delhi and Madras. In addition to these agencies, there were some public and private agencies like Indian Standards Institution, National Test House, etc. to conduct pre-shipment inspection of specified commodities. These five agencies had 62 inspecting sub-offices throughout the country. Territorial jurisdiction of these five agencies is given below:-

Name of the agency	Territorial jurisdiction
(1) Bombay	Gujarat, Maharashtra, Dadra and Nagar Haveli, Goa, Daman & Diu.
(2) Calcutta	Assam, Arunachal Pradesh, Andaman and Nicobar Islands, Bihar, Manipur, Meghalaya, Orissa, Tripura, West Bengal, Nagaland, Mizoram and Sikkim.
(3) Cochin	Kerala, Karnataka and Lakshadweep.
(4) Delhi	Haryana, Jammu & Kashmir, Madhya Pradesh, Punjab, Rajasthan, Uttar Pradesh, Delhi, Chandigarh and Himachal Pradesh.
(5) Madras	Andhra Pradesh, Tamil Nadu and Pondicherry.

These agencies had well-equipped laboratories for testing the products and inspecting them before clearing for export. Samples are sent to these laboratories for conducting the test and fees are also levied for such tests/inspection. The rates for the test were fixed by the Government and periodically revised.

There are three inspection systems in vogue, viz.

- (i) consignment-wise inspection;
- (ii) in-process quality control (IPQC); and

(iii) self-certification scheme.

In respect of systems at (ii) and (iii) above, the agencies conduct only periodic/random checks of the consignments. It was also the policy of Government to bring more and more commodities under systems (ii) and (iii) from system (i) mentioned above.

5.2 Finance

(a) *Council* : The Council had the following inflows of funds.

- Grants and loans by Central Government;
- Grants and donations from bodies and institutions approved by Government; and
- Other receipts.

The Annual Budget of the Council is approved by the Central Government as per the provisions of the Act.

The Budget of the Council for the years 1981-82 to 1985-86 was as under :-

Year	Budget Provision		Grant received from Central Government		Expenditure	
	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan
(Rupees in lakhs)						
1981-82	20.15	-	14.50	-	14.86	-
1982-83	22.42	-	16.29	-	17.21	-
1983-84	24.23	-	17.13	-	19.04	-
1984-85	26.54	-	24.41	-	23.34	-
1985-86	26.27	70.00	23.69	56.24	24.36	6.41

(b) *Agencies*: The agencies charged inspection fees for inspection/tests. Such inspection fees were the main source of income for the agencies.

The details of inspection fee and other receipts, expenditure on establishment, etc. for the five agencies for the years 1981-82 to 1985-86 are given in Annexure-I. It can be seen therefrom that the agencies at Calcutta and Cochin had been incurring deficits in all the years. In the case of Bombay, the inspection

fees had declined from Rs. 147.10 lakhs in 1981-82 to Rs. 124.67 lakhs in 1985-86. In the case of Delhi also, there was a decline in inspection fees in the years 1982-83 and 1983-84 as compared to 1981-82. However, the position had improved in 1985-86. In the case of Madras, the inspection fees had risen from Rs. 52.28 lakhs in 1981-82 to Rs. 90.55 lakhs in 1985-86. The overall financial position of all the agencies for the last five years had been as under :-

Table 1

Financial position of the Export Inspection Agencies exhibiting surplus (+)/deficit (-) during 1981-82 to 1985-86						
Year	(Rs. in lakhs)					
	Bombay	Calcutta	Cochin	Delhi	Madras	Total
1981-82	(+)81.43	(-)27.96	(-) 1.14	(+)60.47	(+) 4.54	(+)117.34
1982-83	(+)32.86	(-)66.19	(-)10.26	(+)25.72	(-) 3.88	(-) 21.75
1983-84	(+)19.29	(-)99.15	(-)23.45	(+) 5.66	(-) 2.70	(-)100.35
1984-85	(+)36.24	(-)96.12	(-)28.27	(+)27.76	(+) 5.39	(-) 55.00
1985-86	(+)29.53	(-)39.49	(-)24.24	(+)57.41	(+)11.06	(+) 34.27

The surpluses generated at Bombay, Delhi and Madras were utilised by the agencies at Calcutta and Cochin. At the end of 1985-86, in the five year span, these two agencies at Calcutta and Cochin were in the red.

The Ministry had attributed (December 1986) the overall deficit sustained by the Export Inspection Agencies (EIA) to (i) extending IPQC and self-certification procedure to more units, (ii) prescription of concessional rate for inspection/tests for such units; (iii) maintenance of substantial surplus personnel in

EIA, Calcutta and (iv) fall in exports of the number of items notified under the scheme in the eastern region.

5.3 Revenue realisation

As already mentioned, commodities are notified for compulsory quality control pre-shipment inspection. As on 31st March 1986, 1055 items had been notified for such inspection. The inspection fees realised by the five agencies during the last five years were as given below:-

Table 2

Year	Revenue realised by Export Inspection Agency during 1981-86					
	Bombay	Calcutta	Cochin	Delhi	Madras	Total
	(Rupees in lakhs)					
1981-82	147.10	91.27	70.51	138.23	52.28	499.39
1982-83	112.81	78.08	71.01	119.57	53.88	435.35
1983-84	102.56	64.17	66.08	105.56	61.36	399.73
1984-85	123.74	80.98	69.84	138.72	79.38	492.66
1985-86	124.67	94.06	75.89	163.97	90.55	549.14

Income from inspection fees was the main source for financing the operation of the agencies. The rates were prescribed from time to time for various commodities as shown in Annexure-II. As can be seen therefrom, the rates of fees for certain commodities were based on unit weight and for certain other commodities on f.o.b. value. In respect of commodities for which rates were based on unit-weight even when higher rates of export sale price were realised the inspection fee did not go up. On the other hand, when the inspection fee was based on f.o.b. value, the income of the agencies had gone up whenever higher export sale price was realised. No attempt had been made so far to evolve any norms for fixation and periodic revision of the inspection fees. Whenever revision of fee was attempted it was done on ad-hoc basis after consulting the trade and the relevant Export Promotion Council.

The deficits were occurring because the manpower employed in conducting the inspection was far in excess of the requirements. An analysis of the manpower employed *vis-a-vis* the inspections conducted and the revenue earned is given in the next paragraph. Over a period of time, the number of inspections had remained static or declined in the individual agencies without any corresponding reduction in manpower.

According to the present procedure for levying and collecting inspection fees of commodities where fee was charged on f.o.b. basis, the f.o.b. value was recorded in the certificate of inspection, which was required to be presented by the exporter to the Customs autho-

rities as one of the shipping documents. However, the Customs were also advised that in case the f.o.b. value was higher than the value recorded in the inspection certificate, the exporters should get the f.o.b. value suitably amended from the nearest EIA Office. The amendment would be given after the difference in inspection fees was paid to the agency. In the case of agency at Bombay, during 1985-86, additional inspection fee was realised to the extent of Rs. 1.60 lakhs as a result of change in the f.o.b. value in respect of 2,418 applications. The figures in respect of other agencies were not readily available.

The Ministry was of the view that the system in vogue had worked well (December 1986).

Further, from Annexure-III it can be seen that the prevailing rates of inspection of some of the products were last revised in 1966, 1969 and 1973 e.g. organic and inorganic chemicals, rubber and rubber products, ceramics and paints and allied products. For these and some of the other products, the same rate was prevailing for the last 6 to 20 years. Thus, the rates were not reflective of increased establishment charges with the result that some of the agencies were incurring deficits.

5.4 Surplus staff in the agencies

An overview of the total number of inspections conducted and the total number of staff employed by each of the agencies is given below :-

Year	Number of Inspections	Number of Staff	Average number of inspections per man
<u>Bombay</u>			
1981-82	55,548	313	177
1982-83	60,954	318	191
1983-84	62,095	311	200
1984-85	38,199	297	129
1985-86	37,620	302	125
<u>Calcutta</u>			
1981-82	34,123	743	46
1982-83	29,715	722	41
1983-84	23,920	727	33
1984-85	27,712	731	38
1985-86	28,926	712	40
<u>Cochin</u>			
1981-82	33,409	369	90
1982-83	33,048	390	85
1983-84	35,522	394	90
1984-85	35,773	394	91
1985-86	33,435	377	89
<u>Delhi</u>			
1981-82	NA	NA	NA
1982-83	33,025	428	77
1983-84	29,093	438	66
1984-85	30,140	439	69
1985-86	29,751	441	67
<u>Madras</u>			
1981-82	22,854	212	108
1982-83	15,330	214	72
1983-84	30,278	227	133
1984-85	17,568	238	74
1985-86	20,249	249	81

NA : Not Available

It can be seen from the above that the number of inspections had declined at all centres. This was due to increasing use of self-certification or IPQC system instead of consignment-wise inspection.

Further, the average number of inspections conducted per employee had not been uniform at any agency and had varied from 33 inspections per head in Calcutta in 1983-84 to as much as 200 inspections per head in Bombay in 1983-84. Even within an agency, the inter-year comparisons show varying performances indicating absence of standards of works.

In Calcutta, for example, the introduction of IPQC (1979) resulted in enormous surplus staff. The Administrative Committee of the Council identified the surplus in Calcutta to be as under :-

Junior Technical Officers :	100
Laboratory Assistants :	52
Laboratory Attendants :	102
Total :	<u>254</u>

In order to induce this surplus staff to voluntarily retire the Council offered a scheme of retirement benefits. This scheme, however, did not prove to be popular and none of the surplus employees opted out of employment.

In order to find alternative employment for the surplus staff, 218 persons of this surplus were deployed in non-jute schemes by the agency. However, due to fall in exports from the eastern region, 186 persons out of 218 were re-transferred to the jute scheme in 1985-86. Deployment of additional staff in non-jute schemes did not result in increase in the number of inspections carried out and in fact after re-transfer of the staff to the jute scheme, the total number of inspections in non-jute scheme had gone up from 14,004 in 1984-85 to 15,636 in 1985-86.

The cost of the surplus staff during 1985-86 had to be met with additional grant of Rs. 52.41 lakhs received from Government and with the unspent balance of Rs. 4.43 lakhs available with the Council. Thus, the total additional grant to the agency during 1985-86 was of the order of Rs. 56.84 lakhs.

The Export (Quality Control and Inspection) Act, 1963 was enacted by the Parliament to provide for the sound development of export trade of India through quality control and inspection. The number of items brought under compulsory quality control and inspection at the end of 1965 was only 3. It had gone upto 847 at the end of 1981. In spite of this the quantum of export covered by compulsory quality control and inspection was meagre. In 1981, the Estimates Committee had found that only 40 per cent of the export had been covered and had recommended bringing more items under inspection with a view to cover a higher quantum of export. Thereafter, the items under inspection had been increased to 1055 at the end of 1985-86. But the quantum of exports brought under inspection had not significantly increased. After the introduction of IPQC and self-certification scheme and with surplus staff in all the agencies, it was possible to cover more items, but this had not been done. Had this been done, the inspection agencies would have been self-supporting.

The Ministry stated (December 1986) that attempts were always made to bring new commodities under the purview of compulsory pre-shipment inspection, where it was warranted.

5.5 Other points of interest

(a) Delay in setting up Pilot Test House at Bombay

On the recommendations of an Expert Team of the United Nations Industrial Development Organisation, a Pilot Test House for providing facilities for conducting various tests of the consignments to be exported was to be established in Bombay. A plot of land measuring 13,796 sq m was taken on lease from Maharashtra Industrial Development Corporation (MIDC) in 1971 by paying a premium of Rs. 2 lakhs. According to the lease deed, the construction of the building was to commence before May 1974. However, approval from the Planning Commission for constructing the Pilot Test House was sought only in April 1981 and the Planning Commission accorded approval in May 1983. According to the proposal, an expenditure of Rs. 236.59 lakhs (Rs. 115.28 lakhs for building and Rs. 121.31 lakhs for equipment) was to be shared equally between the Central Government and the Council. The project was to be completed within a period of three years from 1983-84.

The construction of the building was entrusted to a contractor at a cost of Rs. 127.36 lakhs with the stipulation that the work should be completed by March 1987. Since the Council had failed to commence the construction of the building as per the lease deed of land an additional premium of Rs. 0.14 lakh had to be paid to the MIDC in July 1983 and Rs. 5.52 lakhs in April 1986. The Government of India had sanctioned a grant of Rs. 6.24 lakhs in 1984-85 and Rs. 50 lakhs in 1985-86 but the Council could not make the matching contribution. Consequently, the construction of the Pilot Test House had been delayed and upto July 1986 the total expenditure on the building had been only Rs. 15.52 lakhs (excluding premium).

The idea of the Pilot Test House was first mooted by the Expert Team in 1967 and its realisation was likely to take a couple of years more. The delay had resulted in additional payment of Rs. 5.66 lakhs to the MIDC and further such payments would become due, due to non-completion of the project as per the lease deed.

The Ministry stated (December 1986) that due to paucity of funds, it was not possible for the Export Inspection Agencies to contribute their share towards Pilot Test House, which had resulted in delay.

(b) Defective planning in acquisition of land for office building by the Agency at Cochin

The agency at Cochin acquired a plot of land measuring 23.8 cents from Cochin Port Trust (December 1977) on lease and licence basis for a period of 30 years to construct an office building. The possession of the land was taken in October 1978, but construction of

the building had not been taken up so far (September 1986) for want of funds. The agency had paid the Port Trust Rs. 0.76 lakh as rent upto 1985-86. In the absence of its own office building, Rs. 8.50 lakhs had been paid as rent to private landlords in the last eight years. There had been defective planning in the acquisition of land from the Port Trust in as much as the agency was unable to arrange the necessary resources for constructing the building in the last 8 years.

The Ministry stated (December 1986) that due to lack of finance it was not possible to go ahead with the construction and with the gradual improvement in the financial status, it would be possible to generate surplus within a few years for meeting the cost of construction.

(c) The Council accorded (June 1982) sanction for opening two sub offices at Karnal and Amritsar under the Agency in Delhi. Only Amritsar office was opened in December 1982. It was expected that this office would conduct pre-shipment inspection of Basmati rice but the export of Basmati rice did not pick up and the office was closed in March 1985. In this connection, the following figures are relevant.

(1) No. of inspections carried out between December 1982 to March 1985	222
(2) Income earned during the period	Rs. 0.50 lakh
(3) Establishment expenses	Rs. 2.65 lakhs

Prior to the opening of the office at Amritsar, the office at Jullundur was looking after the inspection of the export of Basmati rice also from that area. In the absence of proper estimation of the work load at Amritsar and quantity of future exports of Basmati rice, the agency incurred an infructuous expenditure of Rs. 2.15 lakhs during December 1982 to March 1985.

The Ministry stated (December 1986) that the envisaged number of inspections did not materialise mainly due to falling exports from Punjab region, in the recent years.

Summing up :

The following points emerge :-

- The Export Inspection Council was established in 1964 with five Export Inspection Agencies at Bombay, Calcutta, Cochin, Delhi and Madras under the Export (Quality Control and Inspection) Act, 1963.
- The Agencies at Calcutta and Cochin had shown deficits in the last five years and are not self-supporting.

- Inspection fees were not periodically revised and some rates were fixed 20 years back.
- Due to increasing use of self-certification procedure or in-process quality control system instead of consignment-wise inspection, the number of inspections had been declining.
- The quantum of exports brought under compulsory certification for quality had not increased despite the recommendation of the Estimates Committee in 1981.
- Average number of inspections conducted per employee had not been comparable from year to year within an agency and from agency to agency in the last 5 years.
- There was surplus staff of 254 persons at Calcutta and the scheme of voluntary retirement did not meet with success.
- The cost of surplus staff at Calcutta had to be met with additional grant of Rs. 52.41 lakhs from Government of India in 1985-86.
- The construction of Pilot Test House at Bombay at a cost of Rs. 127.36 lakhs was stipulated to be completed by March 1987. The completion was likely to be postponed since the agency did not have the necessary financial resources; the amount spent upto July 1986 was only Rs. 15.52 lakhs.
- Agency at Cochin acquired a plot of land in October 1978 but construction of building had not been taken up so far due to paucity of funds.
- A sub-office at Amritsar for conducting pre-shipment inspection of Basmati rice was opened in December 1982 but had to be closed in March 1985 as the export of Basmati rice did not pick up.

ANNEXURE-I

Statement showing summary of the operational results of Export Inspection Agencies for the years 1981-82 to 1985-86

	Bombay	Calcutta	Cochin	Delhi	Madras	Total
(Rupees in lakhs)						
1981-82						
Revenue						
Inspection Fees	147.10	91.27	70.51	138.23	52.28	499.39
Other receipts	0.52	1.01	0.59	1.39	0.37	3.88
Subsidy	-	-	-	-	-	-
Total	147.62	92.28	71.10	139.62	52.65	503.27
Expenditure						
Establishment	53.03	104.09	58.85	65.82	34.80	316.59
Other Expenditure	13.16	16.15	13.39	13.33	13.31	69.34
Total	66.19	120.24	72.24	79.15	48.11	385.93
Surplus (+) / Deficit (-)	(+) 81.43	(-) 27.96	(-) 1.14	(+) 60.47	(+) 4.54	(+) 117.34
1982-83						
Revenue						
Inspection Fees	112.81	78.08	71.01	119.57	53.88	435.35
Other receipts	0.12	0.98	0.88	1.77	0.51	4.26
Subsidy	-	-	-	-	-	-
Total	112.93	79.06	71.89	121.34	54.39	439.61
Expenditure						
Establishment	65.20	128.39	68.13	81.11	42.99	385.82
Other Expenditure	14.87	16.86	14.02	14.51	15.28	75.54
Total	80.07	145.25	82.15	95.62	58.27	461.36
Surplus (+) / Deficit (-)	(+) 32.86	(-) 66.19	(-) 10.26	(+) 25.72	(-) 3.88	(-) 21.75
1983-84						
Revenue						
Inspection Fees	102.56	64.17	66.08	105.56	61.36	399.72
Other receipts	0.54	0.97	0.76	1.42	1.17	4.87
Subsidy	-	-	-	-	-	-
Total	103.10	65.14	66.84	106.98	62.53	404.59
Expenditure						
Establishment	69.54	144.29	76.03	87.05	49.81	426.72
Other Expenditure	14.27	20.00	14.26	14.27	15.42	78.22
Total	83.81	165.29	90.29	101.32	65.23	504.94
Surplus (+) / Deficit (-)	(+) 19.29	(-) 99.15	(-) 23.45	(+) 5.66	(-) 2.70	(-) 100.35

ANNEXURE-I *Contd.*

Statement showing summary of the operational results of Export Inspection Agencies for the years 1981-82 to 1985-86

	Bombay	Calcutta	Cochin	Delhi	Madras	Total
(Rupees in lakhs)						
1984-85						
Revenue						
Inspection Fees	123.74	80.98	69.84	138.72	79.38	492.66
Other receipts	1.31	1.48	1.07	2.03	2.15	8.04
Subsidy	-	-	-	-	-	-
Total	125.05	82.46	70.91	140.75	81.53	500.70
Expenditure						
Establishment	74.48	161.10	86.87	99.42	60.24	482.11
Other Expenditure	14.33	17.48	12.31	13.57	15.90	73.59
Total	88.81	178.58	99.18	112.99	76.14	555.70
Surplus (+) / Deficit (-)	(+)36.24	(-)96.12	(-)28.27	(+)27.76	(+)5.39	(-)55.00
1985-86						
Revenue						
Inspection Fees	124.67	94.06	75.89	163.97	90.55	549.14
Other receipts	5.15	7.44	12.24	17.28	6.93	49.04
Subsidy	-	56.84	-	-	-	56.84
Total	129.82	158.34	88.13	181.25	97.48	655.02
Expenditure						
Establishment	82.85	177.69	97.05	109.91	69.49	536.99
Other Expenditure	17.44	20.14	15.32	13.93	16.93	83.76
Total	100.29	197.83	112.37	123.84	86.42	620.75
Surplus (+) / Deficit (-)	(+)29.53	(-)39.49	(-)24.24	(+)57.41	(+)11.06	(+)34.27

Sl. No.	Scheme	Rates Prior to last revision with date	Last revision with date
1	2	3	4
11.	Coir Mattings	<i>Consignmentwise</i> Re.0.45 per packet (w.e.f. 25.9.1976)	<i>Consignmentwise</i> Re.0.60 per packet (w.e.f. 12.8.1978)
			Switched over to f.o.b. value basis from October 1985
12.	Fish and Fishery Products	<i>Consignmentwise</i>	<i>Consignmentwise</i> <i>IPQC</i>
	(i) Frozen shrimps	12 paise per kg. (w.e.f. 31.12.1977)	15 paise per kg. 8 paise per kg. (w.e.f. 30.8.1980)
	(ii) Canned shrimps	10 paise per kg. (w.e.f. 17.1.1976)	15 paise per kg. 8 paise per kg. (w.e.f. 30.8.1980)
	(iii) Frozen frog legs	7 paise per kg. (w.e.f. 17.1.1976)	20 paise per kg. (w.e.f. 9.6.1979) —
	(iv) Frozen lobster tails	40 paise per kg (w.e.f. 31.12.1977)	28 paise per kg. 14 paise per kg. (w.e.f. 30.8.1980)
	(v) Frozen pomphrets	15 paise per kg. (w.e.f. 31.12.1977)	10 paise per kg. 5 paise per kg. (w.e.f. 30.8.1980)
	(vi) Frozen cuttle fish	15 paise per kg. (w.e.f. 31.12.1977)	10 paise per kg. 5 paise per kg. (w.e.f. 30.8.1980)
	(vii) Frozen squids	15 paise per kg. (w.e.f. 31.12.1977)	5 paise per kg. 3 paise per kg. (w.e.f. 30.8.1980)
13.	Cashew Kernels	<i>Consignmentwise</i> 20 paise per 11.34 kg. (w.e.f. 17.1.1976)	<i>Consignmentwise</i> 60 paise per 11.34 kg. (w.e.f. 5.7.1980)
14.	Footwear and footwear components	<i>Consignmentwise</i> 0.3% of f.o.b. value (w.e.f. 1.9.1967)	<i>Consignmentwise/IPQC</i> 0.5% of f.o.b. value (w.e.f. 13.8.1977)

ANNEXURE-III

Statement showing month and year when inspection fees were last revised

Sl. No.	Scheme	Month and year when inspection fees were last revised
1	2	3
1.	Engineering	December 1980
2.	Mica	March 1980
3.	Organic and inorganic chemicals	1966
4.	Paints and allied products	December 1973
5.	Ceramics	1969
6.	Rubber and Rubber products	1966
7.	Jute and jute products	Rates rationalised in October 1985 by switching over the levy of inspection fees from weight basis to f.o.b. value basis
8.	Coir products	-do-
9.	Coir yarn	-do-
10.	Non-baled coir yarn	-do-
11.	Coir mattings	-do-
12.	Fish and fishery products	-do-
13.	Cashew kernels	July 1980
14.	Footwear and footwear components	August 1977

MINISTRY OF HEALTH AND FAMILY WELFARE

6. All India Institute of Medical Sciences

6.1 Introductory

6.1.1 All India Institute of Medical Sciences (Institute) was established under an Act of Parliament in 1956 (ACT) as an Institution of National importance with the following objectives :-

- (a) to develop patterns of teaching in under-graduate and post-graduate medical education in all its branches so as to demonstrate a high standard of medical education to all medical colleges and other allied Institutions in India;
- (b) To bring together in one place educational facilities of the highest order for the training of

personnel in all important branches of health activity and;

- (c) to attain self-sufficiency in post-graduate medical education.

6.1.2 The Institute is administered by an Institute Body and the Director is the chief executive officer.

6.2 Finance, Accounts and Audit

6.2.1 The Institute is financed mainly by grants from the Government of India. Besides, several national and international agencies have been collaborating with the Institute for the attainment of its objectives. A summary of the receipts and payments of the Institute for the six years ending 1985-86 is given below :-

Sl. No.	Receipts	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
		Non-Plan Plan	Non-Plan Plan	Non-Plan Plan	Non-Plan Plan	Non-Plan Plan	Non-Plan Plan
(Rupees in lakhs)							
1.	Opening Balance	185.34 -	233.39 -	239.93 -	169.63 -	221.35 -	252.68 -
2.	Grants from Government (including grants for Dr. R. P. Centre for Ophthalmic Sciences and Super Specialities)	690.40 182.09	819.37 376.55	905.86 404.91	1048.89 310.10	1155.50 439.90	1471.50 1115.75
3.	Grants received for specific purposes	152.93 -	166.18 -	144.65 -	190.90 -	235.47 -	329.39 -
4.	Donations received from outside agencies	8.23 -	5.37 -	3.42 -	0.50 -	1.82 -	0.35 -
5.	Hospital receipts (including Dr. R. P. Centre)	51.01 -	55.93 -	68.97 -	76.61 -	80.41 -	91.20 -
6.	Miscellaneous receipts	65.84 -	75.14 -	54.87 -	78.94 -	117.85 -	117.86 -
7.	Provident Fund (including Insurance)	40.80 -	47.69 -	75.81 -	67.92 -	85.93 -	104.09 -
8.	Deposits	6.43 -	6.56 -	8.05 -	8.29 -	11.27 -	14.46 -
9.	Recoverable advances	4.63 -	3.51 -	3.61 -	4.49 -	4.73 -	7.72 -
10.	Outside recoveries	7.54 -	1.74 -	15.65 -	2.01 -	1.99 -	4.49 -
11.	Investment	31.00 -	33.00 -	24.77 -	23.40 -	52.71 -	55.17 -
Total	Non-Plan Plan	1244.15 182.09	1447.88 376.55	1545.59 404.91	1671.58 310.10	1969.03 439.90	2448.91 1115.75
Grand Total		1426.24	1824.43	1950.50	1981.68	2408.93	3564.66

Sl. No.	Payments	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
		Non-Plan Plan	Non-Plan Plan	Non-Plan Plan	Non-Plan Plan	Non-Plan Plan	Non-Plan Plan
(Rupees in lakhs)							
(a) Revenue Expenditure (including Dr. R. P. Centre for Ophthalmic Sciences)							
1.	Pay & Allowances	370.66 9.26	412.15 16.81	498.85 22.93	576.98 28.04	688.11 43.26	850.44 0.63
2.	Machinery & Equipment	46.72 34.25	94.06 196.77	85.39 173.33	87.68 103.22	87.76 182.65	129.08 416.13
3.	Materials and Supply	184.66 5.84	204.81 16.01	296.50 20.13	280.55 34.44	296.61 34.36	411.55 14.55
4.	Miscellaneous Expenditure/ contingencies (including maintenance of building)	167.14 -	208.67 -	155.15 2.22	209.51 -	250.22 -	255.71 -
5.	Recoverable Advances	3.63 -	3.53 -	5.56 -	4.07 7.98	3.21 6.56	7.85 10.43
6.	Outside Recoveries	8.82 -	1.98 -	15.68 -	1.88 -	1.56 -	4.23 -
7.	Investments	38.00 -	46.50 -	30.01 -	23.60 -	31.54 -	62.39 -
8.	Expenditure out of Grants for Specific purposes	114.25 -	169.63 -	176.79 -	180.22 -	212.65 -	255.73 -
9.	Provident Fund including Insurance	72.64 -	71.78 -	105.44 -	109.83 -	122.10 -	121.54 -
10.	Deposits/Refunds	5.56 -	6.15 -	5.25 -	6.83 -	7.55 -	9.13 -
(b) Capital Expenditure							
11.	Construction of Building and advances for building, specialised services, mobile ophthalmic unit, etc.)	- 131.42	- 135.65	- 187.64	- 105.50	- 188.11	55.23 665.20
12.	Closing Balance	233.39 -	239.93 -	169.63 -	221.35 -	252.68 -	294.84 -
Total	Non-Plan Plan	1245.47 180.77	1459.19 365.24	1544.25 406.25	1702.50 279.18	1953.99 454.94	2457.72 1106.94
Grand Total		1426.24	1824.43	1950.50	1981.68	2408.93	3564.66

The Government released grants-in-aid of Rs. 2829.30 lakhs during 1980-86 for Plan Schemes, against which the Institute incurred expenditure of Rs. 2793.32 lakhs leaving unspent balance of Rs. 35.98 lakhs.

6.2.2 The accounts of the Institute are audited under Section 18(2) of the Institute's Act by the Comptroller and Auditor General of India and the audited accounts together with the reports thereon are placed before Parliament.

A review of accounts of the Institute for the period from 1980-81 to 1985-86 was conducted by Audit and the important points noticed are given in the succeeding paragraphs.

6.3 Section 18(1) of the Act provides that the Institute shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, including balance sheet, in such form as the Central Government may by rule prescribe in consultation with the Comptroller and Auditor General of India. The form of accounts had not been finalised and approved by the Government (August 1986). The Institute stated (December 1986) that steps were being taken to get the form of accounts approved.

6.4 Development of the Institute (Main)

6.4.1 During the Sixth Five Year Plan (1980-85), the Institute proposed an outlay of Rs. 1027.00 lakhs for addition of 100 beds to Hospital, establishment of

Child Health Centre, Medico-legal Centre, laboratory for Central Anticoagulant Therapy, Centre for Dental Education and Research and construction of 900 staff quarters. Grant of Rs. 760.65 lakhs (Plan) was released by the Government of India during Sixth Five Year Plan against which the Institute incurred an expenditure of Rs. 735.76 lakhs.

Though the Institute had unspent balance of Rs. 24.89 lakhs out of grants received during Sixth Five Year Plan for development of the Institute (Main) (1980-85), it had furnished to the Ministry utilisation certificates for the whole amount. The Institute stated (December 1986) that it had received grants-in-aid of Rs. 759 lakhs only (excluding Rs. 1.65 lakhs under ROME Scheme) and the actual expenditure for the period 1980-85 worked out to Rs. 757.69 lakhs, leaving unspent balance of Rs. 1.31 lakhs only. The discrepancy in figures worked out by Audit and the Institute was mainly due to inclusion by the Institute of Non-plan expenditure pertaining to House Building Advances (Rs. 14.54 lakhs), building material (Rs. 3.87 lakhs), material and supply (Rs. 3.71 lakhs) as Plan expenditure and exclusion of grants-in-aid of Rs. 1.65 lakhs under Re-orientation of Medical Education (ROME) scheme.

The Institute had started maintaining separate accounts of Plan and Non-plan grants-in-aid receipts and expenditure from 1980-81 only, but the unspent balances of grants-in-aid received for Plan schemes had not been carried forward separately scheme-wise or as a total. It could not, therefore, be ensured that the grants-in-aid received for Plan schemes had been utilised for Plan schemes only. The Institute stated (December 1986) that it was not practical to bifurcate the cash balance under Plan and Non-plan.

None of the Plan Schemes of Sixth Plan period was undertaken by the Institute except the construction of staff quarters, on which an expenditure of Rs. 75.71 lakhs (approximately) was incurred out of a total expenditure of Rs. 311.56 lakhs booked under the head 'Construction of Building'. The balance expenditure of Rs. 235.85 lakhs (Rs. 311.56 - Rs. 75.71 lakhs) was incurred on minor works, mainly on Kota stone flooring and glazing in Private Wards special repairs to roads, extension of staircases, converting English style W.C. into Indian type, 'improvement of water supply,' providing roads in residential area and other minor works, though Government of India/Planning Commission had not sanctioned any of these items of work as Plan schemes. An expenditure of Rs. 381.32 lakhs was incurred for purchase of equipment during 1980-85 against the provision of Rs. 254.00 lakhs, which indicated that funds were diverted from one head to another. The Institute stated (December 1986) that it was necessary to incur expenditure on minor works and repairs and it was correctly charged to capital

expenditure. The reply of the Institute was not convincing as funds provided for specific purposes under Plan were to be utilised for the same purposes.

6.5 Utilisation of the Grants

6.5.1 At the end of 1985-86, the Institute had accumulated balance of Rs. 1001.04 lakhs representing excess of income over expenditure. Scrutiny of annual accounts revealed that the grants utilised for purchase of machinery and equipment had not been capitalised upto 1982-83 and thereafter the actual expenditure on purchase of machinery and equipment exceeded the amount of grant capitalised by Rs. 4.19 lakhs and Rs. 35.86 lakhs during 1983-84 and 1985-86 respectively.

The Institute stated (September 1986) that the excess expenditure on machinery and equipment was attributable to fluctuations in foreign exchange rates.

6.5.2 *Outstanding Advances paid to Officers of the Institute for purchase of Machinery, Equipment, Materials and Supplies:*— The Institute made payment of advances to various officers of the Institute for purchase of machinery, equipment materials and supplies. Normally adjustment bills for advances paid to the staff for making emergent purchases should have been submitted by them without delay. Adjustment bills had not been received upto 31.3.1986 in respect of advances of Rs. 4.23 lakhs which included Rs. 2.04 lakhs pertaining to the period 1976-77 to 1984-85.

The Institute stated (December 1986) that the outstanding advances sanctioned till 31st March 1986 had come down to Rs. 1.32 lakhs (Rs. 0.79 lakh and Rs. 0.53 lakh sanctioned during 1985-86 and upto 1984-85 respectively.)

6.5.3 *Import of machinery, equipment and spares:*—As on 31st March, 1986, an amount of Rs. 504.66 lakhs was shown as advance for purchases of machinery and equipment and material and supply from abroad. A scrutiny of Register of letters of credit for Machinery and Equipment (costing above Rs. 25,000) revealed that in 8 cases involving Rs. 7.04 lakhs in respect of letters of credit opened upto 1983-84 and in 5 cases involving Rs. 13.89 lakhs during 1984-85 machinery, equipment and spares had not been received (August 1986). In 56 cases involving Rs. 243.84 lakhs for which letters of credit had been opened upto 1985-86, the equipment had been received but Inspection Notes had not been issued (August 1986) which indicated non-installation of equipment and non-accountal of the same in the stock registers. In 32 cases involving Rs. 106.31 lakhs, the Inspection Notes had been issued after delays ranging from one to three years.

The Institute stated (December 1986) that (a) goods

in respect of all the letters of credit established upto 1983-84 had been received (b) in 4 cases (valuing Rs. 12.76 lakhs) pertaining to 1984-85 goods had been received and Inspection Note in one case (Rs. 30,000) had been issued and (c) in 22 cases involving Rs. 119.52 lakhs (out of 56) of the letters of credit opened upto 1985-86, inspection notes had been issued. The delay in installation of the machinery and equipment was attributed mainly to missing and broken parts. Delays in installation/non-installation of machinery and equipment not only adversely affected the patient care but also deprived the Institute of the benefit of free service during the warranty period, which normally expired 12 months after the receipt of the equipment.

It was also observed that the purchase/import of machinery, equipment and spares had not normally been made through the D G S & D or by open tenders or global tenders but on the basis of proforma invoices obtained from the India-based agents of multinational or foreign firms and, therefore, the benefit of making purchases at competitive rates was not availed of. The Institute stated (December 1986) that purchases on proforma invoice basis were made on certificates of the concerned consultant/doctor that the items were of proprietary nature and no other brand or substitute was suitable and that they were accustomed to work on such instruments. Global tenders were stated to be invited in a few cases. The reply of the Institute was not convincing as the practice followed was contrary to the financial rules, which provided that purchases should be made at competitive rates.

Test check of a few purchases revealed the following important points :-

(a) *Purchase of total Body C. T. Scanner* :- The Institute floated (March 1984) global tenders for purchase of total Body C. T. Scanner and 7 firms responded. After negotiations with 4 firms, a comparative statement of the negotiated rates was prepared for obtaining the approval of the Finance Committee. The following points were noticed in audit :

- (i) Reasons for rejecting the tenders of 3 firms were not on record.
- (ii) The negotiated rates for the equipment of the 4 firms were Rs. 80.50, Rs. 89.78, Rs. 91.12 and Rs. 93.34 lakhs. The equipment was purchased from firm 'A' at their negotiated rate of Rs. 91.12 lakhs although their rates were higher than those of 2 other firms. The work of preparation of site was also awarded to the same firm at a lump-sum amount of Rs. 14.50 lakhs.

The Technical Expert Committee while examining the merits and demerits of equipment of the 4 firms, inter-alia, considered the warranty period of the tube

and its cost, as replacement of tube would constitute recurring expenditure. Although as per the comparative statement, the warranty period of tube of firm 'A' was only 25,000 scans, in the minutes of the Technical Expert Committee Meeting (January 1985), it was shown as 35,000 scans.

- (iii) Another firm, whose negotiated rate for the equipment was Rs. 80.50 lakhs against the rate of firm 'A' (Rs. 91.12 lakhs), offered 50,000 scans as warranty for the tube, although the cost of the tube in both the cases was Rs. 2 lakhs. This positive aspect in favour of the other firm was ignored by the Expert Committee, which not only resulted in purchase of equipment at higher price, but would also result in higher recurring cost. The Institute stated (December 1986) that the change in the number of scans from 25,000 to 35,000 in respect of firm 'A' was a result of negotiations conducted with the firm and approval of the Ministry had been obtained.

It was, however, noticed from the comparative statement prepared after negotiations that the number guaranteed by firm 'A' was only for 25,000 scans for the tube and not 35,000 scans as stated by the Institute.

(b) *Purchase of Surgical Equipment*:- The Neuro-Surgery Department imported (July 1985) aesculap surgical equipment at a cost of Rs. 10.03 lakhs from a West German firm, without calling even limited tenders. All the surgical instruments, except three, were received in April 1986. The Institute stated (December 1986) that (a) Professor of Neuro-Surgery had stated that only 4 firms made standard surgical instruments, and that the firm from which the instrument had been purchased were manufacturing Cardio-Vascular Surgery instruments only and (b) instruments offered by other firms were costlier. The reply of the Institute was not convincing as without calling for tenders, the competitive rates could not be ascertained.

6.5.4 *Delay in utilisation of costly equipment* :- The Institute purchased/imported a large number of expensive equipment and machines for running the various Departments of the Hospital. Test check in audit revealed that cardio-vascular Angiography X-ray Equipment costing Rs. 42.05 lakhs was imported in May 1982 and installed in August 1984. However, due to lack of air-conditioning and construction work going around the room, where the machine was installed, it could not be put to use till August 1985.

6.6 Non-Setting up of Dental College

6.6.1 The Dental Council of India and Estimates Committee of 5th Lok Sabha in their recommendations had suggested the establishment of a Centre for post-graduate research in Dental Sciences in the Institute. It was envisaged to establish such a Centre dur-

ing the 6th Five Year Plan (1980-85) but it had not so far, been set up (December 1986). The Institute stated (September 1985) that the Ministry did not agree to the establishment of the Centre for Dental Education and Research at the Institute.

6.7 Hospital Services

6.7.1 *In-Patient Care* :- The Institute had not evolved or followed any norms upto 1981 for deployment of nurses for satisfactory in-patient care. In 1981 norms were evolved by the Hospital Affairs Committee and accordingly requirement of 775 Nurses for Private and General Wards had been worked out. The Hospital Affairs Committee decided (January 1982) that additional posts of nurses be created and filled up by 31st March, 1983. However, against the requirement of 775 Nurses, only 473 had been provided till March 1986 (shortage 29 per cent). The Institute stated (December 1986) that due to financial constraints and ban on creation/filling of posts recruitment of nurses had not been made.

6.7.2 *Out-Patient Department (OPD)* :- The Institute had not so far fixed any norms for deployment of doctors in OPD on the basis of workload to ensure satisfactory patient care. The Public Accounts Committee (Sixth Lok Sabha) in their 49th Report had recommended that the strength of doctors may be suitably, fixed to bring down the waiting time of out-patients to half an hour at the most. The Institute stated (March 1986) that it was only possible when the system permitted recruitment of doctors as per the workload. Even the existing strength of doctors was not deployed in OPDs on the basis of workload.

Average number of patients seen per hour per doctor in 3 main OPDs (Medical, Surgical and Paediatrics) during October 1984 to December 1984 was 5:8, 7:6 and 2:0 respectively. The Ministry stated (December 1986) that the Institute was being advised to formulate the norms for various categories of staff.

6.7.3 Hospital Medical Store:-

- (i) According to the procedure, prescribed by the Institute in 1972, the Stores Officer was required to maintain list of items required by the Hospital, as approved by the Stores purchase Committee, and also to maintain statistics of rates and expenditure on various items (category-wise) purchased from year to year. The Institute had not maintained the said statistics reportedly (December 1986) due to shortage of staff.
- (ii) The Store Procedure also enjoined that all purchases would be made on D G S & D rate contract and exception could be made with prior approval of the Stores Purchase Committee.

Purchases of drugs/medicines had neither been made through D G S & D nor through the Medical Stores Depot. The Institute stated (December 1986) that (a) the specification of most of the articles required by it did not figure on the D G S & D approved contracts, (b) the choice of drugs was not as much on the prices as on quality of drug and reputation of particular drug manufacturers particularly with regard to effectiveness. In March 1986, the Institute had stated that supplies from firms on D G S & D rate contract were not upto the mark and entailed delays. The reply of the Institute was not convincing as without making purchases of drugs through D G S & D it could not be said that the supplies were not upto the mark and entailed delays. Almost all the Government hospitals were procuring supplies of drugs and medicines through D G S & D or Medical Stores Depots, after technical inspection by D G S & D to ensure quality. The Institute had a formulary of over 650 medicines, which were purchased from open market. Comparison of rates of DGS&D/MSD Karnal with the rates of 10 medicines purchased by the Institute during 1985-86 revealed that the Institute had incurred extra avoidable expenditure of Rs. 0.96 lakh.

- (iii) The Institute calls quotations/tenders from firms by trade names or patented names of medicines, manufactured by different firms and not by indicating chemical/medicinal composition/contents of each tablet, capsule or liquid and thus the basic purpose of making purchases at competitive rate was defeated. The Institute stated (December 1986) that the choice of drugs was not very much on price as on quality and the reputation of the manufacturing firm, particularly with regard to effectiveness. For purchases of drugs, 60 firms were registered by the Institute during 1984-85. Out of 1750 purchases costing Rs. 97.89 lakhs during 1984-85, in 320 cases, purchases amounting to Rs. 36.67 lakhs were made from firms not registered with the Institute. The Institute stated (December 1986) that most of reputed firms did not bother to get themselves registered.
- (iv) Scrutiny of the drug stores account for the year 1980-81 and 1981-82 revealed the following :-
 - (a) Monthly issues of various drugs were shown even when there was no stock in hand as per stock register on several dates and considerable differences in working out the balances of various drugs were also noticed in audit, prominent cases are given in annexure I-A and I-B.
 - (b) Consumption of 21 drugs during September 1980 to December 1980 as compared to the preceding and succeeding 4 months was found

to be abnormally high (6 to 3,000 times) as indicated in Annexure-I-C. A committee set up by the Institute to investigate the discrepancies pointed out by Audit concluded that the mistakes occurred because the stock register had not been posted regularly and updated. The Institute stated (December 1986) that the imbalances were due to arithmetical errors and had occurred due to inexperience of Store Keeper and had since been rectified. It was further stated that there was no misappropriation or malafide intention.

(c) The Estimates Committee, in their 22nd report 1981-82 (CGHS) stressed the need for fixing norms in percentage terms for quality test of medicine and emphasised that the medicines purchased from unrecognised suppliers should in no case be used without prior quality test, and proper check of prescribed percentage in respect of proven suppliers should also be carried out. The Institute had not laid down any norms to be followed for quality test of the medicines before their use. The Institute stated (December 1986) that drugs were purchased only through authorised and well reputed manufacturers/firms, who had adequate built-in testing and quality control systems, and it conducted regular surprise checks on the quality of drugs. The number of drugs sent for testing during 1984-85 and 1985-86 were ten only. Test report of any of the drugs was not shown to audit.

6.7.4 Ambulance Services :- The Institute was provided with four Ambulances for (i) transportation of patients on payment of prescribed charges, except Employees Health Scheme beneficiaries of the Institute from whom no charges were recoverable and (ii) for bringing doctors called to attend emergencies within the Institute Campus.

During 1984-85, only 3 vehicles were available for Ambulance Services (the 4th was unserviceable and condemned in 1979) which made 10, 232 trips covering 54,480 kms. Out of these, only 69 trips covering 1,327 kms. were made for transportation of patients. The remaining 10,163 trips covering 53,153 kms. were made for transportation of doctors and E.H.S. beneficiary staff of the Institute. The main objective of providing Ambulance Services to the patients in emergency was not achieved despite the recommendation of the Review Committee (April 1981) for an all round improvement in the Ambulance Services. The Institute stated (December 1986) that (a) it was not technically feasible to run an open Ambulance service due to its limited capacity for intake of patients and (b) Ambulance was used for referral cases of patients brought from various other hospitals and centres and from Railway Stations or Airports as far as possible.

6.7.5 Department of Rehabilitation and Artificial Limbs :- The Department of Rehabilitation and Artificial Limbs attended to the requirements of handicapped patients and helped them to go back to their normal lives by providing physiotherapy, occupational therapy services and by providing them artificial limbs etc. A Prosthetic and Orthotic Workshop was also attached with the Department for production and distribution of artificial limbs, calipers, shoes, repairs and modifications, etc. B.Sc (Nursing) and Physiotherapy students were also provided clinical training, field work alongwith under-graduate and post-graduate medical teaching.

Test check of the records revealed the following points :-

No norms for deployment of doctors, paramedical and workshop staff had been fixed by the Institute. Further, no targets were fixed for evaluating the performance of the Department. The Ministry stated (December 1986) that the Institute was being advised to formulate norms as early as possible. It was seen in audit that the number of patients, especially the number of old patients, showed steep increase since 1980-81 without corresponding increase in medical, para-medical and technical staff as indicated below :-

Year	Number of patients		
	New	Old	Total
1980-81	6,576	31,741	38,317
1981-82	6,893	33,897	40,790
1982-83	9,447	34,424	43,871
1983-84	8,820	35,465	44,285
1984-85	10,070	36,481	46,551
1985-86	9,962	48,562	58,524

The staff position as on 31st March, 1986 was as under:-

Category of Staff	Sanctioned strength as on		Posts filled up as on 31.3.1986	Vacant posts as on 31.3.1986
	1.4.1980	31.3.1986		
Faculty staff	5	5	3	2
Para-medical staff	11	11	10	1
Technical staff	16	16	15	1
Administrative/ Clerical staff (including class IV staff)	9	9	9	-
	41	41	37	4

Although the number of patients showed sharp increase, the production of appliances (artificial limbs, calipers, shoes, etc.) remained stagnant since 1980-81, as indicated below, due to failure of the Institute to strengthen the workshop staff :-

Year	Production of appliances
1980-81	1,324
1981-82	1,320
1982-83	1,249
1983-84	1,303
1984-85	1,310
1985-86	1,320

The waiting period of the patients has increased from one year in 1984 to 2-3 years in 1986. The Institute stated (December 1986) that with the existing staff, maximum production had been achieved and it was not possible to increase the production, hence the waiting period of the patients for getting the appliances was bound to increase.

6.7.6 Control of Infection :- The Institute had a Hospital Infection Control Committee (HICC) and was assisted by an Infection Control Officer and an Infection Control Sister. The HICC undertook the work of (a) maintenance and testing of sterility of material by CSSD and electrolyte service, (b) surveillance of post operative infection of patients who had undergone planned surgery and neonates born at the Institute Hospital, (c) bacteriology surveillance of environment of operation theatres, intensive care units and other high risk areas and (d) testing of sterile material, mainly disposables on regular basis. In addition, the following items of work were undertaken occasionally depending upon needs :-

- (a) Admission or otherwise of highly infectious patients and disposal of material used by them;
- (b) Testing of disinfectant fluids, baby feed, carriage of surgical tubes, etc.

- One of the functions of the HICC was to direct in-service training programme for the hospital personnel in the use of aseptic techniques and environmental hygiene. However, training of nursing staff had not been provided since 1979 after the start of Nursing College. The staff requirements (one Lecturer, one Technical Assistant, one Laboratory Assistant, one Laboratory Attendant and one Sweeper) had not been sanctioned, which resulted in the failure to provide in-service training and also adversely affected other activities of the Hospital Infection programme as indicated below:-
- One Sister provided from the existing strength of the Institute made regular visits to the labora-

tories to identify new cases of hospital acquired infection, made regular rounds to the Wards and operation theatres to update the infection control sheets of each patient. The OPDs and Dr. R. P. Centre were, however, not covered.

- It was envisaged that the Hospital Infection Committee would define hospital construction and design policies and guide epidemiological studies in the field of nosocomial infection and allied fields. There was no evidence that this had been done.
- One of the functions of the HICC was to formulate purchase policies for hospital supplies like disinfectants, detergents, surgical supplies, disposables and antimicrobial agents. The Faculty Member, appointed as Infection Control Officer should, therefore, have been associated/consulted for making purchases of the aforesaid equipment and materials, which had not been done.
- The incidence of infection amongst the number of patients operated during 1980-85 was as under:-

Year	No. of patients operated	Number of cases of infection
1980	6,987	316
1981	7,510	508
1982	6,586	322
1983	6,247	271
1984	7,098	226
1985	7,284	250

Cases of infection arising from bacteria in case of operated cases had been monitored. Incidence of other forms of infection e.g. nosocomial, infections of the skin, etc., had not been monitored.

6.7.8 Non-introduction of Medical Audit and Mortality Review :- The Health Survey and Planning Committee (1959-61) and Delhi Hospital Review Committee recommended (a) appointment of a Medical audit committee to function as a patient care evaluation Cell in each hospital and (b) carrying out mortality review periodically in each hospital. The recommendations were accepted by Government of India in February 1970. Review Committee of Ministry of Health and Family Welfare in its report (April 1981) had also observed, inter-alia, that (a) exercises in audit and costing should run on concurrent basis to ensure that cost of each item of service, even if it was rendered free, was computed on actual and to-date basis and reviewed and revised at regular intervals and (b) morbidity and mortality statements should be released every month indicating average length of stay of

patients in hospital (departmentwise) which would provide a large amount of clinical data to students and researchers to analyse disease patterns and correlate them to causes, etc. Medical Audit and Mortality Review had not been introduced by the Institute (December 1986).

6.8 Establishment of superspecialities

6.8.1 *Rotary Cancer Hospital*:- The Institute, with the collaboration of Cancer Foundation Society of India, agreed (December 1975) to establish a Rotary Cancer Hospital. The society donated a sum of Rs. 60.15 lakhs (March 1986) in addition to the grants of Rs. 350.55 lakhs upto March 1986 released by the Ministry.

The construction work upto first floor of the proposed eight storeyed building, stipulated to be completed by January 1979 was taken up in October 1977 at a tendered cost of Rs. 30.84 lakhs which was 30.66 per cent above the estimated cost of Rs. 23.61 lakhs. However, the building was completed at a cost of Rs. 38.41 lakhs (Civil works only) in May 1981 after delay of 28 months and an extra expenditure of Rs. 7.57 lakhs over the tendered cost. Certain additional works (Civil and Electrical) estimated to cost Rs. 24.50 lakhs which were not included in the original Expenditure Finance Committee memo. were also executed. During the Sixth Plan period (1980-85) and 1985-86 the Ministry released Rs. 167.80 and 122.75 lakhs respectively including Rs. 50 lakhs for adding three floors to the building. The Institute had incurred expenditure of Rs. 49.05 lakhs (Rs. 38.26 lakhs during 1980-85 and Rs. 10.79 lakhs during 1985-86) on construction whereas no floor was added. The remaining grant was used to meet expenditure on machinery and equipment, materials and supplies, building maintenance and salaries. The Institute stated (December 1986) that the delays in completion of the building and increased expenditure were attributable to major deviations due to incorrect calculations by the architect, increase in the depth of the foundation of the lift, sand filling in place of earth filling, availability of sub-soil water at higher level than anticipated, diversion of sewer, water and power lines and time taken to get the details of radio-active equipment from BARC.

Against the proposal of Rs. 29 lakhs for purchase of Machinery and Equipment in the first Phase (upto 1979-80) the Institute acquired machinery and equipment costing Rs. 44.41 lakhs. Diagnostic X-ray machine 15 MA (cost Rs. 15 lakhs) was purchased (September 1983) although it was not included in Expenditure Finance Committee Memo. The Institute stated (December 1986) that (a) the equipment although not projected in the original Expenditure Finance Committee memo, due to financial constraints, was purchased and installed when funds became available as this equip-

ment was required by it. 'Selectrom-tv patient system' (cost Rs. 16.43 lakhs) was purchased in September 1984 but was received in damaged condition and could be replaced only in July 1986. It was further stated that on receipt of clearance from BARC, the equipment would be put to use.

The out-patient Department was commissioned in November 1979. Against the targeted capacity of 35 beds by the end of 1978, 20 indoor beds and 6 day care beds had only been provided (August 1986). Operating Room for Brachy-Therapy was yet to be started (August 1986).

6.8.2 *Cardio-Theracic and Neuro-sciences centres* :- Two centres (Cardio-Theracic and Neuro-Sciences) were proposed to be set up (July 1975) in the Institute during Fifth Five Year Plan with an allocation of Rs. 170.00 lakhs planned to be utilised as under:-

	Amount (In lakhs of rupees)
1. Construction of building with 5 storeys for the two centres	60.00
2. Revenue Expenditure	106.00
3. Common Services	4.00
Total	<u>170.00</u>

Construction of building with five storeys was to be completed in the first two years of development (1976-78). However, the Ministry released Rs. 33.00 lakhs only during Fifth Plan (1975-78) as the Institute was not in a position to utilise the funds due to late start (December 1978) of the Project. The construction work of two storeys was awarded in December 1978 and was completed in December 1980 (Civil works only) at a cost of Rs. 66.06 lakhs.

During Sixth Five Year Plan (1980-85) against the proposed outlay of Rs. 500.00 lakhs (Capital Rs. 200.00 lakhs and Revenue Rs. 300.00 lakhs), the Institute received a grant of Rs. 469.06 lakhs (without any bifurcation between capital and revenue allocation) against which an expenditure of Rs. 433.78 lakhs was incurred. During 1985-86, the Ministry released a grant of Rs. 482.10 lakhs out of which the Institute spent an amount of Rs. 460.71 lakhs.

Due to delay in appointment of the architect (July 1976) and revision of drawings and non-finalisation of plan proposals, the Institute had spent an amount of Rs. 350.70 lakhs upto 31st March 1986 for construction of building against the sanctioned outlay of Rs. 60.00 lakhs and still the building was incomplete (August 1986). The Institute stated (December 1986) that the delay in completion of the building was due to financial constraints, time taken in appointment of architect, diversion of sewer lines, shortage of cement, shifting of high tension cable by NDMC and cancellation

of sub-way for technical reasons. The cost escalation was attributed to rise in construction costs during the period of delay.

A portion of ground floor was taken over in February 1983 to start OPD services whereas operation wards were commissioned in August 1986 only. Machinery and equipment worth Rs. 140.91 lakhs during Sixth Five Year Plan (1980-85) and Rs. 287.56 lakhs during 1985-86 were procured for both the Centres and were stated to have been installed, though the building was still incomplete.

It was seen from the data furnished by the Institute (March 1986) that there was an increase of 29 per cent in in-patients, 40 per cent in operations including heart surgery, 38 per cent in admissions and 155 per cent in OPD cases from 1976 to 1985 against the target of two to three hundred per cent increase in number of patients expected from the two centres. The other objectives which included Diagnostic facilities to other medical colleges, educational facilities for turning out more specialist nurses and para-medical personnel, facilities for manufacturing and testing of biomedical equipment to save foreign exchange by treating patients in India and in-depth study of heart diseases could not be achieved as the building was under construction (December 1986).

6.9 Research Programmes

6.9.1 The Faculty members undertake research schemes related to health and medical problems on behalf of national and international agencies. Agency-wise receipts and expenditure incurred during the last six years is indicated in Annexure II.

The Estimates Committee, in paragraph 5.41 of their 102nd Report (5th Lok Sabha) recommended that the research projects conducted at the Institute should be reviewed half yearly by the Director and the Dean concerned with reference to the progress made, expenditure incurred and time spent and the likely time and expenditure required to achieve the desired results. An additional overall triennial review by Government was also suggested. The Institute did not agree to a triennial review by Government. The Committee, however, reiterated (1972-73) their recommendations for an early objective and critical assessment of the Research Projects keeping in view the national priorities of medical research. No review, as envisaged, had been conducted (December 1986).

A test check of the 21 projects/schemes sponsored by Indian Council of Medical Research and Directorate of Science and Technology, completed upto March 1985 revealed the following points:-

(i) In 6 cases out of 11, final reports of the project schemes, which were required to be submitted within one month from the date of its completion, were sent to the sponsoring bodies after

delays ranging from 6 to 24 months and in 5 cases the reports had not been sent so far. The Institute stated (December 1986) that delays in submission of final reports occurred due to time taken in analysis of data collected, compilation and publication of papers on research, etc.

- (ii) The Institute took up a Research Project on 1st August 1982 titled "National Consortium for Biophysics task force for cancer and its rational therapy". The project was to be completed by 31st July 1987. Against allocation of Rs. 19.11 lakhs grants amounting to Rs. 15.61 lakhs were received from Directorate of Science and Technology upto 1985-86 against which expenditure of Rs. 14.02 lakhs was incurred upto July 1986. The Project was terminated on 31st December 1985 without its completion by the Project Investigator as he was appointed as Vice-Chancellor of a university. It was seen from the Project Complementation Report that no scientific, technological and commercial benefit had accrued or was likely to accrue and therefore, no patent was taken. Thus the Institute incurred an infructuous expenditure of Rs. 14.02 lakhs on the project.
- (iii) A scheme named 'Collaborative study on illness behaviour in patients presenting with pain and its relationship with psychological and clinical variables' was sanctioned by ICMR in February 1981 for two years. The scheme was terminated in October 1982 after incurring an expenditure of Rs. 0.53 lakh. Reasons for termination were not available on record. Final Report of the work done was awaited (August 1986).
- (iv) A scheme named 'Dietary factors in the causation of rheumatoid arthritis' was sanctioned by the J.K. Scientific and Medical Research Society, Bombay for a period of two years (from March 1984 to March 1986). The scheme was terminated with effect from 31st March 1985 after incurring expenditure of Rs. 15,000. The Society remarked that the two quarterly reports on research projects submitted by the Institute were purely clinical and vague and showed no indication of achieving the goal set out.
- (v) A project 'Optical transmission of scanning electron microscopic studies on Cellular Pathways of Drugs to and within Brain following intranasal administration' was sanctioned in January 1979 by the Department of Science and Technology for 3 years at a total cost of Rs. 13.99 lakhs. Against this, Rs.13.04 lakhs were released. The scheme could not be started until June 1982 as one major equipment was installed only in March 1981 and posts of one Assistant Professor upto April 1981 and one

technical tutor upto May 1983 were lying vacant. The Assistant Professor was appointed in May 1982 and the Chief Investigator was transferred to Bombay (a unit of ICMR) in the same month. The Project was completed in September 1984 against the original schedule of January 1982. The report was still under preparation (August 1986).

(vi) The Institute had an unspent balance of Rs. 182.22 lakhs in respect of research schemes as on 31st March 1986 which excluded an amount of Rs. 1.91 lakhs credited to the Institute's Miscellaneous Account in March 1981. The Institute stated that unspent balance was not refunded due to following reasons:-

1. Various audit objections were pending and
2. unspecified difficulties in refunding the balances.

As per the terms and conditions of the grants released by the ICMR/DST, for permanent and semi-permanent assets acquired solely or mainly out of the grant, a separate register of Assets was required to be maintained by the Institute. The Institute did not produce the Assets Registers in respect of assets acquired by it out of grants-in-aid received for research schemes/projects, which had been completed. It could not, therefore, be checked in audit whether the said assets had been returned to the funding agencies or utilised by the Institute with permission of the funding agencies after accounting for the same in the Institute's Stock Registers.

6.9.2 *Research Schemes of the Institute* : Since its inception, the Institute claimed success in only 23 inventions/processes (August 1986). Eight of these were patented and for the remaining 15 inventions, applications were filed with the Registrar of Patents between December 1978 and March 1985. Of the 8 patented inventions, only 4 had been commercialised and an amount of Rs. 0.32 lakh was received by the Institute as royalty from 1980-86. The other 4 inventions could not be commercialised for various reasons e.g. non-settlement of terms and conditions, resignation of inventor and lack of demand.

6.10 *Academic Infrastructure*

6.10.1 Against the sanctioned strength of 333 faculty members as on 31st March 1986, only 271 members were in position resulting in shortage of 62 (19 per cent). The Institute stated (December 1986) that the vacancies in the faculty posts were due to non-availability of suitable candidates.

A committee appointed by the Institute in October 1969 suggested (1970) a review of the work of each faculty member once in two years. No such review was

conducted by the Institute since April 1970.

6.11 *Dr. R. P. Centre for Ophthalmic Sciences*

6.11.1 The Centre was established in 1967 to provide self-sufficiency in post-graduate ophthalmic education and an overall development of high grade ophthalmic services in clinical basis and pathological sciences, prevention of blindness, rehabilitation of the blind, teaching and research in all branches of ophthalmic sciences at National level.

6.11.2 *Plan allocation*:- Against plan allocation of Rs. 138.00 lakhs during 1969 to 1980, the Government released grants-in-aid of Rs. 93.32 lakhs only, which was fully utilised. During Sixth Five Year Plan (1980-85), against the allocated amount of Rs. 90.00 lakhs, the Government released Rs. 79.20 lakhs and the Centre could utilise a sum of Rs. 69.16 lakhs. During 1985-86, against the grant of Rs. 10.00 lakhs, the Centre could utilise a sum of Rs. 7.01 lakhs.

It was seen in the course of audit that the Centre could not fully achieve the targets envisaged, as indicated below :-

- Against a target of 300 beds by 1971-72 the centre had a bed strength of 227 beds (August 1986).
- Against the expected turnover of 660 post-graduates (50-60 per annum), only 226 post-graduates were trained (December 1985). Shortfall was 66 per cent.
- Against the expected turnover of 312 paramedical personnel, 59 students were trained till 1985, shortfall being 81 per cent.
- It was envisaged in Fifth Plan to start a 2 years training course of ophthalmic nursing with 8 nurses to be trained every year. No such course had been started (August 1986).
- The Centre was to provide facilities for the training of personnel for the rehabilitation of the blind but no such facility had been provided (August 1986).

The Institute stated (December 1986) that (a) full target of 300 beds had not been achieved due to non completion of B, C and D wings of building of the Centre (b) admission to post-graduate training programmes had been gradually increased according to number of beds and faculty strength (c) three para medical courses (Optical Assistant, Ophthalmic Assistant, B.Sc.(Hons.) in ophthalmic techniques) had been developed (d) ophthalmic nursing in-service training had been started and (e) more para-medical course would be started during the VIIIth Plan.

6.11.3 *National Programme for Prevention of Visual Impairment and Control of Blindness*:- The Government decided (December 1976) to develop the Dr. R. P. Centre for Ophthalmic Sciences (Centre) as an Apex body for training, research and advice for implementation of Visual Impairment and control of Blindness.

As an Apex body, the Centre was to carry out many functions including provision of various facilities and basic medical services, community ophthalmology and research; development of pattern of teaching and training in post-graduate ophthalmic education in all the branches for adoption by various regional institutions and medical colleges, etc.

6.11.4 *Funds*:- During Sixth Five Year Plan (1980-85) Rs. 206.84 lakhs were released by the Government but the Centre could utilise only Rs. 168.77 lakhs resulting in a saving of Rs. 38.07 lakhs. The Institute stated (December 1986) that funds could not be utilised in full as the grant was received in March 1985. However, during 1985-86 against the receipt of Rs. 23.00 lakhs, the Centre incurred an expenditure of Rs. 48.50 lakhs (Capital Rs. 25.88 lakhs, Equipment Rs. 19.46 lakhs, M.O.U. Rs. 3.03 lakhs and stipend Rs. 0.13 lakh) leaving a balance of Rs. 12.57 lakhs (Rs. 38.07 - Rs. 25.50 lakhs).

6.11.5 *Building*:- The construction work of an eight storey building (B, C and D Wings) was awarded to contractor 'A' at a cost of Rs. 74.65 lakhs (September 1978) and was to be completed by September 1980. The contract was rescinded (November 1979) due to slow progress of work after making a payment of Rs. 22.43 lakhs to the contractor. The residual work was awarded to another contractor 'B' (May 1980) at a cost of Rs. 65.19 lakhs involving an extra expenditure of Rs. 20.28 lakhs (Rs. 16.02 lakhs for civil work and Rs. 4.26 lakhs for electric, water supply and sanitary work) for which the Arbitrator awarded (October 1981) Rs. 15.21 lakhs (Rs. 1.00 lakh on account of Security deposit adjusted while Rs. 14.21 lakhs was yet to be recovered) in favour of the Institute. The case was stated to be pending in the High Court. The Institute had, so far, paid Rs. 88.53 lakhs (December 1985) (Rs. 22.43 lakhs to the first contractor and Rs. 66.10 lakhs to the second contractor) but the building had not been completed (December 1986). The Institute stated (December 1986) that completion of B, C and D Wings of the Centre's building had been delayed on account of delays in supply of building material due to shortage in the market, pre-occupation of contractor in Asiad works and lack of resources with the contractors.

6.11.6 *Training Programme* :- The teaching and training programme in post-graduate ophthalmic education and community ophthalmology envisaged in the National Programme had not been started (September 1986). Two years' ophthalmic assistant course

with a batch of 4 students was started in 1984. The Institute stated (December 1986) that training in community ophthalmology could not be started since the staff for the section of community medicine could not be recruited.

It was also stated that more investigations, training facilities and operative work would be possible only on completion and occupation of the building.

6.12 *Construction Works*

6.12.1 The Institute had undertaken 13 major Civil Works since 1971 (Annexure III) each costing more than Rs. 5 lakhs at a total tendered cost of Rs. 559.60 lakhs.

- The contractors went into arbitration in 7 cases. In 5 cases, an amount of Rs. 4.24 lakhs was paid as a result of arbitrator's award. In 2 other cases, award was given in favour of the Institute.
- In one case (amount not known as the file was not made available), the decree could not be executed and in the second case (amount awarded Rs. 14.21 lakhs), the matter was pending in a court.

6.12.2 *Cement and Steel Account*:- Codal provisions do not allow fictitious stock adjustments such as debiting to a work, the cost of material in excess of actual requirements and debiting to a particular work, the value of material intended to be utilised on another work. It was seen in audit that the Institute had been purchasing cement and steel in excess of actual requirements of a particular work and debiting the cost thereof to this work for which funds were available and later transferring the material to other works. Adjustments of cost of material transferred from one work to another work were carried out after abnormal delays with the result that it was not possible to know the cost of a particular work at a particular time. During 1978-79 to 1981-82, material worth Rs. 37.89 lakhs (involving only 24 transactions above Rs. 1,000 each) were transferred from one work/project to another. One adjustment in respect of material transferred (value Rs. 11.35 lakhs) during the period from May 1978 to March 1981 was carried out in January 1982. The adjustment for transfer of material worth Rs. 14.54 lakhs pertaining to the years 1982-83 and 1983-84 had not been carried out (March 1986). Similarly, adjustments in respect of material transferred during 1984-86 had not been carried out. The transfer of material from one work to another was on account of the fact that material was purchased and issued in excess of bonafide requirements in some cases and in other cases it was in short quantities than the quantities stipulated in the agreements, as illustrated in cases given below :-

Sl. No.	Name of the work	Details of material	Quantity in tonnes		Excess/shortage in purchase		Percentage
			Stipulated as per agreement	Quantity purchased	Excess(+)	Short(-)	
1.	B, C & D wings Dr. R. P. Centre and Hospital Block—Phase-II	Cement	2,800	6,545	(+)3,745	(+)134	
		Steel	884	1,472	(+) 588	(+) 67	
2.	Cardio Theracic and Neuro Sciences Centres	Cement	2,776	3,947	(+)1,171	(+) 42	
		Steel	717	540	(-) 177	(-) 25	
3.	Institute of Rotary Cancer Hospital	Cement	1,311	1,011	(-) 300	(-) 23	
		Steel	204	533	(+) 329	(+)161	

The Institute stated (December 1986) that unlike in the Government, the Institute was not sanctioned any budget provision under the head 'Stock Suspense' for the purchase of material required for the execution of the works, and material was purchased only out of budget grant of the works. It further stated that (a) the material was transferred from one work to another on actual requirement basis, (b) the material purchased was not in excess of its total requirements and that pending adjustments were being carried out. The Institute did not submit any budget proposals for purchase of material under the head 'Stock Suspense' and offered no explanation for abnormal delays in making adjustments.

6.12.3 *Defective execution of works:-* To ensure quality and completion of works as per specifications, Government works are subjected to technical examination by the Chief Technical Examiner. The Institute's works were inspected by its engineering Department and were not subjected to inspection by the Chief Technical Examiner. The Institute stated (December 1986) that a quarterly report of major works awarded or in progress, the cost of which was Rs. 15 lakhs and above, was sent to the Chief Vigilance Commission. Test check in audit revealed the following points:-

- In case of 3 completed works, serious defects developed which resulted in extra expenditure of Rs. 5.35 lakhs on repairs. The defects were attributed to structural inadequacy, presence of chloride (which caused erosion in reinforced steel) and defective design of the contractor. Responsibility for the defects had not been fixed.
- In case of one work (in progress), as per site order book, the following defects in execution were noticed (November 1985):-
 - (a) The chajjas had not been finished properly.
 - (b) The plaster was not at plumb at certain places.
 - (c) The joints of old plaster with the new plaster had not been finished properly.

(d) The joints/sills of doors and windows had not been finished properly.

There was nothing on record to show whether the defects in execution were pointed out to the contractor (August 1986).

6.12.4 *Non-maintenance of Works Abstract:-* Under the codal provisions, work abstract was required to be maintained to watch progressive expenditure against a particular work. The Institute had not maintained the works abstract. The Institute stated (December 1986) that action was being taken to maintain works abstracts for important works.

6.12.5 *Preparation of site for installation of Total Body CT Scanner:-* The Institute awarded (July 1985) the work of preparation of site for installation of Total Body CT Scanner at a lump sum of Rs. 14.50 lakhs to firm 'A' from whom the equipment had been purchased. The following points were noticed in audit:-

- (i) Tenders had not been invited to ascertain the competitive rates. The work was got done from the firm 'A' which was not engaged in execution of works, at Rs. 14.50 lakhs against an estimated cost of Rs. 11.88 lakhs on the grounds that -
 - (a) Total body of CT Scanner was imported through it.
 - (b) The site was to be prepared in the shortest possible time.
- (ii) The work involved demolition of existing structure. The dismantled material had not been accounted for (August 1986).
- (iii) Items of furniture, fixture, etc., provided by firm 'A' in execution of work of preparation of site had not been accounted for (August 1986).
- (iv) Air-conditioning Plant had not been handed over by the firm (December 1986).

The Institute stated (December 1986) that (a) for smoother functioning of the work and timely installation of the equipment, it was decided that civil work

may also be awarded to the same firm (b) all the dismantled material had been taken in dismantled material account, furniture and other fixtures handed over by the firm had been taken against inventory of items installed.

6.13 Management Services Unit

6.13.1 On the basis of studies conducted, the Ministry of Home Affairs (Department of Administrative Reforms) suggested (August 1982) to the Institute that as it was a fairly big and growing Institute, it may set up a Management Services Unit (MS Unit) for the purposes of (a) streamlining the procedures of works, (b) review of delegation of financial and administrative powers, (c) forms designing, (d) devising an effective information system, (e) studies of material management (including inventory control), (f) manualisation of administrative orders and (g) work measurement studies, etc.

The Institute had set up (October 1974) the MS Unit by merging the Internal Audit Cell and the Physical Verification Cell. The MS Unit was also entrusted with the work of settlement of audit objections of statutory audit and internal audit. The staff strength of the MS Unit since 1974 was as under:-

Sl. Category of staff No.	Sanctioned Strength	Posts filled up (as on 31.3.1986)
1. Superintendent	1	1
2. Technical Assistant	1	1
3. Upper Division Clerk	1	1
4. Lower Division Clerk	1	1

It was seen in audit that the MS Unit had not evolved any regular system to conduct periodical Internal Audit of purchases, receipts and issue of stores, drugs and medicines, etc. Besides settlement of audit objections raised by Statutory Audit and various items of work assigned to it, the MS Unit's performance as regards internal-audit during 1980-86 is indicated below:-

Year	Number of units			Number of units audited		
	Institute	Dr. R. P. Centre	Total	Institute	Dr. R. P. Centre	Total
1980-81	130	12	142	7	12	19
1981-82	130	13	143	37	13	50
1982-83	130	15	145	9	10	19
1983-84	130	15	145	10	-	10
1984-85	130	15	145	17	-	17
1985-86	130	15	145	-	-	-

The Institute stated (September 1986) that with the existing staff strength, full justice could not be done. A proposal to strengthen the MS Unit with additional staff of Internal Audit Officer (One) to be assisted by 17 additional staff was placed before Standing Finance Committee, but due to financial constraints, additional staff required had not been sanctioned.

6.14 Evaluation by Review Committee

6.14.1 The Institute was set up in 1956 with the objectives mentioned in the introductory para. On the recommendations of the Estimates Committee in their 102nd report, a Review Committee was set up (1979) to review the functioning of the Institute. It submitted its report (1981) which, inter-alia, observed:-

- (i) One of the main objectives of the Institute was to develop patterns of teaching in under-graduate and post-graduate medical education in all its branches so as to demonstrate a high standard of medical education to all medical colleges and other allied Institutions in India. The Institute had failed to proceed on a definite, organised basis to create the requisite impact on the functioning of medical institutions elsewhere in the country.
- (ii) Another objective of the Institute was to help to meet the country's requirement and attaining self-sufficiency in the production of medical teachers, specialists and super-specialists. No specific exercise had been undertaken by the Institute to review the existing number of teachers and specialists of various grades of skills so that such an assessment could become the basis for making reliable projections regarding the areas in which the Institute could concentrate and help to develop the requisite number of experts in specific areas of need to achieve regional or national self-sufficiency. It established various post-graduate courses without adequate, direct linkage with country's overall needs of the graded, skilled manpower.
- (iii) Yet another objective of the Institute was to organise educational facilities of the highest order for training of personnel in all important branches of health activity. A broad review of various training courses being conducted at the Institute indicated an almost total lack of pattern or internal linkage with their other activities relating to under-graduate and post-graduate teaching and training. No exercise had been done to correlate the production of any category of para-professional, medical, or non-medical, to meet specific, identified needs.

The Institute stated (December 1986) that the Institute Body generally accepted many of the recommen-

dations made by the Review Committee but it was not clear as to which of the specific recommendations had been accepted, and the matter was proposed to be again placed before the Institute Body.

6.15 Other Points of Interest

6.15.1 *Irregular expenditure of Rs. 150 lakhs to avoid lapse of funds:-* The Government of India, Ministry of Health and Family Welfare released (March 1986) grants-in-aid of Rs. 150 lakhs under Plan and informed the Institute that it had been decided to allot 120 flats in Asiad Village by the Delhi Development Authority to the Institute to be utilised as staff quarters for officers of higher pay scales. Scrutiny of the Institute's records revealed the following points:-

- The institute did not submit any proposal to the Ministry nor applied to the Delhi Development Authority for allotment of flats. The Institute had its own land at Masjid Moth and Ayurvignyan Nagar, most of which was lying vacant. This land had been ear-marked for staff quarters. Secondly, the Institute had already constructed staff quarters at Ansari Nagar, AV Nagar and Masjid Moth and more quarters are to be constructed. The demand for 120 flats in Asiad Village for Officers of higher pay scales was not assessed by the Institute. The Institute made on account payment of Rs. 150 lakhs to Delhi Development Authority on 31st March 1986 to avoid lapse of funds, without ascertaining the total cost of the flats.
- The Delhi Development Authority had not made over possession of the flats (August 1986).

The Institute stated (December 1986) that the question of allotment of the said flats had been examined by Government and the question of finalisation of the deal with DDA was under consideration of the Government.

6.15.2 *Survey of Graduates/Post-graduates who passed out from the Institute:-* The Estimates Committee in their 102nd report (5th Lok Sabha) had recommended that early steps should be taken to complete studies for ascertaining the cost of education and training in the Institute and to bring home to the students the cost incurred by Government in training them so as to instil in them a sense of obligation to the Country. The Institute had not conducted studies to ascertain the cost of training graduate and post-graduate doctors. However, a survey conducted by the Institute in 1982 revealed that out of 894 post-graduates who completed their studies in the Institute during 1976-82, 589 were working in India, 195 were serving abroad and whereabouts of others were unknown. The Survey of post-graduates, who passed out after 1982 was stated (December 1986) to be in progress.

The review was referred (October 1986) to the Ministry for their comments and they agreed with the comments of the Institute (December 1986).

6.16 Summing up

The main points that emerge are:-

- The form of accounts of the Institute had not been prescribed by the Government in accordance with Section 18(i) of the Act.
- During 1980-86, the Institute's total expenditure amounted to Rs. 11,744.62 lakhs against receipts of Rs. 11,854.12 lakhs leaving a closing balance of Rs. 294.84 lakhs.
- Separate accounts of receipts and expenditure of grants-in-aid in respect of Plan Scheme had not been maintained upto 1979-80. Rupees 235.85 lakhs were spent on items not provided for in the Sixth Five Year Plan. Utilisation certificates for full amount of grants-in-aid had been issued although there was unspent balance of Rs. 24.89 lakhs during Sixth Plan period (1980-85) in respect of Institute (main) Plan.
- Grants received upto 1982-83 for machinery and equipment had not been capitalised and even thereafter the expenditure on purchase of machinery and equipment exceeded the amount of grants-in-aid capitalised.
- Machinery and equipment costing Rs. 124.32 lakhs had not been installed. Purchases/imports of machinery and equipment had been made without calling tenders in most of the cases.
- Centre for post-graduate research in Dental Sciences had not been set up.
- No norms had been laid down by the Institute for deployment of doctors, nurses, para-medical staff and workshop staff in the Out-Patient Department and the Department of Rehabilitation and Artificial Limbs. The shortfall of nurses for in-patient care was 29 per cent.
- Purchases of medicines, drugs, etc. had not been made at competitive rates or through DGS&D/Medical Stores Depot, Karnal.
- Ambulance service was mostly not provided to general patients.
- In-service training for aseptic techniques and environmental hygiene could not be provided since 1979 for the control of infection.
- Medical Audit and Mortality Review had not been introduced.
- The Institute could construct only two floors of

the proposed eight storey building for Rotary Cancer Hospital.

- The building for the Cardio-Theracic and Neuro-Sciences Centres, scheduled to be completed by the end of 1978, had not been completed, resulting in non-achievement of the objectives.
- The review of the research projects half-yearly by the Director and the Dean and triennially by the Government recommended by the Estimates Committee had not been done.
- No norms had been fixed for involvement of faculty members in teaching, research and patient care. Review of the work of each faculty member, envisaged to be made once in two years, had not been done. No study for ascertaining the cost of education and training to students had been undertaken.
- The shortfall in achievement of targets by Dr. R. P. Centre for Ophthalmic Sciences in respect of turnover of post-graduates and para-medical

personnel was 66 and 84 *per cent* respectively. Many teaching and training courses proposed to be taken up, could not be taken as construction of some wings of the building was yet to be completed.

- Fictitious stock adjustments of cement and steel issued for civil works had been made. An award of Rs. 14.21 lakhs in favour of the Institute could not be executed and was pending in court.
- Defective execution of three works resulted in expenditure of Rs. 5.35 lakhs on repairs.
- Lump-sum work was awarded to a firm for Rs. 14.50 lakhs, which exceeded the estimated cost by Rs. 2.62 lakhs.
- No follow up action on the recommendations by the Review Committee was taken by the Institute.
- Payment of Rs. 1.5 crores was made to D.D.A. to avoid lapse of funds for the purchase of flats.

ANNEXURE-I A

Statement showing the issue/consumption of Drugs in excess of the Stock balances

Sl. No.	Name of the medicine and reference to stock register and page No.	Date	Stock balance	Issue/Consumption of medicine till arrival of stock at col. 6	Date of arrival	Issue/Consumption in excess of actual stock (Col. 5-4)
1	2	3	4	5	6	7
1.	Inj. Gantanycin (P-156)	30.12.80	5,500	9,395	14.5.81	3,895
2.	Inj. Ampicilline 250 mg. (P-22)	28.2.81	6,630	12,334	26.6.81	5,704
3.	Inj. Claxacilline 250 mg. (P-83)	30.11.80	9,000	11,567	26.6.81	2,567
4.	Tab. I.N.H. - 100 mg. (P-190)	30.9.80	30,400	56,430	18.6.81	26,030
5.	Tab. Mabanduzal (Mebax) (P-216)	30.11.80	8,290	12,914	26.6.81	4,624
6.	Tab. Uniznyne (P-71)	10.9.80	30,075	59,835	26.12.81	29,760
7.	Tab. Ciplar 40 mg. (P-62)	30.11.80	4,500	14,910	10.6.81	10,410
8.	Tab. Oxyplinbutazone (Sugannil)(P-237)	30.10.80	1,06,540	1,22,083	6.5.81 9.6.81	15,543
9.	Tab. Chemotrie (P-66)	31.7.81	23,578	57,569	7.11.81	33,991
10.	Cap. Cloxacilline (P-68)	6.9.80	18,550	41,304	2.12.80 28.12.80	22,754

ANNEXURE-I B

Statement showing the differences in the Stock balances – Stock Accounts of Medicine

Sl. No.	Name of Medicine	Date	Stock balances as per register	Subsequent stock entry and date		Stock balances after incorporating the transaction as in Col. 5		Difference (-) Short (+) Excess
				Receipts	Issue	As per Stock Register	Actual	
1	2	3	4	5		6		7
1.	Tab. B Complex	30.9.1980	36,800	2,00,000 (3.3.1981)	--	56,800	2,36,800	(-)1,80,000
2.	Cap. B Complex	30.10.1980	1,84,040	--	18,000	1,04,040	1,66,040	(-) 62,000
3.	Tab. Chlorophansedyle	30.11.1980	1,14,129	1,80,000 (17.7.1981)	--	1,94,129	2,94,129	(-)1,00,000
4.	Tab. Ethamtritol	16.8.1980	49,800	30,300	--	54,800	80,100	(-) 25,300
5.	Cap. Indomethasive	30.10.1980	34,400	--	10,000 (30.11.1980)	2,400	24,400	(-) 22,000
6.	Tab. Eskazime 5 mg.	11.6.1981	40,994	--	8,000 (30.1.1982)	42,994	32,994	(+) 10,000
7.	Tab. Analgine	30.11.1980	2,78,628	--	60,000 (30.12.1980)	2,72,628	2,18,628	(+) 54,000
8.	Tab. Aspirin	28.2.1981	3,32,300	The stock balances carried forward to next page were 4,32,300.				(+)1,00,000
9.	Tab. Fersolate	30.12.1980	2,05,000	--	77,200 (28.2.1981)	2,27,800	1,27,800	(+)1,00,000
10.	Tab. Multivitamine	30.12.1980	1,26,400	--	14,000	1,25,400	1,12,400	(+) 13,000

ANNEXURE-I C

Statement showing consumption of drugs during the period May, 1980 to April, 1981

Sl. No.	Name of Medicine	May 1980 to August 1980	September 1980 to December 1980	January 1981 to April 1981
1.	Cap. Ampicilline	256	23,494	7,156
2.	Cap. Claxacillin	19,900	55,854	8,104
3.	Chlorophenerainte	58,400	1,24,971	65,250
4.	Indomethasin Cap	500	11,300	1,800
5.	Avil 50 mg.	700	5,712	2,115
6.	Tab. B Complex Forte	300	1,14,140	43,860
7.	Tab. Diamex Aceta Zolomide	1,000	4,000	650
8.	Tab. Aldomet/Methyle Sepa	3,900	21,300	20,180
9.	Cap./Tab. B Complex Forte C Vit C	190	54,000	45,941
10.	Tab. Carisome Comp	2,900	4,450	2,200
11.	Tab. Serenace 5 mg.	500	6,500	3,060
12.	Inj. Adrenaline	1,350	9,340	2,215
13.	Inj. Adriamycine	120	554	211
14.	Inj. Bamzle Pencilline	16,280	36,880	17,205
15.	Chlorophencal 1 mg.	875	4,207	1,930
16.	Inj. Diazepam/Campose	4,626	11,216	4,323
17.	Inj. Insuline Plain	661	1,702	1,053
18.	Inj. Prostimine 5 m.	175	603	70
19.	Aether Anaesthetic	110	700	272
20.	Phenesedyle Syrup	78	777	190
21.	Glycerene	50 Kgs.	760 Kgs.	188 Kgs.

ANNEXURE-II

Year-wise details of receipts and expenditure on research schemes of the Institute

	1980-81		1981-82		1982-83		1983-84		1984-85		1985-86	
	Receipts	Expenditure	Receipts	Expenditure	Receipts	Expenditure	Receipts	Expenditure	Receipts	Expenditure	Receipts	Expenditure
	(Rupees in lakhs)											
1. Government Agencies	110.38	61.34	52.86	88.38	56.00	81.18	75.66	75.86	107.34	94.39	156.78	78.13
2. Autonomous Bodies	15.49	14.90	35.62	34.04	53.04	50.03	26.75	66.25	33.87	31.87	130.98	119.11
3. Private Agencies	2.44	2.49	4.47	5.00	2.69	6.62	7.62	4.14	13.85	14.24	18.05	15.54
4. United Nations & International Agencies	16.42	26.00	36.56	28.15	18.98	24.90	64.16	26.47	25.00	19.07	34.74	24.58
5. Institute's own schemes	8.00	8.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Total	152.73	112.73	138.51	164.57	139.71	171.73	183.19	181.72	189.06	168.57	349.55	246.36

ANNEXURE-III

List of major work exceeding Rs. 5 lakhs

Sl. No.	Name of work	Estimated cost	Tendered amount	Actual expenditure	Date of commencement	Stipulated period	Actual date of completion	Period of delay (approximately)
				(Rs. in lakhs)				
1.	Construction of 80 Type II Quarters	8.34	12.67	11.53	20.3.1971	19 months	1.11.1973	12 months
2.	Construction of Phase IV assembly hall additions and alterations	4.08	5.90	7.74	6.11.1973	6 months	25.11.1976	30 months
3.	Constructions of Institute of Rotary Cancer Hospital	23.61	30.84	38.41	28.10.1977	15 months	28.5.1981	28 months
4.	Construction of Cardio-theracic and Neuro-Sciences Centre	59.70	73.30	68.57	15.12.1978	24 months	1.3.1984	39 months
5.	Construction of BCD Wings Dr. R. P. Centre Hospital Block Phase-II	60.76	74.25	22.43	2.10.1978	24 months	Rescinded November '79	--
	-do- (Remaining works)			66.10	6.6.1980	21 months	In progress	--
6.	Construction of 80 married nurses Quarters and 80 married resident (Doctors) Quarters	17.89	25.14	35.04	14.8.1979	12 months	10.12.1980	3 months
7.	Construction of 168 nos. C Type Quarters, Andrews Ganj area	27.80	43.62	43.12	25.11.1979	12 months	20.10.1983	34 months
8.	Construction of 96 nos. 4 storeyed B Type Quarters at AV Nagar, AIIMS	39.75	52.01	52.39	8.1.1985	15 months	In progress	--
9.	Construction of Cardio-theracic and Neuro-Sciences Centre (SH: Sanitary works)	4.40	6.73	5.51	14.1.1980	18 months	15.3.1984	31 months
10.	Construction of U. G. Tank 1550 K.L. capacity behind Dr. R. P. Centre at A.I.I.M.S.	12.71	17.15	17.09	3.12.1984	9 months	Work completed on 18.4.1986	7 months
11.	Construction of Additional floor 2nd to 7th floor for CTNS at A.I.I.M.S.	(a) 69.96	74.39	55.48	6.1.1985	20 months	In progress	--
12.	-do-	(b) 52.80	79.20	15.01	3.1.1986	16 months	In progress	--
13.	Construction of 96 nos. 4 storeyed A Type Quarters at A.V. Nagar, New Delhi	46.56	64.40	50.81	7.4.1985	15 months	In progress	--
			<u>559.60</u>	<u>489.23</u>				

7. Blocking of funds due to non-installation of imported equipments by the Indian Council of Medical Research

The Indian Council of Medical Research (ICMR) imported a collator machine in February 1981 at a cost of Rs. 3.13 lakhs excluding customs duty and a process camera in August 1983 at a cost of Rs. 3.14 lakhs including customs duty of Rs. 1.57 lakhs. Both these equipments could not be put to use due to inadequate planning and advance action. The facts are as under :-

(a) The collator machine arrived at Calcutta in November 1981 and was kept in a godown of Calcutta Port Trust. In a fire accident (November 1981) in the Port Trust, the machine got damaged. However, the main part of the machine costing Rs. 1.68 lakhs was salvaged and cleared after paying customs duty of Rs. 1.98 lakhs. This was brought to the ICMR (Headquarters), New Delhi in January 1983.

For the damaged parts of the machines, the Insurance Company paid Rs. 1.70 lakhs (April 1983). Thereafter, an order was placed for replacement (July 1983) at a cost of Rs. 5.22 lakhs including customs duty of Rs. 3.30 lakhs. The equipment arrived at Bombay Port in August 1984 but could be cleared only in February 1985 because of the delay in obtaining sanction of the Council for the payment of customs duty. Thus, the total cost of the collator machine including customs duty, transportation and demurrage amounted to Rs. 9.42 lakhs.

The collator machine needed an accommodation of 180 sq. ft., but this could not be finalised so far. The Council stated (November 1986) that originally the machine was to be installed in a new building which was to be constructed. However, the plans submitted to local municipal authorities in 1982 had been rejected in September 1984. The Council attributed the delay in installing the machine to the undue delay in the construction of the new building. Only in November 1986, the Council started exploring the idea of installing the machine temporarily in one of the rooms of ICMR (Headquarters) building.

(b) The process camera was received in the ICMR (Headquarters) in October 1983. It had been decided to install the camera in the existing dark room after carrying out minor modifications to the room as per specifications indicated by the supplier. However, the Indian agent of the foreign supplier furnished the specifications in piece meal over a period of time including the requirement of 3 phase-power line. The 3 phase-power line was provided only in August 1986. The Council also stated that there was delay in filling the post of the Press Manager who was directly responsible for installing the camera. The post was vacant from February 1985 to September 1986.

In both the cases, the Ministry of Health and Family Welfare stated (December 1986) that the ICMR had been advised to plan the purchases properly in future and put the above equipments to use as early as possible.

Thus, due to lack of proper planning, there was not only blocking of funds of Rs. 3.14 lakhs for more than 3 years in the case of the camera and Rs. 9.42 lakhs for more than 1½ years in the case of collator machine but also non-utilisation of these costly imported equipments.

MINISTRY OF HUMAN RESOURCE DEVELOPMENT

(Department of Education)

8. Rashtriya Sanskrit Sansthan

8.1 *Introductory*

8.1.1 The Rashtriya Sanskrit Sansthan (The Sansthan) was established as a registered society in October 1970 under the Societies Registration Act XXI of 1860 for the promotion of Sanskrit and to serve as a Central administrative and coordinating machinery for the management of the Kendriya Sanskrit Vidyapeethas. At the time of its establishment, there were two Kendriya Vidyapeethas at Delhi and Tirupati. Three more institutions at Jammu, Allahabad and Puri were also taken over simultaneously and converted into Kendriya Vidyapeethas. Two new Kendriya Vidyapeethas were opened by the Sansthan at Guruvayoor in July 1979 and at Jaipur in July 1983.

8.2 *Objectives*

8.2.1 The main objectives of the Sansthan are to propagate, develop and encourage Sanskrit learning, research and in pursuance thereof :

(a) to undertake, aid, promote, and coordinate research in all branches of Sanskrit learning including teachers training and manuscriptology and to bring out publications;

(b) to establish, take over and administer Kendriya Sanskrit Vidyapeethas in the various parts of the country and to associate with any other institutions with similar objectives;

(c) to prepare, introduce, supervise and amend the curricula, syllabi and research programmes of the Sanskrit Vidyapeethas established and maintained by the Sansthan and to conduct examinations and confer certificates, diplomas, distinctions, etc.;

(d) to serve as a central administrative machinery for the management of all the Kendriya Sanskrit Vidyapeethas established or taken over in their academic work and

(e) to institute and award fellowships, scholarships, stipends, prizes and medals in accordance with the rules and bye-laws adopted by the Sansthan from time to time.

8.3 Organisational set up

8.3.1 The Sansthan had the following bodies for its administration :-

- (1) General Body
- (2) Shasi Parishad (Governing Council)
- (3) Artha Samiti (Finance Committee)
- (4) Vidya Parishad (Academic Council)
- (5) Examination Board
- (6) Publication Committee.

The Director of the Sansthan is its Principal Executive Officer responsible for the proper administration of the affairs of the Sansthan and the Vidyapeethas.

The General Body was required to meet at least once a year and the Shasi Parishad and the Artha Samiti were to hold meetings at least once in a quarter. Vidya Parishad and Publication Committees were to meet not less than twice a year. Meetings required to be held and meetings actually held by them up to the end of 1985-86 were as under :-

Name of Committee	Period	Number of meetings required to be held	Number of meetings actually held
General Body	1970-71 to 1985-86	16	11
Shasi Parishad	-do-	62	21
Artha Samiti	-do-	62	16
Vidya Parishad	1971-72 to 1985-86	30	14
Publication Committee	-do-	30	11

The Ministry stated (November 1986) that the reconstitution of the General Body due in 1979 and 1985 was delayed which in turn delayed the reconstitution of Shasi Parishad, Artha Samiti and Vidya Parishad. Further, the Chairman of the Sansthan had all along been the Minister in-charge of Sanskrit and the meetings of these bodies had to be arranged with due regard to his availability and convenience. The Shasi Parishad at its meetings held in November 1975 reconsidered the matter and it was decided to hold the meeting twice a year against once in a quarter. However, the

rules regarding holding of the meetings remained to be revised and the original provision of one meeting in a quarter was still in existence. It may be mentioned with reference to Ministry's contention that even pending reconstitution of General Body, some meetings of these sub-committees were held during 1980-81 and 1981-82.

8.3.2 Each Vidyapeetha has Sthaniya Prabandhak Samiti (Local Management Committee) to be appointed for the general supervision of the Vidyapeetha. The Samiti was required to meet at least thrice a year up to 1978 and at least once a year thereafter.

The number of meetings required to be held and actually held by this committee of each Vidyapeetha was as under :-

Vidyapeetha	Period	Minimum number of meetings required to be held	Number of meetings actually held
Delhi Vidyapeetha	1970-71 to 1985-86	32	12
Allahabad Vidyapeetha	-do-	32	12
Jammu Vidyapeetha	-do-	32	4
Puri Vidyapeetha	-do-	32	6
Tirupati Vidyapeetha	-do-	32	10
Guruvayoor Vidyapeetha	1979-80 to 1985-86	7	1

The Ministry stated (November 1986) that the Sthaniya Prabandhak Committee did not serve the desired purpose. Accordingly, the Shasi Parishad in its 14th meeting held in November 1981 decided that these management committees should be remodelled to function only as advisory committees in academic matters. Their composition and function was to be reviewed by a sub-committee which could not meet for various reasons. The position as on date was that there was no Sthaniya Prabandhak Committee in any of Vidyapeethas and it was proposed to place the matter before the Shasi Parishad again for their consideration. The Sthaniya Prabandhak Committee in Jaipur had not been formed and there was an advisory body which met only once so far.

8.4 Finance, Accounts and Audit

8.4.1 The Sansthan is financed by grants provided to it by the Central Government. Grants received by the Sansthan and expenditure incurred thereagainst during the last 10 years were as mentioned below :-

Year	Budget estimates		Grant sanctioned		Total	Amount utilised during the year	Amount of unutilised grant at the end of the year	Percentage
	Plan	Non-Plan	Plan	Non-Plan				
(In lakhs of rupees)								
1975-76	(Balance)						6.83	
1976-77	35.66	36.25	25.00	36.00	67.83	54.90	12.93	19
1977-78	40.00	37.50	28.50	36.50	77.93	57.58	20.35	26
1978-79	50.00	38.96	28.85	34.16	83.36	66.02	17.34	21
1979-80	41.43	54.54	27.59	51.04	95.97	72.62	23.35	24
1980-81	52.00	59.60	35.28	52.52	111.15	97.70	13.45	12
1981-82	74.30	64.66	47.72	58.49	119.66	110.44	9.22	8
1982-83	80.68	74.12	57.47	67.07	133.76	130.56	3.20	2
1983-84	111.56	87.85	73.66	85.43	162.29	152.68	9.61	6
1984-85	144.47	108.57	117.34	88.80	215.75	192.12	23.63	11
1985-86	97.58	165.17	56.15	164.49	244.27	223.29	20.98	9

It will be seen that the grant was not fully utilised in any of the years resulting in large unspent balances yearly.

The Ministry stated (November 1986) that the first instalment of grant in any financial year was normally received by the Sansthan from the Ministry not before May. It was, therefore, necessary to carry over some amount of fund from the previous years to meet the obligatory expenditure on pay and allowances, rent rates and taxes and other unavoidable items. The last instalment of the funds was more often received at the fag end of the financial year and it would not be prudent to spend the extra amount simply because it was available.

The accounts of the Sansthan are audited by the Comptroller and Auditor General of India under Section 20(1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

The Sansthan had not been depicting the expenditure in its Annual Accounts separately under Plan and Non-Plan to permit correlation of the expenditure with the budget or the grants for Plan and Non-Plan purposes. The Sansthan stated (August 1985) that the Department of Education never directed it to maintain the accounts separately for Plan and Non-Plan provisions. On instructions from the Ministry in December 1985, the Sansthan instructed (January 1986) its units to maintain the accounts Plan and Non-Plan-wise from the year 1985-86.

8.5 Targets and Achievements

8.5.1 The Sansthan was established with five constituent Vidyapeethas. As a part of the expansion programme, a Vidyapeetha in each State was the ultimate

target as recommended by the Kendriya Sanskrit Parishad on whose recommendations Rashtriya Sanskrit Sansthan was established. The Sansthan contended that its 5th, 6th and 7th Plans submitted to the Government had never been received from the Ministry duly approved and, therefore, the number of additional Vidyapeethas programmed to be opened could not be stated. Comments of the Ministry indicating the reasons for this state of affairs were awaited (December 1986). From the draft 5th Five Year Plan of the Sansthan submitted towards the end of 1974-75 to the Government of India, it was seen that 5 Kendriya Sanskrit Vidyapeethas were proposed to be opened during the 5th Plan.

The 6th Five Year Plan submitted by the Sansthan to the Government of India in August 1979 contained no provision for opening of new Vidyapeethas. The 7th Plan, submitted by the Sansthan in May 1984, envisaged establishment of four more Vidyapeethas in North Eastern India. However, during 15 years from 1971-72 to 1985-86, only two Vidyapeethas had been added, one in Guruvayoor in 1979 and another in Jaipur in July 1983.

The Ministry stated (November 1986) that ambitious plans were prepared for 5th, 6th and 7th Plans but due to the substantially reduced outlays approved by the Planning Commission for the Ministry's Plan, it had not been possible to expand the activities of the Sansthan as projected.

8.6 Research

8.6.1 Students conducting research for Vidyavidhi or Ph.D. were paid scholarship of Rs. 3,600 per annum and contingent grant of Rs. 500 per annum. These were to be completed normally within three

years with a provision for two extensions of one year's duration each.

The following table indicates the number of

research students registered and the number of students whose theses were approved by the Sansthan, etc.:-

Sl. No. Vidyapeetha	Total Number of students registered from 1973 to 1985	Number of students registered from 1973 to 1981 and whose theses were due for submission	Number of students whose theses were received and approved	Number of students who had left without submitting their theses	Number of students whose theses were due but had not submitted within prescribed period
1. Delhi	336	214	41	163	10
2. Puri	133	53	14	38	1
3. Jammu	90	55	24	23	8
4. Tirupati	176	80	33	47 *	—
5. Allahabad	148	88	31	46	11
6. Guruvayoor	28	11	3	7	1
Total	911	501	146	324	31

* In addition, 6 students who were registered in 1982 had left without submitting their theses

The Sansthan had not set up any committee to monitor or evaluate the research programmes executed by the Vidyapeethas. The reasons as to why many students leave the research studies before completion had also never been probed by the Sansthan.

The Sansthan did not maintain any record to ensure that the research students had executed the bond for refund upto double the amount of scholarship paid to them if scholarship was prematurely terminated due to non-submission of thesis by the student as provided under the rules.

A test check of record of two of the Vidyapeethas revealed that 28 research students whose scholarships were terminated had been paid Rs. 0.97 lakh as scholarship which was not refunded by them.

The Ministry stated (November 1986) that payment of scholarship to the students carrying out research leading to the award of Ph.D degree could not be linked with the successful completion of theses anywhere. The conditions like refund of the scholarship amount, etc., were only deterrents to ensure that the students did not give up their research work half way through.

8.7 Scholarships

8.7.1 *Award of scholarship to students* :- To attract good students for learning Sanskrit in traditional system, i.e., instruction through the medium of Sanskrit outside the formal courses like B.A., M.A., etc. in educational institutions attached to the Universities, scholarships out of its own maintenance grant are awarded by the Sansthan to the students of its Vidyapeethas.

Scholarships worth Rs. 79.46 lakhs were paid by the Sansthan to Vidyapeethas during the years 1976-77 to 1985-86 as under :-

Year	Amount (In lakhs of rupees)
1976-77	4.12
1977-78	3.22
1978-79	3.30
1979-80	3.73
1980-81	7.61
1981-82	9.12
1982-83	9.34
1983-84	9.91
1984-85	12.81
1985-86	16.30
Total	79.46

Rules for the grant of these scholarships by the Sansthan were stated to have been approved in July 1974 by the Government of India but approval to the subsequent amendments to these rules carried out by the Sansthan during 1974-75 to 1985-86 had not been obtained.

8.8 Scholarship to students of universities on behalf of the Ministry

8.8.1 (a) Under this scheme administered by the Sansthan (as implementing agency) on behalf of the Ministry of Human Resource Development, the rules

framed by the Government required all eligible students to furnish their applications to the Sansthan through their institutions. The Sansthan was required to award scholarships on the basis of such applications and on the recommendations of the Selection Committee. The scholarships paid during the last seven years amounted to Rs. 90.38 lakhs as shown below :-

Year	Amount (In lakhs of rupees)
1976-77	4.30
1977-78	5.64
1978-79	11.83
1979-80	12.85
1980-81	16.65
1981-82	27.58
1982-83	11.53
Total	90.38

The rules stipulated that if a student showed unsatisfactory progress or failed in any of the final/university examination, the scholarship would be terminated and the scholar would be liable to refund the amount of scholarship paid. An agreement was also required to be executed to this effect by the parent/guardian standing surety for the student. The research students were required to furnish quarterly progress report of the work done by them.

It was seen that the Sansthan did not receive/examine any applications from the students and left it to the colleges/universities to deal with them finally. It did not obtain any certificate from the colleges/universities regarding verification of the facts given in the applications or that the scholars had maintained their standard of studies, i.e., they had scored not less than 50 per cent marks in the last annual examination. Quarterly progress reports in cases of research scholars were also not received in the Sansthan at all.

The Sansthan was also not maintaining student-wise record to show (i) the amount of scholarship paid from time to time, (ii) whether all the conditions were fulfilled by each student and (iii) whether the amounts had actually been disbursed to the students, etc.

The Sansthan stated (November 1986) that it had not been following the original rules framed by the Ministry but had been following scholarship rules amended/modified by the Scholarship Committee headed by an officer of the Sanskrit Division (Bureau of Languages) in the Ministry of Human Resource Development. The Ministry further stated (November 1986) that the system of inviting applications from stu-

dents for award of scholarships under the Ministry's scheme and scrutinising them did not work well. It was, therefore, decided by the Scholarship Committee (March 1982) that scholarship amount should be paid to a university and selection of awardees left to it on the basis of criteria fixed by the Sansthan.

However, with reference to the Ministry's contention it may be mentioned that payments of scholarship from 1983-84 onwards as detailed below were made without enforcing on universities the criteria of payment of scholarship to a student securing not less than 50 per cent marks in the last annual examination :-

Year	Amount (In lakhs of rupees)
1983-84	9.41
1984-85	9.56
1985-86	8.92
Total	27.89

8.8.1 (b) The scholarship money was remitted by the Sansthan to various institutions for disbursement to concerned students with the request that disbursement certificates in prescribed form be sent to the Sansthan immediately thereafter along with unutilised amounts, if any. Out of 2,231 scholarships amounting to Rs. 58.08 lakhs paid for the period from 1981-82 to 1984-85, the Sansthan was yet to receive 1,411 utilisation certificates from 87 institutions and 31 universities involving Rs. 19.01 lakhs for the period from 1981-82 to 1984-85 as per details given below :-

Year	Number of scholarships paid	Amount paid (In lakhs of rupees)	Number of utilisation certificates outstanding	Amount outstanding (In lakhs of rupees)
1981-82	1,254	27.58	737	5.66
1982-83	165	11.53	103	1.53
1983-84	129	9.41	77	3.16
1984-85	683	9.56	494	8.66
Total	2,231	58.08	1,411	19.01

Amounts paid from 1981-82 to 1984-85 shown in the registers of the Sansthan did not agree with the figures given in the consolidated account of the Sansthan. Rs. 56.01 lakhs were paid as scholarship from 1975-76 to 1980-81 but relevant records to watch the receipt of disbursement certificates and satisfaction of conditions attached to them were not available with the Sansthan.

8.8.1 (c) Funds are released by the Government to the Sansthan for two specific schemes, viz., (i) Post matric, Shastri and Acharya scholarship and (ii) Research scholarship to 'products of traditional pathshalas', under separate sanction letters with the stipulation that accounts of grant for each should be

maintained separately and funds sanctioned under one should not be diverted for other purposes. From the following figures of amount utilised in 1984-85 and 1985-86, it would be seen that the Sansthan diverted funds from one scheme to the other.

	Sanctioned amount	1984-85	Excess (+) less (-) expenditure	Sanctioned amount	1985-86	Excess (+) less (-) expenditure
		Amount paid			Amount paid	
(In lakhs of rupees)						
Post matric, Shastri and Acharya scholarship	5.50	7.95	+ 2.45	5.50	7.25	+ 1.75
Research scholarship	4.00	1.61	- 2.39	4.00	1.67	- 2.33

8.9 Publications

8.9.1 The Sansthan has a Publication Committee which selects books and allocates the work of publication as between the Headquarters and the Vidyapeethas. The total number of publications during the period 1971 to 1986 was 137.

8.9.2 A test check of records relating to the publications of the Sansthan and of the five Vidyapeethas for the periods, for which records were available, revealed that the sale of publications was very low as detailed below :-

Sl. No.	Name of institution	Period	No. of titles	Copies published	Copies sold	Percentage of copies sold	Cases where not a single copy is sold		Cases where copies sold are less than 25	
							No. of titles printed	No. of copies printed	No. of titles printed	No. of copies printed
1.	Headquarters office	1973-74 to 1985-86	35	28,400	1,172	4	6	3,750	9	7,000
2.	Tirupati Vidyapeetha	1967-68 to 1985-86	N.A.	21,100	7,901	37	N.A.	N.A.	N.A.	N.A.
3.	Delhi Vidyapeetha	1982-83 to 1985-86	25	16,289	2,396	15	4	2,100	10	6,100
4.	Puri Vidyapeetha	1982-83 to 1985-86	07	4,476	321	07	3	2,500	Nil	Nil
5.	Jammu Vidyapeetha	1972-73 to 1985-86	15	9,505	1,125	12	1	1,000	4	2,495
6.	Allahabad Vidyapeetha	1943-44 to 1985-86	89	51,756	8,658	17	2	1,000	16	8,741

8.9.3 It was noticed in audit that upto March 1986, 98,748 copies of books published by the Headquarter office and five Vidyapeethas costing Rs. 20.73 lakhs were lying unsold with the Sansthan; its year-wise break-up is shown below :-

	No. of Copies	Amount (In lakhs of rupees)
Remaining unsold for less than 5 years	43,224	9.43
Remaining unsold for 5 to 10 years	23,674	3.69
Remaining unsold for more than 10 years	31,850	7.61
	98,748	20.73

The Sansthan stated (November 1986) that efforts were being made to improve the sales through advertisement and participation in book fairs. Physical verification of unsold books was not conducted. On the basis of stock register in the office of Sansthan, 4,780 books costing Rs. 0.64 lakh were untraceable. The Ministry stated (November 1986) that there had been damage to the books due to frequent shifting and also seepage of water in the basement where the books were stored and that the value of these books would be got written off shortly.

8.10 Other points of interest

8.10.1 *Superfluous post of a Lecturer in the Sansthan's headquarters office* :- A post of Lecturer in the scale of Rs. 700-1600 had been transferred from the Delhi Vidyapeetha to the Sansthan's Headquarters office and an official was appointed as a Lecturer with effect from 1st July 1980 although no teaching was being done at Headquarters. While the Lecturer had not been assigned any job of teaching and had been requesting the Sansthan for allotment of work, the Sansthan stated that the work of translation of Sanskrit books into Urdu was assigned to him. The officials appointed by the Sansthan to examine some of the translation work done by the Lecturer reported that the quality of work done by him was not upto the mark. The salary of Rs. 2.05 lakhs paid to him from July 1980 to July 1986 thus proved wasteful. The Ministry stated (November 1986) that the Lecturer had translated two books, one of which had been published after it was got vetted by another Urdu scholar of the Ministry of Education and that further employment of incumbent on more useful activity was under active consideration of the authorities.

8.10.2 *Diversion of Staff* :- It was seen that some staff of the Sansthan had been deputed for working at the Ministry of Human Resource Development (viz. one Daftry since August 1978, 2 UDCs and 2 LDCs since June 1983). Rs. 3.56 lakhs had been paid to the above staff from August 1978 to July 1986. The posts were sanctioned by the Chairman of the Sansthan. The Sansthan stated (August 1986) that these posts were sanctioned specifically for working with the Chairman, Shasi Parishad, Vice-Chairman and in the Sanskrit Division of the Ministry.

The Ministry has not offered any comment on this point.

8.10.3 *Project of audio recording of oral shastraic tradition* :- A scheme of tape recording project for documentation and preservation of oral tradition in History, Religion, Philosophy and Arts in India was approved by the Sansthan in March 1983. The Ford Foundation, New York was requested by the Sansthan to provide assistance for this project. In September

1984, the Ford Foundation approved the scheme and sanctioned \$ 75,000. The Government of India, approved the scheme in September 1984.

The project was to be started in Tirupati Vidyapeetha. The first instalment of \$ 30,000 (Rs. 3.67 lakhs) was received in the Sansthan's Headquarters in December 1984.

Rs. 1.02 lakhs and Rs. 2.65 lakhs were released to Tirupati Vidyapeetha in August 1985 and March 1986 respectively. The project was to be completed in a period of three years.

The receipts and payments account upto July 1986 furnished by Tirupati Vidyapeetha indicated that expenditure amounting to Rs. 0.16 lakh was incurred with a balance of Rs. 3.56 lakhs (including Rs. 0.05 lakh earned as bank interest) still remaining unspent.

The Ford Foundation asked for the progress report in March 1986 which the Sansthan had not sent till July 1986. The Ford Foundation had not released any further instalment of the grant.

The Ministry stated (November 1986) that initial planning took longer time than was anticipated and appreciable progress had already been achieved in recording shastraic tradition in one discipline called Mimamsa. The project would now pickup and the progress would be accelerated.

8.11 Summing up

- The Statutory Committees of the Sansthan and its Vidyapeethas had been meeting irregularly.
- The Sansthan did not compile its expenditure separately under Plan and Non-Plan to permit correlation with the budget. The grants were given by the Department of Education without any linkage with the Plan and Non-Plan budget of the Sansthan.
- Approval to the Sansthan's 5th, 6th and 7th Five Year Plans were stated to have not been received from the Government. Against 5 Vidyapeethas proposed to be opened in the 5th Five Year Plan, only 1 new Vidyapeetha was opened in 1979. Against the ultimate target of one Vidyapeetha for each State, the Sansthan opened only 2 new Vidyapeethas in 15 years of its existence. Out of 501 research students registered upto 1981, 324 had left and 31 had not submitted their theses upto August 1986. Records to ensure submission of theses by the research students/recovery of scholarship from defaulters were not maintained.
- In the case of scholarships disbursed on behalf

of the Department of Education, the rules were not followed, student-wise record to watch fulfilment of conditions and ultimate disbursement of scholarship to the students was not kept. There was also diversion of funds from scholarships under one scheme to scholarships under another.

- The utilisation certificates for 1,411 scholarships for Rs. 19.01 lakhs paid during 1981-82 to 1984-85 were awaited from 87 institutions and 31 universities.

Sale of publications was very low. Books were printed far in excess of their demand leading to accumulation of unsold stock. Their physical verification had also not been done in the Sansthan and one Vidyapeetha test checked.

9. Delay in installation of Computer System

With a view to popularising the advanced Computer Science Courses in the country the Government of India selected Motilal Nehru Regional Engineering College. The College was to be equipped with a Computer System to be imported from a foreign country. A contract was signed on 7th December, 1983 between the College/Computer Maintenance Corporation of India and the foreign country for shipment of the Computer System within 4 months from the date of signing the contract i.e. by 7th April 1984. The College was responsible for providing installation site, including proper power supply, cable outlay and air-conditioning in accordance with the site-data furnished by the supplier. The site preparation was also subject to the approval of the representative of the supplier, 30 days prior to the arrival of the Computer System.

The Computer System was shipped by the supplier in November 1984, in accordance with an addendum to the delivery clause signed in October 1984. It arrived at the College in December 1984, but the installation work remained held-up due to non-preparation of the site. The College stated in September 1985 that the preparation of site got delayed due to time taken in getting the funds from the Government of India (Rs. 10 lakhs in July 1984 and Rs. 5.70 lakhs in March 1985) for which proposal was sent in February 1984, and in awarding of contract for air-conditioning of the Computer Centre as also due to delay in the sanction by the State Government for extension of power load.

As regards impact of this delay on the academic community, the College stated (December 1985), that

it had been running B.E./Ph.D programme/Master's course in Computer Science since 1977, 1979 and 1984 respectively and that augmented better infra-structure of the Computer System would have made qualitative difference in these courses/programme.

The installation work of the Computer System was taken up by the experts of the supplier in June 1986, but the Allahabad Electric Supply Undertaking (AESU) had not provided additional 550 KVA power by then. The College stated (July 1986) that it was sharing power from its existing supply by adjusting other loads. It was expected (July 1986) that the installation and acceptance testing would be complete by October 1986.

The Government of India stated (June 1986) that the delay involved in installation of the Computer System had been mainly due to non-availability of power from the AESU, as intimated by the College in December 1985.

10. Centres for Continuing Education

10.1 *Introductory*

10.1.1 With the object of updating the professional competence of secondary and primary school teachers/educators in the States and Union Territories on a continuous basis, the National Council of Educational Research and Training (NCERT) approved in December 1976 the scheme of opening Centres for Continuing Education (CCE) for conducting orientation courses. The scheme envisaged sharing of the estimated recurring expenditure of Rs. 0.60 lakh per annum for running a centre, between the NCERT and the State Government on 50:50 basis. In addition, the NCERT was to provide for the entire initial non-recurring expenditure, subject to a maximum of Rs. 0.17 lakh for each centre, in the form of supply of equipment like film projectors, science equipment, typewriter, duplicating machine, film slides, etc. The scheme is executed by the Department of Teacher Education, Special Education and Extension Services of the NCERT. The CCEs are opened by the NCERT in consultation with the State Governments. The programme is financed by the NCERT out of the funds provided by the Government of India for plan schemes.

To begin with it was decided to establish 100 centres (50 each in 1977-78 and 1978-79) all over India so that there would be one centre for every 3 or 4 districts. If the scheme proved successful it was to be extended to cover all the districts in the country. In 1981-82, the NCERT approved the establishment of 50 more Centres by the end of Sixth Plan i.e. 1984-85. No record/register was, however, maintained by the NCERT showing the centres established indicating the dates of their establishment and date of their closing

down, in cases, where the centres had been closed. The Ministry stated (November 1986) that the record of each centre whether functioning, non-functioning or closed down was in each State/Union Territory's individual file. At the end of March 1986, 90 centres were reported by the NCERT to be functioning in 18 States/Union Territories (Andhra Pradesh, Assam, Bihar, Gujarat, Himachal Pradesh, Karnataka, Kerala, Maharashtra, Manipur, Orissa, Sikkim, Tamil Nadu, Tripura, Uttar Pradesh, West Bengal, Andaman and Nicobar Islands, Chandigarh and Pondichery) against the sanctioned 150 centres. According to the scheme, there should have been 432 centres in 31 States/Union Territories i.e. one in each district. The Council stated (November 1986) that some of the States/Union Territories like Madhya Pradesh, Jammu & Kashmir, Delhi, Goa, Dadra & Nagar Haveli and Lakshadweep had not even shown their interest in this scheme and had not opted for it while some of the states namely, Haryana and Rajasthan having opted for the scheme in the beginning, closed down the centres which were established there.

10.2 Budget provision and amount of grant released

10.2.1 Specific provision was made in the budget of NCERT for the scheme but the actual amount of grant released in each year was not exhibited schemewise in the accounts. The grants-in-aid figures from 1981-82 to 1985-86 had, therefore, to be arrived at on the basis of entries made in the register of payments to CCEs. For the earlier period, even the register of payments was not traceable and the figures of payments to the centres had to be accepted as reported by the NCERT. Annual provision of funds for recurring grant and the amount of grants released from 1977-78 to 1984-85 is given in the table below :-

Year	Provision	Grant released	Percentage shortfall in release of grants
(Rupees in lakhs)			
1977-78	14.00	0.20	98.57
1978-79	29.00	5.76	80.14
1979-80	20.00	5.16	74.20
1980-81	30.00	9.38	68.73
1981-82	24.00	12.09	49.63
1982-83	20.00	10.70	46.50
1983-84	15.00	9.74	35.07
1984-85	10.00	7.85	21.50
Data for 1985-86 was not made available for comparison			

The shortfall in release of grants was attributable to non-opening and non-functioning of a number of centres and lesser demand from other centres due to lower number of participants in the training courses. The NCERT stated (November 1986) that the shortfall in release of grants and lesser number of participants in training courses was due to the fact that (1) the participants invited for the CCE programmes were not relieved by the District Authorities/Principals or Headmasters of the Institution (ii) sometimes information was received too late by the Heads of the Institutions to relieve the teachers in time and (iii) Travelling/daily allowance to the participants for attending the CCE programmes was too less to meet their expenses.

The results of the study by Audit of the number of centres sanctioned, functioning and given recurring grant during the period 1977-78 to 1985-86 are tabulated below :-

Year	Number of centres sanctioned upto the end of the year	Number of centres not opened	Number of centres that stopped functioning & closed	Number of centres stated to be functioning	Number of centres given grant	Number of centres stated to be functioning but not given grant
1	2	3	4	5	6	7
1977-78	51	19	--	32	1	31
1978-79	90	19	--	71	56	15
1979-80	97	19	2	76	48	28
1980-81	98	19	9	70	56	14
1981-82	108	19	16	73	61	12
1982-83	108	19	19	70	53	17
1983-84	109	19	23	67	57	10
1984-85	124	19	25	80	58	22
1985-86	135	19	26	90	72	18

The large number of centres stated to be functioning but not given recurring grant in all these years and the number of centres closed, or not functioning, indicated that the functioning of the centres was not smooth. The Ministry stated (November 1986) that (i) there were some irregularities in the expenditure incurred by some of the CCEs and when these were pointed out, these centres stopped the CCE programmes (ii) the State Advisory Committee meetings were held quite late in the financial years in some of the States and consequently the CCE programmes suffered due to delay in approval of Programmes and budget of CCEs.

10.3 Targets and achievements

10.3.1 The scheme originally envisaged that each centre could organise in-service training programme for about 1200 teachers per annum. The NCERT, however, did not maintain record of the number of teachers trained by each centre to watch and ensure that each centre did organise training programmes for

1200 teachers. In February 1980, the Head Extension Unit of NCERT circulated that Finance Committee of NCERT had decided that daily allowance at State Government rates may be allowed to the teachers who had to stay at the Centres for Continuing Education during the conduct of the contact programme with no change in the existing norms of payment of travelling allowance and it was also required that the number of teachers to be oriented per annum would not be less than 500 as against original target of 1200. The original target of 1200 teachers to be oriented per centre per annum had been fixed in the original CCE scheme as approved by the Executive Committee (NCERT) on 30th December 1976 whereas the reduction of target from 1200 to 500 teachers per centre per annum did not have the approval of the Executive Committee or Finance Committee of the Council.

During test check by Audit, it was noticed that, in most of the centres, the number of teachers trained was far less than the target of 1200 teachers per annum as shown in the table below :-

Year	Number of centres sanctioned	Number of centres stated to be functioning	Number of centres whose progress reports were available	Target: teachers per annum per centre	Number of centres in which the number of teachers trained per annum was								
					Upto 200	201 to 300	301 to 400	401 to 500	501 to 600	601 to 800	801 to 1000	1001 to 1200	1201 & above
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1981-82	108	73	49	1200	2	6	13	8	11	4	4	1	-
1982-83	108	70	54	1200	9	7	12	9	9	5	-	1	2
1983-84	109	67	53	1200	7	9	9	12	5	4	3	3	1
1984-85	124	80	44	1200	12	10	8	2	3	4	3	-	2
Average for the period			50		7	8	11	8	7	4	3	1	1

In cases, where the number of trainees fell short of the target, no corresponding reduction was made in the amount of contingencies. No action was taken by the NCERT to call for the wanting progress reports.

The Council stated (November 1986) that action was initiated during the year 1986-87 to call for the reports showing the number of courses conducted, number of hours utilised, topics covered, number of teachers invited/trained, total expenditure incurred from State and NCERT's funds, cost per course and cost per teacher during the period 1977-78 to 1985-86.

10.4 Equipment lying idle

10.4.1 Under the scheme, all the equipment and facilities of the institutions where the centre is located were to be available for running the centre. However, to strengthen the existing facilities in those institutions and to cover non-recurring expenditure on the in-ser-

vice training programmes, the NCERT was to provide books, laboratory apparatus, audio-visual and office equipment upto Rs. 0.17 lakh for each centre. During March 1977 and April 1978, the NCERT purchased equipment at a total cost of Rs. 12.05 lakhs. These comprised : 70 film (16 mm) projectors for Rs. 5.96 lakhs, 50 duplicating machines for Rs. 2 lakhs, 150 science equipment packs for Rs. 2.83 lakhs, 50 typewriters for Rs. 1 lakh and 50 film strip-cum-slide projectors for Rs. 0.26 lakh. Out of this, equipment valuing Rs. 3.48 lakhs comprising 27 film (16 mm) projectors (Rs. 2.30 lakhs), 64 science equipment packs (Rs. 1.08 lakhs), 15 film strip-cum-slide projectors (Rs. 0.08 lakh) and one typewriter (Rs. 0.02 lakh) were still lying unissued with the NCERT, its Regional Colleges of Education and Field Advisers. Besides, equipment valuing Rs. 2.90 lakhs comprising 14 film (16 mm) projectors and 10 film strip-cum-slide projectors (Rs. 1.24 lakhs), 18 duplicating machines (Rs. 0.72 lakh), 32 science equipment packs (Rs. 0.58 lakh) and

18 typewriters (Rs. 0.36 lakh) were lying unused in 19 CCEs which were not opened, 24 centres which have stopped functioning and 2 centres which had been closed. Total value of equipment lying idle/surplus, thus, amounted to Rs. 6.38 lakhs which accounted for more than 50 per cent of the equipment purchased centrally by the NCERT. The Council stated (November 1986) that in respect of centres which had not been functioning the matter regarding equipment lying idle with them had already been taken up with the State concerned, requesting them either to revive or shift the centre to some other institution or to return the equipment not required by the centre.

10.4.2 It was also noticed in audit that equipment valuing Rs. 0.40 lakh had been issued in 1977-78 by the NCERT to 5 CCEs in Uttar Pradesh which did not start functioning and to 3 CCEs in Orissa which stopped functioning after 1980-81. During 1984-85 and 1985-86, CCEs were again established at these stations and non-recurring grant of Rs. 0.17 lakh was paid to each of these centres instead of asking them to utilise the equipment previously received and lying idle with the centres.

10.4.3 In respect of the film projectors, science equipment packs, typewriters, duplicating machines valued at Rs. 12.05 lakhs purchased for distribution to the centres; and of the equipment bought by the centres with the non-recurring grant of Rs. 2.31 lakhs paid by the NCERT to 13 centres in 1985-86 for the purchase of equipment, the NCERT and the centres were required to maintain stock registers. It was, however, observed that the Department of Teacher Education, Special Education and Extension Services (DTESEES) maintained no stock registers except of science equipment packs. For the equipment distributed to the centres, the DTESEES had not even obtained confirmation of its continued possession by the centres.

10.5 Awaiting utilisation certificates

10.5.1 According to the instructions issued by the NCERT, the CCEs were required to furnish utilisation certificates in the year following the financial year to which the grant pertained. It was, however, noticed that utilisation certificates for grants paid upto 31st March 1985 by NCERT were still awaited from the CCEs as per year-wise breakup indicated below :-

Sl. No.	Year	Amount of grant-in-aid paid to the CCEs	Amount for which utilisation certificates received	Amount for which utilisation certificates pending	Percentage of pending utilisation certificates
1	2	3	4	5	6
(Rupees in lakhs)					
1.	1978-79	5.76	1.75	4.01	69.61
2.	1979-80	5.16	1.91	3.25	62.98
3.	1980-81	9.38	3.38	6.00	63.96
4.	1981-82	12.09	5.03	7.06	58.39
5.	1982-83	10.70	2.42	8.28	77.38
6.	1983-84	9.74	--	9.74	100.00
7.	1984-85	7.85	--	7.85	100.00

The Council stated (November 1986) that all the CCEs had been requested to submit the audited statements of accounts of the entire grant released to their centres during the previous years including 1985-86.

10.6 Non-implementation of the recommendations of the meeting of Centres for Continuing Education (NCERT)

10.6.1 In pursuance of a departmental meeting (NCERT) held in July 1981, an evaluation of the working of the scheme was undertaken by two officers of the Council and the evaluation report was discussed in the meeting of the Centres for Continuing Education held in June 1983. The meeting observed, *inter-alia*,

that (i) there had been delays in the release of grants to CCEs due to non-receipt of information in time regarding expenditure, progress report of the work done and minutes of State Advisory Committee meetings (ii) the Regional Colleges of Education (RCEs) did not develop correspondence materials for use of the centres (iii) centres in the North Eastern States particularly Assam, Meghalaya, Nagaland and Arunachal Pradesh had not functioned at all (iv) States like Jammu and Kashmir, Punjab, Haryana and Orissa had not yet accepted the scheme and (v) Rajasthan which joined the scheme earlier, decided to pull out of the scheme. The NCERT stated (December 1986) that (i) the centres were reminded to expedite submission of progress report of work and expenditure and were

advised to remain in touch with RCEs for use of material produced by them. The Council further stated that the CCEs in Assam, Meghalaya and Nagaland had started functioning but not regularly, Orissa and Punjab had accepted the scheme and CCEs were functioning in these States; Haryana had recently shown interest in the scheme.

Action on the following other important recommendations of the CCE meeting was not taken by the NCERT :-

- (1) There was need for the scheme to be modified and restructured keeping in view the needs of schools, particularly, those in rural areas. Action was yet (December 1986) to be initiated to review the scheme.
- (2) The scope of the scheme was to be extended to include primary teachers also. No action in this regard had been taken so far (December 1986).
- (3) Memorandum for the Executive Committee (NCERT) on the basis of discussion in the CCE meeting was to be prepared. No action in this regard was taken.
- (4) Field Advisers and RCE staff should visit centres within their respective States and send their reports. The Council made no mention whether any such visits were undertaken and whether their reports were ever received in the Council.

10.7 To sum up :

The Scheme, started in 1977-78, contemplated opening of one Centre for Continuing Education for each district to update the professional competence of secondary/primary school teachers. A review of the implementation of the programme revealed that :-

- Against the projected 432 centres, only 150 centres were sanctioned upto the end of March 1986; those actually functioning were only 90.
- Shortfall in utilisation of grant during 1977-78 to 1984-85 ranged between 21 *per cent* and 98 *per cent*. Even the centres which were stated to be functioning were not given recurring grant each year during 1977-78 to 1985-86. The number of such centres ranged between 10 and 31.
- On an average, progress reports of only 50 centres were available for the period 1981-82 to 1984-85, which indicated that only in one centre the target of training 1200 teachers was achieved. In 7 the number of trainees was less than 200, in 8 it was between 201 and 300, in 11 it was between 301 and 400, in 8 it was between

401 and 500 and in 7 it was between 501 and 600.

- Out of the equipment purchased centrally by the NCERT during March 1977 and April 1978 at a cost of Rs. 12.05 lakhs, equipment valued at Rs. 6.38 lakhs was either lying unissued or issued to centres which did not commence functioning or were closed. Stock account and periodical physical verification of this equipment was never got done.
- Utilisation certificates awaited from the centres since 1978-79 ranged between 58 *per cent* and 77 *per cent* for the period upto 1982-83. For 1983-84 and 1984-85, no utilisation certificates were received.

MINISTRY OF INFORMATION AND BROADCASTING

11. Indian Institute of Mass Communication

11.1 *Introductory*

11.1.1 The Indian Institute of Mass Communication (hereafter Institute) was established in 1965 under the Ministry of Information and Broadcasting, and got registered on 22nd January 1966 as a society under the Societies Registration Act 1860. The main objectives of the Institute are to :

- (a) organise training and research in the use and development of media of mass communication, with special reference to the requirement of socio-economic growth of the country;
- (b) provide training to the information and publicity personnel of Central and State Governments; to make available facilities for training and research to meet the information and publicity needs of the public and private sector industries;
- (c) arrange lectures, seminars and symposia on problems connected with mass communication, information and publicity in collaboration with universities, educational and research institutions as well as trade and industry;
- (d) organise refresher courses and summer schools;
- (e) print, publish and exhibit any magazine, periodical, monograph or poster that may be considered desirable for the promotion of the objects of the society;
- (f) institute and award scholarships and fellowships, monetary assistance and prizes with a view to promoting interest in studies and research in mass communication

11.1.2 In May 1972, the Government appointed a Review Committee to assess the performance of the Institute from 1965-66 to 1971-72 and to ascertain whether the expenditure incurred during the period was commensurate with the results achieved. The Committee submitted its report to the Government in October 1974. In the Report the Committee made several recommendations for more effective functioning of the Institute. A Working Group was constituted (March 1979) to make concrete proposals keeping in view the Review Committee report. It made several specific proposals in its report submitted in June 1979 regarding training programmes, research activities, the structure and functioning of the Institute, etc., which were accepted by the Executive Council and General Body of the Institute. The following paragraphs take into account the recommendations of the Working Group.

11.2 Organisational set up

11.2.1 The rules of the Society provide for a General Body, an Executive Council and a Standing Committee. The Society has 50 members, including 26 nominees of Government, 8 representatives of Ministries Departments, 3 representatives of Institute's faculty and Director of the Institute. The Executive Council consisting of 15 members in addition to the President is entrusted with the general superintendence, direction, control and administration of the affairs of the Society. The roll of members of the Society although maintained was not in conformity with rules and regulations as laid down in the memorandum of association.

The Working Group had recommended for a compact Society of around 25 members (Instead of 47)

and Executive Council of 7 members (Instead of 12). Despite these recommendations, the strength of the Society/Executive Council was increased by 3 members instead of reducing it to half of its then existing strength (1984). The Ministry stated (January 1987) that the Executive Council of the Institute did not consider it necessary to effect the change; on the other hand they considered it appropriate to give representation to 3 faculty members on the Council as well as the General Body.

The General Body is required to hold meetings at least once a year and the Executive Council at least 4 times a year. The Executive Council held only 3 meetings each in 1981-82, 1982-83 and 1983-84 and 2 meetings each in 1984-85 and 1985-86. The Ministry stated (January 1987) that the Standing Committee constituted under Rule 31(iii) of the rules and regulations of the Institute met in between to dispose of matters connected with running of the Institute.

11.3 Finance, Accounts and Audit

(i) The Institute received grants totalling Rs. 434.13 lakhs from the Government during the period 1980-81 to 1985-86 and its total receipts from tuition fee etc. for this period amounted to Rs. 7.83 lakhs. The total expenditure incurred during the above period was Rs. 422.11 lakhs; out of this Rs. 168.29 lakhs (39.9 per cent) were spent on pay and allowances of the establishment, Rs. 125.73 lakhs (29.8 per cent) on contingencies, Rs. 31.67 lakhs (7.5 per cent) on equipment, etc. and Rs. 96.42 lakhs (22.8 per cent) on Buildings, etc. The details of the receipts and payments of the Institute for the years 1980-81 to 1985-86 were as under :-

	(Rupees in lakhs)					
Receipts	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
Opening cash/bank balances	1.41	5.57	4.94*	9.20	7.88	10.78
Grants-in-aid from Govt. (Non-Plan and Plan)	39.98	51.04	40.55	46.91	97.44	89.93
Outstanding recoveries (as on 31st March)	--	--	3.61	0.41	0.18	--
Other liabilities	0.02	--	--	--	--	0.01
Loans & Advances (as on 1st April)	--	--	1.00	1.69	3.36	--
Grants/Funds for projects/courses	9.79	23.28	23.86	16.36	14.25	20.36
Tuition fees & Misc. Receipts	0.66	0.94	1.03	1.28	1.72	2.20
Recovery of advances/other recoveries	0.18	0.21	--	--	--	--
Employees CPF balances (as on 31st March)	--	--	12.75	16.92	21.58	--
Investments of CPF (as on 1st April)	--	--	9.84	11.85	15.73	--
CPF accretion during the year	--	--	--	--	--	5.59
Total	52.04	81.04	97.58	104.62	162.14	128.87

* includes Rs. 5,000/- as fixed deposit with S.B.I.

Payments	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
Salaries and Allowances	14.08	16.26	25.49	27.86	35.10	38.09
Contribution to CPF	--	--	0.67	0.99	1.17	1.90
Gratuity Fund	--	--	0.30	0.07	0.12	--
Loss on account of payment of interest on CPF	--	--	0.23	0.29	0.55	0.25
Administrative Expenses	8.46	10.15	18.39	22.50	24.65	23.93
Purchase of Fixed Assets and advances for capital expenditure	14.21	33.21	9.29	2.36	40.08	30.81
Less expenses incurred & Assets purchased, charged to respective grants/funds	--	(-) 7.65	(-) 12.87	(-) 8.54	(-) 8.52	(-) 9.68
Outstanding liabilities on 1st April	--	--	2.70	3.61	0.41	0.10
Loans and Advances as on 31st March	0.45	--	1.69	3.36	2.08	3.02
Grants/Funds for projects/courses	9.27	23.46	20.16	15.76	17.76	19.61
Employees CPF balances as on 1st April	--	--	10.48	12.75	16.92	--
Other Payment	--	0.72	--	--	--	--
Investment of CPF as on 31st March	--	--	11.85	15.73	21.04	--
CPF Investments made during the year	--	--	--	--	--	5.89
Loans & Advances out of Revolving Fund during the year	--	--	--	--	--	2.95
Closing Cash Balances	5.57	4.89	9.20	7.88	10.78	12.00
Total	52.04	81.04	97.58	104.62	162.14	128.87

The following are the details of funds made available to the Institute, expenditure incurred and funds unutilised by the Institute during the years 1980-81 to 1985-86 :-

Year	Funds made available	Expenditure incurred	Funds which could not be utilised	Percentage of funds not utilised
(Rupees in lakhs)				
1980-81	46.51	40.81	5.70	12
1981-82	74.04	68.14	5.90	8
1982-83	61.17	59.21	1.96	3
1983-84	57.65	54.08	3.57	6
1984-85	109.43	103.30	6.13	6
1985-86	108.59	96.57	12.02	11

Under the rules, the accounts of the Institute are audited by a Chartered Accountant. The accounts of the Institute are also audited by the Comptroller and Auditor General of India under Section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act 1971.

(ii) The Institute created a Revolving Fund with the approval of the Government from 1980-81 to which receipts by way of tuition fees for courses, sale proceeds of publications, subscription for periodicals (Communicator and Sanchar Madhyam) and journals, etc. were to be credited for 5 years to enable the Institute to sanction recoverable advances (Cycle advance, Festival advance, Motor car advance, House Building advance, etc.) to its employees. Total accretion to the fund was Rs. 7.76 lakhs (March 1986). The net figures of advances paid during the said period worked out to Rs. 3.82 lakhs leaving a balance of Rs. 3.94 lakhs.

The Ministry extended the period of the fund for another 5 years. The Institute was not maintaining any records to watch the recoveries of long term advances.

11.4 Inadequacy of teaching/research staff

11.4.1 The activities of the Institute (training, research, evaluation and consultancy) are carried out through 13 departments (details as per Annexure-I).

Though the Institute had been in existence for more than 20 years, norms were yet to be prescribed (January 1987) for the creation of various categories of

academic posts. A review to assess the justification for continuance of the existing posts had also not been undertaken.

The sanctioned strength of teaching/research staff, number in position, shortage, etc. as on 31st December 1985 are given in Annexure-II.

The Ministry stated (January 1987) that the vacant academic positions were periodically advertised. Some of them could not be filled up because of non-availability of qualified and competent people.

Non-recruitment of teaching staff in different fields in time, resulted in deployment of a much larger number of guest speakers and payment of Rs. 5.54 lakhs to them during 1982-83 to 1985-86 for delivering lectures to the trainees. The Ministry stated (January 1987) that even after all the vacant posts were filled up in the faculty, there would be no escape from the practice of inviting guest lecturers as and when warranted for the concerned course.

11.4.2 Employment of Academic Staff :- In September 1975, the Government of India, Ministry of Finance observed that the classification of teaching posts in the Institute had not been done in a systematic manner. It was advised by them that in future all appointees should begin their career as Lecturer or in exceptional cases as Reader and further advancement in career should only be on the basis of further qualifications or experience gained. In several cases, the Ministry observed that the incumbents did not even fulfil the prescribed qualifications. Generally, for Lecturers, the qualifications prescribed by University Grants Commission (UGC) should be adopted. Exception might, however, be made in appropriate cases by the Executive Council. For the posts of Readers and Professors or for promotion to those posts, the UGC's prescribed qualifications should invariably be adopted. Despite these instructions it was noticed in audit that (i) in 9 cases, there had been direct appointments to the posts of Professors/Readers; (ii) there were only 6 posts of Lecturers as against 21 posts of Professors and Readers; (iii) in 5 cases, the faculty did not satisfy the prescribed norms. The Ministry stated (February 1987) that the Executive Council decided in October 1979 that direct recruitment in all the three cadres, i.e., Lecturers, Readers and Professors should be made. It was also observed that different pay scales were existing in the Institute for the same post.

Norms regarding teaching/working hours of Professors, Readers and Lecturers had not been prescribed so far (August 1986).

11.5 Plan Programmes for Development of the Institute

11.5.1 Sixth Five Year Plan (1980-85) :- The Institute's programme for the Sixth Five Year Plan consisted of 14 schemes (including one new scheme namely,

Central Information Service (CIS) courses started from 1982-83) for which an outlay of Rs. 90 lakhs was approved by the Planning Commission. However, the funds released amounted to Rs. 167.75 lakhs out of which the expenditure incurred was Rs 163.81 lakhs. One of the schemes – Broadcast Journalism Course – for which an outlay of Rs. 20.00 lakhs was originally approved in the plan estimates of the Institute was later financed from the Non-Lapsable Funds (NLF) of All India Radio, partially during 1981-82 and fully from 1982-83 onwards and an expenditure of Rs. 30.65 lakhs was incurred on the scheme from NLF, thus making the total plan expenditure of the Institute as Rs. 194.46 lakhs.

Mention was made in sub-para 5.1 of para 59 of the Report of Comptroller and Auditor General of India (Civil) for the year 1977-78 about the non-fixing of physical targets for the schemes undertaken by the Institute. The same position continued thereafter. Physical targets for the schemes were not clearly specified even in the Sixth Five Year Plan with the result that it was not feasible to correlate the expenditure incurred and the achievements made. The Ministry stated (January 1987) that "it is not practicable to fix physical targets for each scheme undertaken by the Institute. Annual calendar of academic activity is, however, drawn up every year and more or less adhered to". However, it was not possible in audit to correlate the provision for various schemes and the annual calendar of activities with each other.

In a scheme 'Interpersonal Communication and Traditional Media' for which an outlay of Rs. 2.50 lakhs was approved, it was envisaged to conduct short term courses in public speaking, interpersonal communication and Traditional Media for the field workers of Directorate of Field Publicity and Family Planning Department. There was nothing on record to show that any such short term courses were conducted by the Institute. Under the scheme 'Teaching Manuals and Publications', it was envisaged to bring out teaching manuals incorporating case studies from within the country's social, cultural and traditional systems on certain specific subjects. No such teaching manuals were brought out by the Institute during the Plan period, even though some publications as given in Annexure-III, not envisaged in the Plan proposals were brought out.

In respect of the scheme "Advertising and Public Relation Course", an outlay of Rs. 5 lakhs was approved with a stipulation to obtain funds from professional organisations and public sector undertakings on a 50:50 matching basis. The actual expenditure incurred under the scheme during the plan period was Rs. 14.67 lakhs. However, the Institute did not obtain any funds from the professional organisations or public sector undertakings for the scheme. The concerned department in the Institute was not even aware of any

such proposals. The whole expenditure was incurred from the grants released by the Ministry.

11.6 Training Programmes

11.6.1 One of the primary objects of the Institute was to organise training in the use and development of media of mass communication, with special reference to the requirements of socio-economic growth of the country. No targets were fixed for the number of persons to be trained in each course or the number of courses to be undertaken (Regular or Refresher) either from year to year or in the Five Year Plan.

Mention was made in para 59(5.2) of the Report of the Comptroller and Auditor General of India Union Government (Civil) for the year 1977-78, that no assessment of future requirements of trained personnel had been made nor had any evaluation of the impact of the training been conducted. There was no evidence of any exercise having been taken up by the Institute to assess the future requirements of the trained personnel so far (August 1986). No evaluation to assess the impact of the training had been conducted (August 1986). The Ministry stated (January 1987) that systematic attempt had not been made to measure the impact of training courses conducted in the past; however, evaluation of the training courses for Central Information Services had been undertaken.

In para 59(5.3) of the Report *ibid*, it was commented that no norms for minimum or maximum number of trainees to be admitted to a particular course had been laid down. Even after the lapse of more than 7 years, no norms were laid down by the Institute (August 1986).

A test check in audit revealed that out of the total number of 113 regular and short term/refresher courses conducted by the Institute during 1980-86, 49 courses were attended by 15 or fewer participants out of which 5 were attended by 6 or less participants.

11.6.2 The Review Committee (appointed in 1972), in para 2.10 of their report had laid emphasis on the necessity of organising more training programmes by the Institute for those who had to communicate with masses in the rural areas where more than 60 per cent of the country's population live. Steps in this direction taken by the Institute so far (October 1986) did not appear adequate.

11.7 Communication Research

11.7.1 The Institute undertakes research projects on the recommendations of the Research Advisory Committee. The suggestions for projects to be undertaken by the Research Department, may come from the Research Department, faculty members, Ministry

of Information and Broadcasting, members of IIMC Society/Executive Council and sometimes on request from other organisations. An expenditure of Rs. 13.03 lakhs (Rs. 10.90 lakhs in 1980-85 and Rs. 2.13 lakhs in 1985-86) had been incurred on research projects.

The Institute had not fixed any physical targets for the number of research projects which were to be completed in the 6th Five Years Plan and first year of the 7th Plan. No time schedule was laid down for the completion of research projects undertaken for studies.

The Institute undertook 22 projects during the 6th Plan period 1980-85 (1980-81-4, 1981-82-4, 1982-83-3, 1983-84-5 and 1984-85-6) and 7 projects in 1985-86. Four more research projects were entrusted to the Communication Research Department, by the General Body. Details of such projects are given in Annexure-IV. The dates of commencement and completion of projects were not available with the Institute. As per the report on achievements for the 6th Plan, 20 research projects were stated to have been completed by the end of the 6th Plan period. Of the remaining projects, 3 projects were yet to be undertaken (July 1986) for study. It was further revealed that out of 20 research projects shown to have been completed, three were not taken up at all and one was part of another research project shown to have been completed. Out of 7 research projects selected for 1985-86, 2 were still in progress. No project-wise details of expenditure had been maintained.

According to approved 6th Plan proposals the research department was to organise an annual workshop on research methodology for personnel in media units of Ministry of Information and Broadcasting, State Governments, Universities and Public Sector Organisations. No progress had, however, been made in this direction (July 1986). The department was also required to undertake a census of communication personnel. No such census was conducted. The Ministry stated (January 1987) that field work on this project was conducted. Newspapers proprietors were not very co-operative and forthcoming. Government in its media policy laid emphasis on expansion of television thereby making the exercise unnecessary.

The Working Group appointed by the Executive Council emphasised (June 1979) that the Institute should make a distinctive contribution to policy formulation in communication field and it was essential that all the research studies undertaken should be published. It was also recommended that the Institute should examine its earlier research reports and publish such of them as deserved to be known widely even at that stage. The Institute should also develop closer links with Communication Research Institutes in other countries specially those of the third world. It

was, however, noticed in audit that (a) in 16 out of 29 research studies completed/taken up during 1980-86, research reports were not published, (b) no action had been taken to examine earlier reports for publication, (c) no efforts had been made to establish closer links with such research Institutes in other countries.

11.8 Department of Evaluation Studies

11.8.1 In 1974, Department of Evaluation Studies under the administrative control of Ministry of Information and Broadcasting was added for building up expertise in the Institute for evaluating the activities of its media units and providing consultancy service to other Central and State Government agencies, public sector undertakings and other organisations. Expenditure of Rs. 33.96 lakhs was incurred on its running during 1980-81 to 1985-86.

As per plan proposals of the Department, 34 evaluation projects were to be undertaken upto March 1982. During the remaining part of the Plan period i.e. 1982-85, the Department was to cover at least one field study in a year for each media unit of the Ministry and more than one study in the case of All India Radio, Doordarshan, Field Publicity and Films Division (approximately at least 36 studies in 3 years) and the Plan estimates were also drawn up taking into account all the above projects.

It was seen in audit that during 1980-86, the Evaluation Department undertook 36 studies (including 11 on-going studies in 1980), out of which only 18 were from those envisaged to be completed upto March 1982 as per plan proposals. It was further noticed that out of 34 evaluation projects undertaken during 1980-85, only 22 were completed and 10 were at different stages of progress. Two projects had been abandoned. The two studies taken up in 1985-86, were still in progress (July 1986).

In one of the meetings of the Executive Council of the Institute held in July 1982, it was observed that the performance of the Evaluation Department might present difficulties in justifying financial support. In the same meeting, the Secretary of the Ministry stated that it would be necessary to ascertain the action taken by the Ministry or by the media units concerned on the reports submitted by the Evaluation Department since 1975. It was also stated that the work done by the Evaluation Department would be reviewed soon at a meeting to be convened in the Ministry. No records were, however, shown to Audit about the action taken on the above decisions. The Ministry stated (January 1987) that the Secretary, Ministry of Information and Broadcasting reviewed the position sometime in October 1982 wherein media units were asked to examine the evaluation studies carefully and identify the suggestions and recommendations which might be implemented. The Ministry further stated (February

1987) that the Media units had been reminded to send implementation reports on various studies conducted by Department of Evaluation.

11.9 Publications

11.9.1 One of the main objectives of the Institute is to print, publish and exhibit any magazine, periodical, monograph or poster that may be considered desirable for the promotion of the objects of the Society. It was envisaged in the Sixth Five Year Plan to evolve teaching manuals incorporating case studies from within the country's social, cultural and traditional system on certain specified subjects. A plan outlay of Rs. 2.00 lakhs was approved for this purpose. In the Seventh Five Year Plan also the Institute had drawn up programmes for bringing out text books (3 to 4 a year) and teaching manuals besides other publications for which an outlay of Rs. 2.50 lakhs was approved.

A study of the contents of the publications brought out by the Institute during the Sixth Plan period revealed that they did not consist of any teaching manuals on the subjects as envisaged in the plan proposals. In the first year of the Seventh Plan (1985-86) also the Institute did not bring out any teaching manual or text book as envisaged.

11.9.2 The Institute brings out an English quarterly journal "Communicator" (current subscription rate Rs. 5/- per copy) and a Hindi half yearly journal "Sanchar Madhyam" (current subscription rate Rs. 4/- per copy).

(a) Communicator

The Institute brought out 20 issues of the Journal from January 1980 to October 1985 (1980-4, 1981-4, 1982-3, 1983-3, 1984-3, 1985-3). In January 1980, the print order was for 2050 copies which was gradually reduced to 800 copies in October 1985. In spite of it being a priced publication, the Institute did not maintain basic records of receipts and issues in respect of "Communicator". The Institute stated (October 1986) that the number of copies was reduced due to increase in cost of production and failure to persuade free recipients into subscribers. The details of the issue of Communicator from 1983 to 1985 and balance left are given in Annexure-V.

(b) Sanchar Madhyam

The Institute had brought out 9 issues of half yearly Hindi journal 'Sanchar Madhyam' since they started publishing the journal in 1980 (August 1986). Out of 7,000 copies brought out, 4,836 copies (69 per cent) were given free of cost to certain categories of institutions/persons or in exchange of other journals, 727 copies (10 per cent) were actually sold and 1,437 copies (21 per cent) were lying in stock (August 1986). The Institute stated (August 1986) that after 6-7th issue,

they had stopped sending free copies of Sanchar Madhyam to certain categories of persons/institutions which had resulted in a large number of copies remaining undistributed.

11.10 Construction of Campus Buildings

11.10.1 The Institute has been functioning from rented buildings since its inception (1965). At present the Institute is functioning from five hired buildings for which it is paying a total rent of Rs. 7.71 lakhs per annum to the private owners and a composition fee of Rs. 2.22 lakhs per annum to Delhi Development Authority (October 1986). In August 1972, the Executive Council decided to construct a building for the Institute. In March 1974, Jawahar Lal Nehru University (JNU) decided to allot about 15 acres of land to the Institute for that purpose. A formal agreement with JNU was signed in January 1980. The delay in signing the agreement was due to technicalities involved in sub-leasing the land to the Institute and finalisation of the terms and conditions of agreement. In February-March 1980, the construction work was entrusted to Central Public Works Department (CPWD). According to the programme drawn up in August 1980, the construction work was to start by May 1981. The work was actually started in May-June 1983 and was scheduled to be completed by July 1984. The civil work was stated to have been completed by March 1986. It was observed as under :-

- (i) Even when no agreement had been reached with JNU and the land offered by them had not been earmarked, the Institute appointed a private architect to function as architect of the Institute (1977), without following the prescribed procedure for award of contract. The only consideration was that the firm was one of the architects approved for work by JNU. A formal agreement was entered into with the firm in September 1980 after the need for the agreement was specifically pointed out by the CPWD in March 1980.
- (ii) The programme for starting the construction work had to be revised time and again. Estimates/drawings, etc. prepared by the architect were occasionally found to be defective and not to the satisfaction of CPWD authorities.
- (iii) As per original plan (March 1981) it was envisaged to cover an area of 3,152 square metres. Thereafter many additions were made in the original plan and finally 6,079 square metres area was proposed to be brought under construction (January 1983).
- (iv) The civil work was stated to have been completed by March 1986. However, the Institute could not shift to the new premises for want of electric

and water supplies (January 1987). The Ministry stated (January 1987) that action for supply of electricity and water was to be initiated by CPWD.

- (v) Due to delays in starting the construction work and frequent changes in the original plan, etc. the completion of civil work had been delayed by over 2 years which was partly responsible for the increase in cost of construction from Rs. 45.29 lakhs (3,152 square metres) in March 1981 to Rs. 147.08 lakhs (6,079 square metres) in June 1985.

The Ministry stated (January 1987) that the increase in the cost of construction was due to the fact that the built-in area increased to double as compared to original plan and the estimates of certain works were not included in the original estimates of building project.

- (vi) The delays in completion of construction work not only escalated the cost of construction but also led to extra expenditure on rent and composition fee of Rs. 9.93 lakhs per annum.

11.11 Uneconomic hiring of Building for CIS Officers' Hostel

11.11.1 A Committee was formed (November 1982) to recommend hiring of a building for Central Information Service trainees. The proposal for hiring of a building with 8 bed rooms, 2 big drawing rooms, a garage and a servant quarter, etc. along with all the fittings and furnishings (including beds, mattresses, tables, kitchen-wares, gas and telephone, etc.) at a monthly rent of Rs. 15,000 was not considered because the requirement of accommodation dropped from 20 trainees to 8. The building was also comparatively at a longer distance. The Committee recommended for hiring of another building with 5 bed rooms, a big hall, a servant quarter and a garage at a monthly rent of Rs. 9,000 (March 1983). Two lease deeds were drawn up (one for the building and another for the furnishing). However, the agreement was not finalised. In January 1984, the Institute hired another building having 8 bed rooms, a basement and a barsati at a monthly rent of Rs. 18,000 with the stipulation that if the premises were not vacated within 2 years, the rent would be increased by 10 per cent. The Institute had also to spend over Rs. 1.5 lakhs on furnishing and purchase of furniture, etc., for the hostel. The Government approved the above deal (December 1983) on the understanding that a minimum of 24 beds would be provided.

It was seen in audit that (i) the hostel had only 20 beds accommodation as against 24 beds. Out of 20 beds

accommodation provided in the hostel, only 6 beds were occupied for over 200 days during 1984-86, (ii) there were only 8, 12 and 12 trainees available for courses commenced in February 1983, January 1984 and March 1985 respectively. Thus, the justification for hiring of a bigger building at high rent was not clear when a proposal for hiring an equally big accommodation at a cheaper rent and on more favourable terms and conditions was not considered. The Institute would have not only saved on account of rent but also saved over Rs. 1.5 lakhs spent on furnishing, etc. of the hostel building if the earlier proposal was accepted. The Institute stated (October 1986) that the accommodation available in the hostel was far in excess of the requirement of the Institute and the unutilised accommodation was at present being allotted to the students of other two Diploma courses. Further, when the Institute shifts to its own premises, the CIS probationers would be accommodated in the hostel building there and the present Hostel building would be vacated.

11.12 As regards the Working Group's recommendation of converting the Post Graduate Diploma course in Journalism into a 2 years Master's Degree Course, the matter was under consideration of the UGC since 1984 for granting the status of a deemed university to the Institute. At a meeting of the UGC's panel on mass communication held on 7th November 1985, a proposal was made by the UGC Chairman that the Institute should convene a meeting of Heads of University departments of journalism/communication to prepare syllabi for courses in mass communication and job specification and qualification of the faculty who would be required to run those courses. The Institute planned to convene such a seminar sometimes in March 1986 which however, was held in August 1986.

Regarding the recommendation of introduction of courses in Indian Languages, barring a few short term courses of 2 weeks in Oriya(1), Gujarati(1), Urdu(1), Hindi and Marathi combined (2), no regular courses in the Indian Languages had been organised by the Institute (August 1986). The Ministry stated (January 1987) that given the constraints of space and staff it would not be possible to run the courses in all the regional languages at that stage.

To implement the recommendation of the Working Group to train personnel in rural Journalism a scheme was introduced in the Sixth Five Year Plan. The scheme was discontinued from 1983-84 onwards after conducting a few workshops and refresher courses.

A Review Committee was appointed by the Ministry in July 1984 to review the work of the Institute from 1972-73 to 1983-84. No meetings of the Committee had yet been held (August 1986). The Ministry stated (January 1987) that the review committee could

not proceed with its work pending a decision on the Institute's future set up.

11.13 Other Points of Interest

11.13.1 *Teleprinter Services* — The Institute had hired teleprinter services of 2 news agencies as a part of training programme. Since the relevant file/records leading to the hiring of the above services could not be made available, the justification for hiring of teleprinter services of two news agencies could not be verified by Audit. Total charges paid from April 1981 to June 1986 worked out to Rs. 3.04 lakhs (Rs. 1.63 lakhs to UNI and Rs. 1.41 lakhs to PTI).

The Ministry stated (January 1987) that for historical and logistical reasons, the two teleprinters had not always been fully utilised. However, when the Institute would shift to its new campus, arrangements would be made to put the print-outs to good use.

11.13.2 *Library*:- The Institute's library had 17,421 books on mass communication and various other subjects of general interest. It was seen in audit that the physical verification of library books had never been conducted. The Ministry stated (January 1987) that physical verification of books on a test check basis has since been conducted by Internal Auditors of the Institute and regular physical verification would be conducted soon.

Summing up

The following are the main points that emerge :-

- The Institute received grants totalling Rs.434.13 lakhs from Government during 1980-81 to 1985-86. A review of its performance for this period, needs to be conducted.
- The Institute has been in existence for more than 20 years, it is time that norms are prescribed for the creation of various categories of academic posts. Sanctioned posts remained vacant for a long period. Adequate reasons justifying deviations from the prescribed norms should be given if staff as prescribed are not appointed.
- The Institute trained 2,102 persons in 113 courses during 1980-85 and 1985-86. It is time that the evaluation of the impact of training is conducted (August 1986).
- No targets were laid down for various schemes undertaken during Sixth Five Year Plan. To correlate expenditure with the achievements targets need to be worked out to assess performance.

- In 16 out of 29 research schemes, research findings had not been published (August 1986).
- Despite the importance of publication of teaching manuals, involving case studies from within the country's social, cultural and traditional system in different aspects of communications in the Sixth/Seventh Five Year Plans, teaching manual has yet to be published (August 1986).

In the case of 2 priced journals issued by the Institute (Communicator and Sanchar Madhyam), the bulk were being distributed free

of cost. The utility and the clientele have not been assessed.

- Delay in starting the construction work of the building for the Institute and frequent changes in the original plan, etc. pushed up the cost of construction from Rs. 45.29 lakhs (3,152 square meters) in March 1981 to Rs. 147.08 lakhs (6,079 square metres) in June 1985.
- Delay in construction led to an extra expenditure on rent and composition fee of Rs. 9.93 lakhs per annum.

ANNEXURE-I

Departments functioning in the Indian Institute of Mass Communication

1. Department of Journalism
 2. Department of News Agency
 3. Department of Visual Communication
 4. Department of Broadcast Journalism
 5. Department of Central Information Services
 6. Department of Communication Research
 7. Department of Development Communication
 8. Department of Advertising and Public Relations
 9. Department of Evaluation Studies
 10. Department of Indian Languages Journalism
 11. Library
 12. Press and Publications
 13. Department of Traditional Media
-

ANNEXURE-II

*The number of sanctioned strength of teaching/research staff in position, shortage etc.
as on 31st December, 1985*

Sl. No.	Particulars of post	Sanctioned strength	Number in position	Shortage	Percentage shortage	Remarks
1.	Professors	11	8	3	27	Posts of Professor, Traditional Media and Professor, Development Communication were vacant since 6.8.1982 and 17.6.1984 respectively
2.	Readers	10	5	5	50	2 Readers' posts in Advertising and Public Relations were vacant since 1982 and May 1983
3.	Lecturers	6	3	3	50	Posts of lecturers in Traditional Media and Hindi Journalism were vacant since August and October 1982 respectively
4.	Senior Research Officers	5	4	1	20	Vacant since 30th April 1985
5.	Research Officers	5	3	2	40	The 2 posts in Evaluation Department were lying vacant since March 1982 and January 1983
6.	Senior Research Assistants	2	1	1	50	—
7.	Research Assistants	5	Nil	5	100	4 posts were vacant since 1974-75 and one post since June 1985
8.	Hindi Officer	1	Nil	1	100	Vacant since December 1984

ANNEXURE-III

Details of Publications brought out by the Indian Institute of Mass Communication during the Sixth Plan Period

Sl. No.	Name of Publications	Particulars of the content of the Publication
1.	Art of Translation	Two interest evoking articles from two eminent writers
2.	Burrakatha of Andhra Pradesh	A study conducted by the Department of Traditional Media I.I.M.C.
3.	An Elemental Analysis of Communication	The Institute's 1980 Convocation Address by Yash Pal, Director, Space Application Centre
4.	Some Eminent Indian Editors	Lectures on Lala Lajpat Rai, Lok Manya Tilak, Annie Besant etc.
5.	Book as News Agencies Pool of non-Aligned Countries (in collaboration with PTI)	Documents relating to evaluation and functioning of the Pool
6.	Mass Communication in India	An Annotated Bibliography
7.	Ramanand Chattopadhaya	Hindi version of the Institute's 1979 Annual Lecture by R. K. Das Gupta
8.	Media Habits of Delhi Youth	Results of a survey conducted by the Department of Communication Research
9.	Communication and Traditional Media	Proceedings of Seminar organised by I.I.M.C. in March 1980
10.	A Manual of News Agency Reporters	A practical guide to reporting
11.	Advertising and Social Responsibility	Results of a survey conducted by the Department of Communication Research of the Institute

ANNEXURE-IV

I. Details of Research Projects undertaken by the Department of Communication Research during 1980-85

Sl. No.	Name of the Research Project	Remarks
1	2	3
1980-81		
1.	Perception of Sound tensions by Communicators	Published in Communicator and as booklet
2.	Poster War (Election Study in 1980)	Typed
3.	Content analysis of newspapers during elections (1980)	Published in Communicator
4.	Radio listening facilities, a study of primary school teachers	Typed
1981-82		
5.	Communication in Almora	Cyclostyled
6.	Advertising and social responsibility (highlights of a research study)	Published in a booklet
7.	Foreign news in Indian Media	Published as a chapter in a book
8.	Press portrayal of development news of International significance in India.	Cyclostyled
1982-83		
9.	Information need assessment for INSAT	Typed
10.	Advertising and Social responsibility Volume-I Analysis of Contents Volume-II Audience reactions to advertising	Cyclostyled -do-
11.	Study of Urdu press in India	Typed
1983-84		
12.	Coverage of Fourth extra ordinary session of UNESCO General Conference (UNESCO grant)	Cyclostyled and submitted to UNESCO
13.	Study of Urdu Press in India (Final report)	Typed
14.	Media and adult education Indian experience—A study conducted for UNESCO (UNESCO grant)	Submitted to UNESCO Published by UNESCO
15.	New Communication Technology and Third World Societies	Published as a Chapter in a book
16.	UNFPA Rajasthan Family Welfare Project (UNFPA Consultancy)	Report submitted to Rajasthan Government
1984-85		
17.	Campaign and Voters Choice 1984 Parliament Elections	Published in Communicator
18.	Reserve utilisation for Development information needs : A Study of Mandya District (Karnataka)	Cyclostyled
19.	Communication and information needs : A study of Mohindergarh District (Haryana)	Cyclostyled

Sl. No.	Name of the Research Project	Remarks
1	2	3
20.	News Pool performance : A study	Published by UNESCO, PTI NAMEDIA
21.	Communication and development in North East India	Preliminary work Typed Report
22.	Mass Media and Youth in India	No work
	1985-86	
23.	Media and Elections :	
	(a) Elections Campaign : A Study	Typed
	(b) Media and the voters : A Report	Typed
	(c) Coverage of elections	Typed
24.	News Coverage in different Media	Cyclostyled
25.	New Communication technologies (TV serials and Video)	Cyclostyled
26.	Development Communication Research	Cyclostyled
27.	Press in the Afro-Asian Region	Cyclostyled
28.	Communication and development in North Eastern region	Work in progress
29.	Monitoring and Evaluation of Media Support to CSOR (UNICEF Grant)	Work in progress

II. Research Projects approved by General Body

1.	Youth Programme on Radio and Televisions
2.	Rural Advertising
3.	Effectiveness of special advertising supplements
4.	A study on multi-level information system for integrated Rural Development for Asia

ANNEXURE-V

Details of the issue of 'Communicator' from 1983 to 1985

1.	Total No. of subscribers	928
2.	Total No. on Exchange basis	252
3.	Total No. of copies sent on Complimentary basis	4251
4.	Total No. of copies distributed by Director, faculty members and administration to their visitors	900
5.	Distribution amongst scholars of the on-going courses workshops and seminars (average 350 copies per issue)	3150
6.	Mailed to contributors of articles (sometimes more than 2 copies)	270
7.	Grand Total	9751
8.	Total print orders from 1983 to 1985	10450
9.	Balance left in the press	699

MINISTRY OF LABOUR

12. Blocking of funds

Workers Education Centre in Delhi, a Unit of the Central Board of Workers Education (CBWE) was being run since March 1959 in a hired building in a residential area at a monthly rent of Rs. 350. The landlord had asked for the vacation of the premises for his personal use. In view of the very high rent of alternative accommodation, the CBWE decided to construct a building for the Centre out of the grant received by it from the Ministry of Labour. Accordingly, the CBWE, under instructions from the Ministry, deposited a sum of Rs. 3.62 lakhs with the Central Public Works Department (CPWD) in March 1978 for undertaking the work of designing and construction of the building.

The land on which the building was to be constructed has not so far been allotted by the Ministry of Urban Development (September 1986). In the meanwhile, in November 1979 the Centre was shifted to a new building in Azadpur hired at a monthly rent of Rs. 3589. The object of sanctioning the grant of Rs. 3.62 lakhs to the CBWE in 1978 had thus not been fulfilled and the entire amount deposited with the CPWD remained blocked for more than eight years.

The Ministry of Labour stated (September 1986) that the Ministry of Urban Development had been requested in September 1986 for allotment of land to the CBWE.

MINISTRY OF SCIENCE AND TECHNOLOGY

(Department of Scientific and Industrial Research)

13. Purchase of sophisticated equipment by Central Fuel Research Institute, Dhanbad leading to infructuous expenditure and blocking up of public money

The Central Fuel Research Institute (CFRI), Dhanbad, a constituent of the Council of Scientific and Industrial Research (CSIR), placed an order (February 1982) for supply of XRF Spectrometer Fluorescent Analysis System on a foreign supplier on proprietary item basis. The foreign supplier was represented by an Indian agent and the total cost of the equipment as sanctioned by the CFRI was Rs. 21.90 lakhs. The equipment reached Calcutta Airport in January 1983 but in the absence of detailed list of spares and accessories, the Assistant Director, Shipping refused to clear the consignment. A telegram was issued in February 1983 to the supplier for the list and ultimately the equipment could be cleared in June 1983. The equipment was to be housed in an air-conditioned room and one of the parts was to be filled with liquid nitrogen. Since this was not possible when the equipment was awaiting clearance in customs, the equipment got damaged. Also at the CFRI, the air-conditioned room

for installing the equipment could be got ready only by April 1984 as the CFRI was not aware of the special requirements and the Indian agent had not kept them apprised of the need, in advance.

The CFRI was also advised by the foreign supplier (November 1984) that they should return the damaged parts, computer power supply, X-ray tubes and cryostat to their factory in the USA (freight prepaid) for testing, re-manufacturing, re-conditioning or repairing. The supplier also agreed to extend the warranty period to the extent of re-manufacturing etc. The Indian agent intimated (December 1984) that their Engineer visited the Institute and after checking the equipment had come to the conclusion that chances of commissioning the system were exceedingly low due to the long storage of 23 months without air-conditioned facilities which was the standard practice for sophisticated electronic equipment.

Thereupon, the CSIR took up the matter (March 1985) with the Director General, Technical Development for necessary permission to send the parts to the USA and it was given in September 1985. The clearance of Reserve Bank of India was obtained in May 1986 and the parts were sent to the foreign supplier in July 1986. The equipment was yet to be received back (November 1986) from the USA after rectification.

Thus, the equipment procured at a cost of Rs. 20.75 lakhs (received in January 1983 and cleared in June 1983) could not be installed due to non-availability of air-conditioned room with all the facilities for installing the equipment. Further, due to delayed clearance from customs some parts had been damaged and had to be sent back to the supplier for reconditioning by incurring additional expenditure which is not yet known. The workability of the equipment and the rectified parts would be known after installation. Thus, the expenditure of Rs. 20.75 lakhs had not yielded any benefit to the Institute during the past 46 months. The CSIR stated (November 1986) that the damage to the equipment was due to many factors beyond the control of the Institute and that the equipment would be commissioned immediately after receipt of the same from abroad.

14. Abnormal delay in erecting and commissioning of lifts and blocking up of public money

The Indian National Scientific Documentation Centre (INSDOC) New Delhi (a constituent establishment of the Council of Scientific and Industrial Research) placed a purchase order for design, manufacture, supply and erection of 3 Nos. of lifts for National Science Library building at a cost of Rs. 9.97 lakhs on firm 'A'. The agreement with the firm was entered into on 7th July 1982 and work order was given on 26th July 1982. The work was to be com-

pleted within 6 months from the date of the order. As per the agreement, 80 per cent payment (Rs. 7.98 lakhs) was to be made against delivery of stores and the balance 20 per cent (Rs. 1.99 lakhs) when the lifts were duly installed in working condition as required by the Lift Act/Rules. The agreement also provided for payment of liquidated damages by the firm for insufficient progress/non-completion of work in time.

At the request of the firm, extension of time for completion of the work was granted upto 30th March 1984, 20th April 1984 and 31st May 1984 for the first, second and third lifts respectively. Subsequently, the firm agreed to complete the work before 31st October 1984. Firm 'A' submitted their first bill (March 1983) against delivery of stores at site amounting to Rs. 6.30 lakhs and it was paid in the same month. It submitted the second running bill for the work in progress in March 1984 and was paid Rs. 2.17 lakhs in the same month. Both these payments amounting to Rs. 8.47 lakhs exceeded the 80 per cent limit by Rs. 49,000. Hence, there was an overpayment to firm 'A' in contravention of the stipulated terms of agreement.

Only one lift was erected by 11th July 1985 and since there was delay in the erection of the other two lifts, a meeting was held on 14th August 1985 whereupon the firm agreed to complete the work by October/December 1985. It was reported in September 1985 that the lift erected in July 1985 was out of order ever since its installation. Further, the work relating to the remaining 2 lifts has not been completed so far (November 1986).

The INSDOC admitted (August 1986) that completion of erection of lifts had been delayed beyond expectations and that no formal extension of time had been granted in 1986 and the question of liquidated damages up to the limit of 10 per cent would be kept in view for consideration while making any further payment.

The Council stated that the matter regarding alleged payment to the contractors not covered by the terms and conditions of agreement was being looked into for appropriate action.

Thus, public money was paid in contravention of the terms of the Agreement and there was blockage of money amounting to Rs. 8.47 lakhs due to non-installation/non-operation of the lifts.

15. Import of defective load alternative device (Pulsator) by the Central Road Research Institute and blocking up of capital

The Central Road Research Institute, New Delhi (Institute), a constituent unit of the Council of Scientific and Industrial Research (CSIR), invited global tenders in October 1981 for supply of one load alterna-

tive device (pulsator) required by its Bridges Division for research and development work. Out of 8 offers received, the offer of an Indian firm 'A' (local representative of a foreign firm 'B') was accepted, being the lowest, and a purchase order was placed (January 1983) for the value of Rs. 16.71 lakhs. The Institute opened (February 1983) the necessary letter of credit in favour of firm 'B' for Rs. 16.14 lakhs excluding the agency commission.

The pulsator, despatched by the supplier on 30th July 1983, was received in November 1983 and was to be installed at the Institute after completion of certain ancillary works by the Institute. The CSIR admitted (September 1986) that the enlargement of the room, where the equipment was to be installed, took a certain amount of time which came in the way of early commissioning. Though the ancillary equipments, whose procurement was initiated only in late 1983 and 1984, were stated (September 1986) to be almost ready, the local agent was awaiting the return of their Engineer from UK with further details about installation and commissioning. Thus, the equipment was yet to be installed and commissioned (December 1986).

The imported equipment carried manufacturer's warranty of fifteen months from date of despatch against any manufacturing defects, which was already over. However, the CSIR stated that the local agent's warranty for a period of 12 months from the date of installation subsisted since the equipment has not so far been installed. When the manufacturer's warranty had expired, the efficacy of local agent's warranty remained to be seen and could be put to test only after the equipment was installed.

Further, the equipment which was received in Bombay on 29.8.1983 was cleared through customs only on 28.9.1983. Thereafter, it was stored at Bombay and brought to the Institute at New Delhi on 10.11.1983. On opening the consignment, the Service Engineer of firm 'B' found that there was a dent on the body of the equipment. The Institute preferred an insurance claim on 2.11.1984 for Rs 1.17 lakhs on the basis that the equipment was insured from warehouse to warehouse. However, this was rejected by the foreign Insurance Company on the ground that the consignment was insured only upto 60 days after completion of discharge by the ship at the final port of discharge and so the insurance had expired on 28.10.1983. The Insurance Company also mentioned that no documentary proof to show that the damage had occurred during transit had been furnished.

Thereafter, the Institute requested the supplier (July 1985) to rectify the defects on the ground that the damage had been caused in transit and the dent in question was considered to have been caused at the time of packing itself. The supplier was last reminded to put the equipment in working condition in May 1986. No

action has so far been taken by the supplier.

The Institute stated (December 1986) that the damages had since been assessed and were only to the extent of Rs. 8000 (£407.57) which would be made good free of cost to the Institute and the equipment would be commissioned by 31st December 1986.

16. Delay in occupation of newly constructed building by INSDOC and blocking up of capital

Indian National Scientific Documentation Centre (INSDOC), New Delhi, a constituent establishment of the Council of Scientific and Industrial Research (CSIR) shifted to its new building with a carpet area of 11,291 sq. mtrs. in February 1983. The total cost of the new building constructed by Engineering Unit of the CSIR including land as reflected in the balance sheet as on 31st March 1986 was Rs. 3.81 crores.

The administrative wing of INSDOC was shifted in February 1983. The Library Wing occupying 3639 sq. mtrs. was shifted in July 1984 after completion of air-conditioning, ducting, etc. A portion of the basement of the building admeasuring 529 sq. mtrs. was earmarked for the printing section of INSDOC. However, this was not occupied. It was stated that the earmarked portion required certain additions/modifications in the basement for accommodating the printing section. In March 1985, the Director General, CSIR decided that the printing section should be shifted to the new building immediately. Thereupon, the work for provision/fixing of wooden partition etc. was awarded to a contractor in April 1985 and completed in May 1985 at a total cost of Rs. 2.86 lakhs.

Though the entire new building was ready in February 1983 and the electrical power requirement (1100 KV) of the printing section was known, only a part of the additional power supply of 500 KVA was obtained by February 1985 resulting in non air-conditioning of various rooms in the basement. Consequently, the printing section had not been shifted so far (December 1986).

The CSIR stated (November 1986) that the delay in occupation of the building was due to many factors beyond the control of the Centre. The press could not be shifted due to various administrative reasons and in the exigencies of public services. Accordingly, it had been decided by the CSIR that the press would remain in its present location and the place earmarked for the press would be put to an alternative profitable use such as exhibition etc. for which also this premises is considered to be ideal.

Due to lack of advance planning, power supply required for the Library Wing was not obtained in time and the accommodations remained unoccupied for 16

months. Similarly, in the case of printing section, space constructed at a high cost and additions/alterations made thereto at a cost of Rs.2.86 lakhs remained unoccupied so far. The blockin up of the capital for 37 per cent of the space unoccupied for 16 months in the case of Library Wing has been proportionately worked out to Rs. 1.41 crores and in the case of printing section the proportionate blocking up of the resources was Rs. 19 lakhs for 47 months.

The non-utilisation of accommodation earmarked for the press continues (December 1986).

MINISTRY OF TRANSPORT
(Department of Surface Transport)
(Ports Wing)

Calcutta Port Trust

17. Delay in Commissioning of Impounding Pump System leading to avoidable expenditure.

The lock entrance of Haldia Dock Complex was designed as a two camber lock with three sliding caisen gates. It was envisaged that lock operation would generally be carried out by adjusting the water level in the lock with that of river and dock basin through the impounding pump system (viz. impounding pumps, and culvert connecting the river, the dock and the lock with the pumps). The system would also be used (i) for recirculating water from lock to basin and from one camber to another of the lock and (ii) for flushing the accumulated silt from sliding ways and cambers of the lock to ensure smooth movements of the gates.

To provide the impounding pump system of Haldia Dock, Calcutta Port Trust (CPT) placed an order with firm 'A' in May 1969 for supply, delivery, installation and commissioning of 3 nos impounding pump sets along with ancilliary equipments at a total cost of Rs. 10.67 lakhs plus sales tax which included a sum of Rs. 0.81 lakh for erection and commissioning of the work.

Firm 'A' completed (July 1973) supply of the pump sets at a cost of Rs. 11.24 lakhs but their installation could not be taken up as the work of pump house and the connecting culvert awarded (November 1971) to another firm 'B' for completion by May 1973 at a cost of Rs. 79.05 lakhs plus escalation were not ready. The contract with firm 'B' was terminated in August 1975 for slow progress of work. But at the initiative of a nationalised bank who agreed to extend financial assistance to firm 'B' and also assured technical assistance from a leading civil consultancy firm, the contract was revived (March 1976) on the existing terms and conditions for completion of the work by May 1977. The

firm constructed the pump house and connecting culvert, excepting a stretch of 47 feet adjoining the inner camber of lock entrance, by November 1978 and then abandoned the work failing to tackle the problem of percolation of water in the work site. The delay in completion of the culvert and the pump house was mentioned in paragraph 33 of the Audit Report 1974-75 Union Government (Civil). The Public Accounts Committee (1977-78) commented on the delay in their 33rd Report in December 1977.

Nearly five years after discontinuance of the work by firm B, the port authorities decided (July 1983) to terminate the contract on mutually agreed basis and to invite fresh tenders for completion of the balance work. But the contract was yet (April 1986) to be terminated and the balance work viz. 47 feet stretch of culvert remained incomplete (April 1986). An amount of Rs. 166.09 lakhs had been paid to firm 'B' upto March 1986 against the estimated cost of Rs. 79.05 lakhs plus escalation.

Since procurement (July 1973) the pumps were scattered over various places both open and indoors. As a result, their condition deteriorated, necessitating thorough overhauling and servicing before erection of the pumps.

After completion of pump house and major portion of culvert in 1978 the port authorities approached (1979) the supplying firm 'A' for undertaking the work of overhauling, erection and commissioning of the pumps. But the matter was not pursued. The firm was again approached in December 1981 and ultimately after negotiation the work of overhauling, servicing, erection/commissioning was entrusted to firm 'A' during February 1983 at a cost of Rs. 5.25 lakhs plus taxes and duties. The cost of major parts to be replaced was to be paid extra.

The firm completed (1986) installation and trial of the pumps but the pumps were yet to be commissioned (April 1986). During overhauling, two elbows of the pumps which were heavily rusted, were identified for replacement at a cost of Rs. 1.84 lakhs to ensure proper performance of the pumps but the replacement was deferred to next overhauling as their manufacture and supply would take time.

Thus, though the pumps could serve all the purposes except clearing the silt deposit inside the inner camber (for absence of last 47 feet stretch of culvert) if they were installed after completion of Civil work in 1978, due to casual handling of the work by the department the benefit from the impounding pump system

remained (April 1986) to be achieved.

The lock entrance of Haldia Dock was declared open on 28th February 1977 and since then it was being operated without operating the impounding pump system. This led to deposition of silt in the cambers and on the sliding ways causing problems in the operation of lock gates. Due to heavy siltation, the intermediate gate remained non-operative for a considerable period and even the outer-caisson gate could not be operated from 21st to 29th January 1983 causing delays to shipping.

To overcome the inconvenience and to avoid damages to lock gates and machinery the port authorities had to undertake silt clearing operation from time to time incurring an expenditure of Rs. 10.69 lakhs upto April 1986.

Had the impounding pumps been erected/commissioned in time, the port authorities could have avoided the inconvenience in lock operation and the additional expenditure of Rs. 15.13 lakhs (Rs. 5.25 lakhs actually incurred minus Rs. 0.81 lakh originally contracted for and the expenditure of Rs. 10.69 lakhs incurred towards silt cleaning).

Government stated (October 1986) that Rs. 10.69 lakhs spent by the CPT for clearing silt could not be said to be directly related to the silt clearing of the grooves of the gates and that it also included the clearing of silts in other areas of the lock. The Government, however, could not apportion the amount amongst the area of silt cleaning.

Note:- 'Sliding ways' are the foundations on which the caisson gates move. 'Camber' are the recesses in the lock wall for the caisson gates to remain when they are not in operation across the lock barrel.

Mormugao Port Trust

18. Loss due to non-utilisation of Wagon Handling System

18.1 The Mechanical Ore Handling Plant at Mormugao Port commissioned in October 1979 was estimated to handle 12 million tonnes of ore per annum — 10 million tonnes received by barges and 2 million tonnes received by railway wagons. To handle the 2 million tonnes of rail borne ore a wagon handling system consisting of a wagon tippler, railway track and Dumper house was provided. The execution of works relating to wagon handling systems was as follows :-

Name of work	Month in which the work was started	Due date for completion	Actual date of completion	Cost (Rupees in lakhs)
Wagon tippler	March 1973	February 1975	March 1981	62.24
Railway track	March 1978	August 1978	March 1979	16.55
Dumper house	December 1973	December 1976	March 1977	73.21
				152.00

18.2 Though the quantity estimated to be handled by the wagon handling system was 2 million tonnes of ore, the highest quantity ever received by rail was 6.08 lakhs tonnes in 1967-68 and from 1971-72 there was fall in rail borne ore traffic as shown below, contrary to Port's estimates.

Year	Quantity (In lakhs tonnes)
1970-71	4.76
1971-72	5.23
1972-73	4.59
1973-74	2.80
1974-75	3.56
1975-76	2.42
1976-77	2.61
1977-78	1.04
1978-79	0.62
1979-80	0.41
1980-81	1.31
1981-82	0.78
1982-83	0.31
1983-84	Nil
1984-85	Nil

18.3 The fall was attributed to the following reasons :-

- The Bellary-Hospet ore was continued to be taken through the Madras Port by the Japanese buyers and on account of this, the Madras Harbour was developed to accommodate vessels of more than 1,20,000 d.w.t.
- There is a direct broad gauge link from Bellary-Hospet to Madras as against a metre gauge line to Mormugao, and hence Mineral and Metal Trading Corporation of India (M M T C) found

it advantageous to export the iron ore through Madras Port.

- The Indian Railways withdrew the concession on rail freight with effect from April 1975. Consequently, the ore extracted in Goa was not transported by rail as it was found uneconomical by the Goan exporters who resorted to transport by barges.

18.4 Though there was a declining trend in the rail borne traffic from 1972-73 onwards, and the actual expenditure on this system was only Rs. 7.97 lakhs upto the end of 1973-74, the Port Trust went ahead with work.

18.5 The works relating to Wagon Handling System were finally completed by March 1981 and the system was commissioned by the Port Trust in the same month. However, it was seen that the system handled only 0.16 lakh tonnes upto September 1986 as the quantity of ore received by rail had come down considerably as indicated above.

18.6 In February 1982, the Port Trust attempted to dispose off the wagon tippler on the ground that there was very little rail borne ore traffic to Mormugao Port. However, no progress had been achieved in disposing of the tippler till June 1986.

18.7 Justifying the commissioning of the Wagon Handling System, the Port Trust stated in September-October 1984 that

- it had gone ahead with the installation of the tippler to make the ore handling system more efficient;
- the system was mainly commissioned to help M M T C's exports but the exports fell short due to diversion of Bellary-Hospet ore to Madras by the M M T C ;
- the installation of Wagon Handling System could not be cancelled as the manufacture was already in an advanced stage;
- changes in the railway rate structure had made it uneconomical for the Goan Exporters to transport the ore by rail.

18.8 The Port's contention that the entire system was commissioned in order to facilitate M M T C's exports is not tenable because M M T C had at no time given a firm commitment that the Bellary-Hospet ore would be transported through Mormugao.

18.9 Thus the Wagon Handling System costing Rs. 152 lakhs is remaining unutilised since its commissioning in March 1981. Besides, the loss of interest

on blocked funds amounting to Rs. 14.20 lakhs per annum from 1981-82 calculated at the lending rate as reported by the Port Trust, the port is incurring a recurring annual expenditure of Rs. 43.47 lakhs on account of standing charges representing depreciation, maintenance, interest, etc.

The matter was reported to the Ministry of Surface Transport (Ports Wing) in July 1986 and their comments were awaited.

Kandla Port Trust

19. Avoidable extra expenditure in the Purchase of L.S.H.F. – H.S.D. Oil

The Kandla Port Trust (KPT) decided in September 1983 to procure from the Indian Oil Corporation's Okha installation Low Sulphur High Flash-High Speed Diesel (LSHF-HSD) oil, instead of H.S.D. oil which was hitherto being used, at the basic rate or Rs. 4,680.04 per kilolitre F.O.R. Kandla for the efficient operation and proper maintenance of the marine engines of dredger "Kutch Vallabh". The Port Trust also had a contract with Dredging Corporation of India (DCI) for dredging the channel of the Port and the contract terms provided for payment of price escalation on LSHF-HSD oil used for their dredger on presentation of the copies of the bills. It was noticed in audit (July 1985) that the DCI had been purchasing this oil from the same source at the rate of Rs. 3715.58 per metric tonne at Okha installation. Based on bunker rates charged to the DCI and rates charged to the KPT from time to time there was a substantial difference of Rs. 1469 to Rs. 1948 per kilolitre between the two rates. When this substantial difference in the two rates was pointed out (July 1985) by Audit, the KPT took up the matter with the Indian Oil Corporation (IOC) who clarified (May 1986) that the KPT could also avail of the concessional bunker rate of LSHF-HSD charged from the DCI provided it was certified by the KPT that the said oil would be fuelled to ocean going vessels and the Dead Weight Tonnage (DWT) of each such vessel was more than 500 tonnes. As the vessel "Kutch Vallabh" belonging to the KPT fulfilled these conditions, failure to avail of this concessional rate by the KPT had resulted in an avoidable extra expenditure upto March 1986 of Rs. 39.27 lakhs approximately for 2170 kilolitres of LSHF-HSD oil supplied to this vessel from September 1983 upto March 1986. The KPT intimated (October 1986) that the IOC had since agreed to extend the bunkering rate for supplies to "Kutch Vallabh".

The Ministry of Surface Transport (Ports Wing) agreed (December 1986) with the reply furnished by the KPT.

Tuticorin Port Trust

20. Sunken Tug near Tuticorin Port.

In September 1977, tug 'Veera Cholan' of the Port sank in the sea near the shore, while assisting a ship. Pending the completion of arbitration proceedings to decide the cost of damage to be paid to the Port by the Shipping Company, the latter deposited a sum of Rs. 2.25 lakhs with the Port towards salvage and repairs to the tug besides furnishing a bank guarantee for Rs. 15 lakhs. The efforts of the Port to refloat the sunken tug were not successful. On the basis of reports given by the Port's engineers and the Lloyd's Surveyors that the tug would require extensive repairs for reconditioning even if refloated, the Board declared in June 1978 that the tug was incapable of being salvaged and put into operation and that it was a total loss to the Port. In the interest of safe navigation in the area, private watch duty, on contract basis, was arranged with effect from 5th June 1978 and a wreck marking buoy was also laid near the wreck. The arbitrators gave their award to the effect that the Shipping Company should pay the Port a sum of Rs. 18 lakhs in full and final settlement of all claims and filed the award in the High Court of Madras in January 1980. The Court passed a decree in favour of the Port in January 1982. The Shipping Company paid a sum of Rs. 15.75 lakhs and required the Port to adjust the deposit of Rs. 2.25 lakhs towards the balance. The Port at first held that the award of Rs. 18 lakhs was in addition to Rs. 2.25 lakhs already paid by the Company but finally veered round to the view in November 1983 that no further demand on the shipping company need be made and that it could exercise its right of ownership and dispose of the wreck.

The watch duty which was arranged on contract basis with effect from 5th June 1978 was continued upto 19th September 1985 and a total expenditure of Rs. 4.07 lakhs was incurred thereon, as shown below:-

	Period	Rate per day	Total amount
		Rs.	Rs.
Contractor A	5th June 1978 to 25th July 1979 (416 days)	420	1,74,720
Contractor B	26th July 1979 to 2nd July 1981 (708 days)	140	99,120
Contractor C	3rd July 1981 to 27th July 1982 (390 days)	72	28,080
	(28th July 1982 to 22nd September 1982 there was no watch duty)		
Contractor D	23rd September 1982 to 19th September 1985 (1093 days)	96	1,04,928
Total amount:			4,06,848

The watch duty was discontinued with effect from 20th September 1985 on the ground that (i) the depth near the wreck was around 18' and hence no ship could ever come near the wreck (ii) the entire channel area was indicated by means of buoys and that it had a depth of only 12' for use by sailing vessels and lighters and (iii) it would be sufficient to organise a watch and ward from the Hare Island (a small island nearby, where the signal station of the Port is situated) where special staff had been posted to keep a watch round the clock.

The procedure followed for arranging watch duty presented the following features :

(i) On all the four occasions of tender call, the duration of the contract was *two months* in the first instance and the contracts were being extended from time to time, at the same rates. There was steep decrease in the rates tendered during the second occasion (from Rs. 420 to Rs. 140 per day) and this trend was not considered when contract entered into on 26th July 1979 at Rs. 140 per day was also extended from time to time, without resorting to a fresh tender call. When at last tenders were called for in June 1981, the lowest rate was Rs. 72 and in September 1982, the tendered rate was Rs. 96 per day.

(ii) The tenders on the third and fourth occasions were called for on his own, by the Deputy Conservator. In terms of the delegation of powers in force at that time (this delegation had not been approved by Government), the Deputy Conservator was not empowered to accept tenders beyond Rs. 25,000 in each case, without pre-audit. The value of the contract on the two occasions exceeded Rs. 25,000. Even on the

second occasion, though tenders had been invited on behalf of the Chairman, the extension of the currency of the contract from time to time was done on his own by the Deputy Conservator.

(iii) Originally, the watch duty was arranged on the following grounds (a) to warn mariners passing by, of the existence of the wreck, (b) to safeguard the tug, and (c) non-completion of the arbitration proceedings and recovery of damages from the Shipping Company. As far as (a) above is concerned, the laying of a wreck-marking buoy on the spot had served the purpose. As regards (b) above, the tug had been declared a total loss even during January 1978. If at all, it was considered necessary to safeguard the tug with a view to retrieving anything valuable therefrom, the watch could have been done with the special staff posted at the Hare Island for this specific purpose. As regards (c) above, the Court had decreed the award in January 1982. The Port took the decision to dispose of the wreck only in November 1983 after a lapse of 21 months. The decision to discontinue the watch duty as not necessary was taken in September 1985 after a lapse of another 21 months. The considerations which weighed with the Port in September 1985 in dispensing with the watch duty, were operative even during January 1982 when the Court gave its verdict. The expenditure of Rs. 1-17 lakhs incurred for the period February 1982 to September 1985 could have been avoided, had a firm decision been taken even in January 1982 i.e. soon after the Court decreed award.

The Port stated (March 1986) that the alleged lapses in the procedure followed in the award of contracts had been ordered for detailed examination.

New Delhi:
The

- 4 MAY 1987 .

S M Patankar

(S. M. PATANKAR)

Director of Audit-1, Central Revenues.

Countersigned

New Delhi:
The

- 4 MAY 1987

T. N. Chaturvedi

(T. N. CHATURVEDI)

Comptroller and Auditor General of India.

APPENDIX-I

(Vide Sub-paragraph 1.2.2)

OUTSTANDING UTILISATION CERTIFICATES

Ministry/Department	Period to which grants relate (upto September 1984)	Number of utilisation certificates outstanding at the end of March 1986	Amount (In lakhs of rupees)
1	2	3	4
Commerce	1976-77	3	5.00
	1977-78	3	2.90
	1982-83	1	7.80
	1983-84	27	1337.00
	1984-85	35	793.00
			<u>69</u>
Textiles	1977-78	3	11.55
Department of Textiles	1978-79	42	161.83
	1979-80	54	138.38
	1980-81	22	32.60
	1981-82	14	55.06
	1982-83	41	67.47
	1983-84	59	155.88
	1984-85	32	43.22
		<u>267</u>	<u>665.99</u>
Energy (i) Power	1976-77	16	24.39
	1977-78	22	37.16
	1978-79	18	42.21
	1979-80	16	65.83
	1980-81	30	184.51
	1981-82	31	334.55
	1982-83	25	695.07
	1983-84	11	342.76
		<u>169</u>	<u>1726.48</u>
(ii) Non-Conventional energy sources		-----Awaited-----	
Atomic Energy	1983-84	1	8.15
		1	8.15
Human Resource Development (i) Education	1976-77	262	307.15
	1977-78	256	540.21
	1978-79	531	569.40
	1979-80	434	644.02
	1980-81	290	555.72

1	2	3	4
	1981-82	301	1297-81
	1982-83	686	1759-95
	1983-84	713	6605-60
	1984-85	426	16198-22
		3899	28478-08
(ii) Culture	1976-77	121	82-98
	1977-78	81	14-56
	1978-79	71	79-40
	1979-80	94	130-10
	1980-81	117	119-47
	1981-82	159	177-15
	1982-83	263	266-59
	1983-84	308	392-94
	1984-85	104	369-57
		1318	1632-76
(iii) Department of Sports	1983-84	62	44-00
	1984-85	56	49-58
		118	93-58
External Affairs	1977-78	1	0-02
	1983-84	1	4-73
	1984-85	2	22-29
		4	27-04
Social Welfare			-----Awaited-----
Finance			
(i) Economic Affairs	1978-79	2	5-12
	1979-80	2	5-41
	1981-82	2	20-10
	1982-83	2	0-14
	1984-85	3	9-80
		11	40-57
(ii) Revenue	1982-83	3	5-03
	1983-84	5	12-03
	1984-85	2	6-00
		10	23-06
Food and Civil Supplies			
(i) Civil Supply	1977-78	9	39-00
	1979-80	6	202-00
	1980-81	6	1-00

1	2	3	4
	1981-82	6	6.00
	1982-83	3	10.00
	1983-84	15	24.00
	1984-85	2	3.00
		47	285.00
(ii) Food	1976-77	3	1.86
	1977-78	2	1.02
	1978-79	2	3.00
	1979-80	5	5.88
	1980-81	4	10.22
	1981-82	5	9.41
	1982-83	2	16.01
	1983-84	1	13.65
	1984-85	6	11.31
		30	72.36
Health and Family Welfare	1976-77	100	185.71
(i) Health	1977-78	89	234.94
	1978-79	83	949.65
	1979-80	142	324.93
	1980-81	85	405.04
	1981-82	137	363.87
	1982-83	154	848.56
	1983-84	305	4143.92
	1984-85	85	2441.31
		1180	9897.93
(ii) Family Welfare	1976-77	26	13.38
	1977-78	23	35.44
	1978-79	21	78.58
	1979-80	31	99.87
	1980-81	34	122.09
	1981-82	57	244.43
	1982-83	75	266.67
	1983-84	131	609.58
	1984-85	68	458.09
		466	1928.13
Industry	1979-80	12	984.00
(i) Industrial Development	1980-81	3	11.00
	1981-82	12	1170.00
	1982-83	15	3478.00

1	2	3	4
	1983-84	22	3406-00
	1984-85	13	2315-00
		77	11364-00
(ii) Small Scale Industries	1984-85	5	63-00
		5	63-00
(iii) Salt Commission, Jaipur	1976-77	18	4-00
	1977-78	3	0-20
	1978-79	39	0-08
	1979-80	3	0-10
	1980-81	2	0-01
	1981-82	4	0-05
		69	4-44
Home Affairs	1976-77	8	80-00
(1) Home Affairs	1977-78	16	132-76
	1978-79	21	103-43
	1979-80	21	118-28
	1980-81	48	144-22
	1981-82	39	140-82
	1982-83	23	169-99
	1983-84	42	217-80
	1984-85	13	10-63
		231	1117-93
(i) Delhi (UT)	1976-77	1	74-00
	1977-78	128	1425-02
	1978-79	166	1543-58
	1979-80	126	2524-15
	1980-81	133	741-48
	1981-82	193	1125-16
	1982-83	190	2190-01
	1983-84	225	3237-93
	1984-85	116	1747-53
		1278	14608-86
(ii) Chandigarh Administration (UT)	1976-77	48	116-97
	1977-78	69	194-89
	1978-79	90	73-38
	1979-80	82	63-55
	1980-81	62	77-25
	1981-82	55	2843-68

1	2	3	4
	1982-83	56	96.97
	1983-84	100	353.40
	1984-85	31	370.14
		593	4190.23
Andaman and Nicobar Islands	1980-81	26	1.96
	1981-82	3	0.07
	1982-83	20	9.38
	1983-84	19	21.09
	1984-85	17	8.13
		85	40.63
Water Resources	1982-83	1	0.46
		1	0.46
Information and Broadcasting	1976-77	2	40.00
	1977-78	2	50.00
	1978-79	1	22.18
	1982-83	1	4.22
	1983-84	2	3.37
	1984-85	7	138.80
		15	258.57
Labour	1978-79	2	17.84
	1979-80	1	0.28
	1980-81	2	26.44
	1983-84	4	58.52
	1984-85	4	88.85
		13	191.93
Planning			
(i) Planning Commission	1976-77	1	1.67
	1977-78	1	2.78
	1978-79	1	4.56
	1979-80	1	9.60
	1980-81	18	35.78
	1981-82	7	7.90
	1982-83	3	2.37
	1983-84	7	1.98
	1984-85	15	32.96
		54	99.60
(ii) Statistics	1977-78	1	0.04
	1979-80	1	0.20

1	2	3	4
	1980-81	1	0-20
	1984-85	6	303-01
		9	303-45
Urban Development	1981-82	29	19-69
	1982-83	47	27-26
	1983-84	47	39-55
	1984-85	8	10-95
		131	97-45
Electronics	1976-77	35	83-71
	1977-78	52	143-76
	1978-79	64	209-60
	1979-80	149	427-37
	1980-81	173	446-20
	1981-82	260	862-01
	1982-83	137	433-93
	1983-84	173	335-47
	1984-85	71	312-10
		1114	3254-15
Environment			-----Awaited-----
Ocean Development			-----Awaited-----
Science and Technology	1976-77	124	209-63
	1977-78	283	415-12
	1978-79	356	456-69
	1979-80	388	637-73
	1980-81	431	547-90
	1981-82	565	1000-42
	1982-83	843	1329-72
	1983-84	912	925-05
	1984-85	424	819-64
		4326	6341-90
Space	1976-77	1	0-05
	1977-78	1	0-15
	1978-79	2	0-07
	1979-80	6	0-69
	1980-81	15	2-03
	1981-82	17	8-16
	1982-83	65	46-96
	1983-84	78	57-28
	1984-85	33	12-38
		218	127-77

1	2	3	4
Agriculture and Rural Development Department of Agriculture and Co-operation	1976-77	46	114.95
	1977-78	40	137.03
	1978-79	80	517.11
	1979-80	49	365.82
	1980-81	31	265.57
	1981-82	48	827.06
	1982-83	66	499.46
	1983-84	117	1522.95
	1984-85	69	5628.32
			546
Rural Development	1976-77	16	297.97
	1977-78	25	597.20
	1978-79	42	1344.87
	1979-80	53	1131.81
	1980-81	78	1657.50
	1981-82	58	1496.19
	1982-83	51	2054.75
	1983-84	61	2329.01
	1984-85	18	363.75
		402	11273.05
Transport Department of Civil Aviation	1980-81	4	2.32
	1981-82	4	3.54
	1982-83	5	4.10
	1983-84	9	4.26
	1984-85	2	3.98
			24
Law and Justice	1981-82	2	0.44
	1982-83	18	5.34
	1983-84	64	36.56
	1984-85	8	9.98
			92
Tourism	1983-84	4	17.32
	1984-85	11	244.58
			15
Department of Personnel and Administrative Reforms		-----Awaited-----	
	Grand Total	16887	110572.94

