



सत्यमेव जयते

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

FOR THE YEAR ENDED 31 MARCH 1996

No. 3

(CIVIL)

GOVERNMENT OF MAHARASHTRA

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(CONTENTS)

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PREFATORY REMARKS

This Report for the year ended 31 March 1996 has been prepared for submission to the Governor under Article 151 of the Constitution.

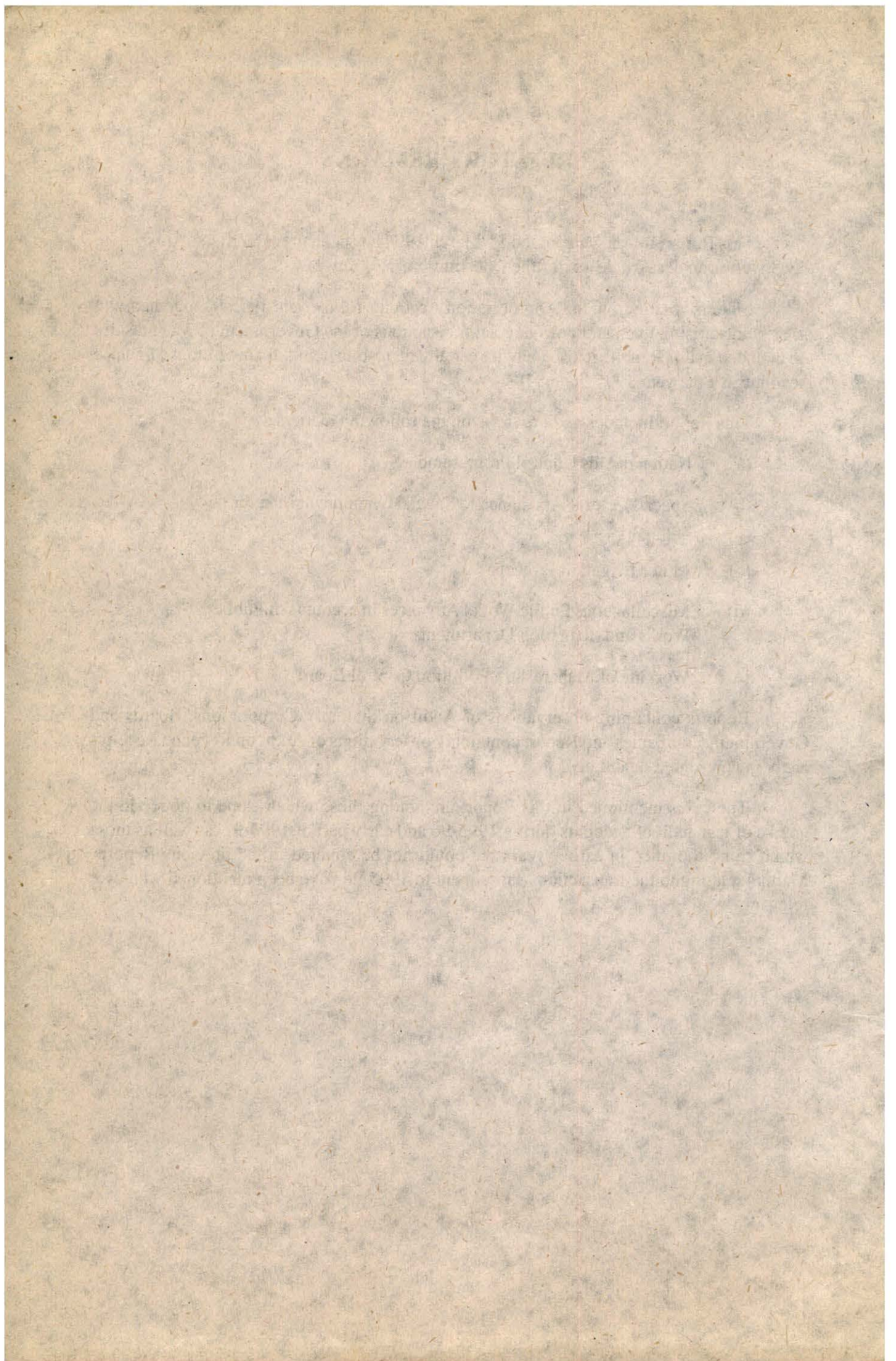
Matters arising from the Appropriation Accounts for the year 1995-96 together with other points arising from audit of financial transactions of the Government of Maharashtra are included in this Report. It also includes certain interesting points arising from the Finance Accounts for the year 1995-96.

This Report includes audit reviews on the following matters :

- (a) National Aids Control Programme
- (b) Special Central Assistance to Special Component Plan for Scheduled Castes
- (c) Minor Irrigation Projects
- (d) Miscellaneous Public Works Advances in accounts of Public Works and Irrigation Departments
- (e) Working of Maharashtra Pollution Control Board

Reports containing observations of Audit on Statutory Corporations, Boards and Government Companies and Report containing observations of Audit on Revenue Receipts are being presented separately.

The cases mentioned in this Report are among those which came to notice in the course of test audit of accounts during 1995-96 and early part of 1996-97, as well as those which came to notice in earlier years but could not be covered in the previous Reports. Matters relating to the transactions subsequent to 1995-96 have been mentioned wherever relevant.



OVERVIEW

This report includes two Chapters on the Finance and Appropriation Accounts of the Government of Maharashtra for the year 1995-96 and five other Chapters, comprising 5 audit reviews and 66 paragraphs, based on the audit of certain selected schemes and programmes and activities and the financial transactions of Government. A synopsis of the important findings contained in the Report is presented in this Overview.

1. Accounts of the State Government

The assets of the State stood at Rs.28,227.23 crores as against liabilities of Rs.25,655.44 crores at the end of 1995-96. While the assets increased by 61.52 *per cent* during the five year period (1991-96), the rate of growth of liabilities was faster, at 72.77 *per cent*.

The State had incurred revenue deficits during 1991-92 to 1993-94 and 1995-96. However, during 1994-95 the State had a revenue surplus of Rs.277.29 crores. The aggregate of revenue deficits for the five years 1991-96 was Rs.1458.34 crores.

Revenue expenditure (both Plan and Non-plan) increased by 70.85 *per cent* from Rs.10,048.72 crores in 1991-92 to Rs.17,168.39 crores in 1995-96. While the Plan revenue expenditure increased by 123.77 *per cent* from Rs.1,238.13 crores in 1991-92 to Rs.2,770.59 crores in 1995-96, the Non-plan expenditure grew by 63.41 *per cent* from Rs.8,810.59 crores to Rs.14,397.80 crores during the same period.

Interest payments during 1995-96 amounted to Rs.2,055.37 crores which were 77.26 *per cent* over the interest payments during 1991-92. Outflow of funds on this account ranged between 11.52 and 11.97 *per cent* of the revenue expenditure during 1991-96.

Against the increase of 70.85 *per cent* in revenue expenditure between 1991-92 and 1995-96, the revenue receipts increased by 69.45 *per cent* during the same period.

During 1991-96 tax revenue increased progressively from Rs.5,954.30 crores to Rs.10,934.45 crores, representing an increase of 83.64 *per cent*. Sales Tax formed the major part of the tax revenue ranging between 61 and 64 *per cent* of the total tax revenue during 1991-92 to 1995-96. During the same period, non-tax revenue increased from Rs.1,787.69 crores to Rs.2,775.39 crores. The State received Rs.2,849.44 crores in 1995-96 from Government of India towards its share of Union Taxes and Grants-in-aid representing 17.21 *per cent* of its total revenue receipts. In 1991-92 the corresponding percentage was 20.78.

Government's investment in the share capital and debentures of various statutory corporations, Government Companies etc., at the end of 1995-96 was Rs.1,609.74 crores. However, the dividend/interest received during the year was Rs.4.16 crores only, representing a meagre return of 0.26 *per cent*. The corresponding return in 1991-92 was 0.94 *per cent*. Thirty six companies in which the Government investment was Rs.165.09 crores (Equity), had accumulated loss of Rs.307.73 crores as disclosed in the accounts for various years from 1986-87 to 1995-96. Nine companies with Government investment of Rs.20.96 crores (Equity), were either defunct or under liquidation.

Repayment of Central loans and interest thereon constituted 75.30 and 112.39 *per cent* of loans received from Central Government during 1991-92 and 1995-96. During 1992-93 to 1994-95,

repayment of loans exceeded the loans received by Rs.289.97 crores.

Contingent liability of Government in respect of guarantees given for the repayment of loans etc., outstanding as of March 1996 was Rs.8,127.28 crores. Out of Rs.47.33 crores paid by Government upto March 1996 on account of invocation of guarantees, a sum of Rs.47.07 crores had not been recovered from the concerned institutions.

(Paragraph 1.1 to 1.18)

2 Appropriation Audit and Control over expenditure

During 1995-96, the expenditure of the State Government exceeded the budget provisions in 71 grants and 12 appropriations by amounts aggregating Rs.259.10 crores and Rs.38.02 crores respectively. The excess expenditure requires regularisation under article 205 of the Constitution.

The supplementary provision of Rs.4,420.27 crores obtained during 1995-96 constituted 16 *per cent* of the original budget provision of Rs.27,869.49 crores. In 42 cases, supplementary provisions totalling Rs.140.75 crores obtained proved unnecessary. Supplementary grants and appropriations totalling Rs.3,757.60 crores were obtained in 114 cases when the additional requirement of fund was Rs.1,618.59 crores only, the saving in each case being in excess of Rs.10 lakhs.

On the other hand supplementary grants aggregating Rs.459.27 crores in 35 other cases proved insufficient by more than Rs.10 lakhs in each case leaving an aggregate uncovered excess expenditure of Rs.281.63 crores.

Persistent savings in excess of Rs.10 lakhs in each case and also 20 *per cent* or more of the provisions occurred in 12 cases during 1993-94 to 1995-96.

Injudicious reappropriation of funds resulted in excess expenditure in 36 cases and savings in 14 cases.

Savings of Rs.1 crore and above in each case aggregating Rs.919.64 crores in 54 grants and appropriations were not surrendered before the close of the financial year by the concerned departments. On the other hand, as against the savings of Rs.1,258.69 crores available for surrender in 39 cases, an amount of Rs.1,310.10 crores was actually surrendered. These instances were indicative of inadequate budgetary control.

Expenditure totalling Rs.179.56 crores was incurred during the year on 'New Service/New Instrument of Service' without obtaining the requisite approval of Legislature.

Advances totalling Rs.1,022.42 crores were made from the Contingency Fund of the State during 1995-96, against which Rs.1,007.56 crores were recouped into the Fund leaving an unrecouped balance of Rs.14.86 crores. Actual expenditure incurred against 35 sanctions was less than 50 *per cent* of the amount of Rs.238.89 crores.

(Paragraph 2.1 and 2.2)

3 National AIDS Control Programme

National Acquired Immuno Deficiency Syndrome(AIDS) Control Programme was initiated during 1985. However, with a view to initiate major efforts in the prevention of Human Immuno

Deficiency (HIV) transmission and to slow down the spread of HIV, Government of India launched a Programme in September 1992 with assistance from World Bank and World Health Organisation. The Programme was implemented in the State by State AIDS Cell established in the Directorate of Health Services.

Non-preparation (1992-95) and late preparation (1995-96) of Annual action plans had resulted in funds remaining unspent.

Out of the 66 blood banks taken up for modernisation under the Programme, 46 had not been supplied with the required equipment and 20 had received them partly thereby hampering the qualitative implementation of the Programme.

For want of equipment from National AIDS Control Organisation, three blood component separation units could not be established as of May 1996. The number of sero surveillance centres and sentinel centres in the State was found to be inadequate by AIDS Cell.

In twelve Zonal Blood Testing Centres all the 12 Elisa Readers were not in working condition for various periods. Sixty seven substandard Elisa units received from National AIDS Control Organisation were awaiting replacement.

Of the 35 Sexually Transmitted Disease clinics covered under the Programme, 28 had not received the required equipment and 7 had received them partly from National AIDS Control Organisation affecting the Programme qualitatively.

Due to late receipt of training modules from National AIDS Control Organisation, training to the medical/paramedical staff was imparted three years after the commencement of the Programme. Further, 4,651 Medical Officers remained to be trained as of May 1996.

The State AIDS Control Board responsible for implementation and monitoring the Programme had met only thrice since its establishment in July 1992.

(Paragraph 3.12)

4 Special Central Assistance to Special Component Plan for Scheduled Castes

The Centrally Sponsored Scheme 'Special Central Assistance' an additive to Special Component Plan with 100 *per cent* grants to the States was introduced by the Government of India in 1979-80 to give an added thrust to the development programmes for Scheduled Castes. A review of the implementation of the scheme revealed the following:

Unspent balance of Rs.1.46 crores was retained by Maharashtra State Khadi and Village Industries Board for use in subsequent years.

Rupees 50.70 lakhs were sanctioned to Bhartiya Lok Vikas Karyakaram for non-plan schemes not covered under Special Central Assistance during 1990-91 and 1991-92. Bhartiya Lok Vikas Karyakaram could furnish utilisation certificates for Rs.14.36 lakhs only in 1994-95. Balance of Rs.36.34 lakhs had not been surrendered for more than five years.

In the absence of detailed survey to identify the number of families who had crossed the poverty line, the impact of assistance provided under Special Central Assistance to the Scheduled

Castes families could not be ascertained.

Out of 17 group projects sanctioned by Government in March 1989, only 5 group projects were undertaken by Mahatma Phule Backward Class Development Corporation on which Rs.57.66 lakhs were spent upto March 1994. In addition, Mahatma Phule Backward Class Development Corporation also undertook 5 other group projects on which Rs.92.52 lakhs were spent. Not a single project could become functional even after a lapse of seven years resulting in expenditure of Rs. 1.50 crores being rendered infructuous.

Despite release of Rs.85 lakhs to a Co-operative Starch factory and a Co-operative Spinning and Weaving mill during 1988 to 1995 for issue of shares to beneficiaries covered under the scheme, the shares had not been issued as of June 1996. The amount was also withdrawn without obtaining prior permission in violation of agreement. Rs.31.43 lakhs were spent by these Societies and the balance amount was retained in fixed deposits.

Out of 4,748 candidates trained during 1991-92 to 1994-95 by Mahatma Phule Backward Class Development Corporation, only 426 candidates (9 per cent) were gainfully employed.

State Level Committee and the District Level Committees were not formed to co-ordinate and monitor the programme. Evaluation of the scheme had not been undertaken by the State Government.

(Paragraph 3.16)

5 Minor Irrigation Projects

Minor irrigation works cost less outlays and yield quicker results as compared to major irrigation works. Minor irrigation works mainly relate to construction of irrigation and percolation tanks, diversion of bandharas, Kolhapur type weirs, lift irrigation schemes, tube wells, renovation of malguzari tanks and drainage schemes. A test-check of records of 151 minor irrigation projects executed by 13 construction, 10 maintenance and 2 composite divisions by audit during November 1995 to May 1996 covering the period 1990-91 to 1995-96 revealed the following points :

Out of 6.65 lakh hectares of irrigation potential created in the State at an investment of Rs.1,131.81 crores, potential of 1.60 lakh hectares (24 per cent) was actually utilised as of March 1995.

In respect of 203 minor irrigation projects completed and command of 87,503 hectares developed during 1990-91, notification as envisaged in the Maharashtra Irrigation Act, 1976 for collecting irrigation revenue was not issued. The loss of revenue due to non-issue of notification in 72 minor irrigation projects test-checked was Rs.50.36 lakhs during 1990-91 to 1994-95.

In 11 divisions, out of Rs.5.24 crores due for recovery towards water rates from the cultivators for the period from 1990-91 to 1995-96 only Rs.2.22 crores had been recovered.

In Chandrapur district 5 minor irrigation works taken up for execution between March 1984 and November 1991 were stopped between 1989-90 and 1990-91 for want of clearance from Government of India for use of forest land for non-forest purposes. Expenditure of Rs.4.61 crores

incurred on these works remained infructuous (June 1996).

Expenditure of Rs.25.80 lakhs incurred on the construction of a minor irrigation tank at Sindgi became infructuous due to defective construction of syphon and consequent damages to entire canal length.

(Paragraph 4.2)

6 Miscellaneous Public Works Advances in accounts of Public Works and Irrigation Departments

The minor head 'Miscellaneous Public Works Advances' is a suspense head of account intended to record certain transactions of intermediary nature, which require adjustment in future. In 124 divisions test-checked, Rs.62.16 crores were pending for recovery/adjustment which included cases pending for over twenty years.

Rupees 7.29 crores pertaining to the period from October 1976 to March 1996 on account of amounts due for recovery from officials responsible for shortages of stores (Rs.49.26 lakhs), expenditure incurred in excess of deposits received from Irrigation Development Corporation (Rs.4.60 crores), tour and festival advances paid to Government servants and trunk call charges paid (Rs.1.83 crores) and amounts due for recovery from executive staff for unauthorised execution of work (Rs.36.63 lakhs) were shown as outstanding under the head 'Miscellaneous Public Works Advances' as of March 1996.

Advance payments of Rs.2.64 crores made during 1967-68 to 1995-96 to private parties for supply of material and Rs.2.92 crores pertaining to 1978-96 being extra expenditure incurred in executing the works at the risk and cost of the contractors respectively were outstanding under Miscellaneous Public Works Advances for recovery.

(Paragraph 4.13)

7 National Highways

A review of construction and maintenance of National Highways in the State conducted by audit during January 1996 to April 1996 covering the period from 1990-91 to 1995-96 disclosed the following important points :

The delays on the part of the department in fixing centre line of alignment, taking levels and approval of design in the work of construction of westerly diversion road outside Pune city on National Highway 4 in Km. 22 to Km. 27/420 resulted in payment of escalation charges of Rs.1.45 crores to the contractor. Besides, the road was opened in March 1994 to heavy traffic even before providing full road crust which resulted in damages to the road. The department had to incur additional expenditure of Rs.8.69 lakhs for rectifying the defects.

Abnormal delay on the part of the department in approving the designs for pier foundation and super structure of a bridge across Tapi river, resulted in extra expenditure of Rs.64.87 lakhs on account of desilting of pier foundation, idle charges, waiving of interest recoverable from the contractor and enhancement of contract rates.

Rectifications at the cost of Rs.30.38 lakhs to the substandard work executed by the contractor

on the combined diversion on Mumbai-Agra road outside Thane and Bhiwandi town were carried out at the risk and cost of the contractor. The contractor, however, did not accept the liability as the rectifications were carried out with different specifications than provided in the agreement.

(Paragraph 4.14)

8 Working of Maharashtra Pollution Control Board

Maharashtra Pollution Control Board is responsible for enforcing the provisions of the Central Water Act and Air Act and the Rules framed thereunder. It also enforces the provisions under the Central Environment (Protection) Act, 1986 and the Rules framed thereunder. The Board is also responsible for the levy and collection of cess on water under the Cess Act. A review of the working of the Board revealed the following :

There was accumulated unspent balance of Rs.28.78 crores as on 31 March 1996.

A door to door survey was not conducted of the industrial units to identify and categorise industrial units for taking pollution control measures. Of the 60,196 units which received consent for discharging effluents, 16,261 units (27 per cent) could not meet the conditions on which consent was given.

Of 12 Municipal Corporations, 10 had treatment plants which were not sufficient to cope with the sewage load and needed further upgradation. Similarly, of 231 Municipal Councils, only 12 had established treatment plants and in the remaining Municipal Councils there was no facility even for primary treatment of domestic effluent due to paucity of funds. However, no penal action had been taken under Water Act against Municipal Corporations/Councils for not establishing treatment plants.

Percentage of shortfall in collection of waste effluent samples ranged from 32 to 94 in the six regional offices during 1993-94 to 1995-96.

Though six committees were constituted in August 1991 at the divisional level for classifying and suggesting the method of disposal of hazardous waste, they met only 13 times till October 1996 and identified only one site for disposal of wastes.

A total amount of Rs.19.32 crores was outstanding towards Water Cess from various industrial units and local bodies for the period from 1983-84 to 1995-96.

The Board deposited Rs.375 lakhs during 1990-95 in two Co-operative banks which had earlier defaulted in payment of interest and repayment of deposits. While one bank was facing liquidation, the other had merged with another bank.

(Paragraph 6.5)

9 Employment Assurance Scheme

With a view to provide assured wage employment for 100 days to enhance purchasing power of the most needy persons in backward areas, a centrally sponsored scheme called 'Employment Assurance Scheme' was launched in October 1993 in rural areas. The primary objective of the scheme was to provide gainful employment during lean agricultural season to all able bodied adults

in rural areas. The secondary objective was the creation of economic infrastructure and community assets for sustained employment and development. On a review of the implementation of the scheme certain major deficiencies as indicated below were noticed.

The shelf of projects of labour intensive work of productive nature which would create durable assets based on blockwise plans/estimates was neither prepared by the District Rural Development Agency nor by the blocks.

The scheme was implemented throughout the year 1994-96 in Buldhana and Parbhani districts without specification of the lean agricultural season.

The scheme was implemented during the period 1994-96 in Buldhana and Parbhani districts and during 1993-96 in 16 blocks of 5 districts, without identification, registration and issue of family cards. In Thane and Solapur districts though the scheme was implemented from 1993-94, the family cards were issued in March 1995 and December 1995 respectively.

Out of total Central and State share of Rs.275.39 crores released during 1993-96, an amount of Rs.86.12 crores was lying unspent as of March 1996.

Financial irregularities viz. diversion of fund of Rs.1 crore, advance release of Rs.4.71 crores to implementing agencies during 1993-96 in excess of immediate requirements to claim funds from Government of India, inflated reporting of expenditure to the extent of Rs.6.60 crores and double reporting of expenditure of Rs.38.56 lakhs were also noticed. Expenditure of Rs.98.02 lakhs in Chandrapur and Rs.19.28 lakhs in Yavatmal districts was incurred on works without approval of the implementing authority.

Three District Rural Development Agencies (Ahmednagar, Chandrapur and Yavatmal) reported inflated figure of mandays generated to the extent of 22.69 lakhs during 1993-96. Payment of wages to the labourers was delayed in Parbhani and Sangli districts. Short payments of wages were also noticed. Expenditure of Rs.7.47 crores was incurred in Ahmednagar, Chandrapur, Nashik, Sangli, Thane and Yavatmal districts on non-permissible works like kutchha bandharas, kutchha roads, private assets, market yard in non-tribal areas, road not featuring in master plan and diversion of funds for other departmental works which were not covered under the scheme.

(Paragraph 6.6)

10 Revamped Public Distribution System

A special subsidised scheme of the Government of India for issue of Foodgrains (Rice and Wheat) for distribution under Public Distribution System in Integrated Tribal Development Project area in vogue from 1986 was revamped on 1 April 1992 by extending its coverage to include Drought Prone Area Project and Desert Development Programme and Designated Hill Area. 114 blocks in 20 districts were covered under the scheme since June 1992.

Under the Public Distribution System, there was shortfall in lifting of foodgrains from Food Corporation of India ranging from 2 to 21 per cent during 1992-93 to 1995-96 and also by fair price shops due to poor demand for foodgrains from Tribals. Buffer stocks were not maintained in the districts.

Government directed (October 1995) Chandrapur, Thane, Dhule and Yavatmal District Supply Officers to divert superfine rice and wheat initially procured for general Public Distribution System to Revamped Public Distribution System in Integrated Tribal Development Project area as there was no off-take under the general Public Distribution System. The diversion of super fine rice and wheat meant for Public Distribution System to distribution in tribal areas under the Scheme resulted in extra financial burden of Rs.26.09 lakhs to the State being the difference between Central issue price for Public Distribution System and for Revamped Public Distribution System areas as Food Corporation of India refused to reimburse it.

Non-adoption of the norms fixed by Government of India for fixing retail price of wheat and rice supplied to consumers under the Scheme resulted in passing of extra burden of Rs.14.16 crores to consumers during February 1993 to March 1996.

Out of 21 godowns sanctioned by Government of India during 1992-96, only 17 godowns were sanctioned by State Government and none of these was completed as of June 1996.

105 vans sanctioned by Government of India till March 1995 under 'door step delivery scheme' State had acquired only 97 vans till March 1996. An amount of Rs.80 lakhs allotted by Government of India for purchase of 15 vehicles during 1995 could not be utilised as the sanction order was not received by the department and the grant lapsed.

(Paragraph 7.2)

11 Extra contractual benefit to a contractor

Lump sum contract for the construction of second bridge across Thane Creek on Sion-Panvel road provided a separate schedule for payment for works required to be executed at levels deeper than the foundation levels as stipulated in the agreement. Despite this stipulation, payment to the contractor was made at the prevailing district schedule of rates for work to be executed at levels deeper than stipulated in the agreement which resulted in extra payment of Rs.3.20 crores to the contractor.

(Paragraph 4.15)

12 Avoidable payment of penal charges for water usage

Delay in undertaking repairs/replacement of defective water meters by the Commissioner of Police, Solapur resulted in a liability of Rs.73.66 lakhs besides incurring of avoidable expenditure of Rs.58.96 lakhs on payment of penal water charges.

(Paragraph 3.5)

13 Irregular allotment of land to private parties

Land admeasuring 30,000 square metres and 21,000 square metres at Bandra-Kurla Complex, Mumbai was allotted to 2 private parties by Mumbai Metropolitan Region Development Authority in January 1994 in contravention of the provisions of the Mumbai Metropolitan Region Development Authority (Disposal of Lands) Regulations, 1977.

There was also short recovery of interest amounting to Rs.93.01 lakhs on delayed payment

of premium instalments owing to incorrect reckoning of date of payment of instalments.

(Paragraph 6.22)

14 Finalisation of the project without verification of title of land

Failure of the department in undertaking the work of construction of gated spillway and irrigation-cum-power outlet of Mun Project without verifying the title of land had resulted in time overrun and extra liability of Rs.76.31 lakhs and avoidable payment of Rs.1.48 lakhs towards compensation.

(Paragraph 4.3)

15 Infertuous outlay on Priyadarshani Hostels

Of the five girls hostels constructed during 1990-92 at the cost of Rs.74.12 lakhs to encourage education of girls in rural areas, 3 hostels constructed at the cost of Rs.40.87 lakhs were used for other activities and two hostels constructed at the cost of Rs.33.25 lakhs were not put to use till June 1995 and June 1996 due to delay in fixing the voluntary agency. This had resulted in non-achievement of the objectives of the scheme.

(Paragraph 3.4)

16 Construction of houses without latrine under Indira Awas Yojana

A sum of Rs.1,400 upto March 1993 and Rs.1,500 thereafter was specially earmarked by Government for construction of sanitary latrines in each house as construction of sanitary latrines were to be invariably taken up as a part of Indira Awas Yojana Houses and beneficiaries were to be motivated for its proper use by changing their habits. In contravention of the above instructions the District Rural Development Agency, Nashik constructed 2,666 houses at the cost of Rs.4.15 crores during 1993-94 and 1994-95 under Indira Awas Yojana without sanitary latrines resulting in deviation from plan and excess expenditure of Rs.43.95 lakhs and non-achievement of the intended objective.

(Paragraph 6.7)

17 Infertuous expenditure on construction of tenements

Failure on the part of the Rajiv Gandhi Zopadpatti Sudhar and Niwara Prakalp to obtain the No Objection Certificate from Railways before the commencement of construction of tenements had resulted in the expenditure of Rs.43.46 lakhs being infertuous for nearly two years.

(Paragraph 6.17)

18 Extra contractual payment in gorge filling work of Kesori Project

Extra payment of Rs.42.25 lakhs was made to a contractor for Kesori Medium Project at Kolhapur by allowing him to bring earth from a quarry different from that stipulated in the agreement.

(Paragraph 4.4)

19 Other Points Of Interest

(a) Sanction of higher rates by Government in February 1994 with retrospective effect to a firm for hiring of tankers for supply of water to scarcity affected villages ignoring the rates sanctioned earlier in April 1993 for the entire State, resulted in extra avoidable expenditure of Rs.31.46 lakhs.

(Paragraph 3.13)

(b) Out of Rs.74.61 lakhs drawn during 1991-92 to 1993-94 for establishment of Sports Project Development Area Centres at Buldhana, Nanded, Nashik and Solapur; only Rs.1.50 lakhs were spent and the balance amount of Rs.73.11 lakhs was kept outside Government account by Multigames District Sports Officers of the respective districts. This had resulted in blocking of funds for over three years besides defeating the objective of promoting sports.

(Paragraph 6.16)

(c) Disregarding specific Government instructions and contractual provisions, Gosikhurd Dam Division and Wardha Irrigation Division made in March 1993 and May 1993 advance payment of Rs.52.78 lakhs to a firm for supply of 3,850 metric tonnes of cement. Firm supplied during April 1993 and May 1993, 2,020 metric tons of cement valued at Rs.27.59 lakhs only to Gosikhurd Dam Division and closed down its operation in June 1993. Consequently, balance amount of advance of Rs.25.19 lakhs remained unrecovered from the firm as of June 1996.

(Paragraph 4.5)

(d) Failure on the part of Rajiv Gandhi Zopadpatti Sudhar and Niwara Prakaalp to complete demarcation of land before undertaking the development of land and construction of pitches without identifying the beneficiaries had resulted in infructuous expenditure of Rs.20.35 lakhs as of March 1996.

(Paragraph 6.18)

(e) Rupees 18.79 lakhs disbursed to 3,822 beneficiaries during the period from 1980-81 to 1993-94 by the Collectors of Akola, Aurangabad, Chandrapur and Gadchiroli districts as interest free loan under the scheme of providing gainful employment to unemployed/ underemployed needy persons were misutilised and not refunded by the beneficiaries. The amount could not be recovered as of March 1996 as the beneficiaries had left their original place of residence and their whereabouts were not traceable by the Collectors.

(Paragraph 3.8)

(f) Premature and injudicious withdrawal of Depreciation Fund investments of Rs.99.20 lakhs by Maharashtra Water Supply and Sewerage Board resulted in a loss of Rs.16.36 lakhs by way of interest.

(Paragraph 6.21)

(g) Due to faulty survey of market potential of sale of milk through a private Agency at Raipur, Madhya Pradesh, Government Milk Scheme, Gondia suffered loss of Rs.15.98 lakhs.

(Paragraph 7.5)

(h) Construction of a commercial complex in municipal area by Block Development Officer, Tasgaon, District Sangli by irregularly utilising the Small Saving incentive grants and without obtaining the permission from the Municipal Council had resulted in non-utilisation of the commercial complex building for over 5 years rendering the outlay of Rs.14.59 lakhs unfruitful.

(Paragraph 6.9)

(i) Supply of 5.11 lakh litres of milk to a private distributor in Mumbai by Government Milk Scheme, Pune during August 1993 and September 1993 at lower rate resulted in loss of Rs.7.67 lakhs to the department besides loss of interest of Rs.6.80 lakhs owing to acceptance of payment of outstanding dues of Rs.13.21 lakhs in instalment.

(Paragraph 7.6)

(j) Failure of Industries Department to enforce the conditions of the lease agreement had resulted in non-recovery of lease rent along with interest amounting to Rs.11.66 lakhs from a co-operative society for the period December 1988 to December 1995.

(Paragraph 3.10)

(k) Plots measuring 4 hectares each in six villages in Ahmednagar district and one village in Pune district though developed and completed between 1988-89 and 1992-93 after incurring an expenditure of Rs.11.61 lakhs for providing nutritional feed to the cattle supplied to the families living below the poverty line under Fodder Development Programme remained unutilised for want of adequate water supply and non-provision of funds in subsequent years for maintenance.

(Paragraph 6.10)

(l) Purchase of 63 burners during January and March 1994 without assessing the requirement by Directorate of Social Welfare, Pune, rendered the expenditure of Rs.4.47 lakhs unfruitful. In addition, purchase of 85 burners costing Rs.6.03 lakhs had not served the intended purpose as these were not functioning since their purchase between January 1994 and March 1994.

(Paragraph 3.17)

(m) Lack of general care in operation and non-maintenance of power pumps by Village Panchayats and Zilla Parishads resulted in loss of Rs.10.14 lakhs incurred on sinking of 27 bore wells and connected accessory work in 9 talukas of Akola district.

(Paragraph 6.11)

(n) The item of controlled blasting for construction of earth work of Arphal left bank canal though envisaged in the original estimate and required as per site conditions was deleted at the time of award of the work to a contractor. It was executed subsequently at higher rates compared to the rate envisaged in the original estimate which resulted in avoidable expenditure of Rs.9.08 lakhs.

(Paragraph 4.7)

(o) Construction of a Kolhapur Type (K.T.) Weir at Rajur Bahula, district Nashik was not completed by Zilla Parishad, Nashik even after a period of five years of its sanction resulting in

the expenditure of Rs.8.64 lakhs becoming infructuous. Further, water could not also be impounded for irrigation due to its defective execution.

(Paragraph 6.12)

(p) Execution of work in command area of another project due to failure of the department to correctly assess the availability of command area for irrigation of Maregaon irrigation tank in Yavatmal district had resulted in rendering the expenditure of Rs.7.70 lakhs unproductive.

(Paragraph 4.8)

(q) Failure to repair or replace defective water meters by the Konkan Housing and Area Development Board in time had resulted in avoidable extra payment of Rs.3.54 lakhs to Maharashtra Industrial Development Corporation on account of penalty and acceptance of further liability of Rs.7.39 lakhs towards penalty and delayed payment of water charges, as of January 1995.

(Paragraph 6.19)

(r) Rupees 6.25 lakhs released in May 1992 to 125 persons affected by heavy rains in July 1989 for construction of houses remained unutilised for over 3 years due to non-provision of basic amenities at the rehabilitation site.

(Paragraph 3.14)

(s) Acceptance of mild steel gates not suitable for fixing in already executed civil works of cross regulator-cum-escape on Pothra left bank canal resulted in idle investment of Rs.6.21 lakhs over 3 years.

(Paragraph 4.9)

(t) Failure in exercising prescribed checks on drawals from treasury resulted in misappropriation of Rs.6.21 lakhs by the cashier of the Regional Police Training School, Akola.

(Paragraph 3.6)

(u) The Commissioner of Police, Thane did not recover the service charges of Rs.6.16 lakhs for the period from January 1991 to March 1996, from the occupants of rent free quarters though such charges were required to be recovered according to the Bombay Civil Service Rules, 1959.

(Paragraph 3.7)

CHAPTER I

Accounts of the State Government

1.1 Summarised Financial Position

The summarised financial position of the accounts of the Government of Maharashtra as on 31 March 1996 emerging from the Appropriation Accounts and the Finance Accounts for the year 1995-96 and the abstract of Receipts and Disbursements for the year are indicated in the following statements :

I Summarised Financial Position of the

As on 31.3.1995	Liabilities (In crores of rupees)	As on 31.3.1996
1940.72	Internal Debt	2468.88
	1706.90 Market loans bearing interest	2132.79
	11.15 Market loans not bearing interest	5.72
	23.89 Loans from LIC	22.54
	198.78 Loans from other institutions	307.83
	1940.72	2468.88
12038.94	Loans and Advances from the Central Government	13478.97
	1213.36 Pre 1984-85 loans	1089.85
	7215.39 Non-Plan loans	8027.49
	3541.38 Loans for State Plan Schemes	4280.60
	3.05 Loans for Central Plan Schemes	2.61
	65.76 Loans for Centrally Sponsored Plan Schemes	78.42
	12038.94	13478.97
87.42	Contingency Fund	535.14
2040.36	Small Savings, Provident Funds etc.	2332.12
2158.02	Deposits	2559.87
3512.95	Reserve Funds	4280.46
3144.99	Surplus on Government Account	2571.79
	2434.23 Accumulated surplus brought forward from previous year	3144.99
	(+)277.29 Add surplus(+)/deficit(-) for the current year	(-)609.11
	0.03 Add Proforma correction	(-)30.89
	433.44 Add Other adjustments	66.80
	3144.99	2571.79
24923.40		28227.23

Explanatory Notes

1. The summarised financial statements are based on the statements of the Finance Accounts and the Appropriation Accounts of the State Government and are subject to notes and explanations contained therein.
2. Government accounts being mainly on cash basis, the revenue surplus or deficit has been worked out on cash basis. Consequently, items payable and receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts.
3. Although a part of revenue expenditure (grants) and the loans are used for capital formation by the recipients, its classification in the accounts of State Government remains unaffected by end use.
4. Under the Government system of accounting, the revenue surplus or deficit is closed annually to Government account with the result that cumulative position of such surplus or deficit is not ascertainable.

Government of Maharashtra as on 31 March 1996

As on 31.3.1995	Assets (In crores of rupees)	As on 31.3.1996
17159.81	Gross Capital Outlay on Fixed Assets	19863.20
1416.92	Investment in Shares of Companies, Corporations etc.	1609.74
15742.89	Other Capital Outlay	18253.46
----- 17159.81		----- 19863.20
5865.63	Loans and Advances	6703.86
3267.41	Loans for Energy	3449.13
2399.32	Other Development loans	3182.71
198.90	Loans to Government Servants and Miscellaneous loans	72.02
----- 5865.63		----- 6703.86
12.65	Other Advances	10.27
455.39	Remittance Balances	550.18
(-)217.12	Suspense and Miscellaneous Balances	(-)738.96
1647.04	Cash	1838.68
2.82	Cash in Treasuries	3.32
(-)328.75@	Deposits with Reserve Bank	(-)314.77@
(-)11.25	Local Remittances	(-)25.58
3.09	Departmental Cash Balances	5.02
0.41	Permanent Advances	0.41
1952.78	Cash Balance Investment	2147.46
27.94	Investment of earmarked balances	22.82**
----- 1647.04		----- 1838.68
24923.40		28227.23

The balancing figure of Rs.2,189.81 crores as on 31 March 1983 was, therefore, treated as cumulative surplus for drawing up the first instalment of financial position for 1983-84 which took the place of a Balance Sheet.

5. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of States and others pending settlement, etc. The balance under Suspense and Miscellaneous had decreased from (-)Rs.217.12 crores as on 31 March 1995 to (-)Rs.738.96 crores as on 31 March 1996.
6. The closing cash balance as per Reserve Bank of India, was Rs.313.17 crores, against the general cash balance of (-)Rs.314.77 crores shown in the accounts. The difference was yet to be reconciled.

@ Minus balance is due to payments made by the agency banks being more than the receipts collected by them and late reporting of transactions to the Reserve Bank of India, Nagpur.

** Higher rounding.

II Abstract of Receipts and Disbursements

Receipts	(In crores of rupees)	Total
		<u>SECTION A</u>
I Revenue Receipts		16559.28
(i) Tax Revenue	10934.45	
(ii) Non-Tax Revenue	2775.39	
(iii) State's share of Union taxes	1677.47**	
(iv) Non-Plan Grants	203.49	
(v) Grants for State Plan Schemes	414.81	
(vi) Grants for Central Plan Schemes	91.63	
(vii) Grants for Centrally Sponsored Plan Schemes	462.04	
	16559.28	
 II Revenue deficit carried over to Section B		 609.11
	 Total . .	 <u>17168.39</u>

** Higher rounding.

for the year 1995-96

Disbursements (In crores of rupees)

Total

REVENUE**I Revenue Expenditure****17168.39**

	<u>Sector</u>	<u>Non-Plan</u>	<u>Plan</u>	<u>Total</u>
(i)	Organs of State	179.71	0.06*	179.77
(ii)	Fiscal Services	1786.85	2.51	1789.36
(iii)	Interest Payments and Servicing of Debt	2517.31	-	2517.31
(iv)	Administrative Services	1572.04	2.94*	1574.98
(v)	Pensions and Miscellaneous General Services	637.05	-	637.05
(vi)	Education, Sports, Art and Culture	3206.54	391.51	3598.05
(vii)	Health and Family Welfare	617.82	272.00	889.82
(viii)	Water Supply, Sanitation, Housing and Urban Development	284.19	470.79**	754.98
(ix)	Information and Broadcasting	12.94	0.38	13.32
(x)	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	216.70	158.46	375.16
(xi)	Labour and Labour Welfare	91.04	46.36*	137.40
(xii)	Social Welfare and Nutrition	417.67	300.84**	718.51
(xiii)	Others	11.67	1.00	12.67
(xiv)	Agriculture and Allied Activities	1157.76	300.39	1458.15
(xv)	Rural Development	409.41	444.27	853.68
(xvi)	Special Areas Programmes	0.06	35.26	35.32
(xvii)	Irrigation and Flood Control	1151.93	186.70	1338.63
(xviii)	Energy	8.70**	14.22	22.92
(xix)	Industry and Minerals	16.02	128.86	144.88
(xx)	Transport	20.36	6.77	27.13
(xxi)	Science, Technology and Environment	1.82	1.24	3.06
(xxii)	General Economic Services	33.34	6.03	39.37
(xxiii)	Grants-in-aid and Contributions	46.87	-	46.87
		<u>14397.80</u>	<u>2770.59</u>	<u>17168.39</u>

Total ..**17168.39**

* Lower rounding.
 ** Higher rounding.

II Abstract of Receipts and Disbursements

Receipts (In crores of rupees)	Total
<u>SECTION - B</u>	
III Opening Cash balance including Permanent Advance and Cash Balance Investment	1647.04
IV Recoveries of Loans and Advances	161.44
(i) From Power Projects	0.16
(ii) From Government Servants	18.11
(iii) From Others	143.17

	161.44

V Public Debt Receipts	2473.11
(i) Internal Debt other than Ways and Means Advances	571.82
(ii) Loans and Advances from the Central Government	1901.29

	2473.11

VI Public Account Receipts	22348.51
(i) Small Savings and Provident Funds, etc.	625.47
(ii) Reserve Funds	2050.62
(iii) Suspense and Miscellaneous	12183.91
(iv) Remittances	4868.36
(v) Deposits and Advances	2620.15

	22348.51

VII Transfer to Contingency Fund	650.00
VIII Contingency Fund	1112.58

Carried Forward	28392.68

for the year 1995-96

		Disbursements (In crores of rupees)	Total
<u>OTHERS</u>			
II	Revenue deficit brought down		609.11
III	Capital Outlay		2703.48
	<u>Sector</u>	<u>Non-Plan</u>	<u>Plan</u>
(i)	General Services	3.09	32.38
(ii)	Education, Sports, Art and Culture	-	38.39
(iii)	Health and Family Welfare	0.05	16.24
(iv)	Water Supply, Sanitation, Housing and Urban Development	1.98	32.50
(v)	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	-	19.52
(vi)	Social Welfare and Nutrition	3.55	0.22
(vii)	Other Social Services	-	14.56
(viii)	Agriculture and Allied Activities	(-)10.88*	348.73
(ix)	Irrigation and Flood Control	-	1563.90
(x)	Energy	0.02	171.09
(xi)	Industry and Minerals	-	12.30
(xii)	Transport	0.01	454.36
(xiii)	General Economic Services	(-)0.10*	1.51
(xiv)	Science, Technology and Environment	-	0.06
		----- (-)2.28	----- 2705.76
IV	Loans and Advances disbursed		999.67
(i)	For Power Projects	181.88	
(ii)	To Government Servants	45.78	
(iii)	To Others	772.01	
		----- 999.67	
V	Transfer to Contingency Fund		1050.00
	Carried Forward		<u>5362.26</u>

* Minus expenditure is due to receipts and recoveries being more than expenditure.

II Abstract of Receipts and Disbursements**Receipts** (In crores of rupees)

Total

SECTION - B

Brought Forward

28392.68

Total**28392.68**

for the year 1995-96

Disbursements (In crores of rupees)		Total
<u>OTHERS</u>		
	Brought Forward	5362.26
VI	Repayment of Public Debts	504.92
(i)	Internal Debt other than Ways and Means Advances	43.67
(ii)	Repayment of Loans and Advances to the Central Government	461.25
		----- 504.92 -----
VII	Contingency Fund	664.86
VIII	Public Account Disbursements	20021.96
(i)	Small Savings and Provident Funds, etc.	333.71
(ii)	Reserve Funds	821.17
(iii)	Suspense and Miscellaneous	11688.01
(iv)	Remittances	4963.15
(v)	Deposits and Advances	2215.92*
		----- 20021.96 -----
IX	Cash Balance at end	1838.68
(i)	Cash in Treasuries	3.32
(ii)	Deposits with Reserve Bank	(-)314.77
(iii)	Local Remittances	(-)25.58
(iv)	Departmental Cash Balances	5.02
(v)	Permanent Advances	0.41
(vi)	Cash Balance investment	2147.46
(vii)	Investment of earmarked balances	22.82
		----- 1838.68 -----
	Total	<u>28392.68</u>

* Lower rounding.

III Sources and Application

(In crores of rupees)

		Total
I Sources :		
1	Revenue Receipts	16559.28
2	Increase in Public Debt, Small Savings, Provident Funds, etc.	2259.95
3	Increase in Contingency Fund Balance	447.71
4	Adjustments :	1634.80
	Increase in Reserve Funds	767.51
	Increase in net balance under Deposits, Advances, Suspense and Miscellaneous etc.	895.28
	Decrease in Remittances	(-)94.79
	Adjustment closed to Government Account	66.80
		----- 1634.80 -----

Net funds available

20901.74

2259.95
 16559.28

 16819.23
 291.76

 16527.47
 1634.80

 18162.27

of Funds for 1995-96

(In crores of rupees)

	Total
II Application :	
1 Revenue Expenditure	17168.39
2 Capital Expenditure	2703.48
3 Lending for Development and Other Purposes	838.23
4 Increase in closing balance	191.64

191.64
 447.71

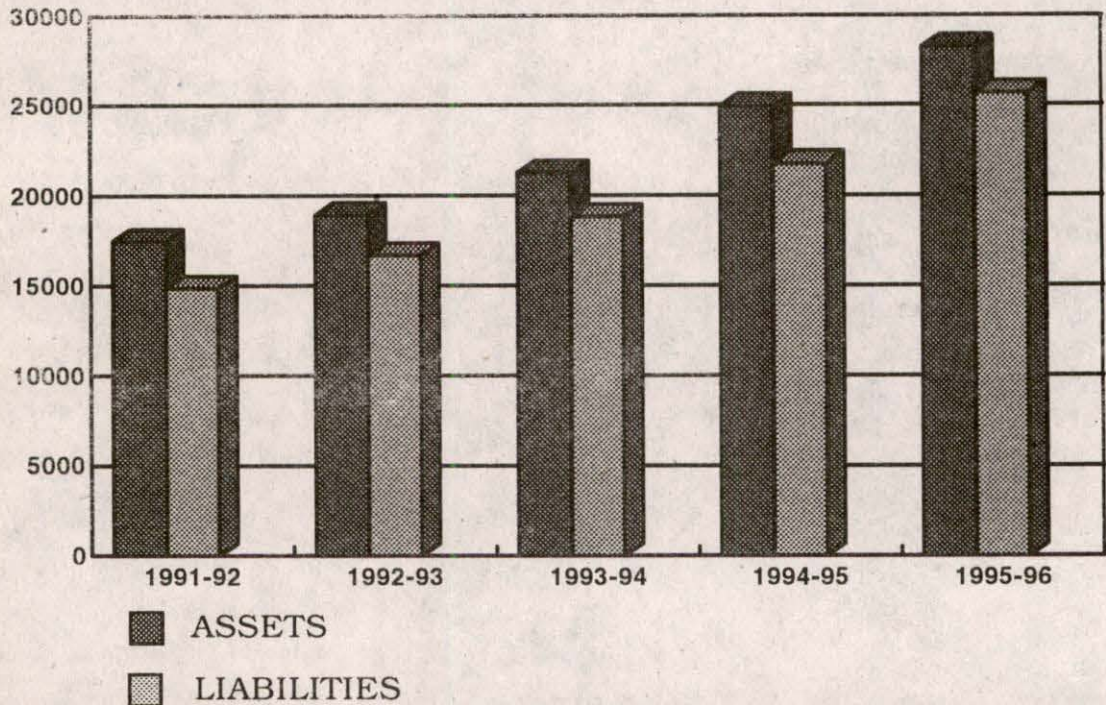
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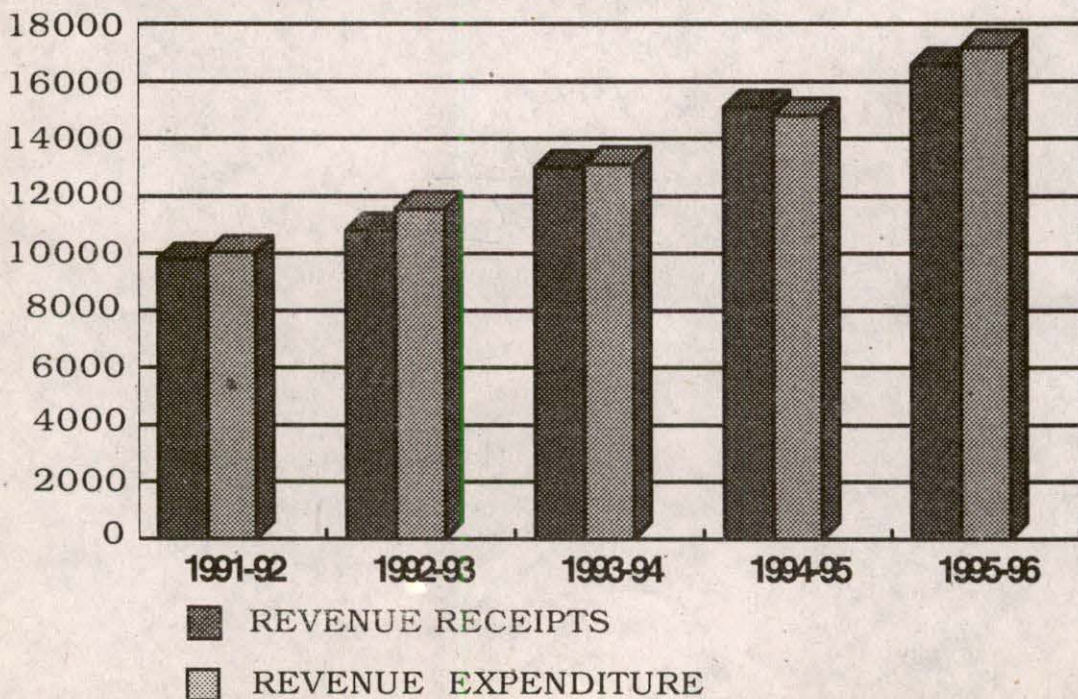
Net funds applied

20901.74

ASSETS AND LIABILITIES OF THE STATE (RUPEES IN CRORES)



REVENUE DEFICIT/SURPLUS (RUPEES IN CRORES)



1.2 Assets and Liabilities of the State

The assets comprising of capital investments and loans advanced and the total liabilities of the State Government during the last five years were as under :

Year	Assets	Liabilities	Difference
(1)	(2)	(3)	(4)
	(Rupees in crores)		
1991-92	17,475.51	14,849.74	2,625.77
1992-93	18,916.40	16,678.99	2,237.41
1993-94	21,261.25	18,827.02	2,434.23
1994-95	24,923.40	21,778.41	3,144.99
1995-96	28,227.23	25,655.44	2,571.79

While the assets have grown by 61.52 *per cent* during these years, the liabilities have grown by 72.77 *per cent*.

1.3 Revenue Deficit/Surplus

By the end of 1995-96, the revenue receipts had grown by 69.45 *per cent* over 1991-92 as against the growth of 70.85 *per cent* in the revenue expenditure during the same period.

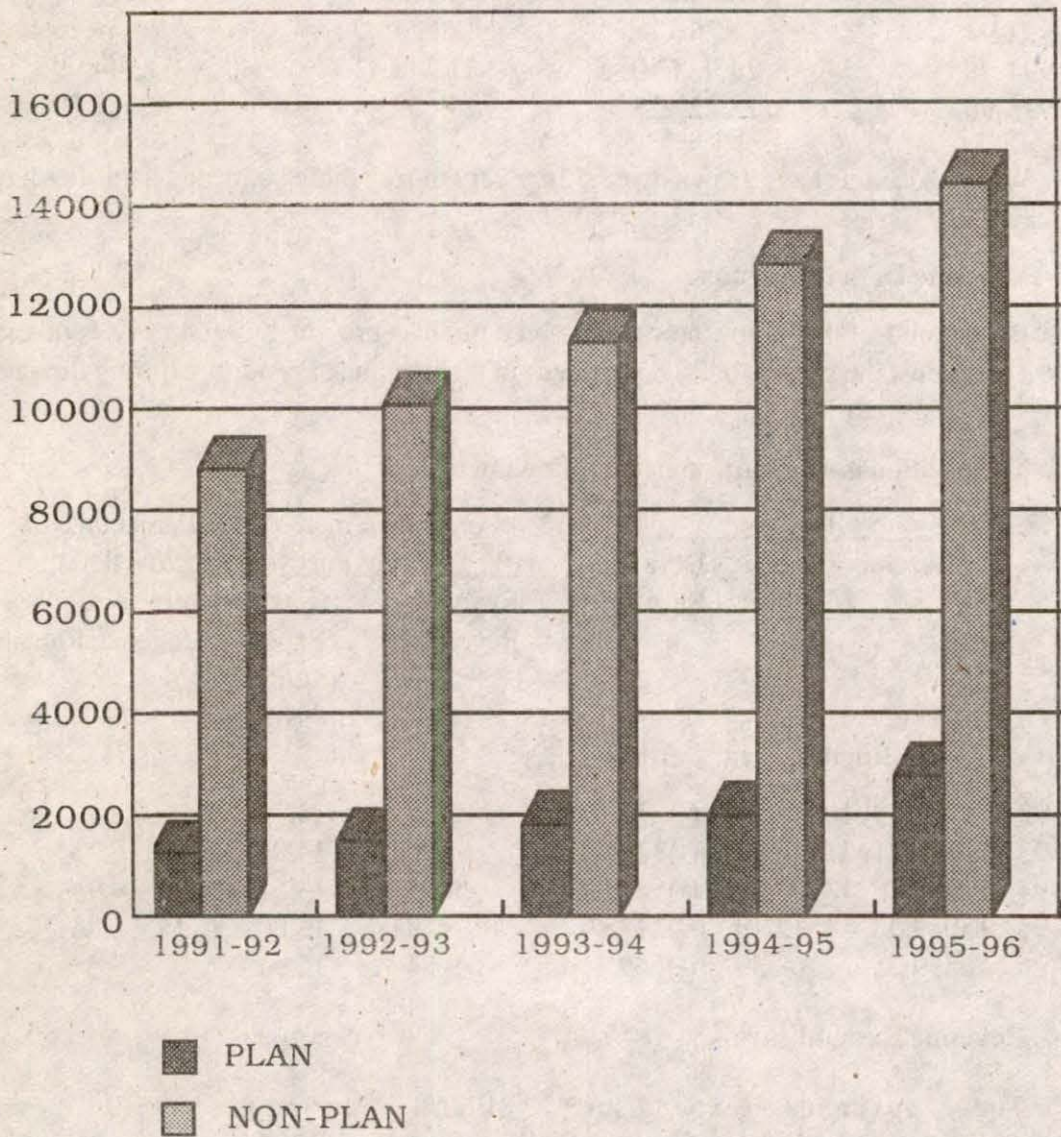
The position is summarised in the following table :

Year	Revenue			Percentage increase		Percentage of actual deficit/surplus to Revenue Receipts
	Receipts	Expenditure	Deficit(-) Surplus(+)	over the previous year	Revenue Expenditure	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	(Rupees in crores)					
1991-92	9772.59	10048.72	(-)276.13	12.34	14.79	2.83
1992-93	10818.21	11546.70	(-)728.49	10.70	14.91	6.73
1993-94	12986.79	13108.69	(-)121.90	20.05	13.53	0.94
1994-95	15089.48	14812.19	(+)277.29	16.19	13.00	1.84
1995-96	16559.28	17168.39	(-)609.11	9.74	15.91	3.68

1.4 Revenue Expenditure

The revenue expenditure (Plan) during 1995-96 was Rs.2,770.59 crores against the Budget Estimates of Rs.3,905.20 crores (including supplementary) disclosing a shortfall of Rs.1,134.61 crores in expenditure. The Non-Plan

GROWTH OF REVENUE EXPENDITURE (RUPEES IN CRORES)



revenue expenditure during the year was Rs.14,397.80 crores (Rs.12,819.49 crores during the previous year) against the Budget Estimates of Rs.17,617.36 crores (including supplementary) disclosing a shortfall of Rs.3,219.56 crores in expenditure. The main reasons for shortfall in expenditure are given in Chapter II of this Report. Further details are available in the Appropriation Accounts of the State Government for 1995-96.

The total revenue expenditure (both Plan and Non-Plan) during 1995-96 was Rs.17,168.39 crores as against Rs.14,812.19 crores during 1994-95. The detailed reasons for variation are given in Statement No.1 of Finance Accounts for 1995-96.

1.5 Growth of Revenue Expenditure

The growth of revenue expenditure (both Plan and Non-Plan) in the last five years was as follows :

Year	Revenue expenditure			Revenue deficit(-)/ Surplus(+)	Percentage of deficit to Non- plan expenditure
	Plan	Non- plan	Total		
(1)	(2)	(3)	(4)	(5)	(6)
		(Rupees	in	Crores)
1991-92	1238.13	8810.59	10048.72	(-)276.13	3.13
1992-93	1485.77	10060.93	11546.70	(-)728.49	7.24
1993-94	1814.93	11293.76	13108.69	(-)121.90	1.08
1994-95	1992.70	12819.49	14812.19	(+)277.29	-
1995-96	2770.59	14397.80	17168.39	(-)609.11	4.23

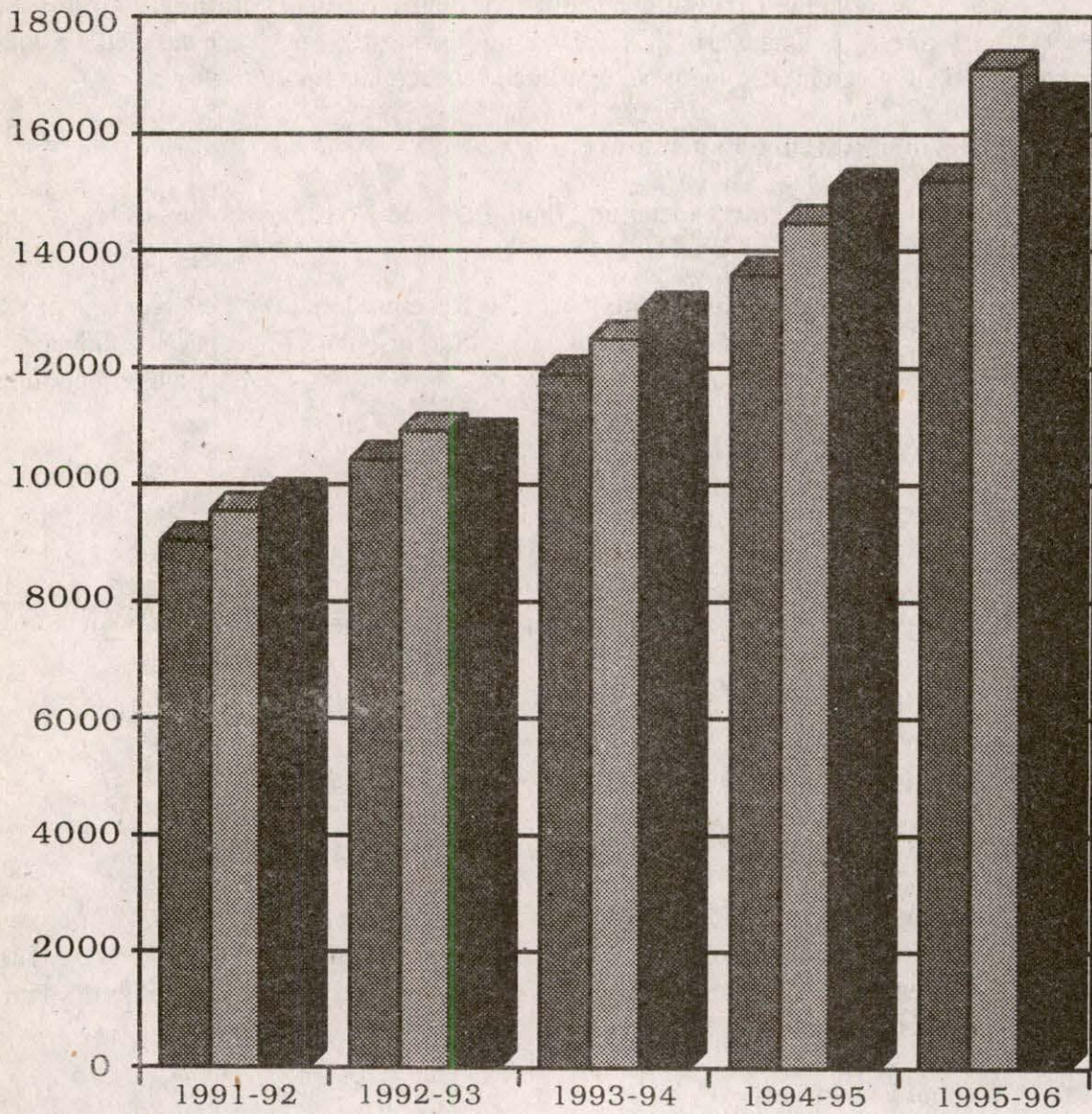
The revenue expenditure (both Plan and Non-plan) went up from Rs.10,048.72 crores in 1991-92 to Rs.17,168.39 crores in 1995-96 showing an increase of 70.85 per cent. The Non-plan expenditure increased during the years by Rs.5,587.21 crores while the Plan expenditure increased by Rs.1,532.46 crores.

1.6 Capital Expenditure

The Capital Expenditure during 1995-96 was Rs.2,703.48 crores against the Revised Budget Estimates of Rs.2,925.04 crores disclosing a shortfall in expenditure of Rs.221.56 crores.

The main reasons for shortfall in expenditure are given in Chapter - II of this Report.

REVENUE RECEIPTS (RUPEES IN CRORES)



- BUDGET ESTIMATES
- REVISED ESTIMATES
- ACTUALS

1.7 Revenue Receipts

The actual revenue receipts during the five years were as follows :

Year	Budget Estimates	Revised Estimates	Actuals	
			Amount	Percentage growth over the previous year
(1)	(2) (Rupees	(3) in	(4) crores	(5)
1991-92	9034.23	9542.00	9772.59	12.34
1992-93	10421.89	10912.59	10818.21	10.70
1993-94	11896.63	12493.36	12986.79	20.05
1994-95	13579.51	14473.04	15089.48	16.19
1995-96	15180.15	17118.89	16559.28	9.74

The position of revenue raised by the State and of the State's share of taxes and grants received from the Government of India was as under :

Sr.No.		<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>
(1)	(2)	(3) (Rupees	(4) in	(5) crores	(6)	(7)
I	Revenue raised by the State Government					
	(a) Tax Revenue	5954.30	6560.93	7696.20	9454.62	10934.45
	(b) Non-Tax Revenue	1787.69	1932.95	2383.01	2902.85	2775.39
	Total ..	7741.99	8493.88	10079.21	12357.47	13709.84
II	Receipts from Government of India					
	(a) State's share of :					
	(i) Income Tax, etc.	418.34	496.07	637.60	701.14	652.58
	(ii) Union Excise Duties	801.32	900.57	903.76	1018.74	1024.89

Sr.No.		<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		(Rupees in crores)				
	(b) Grants-in-aid	810.94	927.69	1366.22	1012.13	1171.97
	Total	2030.60	2324.33	2907.58	2732.01	2849.44
III	Total receipts of State Government (Revenue Account)	9772.59	10818.21	12986.79	15089.48	16559.28
IV	Percentage of revenue raised to total receipts	79.22	78.51	77.61	81.89	82.79

1.8 Tax Revenue

(a) Growth of Tax Revenue

The growth of tax revenue in the last five years is as follows :

Year	Tax Revenue (Rupees in crores)	Percentage growth over previous year
(1)	(2)	(3)
1991-92	5954.30	16.30
1992-93	6560.93	10.19
1993-94	7696.20	17.30
1994-95	9454.62	22.85
1995-96	10934.45	15.65

The tax revenue of the Government grew by 83.64 per cent during these years.

Analysis of tax revenue raised by the State Government is as follows :

Head of revenue/ source of revenue	1991-92	1992-93	1993-94	1994-95	1995-96
(1)	(2)	(3)	(4)	(5)	(6)
	(Rupees in crores)				
1. Sales Tax	3808.73 (64)	4141.20 (63)	4740.78 (62)	5758.46 (61)	6844.32 (63)
2. State Excise	600.88 (10)	689.74 (11)	903.16 (12)	944.37 (10)	1070.91 (10)

Head of revenue/ source of revenue	1991-92	1992-93	1993-94	1994-95	1995-96
(1)	(2)	(3)	(4)	(5)	(6)
		(Rupees	in	crores)
3. Taxes on Vehicle	233.25 (4)	235.95 (4)	270.48 (3)	344.52 (4)	423.19 (4)
4. Stamps and Registration	369.78 (6)	484.40 (7)	612.66 (8)	1116.58 (12)	1235.98 (11)
5. Land Revenue	44.11 (1)	71.66 (1)	76.91 (1)	113.84 (1)	120.52 (1)
6. Taxes and Duties on Electricity	296.35 (5)	276.33 (4)	336.66 (4)	336.68 (3)	357.12 (3)
7. Other Taxes	601.20 (10)	661.65 (10)	755.55 (10)	840.17 (9)	882.41 (8)
Total ..	5954.30 (100)	6560.93 (100)	7696.20 (100)	9454.62 (100)	10934.45 (100)

Note : Percentage share of individual taxes of the total is given in brackets.

1.9 Non-tax Revenue

The growth of non-tax revenue in the last five years is indicated below :

Year	Non-Tax revenue (Rupees in crores)	Percentage growth (+)/ shortfall(-) over the previous year
(1)	(2)	(3)
1991-92	1787.69	(-)0.36
1992-93	1932.95	8.13
1993-94	2383.01	23.28
1994-95	2902.85	21.81
1995-96	2775.39	(-)4.39

1.10 Arrears of Revenue

The position of arrears of revenue as intimated by some of the departments as against total revenue collected by the State Government during the period 1991-92 to 1995-96 is

indicated below :

Year	Revenue raised	Amount pending collection as on 31 March	Number of departments from whom information was received
(1)	(2) (Rupees)	(3) in crores)	(4)
1991-92	7741.99	1176.92	3
1992-93	8493.88	1660.69	4
1993-94	10079.21	1895.62	4
1994-95	12357.47	2396.47	3
1995-96	13709.84	3680.19	4

The above position does not reflect the total arrears as particulars from the remaining departments were not made available. Department wise details of arrears are shown in the Report of Revenue Receipts for respective years.

1.11 State's share of Union Taxes, Excise Duties and Central Grants

The aggregate of State's share of Union Taxes, Excise Duties and Grants-in-aid from Central Government during the year 1995-96 was Rs.2,849.44 crores representing about 17 *per cent* both of the total revenue receipts and of revenue expenditure of the State Government. The year wise details for the five years (1991-92 to 1995-96) are given below :

Year	State's share	Grants	Total	Percentage of total to	
				Revenue Receipts	Revenue Expenditure
(1)	(2)	(3)	(4)	(5)	(6)
	(Rupees	in	crores)		
1991-92	1219.66	810.94	2030.60	20.78	20.21
1992-93	1396.64	927.69	2324.33	21.49	20.13
1993-94	1541.36	1366.22	2907.58	22.39	22.18
1994-95	1719.88	1012.13	2732.01	18.11	18.44
1995-96	1677.47	1171.97	2849.44	17.21	16.60

1.12 Investments and Returns

In 1995-96 the Government invested Rs.192.82 crores (net) in the share capital of Statutory Corporations (Rs.3.27 crores), Government Companies (Rs.28.66 crores), Joint Stock Companies (Rs.0.99 crore) and Co-operative Societies (Rs.159.90 crores).

The investment of the Government in the share capital and debentures of different concerns and the dividend and the interest received at the end of the years from 1991-92 to 1995-96 were as under :

At the end of the year	Investment of Government	Dividend/Interest received during the year	Percentage of dividend/interest to investment
(1)	(2) (Rupees in crores)	(3)	(4)
1991-92	969.52	9.11	0.94
1992-93	1047.32	5.60	0.53
1993-94	1179.01	2.73	0.23
1994-95	1416.92	3.79	0.27
1995-96	1609.74	4.16*	0.26

Further details are available in Statement No.14 of Finance Accounts.

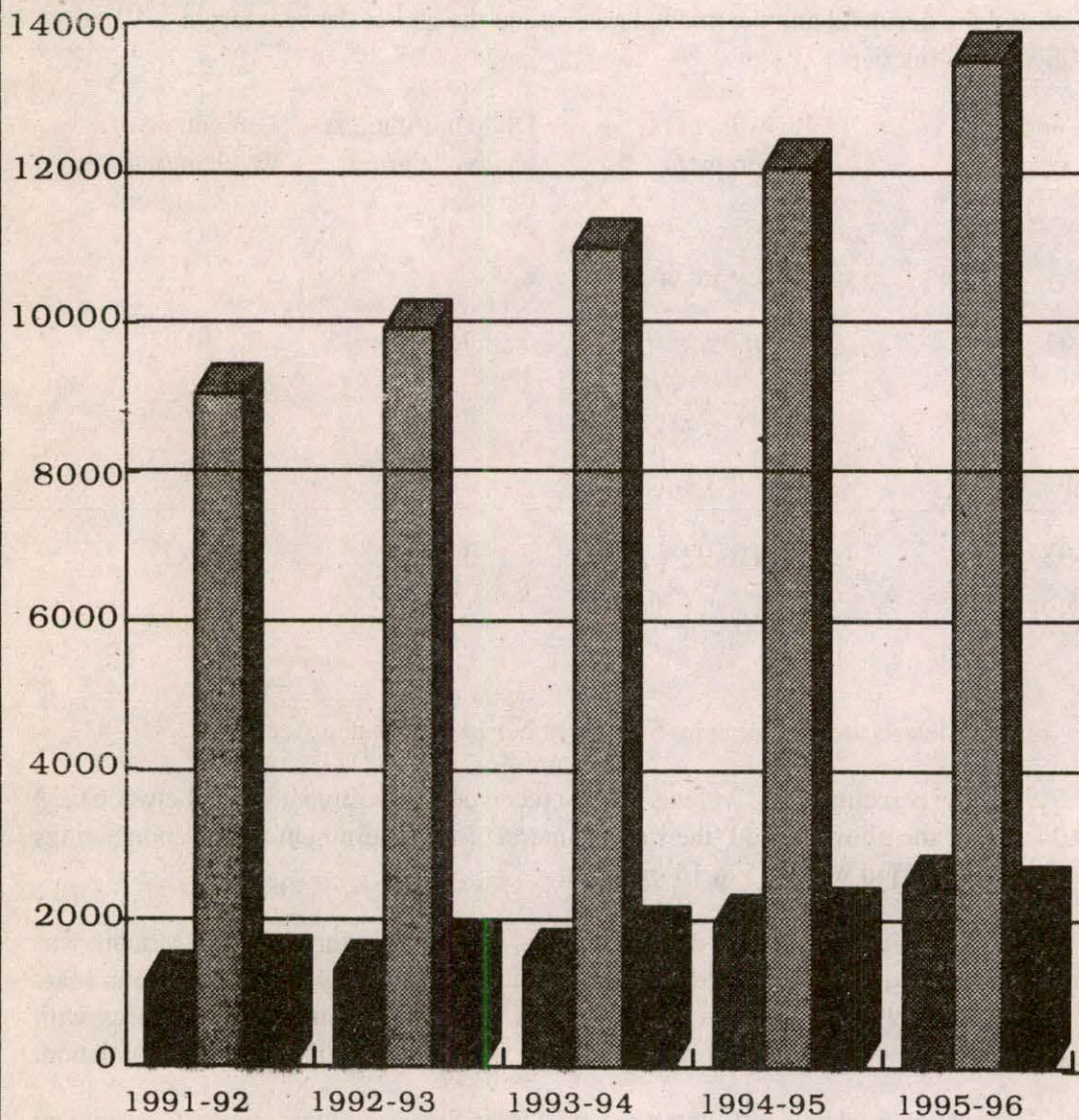
While the percentage of dividend/interest received to investment varied between 0.23 and 0.94 during the above period, the rate of interest for Government market borrowings during the same period was 11.5 to 14 *per cent*.

The accumulated loss of 36 companies etc., in which Government investment was Rs.165.09 crores (Equity), as disclosed in the accounts rendered by them for various years from 1986-87 to 1995-96, was Rs.307.73 crores. Apart from this, 9 companies with Government investment of Rs.20.96 crores (Equity) were either defunct or under liquidation.

The share of dividends and interest received from Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative institutions is indicated as follows :

* Includes Rs.0.35 crore, the details for which were awaited.

PUBLIC DEBT (RUPEES IN CRORES)



- INTERNAL DEBT
- ▨ LOANS AND ADVANCES
- OTHER LIABILITIES
(SMALL SAVINGS AND PF)

(1)	1991-92 (2)	1992-93 (3) (Rupees	1993-94 (4) in	1994-95 (5) crores)	1995-96 (6)
Statutory Corporations	1.19	1.18	1.20	1.90	-
Government Companies	7.11	3.28	0.24	0.73	2.20
Other Joint Stock Companies and Partnership Concerns	0.08	0.17	0.14	0.03	0.06
Co-operative Banks and Societies	0.73	0.97	1.15	0.82	1.55
Total	9.11	5.60	2.73	3.79*	4.16&

1.13 Public Debt

Under Article 293(1) of the Constitution of India, a State may borrow within the territory of India, upon the security of the Consolidated Fund of the State within such limits, if any, as may from time to time be fixed by the Act of the Legislature of the State. No Law has been passed by the Maharashtra Legislature laying down such a limit.

The details of the total liabilities of the State Government during the five years ending March 1996 were as under :

Year	Internal debt	Loans and adva- nces from the Central Government	Total Public Debt	Other liabilities (small savings and PF)	Total liabilities
(1)	(2)	(3) (Rupees	(4) in	(5) crores)	(6)
1991-92	1157.96	9040.35	10198.31	1377.28	11575.59
1992-93	1309.79	9899.05	11208.84	1559.19	12768.03
1993-94	1474.18	10978.58	12452.76	1782.08	14234.84
1994-95	1940.72	12038.94	13979.66	2040.36	16020.02
1995-96	2468.88	13478.97	15947.85	2332.12	18279.97

* Includes Rs.0.31 crore, the details of which were awaited.

& Includes Rs.0.35 crore, the details of which were awaited.

It would be seen from the table that the total liabilities of the Government excluding Deposits, Reserve funds and Contingency fund had increased from Rs.11,575.59 crores in 1991-92 to Rs.18,279.97 crores in 1995-96 registering an increase of 57.92 per cent over the above period.

1.14 Debt Service

The outflow of funds for payment of interest was between 11.52 and 11.97 per cent of the revenue expenditure during the period of five years as shown below :

Year	Revenue expenditure	Interest payment	Interest payment as a percentage of revenue expenditure
(1)	(2) (Rupees in crores)	(3) (crores)	(4)
1991-92	10048.72	1159.55	11.54
1992-93	11546.70	1336.83	11.58
1993-94	13108.69	1510.08	11.52
1994-95	14812.19	1760.01	11.88
1995-96	17168.39	2055.37	11.97

The repayment of Government of India loans and payment of interest thereon by the State Government during the last five years were as follows :

Year	Repayments			Loans received during the year	Percentage of repayment to loans received
	Principal	Interest	Total		
(1)	(2)	(3) (Rupees in crores)	(4) (crores)	(5)	(6)
1991-92	318.70	836.45	1155.15	1534.15	75.30
1992-93	355.84	960.18	1316.02	1214.54	108.36
1993-94	390.42	1085.05	1475.47	1469.98	100.37
1994-95	416.19	1243.35	1659.54	1476.54	112.39
1995-96	461.25	1401.48	1862.73	1901.29	97.97

The repayment of Central loans and payment of interest thereon to Central Government constituted ^{between} 75.30 and 112.39 *per cent* of the loans received from the Central Government during the above period. During 1992-93 to 1994-95, the repayment of loans exceeded the loans received by Rs.289.97 crores.

1.15 Guarantees given by the Government

The position of contingent liability for guarantees given by the State Government for repayment of loans and payment of interest thereon by the Statutory Corporations, Companies and Co-operatives, etc., was as under :

As on 31 March (1)	Amount guaranteed (2)	Amount outstanding (3)
	(Rupees in crores)	
1992	12564.40	7350.65
1993	13586.68	6132.47
1994	15820.63	7304.50
1995	16944.07	7705.60
1996	19231.15	8127.28*

No limits have been fixed by the Legislature by law under Article 293 of the Constitution to the giving of guarantees by the Executive power of the State.

The amount of outstanding guarantees increased by 10.57 *per cent* during the above period .

An amount of Rs.15.14 crores was paid by the Government on account of invocation of guarantees during the year. Of Rs.47.33 crores paid upto end of 1995-96 by Government on account of invoking of guarantees, Rs.47.07 crores are yet to be recovered from institutions.

1.16 Interest Payments

The quantum of interest payments in the last five years had been rising as indicated as follows :

* Information about outstanding guarantees in respect of 28 institutions/concerns is awaited (November 1996).

Year	Interest payments	Opening balance of					Total obligation
		Internal debt	Small savings, Provident Funds	Loans and Advances from the Central Government	Reserve Funds	Other obligations	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		(	Rupees	in	crores)	
1991-92	1159.55 (10)*	999.93	1214.80	7824.90	1496.44	675.45	12211.52
1992-93	1336.83 (9)*	1157.96	1377.28	9040.35	1904.09	811.71	14291.39
1993-94	1510.08 (9)*	1309.79	1559.19	9899.05	2392.09	945.77	16105.89
1994-95	1760.01 (10)*	1474.18	1782.08	10978.58	2854.39	1108.18	18197.41
1995-96	2055.37 (10)*	1940.72	2040.36	12038.94	3512.95	1456.88	20989.85

* Note : Percentage of interest to total obligation is shown in brackets.

While the rate of interest of the market borrowings of the State Government for 1995-96 was 14 per cent per annum, the dividend and interest received during the year was Rs.4.16 crores on an investment of Rs.1,609.74 crores (as on 31 March 1996) in Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative institutions which worked out to 0.26 per cent.

1.17 Loans and Advances by the State Government

The details of loans disbursed mainly to (i) Public Sector and other Undertakings, (ii) Zilla Parishads and Municipal Councils and (iii) Co-operative Societies etc., and recoveries made from them for the five years 1991-92 to 1995-96 are given below :

	1991-92	1992-93	1993-94	1994-95	1995-96	
(1)	(2)	(3)	(4)	(5)	(6)	
		(Rupees	in	crores)
Opening balance	5169.28	5576.88*	6053.96	6522.70	5865.63	

* The opening balance differs from the closing balance in the Finance Accounts 1991-92 owing to *pro forma* correction.

	1991-92	1992-93	1993-94	1994-95	1995-96
(1)	(2)	(3)	(4)	(5)	(6)
	(Rupees in crores)				
Amount advanced during the year	639.90	611.56	679.33	962.73	999.67
Amount repaid during the year	232.29	134.48	210.59	1619.80	161.44
Closing balance	5576.89	6053.96	6522.70	5865.63	6703.86
Net addition	407.61	477.08	468.74	(-)657.07	838.23
Interest received	299.83	273.37	63.10	411.84	193.61

Recoveries in arrears

According to orders issued by the Government in February 1966, the administrative departments are to intimate to Audit, every year by 15 July, the arrears (as on 31 March preceding) in recovery of principal and interest on the loans of which the detailed accounts are maintained by the departmental officers. As per the orders issued by the Government in December 1985, the administrative departments of the Government/Heads of departments are required to maintain detailed accounts of all loans and their subordinate offices to maintain regular accounts beneficiary wise and watch recovery under each scheme from 1 April 1986. Information was awaited from 24 out of 25 departments (November 1996). The position of arrears in recovery of principal and interest as reported by the Food, Civil Supplies and Consumer Protection Department was quite marginal (Rs.0.17 lakh).

1.18 Financial assistance to local bodies and others

The quantum of assistance (loans and grants) provided to different bodies in the last five years is as follows :

Sr. No.	Name of body	1991-92	1992-93	1993-94	1994-95	1995-96
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		(Rupees in crores)				
I	Panchayati Raj Institutions	1160.05	1304.80	1473.82	1199.39	1760.37
II	Municipal Councils/ Municipal Corporations	211.36	210.66	216.90	337.21	875.24

Sr. No.	Name of body	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>
(1)	(2)	(3)	(4)	(5)	(6)	(7)
			(Rupees	in	crores)	
III	Co-operative Societies	66.96	46.08	14.55	254.55	81.18
IV	Educational Institutions (including Universities)	977.57	1158.93	3560.64	155.67	551.05
V	Other Institutions (Including statutory bodies)	1100.76	1186.05	1297.12	1548.79	2142.41
	Total . .	3516.70	3906.52	6563.03	3495.61	5410.25
VI	Revenue Receipts (Tax and Non-Tax)	7741.99	8493.88	10079.21	12357.47	13709.84
VII	Percentage of assistance to Revenue Receipts	45.42	45.99	65.11	28.29	39.46
VIII	Revenue Expenditure	10048.72	11546.70	13108.69	14812.19	17168.39
IX	Percentage of assistance to Revenue Expenditure	35.00	33.83	50.07	23.60	31.51

Thus, the total assistance at the end of 1995-96 has grown by 53.84 *per cent* over the level of 1991-92. The assistance to local bodies and others ranged between 28.29 and 65.11 *per cent* of the Revenue Receipts (Tax and Non-Tax) during the period.

CHAPTER II

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

2.1 General

The summarised position of actual expenditure during 1995-96 against grants/appropriations is as follows :

	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Variation Saving(-)/ Excess(+)
	(	Rupees	in	crores)
I Revenue- Voted	14572.03	2287.76	16859.79	14591.56	(-)2268.23
Charged	4479.88	182.89	4662.77	4553.22	(-)109.55
II Capital- Voted	4132.79	888.11	5020.90	4066.46	(-)954.44
Charged	1.17	1.44	2.61	1.43	(-)1.18
III Public Debt- Charged	1716.65	8.03	1724.68	504.93	(-)1219.75
IV Loans and Advances- Voted	2966.97	1036.90	4003.87	3540.34	(-)463.53
Charged	—	15.14	15.14	13.95	(-)1.19
V Appropriation to Contingency Fund	-	-	1050.00	1050.00*	-
Grand Total	27869.49	4420.27	33339.76	28321.89	(-)5017.87

2.2 Results of Appropriation Audit

The following results emerge broadly from the Appropriation Audit :

2.2.1 The overall saving of Rs.5,017.87 crores was the result of saving of Rs.5,314.99 crores in 358 grants and appropriations offset by excess of Rs.297.12 crores in 83 cases of

* Represents the amount appropriated from Consolidated Fund to the Contingency Fund temporarily on five occasions between 8 May 1995 and 20 February 1996 under the Maharashtra Contingency Fund (Amendment) Ordinances.

grants and appropriations.

2.2.2 Supplementary provision made during the year constituted 16 *per cent* of the original provision as against 19 *per cent* in the previous year.

2.2.3 Supplementary provision of Rs.140.75 crores made in 42 cases during the year proved unnecessary in view of aggregate saving of Rs.986.33 crores as detailed in Appendix I.

2.2.4 In 114 cases, additional funds required were only Rs.1,618.59 crores against the supplementary grants and appropriations of Rs.3,757.60 crores obtained resulting in savings in each case exceeding Rs.10 lakhs; details of these cases are as given in Appendix II.

2.2.5 The excess of Rs.259.10 crores under 71 grants and Rs.38.02 crores under 12 appropriations requires regularisation under Article 205 of the Constitution. Details of these are as given in Appendix III.

2.2.6 In 35 cases, supplementary provision of Rs.459.27 crores proved insufficient by more than Rs.10 lakhs each, leaving an aggregate uncovered excess expenditure of Rs.281.63 crores as per details given in Appendix IV.

2.2.7 In 68 cases, expenditure fell short by Rs.1 crore or more in each case and also by more than 10 *per cent* of the total provision as indicated in Appendix V.

2.2.8(a) In 12 cases persistent savings in excess of Rs.10 lakhs in each case and 20 *per cent* or more of the provision were noticed. Details are given in Appendix VI.

(b) Persistent significant excess was noticed in 4 cases as detailed below :

Sr.No.	Number and name of grant	Amount of excess (in lakhs of rupees)		
		<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>
1	B.6-Police	--	3788.99	4053.97
2	B.8-Other Administrative Services	209.05	258.60	116.21
3	F.10-Roads and Bridges	2667.90	1439.58	596.28
4	L.7-Soil and Water Conservation	--	3878.77	5123.26

2.2.9 In 11 cases, expenditure exceeded the approved provisions by Rs.25 lakhs or more and also by more than 10 *per cent* of the total provision. Details of these are as given in Appendix VII.

2.2.10 Excessive/unnecessary reappropriation of funds

Reappropriation is transfer of funds within a grant from one unit of appropriation where savings are anticipated to another unit where additional funds are needed. Cases where injudicious reappropriation of funds proved excessive or resulted in savings are as given in Appendix VIII.

2.2.11(a) New Service/New Instrument of Service

Article 205 of the Constitution provides that expenditure on a 'New Service' not contemplated in the Annual Financial Statement (Budget) can be incurred only after its specific authorisation by the Legislature. The Government have issued orders based on recommendations of Public Accounts Committee laying down various criteria for determining items of 'New Service'/'New Instrument of Service'.

In 59 cases, expenditure totalling Rs.179.56 crores which should have been treated as 'New Service'/'New Instrument of Service' was met by reappropriation without obtaining the requisite approval of Legislature. Details of these cases are given in Appendix IX.

2.2.11(b) Expenditure without provision

As envisaged in the Budget Manual, expenditure should not be incurred on a scheme/service without provision therefor. It was, however, noticed that expenditure was incurred in 20 cases detailed in Appendix X, without the provision having been made either in the original estimates or in the supplementary demand.

2.2.12 Anticipated Savings not Surrendered

(I) According to rules framed by Government, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. However, at the close of the year 1995-96 there were grants/appropriations in which large savings (Rs.1 crore and above in each case) had not been surrendered by the department. In 20 cases, though there was saving of Rs.377.58 crores no amount was surrendered. In the remaining 34 cases, the amount of available savings not surrendered aggregated Rs.542.06 crores. Details are given in Appendix XI.

(II) Besides, in 29 cases, Rs.1,442.37 crores were surrendered on the last two days of March 1996 indicating inadequate financial control over expenditure. Details are given in Appendix XII.

In the year 1990-91 the surrender on the last two days of March was to the extent of Rs.37.57 crores. It will be seen from the position detailed below that the trend is on the rise except for the year 1993-94.

1991-92	Rs.47.75 crores
1992-93	Rs.459.61 crores

1994-95	Rs.943.59 crores
1995-96	Rs.1,442.37 crores

2.2.13 Surrender in excess of actual savings

In 39 cases, the amount surrendered was in excess of actual savings, indicating inadequate budgetary control. As against the total amount of actual savings of Rs.1,258.69 crores, the amount surrendered was Rs.1,310.10 crores, resulting in excess surrender of Rs.51.41 crores. Details are given in Appendix XIII.

2.2.14 Advances from Contingency Fund

The Contingency Fund of the State of Maharashtra was established under the Bombay Contingency Fund Act, 1956, in terms of the provisions of Articles 267(2) and 283(2) of the Constitution of India.

The Fund is intended to meet, by advancing money from it, the expenditure of urgent nature, which are unforeseen and unavoidable including expenditure on a New Service pending approval of the Legislature to such items. The Fund is in the nature of an Imprest and its corpus is Rs.150 crores. The corpus of the Fund was temporarily raised as follows :

Ordinance Date	<u>Amount of increase</u>	
	<u>From</u>	<u>To</u>
	(Rupees in crores)	
8 May 1995	150	300
18 September 1995	150	450
16 November 1995	450	650
17 January 1996	150	350
20 February 1996	350	550

All the ordinances ceased to operate on expiry of six weeks from the reassembly of the Legislature.

As on 1 April 1995 the balance in the fund was Rs.87.42 crores. During the year, advances totalling Rs.1,022.42 crores were made and Rs.1,007.56 crores were recouped leaving an unrecouped balance of Rs.14.86 crores at the end of the year. The fund is administered by the Secretary to the Government of Maharashtra, Finance Department on behalf of and in the name of the Governor.

According to the provisions in the Maharashtra Budget Manual, the Controlling Officers (COs) should submit to the Accountant General (A&E) every month details of expenditure incurred by them from the advances sanctioned from the Contingency Fund so

that the same can be correctly classified. COs are also required to reconcile the expenditure booked by the Accountant General (A&E) with the accounts of the Contingency Fund maintained by them. However, the monthly statements of expenditure were not sent by the Controlling Officers nor was the reconciliation done.

The Budget Manual lays down that proposals for sanctioning advances from the Contingency Fund may be made by the Administrative Departments of the State Government when they are in a position to justify the circumstances under which (a) provision could not be made in the annual or supplementary Budget, (b) the expenditure could not be foreseen and (c) the expenditure could not be postponed till the necessary approval of the Legislature is obtained.

During the year 1995-96, 296 sanctions were issued for withdrawal of total amount of Rs.1,022.42 crores. A review of the operation of Contingency Fund disclosed the following :

(a) Eleven sanctions amounting to Rs.287.76 crores were subsequently reduced to Rs.145.90 crores.

(b) The actual expenditure against 35 sanctions was less than 50 *per cent* of the amount sanctioned viz. Rs.238.89 crores.

(c) Four sanctions amounting to Rs.157.55 crores were subsequently increased to Rs.228.82 crores.

(d) Two sanctions amounting to Rs.0.62 crore were not operated upon and were subsequently cancelled.

(e) A few illustrative cases detailed in Appendix XIV would show that advances from Contingency Fund were obtained, though the expenditure was not such as could not have been foreseen.

2.2.15 Trend of recoveries and credits

Under the system of gross budgeting followed by Government, the demands for grants presented to the Legislature are for gross expenditure and exclude all credits and recoveries which are adjusted in the accounts in reduction of expenditure. The anticipated recoveries and credits are shown separately in the budget estimates.

In 44 grants/appropriations the actual recoveries adjusted in reduction of expenditure (Rs.4,161.69 crores) exceeded the estimated recoveries (Rs.3,079.93 crores) by Rs.1,081.76 crores and in 34 grants/appropriations the actual recoveries (Rs.1,733.72 crores) were less than the estimated recoveries (Rs.2,831.63 crores) by Rs.1,097.91 crores. More details are given in Appendix II of Appropriation Accounts.

2.2.16 Non-receipt of explanations for savings/excesses

For the year 1995-96 explanations for savings/excesses were either not received or

where received were incomplete in respect of 1,302 heads of accounts. These form 61 per cent of the number of heads, the variations under which need to be explained.

2.2.17 Unreconciled expenditure

Financial rules require that the Departmental Controlling Officers should reconcile periodically the departmental figures of expenditure with those booked by the Accountant General. In the following 14 departments, expenditure of Rs.1,893.13 crores pertaining to 1995-96 remained unreconciled till April 1996.

Sr. No.	Department	Expenditure for 1995-96 not reconciled (In crores of rupees)	Month for which expenditure was not reconciled (Grant/Major head within bracket)
1	Finance	1829.65	April 1995 to March 1996 (G.5-2049-Interest payments)
2	Irrigation	2.92	April 1995 to March 1996 (I.14-4801-Capital Outlay on Power Projects)
	-do-	3.46	October 1995 to March 1996
	-do-	8.66	April 1995 to March 1996 (I.11-4701-Capital Outlay on Major and Medium Irrigation)
	-do-	1.93	April 1995 to March 1996 (I.3-2701-Major and Medium Irrigation)
3	Public Works	0.08	January 1996 to March 1996
	-do-	13.09	April 1995 to March 1996
	-do	0.06	October 1995 to March 1996 (H.9-2059-Public Works)
4	Women and Child Welfare	1.49	April 1995 to March 1996 (X.2-2236-Nutrition)
5	Agriculture, Animal, Husbandry, Dairy Development and Fisheries	3.19	April 1995 to March 1996 (D.3A-2245-Relief on account of Natural calamities)

Sr. No.	Department	Expenditure for 1995-96 not reconciled (In crores of rupees)	Month for which expenditure was not reconciled (Grant/Major head within bracket)
6	Law and Judiciary	0.05	April 1995 to March 1996 (J.4-2235-Social Security and Welfare)
7	Industries, Energy and Labour	0.05	April 1995 to March 1996 (K.5-2235-Social Security and Welfare)
8	Food, Civil Supplies and Consumer Protection	0.04	April 1995 to March 1996 (M.2-2235-Social Security and Welfare)
9	Social Welfare, Cultural Affairs and Sports	0.10	December 1995 to March 1996 (N.8-2235-Social Security and Welfare)
10	Public Health	0.15	April 1995 to March 1996 (R.6-2235-Social Security and Welfare)
11	Medical Education and Drugs	0.06	April 1995 to March 1996 (S.2-2235-Social Security and Welfare)
12	General Administration	14.16	August 1995 to March 1996 (A.3-2015-Election)
13	Housing and Special Assistance	0.07	April 1995 to March 1996 (Q.5-2070-Other Administrative Services)
14	Maharashtra Legislature Secretariat	13.92	April 1995 to March 1996 (Y.1-2011-Parliament/State/ Union Territory Legislatures)
	TOTAL	----- 1893.13 -----	

2.2.18 Unnecessary provision resulting in retention of huge funds till the end of the financial year - Finance Department

Under Grant No.G.8-Other Administrative Services, an amount of Rs.887 crores was provided in the original budget under the head of Account '2070-Other Administrative Services-800-Other expenditure-(ii) Lump sum provision for Dearness Allowances, revision of pay, house rent allowances, etc.' The entire amount was surrendered in the month of March 1996 on the ground that the expenditure on increase in Dearness Allowance was debitable to the respective heads of account to which pay and allowances were debitable. This was the fifteenth year in succession in which the bulk of the provision for payment of increased Dearness Allowance debitable to other grants was made under this grant and surrendered in March 1996.

When the expenditure was debitable to other grants, making provision for the same purpose under the above head was unnecessary and huge funds of Rs.887 crores were retained till March 1996.

From the above, it was evident that proper care was not taken while framing the original budget itself and also that there was no proper co-ordination between the various departments.

CHAPTER III

CIVIL DEPARTMENTS

AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

3.1 Infertuous expenditure on construction of poly-green houses

In order to ensure round the year supply of fresh vegetables, a project for establishment of 30 poly-green houses with drip irrigation system along with mulching, at a total cost of Rs.37.50 lakhs, with 50 *per cent* central assistance, was approved by Government of India in March 1991. The project envisaged construction of poly-green houses with cooling, heating and control system for temperature and humidity not exceeding Rs.0.90 lakh per unit and Rs.0.35 lakh per unit for drip irrigation system. Government of Maharashtra accorded administrative approval in May 1991 for construction of poly-green houses in 30 selected Government horticulture nurseries.

The Superintending Horticulture Office, Pune, while implementing the scheme in five horticulture nurseries at Pandharpur (Solapur), Rajgurunagar (Pune), Shirgaon (Kolhapur), Shirval (Satara) and Tasgaon (Sangli) through Maharashtra Small Scale Industries Development Corporation, did not provide for heating and control system for maintaining temperature; humidity and cooling system though provided were not as per the specifications envisaged in the scheme. As a consequence, 5 poly-green houses constructed at the cost of Rs.4.50 lakhs by October 1992, could not be put to use (May 1996).

The department while accepting the defective construction, stated (March 1996) that the structures were being used for storing mango grafts and seed germination and the proposal for repairs to these poly-green houses was being examined.

Thus, failure on the part of Department to ensure execution of work as per specifications laid down by Government of India in their letter of March 1991, had rendered the expenditure of Rs.4.50 lakhs incurred on 5 poly-green houses infertuous.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

3.2 Irregular payment of subsidy

The scheme of plantation of fruit bearing trees was introduced in the State of Maharashtra (June 1990) with a view to provide self employment to young unemployed agriculturists belonging to Scheduled Castes, Scheduled Tribes, Other Backward

Communities, small and marginal farmers and other major land holders. The scheme also provided for improving soil and water conservation in areas brought under plantation so as to develop fruit bearing trees in these areas by the end of the year 1996-97. Financial assistance in the form of 100 *per cent* subsidy on labour component and 50 *per cent* of cost of material was payable to the agriculturists in three annual instalments as per the approved scales for raising of different types of fruit bearing trees. Subsidy in second and third year of plantation was payable only when survival percentage of plants was at least 75 *per cent* and in case of less survival, the financial assistance was recoverable with interest thereon.

During test-check of records of Sub Divisional Soil Conservation Officer, Land Development-Non-CADA, Wardha in February 1994, it was observed in audit that during the years 1990-91 and 1991-92, financial assistance of Rs.2.34 lakhs was paid to forty one beneficiaries under the scheme. However, at the end of second/third year of plantation, survival of plants in none of these plantations was more than 75 *per cent* and as such the financial assistance was recoverable with interest from them. On this being pointed out, these cases were referred by Sub divisional Soil Conservation Officer, Land Development-Non-CADA, Wardha (October 1994) to the concerned Tahsildars to recover Rs.3.53 lakhs as arrears of land revenue (Rs.2.34 lakhs as subsidy and Rs.1.19 lakhs as interest thereon). However, no recovery had so far been made (May 1996).

The matter was referred to Government (June 1996); reply had not been received (October 1996).

3.3 Irregular payment of property tax

First and second floors of a private building were occupied by the office of the Divisional Joint Director of Agriculture, (Extension), (DJDA) Amravati from 20 May 1985 and 1 January 1986 on monthly rent of Rs.5,870 and Rs.6,240 respectively. In addition to rent paid to the owner of the building, DJDA had paid property tax amounting to Rs.2.43 lakhs to the Municipal Corporation, Amravati during the period July 1985 to March 1994. According to Bombay Civil Services Rules, the property tax was payable by the owner of the building and not by the tenant. As such, the amount was recoverable from the owner but the same was not recovered as of April 1996.

The DJDA stated (February 1996) that the property tax was paid on demand from the owner in the absence of any agreement executed between owner and the Government. He further stated that clarification for the payment of property tax had been solicited (June 1995) from the Finance Department for which reply was awaited (July 1996).

The payment of Rs.2.43 lakhs made for the period July 1985 to March 1994 was, thus, irregular.

The matter was referred to Government (May 1996); reply had not been received (October 1996).

HIGHER EDUCATION, TECHNICAL EDUCATION AND EMPLOYMENT DEPARTMENT

3.4 Infertuous outlay on Priyadarshani Hostels

To encourage the education of girls, especially from the rural areas, Government of Maharashtra took a policy decision in November 1985 to provide hostel facilities for such girls by constructing girls' hostels named Priyadarshani, at each taluka headquarter in Maharashtra.

A uniform pattern of hostel building (ground plus one storey) to house 100 inmates at an estimated outlay of Rs.27.92 lakhs for each hostel building was also approved by Government in November 1985. In the first phase it was planned to construct the ground floor to house 50 inmates at an estimated outlay of Rs.16.71 lakhs for each hostel building. The Priyadarshani hostels were to be run by voluntary agencies registered under Societies Registration Act, 1960/Bombay Public Trust Act, 1951/Co-operative Societies Act, 1960. The rules and regulations for admission to these hostels were also approved by the Government in July 1990. Proper feasibility study was not conducted before implementing the scheme. Government, however, expected good response to the scheme in future by giving wide publicity.

Audit scrutiny of the working of the following five hostels construction of which was completed during 1990-92 at the cost of Rs.74.12 lakhs revealed the following :

- (i) the hostel building at Bhokardhan, district Jalna completed in August 1990 at the cost of Rs.12.77 lakhs, was being used for running Junior College, by a voluntary agency from September 1991,
- (ii) the hostel building at Kannad, district Aurangabad completed in January 1992 at the cost of Rs.8.10 lakhs, was being used for running Secondary School from April 1992 by a voluntary agency,
- (iii) the hostel building at Kandhar, district Nanded completed in September 1990 at the cost of Rs.20 lakhs, was used for running girls hostel during the years 1991-92 to 1993-94. Subsequently, the hostel building was used for office purpose by the voluntary agency during the year 1994-95 and 1995-96,
- (iv) the hostel building at Nandegaon-Khandeshwar, district Amravati completed in June 1992 at the cost of Rs.13.38 lakhs, could start functioning only from January 1996 due to the delay in fixing voluntary agency by Government and
- (v) the hostel building at Vengurla, district Sindhudurg was completed in March 1992 at the cost of Rs.19.87 lakhs, but voluntary agency to run the hostel was fixed by Government

only in January 1994. Consequently, the voluntary agency could start the hostel only in June 1995.

Out of 5 hostel buildings constructed during 1990-92, 3 buildings were being used for other activities and 2 buildings constructed in March 1992 and June 1992 respectively were not put to use till June 1995 and January 1996. Thus, the use of 3 hostel buildings constructed at the cost of Rs.40.87 lakhs for purposes other than the intended one resulted in non-achieving of the objectives of the scheme. The delay in the use of 2 hostels constructed at the cost of Rs.33.25 lakhs could have been avoided had the agency to run the hostels fixed immediately after the completion of the construction of hostels.

When the matter was referred to the Government in May 1996, Government accepted the audit points and stated (June 1996) that the scheme could not achieve the intended objective as the parents from rural areas were not prepared to keep their daughters in hostels at taluka places. Government further stated that the Scheme might get response in future after giving wide publicity.

HOME DEPARTMENT

3.5 Avoidable payment of penal charges for water usage

Water meters at various Police Stations, Police lines and Police Headquarters at Solapur were faulty since March 1983. The *onus* for carrying out repairs to faulty water meters being with the consumer, the Police Department had approached the Public Works Department(PWD) in October 1991 for repairs, but was advised by PWD in August 1993 to get the repairs done at their end. The defective water meters were finally replaced by the Department during the period January to August 1995.

Since the water meters were faulty, the Solapur Municipal Corporation charged penalty over and above the water charges on average basis (which was being paid by the department regularly). Such penalty charges accumulated to Rs.132.62 lakhs for the period from March 1983 to July 1995. Against this claim of penalty, the Department paid Rs.58.96 lakhs pertaining to the period from August 1992 to July 1995.

Thus, delay in undertaking repairs/replacement of defective water meters resulted in a liability of Rs.73.66 lakhs besides incurring of avoidable expenditure of Rs.58.96 lakhs on payment of penalty.

The matter was referred to Government in July 1996; reply had not been received (October 1996).

3.6 Misappropriation of Government money

Maharashtra Treasury Rules (MTR), 1968 provides that a bill transit register should be maintained by all heads of offices who are authorised to draw money from treasury on bills signed by them. With a view to prevent presentation of fraudulent bills to the treasury, the register should be reviewed bi-weekly by a gazetted officer and the result of review recorded therein. MTR further provides that all the monetary transactions should be entered in the cash book as soon as they occur and attested by head of office in token of check. At the end of each month, the head of the office should verify the cash and record a certificate to the effect that physical balance of cash agrees with the cash book balance.

During scrutiny of the cash book of the Principal, Regional Police Training School (RPTS), Akola by Audit in December 1994, it was observed that drawal of Rs.5.29 lakhs during January 1992 to December 1992 on seven abstract contingent (AC) bills for payment of other charges was not entered in the cash book by the cashier of RPTS. It was further observed that cash book was not closed monthly and the physical cash balance at the end of each month was not tallied with the cash book balance. Similarly, the bill transit register was also not reviewed bi-weekly. Consequently, the drawal of Rs.5.29 lakhs from treasury on AC bills remained unnoticed (December 1994) by the Principal, RPTS, Akola.

When this was pointed out by audit in December 1994, the Director General of Police, Maharashtra, Mumbai got a special check conducted of accounts of RPTS, Akola in March 1995 and found (May 1995) that the cashier had actually misappropriated Government funds to the tune of Rs.6.21 lakhs during the year 1992-93. An offence under sections 409 and 420 of the Indian Penal Code was registered (April 1995) against the cashier.

Thus, failure of the Principal in exercising prescribed checks on drawals from treasury resulted in misappropriation of government money amounting to Rs.6.21 lakhs by the cashier of RPTS, Akola.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

3.7 Non-recovery of service charges

According to Rule 846 of The Bombay Civil Services Rules 1959, service charges are recoverable from Government servants occupying Government quarters, if their basic pay exceeds Rs.1,450 per month irrespective of the fact whether the quarters are provided rent-free or not.

Audit scrutiny in October 1995 revealed that the Commissioner of Police, Thane did not recover service charges from a number of officials occupying the rent free quarters whose basic pay exceeded Rs.1,450 per month as detailed below:

Year	Number of employees
1991	202
1992	202
1993	202
1993	202
1994	174
1995	174
1996(upto March 1996)	460

Calculated at the minimum rate of service charges of Rs.48 per month per employee, the service charges due but not recovered worked out to Rs.6.16 lakhs for the period from January 1991 to March 1996. The department stated (May 1996) that since the Public Works Department did not intimate the rates, no recovery could be effected. The reply was not tenable as the PWD could have been contacted and the rates could have been ascertained.

The matter was referred to Government in July 1996; reply had not been received (October 1996).

HOUSING AND SPECIAL ASSISTANCE DEPARTMENT

3.8 Non-recovery of loan from beneficiaries

To provide gainful employment to unemployed/underemployed needy persons who are otherwise unable to provide security or margin money for obtaining loans, Government introduced (September 1980) a scheme for grant of interest free loan not exceeding Rs.2,500 to these persons for setting up of self employment ventures in small trade, business, industry etc. The loan was payable to any person working or registered under Employment Guarantee Scheme or an unemployed person registered with an employment exchange or a small farmer or any other unemployed/underemployed person desirous of setting up his own self employment venture for gainful employment provided he was resident of the State for not less than 15 years. The bond to be executed by the beneficiary stipulated that in case of failure to repay the loan or utilisation of the loan for other unapproved purpose, Government had the right to treat the outstanding loan as arrears of land revenue and initiate action for recovery.

It was observed (August 1992) in audit from the records of Collector's office Aurangabad and the information collected from the offices of Collectors of Akola, Chandrapur and Gadchiroli districts that 3,822 out of 48,115 persons to whom loan amounting to Rs.18.79 lakhs was disbursed during 1980-81 to 1993-94 had misutilised the loans and did not repay the loan amount. The amount could not be recovered as of March 1996 as most of the beneficiaries had left their original place of residence and their whereabouts were not traceable. It was stated by Collectors in October 1994 that efforts were being made to trace the individuals.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

INDUSTRIES, ENERGY AND LABOUR DEPARTMENT

3.9 Blocking of funds and avoidable expenditure on rent of an office building

Government accorded sanction in March 1993 for purchase of premises admeasuring 232.25 sq.mts. in Udyog Bhavan, Nagpur to house the office of the Joint Director of Industrial Safety and Health (JDIS&H). This office was located in a rented building on a monthly rent of Rs.4,540. A sum of Rs.8.51 lakhs was also released by the Government to Maharashtra Industrial Development Corporation (MIDC) in March 1993 towards the cost of this building which was Rs.10.63 lakhs.

MIDC intimated the department in May 1993 that the building was ready for taking possession and demanded the balance amount of Rs.2.12 lakhs excluding delayed payment charges. The department, however, did not make payment till March 1996, as the balance amount was not sanctioned by Government and hence possession of the premises could not be taken. The Government stated (July 1996) that the balance amount was not paid due to non-availability of funds, but would be paid during current financial year.

The office of the JDIS&H therefore, continued to function in the rented premises and incurred an expenditure of Rs.2.10 lakhs towards rent (Rs.1.54 lakhs) and taxes (Rs.0.56 lakh) from June 1993 to March 1996.

3.10 Non-recovery of lease rent from a co-operative society

Land admeasuring 1,03,440 square metres at Akluj village in Solapur District was given to a registered co-operative society on 30 years lease from December 1988 for establishment of an Industrial Estate.

As per lease agreement, lease rent of Rs.73,844 per annum for the first three years and of Rs.1,68,363 per annum for the remaining period was payable before 10 January of each year succeeding the year for which the lease rent was due. In case the annual lease rent was not paid within three months from its due date, interest at the rate of 9 *per cent* per annum was leviable from the date of expiry of three months. Arrears of lease rent along with interest beyond the period of one year were recoverable as arrears of land revenue. If the lease rent together with interest payable remained in arrears for two years, the agreement was to be terminated by the lessor after giving notice.

The Society did not pay any lease rent for 7 years from the date of execution of the lease agreement. The department stated (June 1996) that the notices were issued to the Society from time to time and the matter was also referred to higher authorities. The department, however, did not take any action to terminate the lease agreement and take

possession of the land. The lease rent payable upto December 1995 worked out to Rs.11.66 lakhs (Rent Rs.8.95 lakhs + Interest Rs.2.71 lakhs).

Thus, failure on the part of department to enforce the conditions of the lease agreement had resulted in non-recovery of lease rent along with interest amounting to Rs.11.66 lakhs upto December 1995.

The matter was referred to Government in May 1996; reply had not been received (October 1996).

MEDICAL EDUCATION AND DRUGS DEPARTMENT

3.11 Wasteful expenditure on procurement of defective X-ray machine

Order for supply of an X-ray machine to a hospital under Employees State Insurance Scheme (ESIS), Nagpur was placed at the cost of Rs.3.62 lakhs by the Director, ESIS, Mumbai (March 1989) on firm 'A', which was a small scale industry. The supplier had offered a guarantee of 15 months from the date of supply or 12 months from the date of installation of the machine, whichever was earlier. The machine was received in April 1989 and commissioned in November 1989. In January 1990, faults were noticed in the machine. It was put to use only for seventy one days between November 1989 and February 1990. It was repaired under the guarantee clause by the firm 'A' in January 1990 and August 1990. The machine again went out of order in August 1990 and had not been repaired as of August 1996.

Since the firm 'A' which had supplied the machine had discontinued manufacturing of X-ray machines and its allied services, the Director, ESIS, Mumbai directed (June 1993) ESIS, Nagpur to get the machine repaired through other agencies. However, the machine could not be repaired and put to any use due to poor response from the agencies dealing in repairs of X-ray machines.

Department stated that (March 1996) the machine was beyond repair due to non-availability of spare parts in the market.

Thus, purchase of a defective machine without ascertaining the after sales service facilities and availability of spare parts rendered the investment of Rs.3.62 lakhs on procurement of the X-ray machine infructuous.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

PUBLIC HEALTH DEPARTMENT

3.12 National AIDS Control Programme

3.12.1 Introduction

Acquired Immuno Deficiency Syndrome (AIDS), a fatal disease caused by Human Immuno Deficiency Virus (HIV) has emerged as a major global health problem, since its detection in 1981. In India, the scourge of HIV infection has been reported from almost all States and Union Territories. The AIDS Control Programme was initiated in India in 1985 with the help of Indian Council of Medical Research. However, with a view to initiate major efforts in the prevention of HIV transmission and to slow down the spread of HIV so as to reduce the future morbidity and impact of AIDS, Government of India (GOI) launched a Programme in September 1992 with assistance from World Bank and World Health Organisation. The project was being implemented by the State/Union Territory Governments as a Centrally Sponsored Programme with 100 *per cent* financial assistance.

The project consisted of the following components:

- (i) Strengthening the Management Capacity for HIV control;
- (ii) Information, Education and Communication (IEC) activities by promoting public awareness and community support;
- (iii) Strengthening and upgrading the Blood Banking System;
- (iv) Building surveillance and clinical management capacity;
- (v) Controlling Sexually Transmitted Diseases(STD).

3.12.2 Organisational set up

The National AIDS Control Programme (Programme) was being implemented in the State by the State AIDS Cell established in the Directorate of Health Services(DHS), Mumbai with one Additional Director, one Joint Director(for blood safety), two Deputy Directors and other supporting staff. Under the DHS there were seven health circles* each headed by a Deputy Director. At the district level, the District Tuberculosis Officer(DTO) had been nominated as the nodal officer for implementation of the programme. Further, there were 16 Zonal Blood Testing Centres (ZBTCs), 10 Sero Surveillance Centres and 4 Sentinel Surveillance Centres each attached to the District Hospitals/Medical College Hospitals. The State Health Education Bureau(SHEB), Pune was entrusted with the work of production of

Abbreviations used in this Review are listed in the Glossary at Appendix XX (Page 245).

* Akola, Aurangabad, Kolhapur, Mumbai, Nagpur, Nashik and Pune.

information, education and communication materials. Besides, a State AIDS Control Board (SACB) was also constituted under the Chairmanship of Chief Secretary in July 1992 to evolve policies and strategies and to monitor and evaluate the implementation of the Programme by all the agencies and to give directions wherever required.

3.12.3 Audit coverage

Implementation of the Programme for the period 1992-93 to 1995-96 was reviewed in audit between March 1996 and June 1996 through a test-check of records in the office of the AIDS cell, three Circle offices (Mumbai, Nagpur and Pune), three District Tuberculosis Offices (Nagpur, Pune and Thane), four ZBTCs (Mumbai, Nagpur, Pune and Thane), three Surveillance Centres (Mumbai, Nagpur and Pune) and the office of the Assistant Director, SHEB, Pune.

3.12.4 Highlights

Annual action plans were not prepared for the years 1992-93 to 1994-95 and were prepared belatedly for 1995-96 and 1996-97. The non-preparation of annual action plan resulted in funds released for the programme remaining unspent.

(Paragraph 3.12.5)

Of the 66 blood banks taken up for modernisation under the programme upto March 1996, 46 blood banks had not been supplied with the required equipment and the remaining 20 blood banks had received the equipment partly. This had qualitatively hampered the implementation of the programme.

(Paragraph 3.12.7.1.1)

Three blood component separation units to be set up under the programme could not be established as of May 1996 as National AIDS Control Organisation had not supplied the required equipment. The number of sero surveillance centres and sentinel centres in the State were found to be inadequate by the State Aid Cell.

(Paragraph 3.12.7.3, 3.12.7.4.2 and 3.12.7.4.3)

In twelve Zonal Blood Testing Centres all the 12 Elisa Readers were not in working order for periods ranging from one month to forty months. Fifty seven sub standard Elisa kits received from National AIDS Control Organisation between March 1994 and May 1994 and 10 kits received prior to March 1994 were awaiting replacement.

(Paragraph 3.12.7.4.5 and 3.12.7.4.7)

Out of the 35 Sexually Transmitted Diseases (STD) clinics covered under the programme, 28 Sexually Transmitted Diseases clinics had not received the required

equipment from National AIDS Control Organisation as of May 1996. The remaining 7 clinics had received the equipment partly as of May 1996. According to State Aid Cell (September 1996), non-supply of the equipment had qualitatively affected the programme in the State.

(Paragraph 3.12.7.5.2)

Scrutiny of the inspection reports of State Health Education Bureau for the period from August 1994 to September 1995 by Audit revealed that there were delays in the display of films and posters by the District Health Officers, District Tuberculosis Officers, Health Centres etc.

(Paragraph 3.12.7.6.2)

Training to Laboratory Technicians, Blood Transfusion Officers and Sexually Transmitted Diseases Officers was imparted only after a lapse of three years from the commencement of the programme due to delay in receipt of training modules. Medical officers (4,651), multipurpose health workers (18,736) and health assistants (6,374) working in various Government hospitals/health units were not trained as of May 1996.

(Paragraph 3.12.7.8.1, 3.12.7.8.2 and 3.12.7.8.3)

The State AIDS Control Board constituted in July 1992 for implementation and monitoring the programme had met only three times since its formation though it was laid down that the period between two meetings should not exceed two months. State Technical Advisory Committee had not been constituted. The evaluation of the programme was not done.

(Paragraph 3.12.8)

3.12.5 Annual action plan

The annual action plan required to be prepared and got approved from National AIDS Control Organisation (NACO), was not prepared by the Government for the years 1992-93 to 1994-95. The annual action plan for two years, 1995-96 and 1996-97 was prepared and submitted to NACO in November 1995 and was approved in December 1995 with some modifications. The State AIDS Cell stated (May 1996) that there was no need to prepare the annual action plan as the Programme was implemented within NACO guidelines. The action plan for 1995-96 and 1996-97 was prepared as suggested by World Bank Mission during the mid term review conducted in October 1995. It was noticed in audit that there were unspent balances in each of the year. The funds available under the Programme could not be utilised fully as annual action plans were either not prepared or were prepared belatedly.

3.12.6 Financial Performance

3.12.6.1 Out of grants of Rs.958.95 lakhs released by GOI during 1992-93 to 1995-96, an expenditure of Rs.917.62 lakhs was incurred during the period, leaving an unspent balance of Rs.41.33 lakhs at the end of March 1996. There were savings under all components of the Programme at the end of 1995-96 except under the component of modernisation of blood banks and IEC. Substantial expenditure had been incurred on modernisation of blood banks and IEC.

3.12.6.2 The AIDS Cell was required to maintain a separate Project Account which was to include entire Project transactions and those of the implementing agencies to whom grants were released under the programme. The Project accounts were to be made available for inspection by Audit, however, the same were not made available to audit by the AIDS Cell.

3.12.6.3 Rotator Machine, Centrifuge Machine, Water Bath Monocular Microscope, Refrigerator etc. worth Rs.2.54 lakhs to be supplied by NACO and Blood Sugar kits, Halogen lamp, Vortex Mixer with speed regulator, Cell Counting Machine etc., worth Rs.0.71 lakh not covered by NACO guidelines were, however, procured by diverting and utilising grants released for purchase of consumable articles by five* hospitals/offices. Similarly, furniture such as cupboards, tables, chairs etc. worth Rs.0.45 lakh were also purchased (1993-94) by B.J.Medical College, Pune and Grant Medical College, Mumbai, by diverting grants meant for purchase of consumables such as disposable needles/syringes/ gloves, plastic bags, reagents, glassware, microscopic slides etc.

3.12.7 Componentwise performance

3.12.7.1 Blood banking system

3.12.7.1.1 Strengthening and upgrading the blood banking system

Out of 194 blood banks (Government 56, Municipal 15, Voluntary Organisations 53, Private 70) existing in the State, 66 blood banks (Government 54, Municipal 7, Voluntary Organisation 3 and Private 2) were to be modernised under the Programme upto March 1996. It was, however, observed that although cash grants were released regularly by NACO for all the 66 blood banks, equipment were not supplied to 46 blood banks till May 1996 and for the remaining 20 blood banks, equipment were partly supplied by NACO. The AIDS cell admitted (September 1996) that this had hampered the Programme qualitatively.

* B.J.Medical College, Pune; Civil Surgeon, Thane; DDHS, Mumbai Circle, Thane; DDHS, Pune Circle, Pune and J.J.Hospital, Mumbai.

3.12.7.1.2 Equipment such as refrigerators, airconditioners, water bath etc., received by eight* hospitals between January 1995 and March 1996 were not installed as of July 1996 for reasons such as want of approval from Food and Drugs Administration for extension of laboratory, non-availability of power point, voltage stabilizer not provided, delay in installation by supplier etc.

3.12.7.2 Zonal Blood Testing Centres

Blood collected by all the blood banks in the State (Government as well as private) was being checked for HIV infection in all the 46 ZBTCs including 16 ZBTCs financed under the Programme. Blood screening done by ZBTCs, was not test-checked by AIDS Cell as required under the Programme. Similarly, effective steps were not taken by AIDS cell to ensure the quality of screening of the blood for HIV, both internal and external, as recommended by the GOI Technical Advisory Committee in December 1992.

3.12.7.3 Blood Component Separation Unit(BCSU)

Three Blood Component Separation Units were to be established in the State under the Programme by 1995-96, with the objective of separating the blood units and preserving it so that each component could be utilised as per requirement. However, these units were not established as of May 1996 since NACO had not supplied the requisite equipment. This had necessitated usage of the blood unit as a whole instead of the component required, resulting in wastage of blood units especially when there was shortage of blood collection in the State.

3.12.7.4 Building surveillance and clinical management capacity

3.12.7.4.1 Surveillance centres were to be established in order to provide critical data of the progression of the epidemic geographically among various sections of the population in order to enable planning appropriate intervention. Since detection of first AIDS case in Mumbai in May 1986, sero surveillance activity was initiated amongst high risk groups. Ten sero surveillance centres, existing in the State, were covered under the Programme. These centres were located in six (Aurangabad, Chandrapur, Kolhapur, Nagpur, Pune and Sangli) out of twenty nine districts and Mumbai (four centres). Total number of persons tested by the centres during January 1992 to April 1996 was 1,47,832. Of these, 21,585 (15 per cent) were found to be HIV positive and were to be counselled. The AIDS Cell stated (June 1996) that the surveillance activity was carried out on patients, suspected to be in high risk group, attending the out patient departments. It was also stated (May 1996) that the counselling of these patients had not started so far, as the doctors were not trained in counselling.

* B.J. Medical College, Pune; General Hospitals at Akola, Bhandara, Gadchiroli, Osmanabad and Satara; Government Medical College, Nagpur and K.E.M. Hospital, Pune.

3.12.7.4.2 Since the State reported the highest number of AIDS cases in the country, the existing sero surveillance facilities were found by AIDS Cell in November 1995 to be inadequate. Accordingly it was proposed in November 1995 by the AIDS cell that all district hospitals (21), all medical colleges (34) and Brihanmumbai Municipal Corporation (BMC) peripheral hospitals (17) be designated as AIDS care surveillance centres.

3.12.7.4.3 Four sentinel surveillance centres, two at Mumbai and one each at Aurangabad and Nagpur were established (1994) under the programme. The Surveillance, carried on Antenatal Care (ANC) cases and STD cases, was done twice in a year (February and September) covering a period of eight weeks. The data so collected was to be extrapolated to the large population of the State for arriving at the percentage of the infection in the State.

As per information furnished by AIDS cell in May 1996, three rounds of surveillance of ANC cases were completed in one centre at Mumbai covering 2,400 cases, of which 57 patients (2.38 *per cent*) were found to be HIV positive. Similarly, four rounds of surveillance in respect of STD cases were completed in the remaining three centres covering 4,142 patients, of which 173 patients (4.18 *per cent*) were found to be positive. However, considering the large size of the State and magnitude of the problem (more than 50 *per cent* of AIDS cases were from the State), the number of sentinel surveillance centres were found by State AIDS Cell in November 1995 to be inadequate.

3.12.7.4.4 It was stated by the AIDS Cell (May 1996) that the suspected cases were being referred to the surveillance centres. However, information received from eight* districts, where there were no surveillance centres, indicated that between 1992-93 and 1995-96 though 1,986 persons out of 16,557 persons admitted to the STD clinics, were found to be having STD; none of them were referred to the surveillance centres. Similarly, in Mumbai, even though 4,319 persons out of 29,286 persons admitted to the STD clinic of a municipal hospital were found to be having STD, none of them were referred to the four surveillance centres existing in Mumbai.

3.12.7.4.5 All the 46 ZBTCs and 10 surveillance centres had been provided with Elisa Readers for testing HIV in the blood. However, test-check of records in the AIDS cell and three circle offices (Mumbai, Nagpur and Pune) and information collected from 19 ZBTCs and 3 surveillance centres, revealed that all the 12 Elisa Readers in twelve ZBTCs were not in working order for periods ranging from one month to forty months. The delay in repairing the Elisa Reader by the agency fixed by NACO for the purpose was attributed by the AIDS cell (May 1996) to non-supply of spares by NACO. The agency had also pointed out (October 1995) that the frequent non-functioning of Elisa Readers was on account of erratic power supply and suggested installation of voltage stabilizers. The proposal for installation of voltage stabiliser was taken up by the AIDS cell with NACO in December 1995, for which sanction was awaited (May 1996).

* Ahmednagar, Amravati, Akola, Bhandara, Buldhana, Gadchiroli, Osmanabad and Solapur

3.12.7.4.6 In the J.J. Hospital, Mumbai, 214 samples received for sero surveillance tests between 3 March 1995 and 13 March 1995 were not tested due to shortage of Elisa Kits. Subsequently, only emergency cases from eye bank, foreigners, police cases etc., were accepted till 5 July 1995. The number of cases which could not be tested were not available on record.

3.12.7.4.7 Elisa kits for testing the blood samples were supplied by NACO in the form of commodity grant. Supply of kits was made through the Government Medical Stores Depot (GMSD), Mumbai. Scrutiny of its records revealed that out of 67 kits received from NACO between March 1994 and May 1994 and supplied to testing centres, 57 kits were received back as these were found to be giving abnormally high false positive results. Further, 10 kits supplied prior to March 1994 were also found to be substandard. These 67 Elisa kits were lying in stock at GMSD awaiting replacement (May 1996).

In J.J. Hospital, Mumbai, 3 Elisa kits supplied by GMSD in March 1995 were not utilised as the specified filter (620 mm) was neither supplied by NACO nor by the kit manufacturer and the kits were also not taken back by GMSD.

3.12.7.5 Controlling Sexually Transmitted Disease (STD)

3.12.7.5.1 In Mumbai city, a metro key monitoring centre was established in STD clinic at Bellasis Road in 1993-94. Cash grant of Rs.0.75 lakh was also being made available every year. However, the entire equipment worth Rs.7.50 lakhs had not been supplied by NACO as of July 1996. It was, however, noticed that the STD Programme Manager appointed in March 1993 was not attached to the key monitoring centre, but was attached to State AIDS Cell and entrusted with the task of supervision of the STD clinic, condom distribution under AIDS Programme and training activities. The AIDS cell conceded that (September 1996) this had hampered the qualitative implementation of the programme.

3.12.7.5.2 STD prevention and care facilities were to be strengthened and upgraded through supply of diagnostic equipment, training and counselling. For this purpose equipment and consumable support was to be provided by NACO. All the 35 STD centres in the State were eligible for commodity grants of Rs.1 lakh each (equipment to be supplied by NACO) and cash grant of Rs.0.75 lakh each per year for purchase of consumable articles. Though cash grants were released to these STD centres regularly equipment was not supplied to 28 STD centres by NACO as of May 1996 and in respect of remaining 7 STD centres, only part equipment were supplied. The AIDS cell stated (September 1996) that this had qualitatively affected the Programme.

3.12.7.6 Information, Education and Communication (IEC) activities

3.12.7.6.1 No conferences in support of the project, of National and State level leaders were held (May 1996) and no personnel from State Government departments/organisations working in fields other than from health department, were trained (May 1996).

3.12.7.6.2 SHEB, Pune was required to inspect the various tuberculosis offices and other public health offices to verify the proper utilisation of health education materials supplied to them. Scrutiny in audit of such inspection reports of SHEB, Pune for the period from August 1994 to September 1995 revealed that :

- 35mm films on AIDS supplied to District Health Offices, Gadchiroli and Thane in April 1991 were not distributed to the theatres for exhibition till September 1995 and January 1995 respectively.
- DTO, Nanded had not displayed the AIDS posters received in October 1994 for over 8 months.
- Civil Hospital, Thane and District Health Officer, Zilla Parishad, Nagpur had not utilised the posters, folders, stickers, cassettes etc., received in December 1992 for over 2 years. DTO, Raigad had not opened the parcel containing the posters, stickers, cassettes, calendar etc., received in April 1994 for over 9 months.
- In Public Health Centre, Mansar (Nagpur), the posters received in August 1994 were not displayed even after 19 months.

3.12.7.6.3 The work of preparation of 20,000 sets of educational charts on AIDS at Rs.200 per set (containing 10 charts) was entrusted to one agency in Pune by the Public Health Department in March 1994 without calling for tenders. The agency supplied the sets in August 1994 and September 1994 and payment of Rs.40 lakhs (drawn in March 1994) was made in September 1994 and October 1994. The AIDS Cell stated in September 1996 that the rates were fixed by the Government and the basis on which it was fixed by the Government was not known to them.

Out of these 20,000 sets of charts supplied, 18,510 sets were distributed to various DTOs and BMC in August 1994 and September 1994 and the remaining 1,490 sets to various municipal hospitals and private institutions in November 1994 and November 1995. Information received from 22 out of 29 DTOs and BMC between February 1996 and May 1996 revealed that 3,124 sets of charts worth Rs.6.25 lakhs were lying unutilised for over 20 months (May 1996) without being distributed to various Public Health Centres, Subcentres, Schools, Colleges, Jails, etc., for display.

3.12.7.7 Role and involvement of Non-Government Organisations (NGOs)

3.12.7.7.1 The State AIDS Cell had not prescribed any checks to be exercised by the drawing and disbursing officers for satisfying themselves that the amount of grant sanctioned to the NGOs was actually utilised by them for the purpose for which the same was sanctioned. Though expenditure statements and utilisation certificates were called for from the NGOs, no checks were exercised by the Deputy Directors at circle level to verify

their correctness. Similarly, though final completion reports of the projects were to be submitted by the NGOs to the AIDS cell, the proper watch of their receipts as well as their assessment was not done in the AIDS cell. The AIDS cell stated (September 1996) that each and every project would be evaluated through the Preventive Social Medicine Department of the Government Medical Colleges and the nodal agency.

Scrutiny of statements of accounts of 2 NGOs revealed that one NGO had purchased chairs worth Rs.0.18 lakh for a 3 day seminar, which could have been hired and a projector costing Rs.0.81 lakh, 6 months after the seminar was over and another NGO had adjusted Rs.0.45 lakh on account of brochures, stickers, volunteers fees etc., which were to be borne by the NGO as per their project proposal, against the grant paid to them for the project.

3.12.7.7.2 The NGOs besides being used for information dissemination were also to be involved in condom promotion. Condoms were received from the Ministry of Health and Family Welfare, GOI and distributed through the State Family Welfare Bureau, Pune. In the State, out of the 6 NGOs involved in distribution of condoms, 2 NGOs had complained in January 1996 and April 1996 regarding the poor quality of condoms. The BMC had also complained in August 1996 of inferior quality of condoms supplied.

3.12.7.7.3 One NGO in Thane district had requested Civil Surgeon, Thane in November 1995 for supply of 2.12 lakh condoms per month for distribution, but no supply was made to it as of May 1996. Though Civil Surgeon, Thane held a stock of 16.20 lakh condoms, he approached the State Family Welfare Bureau, Pune in December 1995 for supply of the same which was still awaited (June 1996).

3.12.7.7.4 In Mumbai and Pune circles, seven NGOs and one local body were provided with grants of Rs.10.93 lakhs during 1993-94 and 1995-96. Of this amount, statement of expenditure for Rs.9.72 lakhs had not been furnished by these bodies as of May 1996. Two NGOs and the local body had not furnished utilisation certificate for the entire amount received by them (Rs.1.62 lakhs). Two NGOs had not furnished utilisation certificates for part amounts (Rs.2.71 lakhs) due to which further instalments amounting to Rs.5.02 lakhs were not released to them. None of them had submitted the activity report as of May 1996.

3.12.7.8 Training

3.12.7.8.1 Training modules from NACO were received in June 1995 and July 1995 only. Consequently, the laboratory technicians and BTOs could not be trained during 1993-94 and 1995-96. Similarly, the STD officers could be trained only during 1995-96 after receipt of the training modules. Thus, training could be imparted after a lapse of over 3 years from the commencement of the programme.

3.12.7.8.2 Four thousand six hundred fifty one number of medical officers required to be trained, were not trained as of May 1996.

3.12.7.8.3 The multi-purpose health workers and health assistants working on the project were also required to be trained. However, no programme for training the 18,736 multi-purpose health workers and 6,374 health assistants working in the various Government hospitals had been drawn up as of May 1996.

3.12.7.8.4 Medical Officers working in Preventive Social Medicine, Gynaecology and STD departments of Government Medical Colleges and Medical Social Workers and Nurse Midwife working in STD/Gynaecology Out Patient Department of Civil Hospitals required to be trained in counselling service were not trained as of May 1996. The AIDS cell, Mumbai stated (May 1996) that NACO had now finalised the training module and identified the Tata Institute of Social Science, Mumbai as the Apex Institute for conducting the training.

3.12.8 Monitoring and evaluation

DTO had been designated as the Nodal Officer at district level for implementing the programme. The DTO's functioning was reviewed every month by the Civil Surgeon at district level and by the DDHS in-charge of the circle at circle level. Monthly report on working of blood banks, STD report, AIDS cases and expenditure statement received from each district were scrutinised in the AIDS cell. The consolidated reports on AIDS cases reported, HIV screening sentinel reports and financial reports were then submitted to NACO. The SACB constituted in July 1992 for implementation and monitoring the programme had met only 3 times (15 October 1992, 11 May 1993 and 23 June 1994) since its formation till May 1996, though it was laid down by the Government that the period between 2 meetings should not exceed 2 months. The State Technical Advisory Committee was not constituted. Evaluation of the Programme was not carried out either through a Government agency or by any private/voluntary organisation. A mid term review of the project was stated to have been conducted by NACO in October/November 1995, but the report was not available with the State AIDS Cell.

The above points were referred to Government in July 1996; reply had not been received (October 1996).

REVENUE AND FORESTS DEPARTMENT

3.13 Avoidable extra expenditure on hiring of water tankers

According to Government resolution of March 1992, the District Collectors were permitted to hire private trucks and water tankers for providing drinking water to the scarcity-hit villages by inviting tenders and accepting the lowest offer, not exceeding Rs.500 per day plus Rs.3 per kilometre(km.) for each truck and water tanker, in case Government water tankers were not available. The capacity of the tanker was not mentioned in the said resolution.

The Collector, Pune invited tenders in January 1993 for truck/tankers on hire basis.

In response, the lowest offer of Rs.600 per day plus Rs.3.60 per km. or Rs.1.17 per 1000 litres per km. was received from Firm 'A'. After negotiations, Firm 'A' agreed to provide water tankers at Rs.500 per day plus Rs.3 per km. with a request that their offer of Rs.1.17 per km. per 1000 litres be recommended to Government. Accordingly, the Collector accepted the offer of firm 'A' in February 1993 and recommended its request to Government in March 1993 and tankers were hired from the Firm 'A' during the scarcity period from March 1993 to July 1993. Hire charges amounting to Rs.60.62 lakhs were paid to Firm 'A' during July 1993 to October 1993 at approved rates as per Government Resolution of March 1992.

Subsequently, from 28 April 1993, Government revised the hire charges rates as under :

Capacity of tankers	Rate
(i) 7.5 tonnes	Rs.500 per day plus Rs.3 per km.
(ii) 10 tonnes	Rs.666.66 per day plus Rs.4 per km.
(iii) 12 tonnes	Rs.800 per day plus Rs.4.80 per km.

As per the above rates, payment of hire charges due to Firm 'A' worked out to Rs.101.85 lakhs.

However, in February 1994, Government sanctioned the proposal of Collector, Pune to pay Firm 'A' at Rs.1.17 per km. per 1,000 litres and the Collector paid differential amount of Rs.72.69 lakhs to the agency in March 1994 incurring extra expenditure of Rs.31.46 lakhs on hiring of tankers. Action of Government thus showed an inconsistent approach as in April 1993 rates were revised for the entire State, yet higher rates applicable with retrospective effect were approved in February 1994.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

3.14 Non-utilisation of financial assistance

Government of Maharashtra formulated a scheme (August 1989) for providing financial assistance for the rehabilitation of persons affected due to heavy rains in July 1989 in various districts of Maharashtra. Each beneficiary was to receive financial assistance of Rs.10,000 from the Consolidated Fund (CF) of the State and of Rs.5,000 from Chief Minister's relief fund for construction of houses in a zone other than the flood zone by surrendering their existing plots of land for new plots in the proposed safe area where Zilla Parishad was to provide civic amenities. 125 families of the village Patoda-Gangakinara of Parbhani district were identified for their rehabilitation under the scheme (April 1990) by the Collector, Parbhani.

It was observed in audit (March 1993) that the first instalment of Rs.5,000 was paid from Consolidated Fund in May 1992 to each of the 125 identified beneficiaries and the plots on the new site were also handed over to them in May 1992. However, the beneficiaries had not taken up (May 1996) construction of houses since the basic amenities were not created. In May 1996, the Collector stated that basic amenities were in process to be provided by Zilla Parishad. The reply was not tenable since the first instalment should have been released to the beneficiaries only after provision of basic amenities was ensured.

Thus, due to non-provision of basic amenities, assistance of Rs.6.25 lakhs made to 125 beneficiaries could not be fruitfully utilised by beneficiaries for over 3 years.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

3.15 Inadmissible payment of grant to Jungle Kamgar Societies

Government of Maharashtra, Revenue and Forests Department, decided (July 1988) that the Jungle Kamgar Sahakari Societies executing afforestation works on barren and forest land, would be paid grant-in-aid at 18 *per cent* of its total labour payment for meeting administrative expenses subject to the condition that every such society executed the work of plantation on not less than 100 hectares of land annually.

Scrutiny of records in audit in June 1994 revealed that the Deputy Conservator of Forests, Shahada allotted 100 hectares of land for plantation to 10 Societies in 1990-91 and 1991-92. Actual plantation done by each society annually ranged between 20 hectares and 60 hectares only. The grant-in-aid of Rs.3.45 lakhs paid to these 10 societies was, therefore, not admissible as per Government Resolution above.

On this being pointed out in audit (June 1994), the Department stated (March 1995), *inter alia*, that it was not advisable to carry out plantation on 100 hectares annually as it would have been unmanageable to maintain the quality and quantity of work. The department, however, did not apprise the Government of this unmanageable proportion and did not seek relaxation of the condition of plantation of 100 hectares of land for the purpose of payment of grant-in-aid.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT

3.16 Special Central Assistance to Special Component Plan for Scheduled Castes

3.16.1 Introduction

The Centrally Sponsored Scheme, 'Special Central Assistance' (SCA) an additive to Special Component Plan (SCP) with 100 *per cent* grants to the States was introduced by the Government of India (GOI) in 1979-80 to give an added thrust to the development programmes for Scheduled Castes (SCs) with the objective of uplifting SC families above the poverty line according to their occupational pattern and the need for increasing the productivity of and income from their limited resources by taking up family oriented schemes. Further, SCA was expected to fill the gaps which the various central and state developmental programmes were not able to fill in any sector. The State Governments were free to apply the plan component according to the local conditions and development needs and priorities of SCs populations. The only condition for incurring expenditure on SCA was that it should be used only for income generating economic development schemes and in conjunction with flow of outlay and benefits from other sectors of the state plan and in conjunction with state SCP.

Within these parameters, Schemes could be taken up for the agricultural labourers and cultivators, craftsmen in cottage and village industries, fishermen, those engaged in 'unclean' occupations, village dais, for creation/strengthening of institutions/organisations, etc. The guidelines were further amplified in July 1993 to enable the use of SCA for infrastructural development programmes in blocks having 50 *per cent* or more of Scheduled Castes (SCs) population subject to the condition that the SCA allocation be made use of in such a way as to encourage large efforts on development of SCs on the part of the states.

3.16.2 Organisational set up

The Social Welfare Department was the nodal department for the implementation of the Scheme. Schemes under SCA were being prepared and implemented after the approval of the Government by Mahatma Phule Backward Class Development Corporation (MPBCDC), Lokshahir Annabhau Sathe Development Corporation (LASDC) and Maharashtra State Khadi and Village Industries Board (MSKVIB) through District Managers (DMs) and District Village Industries Officers (DVIOs) in charge of the district offices. MPBCDC had six regional offices at Amravati, Aurangabad, Mumbai, Nagpur, Nashik and Pune and 30 district offices while LASDC had three regional offices at Latur, Nagpur and Pune and 27 district offices. MSKVIB had 30 district offices only. The Social Welfare Department was responsible for overseeing both the formulation and implementation of the SCA schemes.

Abbreviations used in this Review are listed in the Glossary at Appendix XX (Page 245).

3.16.3 Audit coverage

The implementation of SCA Scheme in Maharashtra State during the period 1990-91 to 1995-96 was reviewed through a test-check of records in audit from March 1996 to May 1996 in the Social Welfare Department, MPBCDC, LASDC and the MSKVIB and in the district offices of all the implementing agencies in Aurangabad, Latur, Nagpur, Pune, Solapur and Thane.

3.16.4 Highlights

Unspent balance of Rs.145.90 lakhs was retained by Maharashtra State Khadi and Village Industries Board for use in subsequent years though utilisation certificates for the full amount were sent to Government of India by the State Government on due dates during all the years.

(Paragraph 3.16.5.2.1)

Rupees 50.70 lakhs were sanctioned to Bharatiya Lok Vikas Karyakaram for non-plan schemes not covered under Special Central Assistance during 1990-91 and 1991-92; Bharatiya Lok Vikas Karyakaram could furnish utilisation certificates for Rs.14.36 lakhs only in 1994-95. Balance of Rs.36.34 lakhs had not been surrendered for more than 5 years.

(Paragraph 3.16.5.3.1)

In the absence of detailed survey to identify the number of families who could cross the poverty line, the impact of assistance provided under Special Central Assistance to the Scheduled Caste families could not be ascertained.

(Paragraph 3.16.6.1 and 3.16.6.2)

During scrutiny of records relating to the implementation of the powerloom projects scheme, cases of non-production of required documents viz. valid income certificates, copies of ration cards etc. were noticed in 251 cases in Solapur and Thane districts.

(Paragraph 3.16.6.3.2)

Out of 17 group projects sanctioned by Government in March 1989, only 5 group projects were undertaken by Mahatma Phule Backward Class Development Corporation on which Rs.57.66 lakhs were spent upto March 1984. In addition, Mahatma Phule Backward Class Development Corporation also undertook 5 other group projects on which Rs.92.52 lakhs were spent. Not a single project could become

functional even after a lapse of 7 years resulting in expenditure of Rs.150.18 lakhs being rendered infructuous.

(Paragraph 3.16.6.4.1)

Rupees 35 lakhs were paid by Mahatma Phule Backward Class Development Corporation to 7,000 beneficiaries to enable them to become shareholders of Mahatma Phule Anusuchit Jati Shetkari Sahakari Starch Factory (Society). However, share certificates had not been issued by the society as of June 1996. The society withdrew the entire amount of Rs.35 lakhs in May 1994 without obtaining the prior permission of Mahatma Phule Backward Class Development Corporation, in violation of the terms of agreement entered into in April 1993 and spent Rs.19.46 lakhs. The balance amount of Rs.15.54 lakhs was kept in fixed deposit. Similarly, in another case, Priyadarshani Co-operative Spinning and Weaving Mills Limited in Latur district, Rs.50 lakhs was sanctioned towards payment of subsidy to the 10,000 beneficiaries of the society; the society had withdrawn the amount without prior permission of Mahatma Phule Backward Class Development Corporation and kept Rs.38 lakhs in fixed deposit and spent Rs.11.97 lakhs for purchase of land, car and advance payment to Architect. Share certificates were not issued to the members as of June 1996. No action had been taken against these co-operative societies by the MPBCDC.

(Paragraph 3.16.6.6.2 and 3.16.6.6.3)

Out of 4,748 candidates trained during 1991-92 to 1994-95 by Mahatma Phule Backward Class Development Corporation, only 426 candidates (9 per cent) were gainfully employed.

(Paragraph 3.16.6.7.2)

State Level Committee and the District Level Committees were not formed to co-ordinate and monitor the programme. Evaluation of the scheme had not been undertaken by the State Government.

(Paragraph 3.16.7)

3.16.5 Financial Performance

3.16.5.1 Against a sum of Rs.8,125.81 lakhs released by GOI during 1991-96, Rs.7,980.81 lakhs had been spent as of March 1996 leaving a balance of Rs.145 lakhs which was released by GOI in March 1996 and were permitted to be used during 1996-97.

3.16.5.2 Submission of utilisation certificates

3.16.5.2.1 Utilisation certificates for the full amount of SCA were sent to GOI by the

State Government on due dates during all the years based on reports received from the implementing agencies. It was, however, observed that unspent balances of Rs.109.26 lakhs during 1992-93 and Rs.36.64 lakhs during 1993-94 were retained by MSKVIB with the permission of the State Government to be utilised in subsequent financial years. The expenditure figures reported to State Government were inflated figures as cheques issued to banks in respect of subsidy proposals to individual beneficiaries were treated as expenditure. However, the cheques returned by the banks subsequently were taken as a receipt instead of treating it as reduction in expenditure. In many cases, cheques issued to different banks for the same proposals were also clubbed together and booked as expenditure. In view of this faulty accounting procedure, figures of expenditure reported by these implementing agencies were unreliable. Similarly, though utilisation certificates for full amounts were issued by MPBCDC, LASDC and MSKVIB to Government, it was observed that district offices of MPBCDC and LASDC held unspent balances of SCA in their respective cash books at the end of each financial year.

3.16.5.2.2 Unutilised SCA of Rs.5 lakhs transferred from Thane district office of MPBCDC to Kolhapur district office on 29 March 1996 and received in Kolhapur in April 1996 was shown as utilised by DMs during March 1996. SCA of Rs.5 lakhs was transferred by Nagpur district office of MPBCDC on 31 March 1992 to Wardha district office, Rs.2.50 lakhs were transferred by Nagpur Office of LASDC to Yavatmal district office on 31 March 1995 to avoid lapse of grant.

3.16.5.2.3 Additional SCA of Rs.15.91 lakhs sanctioned for 1994-95 was received by Solapur district office of MSKVIB towards payments of subsidy to individual beneficiaries during May 1995 and an expenditure of Rs.7.87 lakhs was incurred during the year 1995-96. However, the unutilised balance of Rs.8.04 lakhs pertaining to year 1994-95 was neither surrendered till May 1996 nor got revalidated.

3.16.5.3 Diversion of funds

3.16.5.3.1 The State Government in March 1991 and May 1991 sanctioned Rs.26.70 lakhs and Rs.24 lakhs respectively to Bharatiya Lok Vikas Karyakaram (BLVK), Mumbai for implementing non-plan schemes which were not covered under the scheme. BLVK could furnish utilisation certificate for Rs.14.36 lakhs in May 1994. The balance of Rs.36.34 lakhs was not surrendered for more than 5 years (June 1996). Revalidation for Rs.14.36 lakhs was not obtained from GOI till June 1996.

3.16.5.3.2 Pune district office of MPBCDC diverted Rs.2.70 lakhs received for payment of subsidy to beneficiaries for payment of salaries to staff during 1991-92, 1992-93 and 1993-94 which was not permissible.

3.16.5.4 Bank reconciliation

Reconciliation of SCA balances in cash book with bank was required to be done regularly. Audit of DMs of MPBCDC and LASDC revealed that such bank reconciliation

was not done as detailed below :

Office	Period from which reconciliation was pending
MPBCDC, Aurangabad	April 1992
MPBCDC, Nagpur	April 1991
MPBCDC, Pune	April 1991
MPBCDC, Solapur	April 1991
LASDC, Aurangabad	April 1991
LASDC, Latur	April 1990
LASDC, Nagpur	April 1990
LASDC, Solapur	April 1994

The reasons attributed were inadequate staff and heavy workload.

3.16.6 Physical performance

3.16.6.1 Details regarding coverage of beneficiaries during the years 1991-92 to 1995-96 as furnished by MPBCDC/ LASDC/ MSKVIB were as follows :

Year	Number of beneficiaries					
	<u>MPBCDC</u>		<u>LASDC</u>		<u>MSKVIB</u>	
	Target	Achievement	Target	Achievement	Target	Achievement
1990-91	26000	29311	6000	6070	4000	6697
1991-92	30000	31467	7000	7728	8850	9201
1992-93	24000	34622	6000	6151	7245	5854
1993-94	30000	40080	7000	7144	6000	6598
1994-95	36000	37425	7000	7224	8000	6931
1995-96	26000	19521	8500	5701	6500	5560
Total	172000	192426	41500	40018	40595	40841

GOI in December 1981 had indicated that at least 50 per cent SC families should be enabled to cross the poverty line in the Sixth Plan period (1980-85). According to 1981 census there were 6.75 lakh SC families below poverty line in Maharashtra State who were required to be brought under the programme for crossing the poverty line. As per the records

of MPBCDC, 3.44 lakhs SC families were assisted upto 1994-95. However, in the absence of detailed survey to identify the number of families which had crossed the poverty line, the impact of the assistance provided under SCA to the families/beneficiaries of SCs could not be ascertained.

3.16.6.2 According to GOI guidelines issued in October 1988, a detailed survey of SC households in villages was required to be undertaken, particularly with reference to SC household with limited assets. However, no such survey was conducted. In the absence of an adequate data base, SCA was mainly utilised to provide subsidy to SC beneficiaries below poverty line and infrastructure development in blocks having 50 per cent or more of SC population could not be taken up. Government stated (June 1996) that as a number of schemes/programmes were being implemented through State funds, the guidelines for cluster-approach for infrastructure development could not be adhered to and implemented.

3.16.6.3 Powerloom project

3.16.6.3.1 The scheme for supply of powerlooms to the weavers belonging to Scheduled Castes below poverty line (less than Rs.11,000 annual income) was in existence from 1994-95. To implement the project, a co-operative society of members was required to be formed. Conditions for eligibility to become a member of such co-operative society *inter alia* prescribed that he/she should have requisite qualification and experience of running the powerlooms and should also have his/her own place/space for erection of the powerlooms.

3.16.6.3.2 Scrutiny of 199 applications recommended by Regional Manager (RM), MPBCDC, Mumbai during 1994-95 and 1995-96 in respect of Thane district office, revealed that 140 applications recommended were not supported by the required Income Certificates. Similarly, in respect of another 24 applications, the applicants had neither experience of running the powerlooms nor had they produced the required Income Certificates. Similar irregularities were also noticed in 49 cases in Solapur district office. In respect of another 38 applications in Solapur district, the serial numbers and names in the ration cards were found to have been changed/erased without proper attestation and original documents were not verified at the time of sanction. Amount of SCA involved in these cases worked out to Rs.2.28 lakhs. Further, report regarding recovery in these cases was awaited (June 1996).

3.16.6.4 Group Projects Scheme

3.16.6.4.1 It was decided by MPBCDC in November 1988 to start industrial projects (Group Projects) by involving co-operation from members of SCs for economic upliftment of such members. In March 1989, 17 group projects estimated to cost Rs.27.90 lakhs proposed by the MPBCDC were approved by the Social Welfare Department. Of the 17 projects sanctioned, only 5 projects could be undertaken by MPBCDC on which an expenditure of Rs.57.66 lakhs was incurred (March 1994) against the estimated cost of Rs.10.50 lakhs (1988-89). The MPBCDC had also undertaken 5 other projects during 1990-91 (3 projects) and 1991-92 (2 projects) on which

an expenditure of Rs.92.52 lakhs out of SCA funds was incurred till March 1994. However, even after a lapse of 7 years, neither any of the projects could become functional nor could they achieve the desired capacity as anticipated. Thus, expenditure of Rs.150.18 lakhs incurred on these projects had been infructuous.

In reply, MPBCDC stated (September 1996) that frequent changes at the level of Managing Directors had delayed implementation of the projects. Subsequently, Government approved the proposal of MPBCDC to hand over these projects to the society formed by members belonging to SCs on "as is where is basis". However, this had not helped to improve the situation as the SC beneficiaries took time to form societies and getting the same registered with the Registrar of Co-operative Societies. The group projects, therefore, were not completed and production not started (September 1996).

3.16.6.5 Scheme of payment of 50 per cent subsidy to individual beneficiaries

3.16.6.5.1 Under this scheme, projects submitted by individual beneficiary falling below the limit laid down by GOI were eligible for getting 50 per cent subsidy. Scrutiny of district wise targets fixed by MPBCDC for coverage of beneficiaries under this scheme and expenditure incurred revealed that the year wise targets fixed for the district were not commensurate with the strength of below poverty line (BPL) families in the district. Further, targets fixed varied from year to year in respect of districts with high percentage of BPL families in all the years. Expenditure incurred during the years was not proportionate to the number of BPL families in the district. Targets were accordingly fixed on *ad hoc* basis. This had occurred as no detailed household survey was conducted.

3.16.6.5.2 On receipt of subsidy from the MPBCDC and LASDC, banks were required to send acknowledgements indicating that the amount of loan and subsidy had been credited to the loanes account. Scrutiny of records of MPBCDC and LASDC in the districts of Aurangabad, Latur, Pune, Solapur and Thane revealed that these acknowledgements were wanting in a majority of cases. The amount of subsidy involved was Rs.816.87 lakhs in 18,939 cases out of 25,868 applications received relating to districts of Aurangabad, Latur, Solapur and Thane (MPBCDC) and Aurangabad, Latur, Pune and Solapur(LASDC).

In the absence of such acknowledgements indicating crediting of the amounts in the loanes' accounts from the banks, it was not possible for the DM's to ensure that the subsidy of Rs.816.87 lakhs had actually reached the beneficiaries for whom it was intended/sanctioned.

3.16.6.5.3 The undisbursed amounts of SCA released as subsidy by the district units of MPBCDC and LASDC to the beneficiaries through banks were returned by banks. In many cases, the banks refused the payment to the beneficiaries for non-completion of conditions, such as surety not produced or beneficiaries not coming to the banks to execute documents, beneficiaries not producing required guarantee, etc. It was noticed in Aurangabad, Latur and Pune that Rs.24.43 lakhs pertaining to the period 1991-92 to 1995-96 were returned by the banks to MPBCDC and LASDC after the closure of financial year. These unutilised

amounts shown as expenditure during respective financial years were required to be refunded to Government which was not done by any of the District Units test-checked.

3.16.6.5.4 Applicants for financial assistance under 50 *per cent* subsidy scheme were required to produce income certificate of the previous year issued by Tahsildar of the concerned area, caste certificate and ration card as a proof of residence.

Scrutiny of 651 sanctioned applications for 50 *per cent* subsidy scheme in Aurangabad, Latur, Nagpur and Thane revealed that subsidy of Rs.2.81 lakhs was paid to 63 beneficiaries though they had produced invalid income certificates or had not produced copies of ration card or they were not falling within the income criteria.

3.16.6.6 Purchase of shares of Co-operative Society

3.16.6.6.1 Physical and financial targets were not fixed under the scheme in respect of MPBCDC and LASDC during 1991-96.

3.16.6.6.2 Test-check of financial assistance provided under the scheme revealed the following :

Based on the sanction issued by Social Welfare Department in October 1988, MPBCDC released through the District Manager, Solapur Rs.35 lakhs between November 1988 and March 1991 to Mahatma Phule Anusuchit Jati Shetkari Sahakari Starch Factory (Society), which was to setup a maize starch factory to enable 7,000 beneficiaries to purchase share of the Society. As the Society did not get financial assistance from the National Co-operative Development Corporation, the starch factory was not set up. In November 1994, it was decided to merge the society with newly proposed soot girni (spinning mill) but the proposal of merger was not approved by Government (July 1996). The share certificates had also not been issued to beneficiaries (June 1996).

The agreement executed in April 1993 with the society provided that the amount of Rs.35 lakhs paid to them towards purchase of share of society was to be kept in the District Central Co-operative Bank and prior permission of the District Manager, Solapur was to be obtained before withdrawal of the fund. The society, however, withdrew the entire amount in May 1994 without obtaining the prior permission of the District Manager, Solapur and utilised Rs.19.46 lakhs for purchase of land, payment of land development charges, payment of consultancy charges, laying of pipelines etc., and retained the balance amount of Rs.15.54 lakhs in fixed deposits with Solapur District Industrial Co-operative Bank.

3.16.6.6.3 Similarly, Rs.50 lakhs were released by MPBCDC in December 1994 and in March 1995 to Priyadarshani Co-operative Spinning and Weaving Mills Ltd(Mill), Latur towards subsidy for purchase of share of the mill by 10,000 beneficiaries and deposited in the Central Co-operative Bank in the account of the Mill. The Mill withdrew the entire amount in December 1995 without obtaining prior permission of the District Manager, Latur and

spent Rs.11.97 lakhs upto April 1996 towards acquisition of land, payment of architect fees, preparation of project report, purchase of car, etc. The balance amount of Rs.38 lakhs was kept by the Mill in Fixed Deposit in District Central Co-operative Bank, Latur. Share certificates to beneficiaries were not issued as of May 1996. MPBCDC did not take any action against the Mill (August 1996).

3.16.6.7 Training Scheme

3.16.6.7.1 Training was to be given to SC students to enable them to take up self employment/create/upgrade the skills of the students who dropped out between seventh and twelfth standard. For this purpose, beneficiaries having annual income not exceeding Rs.22,000 were required to send their applications to respective District Managers alongwith the documents such as caste certificate, income certificate and copy of ration card. The District Manager directed the applicants to the recognised institutions for training. The cost of tuition fees was borne by the MPBCDC and LASDC and stipends (Rs.150 and Rs.250 per month in respect of rural and urban areas, respectively) as incidental charges were also paid depending on attendance of students in the institutions.

3.16.6.7.2 Scrutiny of details regarding students trained and gainfully employed after training during 1991-92 to 1994-95 as furnished by MPBCDC in the main trades revealed that out of 4,748 candidates trained during 1991-95, only 426 candidates (9 per cent) were gainfully employed. Considering the persons employed gainfully, the expenditure of Rs.171.32 lakhs incurred on training had remained largely infructuous.

3.16.7 Monitoring and evaluation

At the State level, a Committee headed by the Minister in-charge of Social Welfare Department for co-ordinating the implementation and monitoring the progress of the implementation of the programme was required to be formed, but no such committee was formed. The Social Welfare Department which was the nodal agency did not fix any norms for inspection and supervision of the programme and did not carry out any inspection. Similarly, district level committees to be headed by Collectors for monitoring the programme were not formed in any of the districts though instructions for their formation were issued in January 1981. The nodal agency (Social Welfare Department) had limited its role to compiling the returns/ information furnished by the implementing agencies and forwarding such compiled return to GOI along with the utilisation certificate. Evaluation of the scheme was not conducted by the State Government.

The above points were referred to Government in July 1996; reply had not been received (October 1996).

3.17 Injudicious purchase

With a view to save expenditure on firewood and as an alternate arrangement during irregular supply of L.P.Gas in Government Hostels, the Directorate of Social Welfare, Pune

purchased 257 fire flame kerosene-cum-electrical burners at the cost of Rs.18.01 lakhs between January 1994 and March 1994 for supply to 169 hostels.

A test-check of records of the Directorate of Social Welfare, Pune (April 1996) revealed that in respect of 174 burners supplied to 128 hostels in 20 out of 30 districts for which information was available, 148 burners costing Rs.10.50 lakhs were not functioning since its purchase for the following reasons : (i) not working properly (68 numbers), (ii) leakage in kerosene tank (17 numbers) and (iii) not required as the L.P.Gas supply was regular (63 numbers). The reports regarding utilisation of remaining burners were awaited from the respective Government hostels (April 1996). The supplier firm did not respond to the complaints of the department.

Thus, purchase of 63 burners without assessing the requirement, had rendered the expenditure of Rs.4.47 lakhs unfruitful. In addition, purchase of 85 burners at the cost of Rs.6.03 lakhs had not served the intended purpose as these were not functioning since their purchase.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

TRIBAL DEVELOPMENT DEPARTMENT

3.18 Failure of a scheme of construction of quarters for personnel of Adivasi Co-operative Societies

To resolve the problem of residential accommodation for the personnel of Adivasi Co-operative Societies, Government of Maharashtra, in January 1981, introduced a scheme for grant of financial assistance to the Societies for construction of twin type staff quarters at the headquarters of the society. The assistance was to be in the form of interest free loans for construction of quarters mainly for Managers and Accountants working for Adivasi Co-operative Societies. Construction of the quarters was to be entrusted to the Public Works Department (PWD).

In Chandrapur district, interest free loan of Rs.6.42 lakhs for construction of twelve twin type quarters was sanctioned by the Government during 1981-82 to 1985-86 and the amount was placed with the Public Works Division I/II, Chandrapur by District Deputy Registrar of Co-operative Societies (DDRCS), Chandrapur. Construction of 3 quarters was completed by PWD in March 1993 at the cost of Rs.2.12 lakhs, five quarters were left incomplete after incurring expenditure of Rs.0.97 lakh and construction of 4 quarters was not taken up as of June 1996. The 3 quarters completed by PWD in March 1993 also remained vacant (August 1996). Reasons for non-completion of quarters and the manner in which the completed quarters would be put to use were not furnished (August 1996). The balance amount of Rs.3.33 lakhs had also not been returned to DDRCS by the PWD as of

August 1996.

The DDRCS stated in March 1995 that all the Societies had gone under liquidation in June 1991 and the amount of Rs.3.09 lakhs paid as loan to the Adivasi Co-operative Societies was still to be recovered. Thus, the objective of providing residential accommodation to the officials of co-operative societies was not achieved inspite of incurring expenditure of Rs.3.09 lakhs.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

URBAN DEVELOPMENT DEPARTMENT

3.19 Irregular release of assistance

Special development programme for Aurangabad city was approved in January 1991 at the total cost of Rs.1,296 lakhs. Various works under this programme were to be executed from 1990-91 onwards through various bodies like the Aurangabad Municipal Corporation, City and Industrial Development Corporation (CIDCO), Maharashtra Tourism Development Corporation (MTDC) and Public Works Department (PWD). The MTDC was to provide at the total cost of Rs.25 lakhs (50 per cent assistance from Government) the following items :

- (i) drinking water and toilet facilities at tourist spots (Rs.3 lakhs),
- (ii) establishment of tourist information counters at airport, railway station and bus stand (Rs.10 lakhs),
- (iii) augmentation of audio visual shows (Rs.5 lakhs) and
- (iv) taking up repairs of historical gates (Rs.7 lakhs) in Aurangabad.

This assistance was to be released on scrutiny of detailed plans and estimates to be prepared by the MTDC. Though no plans and estimates were prepared by MTDC, Rs.25 lakhs were released in March 1991 by Collector, Aurangabad. Of Rs.10 lakhs available for establishment of tourist information counters at airport, railway station and bus stand, Rs.2.92 lakhs were spent for constructing the tourist information counter during 1991-93. Remaining Rs.7.08 lakhs were earmarked for the construction of counters at the bus stand and airport. The MTDC while demanding (February 1992) Rs.10 lakhs for erection of hoarding boards and preparation of Aurangabad map included therein another Rs.5 lakhs for the construction of counters at bus stand and railway station. This amount of Rs.10 lakhs was released in March 1992.

MTDC could utilise only Rs.17.05 lakhs on construction of tourist information counter at Railway Station, augmentation of audio visual shows and creation of drinking water and

toilet facilities etc., out of Rs.35 lakhs till June 1996. Non-utilisation of the balance assistance was attributed by MTDC in July 1995 to non-receipt of approvals to the plans and estimates for the works from the Director General of Archaeology, New Delhi (Rs.3 lakhs), Maharashtra State Road Transport Corporation (Rs.7.08 lakhs), PWD (Rs.0.02 lakh) and non-procurement of TV and VCR for the audio visual shows (Rs.2.85 lakhs). Out of the assistance of Rs.10 lakhs, Rs 5 lakhs demanded for establishment of the tourist counters at bus stand and railway station had also remained unutilised (June 1996).

Thus, due to release of assistance without verification of plans and estimates for ensuring proper and timely utilisation of assistance, Rs.17.95 lakhs remained unutilised with MTDC for over four years.

The Collector, Aurangabad stated (March 1996) that MTDC would be asked to refund Rs.5 lakhs which were paid to MTDC twice for establishment of tourist information counters at bus stand and railway station, Aurangabad.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

GENERAL

3.20 Outstanding Inspection Reports

Audit observations on financial irregularities and defects in initial accounts noticed during local audit and not settled on the spot are communicated to the heads of offices and to the next higher departmental authorities through Inspection Reports. The more important irregularities are also reported to the heads of departments and Government.

In July 1967, Government had prescribed that the reply to the Audit Office should be furnished within a month of its issue. However, as of June 1996, 9,607 reports issued upto December 1995 and containing 24,972 paragraphs remained unsettled. Of these, 3,768 reports containing 6,911 paragraphs were outstanding for more than 5 years.

Review of the position of the Outstanding Inspection Reports relating to the School Education and Higher and Technical Education and Employment Department revealed that 3,086 paragraphs included in 1,455 reports issued upto December 1995 were pending settlement as of June 1996.

To ensure prompt attention to the defects pointed out in the Inspection Reports, the Finance Department had issued comprehensive instructions in 1974 for maintenance of the proper records. However, even first reply had not been received as of June 1996 in respect of 126 reports relating to the School Education and Higher and Technical Education and Employment Department.

3.21 Follow-up on Audit Reports

According to instructions issued by Finance Department in March 1981, the departments were required to furnish explanatory memoranda duly vetted by Audit to the Maharashtra Legislature Secretariat in respect of paragraphs contained in the Audit Reports, within one month of their being laid on the Table of the House.

It was noticed that the Departments had not submitted (July 1996) explanatory memoranda in respect of 130 paragraphs out of 531 paragraphs included in the Audit Reports for the years 1986-87 to 1993-94. The details are given in Appendix XV.

3.22 Misappropriation of Government Money

Mention was made in paragraph 3.20 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1995, No. 3 (Civil) that 495 cases of misappropriation of Government money remained to be finalised upto September 1995. The position in regard to fresh cases reported during 1995-96 and disposal of pending cases upto September 1996 was as follows :

	Number	Amount (Rupees in lakhs)
Cases pending on 30 September 1995 out of cases reported upto March 1995	495	305.73
Add : Fresh cases reported during 1995-96	9	92.36
Less : Cases finalised during October 1995 to September 1996	Nil	Nil
Cases pending on 30 September 1996	504	398.09

The department wise analysis of the outstanding cases is given in Appendix XVI.

Of the 504 pending cases, 470 cases (Rs.218.83 lakhs) were pending for more than 4 years.

The reasons for the pendency are analysed as follows :

	Number	Amount (Rupees in lakhs)
Awaiting orders for recovery or write-off	318	337.96
Awaiting investigation	59	9.61
Departmental action started but not finalised	20	7.14
Pending in Courts of law	91	38.96
Other	16	4.42
Total	504	398.09

3.23 Write-off of losses, waiver of recoveries, etc.

During the year 1995-96, 135 orders for write-off of losses, irrecoverable revenue, advances, etc., amounting to Rs.15.12 lakhs and 8 orders for waiver of recoveries totalling Rs.5.84 lakhs were issued by Government/Departments as indicated below :

Sr. No.	Department	Losses, irrecoverable revenue, advances, etc., written-off		Waiver of recoveries	
		Number of cases	Amount (Rupees in lakhs)	Number of cases	Amount (Rupees in lakhs)
(1)	(2)	(3)	(4)	(5)	(6)
1	Agriculture, Animal Husbandry, Dairy Development and Fisheries	9	1.05	3	4.89
2	Co-operation and Textiles	-	-	2	0.38
3	Food, Civil Supplies and Consumer Protection	82	0.67	-	-
4	Finance	3	0.19	-	-

Sr. No.	Department	Losses, irrecoverable revenue, advances, etc., written-off		Waiver of recoveries	
		Number of cases	Amount (Rupees in lakhs)	Number of cases	Amount (Rupees in lakhs)
(1)	(2)	(3)	(4)	(5)	(6)
5	Home	10	2.70	1	0.32
6	Industries, Energy and Labour	12	0.77	-	-
7	Irrigation	1	0.14	-	-
8	Law and Judiciary	2	0.60	-	-
9	Medical Education and Drugs	4	5.89	-	-
10	Public Health	6	2.13	-	-
11	Public Works	1	0.07	-	-
12	Planning	1	0.003*	-	-
13	Revenue and Forests	1	0.04	1	0.02
14	Social Welfare, Cultural Affairs and Sports	3	0.87	1	0.23
	TOTAL	135	15.123	8	5.84

* Rs.255.00 only

CHAPTER IV

WORKS EXPENDITURE

HOME DEPARTMENT

4.1 Nugatory expenditure on watch and ward

The department constructed a Hopper Barge (MHB-II) in 1962 at the cost of Rs.3.27 lakhs for undertaking dredging works. The assessed normal life of barge was sixteen years. After working for twenty three years, it had been lying idle since August 1985 for want of sufficient funds for special repairs. The department approached the Government in August 1987 for getting the barge repaired. Government directed (November 1987) the department to form a committee to examine the feasibility of repairing the barge. An estimate for Rs.15.92 lakhs submitted (May 1989) to Government was not sanctioned due to high cost of repairs. After obtaining the approval of Government (July 1993) the vessel was ultimately disposed of in August 1993 for Rs.1.60 lakhs to the highest bidder.

It was observed (January 1993) during the audit of the records of Marine Engineer, Port Organisation, Mumbai that the department and Government took 8 years in deciding the disposal of the vessel. The department, in the meanwhile, had to incur idle expenditure of Rs.5.13 lakhs on watch and ward of the barge during August 1985 to July 1993.

The abnormal delay on the part of the department and Government in disposing of the Vessel which was lying in disuse since August 1985 had resulted in nugatory expenditure of Rs.5.13 lakhs.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

IRRIGATION DEPARTMENT

4.2 Minor Irrigation Projects

4.2.1 Introduction

Minor irrigation works cost less outlays and yield quicker results as compared to major irrigation works for the benefit of the small farmers. With effect from 1978-79, works having cultivable command area of less than 2,000 hectares each are classified as Minor Irrigation (MI) Projects in the State. MI Projects mainly relate to construction of irrigation and percolation tanks, diversion *bandharas**, Kolhapur type (KT) weirs, lift irrigation schemes,

Abbreviations used in this Review are listed in the Glossary at Appendix XX (Page 245).

* Weir built across a nalla to store water.

tube wells, renovation of *malguzari** tanks and drainage schemes. Works with irrigation potential of more than 250 hectares are executed by Irrigation Department in the State Sector and works with potential of less than 250 hectares but more than 100 hectares are executed by Irrigation Department in local sector whereas those below 100 hectares are executed by Zilla Parishads (ZPs) under the Rural Development Department. From 1992-93, Minor Irrigation Schemes with potential between 100 and 250 hectares are being executed by Water Conservation Department. The project once taken up is to be completed within 5 years. A review on Minor Irrigation was included in the Audit Report of Comptroller and Auditor General of India (State-Civil) for 1982-83. The present review covered the position from 1990-91 onwards.

4.2.2 *Organisational set up*

Overall control of MI Projects at State level is with the Irrigation Department and at the local sector, it is under Rural Development and Water Conservation Department.

Minor irrigation works under State Sector are executed under the control of 6 Chief Engineers (CEs) assisted by 16 Superintending Engineers (SEs) and 56 Executive Engineers (EEs).

4.2.3 *Audit coverage*

A test-check of the records of 151 minor irrigation projects executed by 13 Construction, 10 Maintenance and 2 Composite Divisions (construction and maintenance) was conducted during November 1995 to May 1996 covering the period 1990-91 to 1995-96. The relevant records of Irrigation Department of the Government for the above period were also test-checked during May 1996. The important points noticed during the review are detailed in the following paragraphs.

4.2.4 *Highlights*

Out of total irrigation potential of 6.65 lakh hectares created at an investment of Rs.1,131.81 crores during 1990-91 to 1994-95, 1.60 lakh hectares (24 per cent) was actually utilised as of March 1995.

(Paragraph 4.2.5.b)

In respect of 203 minor irrigation projects completed and command of 87,503 hectares developed in 1990-91 notifications as envisaged in the Maharashtra Irrigation Act, 1976 for collection of irrigation revenue was not issued. The loss of revenue

* The tanks or bunds owned by private persons taken over by Government in 1950.

due to non-issue of notifications in 72 minor irrigation projects test-checked was Rs.50.36 lakhs during 1990-91 to 1994-95.

(Paragraph 4.2.6.a)

In 11 divisions, out of Rs.524.02 lakhs due for recovery towards water rates from the cultivators for the period 1990-91 to 1995-96 only Rs.222.09 lakhs had been recovered (March 1996).

(Paragraph 4.2.6.b)

In Chandrapur district, 5 minor irrigation works taken up for execution between March 1984 and November 1991 were stopped between 1989-90 and 1990-91 after incurring expenditure of Rs.460.62 lakhs for want of clearance from Government of India for use of forest land for non-forest purpose. The expenditure of Rs.460.62 lakhs incurred on these works remained infructuous as of June 1996.

(Paragraph 4.2.7.b)

Due to defective construction of syphon of minor irrigation tank at Sindgi, water did not pass through it. The entire canal length was also damaged and water did not flow beyond 150 metres in the canal resulting in non-irrigation from this project for the last 18 years. The entire expenditure of Rs.25.80 lakhs incurred on the project became infructuous.

(Paragraph 4.2.9)

The excavation of cut off trench in excess of the width shown in the designs had resulted in extra expenditure of Rs.16.97 lakhs in 3 minor irrigation projects at Ghuggi, Nitali and Lohara.

(Paragraph 4.2.10.b)

4.2.5 Financial and physical progress

(a) Plan wise provision of funds, expenditure and irrigation potential created during Annual Plan 1990-91, 1991-92 and 8th Five Year Plan upto 1995-96 were as follows :

Plan period	Budget Provision	Expenditure incurred		Irrigation potential created	
		During Plan Period	Cumulative	During Plan Period	Cumulative
(1)	(2)	(3)	(4)	(5)	(6)
		(Rupees in crores)		(Hectares in lakhs)	
Upto VII Five Year Plan (1985-90)	-	-	516.54	-	5.52
Annual Plan (1990-91)	77.00	73.07	589.61	0.17	5.69

Plan period	Budget Provision	Expenditure incurred		Irrigation potential created	
		During Plan Period	Cumulative	During Plan Period	Cumulative
(1)	(2)	(3)	(4)	(5)	(6)
		(Rupees in crores)		(Hectares in lakhs)	
Annual Plan (1991-92)	77.00	61.60	651.21	0.15	5.84
VIII Five Year Plan					
1992-93	88.54	127.94	779.15	0.20	6.04
1993-94	113.24	132.40	911.55	0.21	6.25
1994-95	128.54	220.26	1131.81	0.40	6.65
1995-96	154.22	277.95*	1409.76*	0.40*	7.05*
Total	638.54	893.22			

Reasons for excess expenditure over budget provision were not furnished by the Government/Department.

(b) Physical performance : Underutilisation of irrigation potential

Position of irrigation potential created and actual area irrigated during 1990-91 to 1995-96 in the State was as under:

Year	Cumulative potential created	Potential actually utilised	Percentage of utilisation
(1)	(2)	(3)	(4)
	—————(Hectares in lakhs)—————		
1990-91	5.69	1.46	26
1991-92	5.84	1.48	25
1992-93	6.04	1.43	24
1993-94	6.25	1.36	22
1994-95	6.65	1.60	24
1995-96	7.05	N.A.	—

Out of the total irrigation potential of 6.65 lakh hectares created at an investment of Rs.1,131.81 crores till the end of 1994-95, potential of 1.60 lakh hectares (24 per cent) only

* Provisional

was actually utilised as of March 1995. Reasons for shortfall in utilisation were : (i) unwillingness of farmers to irrigate land in *kharif*, (ii) non-construction of full storage and (iii) diversion of water for drinking purpose during scarcity period.

4.2.6 Revenue realisation

(a) Non-notification of command area

As per provisions of the Maharashtra Irrigation Act, 1976, the irrigable command area of a canal is required to be notified in official gazette by the concerned EE after irrigation potential is fully developed for collecting irrigation revenue. It was seen from the records of 12@ maintenance divisions that though 203 MI projects were completed (1990-91) and command of 87,503 hectares was developed, notification was not issued.

The Act further provides that on notification of command, 50 per cent of the seasonal water rates applicable and in force in that season are to be levied on those holders of land who do not avail the facility of water supply from a canal. Scrutiny in audit, however, revealed that in 10# divisions (out of 12 divisions referred to above) though irrigable command was fully developed in 72 MI projects, no such recovery could be made for want of notification of command area which resulted in loss of revenue of Rs.50.36 lakhs for the period from 1990-91 to 1994-95.

(b) Irrigation water rates and recovery

At the beginning of 1990-91, Rs.89.07 crores were pending recovery from cultivators on account of water rates in respect of all major, medium and minor irrigation projects. The amount outstanding for recovery was Rs.288.73 crores as of March 1996. Separate figures of above outstanding for MI projects and year wise break up were not available with the department.

Though the department had been issuing notices/ reminders, no effective measures to effect recovery had been taken. Test-check of records of 9* irrigation divisions and 2\$ minor irrigation construction divisions revealed that out of Rs.524.02 lakhs due for recovery from the cultivators during 1990-91 to 1995-96, only Rs.222.09 lakhs were recovered.

None of the divisions had furnished reasons for realisation of revenue less than revenue assessed except Kolhapur irrigation division which stated that realisation was poor due to inadequacy of staff.

@ Minor Irrigation Division Malegaon and Parbhani. Irrigation Divisions-Akola, Aurangabad, Chandrapur, Jalgaon, Kolhapur, Nanded, Nashik, Osmanabad, Sangli and Girna Irrigation Division- Jalgaon.

Minor Irrigation Divisions- Malegaon and Parbhani. Irrigation divisions-Akola, Aurangabad, Girna at Jalgaon, Jalgaon, Nashik, Nanded, Osmanabad and Sangli.

* Akola, Aurangabad, Chandrapur, Girna at Jalgaon, Jalgaon, Kolhapur, Nanded, Nashik and Sangli.

\$ Malegaon and Parbhani.

4.2.7 *Incomplete works*

(a) As per the provisions of the Minor Irrigation Manual, the construction of main dam, canals and field channels etc., of a Minor Irrigation Project is to be so planned that as soon as the construction of the dam is completed and water storage is created, irrigation to the extent of 33 *per cent* of total projected command is commenced and the entire command is covered within a period of 2 years.

It was, however, seen from the records of 6 MI Projects in Jalgaon district that though the dam was completed and water storage was created at the cost of Rs.385.31 lakhs during 1981-82 to 1986-87, irrigation could not be started. Executive Engineer, Minor Irrigation Division, Jalgaon stated in July 1996 that due to non-completion of canal system on account of land problems and insufficient budget provisions the irrigation could not be started. This had resulted in expenditure of Rs.385.31 lakhs remaining unproductive for over 9 years. Similarly in 2 MI Projects of Latur district, though full water storage was created in 1986-87, the canal work at the cost of Rs.27.43 lakhs beyond 5 kms was taken up only in 1994-95 resulting in denial of irrigation facility beyond 5 kms for a period of over 8 years. Non-availability of funds was stated to be the main reason for delay. The reply was not tenable as this would indicate lack of proper planning to ensure that the infrastructures created were put to optimum use without delay.

(b) Works held up due to want of clearance to use forest land

In Chandrapur district, 5 MI works estimated to cost Rs.226.94 lakhs sanctioned during January 1977 to June 1989 were undertaken for execution between March 1984 and November 1991 on which expenditure of Rs.460.62 lakhs was incurred upto June 1996. Work on these projects was, however, stopped between 1989-90 and 1990-91 for want of clearance from Government of India for use of forest land for non-forest purposes. The probable cost of completion of these works as estimated by the division with reference to the schedule of rates of 1995-96 was Rs.791.03 lakhs. The expenditure of Rs.460.62 lakhs incurred on these works so far had remained infructuous. Further scrutiny revealed that these works were taken up for execution only after enactment of Forest (Conservation) Act, 1980 under which use of forest land for non-forest purposes was prohibited. The department did not furnish the reasons for taking up these works without obtaining clearance from Government of India. Thus, the works were wrongly planned and execution of these works was also irregular.

4.2.8 *Excess expenditure on maintenance*

Maintenance norms fixed at Rs.54 per hectare in 1985 by the Government had been found inadequate by the department due to rising cost etc., and revision of the norms is under process. The department had been allowing an increase of 10 *per cent* every year to compensate for the increase in prices based on the recommendations of Central Water Commission and Finance Commission.

It was, however, seen from the records of 11 out of 25 divisions test-checked that the actual expenditure on maintenance during 1990-91 to 1995-96 was in excess of 176 per cent to 300 per cent compared to the prescribed norms.

It was noticed in audit that the actual expenditure on maintenance in the State was much more even when compared with the escalated norms as shown below :

Year	Permissible expenditure as per existing norms	Permissible expenditure after 10 per cent increase every year	Actual expenditure
(1)	(2)	(3)	(4)
		(Rupees in lakhs)	
1990-91	321.84	354.02	618.31
1991-92	329.40	398.57	669.64
1992-93	343.98	457.84	1130.73
1993-94	386.10	565.29	711.41
1994-95	400.14	644.23	897.56

When the excess expenditure on maintenance was pointed out in Audit during the review, the department stated in May 1996 that the norms were fixed in 1985 and maintenance could not be carried out within the norms fixed.

4.2.9 Infructuous expenditure

The work of Sindgi minor irrigation tank in Kinwat taluka of Nanded district was administratively approved for Rs.16.43 lakhs in December 1972. The project was designed to irrigate 300 hectares through a canal of 7 kms. At chainage 2,970 metres a syphon was constructed at the cost of Rs.2.60 lakhs to pass the canal water beyond *nalla*. The project was completed in June 1978 at the cost of Rs.25.80 lakhs. No irrigation was done since then. Scrutiny in audit revealed that the syphon did not function during the first release of water through the canal in 1978. The canal length of 4 kms constructed beyond the syphon was damaged due to non-irrigation. The canal length of 3 kms in the initial reaches was also damaged due to growth of grass and trees in the canal bed and water did not flow in the canal beyond 150 metres. There was thus, no irrigation from this project for the last 18 years and the entire expenditure of Rs.25.80 lakhs incurred on the project had become infructuous.

4.2.10 Other points

(a) The work of construction of Right Bank Main Canal in 0 metre to 3,000 metres of Shegaon MI Tank (District Chandrapur) was allotted in June 1993 to a contractor in

1993-94 for Rs.9.15 lakhs (at 12 *per cent* above estimated cost of Rs.8.17 lakhs) with a stipulated date of completion by 15 September 1993. The work was withdrawn in July 1994 under clause 15 of the agreement since the contractor intimated that the work could not progress due to standing Rabi crops at the site of work and due to objection from land owner. The cost of balance work as per rates quoted by the original contractor was Rs.7.29 lakhs which was allotted to another contractor in 1995-96 at the cost of Rs.9.53 lakhs resulting in extra cost of Rs.2.24 lakhs. The second contractor also faced the same difficulty of non-availability of land for movement of machinery due to standing crops and opposition from cultivators. Consequently, the work was not completed as of November 1995.

(b) The following three contracts provided for excavation of Cut Off Trench (COT). The designed width of COT as put to tender in all the three cases was 3 metres. As the excavation by use of machines was quicker and easier, the contractors executed the work by using heavy machinery without prior approval of the department. Use of machinery resulted in excess excavation of width of the COT. These cases are detailed below :

(i) The work of construction of earth work, waste weir (WW), obstruction removal etc. of MI tank at Ghuggi (District Osmanabad) was awarded to a contractor on 21 July 1994 at 4.10 *per cent* above the estimated cost of Rs.83.41 lakhs. The width of COT of the foundation was shown in the designed estimates and in the sanction as 3 metres. The COT was actually excavated to 5 metres width by using machinery by contractor without obtaining the prior permission of the department. Rs.3.21 lakhs were paid extra to the contractor in September 1995 for the same. A revised estimate for the extra width of COT prepared by Superintending Engineer at net cost of Rs.3.21 lakhs and sent to Chief Engineer, Aurangabad did not indicate any justification for excavating 5 metres width of COT. Thus, the excess excavation and consequential extra payment of Rs.3.21 lakhs was not justified.

(ii) The work of MI tank at Nitali (District Osmanabad) estimated to cost Rs.88.19 lakhs was awarded to a contractor at 18.7 *per cent* above the estimated cost in 1994-95. The contractor intimated the division on 7 December 1994 that he was excavating COT with increased width than provided in drawings between chainages 105 to 690 metres by using machinery which was approved by the department subsequently in July 1995. Due to excess excavation an excess payment of Rs.8.59 lakhs was made to the contractor.

(iii) In the work of excavation of Lohara MI tank (District Osmanabad) excess payment of Rs.5.17 lakhs to the contractor for excess excavation of COT from designed width of 3 metres to 5 metres in violation of specifications of contract condition was made.

(c) The work of construction of head regulator to Upawadi MI tank (District Kolhapur) entrusted to a contractor in 1993-94 at 0.25 *per cent* above estimated cost of Rs.24.99 lakhs was completed in May 1995. Heavy leakages from the construction joints of divide wall of head regulator were noticed in the first rainy season of 1995. An estimate of Rs.4.21 lakhs was prepared for epoxy grouting treatment to stop leakages and work was

allotted to another contractor in February 1996. Clause 20 of the agreement with the original contractor provided for the contractor to rectify the work at his cost if during the period of 12 months from the date of completion any defects were found in the work. No such action was taken by the department. Non-implementation of the contract conditions has, thus, resulted in extra cost to Government.

(d) The construction of earth work, waste weir and irrigation sluice of MI tank at Sawad (District Parbhani) was allotted in December 1988 to a contractor. The contractor started the work in May 1989 and stopped in July 1990. As the work was not progressing, proposal to withdraw the work under clause 15 of the agreement was approved by Chief Engineer in October 1991. After making payment of 9th Running Account Bill (RAB) amounting to Rs.15.71 lakhs, the work was withdrawn in February 1992 and joint measurements were taken in February 1993. The joint measurements indicated that actual work done was less than the measurements adopted for payment of 9th RAB. Consequently, over payment of Rs.4.68 lakhs was made to the contractor in the above 9th RAB. The contractor had refused (April 1993) to accept joint measurements on the ground that three years had passed and his responsibility ceased as per contractual provisions. Reply to the audit comment from the department was awaited (March 1996).

(e) The construction of work of dam along with allied structures and canal of Tanger MI tank (District Ratnagiri) was awarded to a contractor in December 1990 at 4 per cent below the estimated cost of Rs.102.36 lakhs with stipulated period of completion as 42 months.

The drawing of Central Design Organisation, Nashik provided *inter alia* metal below revetment and pitching to the down stream side of the dam. However, these items were deleted by Chief Engineer while according technical sanction in June 1992 without any recorded reasons. After completing the dam in June 1995, as seepages and rain-cuts were observed in the down stream of the dam it was decided in December 1995 to provide these items at an estimated cost of Rs.29.65 lakhs. The quantity of 45,000 cubic metre of hard rock excavated from the dam in the meanwhile had been dumped on the upstream side of the dam (submergence area) at the cost of Rs.10.78 lakhs. The quantity of hard rock required for pitching on down stream side was brought from borrow pits on the ground that excavated material was in submerged condition and could not, therefore, be utilised. Had the department considered the item of pitching on down stream side initially, the excavated hard rock could have been dumped on down stream side and saved from being spoiled due to submergence and could be utilised subsequently. This would have resulted in reduction in cost of dumping of excavated rock and in avoiding cost of hard rock which was brought from borrow pits.

The above points were referred to Government in July 1996; reply had not been received (October 1996).

4.3 Finalisation of the project without verification of title of land

As per Maharashtra Public Works Manual, no work should be commenced on the land which had not been duly made over to the department by the Land Acquisition Officer.

Scrutiny of records of the Executive Engineer, Mun Project Division, Khamgaon revealed (March 1991) that construction of gated spillway and irrigation-cum-power outlet of Mun river project was awarded in April 1986 to a contractor at 10.82 *per cent* below estimated cost of Rs.190.93 lakhs for completion in 30 months. The site was handed over to the contractor in April 1986 even though the department was aware that a portion of the site was falling within the forest area ('C' class land). The work was started in May 1986. It had to be stopped in February 1987 as the Forest Department had taken an objection for use of forest land for non-forest purposes. An expenditure of Rs.39.50 lakhs had already been incurred till stoppage of work. The contractor expressed his willingness (March 1988) to complete the balance work with the following conditions :

- (i) the contract should be kept alive,
- (ii) land problem should be solved immediately,
- (iii) the contractor be paid reasonable compensation for idle machinery and
- (iv) the quoted rates be increased by 40 *per cent* for all the items of schedule 'B' including increased quantities due to revision of drawings.

Permission for use of forest land was received from the Forest Department in February 1989. The work was restarted in September 1990 pending approval of the department's proposal to entrust the work to the same contractor on the conditions stipulated by him. The Government in December 1989 accorded permission to get the balance work completed by the same contractor on the conditions that (i) suitable extensions be granted from the date of restart of work, (ii) price escalation be allowed on basic price index of April 1989 and (iii) increase of 40 *per cent* be allowed on the rates quoted by the contractor in schedule 'B' and contractor was paid compensation of Rs.1.48 lakhs as well as 40 *per cent* increase through each running bill.

Thus, failure of the department in undertaking the work without verifying the title of land and subsequent delay in acquiring forest land had resulted in time overrun over two years and extra liability of Rs.76.31 lakhs besides payment of Rs.1.48 lakhs towards compensation.

The matter was referred to the Government in June 1996; reply had not been received (October 1996).

4.4 Extra contractual payment in gorge filling work of Kesori Project

The work of gorge filling of Kesori Medium Project in Kolhapur district was awarded to a contractor in December 1988 at 17.10 *per cent* below the estimated cost of Rs.190.96 lakhs and the work was due for completion by June 1990. The accepted tender, *inter alia*, provided for construction of embankment for casing zone with selected material from borrow area or utilising excavated material at weighted rate of Rs.25.85 per cubic metre. Out of total quantity of 3,50,902 cubic metres, quantity of 3,29,817 cubic metres was to be brought from prescribed quarries. Agreement further stipulated that (i) no extra claim would be entertained if the quantity of materials available in the prescribed quarries was not sufficient and the contractor had to bring material from different quarry or the nature of the material in the quarry was different and the contractor had to make extra efforts for extracting and sorting useful earth, (ii) the contractor may with specific written approval of the department bring suitable material from area other than prescribed even if the said borrow area can yield sufficient quantity of material and (iii) no extra payment for any reason would be admissible on this account.

It was, however, observed (January 1991) in audit that the contractor had obtained the casing material from a different quarry of his own accord without obtaining the prior approval of the department. The department stated in January 1991 that the contractor was permitted to bring material from a different quarry but no written approval of the department was found on record. On contractor's representation (March 1989) that he encountered hard strata in the quarry, an Extra Item Rate List (EIRL) was sanctioned and paid to him for 1,92,735 cubic metres at the rate of Rs.43.35 per cubic metre as against tender rate of Rs.21.43 per cubic metre which was outside the scope of contract and had resulted in extra payment amounting to Rs.42.25 lakhs to the contractor.

Government stated in July 1995 that no extra payment was involved in bringing the material from shorter lead and thus there would be savings. Government further stated that as the specified material was not available in the prescribed quarries, EIRL was sanctioned to contractor by competent authority. Government's reply was, however, not tenable since as per the agreement, no extra payment was admissible for bringing earth from different quarry other than prescribed in the contract agreement. Thus, the payment of Rs.42.25 lakhs constituted extra contractual payment to the contractor.

The matter was again referred to Government in April 1996; reply had not been received (October 1996).

4.5 Irregular advance payment to a firm for supply of cement

An order for supply of 5,000 metric tons of cement was placed (March 1993) with a firm by the Government. The ultimate consignees were Gosikhurd Dam Division, Pawani (Wahi) (3,150 MT) and Wardha Irrigation Division, Wardha (1,850 MT) under the jurisdiction of the Chief Engineer, Irrigation Department, Nagpur. According to supply order, 98 *per*

cent payment was to be released to the firm on production of railway receipt and 2 per cent within 8 days of receipt of cement in good condition. The said firm had no railway siding at the factory site. Accordingly, as per orders issued by Government in September 1992, the Chief Engineer had to make payment for the quantity of cement supplied by the firm by road and no advance payment was permissible. It was, however, observed (July 1994) in audit that despite such clear instructions, the Gosikhurd dam division and Wardha irrigation division had made (March 1993 and May 1993) advance payment to the firm amounting to Rs.43.02 lakhs (for 3,150 MT) and Rs.9.76 lakhs (for 700 MT) respectively. The firm had supplied only 2,020 metric tons costing Rs.27.59 lakhs to Gosikhurd Dam Division during April 1993 and May 1993 and no cement was supplied to the other Division. The supplying firm closed down in June 1993 and balance amount of Rs.25.19 lakhs had not been refunded to Government (July 1996).

Thus, non-observance of Government instructions and contractual provisions had resulted in irregular payment of advance of Rs.52.78 lakhs, of which Rs.25.19 lakhs amounted to unauthorised aid to the firm besides blocking of Government money to that extent since May 1993.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

4.6 Drawal of money to avoid lapse of Budget provision

Financial Rules provides that money should not be drawn from treasury unless required for immediate disbursement nor it should be drawn for depositing under civil deposit, in personal ledger account, in current account/savings account of banks or for obtaining banks draft in order to avoid lapse of budget grants.

The Executive Engineer, Beed Irrigation Division, Beed (BID) transferred an amount of Rs.21.90 lakhs in March 1995 to Beed Minor Irrigation Division (BMID) for the execution of "Belapur-Kundalika" project. The amount was booked under final head of account as expenditure to that project. The amount was returned by BMID in May 1995 as no work was carried out by BMID. The amount so received was kept under "Deposit" by BID.

The department stated (March 1996) that the amount of Rs.21.90 lakhs was transferred to BMID as per instructions of the Superintending Engineer. The department further stated that the amount had been utilised on the balance works of the project which were pending since long. The contention of the department was not tenable as the expenditure was not incurred during the same year (1994-95) in which it was drawn and depositing the unutilised amount to deposit head clearly indicated that the amount of Rs.21.90 lakhs was drawn only to avoid lapse of grant.

The matter was referred to the Government in June 1996; reply had not been received (October 1996).

4.7 Avoidable expenditure due to deletion of controlled blasting from estimates

The execution of earth work in Km 53 of Arphal left bank canal of the Krishna Irrigation Project was entrusted (December 1987) to a contractor on Local Competitive Bidding (LCB) tender at 24.30 *per cent* below the estimated cost of Rs.15.30 lakhs. The agreement provided an item of excavation in hard rock by blasting at the rate of Rs.58.96 per cubic metre.

According to the directives of the panel of experts for canal system, controlled blasting was required to be provided when there was a permanent structure or human habitation and there were electrical or telephone or telegraph lines within 60 metres from the edge of a canal and a school or town situated within 200 metres. The Superintending Engineer was authorised to decide after studying site conditions whether controlled blasting was necessary or not. While preparing estimates for the above work, the Superintending Engineer, Satara Irrigation Project Circle, Satara after studying site conditions included item of controlled blasting at the rate of Rs.58.96 per cubic metre. The item was deleted subsequently on the advice of Chief Engineer and the estimate was sanctioned with the provision for excavation in hard rock by open blasting and tenders were invited (August 1987) and finalised accordingly.

Scrutiny in audit revealed (December 1994) that during actual execution the railway authorities objected to open blasting due to existence of railway lines and telegraph lines within the vicinity of the work. The department had to execute the work by controlled blasting for which EIRL was sanctioned (January 1989) by the Chief Engineer as per prevailing District Schedule of Rate (DSR) of 1988-89 to 1990-91 (ranging from Rs.75.85 per cubic metre in 1988-89 to Rs.101.25 per cubic metre in 1991-92) for 22,481 cubic metres involving extra expenditure of Rs.9.08 lakhs, which was avoidable if controlled blasting had been provided while inviting tenders as per the directives of panel of experts for canal system.

The department stated (August 1995) that if controlled blasting was included in the estimates and tender, the contractor would have quoted higher rates which could have also affected other items included in the tenders resulting in excess expenditure. The argument was not tenable as non-provision of controlled blasting in the tender where absolutely necessary, had ultimately resulted in extra expenditure of Rs.9.08 lakhs.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

4.8 Unproductive expenditure due to overlapping of command area

The construction of Minor Irrigation Tank at Maregaon in Yavatmal district was administratively approved in September 1989 for Rs.32.82 lakhs for irrigation of 228 hectares of land and was taken up in December 1992.

During scrutiny of the records of the Executive Engineer, Minor Irrigation (local sector) Division, Yavatmal it was revealed (February 1996) that the work was stopped by the department in October 1993 after incurring expenditure of Rs.7.70 lakhs as the entire irrigable command of the tank overlaps with the command area of Antergaon Medium Project which was completed in June 1987. The Superintending Engineer, Yavatmal Irrigation Circle, Yavatmal submitted a proposal in January 1995 to the Chief Engineer regarding reduction in command area of Antergaon project and restarting the present work. The Chief Engineer intimated in March 1995 that the complete irrigation potential of Antergaon project had already been achieved and no reduction in the command area was possible and directed the Superintending Engineer to assess the command area for the present project after detailed survey which was awaited (May 1996).

Thus, failure of the department to assess the availability of command area for Maregaon irrigation tank before commencement of the construction and execution of work in the command area of another project had resulted in rendering the expenditure of Rs.7.70 lakhs unproductive.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

4.9 Idle Investment on the purchase of steel gates for canal work

Supply order for providing, erecting and fixing of four leak proof mild steel gates with wheels for the work of Cross Regulator (CR) cum escape at RD 3,150 M of the Pothra Left Bank Canal was placed in March 1992 by the purchase advisory committee on a firm. The work was to be completed by 30 June 1992.

It was, however, observed in audit that the supplier had supplied only one gate in October 1992 and payment equal to 90 *per cent* of the cost of gate of Rs.1.62 lakhs was made to the firm in October 1992. The construction work of CR cum escape at RD 3,150 taken up in April 1991 was completed in May 1992 leaving the moderate grooves in abutments and piers for installation of gates. On receipt of remaining gates in May 1993, it was noticed that the gates supplied were too heavy which required groove size of 0.90m x 0.45m and it was not possible to install all the four gates in the existing slot of piers having width of 0.70 metre. The payment of Rs.4.59 lakhs representing 90 *per cent* of cost of 3 steel gates was released in May 1993. The gates could not be commissioned and were lying idle with the department since May 1993.

The department stated in April 1994 that the gates were as per specifications but the fastening arrangement provided to these gates was of bigger size than anticipated and could not be accommodated in the provided slots. The department further stated in June 1996 that these gates were accepted as these defects were of minor nature and would now be used in the structures at RD 16,400 of the same canal (March 1996).

Thus, acceptance of gates without fastening arrangements of appropriate size suitable to the already completed civil work had resulted in idle investment of Rs.6.21 lakhs for over 3 years. The department had not made any alternate arrangement for completion of the work as of April 1996.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

4.10 Infertuous expenditure on the construction of Kolhapur Type Weir

The work of Kolhapur Type Weir (KT Weir) on Nalganga river at Tandulwadi of Malkapur taluka (Buldhana district) with irrigation potential of 176 hectares administratively approved (April 1984) for Rs.15.76 lakhs was completed in June 1991 at the cost of Rs.17.60 lakhs. A part of the work relating to providing and fixing of mild steel curved (half round) needles (301 Nos.) to the KT weir was awarded in June 1990 to the Maharashtra Small Scale Industries Development Corporation Limited (MSSIDC), Buldhana at the cost of Rs.3.82 lakhs. The MSSIDC completed the work in May 1991.

Scrutiny in audit revealed that the curved M.S. needles supplied by MSSIDC were not as per approved specifications and could not be fixed in the designed slot provided for the same. They were replaced by straight MS needles by suitably modifying the civil works already executed between August 1994 and July 1995 and additional expenditure of Rs.1.77 lakhs was incurred on civil works. The curved needles procured at the cost of Rs.3.82 lakhs were lying idle in the stock of subdivision as of September 1996.

Thus, acceptance of unsuitable needles not conforming to the specification resulted in infertuous expenditure of Rs.3.82 lakhs apart from avoidable expenditure of Rs.1.77 lakhs on special repairs to KT weir.

The matter was referred to Government in May 1996; reply had not been received (October 1996).

4.11 Overpayment due to incorrect measurements

The work of execution of earth work, lining and structure at km 31 to km 34 of Lower Terna Left Bank Canal in Latur district was entrusted to a contractor in February 1989 at the tendered cost of Rs.95.26 lakhs for completion by August 1991. The contractor, however, abandoned the work in March 1991 after receiving aggregate payment of Rs.33.21 lakhs through Running Account Bills (RAB) for the work stated to have been executed by him. The joint measurements taken in May 1992 of the works executed by the contractor revealed that the actual amount payable for the work done was Rs.29.60 lakhs and the quantities of 9 items of canal work executed by the contractor were less than the quantities shown to have been executed in the measurement books.

Before making RAB payment, measurements were also test-checked by the Executive Engineer and Superintending Engineer so as to ensure their correctness. It was, however, observed that the inflated recording of the quantities executed by the contractor in the measurement books by the Deputy Engineer were not detected.

The contract was, however, terminated in October 1991 at risk and cost of contractor. At that time an amount of Rs.19.84 lakhs was recoverable from contractor on account of machinery advance (Rs.9 lakhs), interest due thereon (Rs.6.21 lakhs), supply of material (Rs.1.02 lakhs) and the above amount of overpayment (Rs.3.61 lakhs). Against this, only an amount of Rs.4.07 lakhs was available with department as security deposit and auction sale of machinery. The balance work entrusted to other agencies was still in progress (March 1996).

The Department stated (July 1996) that the matter had been taken up in the civil court for recovery of amounts due from the contractor. However, no recovery was effected (July 1996) and action against officers responsible for overpayments was under investigation. Thus, due to slackness on the part of the supervising officers to test-check the measurement recorded had resulted in overpayment of Rs.3.61 lakhs and the recovery of the amount due from contractor (Rs.19.84 lakhs) had not been effectively pursued by the department even after lapse of 4 1/2 years from the date of termination of the contract.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

4.12 Excess payment to a contractor

The work of survey, planning and designing of land development works of Kukdi Irrigation project was awarded to a consultant on three different agreements during 1985-86 to 1989-90 at the tendered cost of Rs.68.45 lakhs. The work orders were issued in July 1985, July 1986 and October 1989. These works were completed between September 1988 and July 1992. According to terms of contract, the agency was entitled to receive payment at the rates prescribed in schedule 'B' for the area for which detailed designs were finalised in respect of contracted command area.

Audit scrutiny revealed (December 1994) that the provisional payment to the consultant was made in June/July 1992 for the area surveyed by him pending adjustment with reference to actual area for which detailed designs were actually finalised. At the time of finalisation of the final bill in May 1994, it was found by the department that excess payment of Rs.3.52 lakhs had been made to the consultant. Though demand for recovery of excess payment of Rs.1.70 lakhs from the security deposit was raised (May 1994), no recovery was effected. The department stated (December 1994) that the matter was referred to Chief Engineer, Irrigation Department, Nashik for clarification for interpretation of tender clause. No clarification was received despite lapse of two years (May 1996).

The matter was referred to Government in May 1996; reply had not been received (October 1996).

PUBLIC WORKS DEPARTMENT

4.13 Miscellaneous Public Works Advances in the accounts of Public Works and Irrigation Departments

4.13.1 Introduction

The minor head "Miscellaneous Public Works Advances" (MPWA) is a suspense head of account. The head is intended to record transactions in the divisions on account of (i) sales on credit, (ii) expenditure incurred on deposit works in excess of deposits received, (iii) losses, retrenchments errors etc., and (iv) other items of expenditure, the allocation of which is not known or which are to be recovered or regularised. The Divisional Officers are responsible for prompt clearance of outstanding under the head by recovery/adjustment.

4.13.2 Organisational set up

This suspense head is controlled by the Executive Engineers of the respective Divisions.

4.13.3 Audit coverage

Transactions booked under this head of account in Public Works and Irrigation Departments were reviewed in audit during November 1995 to April 1996 through a test-check of records of 51 out of 166 Public Works Divisions and 73 out of 343 Irrigation Divisions. The result of the review revealed the following :

4.13.4 Highlights

Outstanding balances under the head Miscellaneous Public Works Advances as at the end of 31 March 1996 in 124 divisions test-checked were Rs.6,216.13 lakhs which included amounts pending recovery/adjustment for more than 20 years.

(Paragraph 4.13.5)

Thirteen Public Works Divisions and twelve Irrigation Divisions incorrectly debited, during 1989-96, the advance payments of Rs.286.02 lakhs to the head "Miscellaneous Public Works Advances" instead of to the head "Cash Settlement Suspense Account". Further, in three divisions Rs.199.17 lakhs pertaining to the period prior to April 1989 under "Cash Settlement Suspense Account" transferred to the

head "Miscellaneous Public Works Advances" during 1990-93 remained unadjusted as of March 1996 for want of details.

(Paragraph 4.13.6)

Irrecoverable amount of Rs.45.74 lakhs on account of advance payments to staff, firms, services rendered to other divisions by a defunct division, outstanding balances of three defunct divisions aggregating Rs.30.79 lakhs and improper use of the suspense head (Rs.29.41 lakhs) were also noticed.

(Paragraph 4.13.7 and 4.13.8)

In 9 Public Works Divisions, Rs.49.26 lakhs were outstanding under the head "Miscellaneous Public Works Advances" from October 1976 to May 1994 on account of recovery of amount due from the officials responsible for shortages of stores.

(Paragraph 4.13.9(a))

In 11 Irrigation Divisions Rs.460 lakhs debited to the head "Miscellaneous Public Works Advances" on account of expenditure incurred during April 1977 to September 1986 in excess of the deposits received from Irrigation Development Corporation of Maharashtra remained unadjusted as of March 1996.

(Paragraph 4.13.10)

In 104 divisions, Rs.182.74 lakhs on account of payment of tour and festival advances to Government Servants and trunk call charges paid between December 1973 and March 1996 were lying unadjusted under the head "Miscellaneous Public Works Advances". Further, Rs.36.63 lakhs debited to the head on account of amounts due for recovery from executive staff for unauthorised execution of work were pending adjustment.

(Paragraph 4.13.11)

Advances of Rs.263.63 lakhs made during 1967-68 to 1995-96 to private parties for supply of materials by 16 divisions were outstanding under the head "Miscellaneous Public Works Advances" for adjustment/recoveries.

(Paragraph 4.13.12)

Rupees 292.26 lakhs pertaining to the period from 1978-79 to 1995-96 were outstanding in 12 divisions under the head "Miscellaneous Public Works Advances" being extra expenditure incurred in executing the work at the risk and cost of the contractor.

(Paragraph 4.13.13)

Expenditure of Rs.119 lakhs incurred between May 1979 and March 1995 on behalf of district authorities for barricading of roads, public places, erection of pandals for counting votes, construction of helipads and Rs.164 lakhs paid to land acquisition officers during June 1979 to March 1995 were lying unadjusted in the head "Miscellaneous Public Works Advances" in 22 divisions.

(Paragraph 4.13.16)

4.13.5 Outstanding balances

The amount outstanding under the head in the test-checked 124 divisions as at the end of March 1996 aggregated Rs.6,216.13 lakhs (Public Works Department Rs.2,435.71 lakhs and Irrigation Department Rs.3,780.42 lakhs) which included amount pending for recovery/adjustment for more than 20 years. The category wise break up of the amount was as under :

Category	Amount (Rupees in lakhs)
1. Sales on credit	135.24
2. Expenditure incurred on deposit works in excess of deposit received	601.99
3. Losses, retrenchment, error etc.	61.89
4. Other items	5417.01
Total	6216.13

The reasons for the outstanding balances were:

Category	Amount (Rupees in lakhs)	Reasons
1. Subordinates	220.31	Transfer of officials, non-availability of funds for adjustment of bills
2. Contractors/ Suppliers	697.05	Cases under correspondence, details not available and receipt of materials to be verified
3. State Government/ Departments	119.00	Non-release of funds by Collectors

Category	Amount (Rupees in lakhs)	Reasons
4. Advance for Land Acquisition	164.09	Complete details of payments not received from Land Acquisition Officers
5. Autonomous Bodies (IDCOM)* and Central Government Offices etc.	602.00	Body not existing and regularisation by Government was awaited
6. Other unclassified items	4413.68	Amounts were pending due to Court cases, want of details for supplies and services rendered
Total . .	6216.13	

Retention of heavy balances under this head involved the risk of amounts due to Government not being realised as recoveries become difficult with the passage of time. It could also lead to misclassifications, losses, misappropriations and other irregularities remaining undetected. Though the department was to review the outstandings at the end of the month, it was observed from the records test-checked that no such review was undertaken by the department.

Some of the important cases outstanding under MPWA are discussed in succeeding paragraphs.

4.13.6 Irregular operation of the account

According to the system in vogue till April 1989, separate provision of funds was made for adjustment of the transaction under the head "Cash Settlement Suspense Account" (CSSA). However, as large amounts were outstanding and were outside the Consolidated Fund, the Government introduced a new system of accounting from April 1989 under which any transaction, whether for supplies of stores or for execution of works or services rendered by one division to another division, was to be preceded by cash payment to be booked under the sub head CSSA. All settlements under this head were required to be done in the same financial year and balance brought to 'Nil' at year ending as no budget provision was to be made for this head. A test-check in audit, however, revealed (November 1995 - April 1996) that advance payments amounting to Rs.286.02 lakhs made by 13 Public Works (Rs.84.82 lakhs) and 12 Irrigation (Rs.201.20 lakhs) divisions between April 1989 and

* Irrigation Development Corporation of Maharashtra.

March 1996 were incorrectly debited to MPWA instead of CSSA. This resulted in not only inflating the balances under the head MPWA but the very purpose of introduction of new system was defeated. The amount remained unadjusted as of March 1996.

As regards amounts outstanding under CSSA pertaining to period prior to April 1989, these were to be adjusted after obtaining separate budget provisions. Contrary to the provisions it was observed in three divisions that Rs.199.17 lakhs outstanding (Thane Creek Bridge Division No.II Chembur, Mumbai - Rs.120 lakhs, Ujjani Canal Division No.VIII, Solapur - Rs.43.81 lakhs and Medium Project Division, Latur - Rs.35.36 lakhs) in CSSA pertaining to the period prior to 1 April 1989 were transferred to the head MPWA during 1990-93. The transfer was irregular as the amount was required to be adjusted to project works after obtaining separate budget grants. The amounts were outstanding under the head MPWA as of March 1996. The division also could not ascertain whether the materials were received or not.

4.13.7 Irrecoverable suspense balance

(a) An amount of Rs.45.74 lakhs pertaining to the period May 1978 to July 1992 being outstanding balance on account of tour, festival advance, balance of advance payments made to firms, services rendered to other departments etc., of defunct Tillari Dam Division, Belgaum (closed down in July 1992), was transferred to Medium Project Division No.II, Kolhapur in August 1992. Due to failure of the above defunct divisions to take timely action to adjust the above outstanding amounts, the amounts remained unadjusted. The defunct division also did not furnish the details of the outstanding under the suspense account to Medium Project Division No.II, Kolhapur. The division stated in March 1996 that the entire amount was irrecoverable from staff and suppliers and as the items pertained to past periods the details and records were not available.

(b) Similarly, the outstanding balances of Rs.11.13 lakhs, Rs.7.91 lakhs and Rs.11.75 lakhs of defunct Upper Penganga Project Division 3, Nanded, Kukadi Irrigation Project Division 3, Shirur and Jayakwadi Canal Division 7, Parbhani under MPWA were transferred to the accounts of Upper Penganga Project Division 7, Nanded, Kukadi Irrigation Division, Shrigonda and Lower Dudhana Project Division, Selu, District Parbhani in March 1993, June 1993 and October 1994 respectively. The reasons for non-adjustment were not on record (March 1996). The above defunct divisions failed to take timely action to recover/adjust the outstanding amount before closure of the division.

4.13.8 Irregular issue of cheques

In order to avoid excess expenditure over grants, the Government introduced a new system under which separate cheque folios were authorised by Government for drawing amounts from deposit head of accounts and for incurring expenditure against provisions made for works expenditure. In order to facilitate the divisions to incur expenditure on

works without any delay, Letter of Credits (LOC) in favour of EEs are authorised by the respective SE. EE, Nanded Irrigation Division, Nanded, however, issued 22 cheques meant for drawing amounts from deposit head of accounts during April 1991 to September 1991 amounting to Rs.15.44 lakhs for payment to piece workers. The payment should have been met from the amount placed under LOC. The SE instructed in October 1991 to debit the amount to suspense head MPWA against the EE. The use of cheques meant for deposit head of accounts created additional funds which were also utilised on other works during the financial year. After protracted correspondence, the CE issued instructions in July 1995 to fix responsibility for this irregularity for not adjusting the amount in the same financial year 1991-92. The divisions stated in March 1996, that the matter was under investigation. Results were awaited (April 1996).

Irregular debiting of expenditure to MPWA : In Integrated Unit Division, Pune, expenditure of Rs.13.97 lakhs was incurred during the period from May 1984 to February 1989 on construction of State Reserve Police Force (SRPF) quarters without budget provision and the expenditure debited to the head MPWA. As this was not a deposit work, debiting the amount to MPWA was against codal provisions. The division in March 1996 had expressed inability to justify the reasons for debiting the amount to MPWA and stated that the matter would be investigated. The amount had not been adjusted as of June 1996.

4.13.9 Shortages of stores

(a) In nine* Public Works Divisions shortages of stores valued at Rs.49.26 lakhs pertaining to the period from October 1976 to May 1994 were shown outstanding under the head MPWA and were awaiting recovery from the officials responsible.

(b) After payment by Pay and Accounts Officer, Mumbai for the bulk asphalt lifted by the divisions, the works miscellaneous receipts are sent to divisions for verifying actual receipt of material with reference to stock ledger and crediting to final head of account. Three# Public Works Divisions adjusted under the head MPWA, Rs.28.12 lakhs on account of value of bulk asphalt not received and accounted in the stock ledger by the divisions. The payments for the bulk asphalt had already been made by Pay and Accounts Officer, Mumbai for this material between February 1992 and November 1995. Despite lapse of four years, the short receipt of the material was not investigated and brought to stock ledger.

* North Mumbai Division, Andheri, Mumbai, Agriculture Construction Division, Aarey, Mumbai, Presidency Division, Mumbai, Integrated Division, Pune, Public Works Division (East), Pune, Public Works Division, Wardha, Public Works Division, Achalpur, Construction Division, Worli, Mumbai and Central Mumbai Division, Worli.

Latur, Osmanabad and Construction Division, Thane.

4.13.10 *Excess expenditure on deposit works*

(a) Irrigation Department : In eleven@ Irrigation Divisions expenditure of Rs.460 lakhs incurred between April 1977 and September 1986 in excess of deposits received from Irrigation Development Corporation of Maharashtra for maintenance of lift irrigation schemes was outstanding under MPWA. The Divisions had prepared and submitted revised estimates for provision of funds by the Government in December 1995 and the matter was under correspondence with Government (April 1996).

(b) Public Works Department : Rupees 10.35 lakhs being the cost of rectification works on a building constructed in 1983-84 as a deposit work for Mumbai University and found substandard and value of materials issued departmentally to the contractors for the original work which was not recovered were included in MPWA by North Public Works Division Andheri, Mumbai. No responsibility for the omissions had been fixed as of March 1996.

(c) In order to avoid unauthorised navigation, steel struss guard was fixed to the navigation span of the Kalwa bridge on Mumbai-Pune Road in May 1992 at the cost of Rs.1.42 lakhs. The steel struss guard collapsed in February 1995 since an unidentified dredger collided with the bridge. The CE, PWD, Mumbai inspected the site in August 1995 and ordered for carrying out repair work. The division asked the Municipal Corporation, Thane in August 1995 to deposit the estimated cost of the repair of Rs.5 lakhs. The repair work was carried out in November 1995 at the cost of Rs.4.29 lakhs in anticipation of receipt of deposit amount from Municipal Corporation, Thane and the amount was debited to MPWA. The matter was not pursued thereafter with the Municipal Corporation, Thane and the amount remained unadjusted under the head MPWA as of June 1996.

4.13.11 *Dues awaiting recovery*

(a) From Government Servants

As per codal provisions debiting the payments of tour, transfer and festival advances to the suspense head MPWA are prohibited, as separate provisions are made for such expenditure in the annual budget under head "Salaries and Establishment". It was, however, observed in audit that in 104 divisions (41 Public Works Divisions and 63 Irrigation Divisions), Rs.182.74 lakhs paid between December 1973 and March 1996 to the government servants on account of tour advances, festival advances and the amounts paid towards telephone

@ Irrigation Division, Akola, Irrigation Division, Chandrapur, Minor Irrigation Division, Jalgaon, Irrigation Division, Nanded, Irrigation Division, Osmanabad, Khadakwasla Irrigation Division, Pune, Irrigation Division, Pune, Irrigation Division, Solapur, Ujjani Canal Division VIII, Solapur, Irrigation Division, Yavatmal and Sangli Irrigation Division, Sangli.

trunk call charges etc., were debited to MPWA and were lying unadjusted as of March 1996.

In spite of clear instructions issued by the Government in October 1992 to discontinue the above irregular procedure, 94 divisions debited Rs.82.12 lakhs on account of tour and transfer advances to MPWA between November 1992 and March 1996 which were lying unadjusted as of March 1996.

(b) Dues awaiting recovery from Subdivisional Engineers/Junior Engineers

In four* Public Works and four# Irrigation Divisions, Rs.36.63 lakhs were debited during 1977-78 and 1983-88 to 1991-92 and 1994-95 under the head MPWA as recoverable from the Subdivisional Engineers and Junior Engineers and the amount was pending adjustment as of March 1996. The amount was recoverable due to unauthorised execution of work by the Subdivisional Engineers. The divisions stated that the matter was under investigation/correspondence with concerned officials. The department has not yet fixed any responsibility.

4.13.12 Unadjusted advances due from private parties

Though the codal provisions provide that the Divisional Officers are responsible for watching clearance of each individual item of advances in 16 divisions, Rs.263.63 lakhs (8 Public Works Divisions - Rs.92.34 lakhs and 8 Irrigation Divisions - Rs.171.29 lakhs) were outstanding under MPWA on account of advance payments made to private parties for supply of materials. These advance payments were made during 1967-68 to 1995-96 and remained unadjusted as of April 1996. The division stated in December 1995 that the outstanding balances would be adjusted after verification of details of receipt of materials from the old records. However, the department did not clarify as to how the outstanding items were allowed to accumulate since 1967.

4.13.13 Dues awaiting recovery from Contractors

(a) Rupees 292.26 lakhs pertaining to the period from 1978-79 to 1995-96 were outstanding in 12 divisions under MPWA for recovery from contractors on account of extra expenditure incurred in executing the work at their risk and cost. The divisions had asked the contractors in December 1994 and in January 1996 to remit the outstanding amounts and also approached the Collectors to initiate action for recovery as arrears of land revenue. Except in one case, the action as contemplated in the Government order of January 1979 for filing civil suit against the contractors was not taken by the divisions in respect of 11 other cases (amount involved Rs.282.45 lakhs). In one case the decision of the Government to file

* Public Works Division II, Chandrapur, Public Works Division I, Jalna, Public Works Division I, Nagpur, and Public Works Division, Thane.

Akola Irrigation Division, Akola, Irrigation Division, Chandrapur, Nanded Irrigation Division, Nanded and Arunavati Project Division, Digras, Yavatmal.

the suit was received in December 1995 and the date of filing civil suit was awaited (April 1996). Similarly, in 16 other divisions an amount of Rs.58.68 lakhs was outstanding against the contractors on account of cost of supply of materials by the department, recovery of hire charges and excess payments. Most of the divisions stated during November 1995 to April 1996 that the whereabouts of the contractors were not known and efforts would be made to recover the amount as land revenue through Revenue Authorities.

(b) Procurement of 388.33 mts bulk asphalt required for improvement to Nagpur-Bori-Tuljapur road in km 270 to km 290 and km 301 to km 302 was entrusted to a contractor. Though the contractor had lifted entire quantity for utilisation in the work, final bill prepared disclosed use of 146.75 mts only (including 33.55 mts used for another work). The cost of balance quantity of 241.58 mts asphalt valued at Rs.7.25 lakhs was recoverable from the contractor. However, only an amount of Rs.0.95 lakh was debited to MPWA against the contractor for unauthorised utilisation of asphalt. No action was taken to investigate the misuse or misappropriation of asphalt (which was not available in the open market for purchase by private agency) if any, and to recover the cost at penal rate as required under codal provisions.

4.13.14 Non-adjustment of recoverable amount

Eight subworks of upgrading Dhule-Chandwad road (km 278 to km 304 and km 320 to km 346) of National Highway III were awarded to a contractor for Rs.88.62 lakhs for completion by March 1974 and November 1974 (12 to 20 months). The contractor died in November 1974. Extra cost of Rs.56.51 lakhs involved in getting the works completed and amount of Rs.53.41 lakhs recoverable from the deceased contractor on account of machinery advance, interest thereon, secured advance and compensations recoverable was not written off but retained under MPWA. The matter was referred by Chief Engineer to Government in February 1987 and reply of Government was awaited (April 1996). This resulted in undercharging the expenditure of Rs.109.92 lakhs to work and also the amount was outstanding under MPWA since 1974.

4.13.15 Substandard execution of work

The expenditure of Rs.7.44 lakhs (1992-93 and 1993-94) incurred in rectifying the defects in an aqueduct in Isapur Right Bank Canal constructed by a contractor in January 1987 was shown as recoverable under MPWA in January 1994 along with Rs.2.22 lakhs recoverable from the contractor for substandard work. The matter was under investigation at Government level with a view to take action for lack of supervision.

4.13.16 Unrecovered dues from other departments

(a) Twelve* Public Works Divisions spent Rs.119 lakhs between May 1979 and

* Central Mumbai Division, Worli, North Mumbai Division, Andheri, Public Works Division, Bandhara, Presidency Division, Mumbai, Public Works Division I; Chandrapur, Public Works Division II, Chandrapur, Public Works Division I, Jalna, Public Works Division, Jalgaon, Public Works Division, Latur, Public Works Division I, Nagpur, Public Works Division II, Nagpur and Public Works Division, Nanded.

March 1995 for barricading of roads, public places, erection of pandals for counting of votes, constructions of helipads etc. The expenditure was recoverable from District Revenue Authorities. It was stated by the EEs, Public Works Division, Nagpur and Presidency Division, Mumbai in November 1995 and January 1996 respectively that the matter had been taken up with Government.

(b) Ten# Irrigation divisions advanced Rs.164 lakhs between June 1979 and March 1995, to the land acquisition officers and the amount was debited to MPWA. The above divisions stated in November 1994 and December 1994 that though the possession of the land had already been taken over by the department, the land acquisition officers had not rendered their accounts to divisions inspite of repeated reminders.

The above points were referred to the Government in April 1996; reply had not been received (October 1996).

4.14 National Highways

The National Highways Act, 1956 declared thirty nine Highways in the country as 'National Highways' and the construction, development and maintenance of these National Highways (NHs) are vested with Government of India (GOI). The Ministry of Surface Transport (MOST) is primarily responsible for construction, development and maintenance of NHs in the country. MOST is also responsible for overall planning, sanctioning of projects, provisions of funds and evolving standards/specifications for execution of works relating to NHs. The actual work of construction, development and maintenance of NHs is entrusted to the respective State Governments on agency basis.

Funds are initially provided to the State Government and expenditure incurred is subsequently reimbursed by MOST to the extent admissible.

A review of construction and maintenance of NH works during the years 1990-91 to 1995-96 was conducted by audit during January 1996 to April 1996 and the following points were noticed :

(a) Pending claims

As against the claims of Rs.23,133 lakhs preferred by State Government in respect of expenditure incurred on construction and development of NHs in the State during the period 1989-90 to 1995-96 (upto December 1995), the MOST had reimbursed only Rs.20,130 lakhs and Rs.3,003 lakhs were pending reimbursement. As against the claim of Rs.12,293 lakhs for the period from 1989-90 to 1995-96 (upto January 1996) for maintenance of National

Minor Irrigation Division, Akola, Minor Irrigation Division II, Akola, Upper Wardha Dam Division, Amravati, Shahanoor Project Division, Achalpur, Medium Project Division, Chandrapur, Medium Project Division, Jalgaon, Upper Penganga Project Division I, Nanded, Arunavati Project Division, Digras, Yavatmal, Upper Wardha Left Bank Canal Division, Wardha and Public Works Division, Wardha.

Highway Roads only Rs.10,836 lakhs had been reimbursed by the MOST as of April 1996 and Rs.1,457 lakhs were pending reimbursement.

(b) Cases of time overrun/cost overrun

Cases of time and cost overrun due to faulty planning, belated approval of design, inadequate survey and investigation, non-implementation of the contract conditions and departmental failures are discussed below :

(i) Delay in execution of work

The work of construction of "Westerly diversion road outside Pune city on NH 4 in km 22/00 to km 27/420" awarded (November 1990) to a contractor at the tendered cost of Rs.1,090.80 lakhs, was to be completed in all respect by May 1993. The progress of the work was very slow on account of departmental delays in fixing centre line of alignment, taking levels, delay in approval of design for the construction of bridge and also increase in quantity of excavation in hard rock resulting in overall delay of 33 months in completion of works as of March 1996. The payment of Rs.1,438 lakhs made upto February 1996 to the contractor included payment (Rs.93 lakhs) for quantities executed in excess of 25 per cent of quantities specified in the contract, besides escalation charges of Rs.145 lakhs for value of work done beyond the stipulated period of completion. The road was opened for the traffic in March 1994. Due to heavy traffic and monsoon during 1994, the compaction done by the contractor was severely damaged and the road was in deshaped condition. In October 1994 the Executive Engineer, National Highway Division VI requested the contractor to rectify the defects by providing 25 mm thick carpet within a period of 10 days from the date of receipt of the notice failing which the damaged work would be got rectified at contractor's risk and cost. As the contractor did not take any action to remove the defects, the department rectified the damages during November 1994 to March 1995 at the cost of Rs.8.69 lakhs. The contractor had pointed out (November 1995) that the road should not have been opened to all traffic without any kind of restriction as the compaction provided was not expected to withstand the heavy traffic specially during monsoon and full road crust had not been provided for the road as the same was to be provided in the next stage. In view of the contractor's reply, the department had decided in December 1995 not to insist on the recovery of extra expenditure of Rs.8.69 lakhs incurred by them. The opening of the road in March 1994 for all traffic without any kind of restriction even before providing full road crust resulted in additional expenditure of Rs.8.69 lakhs to the department.

(ii) Delays in approving design

The work of "Construction of a bridge across Tapi river in km 219 near Dabhashi Village on Mumbai-Agra Road (NH-3)" was awarded to a contractor in June 1985 as a lump sum contract for Rs.258.17 lakhs for completion by September 1988. According to the Notice Inviting Tender (NIT), the contractor was to get the design of the bridge approved from department. The contractor submitted (August 1985) the design for pier foundation to

Superintending Engineer for approval and the same was approved (June 1986) with modifications involving increase in quantities and also requiring some extra time for execution. Thus, there was delay of 9 months for approving designs of piers. Similarly, the designs for super structure, which were submitted by the contractor between September 1986 and October 1986, were approved in November 1988. Since there was abnormal delay in approving the above designs by the department, the claims put forth by the contractor (desilting of foundation pits for piers, waiving of interest, idle charges etc.) amounting to Rs.25.62 lakhs were paid (December 1990) by the department besides payment of Rs.39.25 lakhs towards enhancement of rates for items for super structure. The work was completed in July 1995 at the cost of Rs.503 lakhs. The department accepted the delay in approval of the design and stated in March 1996 that the claims for enhancement of rates were approved by the standing committee (June 1993 and July 1993) as the delay was attributable to department and hence payment of claims and enhancement of rates were inevitable.

(iii) Extra expenditure incurred in the execution of works

The reconstruction of a bridge across Shelu river in km 364/200 on Mumbai-Agra Road (NH-3) was administratively approved for Rs.15.24 lakhs (February 1988) by Government of India. The work was allotted (November 1988) to a contractor for Rs.14.86 lakhs for completion in 13 months (December 1989). After part execution of the work, the CE, Aurangabad instructed in November 1989 that there was no need for constructing a new bridge by dismantling the existing bridge and ordered to send proposals for strengthening the existing bridge. The contractor was, therefore, informed (November 1989) to stop the execution of the work until further orders. Fresh proposals for strengthening of existing bridge were forwarded to MOST (March 1990). Since the department had already incurred expenditure of Rs.4.78 lakhs on the construction of the new bridge, MOST did not agree to the proposal. The CE, Nashik, therefore, issued fresh instructions (September 1990) to the contractor to restart the originally sanctioned work. However, the contractor did not agree to execute the work at the old rates and the work was finally withdrawn (December 1990). The balance work was executed through other agencies involving extra expenditure of Rs.6.94 lakhs. The indecision on the part of the CE, thus, resulted in extra expenditure of Rs.6.94 lakhs.

(iv) Extra expenditure due to substandard execution of works

The work of "combined diversion on Mumbai-Agra Road (NH-3) outside Thane and Bhiwandi town in km 4/812 to 23/509" was split into three sections. The work was sanctioned by MOST in August 1980 at the cost of Rs.454.56 lakhs and the work of providing and construction of Water Bound Macadam road (WBM) with treatment of two coats of surface dressing was completed between 1985 and November 1989 at the cost of Rs.791.12 lakhs. In May 1988 and December 1989, intermediate treatment with Lean Bitumen Macadam (LBM) with 3.50 per cent bitumen and 25 mm thick semidense concrete was provided in Section I and II at the cost of Rs.20.61 lakhs. The above treatment was necessitated due to

failure of the crust. Investigation for the reason for failure of the road length in Section I and II conducted by Maharashtra Engineering Research Institute, Nashik (MERI) in March 1994 revealed that compaction to 100 *per cent* proctor density was not done by the contractor. Further, the pavement surface was found uneven due to deformation occurrence in pavement structure. The work in Section III was completed in November 1989. In this section also, an amount of Rs.9.77 lakhs was incurred on rectification of damages in km 17, 23 and 24 during December 1990 to February 1991, when the warranty period was in force. These amounts were shown recoverable from the contractor but could not be recovered as the contractor denied the liability on the ground that the rectification was carried out with different specifications. The contractor had also preferred an appeal in the High Court which was, however, rejected by the Court and the matter of recovery was under correspondence with the higher authorities.

(c) Outstanding recovery

The work of "Construction of Westerly diversion on Mumbai-Pune Road in Section IV-B of km 29/800 to km 34/250 (NH-4)" was entrusted (January 1989) to a contractor at the tendered cost of Rs.78.79 lakhs. The contractor executed the work costing Rs.61.31 lakhs upto March 1992 and stopped further execution of the work (June 1992). The work was finally withdrawn (April 1993) at his risk and cost. The balance work was got executed departmentally during 1992-93 to 1994-95 at the extra cost of Rs.29.85 lakhs and the same was pending recovery as of March 1996. Besides, out of penalty of Rs.8.75 lakhs imposed on the contractor for delay in execution of the work, an amount of Rs.0.15 lakh only was recovered as of March 1996.

These points were referred to Government in July 1996; reply had not been received (October 1996).

4.15 Extra contractual benefit to a contractor

Construction of second bridge across Thane creek on Sion-Panvel road, administratively approved by Government in November 1985 for Rs.4,048 lakhs and technically sanctioned by the CE, Public Works Region, Mumbai in December 1985, was awarded to a contractor in February 1987 on lump sum agreement for Rs.3,286 lakhs for completion by February 1992. Extensions till June 1996 were granted by the department.

Scrutiny of the records of the EE, Thane Creek Bridge Division II revealed (February 1994) that the lump sum agreement based on the designs of the contractor provided construction by well foundation/open foundation. The agreement further provided that if the contractor had to go deeper than the level provided for the foundation in the agreement, the contractor would be paid extra as per rates shown in Schedule 'C' of the agreement. During actual execution, the contractor had to execute deeper than the level provided for the foundation in the NIT in soft rock (6,149 cum) and hard rock (2,868 cum) between 1987-88 and 1993-94 which was payable at rates shown in Schedule 'C'. The contractor, however,

demanded extra rate as per District Schedule of Rates of the year (1987-88 to 1993-94) during which the work was executed for excavation below NIT level. The extra amount was sanctioned by the SE based on the decision taken by the CE in September 1993 that the rates mentioned in Schedule 'C' were for the work located above NIT level and for work executed below NIT level the contractor was required to be compensated at higher rates. Accordingly, he was paid (March 1996) Rs.544 lakhs involving extra cost of Rs.320 lakhs. This decision was not correct as the rates in Schedule 'C' were only for work to be executed below NIT level and work upto NIT level was covered by lump sum contract.

It was further observed that the contractor had earlier demanded extra rates for the same work and contractor's claim was rejected by the then SE in May 1991 as it was in contravention of the contract provisions.

Thus, sanctioning the claim at higher rates ignoring rates provided in schedule 'C' of the contract had resulted in extra contractual benefit to the contractor amounting to Rs.320 lakhs.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

4.16 Avoidable extra liability due to non-acceptance of second lowest tender

Tenders for construction of a bridge in km 2/200 of Beed-Ahmednagar road (estimated cost Rs.12.98 lakhs) were invited in February 1991 and lowest offer of Rs.11.94 lakhs which was 8 *per cent* below the estimated cost was accepted (May 1991) by the department. The contractor was directed (29 May 1991) to pay the initial security deposit within 10 days to enable the department to issue work order. The lowest offer was valid upto 19 June 1991. The contractor did not respond to the department's offer and intimated (3 July 1991) that he did not receive the letter of the department requesting him to pay initial security deposit and declined to execute the work on the ground that the validity of the offer had already expired. The second lowest contractor whose offer was 1.4 *per cent* below (Rs.12.80 lakhs) the estimated cost and was valid upto 19 June 1991 was not contacted. According to the provisions contained in Maharashtra Public Works Manual and as per the directives issued by Government in April 1977, the division was required to decide the offer well within the validity period including extended period in such a way to avail the offer of the second and subsequent lower tenders in case lowest tender became invalid on account of any reason. The department, however, reinvited tenders in May 1993 and the lowest offer at second call amounting to Rs.17.01 lakhs which was 31 *per cent* above the estimated cost was accepted in December 1993. Thus, non-observance of Government instructions and non-allotment of work to the second lowest tender at first call whose offer was valid upto 19 June 1991, resulted in extra expenditure of Rs.4.21 lakhs to Government.

The department stated (April 1996) that second lowest tenderer was not contacted as the validity period of his tender was over. Reply of the department was not tenable as the

department had failed to award the work to second lowest tenderer before expiry of validity of his offer. Since the first lowest contractor did not honour the offer within the stipulated period of ten days (upto 10 June 1991), the offer of second lowest tenderer could have been considered as the same was valid upto 19 June 1991. Thus, delay in deciding the acceptance of the lowest offer and inaction on the part of the departmental authorities to allot the work to second lowest tenderer within the validity period had resulted in avoidable extra liability to the Government amounting to Rs.4.21 lakhs.

The matter was referred to Government in May 1996; reply had not been received (October 1996).

4.17 Non-recovery of extra cost from contractor

The work of strengthening and black topping of Belapur-Bolda Road (Parbhani District) in km 6 to 12 was entrusted (January 1982) to a contractor at 6 *per cent* below estimated cost of Rs.6.07 lakhs for completion by January 1990.

Scrutiny of records of the EE, Public Works Division II, Parbhani revealed (July 1992) that the progress of work was slow even after granting extensions upto December 1990. The contractor executed the work of the value of Rs.3.41 lakhs till March 1990 and stopped the work thereafter. The work was finally withdrawn from the contractor in November 1991 and entrusted to another contractor in March 1992 for completion at the risk and cost of the original contractor.

It was further observed in February 1992 that the work executed by the contractor was damaged due to passage of time and was got rectified at the cost of Rs.1.59 lakhs through the contractor to whom the balance work was allotted in March 1992. The balance work was completed in January 1993, which involved extra cost of Rs.1.45 lakhs. Thus, against the total amount recoverable from the first contractor (Rs.3.04 lakhs), an amount of Rs.0.12 lakh was adjusted in June 1993 from the final bill of the first contractor and the balance amount was debited to miscellaneous P.W. advance account. The department stated that the matter of recovery of balance amount was referred to the Revenue Authorities in August 1994 and May 1995 for recovery as arrears of land revenue. The recovery had not been effected as of June 1996.

Thus, abnormal delay on the part of the department in terminating the contract and getting the balance work completed through another agency resulted in damages to the work which had to be rectified at the cost of Rs.1.59 lakhs. Besides the extra expenditure of Rs.1.33 lakhs incurred to complete the balance work through another agency also mostly remained unrecovered as of June 1996.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

CHAPTER V
STORES AND STOCK
PUBLIC HEALTH DEPARTMENT

5.1 Synoptic review on Stores and Stock Account

5.1.1 Introduction

A review of expenditure incurred by Public Health Department on consumable and non-consumable stores and stock such as drugs, medicines, linen, dietary articles, machinery and equipment for various units viz. non-teaching district hospitals, rural hospitals, chest hospitals, tuberculosis, malaria, filaria, leprosy control units etc., was conducted between April 1996 and August 1996. Points arising out of test-check of records of 25* units are mentioned in the following paragraphs.

5.1.2 Purchase procedure

The consumable and non-consumable stores and stock articles are procured by observing procedure prescribed under Maharashtra Contingent Expenditure Rules, 1965 and also by placing indents with Director General of Supplies and Disposal (DGS&D), New Delhi.

5.1.3 Non-submission of Stores and Stock Accounts

According to instructions issued by Government (Finance Department) in July 1982, the Stores and Stock accounts are required to be submitted by the hospitals and other health units to the heads of Department by 15 June and to the Accountant General through the Administrative Department of Government, by 15 August every year. Though mention was made in paragraph 5.1(a) of Report of the Comptroller and Auditor General of India for the year ended 31 March 1990 No.3 (Civil), regarding non-submission of the accounts since 1982-83, the accounts had not been submitted by the administrative department to the Accountant General.

* Joint Director of Health Services (Leprosy) Pune, Deputy Director of Health Services - Kolhapur, Nashik, Pune and Thane; General Hospitals - Ahmednagar, Akola, Amravati, Beed, Bandhara, Chandrapur, Kolhapur, Latur, Nashik, Raigad(at Alibag), Ratnagiri, Satara, Thane and Wardha; District Malaria Offices - Bandhara and Latur, District Tuberculosis Offices - Amravati, Aurangabad and Beed and Chest Hospital, Aundh (District Pune).

5.1.4 *Purchase of medicine in excess of requirement*

(a) Against a requirement of medicines costing Rs.8.31 lakhs submitted by the General Hospitals(GHs) Akola, Amravati, Latur and Wardha for the year 1995-96, the Director of Health Services (DHS) supplied medicines worth Rs.16.49 lakhs, resulting in excess supply and overstocking of medicines worth Rs.8.18 lakhs as of June 1996.

(b) The Deputy Director of Health Services (DDHS) (TB-BCG), Mumbai, supplied medicines worth Rs.12.93 lakhs to the District Tuberculosis Officer (DTO) at Amravati (3 items : cost Rs.1.05 lakhs), Aurangabad (12 items : cost Rs.10.18 lakhs) and Beed (4 items : cost Rs.1.70 lakhs) during 1994-95 and 1995-96, although no indents for these medicines were placed by them. Of these, medicines worth Rs.10.21 lakhs were lying in stock as of June 1996.

5.1.5 *Excess procurement of equipment*

(a) Scrutiny of records of GHs Akola, Amravati, Beed, Bandhara, Chandrapur, Latur and Wardha revealed that these hospitals held in stock (May 1996) equipment viz. Boyles apparatus (6 numbers), hydraulic operation tables (6 numbers), air-conditioners (4 numbers) and refrigerators (6 numbers) and 13 other items of equipment costing Rs.18.61 lakhs supplied by DHS during 1987-96 which were in excess of the norms fixed in April 1988.

(b) It was also observed during test-check of stores and stock accounts of GH, Nashik that various medicines/laboratory chemicals/equipment etc., costing Rs.8.81 lakhs were supplied by DDHS Nashik, in excess of requirement during 1992-93 and 1993-94, which could not be utilised within the validity period resulting in these items becoming time expired/unserviceable rendering the entire expenditure wasteful.

5.1.6 *Non-recovery of liquidated damages*

As per standard conditions of accepted tenders, the consignee should recover from the supplier liquidated damages for belated supply of stores at the prescribed rates. On scrutiny of records of GHs Akola, Amravati, Beed, Latur and Wardha it was noticed that between April 1994 and May 1996, 14 equipment (22 numbers) costing Rs.52.84 lakhs were received belatedly by periods ranging from 1 to 8 months. However, liquidated damages for the delayed supply amounting to Rs.2.02 lakhs were not levied and recovered from the concerned suppliers by these hospitals. The department agreed to take necessary action in this regard (June 1996).

It was also observed during test-check of records of GH Nashik that between April 1995 and July 1996, 13 equipment/ machinery (31 numbers) costing Rs.39.58 lakhs were received after delays ranging from 3 to 15 weeks. However, the liquidated damages for the delayed supply amounting to Rs.1.33 lakhs were not levied and recovered from the concerned

suppliers. The Civil Surgeon, Nashik stated in August 1996 that the recovery would be effected and intimated to audit in due course.

5.1.7 Delay in installation of machinery due to non-availability of infrastructure

(a) According to Government instructions of October 1989, machinery and equipment were to be purchased only after availability of necessary infrastructure was ensured. It was, however, observed that the GHs Akola, Amravati, Beed, Bandhara, Latur and Wardha and Rural Hospitals Bhidi, Karanja, Arvi Khilari, Kasar-sirsa, Ner, Maregaon and Akot purchased 39 items of equipment costing Rs.52.70 lakhs during March 1995 to April 1996, but the same were not installed as of June 1996 for want of power supply, necessary staff, building etc. This had resulted in non-utilisation of the equipment and denial of necessary facilities to the needy patients for periods ranging from about 2 months to 16 months.

(b) The GH, Thane, purchased 6 items of equipment and machinery (16 numbers) at the total cost of Rs.12.64 lakhs during March 1994 and April 1994, for opening of Intensive Care Unit in the Hospital. In test-check, it was observed that the pre-installation requirements such as civil works, voltage stabilizer, central oxygen system were not completed before the purchase of equipment and machinery. Though the installation of voltage stabilizer and construction of civil works had been completed, the central oxygen system was yet to be completed (June 1996) resulting in non-utilisation of the equipment and machinery for over 2 years.

(c) The GH, Ratnagiri, purchased one Auto analyser costing Rs.2.01 lakhs in March 1995. Though the same was installed in August 1995, it had not been put to use for want of air-conditioning facilities (March 1996).

5.1.8 Idle equipment

Equipment and stores valued at Rs.10.35 lakhs were lying idle in six GHs and with one District Malaria Office (DMO) as shown in Appendix XVII.

5.1.9 Purchase without sanction

According to the instructions of DHS (April 1990), purchase of stores exceeding Rs.1,000 at a time was required to be made with the prior sanction of the Purchase Committee. It was, however, observed that the DDHS, Nagpur had purchased stores worth Rs.121.09 lakhs during 1994-95 without the sanction of Purchase Committee. No action was initiated by DDHS to get these purchases regularised by obtaining sanction of the competent authority as of June 1996.

5.1.10 Excess stocking of linen

Linen items for use in hospitals are procured on an indent after their proper assessment.

However, test-check of the linen accounts in GHs Akola, Beed and Latur indicated that the DHS had supplied 441 mattresses costing Rs.4.42 lakhs during April 1994 to May 1995 though there was no indent from these hospitals resulting in overstocking of mattresses.

5.1.11 Disposal of exposed X-ray films

In GH, Amravati the account of exposed X-ray films for the period from 1989-90 to 1993-94 was not maintained and the exposed films were also not stored safely for the disposal as required under the Hospital Administration Manual. Records of X-ray department indicated that about 43,995 number of X-ray films were used during the period having a residuary value of about Rs.0.70 lakh. Non-disposal of exposed X-ray films in time resulted in non-realisation of Rs.0.70 lakh in time.

5.1.12 Non-disposal of waste Hypo solution

A quantity of about 3,000 litres of waste Hypo solution (cost : Rs.1.20 lakhs approximately) was lying with the DDHS, Kolhapur circle, for the last 3 to 4 years as the solution could not be sold at the prescribed rate resulting in non-realisation of the anticipated receipts. The department did not approach the Government to revise the price.

The above points were referred to Government in October 1996; reply had not been received (November 1996).

CHAPTER VI

FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

6.1 Extent of assistance

Autonomous bodies and authorities are set up to discharge generally non-commercial functions of public utility services. These bodies/authorities by and large receive substantial financial assistance from Government. Government also provides substantial financial assistance to other institutions such as those registered under the respective State Co-operative Societies Act, Companies Act, 1956, etc., to implement certain programme of the State Government. The grants were intended essentially for maintenance of educational institutions, hospitals, charitable institutions, construction and maintenance of schools and other communication facilities under municipalities and local bodies.

During 1995-96, financial assistance of Rs.4,456.55 crores as grants and Rs.953.70 crores as loans was paid to various autonomous bodies and others, broadly grouped as under :

Name of institutions	Amount of grants (Rupees in	Amount of loans crores)
1. Universities and Educational Institutions	551.05	Nil
2. Municipal Corporations and Municipalities	637.77	237.47
3. Zilla Parishads and Panchayati Raj Institutions	1839.52	(-)79.15*
4. Development Agencies	303.84	62.98
5. Hospitals and Dispensaries	14.45	Nil
6. Other Institutions	1109.92	732.40
Total :	<u>4456.55</u>	<u>953.70</u>

* Minus debit is due to adjustment of grants due to Zilla Parishads against Ways and Means Advances paid during previous year.

6.2 Delay in furnishing utilisation certificates

The financial rules of Government require that where grants are given for specific purposes, certificates of utilisation should be obtained by the departmental officers from the grantees and after verification, these should be forwarded to Accountant General within one year from the date of sanction unless specified otherwise.

Of the 4,268 utilisation certificates due in respect of grants and loans aggregating Rs.9,836.98 crores paid during the period 1995-96 only 1,261 utilisation certificates for Rs.9,348.59 crores had been furnished by 30 September 1995 and 3,007 utilisation certificates for an aggregate amount of Rs.488.39 crores were in arrears. Department wise break up of outstanding utilisation certificates was as follows :

Department wise break up of outstanding utilisation certificates (Loans)

Department	Number of certificates	Amount (Rupees)
1 Co-operation and Textiles	20	1,77,46,000
2 Housing and Special Assistance	24	46,98,997
3 Industries, Energy and Labour	35	3,94,22,862
4 Revenue and Forests	21	54,10,625
5 Tribal Development	15	22,13,300
6 Urban Development	2	3,94,13,400
Total :	117	10,89,05,184

Department wise break up of Outstanding utilisation certificates (Grants)

Department	Number of certificates	Amount (Rupees)
1 Animal Husbandry	16	6,79,08,748
2 Co-operation and Textiles	727	14,53,55,196
3 Finance	26	6,83,43,092

	Department	Number of certificates	Amount (Rupees)
4	Fisheries	401	3,80,26,771
5	General Administration	1	90,000
6	Higher and Technical Education	124	19,49,53,070
7	Home	1	6,270
8	Housing and Special Assistance	57	2,09,23,793
9	Labour and Employment	55	3,20,98,811
10	Medical Education	135	11,98,30,321
11	Planning	60	92,89,879
12	Public Health	78	37,66,217
13	Revenue and Forests	60	15,73,36,600
14	Rural Development	3	2,26,000
15	School Education	594	3,72,89,95,858
16	Social Welfare, Cultural Affairs and Sports	537	14,38,60,752
17	Urban Development	15	4,39,62,710
	Total ..	2,890	4,77,49,74,088

6.3 Delay in submission of accounts

(a) In order to identify the institutions which attract audit under section 14/15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, Government is required to furnish to Audit every year detailed information about the financial assistance given to various institutions, the purpose for which assistance was sanctioned and the total expenditure of the institutions. Information for the year 1995-96 called for in August 1996 was awaited as of 31 August 1996 from 24 departments of Government. The

following departments had not furnished the information for the years as indicated below :

Year(s) for which information was awaited	Name of Department
1994-95 and 1995-96	Agriculture, Animal Husbandry, Dairy Development and Fisheries
1992-93 to 1995-96	Co-operation and Textiles
1991-92 to 1994-95	Education and Employment
1993-94 to 1995-96	Environment
1993-94 to 1995-96	Food, Civil Supplies and Consumer Protection
1995-96	General Administration
1993-94 to 1995-96	Higher and Technical Education and Employment
1993-94 to 1995-96	Home
1987-88 to 1995-96	Housing and Special Assistance
1991-92 to 1995-96	Irrigation
1995-96	Industries, Energy and Labour
1995-96	Law and Judiciary
1993-94 to 1995-96	Legislative Affairs
1995-96	Medical Education and Drugs
1993-94 to 1995-96	Planning
1994-95 and 1995-96	Public Health
1992-93 to 1995-96	Public Works
1992-93 to 1995-96	Revenue and Forests
1991-92 to 1995-96	Rural Development and Water Conservation
1994-95 and 1995-96	School Education
1994-95 and 1995-96	Social Welfare, Cultural Affairs and Sports
1991-92 to 1995-96	Tribal Development
1993-94 to 1995-96	Urban Development
1991-92 to 1995-96	Women and Child Development

(b) The audit of accounts of the following bodies has been entrusted to the Comptroller and Auditor General of India under section 20(1) of the Act for a period of 5 years as follows :

Sr. No.	Name of body	Period of entrustment	Date of entrustment
1	Maharashtra Housing and Area Development Authority	01.04.1993 to 31.03.1998	02.03.1993
2	Maharashtra State Khadi and Village Industries Board	01.04.1992 to 31.03.1997	31.03.1992
3	Maharashtra Water Supply and Sewerage Board	01.04.1992 to 31.03.1997	01.12.1993
4	Mumbai Metropolitan Region Development Authority	01.04.1994 to 31.03.1999	15.02.1994

6.4 Audit arrangements

6.4.1 Primary audit of local bodies (Zilla Parishads, Nagar Palikas, Town Areas/ Notified Area Committees, Panchayati Raj Institutions, Krishi Vidyapeeths, Municipal Councils and Nagpur Municipal Corporation) is conducted by the Chief Auditor, Local Fund Accounts.

6.4.2 Of the 496 bodies/authorities whose accounts for 1994-95 were received, 385 bodies/authorities attracted audit. Of these 200 bodies/authorities were audited.

Certain interesting points arising out of audit under Section 14, 15 and 20 (1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 are as follows :

SECTION I

AUDIT UNDER SECTION 14 OF THE ACT

ENVIRONMENT DEPARTMENT

6.5 Working of Maharashtra Pollution Control Board

6.5.1 Introduction

The Maharashtra Pollution Control Board (Board) was originally constituted in 1970 by the State Government under the Maharashtra Prevention of Water Pollution Act, 1969 and was called the Maharashtra Prevention of Water Pollution Board. In June 1981, the

Abbreviations used in this Review are listed in the Glossary at Appendix XX (Page 245).

State Government adopted the Central Act, viz. Water (Prevention and Control of Pollution) Act, 1974 (Water Act). Accordingly, the State Act of 1969 was repealed and the Board was dissolved. A new Board, viz. the Maharashtra (Prevention and Control of Pollution) Board was constituted in July 1981 under Section 4 of the Central Act. Rules framed under the Water Act were notified on 5 July 1983 and the Board was renamed as 'Maharashtra Pollution Control Board'. The Board was also assigned the responsibility of enforcing the provisions of the Air (Prevention and Control of Pollution) Act, 1981 (Air Act) enacted by the Government of India. Rules framed by the State Government under the Air Act came into force on 1 May 1983. The Board also followed the provisions contained in the Central Environment (Protection) Act, 1986 and the rules framed thereunder by the Government of India (GOI) which came into force on 19 November 1986. Apart from enforcing the provisions of these enactments, the Board was also responsible for the levy and collection of cess on water under the provisions of the Central Water (Prevention and Control of Pollution) Cess Act, 1977 (Cess Act). Further, research and development, education and training in pollution control were carried out by the Board.

6.5.2 *Organisational set up*

6.5.2.1 Besides a Chairman and a Member Secretary who was a qualified Public Health Engineer, the Board consisted of 5 State nominees to represent the Government, 5 persons nominated by Government to represent the local bodies, 3 non-officials nominated by Government to represent agriculture, industry and fisheries and 2 nominees to represent companies or corporations owned by State Government.

6.5.2.2 The Board had 9 regional offices located at Aurangabad, Bombay, Kolhapur, Konkan (Raigad Bhavan), Nagpur, Nashik, New Bombay, Pune and Thane and 16 sub-regional offices working under them. For testing of air and water samples, the Board had 4 laboratories at Aurangabad, Nagpur, New Bombay and Pune.

6.5.3 *Audit coverage*

The working of the Board during the period 1989-90 to 1995-96 was reviewed by test-check of records at the headquarters of the Board, 5 out of 9 regional offices located at Aurangabad, Nagpur, Nashik, Pune and Thane, 6 out of 16 sub-regional offices located at Akola, Aurangabad, Jalgaon, Nashik, Pune and Thane and 2 of the 4 laboratories at Aurangabad and Nagpur. The points noticed during the review are mentioned in the following paragraphs.

6.5.4 *Highlights*

There was accumulated unspent balance of Rs.2,877.95 lakhs available with the Maharashtra Pollution Control Board as on 31 March 1996.

(Paragraph 6.5.5)

Thirty four *per cent* of the sanctioned strength of technical/scientific posts remained vacant as on 31 March 1996; of these 25 *per cent* of the posts remained vacant for 1 year or longer.

(Paragraph 6.5.6)

The Board did not conduct a door to door survey of the industrial units to identify and categorise industrial units for taking pollution control measures. Of the 60,196 units which received consent of the Board for discharging effluents, 16,261 (27 *per cent*) could not meet the conditions on which consent was given.

(Paragraph 6.5.7)

Of 12 Municipal Corporations, 10 had treatment plants which were not sufficient to cope with the sewage load and needed further upgradation. Similarly, of 231 Municipal Councils, only 12 had established treatment plants and in the remaining Municipal Councils there was no facility even for primary treatment of domestic effluent due to paucity of funds. The Board had not taken any penal action under Water Act against Municipal Corporations/Councils for not establishing treatment plants.

(Paragraph 6.5.8.2)

Percentage of shortfall during 1993-94 to 1995-96 in collection of trade effluent samples, with reference to revised norms fixed by the Board, ranged from 32 to 94 in the nine regional offices.

(Paragraph 6.5.8.4)

Though six committees were constituted in August 1991 at the divisional level for classifying and suggesting the method of disposal of hazardous waste, they met only 13 times till October 1996 and identified only one site for disposal of wastes.

(Paragraph 6.5.8.5)

In the case of 8 state undertakings, approval for prosecution for not taking effective pollution control measures sought for by the Board during 1987-88 and 1988-89 was not given by the State Government (August 1996). There were delays, in respect of 31 cases test-checked, ranging from 3 to 32 months in filing cases in court of law after the prosecution was sanctioned by the Board.

(Paragraph 6.5.9.1 and 6.5.9.2)

Out of 4,069 industrial units, 1,257 industrial units (31 *per cent*) had not submitted monthly returns for assessing water cess. An amount of Rs.1,932.04 lakhs was outstanding towards water cess from various industrial units and local bodies for

the period from 1983-84 to 1995-96.

(Paragraph 6.5.10.1 and 6.5.10.2)

Arrears of water cess of Rs.37.84 lakhs including interest thereon had not been recovered from the Kolhapur, Nagpur and Pimpri-Chinchwad Municipal Corporations as of August 1996. Further, an amount of Rs.61.09 lakhs was also outstanding in respect of a paper mill in Chandrapur district as of September 1996.

(Paragraph 6.5.10.4)

The Board deposited Rs.375 lakhs during 1990-95 in two co-operative banks which had earlier defaulted in payment of interest and repayment of deposits. While one bank was facing liquidation, the other one had merged with another bank.

(Paragraph 6.5.11)

6.5.5 *Financial outlay*

The receipts of the Board consisted of contributions made in the form of grants-in-aid by the State Government under Section 35 of the Water Act, sums paid as grants to it by the GOI/State Government under Section 32 of the Air Act, share of water cess granted by the GOI under Section 8 of the Water Cess Act and fees received from persons seeking consent of the Board under Section 25 of the Water Act for discharging sewage or trade effluent into any stream, well, sewer or land and Section 21(2) of the Air Act. The receipts also included funds provided by the GOI/Central Pollution Control Board (CPCB) for specific projects.

The Board received a sum of Rs.1,230.64 lakhs from the State Government during 1989-96. During the same period sums of Rs.2,029.32 lakhs were received from GOI as share of water cess and realised Rs.1,700.96 lakhs as other receipts. Expenditure incurred by the Board during 1989-95 was Rs.2,315.98 lakhs. Details of expenditure during 1995-96 were awaited (October 1996).

Though sufficient accumulated unspent balance of Rs.2,877.95 lakhs under different category of receipts were available with the Board as on 31 March 1996, it was not able to utilise the same. Water cess contributed the major part (Rs.2,450.92 lakhs) of the unspent balances. The CPCB had indicated 16 programme areas in December 1994 from which the Board could formulate its projects to utilise the cess receipts and had requested the Board to submit project proposals by first week of January 1995. None of these programmes could start as of July 1996. The Board stated (July 1996) that certain programmes were sanctioned by it and details of these programmes were being worked out.

6.5.6 Staff Strength

As on 31 March 1996 the Board had 508 persons (152 technical, 70 scientific and 286 ministerial staff) in position against the sanctioned strength of 717 (252 technical, 82 scientific and 383 ministerial respectively). 34 per cent of the sanctioned strength of technical and scientific posts remained vacant.

Of the total number of posts lying vacant, 10 posts were lying vacant for more than 3 years, 96 posts for more than 2 years and 76 posts for more than 1 year. Board stated (August 1996) that 82 posts were lying vacant due to stay order from courts, 89 because of State Government's order not to fill up or held in abeyance due to court orders, 15 for non-availability of Scheduled Caste/Scheduled Tribe candidates/eligible candidates for promotion and 23 for other reasons such as under process of promotion, under process of appointment by deputation etc.

6.5.7 Identification of industrial units causing pollution

Under the provisions of the Water Act, the Board was to conduct a survey for identifying industrial units causing water pollution so that effective measures could be taken to control pollution.

The Board did not conduct a door to door survey of the industrial units in order to identify and categorise the large, medium and small industrial units for taking pollution control measures. Existing industrial units were given three months time to apply for consent of the Board to continue discharge of effluents. On the basis of information furnished by the Board (August 1996), 2,541 large and medium scale industrial units and 85,332 small scale industrial units existing and in operation in the State as of 31 March 1996, all had applied for the consent of the Board. Against this, the Board had given consent under the Water Act for discharging effluents to 60,196 industrial units (69 per cent). The Board stated in September 1996 that remaining industries were non-polluting industries and as such consent was not necessary. However, it was observed that only 36,736 (61 per cent) industrial units to whom consent was given could meet fully the conditions on which the consent was given, while 7,199 (12 per cent) industrial units could comply with the same partially. The remaining 16,261 industrial units (27 per cent) could not meet the conditions on which consent was given (August 1996).

6.5.8 Water quality monitoring

6.5.8.1 Control of water pollution by industries

Many small scale industries situated in the industrial estates or in other clusters of Small Scale Industries (SSI) were unable to afford installation of pollution control equipment. GOI, therefore, formulated in July 1991 a scheme for establishment of Common Effluent Treatment Plant (CETP) for these SSI clusters. The CETPs were to be set up and managed

by the State Industrial Development Corporation (SIDC) or by the appropriate institution including a co-operative body of the concerned SSIs. The pattern of financial assistance for setting up of CETPs was contribution from beneficiary industries (10 per cent) subsidy from GOI/State Government (25 per cent each) and loan from financial Institutions (40 per cent).

The project proposals submitted to the State Board were examined and forwarded to the Ministry of Environment and Forestry, GOI after obtaining State Government commitment regarding its contribution. On approval of the scheme by the GOI and finalisation of financial arrangement, the GOI/State shares of subsidy were released to the Board, who in turn placed the same with the Financial Institutions, which provided loan for the scheme. The actual construction of the CETP was carried out by the SIDC or the institution of the SSIs formed for the purpose. The monitoring was done through the regional offices of the Board.

Out of the 12 CETPs planned in the State as of August 1996, only one CETP at Tarapur was completed in August 1994 at the cost of Rs.120 lakhs which included a loan of Rs.36 lakhs from Industrial Development Bank of India. Remaining 11 CETPs were at various stages of planning or construction. Thus, the objective of controlling water pollution in respect of SSIs had not been achieved.

As regards the adequacy of 12 CETPs for the entire State, the Board did not furnish any reply. It was, however, stated (October 1996) that the scheme of CETP was only a voluntary scheme and could not be legally enforced and if the units were not to join together to promote CETP, it would be necessary to force complete treatment arrangements on each industry through legal provisions under the Pollution Control Acts.

6.5.8.2 Control of water pollution by local bodies.

It was estimated that the waste water generated from urban areas in the State amounted to about 2,200 million litres per day. Municipal Corporations/Councils were required to provide pollution control measures for the domestic effluent of waste water. Out of 12 Municipal Corporations, 10 had established treatment plants as of July 1996. However, these were not sufficient to cope with the sewage load and the operation and maintenance of the plants needed upgradation. Similarly, out of 231 Municipal Councils, only 12 had established treatment plants. In the remaining Municipal Councils, there was no facility even for primary treatment of domestic effluent. No penal action contemplated under the Water Act has been initiated/taken by the Board against the defaulting Corporations/Councils. Paucity of funds was stated by the Board in July 1994 as the reason for not making adequate provision. The Board stated (September 1995) that the matter regarding financing the local bodies for pollution control by the State and Central Governments in the ratio 50 : 50 was taken up with the GOI.

6.5.8.3 Ulhas basin studies

Under instructions from the CPCB, a project at the cost of Rs.0.60 lakh was undertaken

in 1990 comprising of dry and wet study in the Ulhas river basin to assess the pollution load and identify the natural or man-made factors responsible for pollution.

Based on findings of this study, a number of recommendations were made in 1991. It was observed that most of the recommendations had not been implemented as of August 1996. The Board stated (June 1995) that the CPCB had entrusted the work of updating the study report to Environmental Protection Research Foundation, Sangli and that Action Plan to implement the recommendations was yet to be prepared. The Board stated (August 1996) that the work of construction of CETP at Ambarnath commenced in February 1996 and was in progress, the feasibility report in respect of CETP at Dombivli had been revised and sent to National Environment Engineering Research Institute in July 1996 for approval and consent to establish CETP at Badlapur had been granted by the Board in June 1996 and they had approached financial institutions for raising loan.

6.5.8.4 Collection and analysis of effluent samples from industries

According to the procedure followed for grant of consent and for checking compliance of conditions of the consent, the industries are visited by the staff of the Board for scrutiny of the applications for consent. After the consent is granted to industrial units, they are also visited by the staff of the Board for checking the compliance of the conditions of the consent and collecting samples of the waste discharged from the units. Earlier, the Board had fixed 80 samples per year to be the norm for each Field Assistant working under the Subregional Officer/ Regional Officer. In September 1992, in order to increase the sampling frequency of the effluents, the norms for collection and analysis of samples were revised by the Board.

On the basis of Regional office wise information regarding the number of samples required to be collected as per the revised norms (as worked out in Audit) and the actual number of samples collected thereagainst (as furnished by the Board), an overall shortfall of 76 per cent during the period 1993-96 was noticed. The shortfall during 1993-94 to 1995-96 ranged from 32 per cent to 94 per cent in respect of nine regional offices from where information was collected.

The shortfall in the collection of samples was attributed by the Board (July 1996) to shortage of staff.

6.5.8.5 Hazardous waste disposal

Six Divisional Committees were constituted by the Government in August 1991 for classifying and suggesting the method of disposal of hazardous wastes. As of October 1996, only 13 meetings were held in all the six divisions and only one site (Bhokarpada, Panvel) could be identified for disposal of waste. The Board stated (October 1996) that the Government had now entrusted this work to Maharashtra Industrial Development Corporation.

6.5.9 *Breach of norms and prosecutions*

6.5.9.1 Out of 243 cases sanctioned during February 1983 and August 1995 for prosecution under Water Act by the Board, 200 cases were filed in the court of law and of these 100 cases were pending as of August 1996. Of the remaining 43 cases, prosecution had not been initiated in respect of 30 units on account of taking effective pollution control measures by them, applications under section 33 were filed in respect of 5 cases since the same was easier than prosecution under section 25/26 and 43/44 of the Water Act and sanction from Government for prosecution of 8 Government undertakings sought for by the Board during 1987-88 and 1988-89 was still awaited (August 1996).

6.5.9.2 Test-check of 31 cases out of 200 cases under Water Act indicated delays ranging between 3 and 32 months in filing cases in the courts after the prosecution was sanctioned by the Board. The Board stated (August 1994) that the cases were kept in abeyance because of undertakings given by the defaulting industrial units that the provisions of the Act would be complied with within a reasonable period and also having regard to recommendations of the respective regional offices, since corrective action was being taken by the defaulting industrial units.

6.5.10 *Collection of Water Cess*

6.5.10.1 Under Section 3 of Water Cess Act, the Board is empowered to assess and collect water cess from local bodies and 15 categories of industries specified thereunder. The cess is assessed on the basis of monthly returns showing consumption of water submitted by these units as required and communicated to them through an assessment order specifying the date within which the amount is to be paid. If the amount is not paid within the specified date interest is chargeable from these units.

Information furnished by the Board (September 1996) revealed that 1,257 units (31 *per cent*) out of 4,069 units had not submitted the monthly returns.

The Board stated (September 1996) that these were tiny units having small quantity of water consumption and were permitted to pay water cess on voluntary annual basis with the submission of returns of monthly consumptions at the end of the year. However, the period for which returns were not submitted by these 1,257 units and amount involved were not furnished by the Board.

6.5.10.2 As of 31 March 1996, the cess amount outstanding for recovery was as follows :

Year	Number of industrial units	Outstanding amount (Rupees in lakhs)	Number of local bodies	Outstanding amount (Rupees in lakhs)	Total Number of units	Total Amount outstanding (Rupees in lakhs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1983-84 to 1988-89						19.04
1989-90	43	1.00	56	8.00	99	9.00
1990-91	32	1.00	4	1.00	36	2.00
1991-92	39	1.00	59	13.00	98	14.00
1992-93	40	166.00	78	57.00	118	223.00
1993-94	40	383.00	94	100.00	134	483.00
1994-95	112	26.00	143	178.00	255	204.00
1995-96	228	512.00	189	466.00	417	978.00
Total		1090.00		823.00		1932.04

The Board stated (September 1996) that out of Rs.1,090 lakhs recoverable from industries, Rs.996 lakhs pertained to four power units in respect of which decision regarding recovery of cess was not yet finalised due to cases pending with Appellate Committee and Mumbai High Court. As regards outstanding water cess recoverable from Municipalities, it was stated that the matter had been taken up with the Government as well as Director of Municipal Administration, Collectors and Divisional Commissioners.

6.5.10.3 Test-check of cess collection register of the Board for the period July 1991 to February 1994 revealed that there were delays ranging from 2 months to 22 months in the assessment of cess after receipt of returns from 41 industrial units.

6.5.10.4 Test-check of records relating to payment of cess by some of the local authorities/units revealed the following :

(i) Interest amounting to Rs.17.05 lakhs for delayed payment of cess and cess arrears of Rs.1.80 lakhs was not recovered from Nagpur Municipal Corporation as of August 1996.

(ii) Rs.15.82 lakhs due from Kolhapur Municipal Corporation for the period from January 1992 to December 1993 and interest of Rs.2.82 lakhs thereon were not recovered as

of August 1996.

(iii) Interest amounting to Rs.0.35 lakh was not recovered from Pimpri-Chinchwad Municipal Corporation, even though there was delay in payment of cess for the period January 1991 to September 1993 (August 1996).

(iv) A paper mill in Chandrapur District was assessed between February 1992 and December 1992 for cess payment of Rs.15.72 lakhs for the period from April 1991 to October 1992. Rs.8.31 lakhs only were paid by the mill between March 1992 and March 1993 and the outstanding balance of Rs.7.41 lakhs and interest of Rs.2.65 lakhs on non-payment/delayed payment had not been recovered as of June 1995. The Board stated that a writ petition was filed by the mill in April 1994 against the arrears of Rs.7.41 lakhs. The mill had gone to the court of law on the issue of granting 25 per cent rebate while calculating the cess, admissible to any person/local authority who was liable to pay the cess and install any plant for the treatment of sewage or trade effluent under Section 7 of the Cess Act which was denied by the Board for non-compliance of consent conditions. Further, an amount of Rs.51.03 lakhs was also outstanding (September 1996) as against the assessment of Rs.62.01 lakhs for the period from November 1992 to June 1996.

6.5.11 Other points of interest

The Board had deposited an amount of Rs.160 lakhs in a co-operative bank during July 1990 and July 1991. The bank defaulted in repayment of the deposit of Rs.50 lakhs out of the above on maturity in September 1991. Knowing this and in spite of cautioning by the Chief Accounts Officer in July 1991 about the risk of investing in co-operative banks, the Board invested another sum of Rs.50 lakhs in the same bank in October 1991 and extended the period of another deposit (Rs.25 lakhs) upto February 1995. The Board had again deposited Rs.15 lakhs in the same bank in January 1992, resulting in total investment of Rs.225 lakhs. Similarly, the Board had also deposited Rs.150 lakhs in another co-operative bank in February-March 1991. Reasons for depositing funds in these banks even though these banks had defaulted earlier were not available on records. Since these two banks had defaulted in payment of interest and repayment of deposit of Rs.375 lakhs, the Board filed (July 1993) suits against them. While one bank was facing liquidation the other one had merged with another bank against which a separate suit was filed by the Board in May 1996.

The above points were referred to Government in August 1996; reply had not been received (October 1996).

RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT

6.6 Employment Assurance Scheme

With a view to provide assured wage employment for 100 days to enhance purchasing power of the most needy persons in backward areas, a centrally sponsored scheme called Employment Assurance Scheme (EAS) was launched from October 1993 in rural areas. The primary objective of the EAS was to provide gainful employment during the lean agricultural

season to all able bodied adults in rural areas. The secondary objective was the creation of economic infrastructure and community assets for sustained employment and development. The EAS was to be implemented in rural areas of the blocks in which Revamped Public Distribution System (RPDS) was in operation. A maximum of two adults per family were to be provided with 100 days assured employment under the scheme, if and when it was sought during lean agricultural seasons which were to be specified by the respective district collectors.

Implementation of the scheme during 1993-94 to 1995-96 was reviewed in audit between January 1996 and June 1996 by conducting a test-check of records maintained by Rural Development and Water Conservation Department, 9 District Rural Development Agency(DRDAs) (Ahmednagar, Buldhana, Chandrapur, Nashik, Parbhani, Sangli, Solapur, Thane and Yavatmal) and 25 Panchayat Samitis under these DRDAs. Irregularities noticed during test-check were as under :

6.6.1 *Planning*

6.6.1.1 Non-preparation of Shelf of Project

Based on block wise plans/estimates, DRDA was to prepare a shelf of projects of labour intensive work of productive nature which would create durable assets. The shelf of projects was to be kept ready much before commencement of lean season and was to have a currency for two years. It was, however, noticed that neither DRDA nor the blocks had prepared a shelf of projects as prescribed.

6.6.1.2 Non-specification of lean agricultural season

Government of India(GOI) guidelines envisaged that the Scheme should be taken up during lean agricultural seasons only and the State Government would specify the lean season in the concerned districts during which works would be started/continued under the scheme to provide employment to the needy persons. It was, however, noticed that the lean season was not specified by the District Collectors of Buldhana and Parbhani despite request from the DRDAs concerned. The scheme was implemented throughout the year 1994-95 and 1995-96 by the respective DRDAs which was against the objective of the scheme.

6.6.1.3 Identification and registration of workers

Since the scheme was launched with an objective of providing 100 mandays of employment to the needy segment of society who seek employment during lean season, the concept of identification, registration of identified workers and issue of family card was incorporated in the EAS as a pre-requisite for meeting the end objective of the scheme.

Test-check of records of DRDAs revealed the following deficiencies.

- (i) In DRDAs Solapur and Thane, family cards were provided to the respective

blocks covered under EAS in December 1995 and March 1995 respectively, whereas the scheme was being implemented from 1993-94.

(ii) In Buldhana and Parbhani districts, the scheme was implemented during the year 1994-95 and 1995-96 without identification, registration and issue of family card.

(iii) In 16 blocks of 5 districts (Ahmednagar(6), Jalna(2), Nashik(1), Solapur(3) and Yavatmal(4)), the scheme was implemented during the year 1993-94 to 1995-96 without identification, registration and issue of family cards.

6.6.2 *Financial Performance*

6.6.2.1 (a) Expenditure under the programme was to be shared between the Centre and the State on 80:20 basis.

Central share of Rs.21,327 lakhs and the State's share of Rs.6,211.98 lakhs were released during 1993-96. An expenditure of Rs.18,926.84 lakhs was reported by DRDAs during this period. An amount of Rs.8,612.14 lakhs was lying unspent as of March 1996. Delays in release of share by the State Government were observed in audit. State's share of Rs.511.25 lakhs out of its share of Rs.518.75 lakhs due in March 1994 was released in June 1994. Thus, there was short release of matching share of Rs.7.50 lakhs for the year 1993-94 by State Government. Further, of Rs.712.50 lakhs (Rs.570 lakhs Central share and Rs.142.50 lakhs State share) released by the State during 1993-94, the actual amount drawn by DRDAs and booked as final expenditure was Rs.706.25 lakhs and the balance of Rs.6.25 lakhs lapsed at the end of the financial year. Similarly, of Rs.2,316.75 lakhs released as its share by the State during 1994-95, the actual amount drawn by DRDAs and booked as final expenditure was Rs.2,184.25 lakhs. Balance of Rs.132.50 lakhs lapsed at the end of the financial year. Of the amount of Rs.337.50 lakhs released during the year 1994-95, no expenditure was incurred by DRDA, Buldhana as of March 1995. Despite this, further amounts of Rs.270 lakhs in May 1995 and Rs.80 lakhs in February 1996 were released by GOI. The State also released Rs.200 lakhs in March 1996 resulting in huge accumulation of unutilised fund at DRDA, Buldhana of Rs.887.50 lakhs as of March 1996.

(b) Contrary to instructions issued by the GOI, DRDA, Chandrapur diverted Rs.100 lakhs of EAS funds to Jawahar Rojgar Yojana(JRY) in February 1996. DRDA, Chandrapur stated in March 1996 that due to urgency and to achieve the target under JRY, funds were diverted from EAS. The diverted amount had not been credited to EAS as of June 1996.

6.6.2.2 Advance drawal of fund in excess of immediate requirements

During audit it was noticed that DRDA, Chandrapur released to Divisional Soil Conservation Officer(DSCO) a sum of Rs.20 lakhs in 1993-94 and Rs.222 lakhs in 1995-96 though there was no requirement. Similarly a sum of Rs.241.32 lakhs was released to the same DSCO during 1994-95 against a requirement of Rs.12.53 lakhs.

It was further noticed that such advance payments were included/exhibited as final expenditure in the monthly expenditure statement of the respective month submitted to the GOI by the DRDA. The DRDA, Chandrapur stated in March 1996 that the advance payments were made to enable it to claim the second and subsequent instalments under EAS from GOI.

6.6.2.3 Inflated reporting of expenditure

Review of the monthly progress reports submitted by DRDA, Ahmednagar and Chandrapur districts revealed inflated expenditure as compared to actual expenditure. Similarly in Yavatmal district verification of cash book and monthly progress report also revealed inflated reporting of expenditure. Details of inflated expenditure of Rs.660.44 lakhs reported to Government were as under :

Name of DRDA	Year	Expenditure		Excess (lakhs)
		Reported (Rupees	Actual in	
(1)	(2)	(3)	(4)	(5)
Ahmednagar	1993-94	40.03	12.49	27.54
	1994-95	617.55	389.10	228.45
	1995-96	89.23	34.19	55.04
Chandrapur	1993-94	76.99	26.04	50.95
Yavatmal	1994-95	623.14	481.09	142.05
	1995-96	361.84	205.43	156.41
Total		1,808.78	1,148.34	660.44

6.6.2.4 Misutilisation/wrong booking of EAS funds

(a) Administrative approval was accorded twice by DRDA, Chandrapur in March 1995 for 3 soil and water conservation works costing Rs.2.70 lakhs. Construction cost of Rs.5.40 lakhs instead of Rs.2.70 lakhs was adjusted against the advance of Rs.341.32 lakhs released to the DSCO, Chandrapur during 1994-95 prior to the sanctioning of these works. The double sanction for the same works and excess adjustment of fund was neither noticed by the DRDA nor was it brought to notice of the DRDA by the DSCO, Chandrapur. On being pointed out in Audit it was stated by the DRDA, Chandrapur (March 1996) that the amount would be recovered from the DSCO, Chandrapur.

(b) In Varora and Chandrapur subdivisions under DSCO, Chandrapur, expenditure of Rs.38.56 lakhs was shown as incurred on 47 works during 1993-94 and 1994-95 under EAS even though these works were not sanctioned. However, scrutiny of paid vouchers, administrative approval and other records revealed that these works were actually sanctioned

and funded under other ongoing schemes, viz. 20 per cent District level fund, JRY II and National Watershed Development Programme for Rainfed Area resulting in double reporting of expenditure. On being pointed out (March 1996) in audit it was stated by the DRDA, Chandrapur (26 June 1996) that the matter was under investigation and the outcome will be intimated shortly.

(c) Revised estimate for Rs.4.94 lakhs for soil conservation work was approved by DRDA, Thane in March 1995 under EAS whereas the original estimate of Rs.2.94 lakhs was approved under JRY in April 1994 and the amount was released in May 1994. Further, while releasing funds to DSCO, Thane, DRDA without taking into account the amount released for the work under JRY (Rs.2.94 lakhs) released Rs.4.94 lakhs resulting in excess payment of Rs.2.94 lakhs from EAS.

(d) In Subdivision, Pandharkawda under DSCO, Yavatmal expenditure of Rs.8.85 lakhs incurred on 10 soil and water conservation works executed under EAS during 1994-95 were also booked under another State Scheme 'Jalsandharan' to avoid lapse of grant under that scheme as on 31 March 1995. This resulted in double booking of expenditure of Rs.8.85 lakhs both under EAS and Jalsandharan.

6.6.3 *Expenditure incurred by implementing agencies without approval by DRDA*

(a) In Chandrapur district, out of Rs.341.32 lakhs advanced to DSCO during the year 1994-95 administrative approval for 467 soil and water conservation works costing Rs.290.30 lakhs only had been accorded by the DRDA as of March 1995. The balance of Rs.51.02 lakhs was adjusted by the DSCO towards payment of wages to the labour employed on works executed under EAS at the cost Rs.98.02 lakhs without obtaining sanction from DRDA. Since no further amount was available with DSCO, payment of balance wages of Rs.47 lakhs to labourers could not be made and DRDA, Chandrapur was also reluctant to make any further advances in respect of unapproved work. However, the State Government instructed the DRDA in May 1995 and July 1995 to release Rs.47 lakhs and subsequently ascertain the factual position of unapproved works said to have been executed. Accordingly, the DRDA released Rs.47 lakhs in May 1995 (Rs.34 lakhs) and July 1995 (Rs.13 lakhs) without according the administrative approval and ascertaining the factual position of unapproved works undertaken by DSCO.

(b) The Subdivisional Soil Conservation Officer, Yavatmal executed in 1994-95, 17 works costing Rs.19.28 lakhs sanctioned by the DSCO, Yavatmal though these had not been administratively approved by the DRDA, Yavatmal. In this connection it was observed that these works were undertaken in lieu of works executed earlier in 1994-95 under EAS and subsequently transferred in March 1995 to Jalsandharan.

(c) The guidelines envisaged execution of all works departmentally and in no case contractor, middleman and any such intermediary agency was to be engaged. It was, however,

seen during test-check of records in Parbhani and Sangli districts that works costing Rs.4.62 lakhs and Rs.3.66 lakhs respectively were got executed by engaging contractor, middleman and intermediary agency during 1993-96.

(d) In Buldhana district, scrutiny of estimates in respect of 344 soil conservation works, costing Rs.198.45 lakhs revealed that the estimates were inflated by adding 10 per cent towards stationery, petrol, mustering assistance etc., which were not admissible under EAS. It was further seen that an amount of Rs.142 lakhs was released and spent by DSCO during 1995-96 in which expenditure of Rs.12.85 lakhs incurred on stationery, petrol etc., were also included. Under the Scheme the above expenditure should not be spent from EAS fund.

6.6.4 Physical Performance

6.6.4.1 Generation of Employment

The year wise generation of employment reported by DRDAs to Government was as under:

Year	Mandays generated in lakhs			
	SC	ST	Other	Total
(1)	(2)	(3)	(4)	(5)
1993-94	7.22	8.02	16.29	31.53
1994-95	52.45	59.28	122.16	233.89
1995-96 (provisional)	79.10	75.85	160.23	315.18
Total	138.77	143.15	298.68	580.60

The implementing/executing agencies were to report to DRDAs the actual expenditure incurred by them on wage component vis-a-vis the generation of mandays calculated on the basis of number of beneficiaries employed on these works during the month, DRDAs were to report to the State Government monthly generation of mandays. Test-check of records revealed that the required reports from the implementing agencies were neither received in time nor were properly consolidated showing the number of mandays of employment generated. It was seen in 9 test-checked DRDAs that figures of wage and non-wage component were worked out in the ratio of 60:40 of total expenditure on the works and generation of mandays was calculated by dividing the wage component by the minimum wage prevailing (between Rs.14 and Rs.25). This resulted in reporting of inflated figure of mandays generated in 3 DRDAs (Ahmednagar, Chandrapur and Yavatmal) to the extent of 22.69 lakh mandays during 1993-96.

6.6.4.2 Payment of wages

Rates of wages to be paid under the scheme were to be minimum agricultural wages for the unskilled labourer as notified by the concerned State Government. Payment of wages was to be based on quality of work turned out by each worker. Standards and specifications for each work were to be prescribed. Wages were to be paid weekly at the work site in the presence of local persons like 'Sarpanchs', 'Panch' and Block Committee members, etc. It was noticed in Audit that (a) there were delays in payment of wages ranging between 20 days and 167 days in Parbhani district during the year 1994-95 and 1995-96, (b) In Sangli district wages paid weekly at the site were not witnessed by local persons like 'Sarpanchs' and Block Committee members and (c) Test-check of paid vouchers relating to July 1995, September 1995, January 1996 and February 1996 revealed that in DRDA, Sangli, 395 workers engaged by implementing agencies were paid wages at lower rate ranging between Rs.15 and Rs.19.60 per day as against the prescribed rate of Rs.20 resulting in short payment of Rs.0.08 lakh.

6.6.5 Irregularities in the creation of physical assets.

(a) Execution of works under EAS revealed the following irregularities :

(i) Under soil and water conservation works expenditure of Rs.21.61 lakhs on 1,337 Kutcha Bandharas* was incurred by DRDA, Thane during 1993-94 to 1995-96. Sanction of such works was contrary to the objective of EAS as Kutcha Bandharas were not durable assets.

(ii) As against the creation of community assets, 708 works of land terracing, paddy bunding in the fields of private individuals costing Rs.596.20 lakhs in 4 districts viz. Ahmednagar (160), Chandrapur (426), Nashik (71) and Thane (51) were approved under EAS during the period 1993-96.

(iii) Though construction of market yard other than in tribal areas was not permissible, 8 market yards costing Rs.26 lakhs were approved by DRDA, Yavatmal in 1995-96 for construction in non-tribal areas.

(iv) Construction of 11 link roads in two districts (Chandrapur (5) Cost : Rs.16.63 lakhs, Yavatmal (6) Cost : Rs.24.96 lakhs) though not featuring in the master plan drawn up for the respective districts was sanctioned by DRDA during the period 1993-96 under EAS contrary to guidelines which provided for undertaking the construction of link roads on the basis of the master plan. Further, construction of 10 kutcha roads costing Rs.24.16 lakhs were sanctioned by DRDA in Varora block of Chandrapur district during 1993-96 though such roads not being durable assets were not to be taken up under EAS.

* A temporary water runoff management made of soil/clay which is washed away during rainy season.

(v) In six districts test-checked, the lean agricultural season specified by the Government/implementing authority was not observed while executing works approved under EAS during 1994-95 and 1995-96. In Solapur district the EAS was implemented throughout the year as if it was a regular scheme violating the objective of the scheme.

(vi) Under the EAS only unskilled manual labour oriented work was to be sanctioned. However, it was noticed that 42 terracing works costing Rs.40.94 lakhs to be executed by bullock-driven keni/tractor were approved by DRDA, Nashik during 1994-95 depriving unskilled labourers of their wage employment opportunity.

(b) Construction of non-permissible works of line department

As per instruction of GOI, EAS was not at all to be treated and/or operated as a supplement to or substitute for department works. It was, however, seen that in DRDA, Sangli expenditure of Rs.37.21 lakhs was incurred on 83 works of line department (50 Village Panchayat offices, 31 ladies latrines and 2 postmortem rooms) during the year 1994-95 and 1995-96.

6.6.6 Irregular grant of advance from fund to Government/Non-Government Organisation

Rupees 32.82 lakhs were provided through DSCO, Malegaon, Nashik District to 22 voluntary organisations in 1995-96 for watershed development programme. These organisations were not eligible as they did not fulfil the required criteria of (a) registration either under society act, co-operative act, company act or any special statutes, (b) registration with DRDA/DPAP for implementation of watershed development project and (c) active involvement in rural areas for the last three years with good track record.

6.6.7 Monitoring

State level and District/Block level Employment Assurance Scheme Committees were to be set up to monitor and supervise the implementation of EAS in accordance with the guidelines. However, no such committees at State/District/Block level were constituted so far. It was stated by the Government in July 1996 that the process of forming the three level committees to monitor all the rural employment schemes sponsored by the Central Government was under consideration.

Inspection and Vigilance teams were also required to be constituted for regular inspection of work taken up under EAS by the DRDAs and implementing agencies and to record their observations. For this purpose minimum number of field visits by the supervisory level functionaries from State to Block levels was to be prescribed by the State Level Co-ordination Committee. However, vigilance team had not been formed and accordingly, no field visits had been made by the supervisory level functionaries.

6.6.8 Evaluation

Evaluation of the impact of the programme was not conducted by the State Government.

The above points were referred to Government in August 1996; reply had not been received (October 1996).

6.7 Construction of houses without latrine under Indira Awas Yojana

Indira Awas Yojana (IAY) launched during 1985-86 as a subscheme of Rural Landless Employment Guarantee Programme (RLEGP) was continued as a subscheme of Jawahar Rojgar Yojana (JRY) since 1989 with the main objective of providing houses to members of Scheduled Castes, Scheduled Tribes, freed bonded labourers in rural areas and also to rural poor below poverty line, free of cost. Construction of sanitary latrines was an integral part of IAY houses. A sum of Rs.1,400 upto 31 December 1993 and Rs.1,500 thereafter (January 1994) was specially earmarked by Government for construction of latrine in each house. While providing funds for construction of houses under IAY, Government of India had emphasised in April 1991 that construction of sanitary latrines would invariably be taken up as a part of IAY houses and beneficiaries were to be motivated regarding its proper use by changing their habits.

In contravention of the above instructions, the District Rural Development Agency (DRDA), Nashik constructed 2,666 houses (cost : Rs.415.28 lakhs) during 1993-94 and 1994-95 without the sanitary latrines. The cost norms specified for construction of IAY houses were also not adhered to resulting in excess expenditure of Rs.43.95 lakhs.

The DRDA, Nashik stated (December 1995) that the amount earmarked for sanitary latrines was used to meet the increased cost in construction of houses since IAY beneficiaries were not interested in sanitary latrines. Instead of latrine, bathroom was provided in each house.

When the matter was referred to Government in May 1996, Government endorsed (August 1996) the views of DRDA and stated that the people in rural area were not in the habit of using sanitary latrines, hence the portion of cost of sanitary latrine was used in constructing the house more durable, and the expenditure on construction of houses had not exceeded the limits specified by the GOI.

The reply of the Government was not tenable since separate amount was earmarked for construction of sanitary latrines as it was an integral part of IAY houses and the beneficiaries were to be motivated regarding its proper use and the house plan also provided for construction of bathroom. Thus, the scheme did not achieve the intended objective resulting in unauthorised deviation from the plan and excess expenditure of Rs.43.95 lakhs.

6.8 Diversion of staff

For execution of minor irrigation schemes in local sector in Gadchiroli district, subdivision No.2 was created in August 1985 under the Irrigation Department of Zilla Parishad, Gadchiroli and was located at Gadchiroli. Eleven of the seventeen posts, including a post of Deputy Engineer, sanctioned by Government for the subdivision were also filled up between December 1985 and June 1992. However, the subdivision was not assigned specific area for execution of the minor irrigation schemes. As a result, the personnel of the subdivision had to be deployed in the division office, Gadchiroli to utilise their services. The subdivision No.2 was shifted to Kurkheda in May 1993 and was assigned territorial area for execution of work.

Thus, creation of a subdivision and incurring of expenditure of Rs. 19.82 lakhs on pay and allowances of the personnel of the subdivision lacked justification.

On this being pointed out (June 1992), the department replied in May 1993 that though the available staff members were not assigned specific duties, their services were utilised in execution of various works assigned to Zilla Parishad. The reply was not tenable since the subdivision was created with the sole purpose of executing minor irrigation works but the staff of subdivision were utilised in the division since its creation to May 1993 for the purpose other than for which they were recruited. It was also observed that there was no vacant post in the Division.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

6.9 Infertuous outlay on construction of Bachat Bhavan

The scheme of giving incentive grants to districts for exceeding the allotted targets of small savings, was introduced by State Government since 1976-77. As per instructions issued by Government in December 1982 and September 1989, incentive grants were required to be spent on completion of incomplete primary school buildings, extension of existing primary school buildings and construction of new primary school buildings, construction of public urinals and latrines, construction of dharmashalas and construction of residential houses for Harijans, hostels for students (boys and girls), family planning and family welfare activities.

In contravention of the above instructions, the Block Development Officer, Tasgaon, District Sangli, utilised the small savings incentive grants for the work of construction of a building viz. Bachat Bhavan, as a commercial complex with 28 shops to develop market facilities in municipal area without obtaining necessary permission from Municipal Council and Government. The building was completed in 1990-91 at the total cost of Rs. 14.59 lakhs and since then it was not put to use (June 1996) for want of permission for construction from Municipal Council and Government. The Block Development Officer applied for *ex post facto* permission on 20 August 1993. The permission was not received from the Municipal

Council and Government as of June 1996 because of (i) defective planning, construction and deviation in construction from the plan and (ii) the plan of the building was not approved by the Regional Town Planning Department.

Construction of a commercial complex in municipal area, not stipulated in Government instructions of December 1982 and September 1989, was unauthorised and irregular. Non-utilisation of the building for over 5 years had also resulted in infructuous outlay of Rs.14.59 lakhs.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

6.10 Infructuous outlay on development of fodder plots

With a view to supplement the income of the families living below poverty line, Government launched the Centrally Sponsored Integrated Rural Development Programme (IRDP) in the State from 1980. Under the programme, milch animals were supplied to the IRDP beneficiaries. In order to provide nutritional feed to these cattle, a Fodder Development Programme was undertaken from April 1986 under IRDP and Drought Prone Area Programme (DPAP). The programme was to be executed through Zilla Parishads. The Village Panchayats were responsible for selection of plots, their development and maintenance and also production of fodder on these plots. Funds for basic expenditure for creating infrastructure such as land levelling, digging irrigation well, providing PVC pipe line and fixing electric motor pump set, were to be provided by Government. Maintenance funds towards cost of grass and tree seeds, survey, demarcation, soil conservation, trench, fencing, labour, watch and ward, equipment, weeding, casualty replacement, fire protection etc., at the rate of Rs.2,900 per hectare over a period of six years were also to be provided by Government.

Six plots of about 4 hectares each were developed at Handi-Nimgaon, Koregaon, Karegaon, Rehekuri and Tamaswadi by respective Village Panchayats in Ahmednagar District and at Malegaon-Budruk in Pune District. The development of these plots was undertaken during 1986-87 to 1988-89 on the basis of funds of Rs.13.45 lakhs released* for development of infrastructure and the same was completed between 1988-89 and 1992-93 incurring expenditure of Rs.11.61 lakhs.

Test-check of records relating to these farms revealed that fodder production was not undertaken in Handi-Nimgaon, Karegaon, Malegaon-Budruk and Tamaswadi farms and fodder was produced for only one year during 1991-92 at Koregaon and for two years during 1989-90 and 1990-91 at Rehekuri. The reasons attributed by the department were (i) non-grant of permission by Irrigation Department to lift water from canal in respect of plot at Malegaon-Budruk, where well was not dug in anticipation of getting water from nearby

* Handi-Nimgaon-Rs.2.17 lakhs, Koregaon-Rs.1.82 lakhs, Karegaon-Rs.2.32 lakhs, Malegaon-Budruk-Rs.3.03 lakhs, Rehekuri-Rs.1.84 lakhs and Tamaswadi-Rs.2.27 lakhs.

canal, (ii) non-availability of water in wells dug due to drought conditions (Handi-Nimgaon, Koregaon, Rehekuri and Tamaswadi), (iii) insufficient funds with Village Panchayat for maintenance of the farms (Koregaon and Tamaswadi) and (iv) non-provision of funds by Government in subsequent years, etc.

Thus, expenditure incurred on infrastructure without ensuring adequate water supply and provision of funds etc., at the cost of Rs.11.61 lakhs had remained infructuous as of May 1996.

The matter was referred to Government in May 1996; reply had not been received (October 1996).

6.11 Loss due to improper maintenance

To ensure smooth and continuous operation of power pumps throughout the year, a scheme for repairs and maintenance of power pumps, fitted on drinking water bore wells, was introduced by Government in July 1981. Under the scheme, Zilla Parishads were made responsible for repairs and maintenance of these pumps and Village Panchayats were made responsible for general care and proper operation of pumps to ensure that no damage was caused to them due to bad handling.

Audit scrutiny of the records of Ground Water Survey and Development Agency, Akola revealed (April 1993) that 27 power pumps, provided on bore wells in 9 talukas in Akola district at the cost of Rs.2.51 lakhs during the period from 1982-83 to 1987-88, had become inoperative after running for periods ranging between 3 and 5 years. The useful life of these pumps was 7 years. Department could not remove the pumps for repairs as those were found buried in the bore wells. The bore wells dug up at the cost of Rs.6.55 lakhs had, therefore, to be abandoned rendering expenditure of Rs.10.14 lakhs on bore wells, power pumps, galvanised iron pipes and installation charges infructuous. Department stated (March 1994) that the bore wells had to be abandoned on account of bad handling of the pumps by the users, lack of general care in operation of the pumps by Village Panchayats and also non-maintenance of the pumps periodically by the Zilla Parishad.

Thus, negligence on the part of the Village Panchayats and non-maintenance of the pumps resulted in loss of Rs.10.14 lakhs incurred on sinking of bore wells and accessory works.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

6.12 Infructuous expenditure on construction of Kolhapur Type Bandhara

The work of construction of a Kolhapur Type Weir (K.T.Weir) at Rajur Bahula in District Nashik, with an irrigation potential of 49.2 hectares was administratively approved

by Zilla Parishad, Nashik in February 1990 at an estimated cost of Rs.4.93 lakhs and entrusted to a contractor for execution in February 1991 with a stipulated period of 12 months for completion.

Though the work was commenced in February 1991, the contractor could not complete the work as stipulated due to irregular supply of cement by the department and the extension was granted upto June 1992. As the contractor did not complete the work by extended time of June 1992, further extension of time was granted upto June 1993 with a levy of penalty of Rs.5 per day of delay. In the meantime, the estimate was revised from Rs.4.93 lakhs to Rs.9.87 lakhs in July 1992 due to an increase in the quantity of masonry work and cost of cement.

The department noticed leakages below the foundation of K.T.weir in November 1992 because of which water could not be impounded even though major portion of the work was complete. The contractor was paid Rs.6.73 lakhs till October 1993 for the work executed though rectificatory action was not taken to stop leakage. The contractor stopped the work in October 1993 after incurring total expenditure of Rs.8.64 lakhs (Rs.6.73 lakhs cost of work executed + Rs.1.91 lakhs cost of cement supplied), was incurred in protest against the fine levied for carrying the work beyond the stipulated date of completion and to press his demand for a revision of rates for execution of the work. The matter was under correspondence with the contractor between October 1993 and June 1996 to settle the disputes and rectifying the defects. The department decided in June 1996 to terminate the contract and execute the balance work at the risk and cost of the contractor. Repairs to K.T. Weir was yet to be taken up (June 1996).

Thus, due to defective execution, the scheme could not be completed even after a period of 5 years resulting in the expenditure of Rs.8.64 lakhs being infructuous.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

6.13 Blocking of Government funds on the construction of a Percolation Tank

According to the Forest (Conservation) Act, 1980 and subsequent clarification of 26 September 1984 of the Government of India, prior approval of the Government of India is necessary for using reserved forest land for purposes other than afforestation and soil conservation.

Zilla Parishad, Ahmednagar, undertook construction of a percolation tank under Employment Guarantee Scheme at an estimated cost of Rs.8.25 lakhs in May 1985. The tank was to be constructed on the reserved forest land at Chimble, District Ahmednagar for which the mandatory approval from the Government of India was not obtained. After incurring an expenditure of Rs.3.42 lakhs, the work was stopped in January 1986 as the Forest Department objected to the construction of the tank without obtaining the approval from the Government of India. The work was not started as of April 1996.

Thus, failure on the part of the Department, to ensure in advance the availability of forest land for non-forestry purposes resulted in blocking of Government funds to the tune of Rs.3.42 lakhs for over a period of 10 years.

The Department stated (January 1996) that necessary proposal for acquisition of forest land for non-forestry purposes was in process and the work would be completed on receipt of the necessary approval to the proposal from the Government of India.

The matter was referred to the Government in May 1996; reply had not been received (October 1996).

WOMEN AND CHILD WELFARE DEPARTMENT

6.14 Irregular payment of honorarium

Government of Maharashtra decided in November 1994 to implement a special training programme on "Health and Nutrition" for the benefit of adolescent girls in the age group of 11 to 18 years who were not covered under any of the existing Integrated Child Development Service (ICDS) Schemes. The training programme was to be implemented by Anganwadi workers and as an incentive, the honorarium to be paid to them was raised to Rs.400 p.m. from Rs.325 p.m. for Anganwadi Sevika and to Rs.185 p.m. from Rs.135 p.m. for Anganwadi helpers. Detailed instructions in this regard were issued by the Directorate, ICDS, New Bombay on 15 November 1994.

Audit scrutiny revealed that though the scheme was implemented from November 1994, payment of honorarium at enhanced rate was made to the Anganwadi workers by Child Development Project Officers, Miraj (District Sangli) and Shirampur (District Ahmednagar) respectively, for the period April 1994 to November 1994. This had resulted in irregular payment of Rs.5.37 lakhs towards honorarium.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

SECTION II

AUDIT UNDER SECTION 15 OF THE ACT

CO-OPERATION AND TEXTILES DEPARTMENT

6.15 Financial Assistance to co-operative societies

(a) Details of the assistance given in the form of grants and subsidies, loans and share capital contribution to co-operative societies in the State during the three year period from 1993-94 to 1995-96 compiled on the basis of information furnished by the Department, are indicated in the following table :

		(Rupees in crores)					
		1993-94		1994-95		1995-96	
		Number of societies	Amount	Number of societies	Amount	Number of societies	Amount
1	Grants and Subsidies	7,726	14.19	24,554	26.07	7,438	17.36
2	Loans	399	3.99	526	9.48	433	5.00
3	Share Capital	17,616	512.01#	17,581	531.96#	17,727	695.00#

(b) Investments of the State Government in the share capital of co-operative societies, which were of the order of Rs.695.00 crores at the end of March 1996 yielded a dividend of only Rs.0.64 crore during the financial year 1995-96 representing a meagre return of 0.09 per cent. Only 160 societies had declared a dividend. The following table indicates details of the investments and dividends during the three year period from 1993-94 to 1995-96.

Year	Investments		Dividends	
	Number of societies	Total investment (Rupees in crores)	Number of societies	Dividend received (Rupees in crores)
1993-94	17,616	512.01	401	0.47
1994-95	17,581	531.96	518	0.37
1995-96	17,727	695.00	160	0.64*

(c) The recovery of loans and receipt of interest from societies were tardy resulting in large accumulation of overdue amounts as follows :

Year ending 31 March	Number of societies	Overdue amount	
		Principal (Rupees in crores)	Interest (Rupees in crores)
1994	4,790	22.30	13.10&
1995	4,358	25.40	14.48\$
1996	3,741	21.12	12.96@

Represents the progressive figures of investments by way of share capital at the close of the years. Differs from figures in statement 14 of Finance Accounts. The difference has not been reconciled by the Department.

* Exclusive of dividend of Rs.0.11 crore declared by 6 societies but not credited to Government upto 31 March 1996.

& Inclusive of penal interest of Rs.1.50 crores.

\$ Inclusive of penal interest of Rs.1.45 crores.

@ Inclusive of penal interest of Rs.1.41 crores.

(d) Government had also guaranteed repayment of loans raised by several co-operative societies. The loans covered by such guarantees which were outstanding as at the end of March 1996 from 159 societies amounted to Rs.321.68 crores. In respect of 387 societies, similar information was not made available. The maximum amount guaranteed was Rs.1,815.35 crores as on 31 March 1996. Out of an amount of Rs.31.07 crores paid by Government on account of invocation of guarantees in respect of the loans raised by 51 defaulting societies, Rs.0.12 crore was recovered from 6 societies and an amount of Rs.30.95 crores was recoverable as at the end of March 1996.

(e) Upto the end of the year 1995-96, Government paid grants and subsidies totalling Rs.89.53 crores to 60,752 societies. However, utilisation certificates for Rs.2.53 crores were awaited from 1,422 societies.

(f) The position in regard to the performance of 15,560 societies in respect of Government assistance as at the end of the financial year 1995-96 compiled on the basis of information made available by the Department is briefly summarised in the following table :

Financial assistance by Government
(Rupees in crores)

Category	Number of societies	Share capital	Loans	Subsidy/ Grants
1 Societies which earned profits	6,479	337.46	18.98	45.25
2 Societies which incurred loss	6,756	303.39	22.31	41.38
3 Societies under liquidation	1,393	16.74	9.64	1.97
4 Societies not functioning	662	1.50	0.19	0.20
5 Societies in initial stage of working	248	31.73	2.57	0.73
6 Societies where accounts were awaiting finalisation	22	0.06	0.01	*
Total	15,560	690.88	53.70	89.53
	Profits earned	:	Rs.28.00 crores	
	Losses incurred	:	Rs.78.80 crores	

* Rs.0.13 lakh only.

(g) Details of the co-operative societies which incurred losses during the three year period ending March 1996 were as under :

Year ending	Number of societies.	Losses (Rupees in crores)
March 1994	6,381	50.58
March 1995	6,961	53.92
March 1996	6,756	78.80

(h) Details of the co-operative societies which earned profits during the three year period ending March 1996 were as under :

Year ending	Number of societies	Profit (Rupees in crores)
March 1994	8,644	29.66
March 1995	6,630	46.46
March 1996	6,479	28.00

(i) At the end of March 1996, various cases of misappropriations, theft and shortages involving a total sum of Rs.13.26 crores in 4,180 societies had been reported by the Department. The position at the end of March 1996 was as under :

	Number of societies	<u>Sum involved in</u>			Total
		Misappropriation	Theft	Shortages	
Cases pending upto 31 March 1995	2,852	8.33	—	0.15	8.48
Less : Cases finalised during 1995-96	202	3.90	0.02	0.11	4.03
Add : Fresh cases reported during 1995-96	1,530	8.64	0.02	0.15	8.81
Cases pending as on 31 March 1996	4,180	13.07	—	0.19	13.26

(j) In accordance with the provisions of the Co-operative Societies Act, 1960, the accounts of co-operative Societies are required to be audited once in a year. As on

31 March 1996, the accounts of 3,157 Government-aided societies remained unaudited for varying periods as indicated under :

Number of years for which accounts were not audited	Number of societies
5 years and above	377
4 years	322
3 years	408
2 years	435
Upto one year	1,615
Total	<u>3,157</u>

The arrears in audit were attributed by the Department to non-availability of records, records being either incomplete or retained by the Police Department and courts and shortage of staff and vacant posts.

(k) Recovery of audit fees totalling Rs.1.23 crores was in arrears for varying periods at the end of March 1996 as indicated below :

Period for which recovery of audit fees was in arrears	Amount (Rupees in crores)
Four years and above but less than five years	NIL
Three years and above but less than four years	0.08
Two years and above but less than three years	0.20
One year and above but less than two years	0.46
Upto one year	0.49
Total	<u>1.23</u>

SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT**6.16 Blocking of funds on construction of stadia**

The Sports Authority of India (SAI) and Government of India (GOI) formulated a scheme in January 1989 for establishment of Sports Project Development Area Centres (SPDA). The cost of a new SPDA centre was estimated at Rs.1 crore excluding cost of land which was to be made available by the respective State Government free of cost. Expenditure was to be shared equally between the GOI and the State Government. Where some infrastructural facilities were already available at the proposed SPDA, the contribution of the State Government was to be reduced by the amount covered by the existing facilities and if some Central assistance was already provided for development of infrastructure, Central assistance was to be reduced to the extent of such assistance already availed of.

On the basis of proposals made by the State Government, SAI approved the establishment of SPDA Centres at Buldhana, Nanded, Nashik and Solapur. SAI sanctioned Rs.116 lakhs in September 1991 for three centres (Nashik, Nanded and Solapur) and Rs.10 lakhs in March 1994 for one centre (Buldhana).

Audit scrutiny revealed that Rs.29.61 lakhs were released by State Government out of the amount sanctioned by SAI during the year 1991-92 for creation of infrastructural facilities at Nashik. This amount was drawn by the department in March 1992. The SPDA centre, Nashik was initially proposed to be established on Golf Maidan owned by the Municipal Corporation. However, in December 1990 permission for the establishment of SPDA Centre was denied by the Corporation since it was the only open space available in the city area for public meetings, cultural activities etc. In view of this, it was proposed to shift the SPDA Centre elsewhere. Consequently, the amount of Rs.29.61 lakhs was lying unutilised in cash chest/savings bank account in Post Office since March 1992 (June 1996).

The SPDA Centre, Nanded was functioning from 24 September 1991 with available infrastructural facilities costing Rs.70 lakhs. It was closed by the SAI from 5 June 1995 due to non-availability of sufficient number of eligible students and inadequate infrastructural facilities. The amount of Rs.25 lakhs sanctioned by SAI for upgradation of facilities had been drawn in March 1993 and was kept in post office savings bank account. No expenditure was incurred out of this amount for creation of additional facilities as of June 1996.

Certain infrastructural facilities were already available at the SPDA Centre, Solapur. Administrative approval for the hostel building was accorded by Government only in February 1996. Entire amount of Rs.10 lakhs had been drawn in March 1993 and deposited in a bank account. It remained unutilised till March 1996 when it was transferred to Public Works Division, Solapur as a deposit towards construction of hostel. As such the SPDA Centre had not become functional (June 1996).

Out of Rs.10 lakhs sanctioned in 1993-94 for SPDA Centre, Buldhana and drawn in

March 1994, Rs.1.50 lakhs only were spent for renovation and repairs to hostel and the balance amount was lying unutilised. The department stated that the Centre was functioning since November 1993 with 31 players.

Thus, out of Rs.74.61 lakhs drawn, only Rs.1.50 lakhs were spent and the balance amount of Rs.73.11 lakhs were kept outside Government account by the Multigames District Sports Officers of the respective districts. This resulted in blocking of funds for over two to three years besides defeating the objective of promoting sports.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

SECTION III

AUDIT UNDER SECTION 20 OF THE ACT

HOUSING AND SPECIAL ASSISTANCE DEPARTMENT

MAHARASHTRA HOUSING AND AREA DEVELOPMENT AUTHORITY

6.17 Infertuous expenditure on construction of tenements

The work of construction of 80 tenements for slum dwellers at Dharavi was taken up by Maharashtra Housing and Area Development Authority (Authority) under Rajiv Gandhi Zopadpatti Sudhar and Niwara Prakalp (Project) in March 1990. As the proposed building was situated within 30 metres of railway boundary, a 'No Objection Certificate' (NOC) was required to be obtained from the railway authorities before commencement of the work. The application for NOC was made to the railway authorities in August 1990 and the work order was issued by the Executive Engineer of the Project to the contractor in October 1991 without waiting for the NOC.

In May 1993, the railway authorities asked the Project to furnish a structural safety certificate and an affidavit stating that if the said land was required for railway expansion in future, the building would be demolished at the cost of the department. The Project submitted the structural safety certificate but requested the railway authorities not to insist on the affidavit (June 1993). The railway authorities, however, finally refused to grant the NOC in September 1994 as the construction of the building was in violation of Railway Rules.

In the meantime, construction of the tenements was completed in May 1994 at the total cost of Rs.43.46 lakhs. However, the tenements could not be allotted to the slum dwellers as of March 1996, for want of NOC from railway authorities.

Thus, Project's failure to obtain the requisite NOC before commencement of the work of construction of tenements had resulted in the expenditure of Rs.43.46 lakhs being

rendered infructuous for nearly two years (April 1996).

The matter was referred to Government in April 1996; reply had not been received (October 1996).

6.18 Infructuous expenditure on development of land

The Rajiv Gandhi Zopadpatti Sudhar and Niwara Prakalp (Project), a unit of Maharashtra Housing and Area Development Authority procured 9 hectares of land from Revenue Department in October 1987. The Project authorities without waiting for the demarcation of the plot started reclamation work in December 1987 and constructed 713 pitches (construction upto plinth level) during October 1989 to March 1990 at the cost of Rs.38.22 lakhs. During demarcation of the said plot carried out in October 1992, it was discovered that an area of 0.55 hectare already developed by the Project authorities was earmarked for a private builder. Consequently, fresh demarcation was carried out in June 1993 and it was found that a triangular piece of land measuring about 0.34 hectare on which Rs.3.20 lakhs had been incurred for development, belonged to a private builder.

Incremental houses (ground floor structures) were constructed on 393 out of the 713 pitches and allotted to the rehabilitated slum dwellers from the airport authorities' land at Santacruz in May 1993. The balance 320 pitches which had been constructed (March 1990) at a proportionate cost of Rs.17.15 lakhs were not allotted as the beneficiaries were not identified.

Thus, the failure of the Project authorities to have the demarcation of the land completed before undertaking development work and construction of pitches without identifying the beneficiaries, had resulted in the expenditure of Rs.20.35 lakhs as of March 1996 becoming infructuous.

The Project authorities, while conceding the facts stated in February 1996 that the developmental expenditure incurred on the portion of land transferred to the private builder would be met from the sale of five High Income Group (HIG) plots which had been demarcated on this plot of land and the expenditure incurred on construction of pitches would be loaded on to the cost of the tenements proposed for construction after demolition of the pitches. The reply was not tenable as the Public Accounts Committee in a similar context in its 20th Report (Sixth Maharashtra Legislative Assembly) in April 1984, had expressed the view that the upward revision of the prices of the tenements would tantamount to punishing the purchasers for the lack of perspective and unimaginative planning on the part of the Board over which the former had no control.

The matter was referred to Government in May 1996; reply had not been received (October 1996).

6.19 Avoidable additional liability due to non-replacement of a defective water meter

According to the Maharashtra Industrial Development Corporation (MIDC) Water Supply Regulations, 1973, charges for water supply to consumers whose meters are lost, damaged, unrepaired or not in working condition are recoverable for the first two months based on three months average monthly consumption of water immediately preceding the month in which the meter was not functional, lost etc. Thereafter, if the water meter continues to be non-functional beyond the initial period of two months, the consumer is charged a penalty at the rate of 50 *per cent* of the water charges based on three months average monthly consumption of water immediately preceding the month in which the meter was not functional, for the next two months and at the rate of 100 *per cent* of water charges for the fifth and sixth month, provided the total period of unmetered supply of water is not more than six months. In case, the water supply remains unmetered for more than six months, the water supply is discontinued after giving a notice of seven days.

The Konkan Housing and Area Development Board (Board), a unit of the Maharashtra Housing and Area Development Authority, was getting water for supply to the housing colony developed for Low Income Group, Economically Weaker Section and Subsidised Industrial Housing Schemes at Ambarnath, District Thane, from the MIDC.

The water meter installed at the above colony was non-functional from 12 November 1992 to 22 April 1993 and again from 28 January 1994 to 2 February 1995. The MIDC, therefore, levied a penalty at the prescribed rate amounting to Rs.7.08 lakhs for the water supply made during these periods. In order to avoid disconnection of water supply, the Board paid 50 *per cent* of the arrears of penalty amounting to Rs.3.54 lakhs in November 1994, leaving a liability towards accumulated balance of penalty of Rs.3.54 lakhs and delayed payment charges of Rs.3.85 lakhs as of January 1995.

Thus, failure on the part of the Board to get the defective water meter repaired or replaced in time had resulted in avoidable extra expenditure of Rs.3.54 lakhs and acceptance of further liability of Rs.7.39 lakhs, as of January 1995.

The Board stated (September 1995) that the liability of Rs.3.54 lakhs had been passed on to the tenants and would thus stand recovered. The reply was not tenable as recovery of penalty from the tenants tantamounts to punishing the helpless tenants of weaker section for the failure on the part of the Board.

While accepting the facts Government stated (January 1997) that a new water meter was fixed in August 1996 and efforts were being made to get the payment of penalty waived by the MIDC.

INDUSTRIES, ENERGY AND LABOUR DEPARTMENT

MAHARASHTRA STATE KHADI AND VILLAGE INDUSTRIES BOARD

6.20 Infructuous expenditure on opening of stalls

With the objective of promoting sale of products of Village Industries at reasonable price by providing assured market and of providing gainful employment to educated youth, the Maharashtra State Khadi and Village Industries Board (Board) had installed 11 stalls at various places in Mumbai city, between February 1990 and November 1990 at the total cost of Rs.4.02 lakhs.

Of these, 7* stalls (costing Rs.2.38 lakhs) could not be opened for want of required licences to be issued by the Municipal Corporation as the matter was not pursued by the Board with the authorities after November 1992. 3\$ stalls (costing Rs.1.13 lakhs) for which licences were received, were closed between April 1992 and May 1994 as these were running uneconomically. These stalls were not reallocated by the Board. Only 1# stall (costing Rs.0.51 lakh) was functioning as of June 1996 even though the required licence had not been obtained for it.

While accepting the facts, Government stated (June 1996) that due to legal difficulties it was not possible to give the stalls to others and the proposal to auction the stalls was under consideration.

Thus, failure on the part of the Board to obtain required licences from the appropriate authorities for opening of 7 stalls and in reallocation of the 3 stalls closed in May 1994 had rendered the expenditure of Rs.3.51 lakhs infructuous.

URBAN DEVELOPMENT DEPARTMENT

MAHARASHTRA WATER SUPPLY AND SEWERAGE BOARD

6.21 Loss of interest on investments due to excess withdrawal from Depreciation Fund

The Maharashtra Water Supply and Sewerage Board (Board) accorded sanction in October 1993 for withdrawal of Rs.217.83 lakhs from the Depreciation Fund to meet the expenditure on replacement of old pipe lines of Ambarnath-Badlapur Water Supply Scheme (Scheme). However, an amount of Rs.279.24 lakhs was actually withdrawn from Depreciation Fund in November 1993 by premature encashment of fixed deposits.

* Byculla, Ghatkopar, Jogeshwari, Mahim, Santacruz, Vile Parle and Wadala
 \$ Girgaon, Modi Street and Tardeo
 # Fort, Mumbai

On scrutiny of records of the Scheme, it was noticed that the above work was entrusted to a contractor only in February 1994 for completion within a period of 12 months. Total expenditure incurred on the Scheme upto July 1994 was Rs.174.15 lakhs.

Since the dates of maturity of investments in the form of 17 fixed deposit receipts were 3 July 1994 (13 FDRs) and 5 July 1994 (4 FDRs), the Board needed to withdraw only Rs.180.04 lakhs (14 FDRs) from Depreciation Fund prematurely for meeting expenditure of Rs.174.15 lakhs incurred upto July 1994. The balance amount of Rs.99.20 lakhs could have been withdrawn only on maturity of the remaining investments.

Thus, premature and injudicious withdrawal of Depreciation Fund investments (Rs.99.20 lakhs) had resulted in a loss of Rs.16.36 lakhs by way of interest to the Board.

The matter was referred to Government in May 1996; reply had not been received (October 1996).

MUMBAI METROPOLITAN REGION DEVELOPMENT AUTHORITY

6.22 Irregular allotment of land to private parties

According to Rule 4 of the Mumbai Metropolitan Region Development Authority (Disposal of lands) Regulations, 1977, the Mumbai Metropolitan Region Development Authority (MMRDA) can dispose of the land under its jurisdiction by any of the following measures :

(i) holding public auction, (ii) inviting tenders by public advertisements, (iii) making offers to or accepting offers from the Government, Local Authority or Public Sector Undertaking, (iv) making offers or accepting offers from a public charitable trust for the purpose of providing education or medical relief to the public and (v) inviting applications by public advertisement on the basis of predetermined premium and/or other considerations and accepting any of these applications by drawing lots and in the case of inadequate applications, on first come first served basis.

In contravention of these provisions, MMRDA allotted land to two private parties as detailed below :

(A) Land admeasuring 30,000 square meters at Bandra-Kurla Complex, Mumbai, was allotted in January 1994 to a private party (lessee), without calling for public tenders, on lease for 80 years at a premium of Rs.30,202 per Floor Space Index square metre to be paid in two instalments as under :

- (i) 50 per cent amount within 15 days from the date of acceptance of the offer by the lessee,

- (ii) balance 50 *per cent* within one month from the date of payment of first instalment.

The offer of MMRDA for the said land was accepted by the lessee on 9 February 1994. The lessee requested for extension of time limit for payment of instalments, which was rejected by MMRDA on 21 February 1994.

Scrutiny of records, however, revealed that MMRDA allowed the lessee to pay 1st instalment by 7 March 1994 and subsequent instalment by 7 April 1994 by considering date of acceptance as 21 February 1994 (date on which rejection of extension of time was communicated) instead of 9 February 1994. This was not correct being contrary to the MMRDA Regulations.

The lessee paid instalments as under :

1st instalment of Rs.45.30 crores on 7 March 1994

2nd instalment :

- (a) Rs.15.30 crores on 7 April 1994
- (b) Rs.10 crores on 22 April 1994
- (c) Rs.20 crores on 28 April 1994

The MMRDA charged interest at 18 *per cent per annum* amounting to Rs.28.11 lakhs for delayed payment of instalments by reckoning the delay with reference to date of acceptance of offer as 21 February 1994 instead of 9 February 1994.

Actual delay as per terms of offer calculated with reference to the date of acceptance i.e. 9 February 1994 ranged from 11 days to 35 days for both instalments on account of which Rs.83.96 lakhs were recoverable as against Rs.28.11 lakhs recovered by MMRDA resulting in short recovery of Rs.55.85 lakhs.

(B) Land admeasuring 21,000 square meters at Bandra-Kurla Complex, Mumbai, was allotted in January 1994 to a private party (lessee) who was the lowest bidder, on lease for 80 years. Premium was charged at the rate of highest bidder of Rs.34,179 per Floor Space Index square meter. No reasons were on record for not allotting the land to the highest bidder. The premium amount was to be paid in two instalments as under :

- (i) 50 *per cent* amount within 15 days from the date of acceptance of the offer by the lessee,
- (ii) balance 50 *per cent* within one month from the date of payment of first instalment.

The offer of MMRDA for the said land was accepted by the lessee on 11 February 1994. MMRDA conveyed their acceptance to the lessee on 21 February 1994.

Scrutiny of records revealed that MMRDA allowed the lessee to pay 1st instalment by 7 March 1994 and subsequent instalment by 7 April 1994 by considering date of acceptance as 21 February 1994 instead of 11 February 1994. This was not in order as the effective date as per the Regulation was the one on which the lessee had accepted the offer and not the date on which MMRDA conveyed their acceptance.

The lessee paid instalments as under :

1st instalment of Rs.3,588.80 lakhs on 7 March 1994

2nd instalment :

- (a) Rs.351.08 lakhs on 7 April 1994
- (b) Rs.78.02 lakhs on 15 April 1994
- (c) Rs.78.02 lakhs on 20 April 1994
- (d) Rs.1,716.38 lakhs on 22 April 1994
- (e) Rs.78.02 lakhs on 25 April 1994
- (f) Rs.1,287.28 lakhs on 2 May 1994

The MMRDA charged interest at 18 *per cent per annum* amounting to Rs.30.07 lakhs for delayed payment of instalments by reckoning the delay with reference to date of acceptance of offer as 21 February 1994 instead of 11 February 1994.

Actual delay as per terms of offer calculated with reference to the date on which offer was accepted by the lessee ranged from 9 to 37 days for both instalments on account of which interest of Rs.67.23 lakhs was recoverable as against Rs.30.07 lakhs recovered by MMRDA resulting in short recovery of Rs.37.16 lakhs.

On this being pointed out, the MMRDA stated (June 1996) that they had inherent powers to relax the Regulations for allotment of land to private parties in deserving cases without the concurrence of State Government and in case of the date of acceptance of offer, it was considered as 21 February 1994, the date on which willingness of the lessee was accepted by MMRDA.

Reply furnished by the MMRDA was not tenable, since the MMRDA Regulations were approved by Government by publication in Gazette, any modification/relaxation thereto required concurrence of Government, which was not obtained by the MMRDA. Further, as

per Regulation No.9, the date of acceptance of offer by the party, was to be considered for calculations the time limit for payments, but the MMRDA considered a later date on which the MMRDA accepted the letter of the party.

Thus, not only the land admeasuring 30,000 and 21,000 sq.meters in the prime location of city was allotted to two private parties in contravention of prescribed Regulations, but also there was short levy and recovery of interest to the tune of Rs.93.01 lakhs.

The matter was referred to Government in June 1996; reply had not been received (October 1996).

CHAPTER VII

COMMERCIAL ACTIVITIES

7.1 General

This chapter contains the results of audit of the departmentally managed Government commercial and *quasi*-commercial undertakings.

Of the 47 such commercial and *quasi*-commercial undertakings in the State as on 31 March 1996 only 39 undertakings had finalised their Proforma Accounts for the year 1995-96 as of October 1996. All the 39 undertakings incurred losses aggregating Rs.11,088.13 lakhs of which an amount of Rs.2,534.91 lakhs was due to expenditure incurred on free distribution of milk by Government Milk Schemes to School Children as per the Government directives. The Proforma Accounts of the remaining 8 undertakings were in arrears for one to ten years. Relevant details are contained in Appendix XVIII.

A synoptic statement showing the summarised financial results of all the 47 undertakings based on their latest available accounts is contained in Appendix XIX.

Some of the important irregularities noticed in the course of audit of the accounts for the year 1995-96 are as follows :

1 *Government Milk Schemes*

Interest on Mean Capital

In respect of 31 Milk Schemes/Chilling Centres/Units, the loss for the year 1995-96 was understated to the extent of Rs.222.13 lakhs due to erroneous calculation of Mean Capital and the prescribed rate of interest.

2 *Government Milk Scheme, Akola*

Fixed Assets

Fixed Assets were overstated by Rs.34.58 lakhs due to non-reduction of depreciation provided during the year.

3 *Government Milk Scheme, Mahad*

Fixed Assets

Buildings

The assets on which expenditure of Rs.3.31 lakhs was shown as incurred by the construction division could not be identified.

4 *Government Milk Scheme, Nagpur*

Capital Account

Interest on Mean Capital

The loss for the year was overstated by Rs.46.27 lakhs on account of calculation of interest on closing balance of capital account instead of on Mean Capital.

5 *Government Milk Scheme, Wardha*

Fixed Assets

(a) Milk crates and cans

Milk crates and cans were overvalued by Rs.1.55 lakhs due to inclusion of the cost of milk crates and cans which were transferred in 1991-92 and 1992-93 to the Government Milk Scheme, Nagpur. The scheme at Wardha also provided depreciation of Rs.1.03 lakhs on these assets.

(b) Vehicles

Value of vehicles included an advance of Rs.2.80 lakhs towards the vehicle which was not delivered to the scheme.

FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT

7.2 Revamped Public Distribution System

7.2.1 Introduction

A special subsidised scheme of the Government of India for issue of foodgrains (Rice and Wheat) for distribution under Public Distribution System (PDS) in Integrated Tribal Development Project (ITDP) area was in vogue from 1986. The issue rates of foodgrains under this scheme were fixed lower by Rs.50 per quintal than the Central Issue Price (CIP) of foodgrains released for PDS. The scheme was revamped on 1 April 1992 by extending its coverage to include Drought Prone Area Programme (DPAP), Desert Development Programme (DDP) and Designated Hill Area (DHA) in addition to the ITDP areas with the aim of making available the essential commodities to poor and vulnerable sections in the far flung, remote and inaccessible areas. In Maharashtra, 114 blocks in 20 districts coming under ITDP and DPAP were being covered under the scheme since 15 June 1992.

Abbreviations used in this Review are listed in the Glossary at Appendix XX (Page 245).

The review of Working of the Revamped Public Distribution System (RPDS) since its introduction revealed the following :

7.2.2 Procurement and distribution of foodgrains

(i) The Government of India (GOI) allocated foodgrains to the State Government for PDS including foodgrains for RPDS based on the consolidated requirement projected by the State Government. No guidelines regarding the basis for raising demand for foodgrains by the State Government were laid down under RPDS. Separate details for the demand projected to GOI for PDS and RPDS were not available with the department.

The position of allotment, lifting and issue of foodgrains for RPDS was as under :

Year	Allotment by Supply Commissioner	Quantity lifted from FCI	Quantity issued to FPS	Percentage of shortfall of lifting from FCI
(1)	(2)	(3)	(4)	(5)
	(In metric tonnes)			
1992-93	3,24,469	3,17,722	2,88,160	2
1993-94	3,57,070	2,98,817	2,98,909	16
1994-95	3,59,060	3,08,895	3,11,169	14
1995-96	5,36,675	4,25,837	4,78,749	21

The department stated (March 1996) that the actual quantity lifted from Food Corporation of India (FCI) godowns by districts depended on the stock available in district godowns and the then prevailing trend of the off takes. Further, it was stated that lifting of entire allotted quantity by Supply Commissioner would not have been possible as there was no space in Government godowns and might have resulted in deterioration of foodgrains due to long storage. It was evident that the demand placed by the districts with Supply Commissioner and the allocation made by Supply Commissioner to the districts were not on realistic basis.

(ii) As per the 1991 census, population in the 20 districts under RPDS was 200.52 lakhs. Considering, a minimum quantity of 5 kg per head per month prescribed by the GOI, the average annual requirement for these 20 districts was 12.03 lakh mts. As against this, the quantity of foodgrains lifted by FPS during the four year period ending March 1996 ranged between 2.88 lakh mts and 4.79 lakh mts. The department attributed the poor off take to the following : (a) as the coarse grains were the staple food of the tribal people, they were not accustomed to the use of wheat, preparation of chapatis etc., (b) being mostly agricultural workers, received their wages in kind and hence did not have to lift foodgrains from Fair Price Shops (FPS), (c) barter system still existed in tribal areas, sale through FPS was adversely affected.

(iii) Test-check of records pertaining to distribution of foodgrains by the District

Supply Officers (DSOs) revealed the following :

(a) DSOs made advance payment to FCI for the quota of rice and wheat allotted by the Supply Commissioner. Refund, if any, on account of unlifted quantity of foodgrains was to be claimed by the DSOs from FCI. The claims for refund of Rs.11.88 lakhs on account of unlifted quantity of rice and wheat for the period February 1991 to December 1994 preferred by DSO, Chandrapur from time to time were still pending with FCI (July 1996).

(b) The department had issued instructions that buffer stock for one and a half to two months should be maintained by the DSOs. Test-check of records of DSO Nashik revealed that sufficient buffer stock of wheat was not maintained and the shortfall ranged from 4 to 61 *per cent* during 1994-96. The stock of wheat at Peth, Sargana, Dindori and Sinnar talukas in the Nashik district was not only very low but also nil on some days during April 1995.

(c) Government directed (October 1995) DSOs Chandrapur, Thane, Dhule and Yavatmal to divert superfine rice and wheat initially procured for general PDS to RPDS in ITDP areas as there was no off take under general PDS and accordingly to recover from FCI Rs.50 per quintal being the difference in central issue price for PDS and for RPDS areas. FCI refused to pay the differential cost amounting to Rs.26.09 lakhs on the ground that the permission granted by the GOI to divert foodgrains from PDS to RPDS did not have any commitment on the FCI for payment of differential costs which should be borne by the State Government. This fact was reiterated by GOI in March 1996. Thus, the State Government had to bear the extra financial burden of Rs.26.09 lakhs. The State Government had represented to GOI in April 1996 to reconsider the issue. Further developments were awaited (October 1996).

7.2.3 *Extra burden to consumers*

(i) One of the decisions taken in May 1992 by the GOI with regard to the RPDS was the reduction of CIP of wheat and rice by Rs.50 per quintal. The State Governments/ Union Territory administrations were advised not to add more than Rs.25 per quintal over and above the CIP on account of handling costs, commissions etc. In May 1992, it was also decided that the retail price should be uniform throughout the country. Accordingly, States could charge only Rs.25 per quintal over and above CIP to the consumers in these areas to cover the handling costs, commission etc.

However, it was observed in audit that uniformity in the retail selling price of foodgrains was not maintained in the State. Prices in DPAP areas were higher than those in ITDP areas. Moreover, the retail selling price was not restricted within Rs.25 per quintal over and above the CIP and the extra burden passed on to the consumers was Rs.13 per quintal in respect of common rice in ITDP areas during February 1993 to January 1994 and Rs.102, Rs.108, Rs.88 and Rs.23 per quintal for superfine rice, fine rice, common rice and wheat respectively in DPAP areas from February 1994 onwards. The extra burden thus, passed on to consumers

during the period February 1993 to March 1996 worked out to Rs.1,416.39 lakhs.

(ii) In Dindori taluka of Nashik district, 14 villages included in DPAP area were subsequently (April 1990) included in the tribal subplan of Maharashtra and were, therefore, eligible for supply of foodgrains at ITDP rates. However, these villages were included as ITDP villages only in November 1995. Adoption of two different rates for DPAP areas and ITDP areas and the delay in inclusion of these villages under ITDP resulted in the consumers having to bear the extra burden on account of higher purchase price of foodgrains sold in DPAP area. The extra burden borne by the consumers on purchase of wheat and rice alone worked out to Rs.9.74 lakhs during the period January 1992 to March 1996.

7.2.4 Construction of godowns

RPDS envisaged construction of godowns with financial assistance from the GOI. As against the proposed requirement of Rs.392.07 lakhs during 1992-93 to 1995-96, the actual allotment of funds by GOI was only Rs.206.16 lakhs. During this period, the State Government sent proposal for construction of 32 godowns (14,942 mt capacity); GOI sanctioned 21 godowns (10,442 mt capacity). However, the State Government sanctioned only 17 godowns (8,100 mt capacity) with an estimated expenditure of Rs.164.79 lakhs (Amravati : nine; Bandhara, Dhule and Thane : two each; Gadchiroli and Raigad : one each). The administrative approval for construction of remaining 4 godowns for which funds received from GOI in June 1995 and October 1995 had not been accorded (June 1996) due to non-submission of copies of plans and estimates by the DSOs (Beed, Dhule, Jalna and Solapur).

7.2.4.1 Delay in construction of godowns

None of the 17 godowns for which funds were released and administrative approvals accorded by the State Government before the end of 1994-95, were completed/handed over (June 1996). No system to watch the progress of work by obtaining periodical reports from the districts/Public Works Department (PWD) had been evolved by the department. In reply to the observation on delays in construction, the department stated that the delays were due to time consumed in administrative procedure, difficulty in carrying out the work in the rainy season, delays in land acquisition, transportation problems in remote areas, etc.

In Surgana taluka (Nashik district), a proposal for construction of godown submitted by the DSO in June 1993 was not forwarded to GOI as detailed justification for estimated cost in excess of Rs.2,000 per mt was not submitted. As there were no Government owned godowns in Surgana Taluka, private godowns were hired and expenditure of Rs.0.32 lakh was incurred as rent during the years 1994-95 and 1995-96.

Scrutiny of records revealed the following :

(i) In 1992-93, GOI while sanctioning financial assistance for 9 godowns had directed that estimated cost should not exceed Rs.2,000 per mt and detailed justification should be furnished for any excess over the ceiling. The DSOs Chandrapur and Gadchiroli, however, expressed their inability to submit estimates within Rs.2,000 per mt in December 1993. The instructions of the GOI on the need to furnish detailed justification for any estimate in excess of Rs.2,000 per mt were, however, brought to the notice of the DSOs only in May 1995. The detailed justification for the excess had not been furnished by the concerned districts as of June 1996. Thus, because of delayed receipt of instructions and non-submission of detailed justification for excess cost of construction of godowns by DSOs, Chandrapur and Gadchiroli had resulted in non-construction of six and four godowns respectively, the two most backward ITDP areas (March 1996).

(ii) In Amravati district, the existing storing capacity of two godowns at Chikaldara and Dharni (870 mt and 800 mt) was to be increased by 2,800 mt and 1,500 mt by constructing 6 godowns. This addition in capacity was justified on the ground that the area was hilly and there were transportation problems in rainy season. However, it was noticed that the monthly allotments of foodgrains from these godowns were only 400 mt and 600 mt respectively. Construction of additional godowns thus, lacked justification.

(iii) In Dhule district, sanction was accorded in March 1995, for construction of two godowns each of 500 mt capacity at Chinchpada and Visarvadi villages in Navapur taluka, within a distance of 5 kms between two places. Though the taluka was already having two Government godowns of 500 mt capacity each, two more godowns were proposed with a view to make available foodgrains to them from a lesser distance. Taking into consideration the yearly allotment of 4,147 mt, 2,493 mt, 3,167 mt, 4,569 mt of foodgrains during 1992-93, 1993-94, 1994-95 and 1995-96 respectively, the existing godowns would have been adequate to cater to the needs of the taluka and if at all additional godowns were needed, godowns with capacity of 300 mt each would have sufficed resulting in possible savings of Rs.10.49 lakhs. Moreover, the location of two godowns, within a distance of 5 kms from each other was not justified in view of the availability of vans for door step delivery scheme.

(iv) In Thane district, construction of a godown at Palghar at an estimated cost of Rs.9.74 lakhs (within the prescribed Rs.2,000 per mt) was approved in 1993-94. However, the estimated cost was revised in June 1995 to Rs.22.44 lakhs on the ground that the proposal was based on 1992-93 schedule of rates and there had been increase in construction cost, higher tender rates, etc., and the Collector/DSO concerned had been asked to submit the proposal with sufficient justification/ explanation regarding the increased cost. It was observed that although GOI had sanctioned funds for the godown in February 1993 itself, administrative approval was accorded by the State Government only in October 1993 and funds were placed at the disposal of the PWD in January 1994, i.e. after a lapse of 11 months from date of sanction by the GOI. Thus, avoidable delay in starting the construction of the godown, which was one of the factors, as admitted by the department, had resulted in the cost escalation

of Rs.12.70 lakhs.

7.2.5 Doorstep delivery scheme - purchase of vans

Under RPDS, specified essential commodities were to be supplied to the FPS at their doorstep. For this purpose, Central Government provided assistance in the form of loan and subsidy in the ratio of 50:50 for purchase of vans. As against Rs.920 lakhs (for 245 vans) projected by State Government for purchase of vans, it received only Rs.440 lakhs for 105 vans till 31 March 1995 and it acquired only 97 vans till March 1996.

An amount of Rs.80 lakhs allotted by GOI for purchase of 15 vehicles during July 1995 was not utilised since GOI letter conveying sanction had not been received by the department. The sanction lapsed on 31 March 1996. All the 97 vehicles purchased so far have been deployed by the Government for doorstep delivery of foodgrains to the shopkeepers in ITDP areas. The additional number of vehicles required was stated to be 170 over and above 97 vehicles purchased (20 Nos. - ITDP, 150 Nos.- DPAP) to cover all RPDS areas under doorstep delivery scheme.

7.2.5.1 Underutilisation of vans

As per prescribed norms, each vehicle was expected to run for a minimum of 22 days in a month. Test-check of records at Gadchiroli, Chandrapur and Nashik districts which deployed 12, 9 and 8 vehicles during 1994-95 and 19, 10 and 15 vehicles during 1995-96 revealed an average shortfall in utilisation of all these vehicles to the extent of 47, 32 and 32 *per cent* respectively during the period 1994-95 to 1995-96. The average vehicle wise shortfall in utilisation ranged between 18 and 67 *per cent*, 17 and 57 *per cent*, 21 and 56 *per cent* in Gadchiroli, Chandrapur and Nashik districts respectively during the two years 1994-95 to 1995-96.

The overall annual shortfall in coverage of shops by the vans was 31, 17 and 5 *per cent* in Gadchiroli, Chandrapur and Nashik districts respectively during 1994-95 to 1995-96. The reasons for underutilisation and short coverage of shops were awaited (June 1996). Due to shortfall in coverage of shops by the vans, the foodgrains had to be transported by the shopkeepers themselves by making their own arrangements, thus defeating the objective of transporting the foodgrains to the doorstep of the shopkeeper. On a test-check it was observed that Tahsildars of Peth and Surgana talukas in Nashik district had paid to the shopkeepers transportation rebate amounting to Rs.0.58 lakh during 1995-96 for transportation of foodgrains by the shopkeepers under their own arrangements.

7.2.5.2 Coverage of shops in godown area

Those shops which were located within the godown area were not to be covered under doorstep delivery scheme. These shops which were located within the godown area

were to make their own arrangement to lift the foodgrains from godown. In Peth and Surgana talukas in Nashik district it was noticed that the shops which were located within the godown area were being provided with foodgrains under the doorstep delivery scheme. Four shops in Surgana taluka and six shops in Peth taluka were supplied 8,051 quintals and 6,721 quintals of wheat, rice and oil during April 1994 to March 1996 and April 1994 to October 1995 respectively.

7.2.5.3 Non-insurance of vans

All the vans utilised under door step delivery scheme were required to be registered and insured. However, it was observed in Audit that one vehicle each in Gadchiroli and Chandrapur districts which met with accidents in March 1994 had not been insured.

Based on the estimate for repair given by Tribal Development Corporation (TDC), Government in January 1995 sanctioned an amount of Rs.1.09 lakhs to be paid to TDC after repair of these vehicles. However, no repair work had been carried out since TDC had revised the estimate to Rs.3.16 lakhs (May/June 1995). Further developments were awaited (June 1996).

7.2.5.4 Misutilisation of vans

The vans under door step delivery scheme were to be utilised for transportation of foodgrains from godowns to the FPS. On a test-check of records of Kurkheda taluka in Gadchiroli district it was observed that vans were being utilised for inter-godown movement of foodgrains though separate contracts were in existence. The quantity of foodgrains so transported between godowns was 5,845 quintals during 1995-96.

7.2.6 Fair Price Shops

Centralised information regarding number of FPS, card population, total population, number of families in ITDP and DPAP areas was not available with the department as the reports were not furnished regularly by the districts and same were also not updated. Thus, the adequacy of the number of shops in all districts could not be determined in Audit.

7.2.7 Functioning of Vigilance Committees

Vigilance Committees called Dakshata Samitis were set up at village, taluka and district level to review the allocation and distribution of foodgrains and other essential commodities through RPDS. The Vigilance Committees at all levels were to meet once in a month. However, a test-check of records in 3 districts (Chandrapur, Gadchiroli and Nashik) revealed that the district level meetings were not held during 1995-96 at Gadchiroli and Nashik districts and adequate prescribed number of meetings were not held in Gadchiroli district during 1992-95. No taluka level meeting was held in Chandrapur and Gadchiroli districts during 1995-96. Admitting that the meetings of Vigilance Committees at various

levels were not being held regularly, the department stated (March 1996) that due to vacancies in the posts of non-official members on account of supersession of local bodies or pending elections, and pressure of work, regular meetings were not held. The department further stated that instructions had been issued for holding regular meetings from time to time.

One of the important functions of village level vigilance committee was to verify the quantity of foodgrains received each time in FPS by at least two of the committee members and thereafter send a certificate to the Tahsildar indicating the actual quantity of foodgrains actually received.

A test-check in Kurkheda and Armori tahsils of Gadchiroli district revealed that no such certificates were being sent by the Vigilance Committees.

7.2.8 Monitoring

For monitoring of RPDS, GOI had prescribed a format in which fortnightly progress reports were to be submitted. However, no reports had been submitted by the State after December 1993. In August 1995, GOI redesigned the format of the report. No report in the revised format had been sent to GOI since information from all the districts was still awaited (June 1996). In the absence of progress reports there was no effective monitoring of the functioning of the RPDS by the State.

The above points were brought to the notice of Government in July 1996; reply had not been received (October 1996)

7.3 Loss due to delay in disposal of unserviceable gunny bags

The Collector, Nagpur invited tenders in May 1993 for disposal of 88,675 unserviceable gunny bags lying in the various godowns of Nagpur district. In response, ten parties submitted bids which were opened on 24 May 1993 and highest rate of Rs.705.51 per hundred unserviceable gunny bags quoted by firm 'R' of Nagpur was accepted.

As the realisable amount of Rs.6.26 lakhs from sale of 88,675 unserviceable gunny bags was beyond the financial powers of the District Collector, Nagpur, the Government was approached in May 1993 to accord sanction for disposal of bags. The Government, however, did not accord sanction and sought certain clarifications and the matter remained under correspondence. Finally, in April 1995, Government directed the District Collector, Nagpur that fresh tenders be invited as prior permission of Government was not obtained and other papers were not submitted alongwith the request for *post facto* permission. Accordingly, fresh tenders were invited by the Collector Nagpur in July 1995 and the highest bid of Rs.444 per hundred bags of firm 'P' of Nagpur was approved by the Government in January 1996. This resulted in a loss of revenue of Rs.2.32 lakhs to the Government. This loss could have been avoided had prior permission been obtained before the first tender was called.

Government stated in August 1996 that in the beginning there was delay in handling the case on Government level due to non-submission of the proposal through proper channel. Further, retendering was done and highest rate of Rs.444 offered by tenderer (which was more than the upset price) had been accepted, hence there was no loss to Government.

The reply was not tenable as the fact remained that the delay in observing tendering formalities and other delays resulted in a loss to the Department.

AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

DAIRY DEVELOPMENT DEPARTMENT

7.4 Loss in conversion of milk into skimmed milk powder and butter from outside dairies and part sale to them

The Government Milk Scheme Miraj (Scheme) with processing capacity of 2.20 lakh litres of milk per day was able to process on an average 1.69 lakh litres per day during the year 1993-94 constituting 77 *per cent* capacity utilisation as against 85 *per cent* (1.87 lakh litres per day) capacity utilisation achievable. Further, during 1993-94, the total milk procured during each month never exceeded 80 *per cent* of processing capacity. Despite underutilisation of the processing capacity, the Scheme despatched during July 1993 to March 1994, 51.98 lakh litres of milk to three outside private dairies viz. A, B and C for conversion of milk into skimmed milk powder (SMP) and butter and received in same months 4,50,228 kg. of SMP and 2,02,910 kg. of butter. Conversion cost of SMP and butter was paid to these dairies at uniform rate of Rs.9.50 per kg. of SMP and Rs.5.50 per kg. of butter obtained. Average conversion cost of SMP at Scheme's Central Dairy during the year 1993-94 was Rs.5.76 per kg. of SMP and Rs.4.38 per kg. of butter obtained. Thus, entrusting conversion work of milk into SMP and butter to outside parties despite the availability of own processing capacity at lower conversion cost had resulted in extra expenditure of Rs.19.11 lakhs (Rs.16.84 lakhs on SMP and Rs.2.27 lakhs on butter) to the scheme.

The department stated (February 1996) that as the plant was old; it was unable to achieve the rated efficiency of 85 *per cent*, the milk was despatched to private dairies for processing to avoid loss to milk producers which would have occurred to them had the milk not been accepted. The reply was not tenable as the Scheme could have avoided despatching the milk to the private dairies for conversion into SMP and butter at a higher cost as the capacity utilisation during the months in which the milk was despatched for conversion to outside private dairies was in the range of 31 to 70 *per cent*, whereas in remaining months it was from 74 to 80 *per cent*.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

7.5 Loss in distribution of milk at Raipur, Madhya Pradesh

The Government Milk Scheme Gondia (Scheme) started in 1979 with a processing capacity of 20,000 litres of milk per day. As the sale of milk in Gondia was poor, the processed milk was being sent to Chandrapur and Nagpur for sale.

Consequent to a decision taken by the Government in October 1992, a 10 day survey was conducted in June 1993 to assess the market potential for milk and milk products in 5 units in the neighbouring State of Madhya Pradesh. The survey revealed that there was a possibility of sale of packed milk to the extent of 25,000 to 30,000 litres per day in Madhya Pradesh. It was, therefore, decided to start a distribution depot at Raipur. Accordingly, a private agency (Agency) was appointed for providing a cold storage plant and packing unit at Raipur on payment of 30 paise per litre on a minimum guaranteed supply of 25,000 litres per day. The Scheme started despatching milk to the Agency from 14 February 1994 but the despatch did not exceed 4,000 litres per day. A total quantity of 3,11,225 litres of milk was despatched to the Agency between 15 February 1994 and 22 August 1994. However, the Scheme could sell only 18,683 litres during February 1994 to August 1994 realising only Rs.1.76 lakhs. 753 litres were curdled and lost and the balance quantity of 2,91,789 litres was returned to Milk Scheme Gondia. Whereas the Scheme incurred an expenditure of Rs.17.74 lakhs in the venture : (i) Procurement (Rs.1.39 lakhs for 18,683 litres at Rs.7.45 per litre); (ii) transportation of 3,11,225 litres (Rs.2.95 lakhs) and (iii) towards commitment charges paid to private agency - cold storage and packing (Rs.13.20 lakhs) and payment of T.A. and D.A. (Rs.0.20 lakh). Thus, the Scheme had incurred a cash loss of Rs.15.98 lakhs on this venture because of faulty survey of market potential.

The Department in its reply stated (February 1996) that distribution at Raipur was started on an experimental basis after conducting a survey but failed due to opposition by local co-operatives, inadequate commission to the distributors, non-cooperation from local institutions and erratic power supply by the Madhya Pradesh State Electricity Board. The reply was not tenable as these factors could have been foreseen had a proper survey been conducted before undertaking this venture.

The matter was referred to Government in May 1996; reply had not been received (October 1996).

7.6 Loss due to undue favour shown to private distributors

The Department of Dairy Development ordered in July 1993 that milk be supplied to a private distributor in Mumbai at the rate of Rs.6.14 per litre ex-dairy. Subsequently, the rate was reduced to Rs.5.95 per litre ex-dairy from 29 July 1993 as it was decided that the private distributor should be charged only 10 paise more than the rate of Rs.5.85 per litre at which milk was being sold to Calcutta Milk Scheme. An agreement was entered (August 1993) into with the private distributor for supply of 50,000 litres per day for 5 years. The

supply was to be made from Government Milk Scheme Pune (Scheme) on payment of cash within 20 days of supply for which purpose a bank guarantee for Rs.45 lakhs was obtained drawn on a Co-operative Bank.

The Scheme supplied 5,11,254 litres of milk to the private distributor during August 1993 and September 1993. The private distributor, however, did not make the payment for the milk supplied as per the agreement. A cheque furnished by the private distributor for Rs.5.50 lakhs on 24 September 1993 also bounced. The supply of milk was, therefore, stopped from 27 September 1993. The total outstanding dues as on 27 September 1993 were Rs.13.21 lakhs. However, when the bank guarantee was invoked in April 1994, the Bank did not honour the guarantee but replied (June 1994) that the distributor would pay the bills. Accordingly, no action was taken against the Bank nor the matter was reported to the Reserve Bank of India. The private distributor on 27 July 1994 requested the Government that the dues be recovered in instalments and it was accordingly agreed to be recovered at the rate of Rs.15,000 per month which was being paid regularly.

The procurement cost of milk in August 1993 and September 1993 was Rs.7.45 per litre. Accordingly, the supply of milk to the private distributor at Rs.5.95 per litre had resulted in a loss of Rs.7.67 lakhs to the department. There was a further loss of Rs.6.80 lakhs on account of loss of interest due to acceptance of payment of dues in monthly instalments. The overall loss in supply of milk to the private agency was, thus, Rs.14.47 lakhs.

The Scheme in its reply stated (January 1996) that the decision to supply milk at lower rates was taken to promote the sale of milk. The reply was not tenable as supply of milk at rates lower than cost of procurement to a private distributor and acceptance of dues in instalments were not in the best interest of Government and had resulted in avoidable loss.

The matter was referred to the Government in May 1996; reply had not been received (October 1996).

7.7 Avoidable payment of electricity charges

The Government Milk Scheme Nashik set up a chilling Centre at Igatpuri in 1978 with a processing capacity of 20,000 litres of milk per day. As the average collection of milk ranged from 1,254 to 2,507 litres per day during 1981-82 to 1990-91, the collection of milk was stopped by the scheme from January 1991 onwards. However, the proposal for closure of the Centre was sent to Government in March 1992 by Regional Dairy Development Officer, Nashik and Government approved the closure in March 1993. The scheme applied to Maharashtra State Electricity Board for disconnection of load of the Centre only in March 1994 and incurred electricity charges (demand charges) of Rs.2.45 lakhs during January 1991 to March 1994.

Thus, delays at various stages had resulted in avoidable payment of Rs.2.45 lakhs towards electricity charges by the Centre.

The department in its reply (March 1996) stated that as the Centre was functioning up to March 1993 till the receipt of final orders from the Government, H.T. Power Supply was maintained so as to avoid heavy expenditure on reconnection should the Government not agree to the closure of the Centre. The reply was not tenable as the Centre stopped collection of milk from January 1991 itself to avoid further expenditure and hence should have approached the Government promptly in January 1991 itself for closure of Centre and discontinued the H.T. Power Supply thereafter to minimise the payment for power supply.

The matter was referred to the Government in May 1996; reply had not been received (October 1996).

7.8 Infertuous expenditure on purchase of packing material

The Government Milk Scheme Miraj received in December 1988 and January 1989 a semi-automatic packing machine of Rs.5.09 lakhs and matching packing material (cartons and paper rolls) respectively. As the rated output was not achieved by the machine, the same was returned to the supplier in March 1990. No payment was made towards machine. However, payment of Rs.3.10 lakhs was made in May 1989 for packing material.

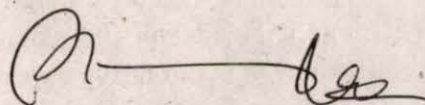
Cartons and paper rolls valued at Rs.1.02 lakhs were utilised by the Scheme during trials carried out on the machine between January 1989 and July 1989 and cartons and paper rolls valued at Rs.1.05 lakhs used manually for packing between 25 July 1989 and 24 August 1989. As the cartons and paper rolls were specifically obtained for use only on this machine and would not be utilised on any other machine, the expenditure of Rs.1.03 lakhs on the remaining stock of cartons and paper rolls proved infertuous.

On further verification in Audit (March 1996) it was noticed that the Scheme had during 1986-87 procured cartons and paper rolls from two different firms valued at Rs.1.99 lakhs which were also lying unused (March 1996).

Thus, the expenditure of Rs.3.02 lakhs incurred by the scheme on SMP packing material had proved unfruitful.

The department in its reply stated in February 1996 that they proposed to utilise the packing material manually. Regarding non-utilisation of cartons procured in 1986-87, it was stated that these could not be utilised since the ISI marking on the cartons were to be revised and the cost of reprinting of new number would be higher. The fact, however, remained that the packing material worth Rs.3.02 lakhs was lying unutilised for the last 7 to 8 years with the scheme.

The matter was referred to Government in April 1996; reply had not been received (October 1996).

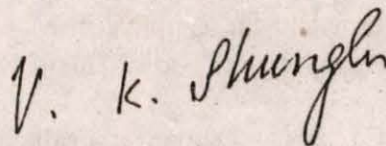


(A.KRISHNA RAO)

Principal Accountant General (Audit) I, Maharashtra

Mumbai,
The

Countersigned

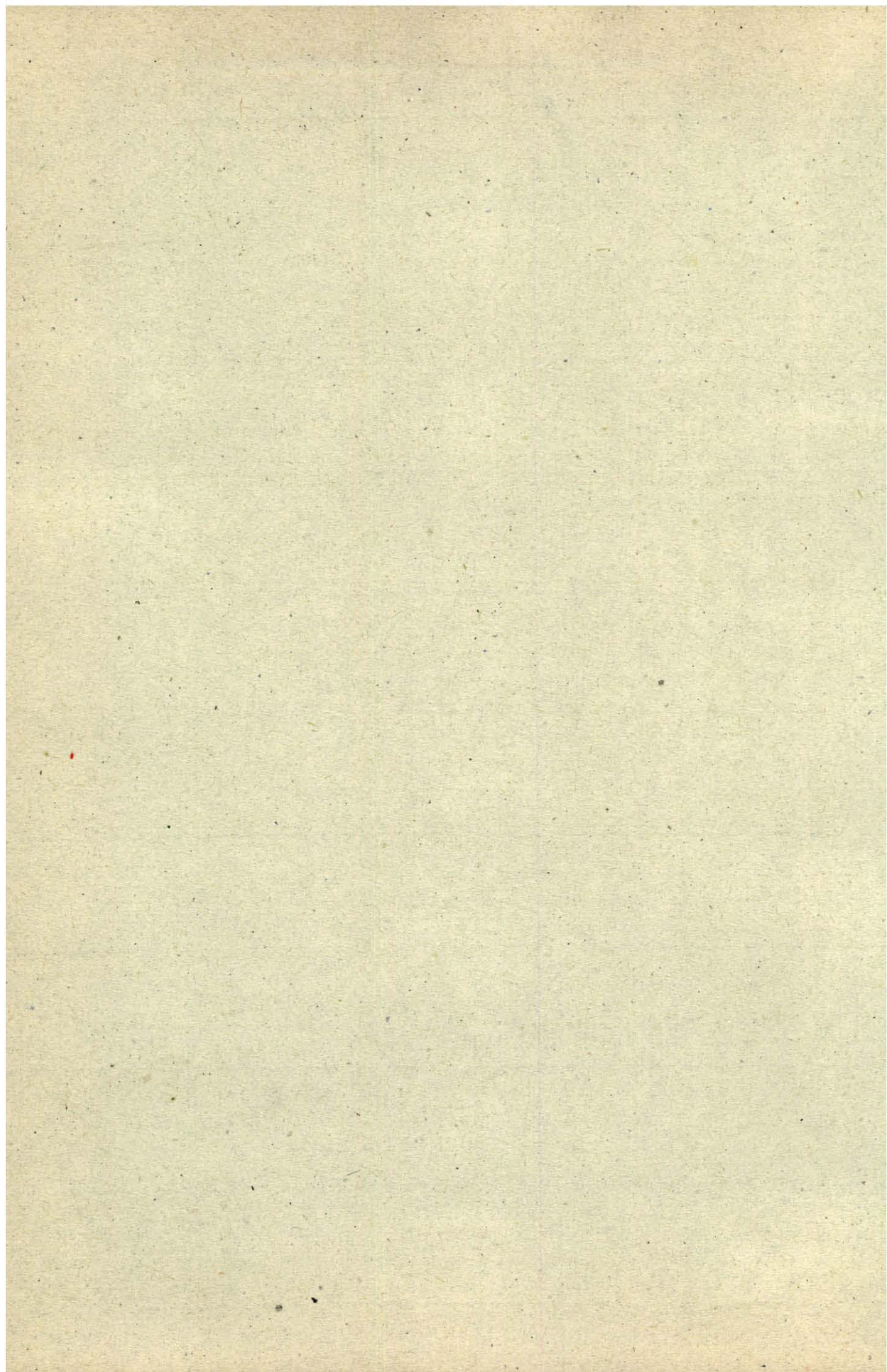


(V.K.SHUNGLU)

Comptroller and Auditor General of India

New Delhi,
The

APPENDICES



APPENDIX I

(Reference : Paragraph 2.2.3; Page 30)

Statement of various grants/appropriations where supplementary provision proved unnecessary

Sr. No.	Number and name of grant	Total grant	Supplementary provision obtained in March 1996	Actual expenditure	Saving
(1)	(2) Rupees	(3) Rupees	(4) Rupees	(5) Rupees	(6) Rupees
I GRANTS					
GENERAL ADMINISTRATION DEPARTMENT					
1	A.12-Social Security and Welfare-				
	Original 38,74,93,000				
	Supplementary 18,06,264	38,92,99,264	13,89,000	38,01,69,035	91,30,229
HOME DEPARTMENT					
2	B.2-State Excise-				
	Original 15,04,73,000				
	Supplementary 22,09,000	15,26,82,000	22,09,000	14,97,71,907	29,10,093
3	B.13-Indian Railways-				
	Original 19,95,000				
	Supplementary 77,000	20,72,000	77,000	19,37,168	1,34,832
REVENUE AND FORESTS DEPARTMENT					
4	C.8-Public Works-				
	Original 1,13,20,31,000				
	Supplementary 19,86,48,000	1,33,06,79,000	19,86,48,000	50,32,28,088	82,74,50,912
5	C.15-Relief on account of Natural Calamities-				
	Original 4,69,50,19,000				
	Supplementary 8,49,020	4,69,58,68,020	20	3,26,93,88,613	1,42,64,79,407
6	C.17-Forestry and Wild Life-				
	Original 2,11,54,08,000				
	Supplementary 28,33,80,808	2,39,87,88,808	60	2,00,79,92,145	39,07,96,663
7	C.25-Capital Outlay on Major and Medium Irrigation-				
	Original 39,50,00,000				
	Supplementary 50	39,50,00,050	50	20,92,94,701	18,57,05,349
8	C.31-Loans for Relief on account of Natural Calamities-				
	Original 2,10,96,000				
	Supplementary 44,10,000	2,55,06,000	44,10,000	1,74,41,068	80,64,932

APPENDIX I (contd.)

Sr. No.	Number and name of grant	Total grant	Supplementary provision obtained in March 1996	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
	Rupees	Rupees	Rupees	Rupees	Rupees
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT					
9	D.7-Dairy Development-				
	Original	9,89,07,17,000			
	Supplementary	640	9,89,07,17,640	330	6,12,93,99,544
					3,76,13,18,096
10	D.8-Fisheries-				
	Original	15,86,74,000			
	Supplementary	56,13,000	16,42,87,000	10,00,000	14,25,90,820
					2,16,96,180
11	D.11-Secretariat-Economic Services-				
	Original	2,29,34,000			
	Supplementary	8,71,000	2,38,05,000	8,71,000	2,19,50,696
					18,54,304
URBAN DEVELOPMENT DEPARTMENT					
12	F.5-Water Supply and Sanitation-				
	Original	61,62,16,000			
	Supplementary	13,11,36,000	74,73,52,000	12,26,00,000	48,29,90,753
					26,43,61,247
PUBLIC WORKS DEPARTMENT					
13	H.13-Capital outlay on Civil Aviation-				
	Original	1,15,000			
	Supplementary	60,00,000	61,15,000	60,00,000	—
					61,15,000
IRRIGATION DEPARTMENT					
14	I.15-Capital Outlay on Space Research-				
	Original	6,50,000			
	Supplementary	28,000	6,78,000	28,000	6,42,029
					35,971
LAW AND JUDICIARY DEPARTMENT					
15	J.7-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions				
	Original	1,97,65,000			
	Supplementary	5,00,000	2,02,65,000	5,00,000	1,97,18,140
					5,46,860
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT					
16	L.4-Water Supply and Sanitation-				
	Original	2,62,43,96,000			
	Supplementary	34,86,41,020	2,97,30,37,020	20	2,50,08,04,764
					47,22,32,256
17	L.6-Crop Husbandry-				
	Original	1,97,72,000			
	Supplementary	20,30,000	2,18,02,000	20,30,000	1,97,58,664
					20,43,336

APPENDIX I (contd.)

Sr. No.	Number and name of grant	Total grant	Supplementary provision obtained in March 1996	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
	Rupees	Rupees	Rupees	Rupees	Rupees
18	L.8-Forestry and Wild Life-				
	Original	35,22,30,000			
	Supplementary	1,63,36,000	1,63,36,000	34,35,29,680	2,50,36,320
19	L.19-Revenue Expenditure on Removal of Regional Imbalance-				
	Original	36,13,12,000			
	Supplementary	3,09,59,010	69,87,010	32,12,90,000	7,09,81,010
20	L.20-Capital Outlay on Soil and Water Conservation-				
	Original	1,67,25,80,000			
	Supplementary	10,60,45,010	10,60,45,010	1,56,23,70,296	21,62,54,714
21	L.22-Capital Outlay on Minor Irrigation-				
	Original	13,86,33,000			
	Supplementary	3,33,34,010	88,30,010	12,80,83,043	4,38,83,967
FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT					
22	M.3-Food, Storage and Warehousing-				
	Original	2,04,34,28,000			
	Supplementary	1,81,00,020	20	1,13,54,93,678	92,60,34,342
23	M.5-Other General Economic Services-				
	Original	5,21,52,000			
	Supplementary	34,25,000	34,25,000	5,13,27,352	42,49,648
SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT					
24	N.4-Art and Culture-				
	Original	12,49,77,000			
	Supplementary	1,08,36,655	57,09,000	12,11,76,017	1,46,37,638
25	N.9-Secretariat Social Services-				
	Original	1,22,26,000			
	Supplementary	3,95,000	3,95,000	1,16,59,411	9,61,589
HOUSING AND SPECIAL ASSISTANCE DEPARTMENT					
26	Q.1-Other Taxes and Duties on Commodities and Services-				
	Original	1,11,05,000			
	Supplementary	42,65,000	42,65,000	13,14,000	1,40,56,000
27	Q.10-Other General Economic Services-				
	Original	25,000			
	Supplementary	4,13,000	4,13,000	—	4,38,000

APPENDIX I (contd.)

Sr. No.	Number and name of grant	Total grant	Supplementary provision obtained in March 1996	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
	Rupees	Rupees	Rupees	Rupees	Rupees
28	Q.11-Capital Outlay on Other General Economic Services-				
	Original	2,10,000			
	Supplementary	13,30,000	13,30,000	3,394	15,36,606
PUBLIC HEALTH DEPARTMENT					
29	R.6-Social Security and Welfare-				
	Original	1,04,80,000			
	Supplementary	5,50,000	1,10,30,000	5,50,000	41,91,915
MEDICAL EDUCATION AND DRUGS DEPARTMENT					
30	S.5-Loans to Government Servants-				
	Original	2,30,30,000			
	Supplementary	61,00,000	2,91,30,000	61,00,000	1,98,72,513
TRIBAL DEVELOPMENT DEPARTMENT					
31	T.13-Loans for Tribal Areas Development Sub-plan-				
	Original	27,51,74,000			
	Supplementary	13,67,000	27,65,41,000	13,67,000	27,35,45,285
CO-OPERATION AND TEXTILES DEPARTMENT					
32	V.11-Capital Outlay on Co-operation-				
	Original	2,03,62,85,000			
	Supplementary	2,90,00,010	2,06,52,85,010	10	1,65,37,67,200
HIGHER AND TECHNICAL EDUCATION AND EMPLOYMENT DEPARTMENT					
33	W.6-Social Security and Welfare-				
	Original	4,30,000			
	Supplementary	2,95,000	7,25,000	2,95,000	60,000
34	W.7-Secretariat Social Services-				
	Original	4,29,97,000			
	Supplementary	1,49,80,000	5,79,77,000	10,20,000	4,25,86,529
35	W.9-Loans to Government Servants-				
	Original	81,25,000			
	Supplementary	15,00,000	96,25,000	15,00,000	69,49,400
WOMEN AND CHILD WELFARE DEPARTMENT					
36	X.3-Secretariat Social Services-				
	Original	37,50,000			
	Supplementary	3,30,000	40,80,000	3,30,000	34,04,483
	Total Grants		30,68,66,63,517	50,46,59,540	21,53,77,02,331
					9,14,89,61,186

APPENDIX I (concl'd.)

Sr. No.	Number and name of grant/ appropriation	Total grant/ appropriation	Supplementary provision obtained in March 1996	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
	Rupees	Rupees	Rupees	Rupees	Rupees
II APPROPRIATIONS					
REVENUE AND FORESTS DEPARTMENT					
1	C.20-Compensations and Assignments to Local Bodies and Panchayati Raj Institutions-				
	Original	2,50,000			
	Supplementary	50,00,000	50,00,000	9,580	52,40,420
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT					
2	D.8-Fisheries-				
	Original	25,000			
	Supplementary	1,48,140	1,48,140	—	1,73,140
FINANCE DEPARTMENT					
3	G.5-Interest payments-				
	Original	18,95,52,95,000			
	Supplementary	5,82,92,000	19,01,35,87,000	5,82,92,000	18,55,28,68,609
PLANNING DEPARTMENT					
4	O.6-Secretariat Economic Services-				
	Original	1,15,77,000			
	Supplementary	43,000	1,16,20,000	43,000	16,44,739
CO-OPERATION AND TEXTILES DEPARTMENT					
5	V.1-Appropriation for Reduction or Avoidance of Debt-				
	Original	16,24,72,000			
	Supplementary	7,81,76,000	24,06,48,000	7,81,76,000	24,72,100
HIGHER AND TECHNICAL EDUCATION AND EMPLOYMENT DEPARTMENT					
6	W.2-General Education-				
	Original	40,000			
	Supplementary	45,000	85,000	45,000	—
	Total Appropriations	19,27,13,63,140	14,17,04,140	18,55,69,95,028	71,43,68,112
	Grand Total	49,95,80,26,657	64,63,63,680	40,09,46,97,359	9,86,33,29,298
	Total Supplementary Provision	Rs.1,40,74,64,657			

APPENDIX II

(Reference : Paragraph 2.2.4; Page 30)

Statement of cases where supplementary provision resulted in saving exceeding Rs.10 lakhs in each case

Sr. No.	Number and name of grant (2)	Total grant (3) Rupees	Actual expenditure (4) Rupees	Saving (5) Rupees
GENERAL ADMINISTRATION DEPARTMENT				
1	A.2-Council of Ministers-			
	Original	6,04,70,000		
	Supplementary	2,33,82,899	8,38,52,899	7,71,39,409
2	A.3-Elections-			
	Original	2,37,20,000		
	Supplementary	1,01,44,25,000	1,03,81,45,000	38,66,83,744
3	A.5-Secretariat General Services-			
	Original	14,59,50,000		
	Supplementary	1,78,96,100	16,38,46,100	15,66,18,146
4	A.11-Information and Publicity-			
	Original	11,80,90,000		
	Supplementary	2,00,76,000	13,81,66,000	13,14,89,680
5	A.12-Social Security and Welfare-			
	Original	38,74,93,000		
	Supplementary	18,06,264	38,92,99,264	38,01,69,035
HOME DEPARTMENT				
6	B.2-State Excise-			
	Original	15,04,73,000		
	Supplementary	22,09,000	15,26,82,000	14,97,71,907
7	B.4-Other Taxes and Duties on Commodities and Services-			
	Original	1,87,91,000		
	Supplementary	1,02,31,000	2,90,22,000	2,53,06,704
8	B.11-Social Security and Welfare-			
	Original	76,50,000		
	Supplementary	20,00,000	96,50,000	84,51,217
9	B.17-Tourism-			
	Original	6,71,25,000		
	Supplementary	8,00,000	6,79,25,000	3,31,17,426
10	B.23-Loans to Government Servants-			
	Original	3,32,51,000		
	Supplementary	39,70,000	3,72,21,000	3,42,94,035

APPENDIX II (contd.)

Sr. No.	Number and name of grant	Total grant	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
REVENUE AND FORESTS DEPARTMENT				
11	C.2-Stamps and Registration-			
	Original	15,93,48,000		
	Supplementary	4,69,04,000	19,02,34,573	1,60,17,427
12	C.8-Public Works-			
	Original	1,13,20,31,000		
	Supplementary	19,86,48,000	50,32,28,088	82,74,50,912
13	C.15-Relief on account of Natural Calamities-			
	Original	4,69,50,19,000		
	Supplementary	8,49,020	3,26,93,88,613	1,42,64,79,407
14	C.17-Forestry and Wild Life-			
	Original	2,11,54,08,000		
	Supplementary	28,33,80,808	2,00,79,92,145	39,07,96,663
15	C.23-Capital Outlay on Forestry and Wild Life-			
	Original	20,34,01,000		
	Supplementary	77,71,000	16,60,89,008	4,50,82,992
16	C.31-Loans for Relief on account of Natural Calamities-			
	Original	2,10,96,000		
	Supplementary	44,10,000	1,74,41,068	80,64,932
17	C.32-Loans for Crop Husbandry-			
	Original	50,60,000		
	Supplementary	9,99,99,000	6,15,96,321	4,34,62,679
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT				
18	D.4-Crop Husbandry-			
	Original	2,03,17,93,000		
	Supplementary	50,40,21,010	2,34,00,33,886	19,57,80,124
19	D.7-Dairy Development-			
	Original	9,89,07,17,000		
	Supplementary	640	6,12,93,99,544	3,76,13,18,096
20	D.8-Fisheries-			
	Original	15,86,74,000		
	Supplementary	56,13,000	14,25,90,820	2,16,96,180
21	D.9-Agricultural Research and Education-			
	Original	92,83,60,000		
	Supplementary	17,21,13,070	1,08,75,29,794	1,28,43,276

APPENDIX II (contd.)

Sr. No.	Number and name of grant	Total grant	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
22	D.11-Secretariat Economic Services-			
	Original	2,29,34,000		
	Supplementary	8,71,000	2,19,50,696	18,54,304
23	D.12-Capital Outlay on Crop Husbandry-			
	Original	8,84,45,000		
	Supplementary	9,86,000	2,15,65,976	6,78,65,024
24	D.13-Capital Outlay on Animal Husbandry-			
	Original	4,57,35,000		
	Supplementary	72,76,000	4,59,35,500	70,75,500
25	D.14-Capital Outlay on Dairy Development-			
	Original	44,50,000		
	Supplementary	70,00,000	1,02,74,073	11,75,927
26	D.15-Capital Outlay on Fisheries-			
	Original	1,01,70,000		
	Supplementary	5,27,00,000	5,63,47,620	65,22,380
27	D.21-Loans for Fisheries-			
	Original	2,91,68,000		
	Supplementary	4,12,61,600	5,87,30,712	1,16,98,888
SCHOOL EDUCATION DEPARTMENT				
28	E.2-General Education-			
	Original	25,42,75,32,000		
	Supplementary	5,49,00,05,020	30,52,67,21,814	39,08,15,206
29	E.3-Sports and Youth Services-			
	Original	10,30,59,000		
	Supplementary	57,00,000	10,64,10,515	23,48,485
30	E.6-Social Security and Welfare-			
	Original	74,80,000		
	Supplementary	1,27,14,000	1,89,83,021	12,10,979
31	E.8-Revenue Expenditure on Removal of Regional Imbalance-			
	Original	10,72,48,000		
	Supplementary	1,72,75,000	10,47,00,203	1,98,22,797
URBAN DEVELOPMENT DEPARTMENT				
32	F.5-Water Supply and Sanitation-			
	Original	61,62,16,000		
	Supplementary	13,11,36,000	48,29,90,753	26,43,61,247
33	F.6-Urban Development-			
	Original	1,55,91,64,000		
	Supplementary	90,25,62,510	2,41,53,20,257	4,64,06,253

APPENDIX II (contd.)

Sr. No.	Number and name of grant	Total grant	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
34	F.16-Loans for Water Supply and Sanitation-			
	Original	2,30,07,36,000		
	Supplementary	19,88,41,000	2,05,71,77,000	44,24,00,000
FINANCE DEPARTMENT				
35	G.3-Other Fiscal Services-			
	Original	12,85,70,000		
	Supplementary	8,80,00,000	19,86,88,923	1,78,81,077
36	G.7-Treasury and Accounts Administration-			
	Original	27,18,68,000		
	Supplementary	3,05,89,010	29,51,19,501	73,37,509
37	G.9-Pensions and Other Retirement Benefits-			
	Original	6,69,76,76,000		
	Supplementary	1,14,00,00,000	6,08,44,40,146	1,75,32,35,854
PUBLIC WORKS DEPARTMENT				
38	H.2-Housing-			
	Original	66,81,93,000		
	Supplementary	5,65,88,000	72,06,62,369	41,18,631
39	H.8-Secretariat Economic Services-			
	Original	3,99,25,000		
	Supplementary	76,43,010	4,57,48,499	18,19,511
40	H.10-Capital Outlay on Housing-			
	Original	12,73,23,000		
	Supplementary	1,94,70,000	7,46,61,470	7,21,31,530
41	H.13-Capital Outlay on Civil Aviation-			
	Original	1,15,000		
	Supplementary	60,00,000	—	61,15,000
42	H.15-Public Works, Administrative and Functional Buildings-			
	Original	95,77,01,000		
	Supplementary	5,93,89,000	1,01,70,90,000	18,94,93,103
43	H.17-Loans to Government Servants-			
	Original	2,26,70,000		
	Supplementary	2,14,37,000	4,15,86,817	25,20,183
IRRIGATION DEPARTMENT				
44	I.1A-Relief on account of Natural Calamities-			
	Original	—		
	Supplementary	17,66,00,000	1,63,90,660	16,02,09,340

APPENDIX II (contd.)

Sr. No.	Number and name of grant	Total grant	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
45	I.3-Major and Medium Irrigation-			
	Original	11,19,69,41,000		
	Supplementary	1,64,39,38,020	11,65,50,59,170	1,18,58,19,850
46	I.5-Command Area Development-			
	Original	35,52,59,000		
	Supplementary	5,06,16,000	35,74,61,401	4,84,13,599
47	I.6-Flood Control and Drainage-			
	Original	3,49,60,000		
	Supplementary	65,35,000	4,01,64,248	13,30,752
48	I.7-Power-			
	Original	12,91,32,000		
	Supplementary	1,51,86,000	13,60,13,356	83,04,644
49	I.11-Capital Outlay on Major and Medium Irrigation-			
	Original	7,78,80,85,000		
	Supplementary	6,36,72,89,080	13,92,15,11,420	23,38,62,660
50	I.12-Capital Outlay on Minor Irrigation-			
	Original	45,43,03,000		
	Supplementary	39,12,28,030	83,69,08,965	86,22,065
51	I.13-Capital Outlay on Flood Control Projects-			
	Original	65,10,000		
	Supplementary	69,95,000	1,24,89,584	10,15,416
52	I.16-Capital Outlay on Removal of Regional Imbalance-			
	Original	3,68,30,37,000		
	Supplementary	95,38,23,040	4,00,95,29,853	62,73,30,187

LAW AND JUDICIARY DEPARTMENT

53	J.2-Secretariat General Services-			
	Original	2,42,82,000		
	Supplementary	2,57,87,010	5,00,69,010	18,23,040
54	J.3-Other Administrative Services-			
	Original	3,99,04,000		
	Supplementary	46,29,000	4,45,33,000	23,39,274

INDUSTRIES, ENERGY AND LABOUR DEPARTMENT

55	K.9-Industries-			
	Original	1,07,68,28,000		
	Supplementary	11,63,05,900	1,19,31,33,900	6,00,39,226

APPENDIX II (contd.)

Sr. No.	Number and name of grant	Total grant	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
56	K.15-Other Capital Outlay on Industries and Minerals-			
	Original	8,51,50,000		
	Supplementary	4,85,50,000	13,37,00,000	10,49,56,855
57	K.18-Loans for Power Projects-			
	Original	1,47,97,78,000		
	Supplementary	18,73,00,000	1,66,70,78,000	1,56,06,35,000
58	K.20-Other Loans to Industries and Minerals-			
	Original	9,20,00,000		
	Supplementary	7,22,68,424	16,42,68,424	13,41,30,000
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT				
59	L.1-Land Revenue-			
	Original	31,33,48,000		
	Supplementary	3,80,94,000	35,14,42,000	34,59,94,509
60	L.3-District Administration-			
	Original	1,42,54,62,000		
	Supplementary	19,13,23,000	1,61,67,85,000	1,59,77,49,177
61	L.4-Water Supply and Sanitation-			
	Original	2,62,43,96,000		
	Supplementary	34,86,41,020	2,97,30,37,020	2,50,08,04,764
62	L.5-Social Security and Welfare-			
	Original	3,05,32,000		
	Supplementary	81,45,010	3,86,77,010	3,63,32,338
63	L.6-Crop Husbandry-			
	Original	1,97,72,000		
	Supplementary	20,30,000	2,18,02,000	1,97,58,664
64	L.8-Forestry and Wild Life-			
	Original	35,22,30,000		
	Supplementary	1,63,36,000	36,85,66,000	34,35,29,680
65	L.9-Agricultural Research and Education-			
	Original	2,25,56,000		
	Supplementary	25,00,000	2,50,56,000	1,87,87,000
66	L.10-Special Programmes for Rural Development-			
	Original	74,68,51,000		
	Supplementary	8,47,39,000	83,15,90,000	50,91,85,848
67	L.11-Rural Employment-			
	Original	88,92,49,000		
	Supplementary	59,21,90,000	1,48,14,39,000	1,14,02,53,385

APPENDIX II (contd.)

Sr. No.	Number and name of grant	Total grant	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
68	L.12-Other Rural Development Programmes-			
	Original	5,36,62,000		
	Supplementary	2,38,72,000	5,73,41,620	2,01,92,380
69	L.19-Revenue Expenditure on Removal Of Regional Imbalance-			
	Original	36,13,12,000		
	Supplementary	3,09,59,010	32,12,90,000	7,09,81,010
70	L.20-Capital Outlay on Soil and Water Conservation-			
	Original	1,67,25,80,000		
	Supplementary	10,60,45,010	1,56,23,70,296	21,62,54,714
71	L.22-Capital Outlay on Minor Irrigation-			
	Original	13,86,33,000		
	Supplementary	3,33,34,010	12,80,83,043	4,38,83,967
72	L.27-Loans to Government Servants-			
	Original	1,51,47,000		
	Supplementary	2,43,75,000	3,35,20,397	60,01,603
73	L.28-Miscellaneous Loans-			
	Original	23,27,46,71,000		
	Supplementary	4,75,94,59,000	24,75,47,83,063	3,27,93,46,937

FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT

74	M.5-Other General Economic Services-			
	Original	5,21,52,000		
	Supplementary	34,25,000	5,13,27,352	42,49,648

SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT

75	N.3-Sports and Youth Services-			
	Original	20,73,61,000		
	Supplementary	6,62,44,010	23,47,34,301	3,88,70,709
76	N.4-Art and Culture-			
	Original	12,49,77,000		
	Supplementary	1,08,36,655	12,11,76,017	1,46,37,638
77	N.7-Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes-			
	Original	2,04,97,74,000		
	Supplementary	24,77,42,020	2,19,68,29,470	10,06,86,550
78	N.8-Social Security and Welfare-			
	Original	33,40,98,000		
	Supplementary	2,77,78,030	35,51,26,236	67,49,794

APPENDIX II (contd.)

Sr. No.	Number and name of grant (2)	Rupees	Total grant (3) Rupees	Actual expenditure (4) Rupees	Saving (5) Rupees
79	N.9-Secretariat-Social Services-				
	Original	1,22,26,000			
	Supplementary	3,95,000	1,26,21,000	1,16,59,411	9,61,589
PLANNING DEPARTMENT					
80	O.2-Rural Employment-				
	Original	2,91,03,01,000			
	Supplementary	1,79,00,00,000	4,70,03,01,000	4,32,14,24,590	37,88,76,410
81	O.3-Other Rural Development Programmes-				
	Original	1,73,30,00,000			
	Supplementary	14,44,36,000	1,87,74,36,000	1,84,70,48,317	3,03,87,683
82	O.7-Census, Surveys and Statistics-				
	Original	5,26,78,000			
	Supplementary	1,35,14,445	6,61,92,445	6,48,68,162	13,24,283
HOUSING AND SPECIAL ASSISTANCE DEPARTMENT					
83	Q.1-Other Taxes and Duties on Commodities and Services-				
	Original	1,11,05,000			
	Supplementary	42,65,000	1,53,70,000	13,14,000	1,40,56,000
84	Q.6-Housing-				
	Original	91,39,37,000			
	Supplementary	17,83,00,000	1,09,22,37,000	1,02,55,02,696	6,67,34,304
85	Q.8-Social Security and Welfare-				
	Original	83,23,40,000			
	Supplementary	9,76,19,000	92,99,59,000	90,61,77,177	2,37,81,823
86	Q.11-Capital Outlay on Other General Economic Services-				
	Original	2,10,000			
	Supplementary	13,30,000	15,40,000	3,394	15,36,606
PUBLIC HEALTH DEPARTMENT					
87	R.6-Social Security and Welfare-				
	Original	1,04,80,000			
	Supplementary	5,50,000	1,10,30,000	41,91,915	68,38,085
MEDICAL EDUCATION AND DRUGS DEPARTMENT					
88	S.1-Medical and Public Health-				
	Original	1,80,35,56,000			
	Supplementary	60,24,00,410	2,40,59,56,410	2,20,57,82,520	20,01,73,890
89	S.5-Loans to Government Servants-				
	Original	2,30,30,000			
	Supplementary	61,00,000	2,91,30,000	1,98,72,513	92,57,487

APPENDIX II (contd.)

Sr. No.	Number and name of grant	Total grant	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
TRIBAL DEVELOPMENT DEPARTMENT				
90	T.6-Co-operation-			
	Original	7,29,72,000		
	Supplementary	4,45,00,000	11,74,72,000	10,61,27,000
91	T.8-Revenue Expenditure on removal of Regional Imbalance-			
	Original	10,96,83,000		
	Supplementary	1,68,48,000	12,65,31,000	5,05,80,140
92	T.13-Loans for Tribal Development Sub-plan-			
	Original	27,51,74,000		
	Supplementary	13,67,000	27,65,41,000	27,35,45,285
CO-OPERATION AND TEXTILES DEPARTMENT				
93	V.6-Village and Small Industries-			
	Original	12,41,90,000		
	Supplementary	1,64,96,000	14,06,86,000	13,73,78,463
94	V.11-Capital Outlay on Co-operation-			
	Original	2,03,62,85,000		
	Supplementary	2,90,00,010	2,06,52,85,010	1,65,37,67,200
95	V.18-Loans for Co-operation-			
	Original	38,69,14,000		
	Supplementary	4,75,39,12,500	5,14,08,26,500	4,99,93,32,000
HIGHER AND TECHNICAL EDUCATION AND EMPLOYMENT DEPARTMENT				
96	W.2-General Education-			
	Original	3,03,44,24,000		
	Supplementary	74,57,24,000	3,78,01,48,000	3,58,81,99,827
97	W.3-Technical Education-			
	Original	1,36,67,16,000		
	Supplementary	16,04,38,000	1,52,71,54,000	1,51,55,66,517
98	W.5-Labour and Employment-			
	Original	1,20,22,30,000		
	Supplementary	7,80,48,010	1,28,02,78,010	1,02,14,28,449
99	W.7-Secretariat-Social Services-			
	Original	4,29,97,000		
	Supplementary	1,49,80,000	5,79,77,000	4,25,86,529
100	W.8-Revenue Expenditure on Removal of Regional Imbalance-			
	Original	2,20,98,000		
	Supplementary	94,00,000	3,14,98,000	2,44,98,808

APPENDIX II (contd.)

Sr. No. (1)	Number and name of grant/ appropriation (2)	Total grant/ appropriation (3)	Actual expenditure (4)	Saving (5)
	Rupees	Rupees	Rupees	Rupees
101	W.9-Loans to Government Servants-			
	Original	81,25,000		
	Supplementary	15,00,000	69,49,400	26,75,600
		96,25,000		

WOMEN AND CHILD WELFARE DEPARTMENT

102	X.2-Nutrition-			
	Original	1,49,00,05,000		
	Supplementary	15,28,68,000	1,51,91,79,422	12,36,93,578
		1,64,28,73,000		
	Total Grants	1,77,48,68,65,615	1,57,19,89,23,702	20,28,79,41,913

II APPROPRIATIONS

HOME DEPARTMENT

1.	B.3-Taxes on Vehicles-			
	Original	2,42,27,89,000		
	Supplementary	33,72,95,650	2,75,70,11,000	30,73,650
		2,76,00,84,650		

REVENUE AND FORESTS DEPARTMENT

2.	C.13-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes-			
	Original	5,00,000		
	Supplementary	22,83,000	14,24,537	13,58,463
		27,83,000		
3.	C.20-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions-			
	Original	2,50,000		
	Supplementary	50,00,000	9,580	52,40,420
		52,50,000		

AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

4.	D.1-Appropriation for Reduction or Avoidance of Debt-			
	Original	3,19,15,000		
	Supplementary	11,35,600	2,86,953	3,27,63,647
		3,30,50,600		
5.	D.2-Interest Payments-			
	Original	7,61,31,000		
	Supplementary	45,92,423	7,90,00,691	17,22,732
		8,07,23,423		

FINANCE DEPARTMENT

6	G.2-Taxes on Sales, Trades etc.,—			
	Original	7,88,13,10,000		
	Supplementary	71,97,39,000	8,29,88,33,763	30,22,15,237
		8,60,10,49,000		

APPENDIX II (concl'd)

Sr. No.	Number and name of grant/ appropriation	Total grant/ appropriation	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
7.	G.5-Interest Payments-			
	Original 18,95,52,95,000			
	Supplementary 5,82,92,000	19,01,35,87,000	18,55,28,68,609	46,07,18,391
8.	G.9-Pensions and other Retirement Benefits-			
	Original 4,37,60,000			
	Supplementary 8,00,000	4,45,60,000	7,97,475	4,37,62,525
LAW AND JUDICIARY DEPARTMENT				
9.	J.1-Administration of Justice-			
	Original 12,95,72,000			
	Supplementary 2,34,48,020	15,30,20,020	15,12,31,030	17,88,990
PLANNING DEPARTMENT				
10.	O.6-Secretariat-Economic Services-			
	Original 1,15,77,000			
	Supplementary 43,000	1,16,20,000	16,44,739	99,75,261
CO-OPERATION AND TEXTILES DEPARTMENT				
11.	V.11-Appropriation for Reduction or Avoidance of Debt-			
	Original 16,24,72,000			
	Supplementary 7,81,76,000	24,06,48,000	24,72,100	23,81,75,900
12.	V.15-Internal Debt of the State Government-			
	Original 24,54,72,000			
	Supplementary 7,81,68,100	32,36,40,100	32,22,37,000	14,03,100
	Total Appropriations	31,27,00,15,793	30,16,78,17,477	1,10,21,98,316
Total of (i)	Supplementary grants/ appropriations	Rs.37,57,60,32,408		
Total of (ii)	Savings	Rs.21,39,01,40,229		
(iii)	Actual requirements	Rs.16,18,58,92,179		
	(i) - (ii)			

APPENDIX III

(Reference : Paragraph 2.2.5; Page 30)

Statement showing details of excesses in various grants/appropriations requiring regularisation

Sr. No.	Number and name of grant	Total grant	Expenditure	Excess
(1)	(2)	(3) Rupees	(4) Rupees	(5) Rupees
I GRANTS				
(i) Revenue Section				
GENERAL ADMINISTRATION DEPARTMENT				
1	A.7-Other Administrative Services-	9,14,18,000	9,33,79,563	19,61,563
HOME DEPARTMENT				
2	B.1-Administration of Justice-	87,00,000	87,63,374	63,374
3	B.3-Taxes on vehicles-	25,90,83,000	26,66,54,378	75,71,378
4	B.6-Police-	8,99,96,27,040	9,40,50,24,248	40,53,97,208
5	B.7-Jails-	36,33,68,020	37,45,78,636	1,12,10,616
6	B.8-Other Administrative Services-	18,17,90,000	19,34,11,539	1,16,21,539
7	B.14-Ports and Light Houses-	4,24,00,000	4,27,86,857	3,86,857
REVENUE AND FORESTS DEPARTMENT				
8	C.1-Land Revenue-	50,36,23,000	55,41,66,873	5,05,43,873
9	C.3-Other Taxes and Duties on Commodities and Services-	3,17,55,000	4,66,81,688	1,49,26,688
10	C.7-District Administration-	1,52,14,98,010	1,54,68,50,060	2,53,52,050
11	C.10-Miscellaneous General Services-	16,09,000	19,87,776	3,78,776
12	C.16-Other Social Services-	30,000	1,17,652	87,652
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT				
13	D.3-Social Security and Welfare-	15,61,000	16,06,492	45,492

APPENDIX III (contd.)

Sr. No.	Number and name of grant	Total grant	Expenditure	Excess
(1)	(2)	(3) Rupees	(4) Rupees	(5) Rupees
14	D.3A-Relief on account of Natural Calamities-	8,40,00,000	9,20,46,342	80,46,342
15	D.10-Minor Irrigation-	58,26,000	64,79,464	6,53,464
SCHOOL EDUCATION DEPARTMENT				
16	E.5-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes-	2,51,000	2,78,559	27,559
17	E.7-Secretariat-Social Services-	1,15,45,000	1,19,16,862	3,71,862
URBAN DEVELOPMENT DEPARTMENT				
18	F.9-Secretariat-Social Services-	1,48,62,010	1,48,87,520	25,510
19	F.10-Roads and Bridges-	31,20,49,000	37,16,77,375	5,96,28,375
FINANCE DEPARTMENT				
20	G.2-Sales Tax-	54,36,08,010	54,70,38,291	34,30,281
21	G.13-Other General Economic Services-	6,37,000	6,50,168	13,168
PUBLIC WORKS DEPARTMENT				
22	H.3-Social Security and Welfare-	21,00,000	25,80,142	4,80,142
23	H.6-Civil Aviation-	96,00,000	1,58,40,300	62,40,300
24	H.7-Roads and Bridges-	6,26,02,50,010	6,28,19,34,373	2,16,84,363
25	H.9-Public Works and Administrative and Functional Buildings-	5,51,71,47,010	5,81,55,24,421	29,83,77,411
IRRIGATION DEPARTMENT				
26	I.4-Minor Irrigation-	36,50,92,000	37,35,51,189	84,59,189
27	I.9-Secretariat-Economic Services-	2,45,90,000	2,46,83,141	93,141
LAW AND JUDICIARY DEPARTMENT				
28	J.6-Other General Economic Services-	41,44,000	41,44,813	813

APPENDIX III (contd.)

Sr. No.	Number and name of grant	Total grant	Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
		Rupees	Rupees	Rupees
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT				
29	K.2-Supplies and Disposals-	41,94,000	42,37,033	43,033
30	K.4-Labour and Employment-	20,74,87,559	20,75,74,478	86,919
31	K.8-Village and Small Industries-	12,63,54,000	12,99,68,957	36,14,957
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT				
32	L.7-Soil and Water Conservation-	32,70,23,000	83,93,49,151	51,23,26,151
33	L.14-Minor Irrigation-	1,31,09,17,030	1,37,18,98,844	6,09,81,814
34	L.16-Secretariat-Economic Services-	3,59,60,010	3,60,96,236	1,36,226
35	L.18-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions-	21,65,88,000	21,75,70,534	9,82,534
FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT				
36	M.2-Social Security and Welfare-	5,00,000	5,00,536	536
SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT				
37	N.1-Other Administrative Services-	24,58,000	26,57,491	1,99,491
PLANNING DEPARTMENT				
38	O.4-Hill Areas-	32,08,02,000	32,26,00,384	17,98,384
39	O.6-Secretariat-Economic Services	5,34,19,000	5,70,65,685	36,46,685
HOUSING AND SPECIAL ASSISTANCE DEPARTMENT				
40	Q.4-District Administration-	11,49,41,000	12,34,72,293	85,31,293
41	Q.7-Urban Development-	8,29,000	8,55,220	26,220
42	Q.9-Secretariat-Economic Services-	1,04,31,000	1,17,63,089	13,32,089
PUBLIC HEALTH DEPARTMENT				
43	R.3-Medical and Public Health-	4,99,87,66,560	5,07,77,52,461	7,89,85,901
44	R.4-Family Welfare-	1,27,43,75,000	1,31,53,43,531	4,09,68,531

APPENDIX III (contd.)

Sr. No.	Number and name of grant	Total grant	Expenditure	Excess
(1)	(2)	(3) Rupees	(4) Rupees	(5) Rupees
45	R.5-Water Supply and Sanitation-	33,96,000	34,13,366	17,366
MEDICAL EDUCATION AND DRUGS DEPARTMENT				
46	S.2-Social Security and Welfare-	5,80,000	6,44,782	64,782
TRIBAL DEVELOPMENT DEPARTMENT				
47	T.3-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes-	94,25,86,000	99,94,28,425	5,68,42,425
48	T.5-Secretariat-Social Services-	88,35,000	95,50,774	7,15,774
49	T.7-Revenue Expenditure on Tribal Area Development Subplan-	2,74,36,79,519	2,78,11,97,220	3,75,17,701
CO-OPERATION AND TEXTILES DEPARTMENT				
50	V.7-Secretariat-Economic Services-	1,70,38,000	1,73,06,634	2,68,634
HIGHER AND TECHNICAL EDUCATION AND EMPLOYMENT DEPARTMENT				
51	W.4-Art and Culture-	18,38,32,000	18,67,48,926	29,16,926
WOMEN AND CHILD WELFARE DEPARTMENT				
52	X.1-Social Security and Welfare-	32,05,03,020	32,69,82,421	64,79,401
53	X.5-Aid Material and Equipment-	1,33,00,000	4,01,75,902	2,68,75,902
MAHARASHTRA LEGISLATURE SECRETARIAT				
54	Y.1-Parliamentary/State/Union Territory Legislatures-	15,08,81,000	15,23,46,568	14,65,568
55	Y.2-Social Security and Welfare-	30,000	30,246	246
(ii) Capital Section				
HOME DEPARTMENT				
56	B.18A-Capital Outlay on Other Administrative Services-	1,71,00,000	1,80,40,747	9,40,747

APPENDIX III (contd.)

Sr. No.	Number and name of grant	Total grant	Expenditure	Excess
(1)	(2)	(3) Rupees	(4) Rupees	(5) Rupees
57	B.20-Capital Outlay on Inland Water Transport-	76,39,000	76,83,552	44,552

REVENUE AND FORESTS DEPARTMENT

58	C.22-Capital Outlay on Social Security and Welfare-	2,29,50,000	4,34,49,884	2,04,99,884
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PUBLIC WORKS DEPARTMENT

59	H.14-Capital Outlay on Roads and Bridges	1,97,05,10,010	2,23,41,67,555	26,36,57,545
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RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT

60	L.23-Capital Outlay on Removal of Regional Imbalance-	13,54,17,020	24,61,15,016	11,06,97,996
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TRIBAL DEVELOPMENT DEPARTMENT

61	T.9-Capital Outlay on Tribal Area Development Subplan-	1,09,68,47,000	1,14,96,74,124	5,28,27,124
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62	T.10-Capital Outlay on Removal of Regional Imbalance-	46,63,34,000	77,93,76,175	31,30,42,175
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(iii) Loans and Advances Section

HOME DEPARTMENT

63	B.22-Loans for Housing-	35,45,19,000	39,02,71,754	3,57,52,754
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AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

64	D.22-Loans to Government Servants etc.-	7,46,41,000	7,66,31,288	19,90,288
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SCHOOL EDUCATION DEPARTMENT

65	E.9-Loans to Government Servants etc.-	77,50,000	92,45,962	14,95,962
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IRRIGATION DEPARTMENT

66	I.18-Loans to Government Servants etc.-	4,26,00,000	4,33,43,469	7,43,469
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APPENDIX III (contd.)

Sr. No.	Number and name of grant/ appropriation	Total grant/ appropriation (3) Rupees	Expenditure (4) Rupees	Excess (5) Rupees
67	I.Nil-Loans for Minor Irrigation-	—	2,335	2,335
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT				
68	L.24-Loans for Housing-	16,70,000	19,41,262	2,71,262
PUBLIC HEALTH DEPARTMENT				
69	R.10-Loans to Government Servants etc.-	2,75,65,000	3,19,06,187	43,41,187
TRIBAL DEVELOPMENT DEPARTMENT				
70	T.12-Loans to Government Servants etc.-	28,47,000	28,86,750	39,750
MAHARASHTRA LEGISLATURE SECRETARIAT				
71	Y.3-Loans to Government Servants etc.-	17,30,000	24,31,150	7,01,150
Total Grants		42,78,19,87,838	45,37,29,40,493	2,59,09,52,655
II APPROPRIATIONS				
(i) Revenue Section				
GENERAL ADMINISTRATION DEPARTMENT				
72	A.4-Public Service Commission-	3,18,58,000	3,19,33,524	75,524
HOME DEPARTMENT				
73	B.6-Police-	40,00,000	59,97,602	19,97,602
REVENUE AND FORESTS DEPARTMENT				
74	C.8-Public Works-	15,80,23,000	40,67,82,007	24,87,59,007
SCHOOL EDUCATION DEPARTMENT				
75	E.1-Interest Payments-	68,74,43,000	75,46,49,332	6,72,06,332
76	E.2-General Education-	1,01,000	2,28,481	1,27,481
PUBLIC WORKS DEPARTMENT				
77	H.9-Public Works and Administrative and Functional Buildings-	92,30,000	95,64,958	3,34,958

APPENDIX III (concl'd.)

Sr. No.	Number and name of grant/ appropriation	Total grant/ appropriation	Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
		Rupees	Rupees	Rupees
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT				
78	L.2-Interest Payments-	56,93,39,000	62,71,88,551	5,78,49,551
79	L.18-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions-	5,82,94,000	5,87,89,712	4,95,712
ENVIRONMENT DEPARTMENT				
80	U.1-Interest Payment- (ii) Capital Section	38,90,000	41,95,485	3,05,485
PUBLIC WORKS DEPARTMENT				
81	H.15-Capital Outlay on Public Works and Administrative and Functional Buildings- (iii) Loans and Advances Section	1,73,000	2,60,728	87,728
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT				
82	D.16-Internal Debt of the State-	3,30,50,600	3,38,66,735	8,16,135
URBAN DEVELOPMENT DEPARTMENT				
83	F.15-Internal Debt of the State-	82,46,000	1,04,14,000	21,68,000
	Total Appropriations	1,56,36,47,600	1,94,38,71,115	38,02,23,515
	Grand Total	44,34,56,35,438	47,31,68,11,608	2,97,11,76,170

APPENDIX IV

(Reference : Paragraph 2.2.6; Page 30)

Statement of cases where supplementary provision proved insufficient by more than Rs.10 lakhs each in various grants/appropriations

Sr. No.	Number and name of grant	Total grant	Actual Expenditure	Excess
(1)	(2) Rupees	(3) Rupees	(4) Rupees	(5) Rupees
I GRANTS				
GENERAL ADMINISTRATION DEPARTMENT				
1	A.7-Other Administrative Services-			
	Original	8,18,06,000		
	Supplementary	96,12,000	9,14,18,000	9,33,79,563
				19,61,563
HOME DEPARTMENT				
2	B.3-Taxes on Vehicles-			
	Original	24,13,85,000		
	Supplementary	1,76,98,000	25,90,83,000	26,66,54,378
				75,71,378
3	B.6-Police-			
	Original	7,73,28,42,000		
	Supplementary	1,26,67,85,040	8,99,96,27,040	9,40,50,24,248
				40,53,97,208
4	B.7-Jails-			
	Original	28,99,37,000		
	Supplementary	7,34,31,020	36,33,68,020	37,45,78,636
				1,12,10,616
5	B.8-Other Administrative Services-			
	Original	16,06,50,000		
	Supplementary	2,11,40,000	18,17,90,000	19,34,11,539
				1,16,21,539
REVENUE AND FORESTS DEPARTMENT				
6	C.1-Land Revenue-			
	Original	45,57,24,000		
	Supplementary	4,78,99,000	50,36,23,000	55,41,66,873
				5,05,43,873
7	C.3-Other Taxes and Duties on Commodities and Services-			
	Original	3,07,65,000		
	Supplementary	9,90,000	3,17,55,000	4,66,81,688
				1,49,26,688

APPENDIX IV (contd.)

Sr. No.	Number and name of grant	Total grant	Actual Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
8	C.7-District Administration-			
	Original	1,46,03,61,000		
	Supplementary	6,11,37,010	1,52,14,98,010	1,54,68,50,060
				2,53,52,050
URBAN DEVELOPMENT DEPARTMENT				
9	F.10-Roads and Bridges-			
	Original	30,94,86,000		
	Supplementary	25,63,000	31,20,49,000	37,16,77,375
				5,96,28,375
FINANCE DEPARTMENT				
10	G.2-Sales Tax-			
	Original	48,99,83,000		
	Supplementary	5,36,25,010	54,36,08,010	54,70,38,291
				34,30,281
PUBLIC WORKS DEPARTMENT				
11	H.7-Roads and Bridges-			
	Original	5,80,12,74,000		
	Supplementary	45,89,76,010	6,26,02,50,010	6,28,19,34,373
				2,16,84,363
12	H.9-Public Works and Administrative and Functional Buildings-			
	Original	5,09,15,36,000		
	Supplementary	42,56,11,010	5,51,71,47,010	5,81,55,24,421
				29,83,77,411
13	H.14-Capital Outlay on Roads and Bridges-			
	Original	1,75,92,56,000		
	Supplementary	21,12,54,010	1,97,05,10,010	2,23,41,67,555
				26,36,57,545
IRRIGATION DEPARTMENT				
14	I.4-Minor Irrigation-			
	Original	21,23,81,000		
	Supplementary	15,27,11,000	36,50,92,000	37,35,51,189
				84,59,189
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT				
15	K.8-Village and Small Industries-			
	Original	11,49,13,000		
	Supplementary	1,14,41,000	12,63,54,000	12,99,68,957
				36,14,957

APPENDIX IV (contd.)

Sr. No.	Number and name of grant	Total grant	Actual Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT				
16	L.7-Soil and Water Conservation-			
	Original	31,72,01,000		
	Supplementary	98,22,000	32,70,23,000	83,93,49,151
				51,23,26,151
17	L.14-Minor Irrigation-			
	Original	1,12,32,78,000		
	Supplementary	18,76,39,030	1,31,09,17,030	1,37,18,98,844
				6,09,81,814
18	L.23-Capital Outlay on Removal of Regional Imbalance-			
	Original	11,20,88,000		
	Supplementary	2,33,29,020	13,54,17,020	24,61,15,016
				11,06,97,996
PLANNING DEPARTMENT				
19	O.4-Hill Areas-			
	Original	30,67,02,000		
	Supplementary	1,41,00,000	32,08,02,000	32,26,00,384
				17,98,384
20	O.6-Secretariat-Economic Services-			
	Original	4,80,29,000		
	Supplementary	53,90,000	5,34,19,000	5,70,65,685
				36,46,685
HOUSING AND SPECIAL ASSISTANCE DEPARTMENT				
21	Q.4-District Administration-			
	Original	10,85,92,000		
	Supplementary	63,49,000	11,49,41,000	12,34,72,293
				85,31,293
22	Q.9-Secretariat-Economic Services-			
	Original	97,85,000		
	Supplementary	6,46,000	1,04,31,000	1,17,63,089
				13,32,089
PUBLIC HEALTH DEPARTMENT				
23	R.3-Medical and Public Health-			
	Original	4,54,36,60,000		
	Supplementary	45,51,06,560	4,99,87,66,560	5,07,77,52,461
				7,89,85,901

APPENDIX IV (contd.)

Sr. No.	Number and name of grant	Total grant	Actual Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
24	R.4-Family Welfare-			
	Original	90,40,24,000		
	Supplementary	37,03,51,000	1,27,43,75,000	1,31,53,43,531
25	R.10-Loans to Government Servants-			
	Original	1,66,37,000		
	Supplementary	1,09,28,000	2,75,65,000	3,19,06,187

TRIBAL DEVELOPMENT DEPARTMENT

26	T.3-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes-			
	Original	85,23,20,000		
	Supplementary	9,02,66,000	94,25,86,000	99,94,28,425
27	T.7-Revenue Expenditure on Tribal Area Development-			
	Original	2,46,67,48,000		
	Supplementary	27,69,31,519	2,74,36,79,519	2,78,11,97,220
28	T.9-Capital Outlay on Tribal Area Development Subplan-			
	Original	1,00,53,69,000		
	Supplementary	9,14,78,000	1,09,68,47,000	1,14,96,74,124
29	T.10-Capital Outlay on Removal of Regional Imbalance-			
	Original	29,45,17,000		
	Supplementary	17,18,17,000	46,63,34,000	77,93,76,175

HIGHER AND TECHNICAL EDUCATION AND EMPLOYMENT DEPARTMENT

30	W.4-Art and Culture-			
	Original	16,63,83,000		
	Supplementary	1,74,49,000	18,38,32,000	18,67,48,926

WOMEN AND CHILD WELFARE DEPARTMENT

31	X.1-Social Security and Welfare-			
	Original	31,36,37,000		
	Supplementary	68,66,020	32,05,03,020	32,69,82,421

APPENDIX IV (concl'd.)

Sr. No.	Number and name of grant/ appropriation	Total grant/ appropriation	Actual Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
	Rupees	Rupees	Rupees	Rupees
32	X.5-Aid Material and Equipment-			
	Original	21,00,000		
	Supplementary	1,12,00,000	4,01,75,902	2,68,75,902
	Total Grants	41,38,79,10,259	43,89,54,58,980	2,50,75,48,721

II APPROPRIATIONS

REVENUE AND FORESTS DEPARTMENT

1	C.8-Public Works-				
	Original	13,66,78,000			
	Supplementary	2,13,45,000	15,80,23,000	40,67,82,007	24,87,59,007

URBAN DEVELOPMENT DEPARTMENT

2	F.15-Internal Debt of the State Government-				
	Original	72,13,000			
	Supplementary	10,33,000	82,46,000	1,04,14,000	21,68,000

RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT

3	L.2-Interest Payment-				
	Original	56,35,08,000			
	Supplementary	58,31,000	56,93,39,000	62,71,88,551	5,78,49,551
	Total Appropriation		73,56,08,000	1,04,43,84,558	30,87,76,558
	Grand Total		42,12,35,18,259	44,93,98,43,538	2,81,63,25,279

Total Supplementary Provision : Rs. 4,59,27,50,259

APPENDIX V

(Reference : Paragraph 2.2.7; Page 30)

Statement of various grants/appropriations where expenditure fell short by Rs.1 crore or more in each case and also by more than 10 per cent of the total provision

Sr. No.	Description of grant/ appropriation	Amount of saving (Rupees in crores) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
GENERAL ADMINISTRATION DEPARTMENT			
1.	A.3-Elections- (Revenue-Voted)	65.15 (63)	Mainly due to non-payment of bills to the contractors as per Chief Election Officer's orders, ballot boxes not supplied within stipulated time, defective ballot boxes supplied by them and non-payment of bills to contractors on account of incomplete work.
2.	A.14-Secretariat-General Services- (Revenue-Voted)	1.13 (82)	Mainly on account of expiry of period for Maharashtra Council on Science and Technology and fresh sanction not accorded since it was not reconstituted.
HOME DEPARTMENT			
3.	B.17-Tourism- (Revenue-Voted)	3.48 (51)	Mainly due to cut imposed by Planning Department and non-sanction of proposals by the Government.
REVENUE AND FORESTS DEPARTMENT			
4.	C.8-Public Works- (Revenue-Voted)	82.75 (62)	Due to non-finalisation of land compensation awards as expected (Rs.11.84 crores). Reasons for the remaining savings are awaited.(November 1996).
5.	C.14-Social Security and Welfare- (Revenue-Voted)	3.55 (37)	Mainly due to exgratia payments having been accounted for in the previous year.
6.	C.15-Relief on account of Natural Calamities- (Revenue-Voted)	142.65 (30)	Due to incurring of less expenditure than anticipated.

APPENDIX V (contd.)

Sr. No.	Description of grant/ appropriation	Amount of saving (Rupees in crores) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
7.	C.17-Forestry and Wild life- (Revenue-Voted)	39.08 (16)	Mainly due to (i) incurring of less expenditure than anticipated, (ii) non-effecting of purchases by seed collection and certification unit and (iii) less achievement of targets.

**AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT
AND FISHERIES DEPARTMENT**

8.	D.1-Appropriation for Reduction or Avoidance of Debt- (Revenue-Voted)	3.28 (99)	Reasons awaited (November 1996).
9.	D.7-Dairy Development- (Revenue-Voted)	376.13 (38)	Mainly due to (i) less procurement of milk and (ii) non-issue of credit cards.
10.	D.8-Fisheries- (Revenue-Voted)	2.17 (13)	Mainly due to (i) less demand by Co-operative Institutions, (ii) due to non-sanction of Integrated Reservoir Fisheries Development Project-National Co-operative Development Corporation and (iii) due to lack of beneficiaries.

SCHOOL EDUCATION DEPARTMENT

11.	E.8-Revenue Expenditure on Removal of Regional Imbalance- (Revenue-Voted)	1.98 (16)	Due to provision made for opening of new divisions not being fully utilised.
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URBAN DEVELOPMENT DEPARTMENT

12.	F.5-Water Supply and Sanitation- (Revenue-Voted)	26.44 (35)	Due to non-sanctioning of Water Supply Scheme proposals within the stipulated time.
13.	F.7-Labour and Employment- (Revenue-Voted)	6.91 (42)	Due to non-releasing of grant by the Finance Department.

APPENDIX V (contd.)

Sr. No.	Description of grant/ appropriation	Amount of saving (Rupees in crores) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
FINANCE DEPARTMENT			
14.	G.8-Other Administrative Services- (Revenue-Voted)	886.85 (99)	Mainly due to surrender of provision made for increase of DA, on the ground that the DA was debitible to the respective heads of account to which pay and advances are debitible.
15.	G.9-Pensions and other Retirement Benefits- (Revenue-Voted)	175.32 (22)	Mainly due to receipt of less number of pension cases than anticipated and also based on actual requirement.
16.	G.9-Pensions and other Retirement Benefits- (Revenue-Charged)	4.38 (98)	Mainly due to non-receipt of annual adjustment from other States, under State Reorganisation Act, 1956 and Bombay Reorganisation Act, 1960.
17.	G.10-Miscellaneous General Services- (Revenue-Voted).	5.50 (15)	Mainly due to restructuring of lottery system.

IRRIGATION DEPARTMENT

18.	I.1A-Relief on Account of Natural Calamities- (Revenue-Voted)	16.02 (91)	Reasons are awaited (November 1996).
19.	I.5-Command Area Development- (Revenue-Voted)	4.84 (12)	Mainly due to (i) transfer of staff out of establishment, (ii) non-filling up of vacant posts and (iii) non-liquidation of financial transactions of agreement and non-implementation of scheme with the help of technical consultants.

RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT

20.	L.10-Special Programmes for Rural Development- (Revenue-Voted)	32.24 (38)	Mainly due to (i) non-receipt of proposals from District Rural Development Agencies (DRDAs), (ii) less release of grant by Central Government, (iii) more release of grants by
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APPENDIX V (contd.)

Sr. No.	Description of grant/ appropriation	Amount of saving (Rupees in crores) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
			Central Government directly to Districts under Trysem Training Scheme, (iv) no demands for funds from Institutions and (v) less expenditure on drought prone Area Development Programme than anticipated.
21	L.11-Rural Employment- (Revenue-Voted)	34.12 (23)	Mainly due to non-approval of proposals for the purchase of machinery and equipment.
22	L.12-Other Rural Development Programmes (Revenue-Voted)	2.02 (26)	Due to non-receipt of proportionate share of funds for State and Zilla Parishads
23	L.15-Non-conventional Sources of Energy (Revenue-Voted)	3.53 (41)	Due to (i) less amount of grants sanctioned by Central Government for National Programme for Bio-Gas Development and (ii) based on distribution of grants as per Central Government decision.
24	L.19-Revenue Expenditure on Removal of Regional Imbalance- (Revenue-Voted)	7.10 (18)	Reasons are awaited (November 1996).

FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT

25	M.2A-Nutrition (Revenue-Voted)	4.77 (68)	Mainly due to (i) delay in completion of construction of Zunka Bhakar centres and (ii) non-sanction of grant due to imposition of Code of Conduct Rules for Election.
26	M.3-Food, Storage and Warehousing (Revenue-Voted)	92.60 (45)	Due to (i) no increase in the price of foodgrain and other essential commodities and (ii) vacant post and non-finalisation of land for the Consumer Welfare High Power Committee Office.

APPENDIX V (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crores) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT			
27	N.3-Sports and Youth Services- (Revenue-Voted)	3.89 (14)	Due to (i) awards were not declared for 1993-94 and 1994-95 and hence distribution ceremony not arranged, (ii) non-organisation of cultural programmes at State/National level, (iii) non-acceptance of tender invited for construction of Sports Complex and non-receipt of bills from contractors, (iv) receipt of incomplete proposals from some institutions, (v) non-filling up of vacant post and (vi) non-fulfilment of conditions for sanction of grant by some institutions.
PLANNING DEPARTMENT			
28	O.1A-Nutrition- (Revenue-Voted)	2.00 (100)	Reasons are awaited (November 1996).
HOUSING AND SPECIAL ASSISTANCE DEPARTMENT			
29	Q.1-Other Taxes and Duties on Commodities and Services- (Revenue-Voted)	1.41 (92)	Reasons are awaited (November 1996).
30	Q.2-Appropriation for Reduction or Avoidance of Debt- (Revenue-Voted)	1.57 (100)	Reasons are awaited (November 1996).
TRIBAL DEVELOPMENT DEPARTMENT			
31	T.8-Revenue Expenditure on Removal of Regional Imbalance- (Revenue-Voted)	7.60 (60)	Mainly due to (i) vacant posts and (ii) non-implementation of certain schemes in time.
CO-OPERATION AND TEXTILES DEPARTMENT			
32	V.1-Appropriation for Reduction or Avoidance of Debt- (Revenue-Charged)	23.82 (99)	Reasons are awaited (November 1996).

APPENDIX V (contd.)

Sr. No.	Description of grant/ appropriation	Amount of saving (Rupees in crores) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
33	V.5-Co-operation- (Revenue-Voted)	9.20 (11)	Mainly due to lack of demands, less demands, non-sanction of proposals and non-availability of eligible co-operatives.

HIGHER AND TECHNICAL EDUCATION AND EMPLOYMENT DEPARTMENT

34	W.5-Labour and Employment- (Revenue-Voted)	25.88 (20)	Mainly due to less number of beneficiary students.
35	W.7-Secretariat-Social Services- (Revenue-Voted)	1.54 (27)	Mainly due to incurring of less expenditure on TA, office expenditure etc., on account of economy measure.

REVENUE AND FORESTS DEPARTMENT

36	C.23-Capital Outlay on Forestry and Wild Life- (Capital-Voted)	4.51 (21)	Reasons are awaited(November 1996).
37	C.25-Capital Outlay on Major and Medium Irrigation- (Capital-Voted)	18.57 (47)	Mainly due to retention of funds as per actual requirements.

AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

38	D.12-Capital Outlay on Crop Husbandry- (Capital-Voted)	6.79 (76)	Mainly due to less demand for loans from Zilla Parishads and also for providing additional funds to other sub-head - Distribution of Pesticides.
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URBAN DEVELOPMENT DEPARTMENT

39	F.14-Capital Outlay on Urban Development- (Capital-Voted)	2.27 (57)	Reasons are awaited (November 1996).
40	F.14-Capital Outlay on Urban Development- (Capital-Charged)	1.00 (100)	Reasons are awaited (November 1996).

APPENDIX V (contd.)

Sr. No.	Description of grant/ appropriation	Amount of saving (Rupees in crores) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
PUBLIC WORKS DEPARTMENT			
41	H.10-Capital Outlay on Housing- (Capital-Voted)	7.21 (49)	Mainly due to (i)retention of funds as per actual requirement, (ii) non-finalisation of proposal for purchase of buildings from MHADA for Mumbai Police, and (iii) non-finalisation of tender for the work.
42	H.15-Capital Outlay on Public Works and Administrative and Functional Buildings- (Capital-Voted)	18.95 (19)	Due to (i) retention of funds as per actual requirement, (ii) slow progress of work, (iii) non-commencement of construction work of court building, (iv) non-receipt of proposal for land acquisition as expected and (v) non-finalisation of tenders.
43	H.16-Capital Outlay on Removal of Regional Imbalance- (Capital-Voted)	77.87 (37)	Mainly due to (i) non-commencement of flyover bridge works, (ii) non-finalisation of estimates for some bridges, (iii) non-finalisation of tenders for construction of roads and bridges.

IRRIGATION DEPARTMENT

44	I.14-Capital Outlay on Power Projects- (Capital-Voted)	108.06 (34)	Due to (i) non-receipt of parts for the work, (ii) non-receipt of main machinery,(iii) delay in inter-connection,(iv) Retention of funds as per actual requirement, (v) non-installation of main generator and allied work,(vi) delay in approval of tenders and (vii) non-grant of permission for deforestation by the Forest Department.*
45	I.16-Capital Outlay on Removal of Regional Imbalance- (Capital-Voted)	62.73 (14)	Reasons are awaited (November 1996).

APPENDIX V (contd.)

Sr. No.	Description of grant/ appropriation	Amount of saving (Rupees in crores) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT			
46	K.12-Capital Outlay on Co-operative- (Capital-Voted)	1.18 (99)	Due to cut suggested by District Planning Development Board and as the notes for cabinet approval were to be prepared as per recommendations of Tata Consultancy's Report in regard to Industrial Co-operative Societies.
47	K.15 -Other Capital Outlay on Industries and Minerals- (Capital-Voted)	2.87 (21)	Mainly as no funds were required for land acquisition as no proposal was pending with Government and due to the decision of Government not to contribute share capital to Maharashtra Petrochemical Corporation Ltd.
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT			
48	L.20-Capital Outlay on Soil and Water Conservation- (Capital-Voted)	21.63 (12)	Reasons are awaited (November 1996).
49	L.22-Capital Outlay on Minor Irrigation- (Capital-Voted)	4.39 (26)	Reasons are awaited (November 1996).
FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT			
50	M.6-Capital Outlay on Food, Storage and Warehousing- (Capital-Voted)	599.95 (42)	Due to less lifting of foodgrains against the allotment from Government of India.
SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT			
51	N.11-Capital Outlay on welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes- (Capital-Voted)	19.28 (59)	Due to non-sanction of anticipated share capital amount by State and Central Government.

APPENDIX V (contd.)

Sr. No.	Description of grant/ appropriation	Amount of saving (Rupees in crores) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
CO-OPERATION AND TEXTILES DEPARTMENT			
52	V.11-Capital Outlay on Co-operation- (Capital-Voted)	41.15 (20)	Mainly due to (i) non-receipt of proposals, (ii) rejection of many incomplete proposals, (iii) change in ratio of share capital to be paid to sugar factories and (iv) sanction of less number of proposals by National Co-operative Development Corporation.
HIGHER AND TECHNICAL EDUCATION AND EMPLOYMENT DEPARTMENT			
53	W.8A-Capital Outlay on Education, Sports, Art and Culture- (Capital-Voted)	1.85 (92)	Due to non-receipt of sanction from World Bank for construction of Government Technical Institution.
REVENUE AND FORESTS DEPARTMENT			
54	C.30-Loans for Social Security and Welfare- (Debt-Voted)	3.14 (67)	Due to less demand for house building advance from the project affected persons.
55	C.32-Loans for Crop Husbandry- (Debt-Voted)	4.35 (41)	Reasons are awaited (November 1996).
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT			
56	D.18-Loans for Crop Husbandry- (Debt-Voted)	32.50 (100)	Reasons are awaited (November 1996).
57	D.19-Loans for Animal Husbandry- (Debt-Voted)	2.30 (42)	Due to non-release of further instalments of loans to some societies on account of unsatisfactory progress of scheme.
58	D.21-Loans for Fisheries- (Debt-Voted)	1.17 (16)	Due to (i) change in the pattern of financial assistance by the National Co-operative Development Corporation and (ii) non-fulfilment of conditions by beneficiary societies.

APPENDIX V (contd.)

Sr. No.	Description of grant/ appropriation	Amount of saving (Rupees in crores) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
URBAN DEVELOPMENT DEPARTMENT			
59	F.16-Loans for Water Supply and Sanitation- (Debt-Voted)	44.24 (18)	Reasons are awaited (November 1996).
60	F.17-Loans for Urban Development- (Debt-Voted)	4.53 (21)	Reasons are awaited (November 1996).
FINANCE DEPARTMENT			
61	G.14-Internal Debt of the State Government- (Debt-Charged)	1195.83 (99)	Due to satisfactory position of ways and means.
62	G.16-Loans to Government Servants- (Debt-Voted)	1.23 (33)	Due to less demand for advances because of increase in the cost of houses, motor cars, bicycles, scooters etc.
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT			
63	K.20-Other loans to Industries and Minerals- (Debt-Voted)	3.01 (18)	Mainly due to cut imposed by Planning Department.
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT			
64	L.26-Loans for Minor Irrigation- (Debt-Voted)	4.34 (96)	Reasons are awaited (November 1996).
65	L.28-Miscellaneous Loans- (Debt-Voted)	327.93 (12)	Mainly based on actual expenditure.
HOUSING AND SPECIAL ASSISTANCE DEPARTMENT			
66	Q.13-Loans for Housing- (Debt-Voted)	2.58 (74)	Mainly due to (i) less demand from MHADA, and (ii) consent letter being not issued to LIC by Government of India/Ministry of Finance, resulting in loans not being released to State Government by the Corporation.

APPENDIX V (concl.)

Sr. No.	Description of grant/ appropriation	Amount of saving (Rupees in crores) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
CO-OPERATION AND TEXTILES DEPARTMENT			
67	V.16-Loans for Housing- (Debt-Voted)	3.71 (25)	Reasons are awaited (November 1996).
68	V.19-Loans for Village and Small Industries- (Debt-Charged)	1.19 (100)	Mainly due to (i)non-commencement of project owing to technical difficu- lties and (ii)non-availability of eligible institutions.

APPENDIX VI

(Reference : Paragraph 2.2.8; Page 30)

Statement of various grants/appropriations where there was persistent saving in excess of Rs.10 lakhs each and 20 per cent or more of the provision

Sr. No. (1)	Number and name of grant/appropriation (2)	Percentage of saving		
		1993-94 (3)	1994-95 (4)	1995-96 (5)
REVENUE AND FORESTS DEPARTMENT				
1	C.8-Public Works-	82	80	62
2	C.13-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes-	29	47	39
3	C.19-Other General Economic Services-	100	100	99
4	C.24-Capital Outlay on Agricultural Research and Education-	23	24	31
5	C.30-Loans for Social Security and Welfare-	65	62	67
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT				
6	D.20-Loans for Dairy Development-	100	100	100
URBAN DEVELOPMENT DEPARTMENT				
7	F.7-Labour and Employment-	50	33	42
8	F.14-Capital Outlay on Urban Development-	83	82	57
FINANCE DEPARTMENT				
9	G.8-Other Administrative Services-	99	100	99
10	G.14-Internal Debt of the State Government (<i>Charged</i>)	95	100	99
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT				
11	K.14-Capital Outlay on Non-ferrous Mining and Metallurgical Industries-	50	100	100
CO-OPERATION AND TEXTILES DEPARTMENT				
12	V.14-Capital Outlay on Other General Economic Services-	58	30	22

APPENDIX VII

(Reference : Paragraph 2.2.9; Page 30)

Statement of various grants/appropriations where expenditure exceeded the approved provisions by Rs.25 lakhs or more and also by more than 10 per cent of the total provision

Sr. No.	Number and name of the grant/appropriation	Amount of excess (Rupees in crores) (Percentage to the provision within bracket)	Reasons for excess
(1)	(2)	(3)	(4)
1.	C.3-Other Taxes and Duties on Commodities and Services- (Revenue-Voted)	1.49 (47)	Reasons awaited. (November 1996).
2	C.8-Public Works- (Revenue-Charged)	24.87 (157)	Reasons awaited. (November 1996).
3	C.22-Capital Outlay on Social Security and Welfare- (Capital-Voted)	2.05 (89)	Reasons awaited. (November 1996).
4	F.10-Roads and Bridges- (Revenue-Voted)	5.96 (19)	Reasons awaited. (November 1996).
5	H.6-Civil Aviation- (Revenue-Voted)	0.62 (65)	Reasons awaited. (November 1996).
6	H.14-Capital Outlay on Roads and Bridges- (Capital-Voted)	26.36 (13)	Reasons awaited. (November 1996).
7	L.7-Soil and Water Conservation- (Revenue-Voted)	51.23 (157)	Reasons awaited. (November 1996).
8	L.23-Capital Outlay on Removal of Regional Imbalance- (Capital-Voted)	11.07 (82)	Reasons awaited. (November 1996).
9	R.10-Loans to Government Servants etc- (Loan-Voted)	0.43 (16)	Reasons awaited. (November 1996).

APPENDIX VII (concl.)

Sr. No.	Number and name of the grant/appropriation	Amount of excess (Rupees in crores) (Percentage to the provision within bracket)	Reasons for excess
(1)	(2)	(3)	(4)
10	T.10-Capital Outlay on Removal of Regional Imbalance- (Capital-Voted)	31.30 (67)	Reasons awaited. (November 1996).
11	X.5-Aid Material and Equipment- (Revenue-Voted)	2.69 (202)	Reasons awaited. (November 1996).

APPENDIX VIII

(Reference : Paragraph 2.2.10; Page 31)

Cases where injudicious reappropriation of funds proved excessive or resulted in saving

Sr. No.	Grant No.	Major head of Account and subhead	Provision (O): Original (S): Supplementary (R): Reappropriation (4)	Actual expenditure (5)	Excess(+)/ Saving(-) (6)
(1)	(2)	(3)	(In lakhs of rupees)	(In lakhs of rupees)	(In lakhs of rupees)
GENERAL ADMINISTRATION DEPARTMENT					
1	A.3	2015-Election 102-Electoral Officers	(O) 190.00 (S) 758.00 (R) (-)524.13 <hr/> 423.87	479.81	(+55.94)
2	A.3	2015-Election 106-Charges for conduct of election to State/ Union Territory Legislature	(O) 11.50 (S) 486.25 (R) 19.46 <hr/> 527.21	450.89	(-)76.32
HOME DEPARTMENT					
3	B.6	2055-Police 108-State Head Quarters Police- (ii)(i)City Police	(O) 15020.56 (S) 2461.52 (R) (-)1093.83 <hr/> 16388.25	17610.86	(+1222.61)
4	B.6	2055-Police 109-District Police- (i)District Police Force	(O) 51066.82 (S) 8861.12 (R) (-)1113.82 <hr/> 58814.12	63744.83	(+4930.71)
5	B.6	2055-Police 101-(i)Criminal Investigation Department, Greater Bombay	(O) 2029.49 (S) 363.29 (R) (-)143.33 <hr/> 2249.45	2336.53	(+87.08)
6	B.20	5056-Capital Outlay on Inland Water Transport 800-Other Expenditure- Schemes in the Five Year Plan- Development of Inland Water Transport	(O) 76.39 (R) (-)34.17 <hr/> 42.22	76.84	(+34.62)

APPENDIX VIII (contd.)

Sr. No.	Grant No.	Major head of Account and subhead	Provision		Actual expenditure	Excess(+)/ Saving(-)
			(O): Original	(S): Supplementary		
(1)	(2)	(3)	(4)		(5)	(6)
			(In lakhs of rupees)			

REVENUE AND FORESTS DEPARTMENT

7	C.17	2406-Forestry and Wild Life- 01-Forestry- 101-Forest Conservation and Development 101(iii)Regeneration (ii)Artificial Regeneration	(O) 1211.09 (R) (-)184.04			
				1027.05	1051.49	(+)24.44
8	C.17	2406-Forestry and Wild Life- 102-Social and Farm Forestry 102(viii)Schemes financed from receipts from Forest Development Tax (ii)The scheme for afforestation in degraded understocked and blank forest areas and for bamboo plantation in the existing teak plantation in Nashik Region	(O) 100.00 (R) (-)65.00			
				35.00	86.93	(+)51.93
9	C.17	2406-Forestry and Wild Life- 102(xii)-Association of Scheduled Tribes and Rural poor in afforestation of degraded forests-(100 per cent centrally sponsored schemes) sub-head	(O) 145.00 (R) (-)116.44			
				28.56	55.66	(+)27.10
10	C.17	2406-Forestry and Wild Life- 101-Forest Conservation and Development- 101(viii) and (ix) Compen- satory afforestation in replacement of the forest land proposed to be used	(O) 1261.68 (R) (-)106.71			
				1154.97	1369.76	(+)214.79

AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT
AND FISHERIES DEPARTMENT

11	D.4	2401-Crop Husbandry 113-Agricultural Engineering 113(ii)(iii) Subsidy for installing Sprinkler Irrigation system	(O) 1827.99 (R) (-)560.49			
				1267.50	1288.82	(+)21.32

APPENDIX VIII (contd.)

Sr. No.	Grant No.	Major head of Account and subhead	Provision (O): Original (S): Supplementary (R): Reappropriation	Actual expenditure	Excess(+)/ Saving(-)
(1)	(2)	(3)	(4)	(5)	(6)
			(In	lakhs	of rupees)
12	D.7	2404-Dairy Development- 208-Government Milk Schemes, Nashik	(O) 1290.88 (S) Token (R) (-)515.63 <hr/> 775.25	1050.47	(+)275.22
PUBLIC WORKS DEPARTMENT					
13	H.7	3054-Roads and Bridges- 03-State Highway 101-Bridges- (ii)-Maintenance and Repairs Repairs to communication in State Sector	(O) 38710.00 (S) 2709.70 (R) (-)1344.97 <hr/> 40074.73	40335.39	(+)260.66
14	H.9	2059-Public Works- 01-Office Buildings 053-Maintenance and Repairs (iii)-Repairs to buildings	(O) 8911.83 (S) 288.17 (R) (-)59.67 <hr/> 9140.33	9202.78	(+)62.45
15	H.14	5054-Capital Outlay on Roads and Bridges- 04-District and Other Roads- 800-Other Expenditure (ii)-Ordinary-Major Works	(O) 2954.90 (S) 197.81 (R) (-)132.17 <hr/> 3020.54	3749.13	(+)728.59
16	H.14	5054-Capital Outlay on Roads and Bridges- Establishment Charges-	(O) 410.97 (S) 27.47 (R) (-)18.37 <hr/> 420.07	553.73	(+)133.66
17	H.14	5054-Capital Outlay on Roads and Bridges- 010-Minimum Needs Programme Major Works	(O) 1107.86 (S) 365.55 (R) (-)38.91 <hr/> 1434.50	1612.23	(+)177.73
18	H.14	5054-Capital Outlay on Roads and Bridges- 337-Roads and Bridges- Major Works	(O) 8520.96 (S) 418.40 (R) (-)370.97 <hr/> 8568.39	8611.09	(+)42.70

APPENDIX VIII (contd.)

Sr. No.	Grant No.	Major head of Account and subhead	Provision (O): Original (S): Supplementary (R): Reappropriation	Actual expenditure	Excess(+)/ Saving(-)
(1)	(2)	(3)	(4)	(5)	(6)
			(In	lakhs	of rupees)
19	H.14	5054-Capital Outlay on Roads and Bridges-Establishment Charges	(O) 1184.39 (S) 44.22 (R) (-)82.29 <hr/> 1146.32	1193.17	(+)46.85
20	H.15	4059-Capital Outlay on Public Works- 01-Office Buildings 101-Construction-Schemes in the Five Year Plan-District Administration	(O) 282.77 (R) (-)122.83 <hr/> 159.94	208.36	(+)48.42
IRRIGATION DEPARTMENT					
21	I.3	2701-Major and Medium Irrigation 01-Major Irrigation-Commercial Major Projects-Maintenance and Repairs-Purna Project (Administrator Command Area Development Authority, Aurangabad)	(S) 25.00 (R) 130.79 <hr/> -155.79	—	(-)-155.79
22	I.3	2701-Major and Medium Irrigation 01-Major Irrigation-Commercial Major Projects-Maintenance and Repairs-Jayakwadi Stage-II (Majalgaon Right Canal) (Administrator CADA, Nanded)	(R) 28.00	—	(-)-28.00
23	I.3	2701-Major and Medium Irrigation 01-Major Irrigation-Commercial Major Projects-Maintenance and Repairs-Purna Project Administrator, CADA, Nanded)	(O) 126.00 (R) (-)105.79 <hr/> 20.21	266.57	(+)246.36
24	I.3	2701-Major and Medium Irrigation 01-Major Irrigation-Commercial	(O) 5.00 (R) (-)5.00 <hr/> —	67.65	(+)67.65

APPENDIX VIII (contd.)

Sr. No.	Grant No.	Major head of Account and subhead	Provision		Actual expenditure	Excess(+)/ Saving(-)
			(O): Original	(S): Supplementary		
(1)	(2)	(3)	(4)		(5)	(6)
			(In		lakhs	of rupees)
		Major Projects- Maintenance and Repairs- Jayakwadi Project Stage-II (Administrator CADA, Beed)				
25	I.3	2701-Major and Medium Irrigation- 80-General 003-Training- (i)(a)Establishment	(O) 168.70 (S) 61.29 (R) (-)81.29		440.03	(+)291.33
			148.70			
26	I.3	2701-Major and Medium Irrigation- 80-General 003-Training- (vi) Works	(O) 11.85 (S) 0.63 (R) (-)3.41		46.18	(+)37.11
			9.07			
27	I.5	2705-Command Area Development- (7)(8)Land Development Works Establishment (Centrally sponsored 24%)	(O) 126.63 (R) (-)98.99		112.54	(+)84.90
			27.64			
28	I.5	2705-Command Area Development- (7)(1)(a)Administrator's Establishment- (Centrally sponsored 24%)	(O) 42.22 (R) (-)32.60		28.87	(+)19.25
			9.62			
29	I.11	4701-Capital Outlay on Major and Medium Irrigation- 01-Major Irrigation- Commercial- Non-command Area Development Major Projects- (22)Janai Shirsai Project	(O) 18.57 (S) 1550.00 (R) (-)800.00		1333.57	(+)565.00
			768.57			
30	I.11	4701-Capital Outlay on Major and Medium Irrigation- 01-Major Irrigation-Commercial- Non-command Area Development Major Projects- (62)-Goshikurd Project- (G.P.C. Nagpur)	(O) 4626.57 (R) (-)2766.57		4518.10	(+)2658.10
			1860.00			

APPENDIX VIII (contd.)

Sr. No.	Grant No.	Major head of Account and sub-head	Provision		Actual expenditure	Excess(+)/ Saving(-)
			(O): Original	(S): Supplementary		
(1)	(2)	(3)	(4)		(5)	(6)
			(In		lakhs	of rupees)
31	I.11	4701-Capital Outlay on Major and Medium Irrigation-01-Major Irrigation-Commercial-Non-command Area Development Major Projects-(99)-Major Project under Command Area Development Upper Penganga (Administrator CADA Nanded).	(O) 486.67 (R) (-)467.74			
			18.93		209.97	(+)191.04
32	I.11	4701-Capital Outlay on Major and Medium Irrigation-Major Project-Under Command Area Development-Goshikhurd Project-(SELIS Bhandara)	(O) - (S) 545.78 (R) 2110.79			
			2656.57		-	(-)2656.57
33	I.11	4701-Capital Outlay on Major and Medium Irrigation-Major Project Under Command Area Development-(110)Arunavati (Y.I.C. Yavatmal)	(O) - (S) - (R) 20.00			
			20.00		-	(-)20.00
34	I.11	4701-Capital Outlay on Major and Medium Irrigation-01-Major Irrigation-Commercial-Non-command Area Development-Main Projects-(54)Jayakwadi Stage-II (M.P.C. Beed)	(O) 268.50 (S) 284.00 (R) 500.62			
			1053.12		552.50	(-)500.62
35	I.12	4702-Capital Outlay on Minor Irrigation-800-Other expenditure Schemes in the Five year Plan-(i)Minor Irrigation Works-(One)Normal Minor Irrigation Scheme	(O) 3572.65 (S) 3185.91 (R) (-)177.40			
			6581.16		6684.82	(+)103.66
36	I.14	4801-Capital Outlay on Power Projects-01-Hydel Generation Hydro Elec. Schemes-	(O) 14409.94 (R) (-)6054.58			
			8355.36		8507.10	(+)151.74

APPENDIX VIII (contd.)

Sr. No.	Grant No.	Major head of Account and subhead	Provision (O): Original (S): Supplementary (R): Reappropriation	Actual expenditure	Excess(+)/ Saving(-)
(1)	(2)	(3)	(4)	(5)	(6)
			(In	lakhs	of rupees)
(15)-Koyna Hydro Electric Project Stage-IV					
37	I.16	4701-Capital Outlay on Major and Medium Irrigation-001-Direction and Administration-(ii)Establishment Scheme-Pensionary charges-Secretariat charges-	(O) 307.74 (R) 24.31 <hr/> 332.05	245.42	(-) 86.63
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT					
38	L.14	2702-Minor Irrigation-80-General-191-Assistance to Local Bodies-Schemes in the Five Year Plan-Plan grants to Zilla Parishads under Section 187 of Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961 (Local Sector) (ii)Kolhapur type weirs (a)General Plan weirs	(O) 1930.81 (S) 69.81 (R) 50.40 <hr/> 2051.02	1729.18	(-) 321.84
39	L.14	2702-Minor Irrigation-80-General-191-Assistance to Local Bodies-Schemes in the Five year Plan-Plan grants to Zilla Parishads under Section 187 of Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961 (Local Sector) (b) Special Component Plan	(O) 638.22 (R) (-)106.07 <hr/> 532.15	403.99	(-) 128.16
40	L.22	4702-Capital Outlay on Minor Irrigation-800-Other expenditure-Schemes in the Five Year Plan-(I)(B)State Plan Schemes-(ii) Construction of Kolhapur Type Weirs (101 to 250 hectares) (a) General Plan	(O) 179.76 (S) 62.60 (R) 31.87 <hr/> 274.23	55.40	(-) 218.83

APPENDIX VIII (contd.)

Sr. No.	Grant No.	Major head of Account and subhead	Provision (O): Original (S): Supplementary (R): Reappropriation	Actual expenditure	Excess(+)/ Saving(-)
(1)	(2)	(3)	(4)	(5)	(6)
			(In	lakhs	of rupees)
41	L.28	7615-Miscellaneous Loans 200-Miscellaneous Loans- Temporary Advances- (Ways and Means) to the Zilla Parishads by the State Government-(i) Schemes handed over to the Zilla Parishad under Section 123 of Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961.	(O) 29929.61 (R) (-)9270.34 <hr/> 20659.27	25155.22	(+)4495.95

FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT

42	M.2A	2236-Nutrition- 02-Distribution of Nutrition 101-Special Nutrition Programme- Schemes in the Five Year Plan- State Plan Scheme- Zunka Bhakar Scheme	(S) 700.00 (R) (-)549.08 <hr/> 150.92	223.21	(+)72.29
43	M.6	4408-Capital Outlay on Food, Storage and Warehousing 01-Food 101-Procurement and Supply (i)-Procurement, Distribution and Price Control (b) Mofussal Cost of purchase	(O) 88246.19 (R) (-)54169.20 <hr/> 34076.99	48218.56	(+)14141.57

SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT

44	N.5	2216-Housing- 03-Rural Housing- 104-Housing Co-operatives (b)-Schemes in Five Year Plan- Financial Assistance to the Co- operative Housing Societies of- (ii)-Denotified and Nomadic Tribes	(O) 60.07 (R) 20.61 <hr/> 80.68	5.45	(-)75.23
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PUBLIC HEALTH DEPARTMENT

45	R.3	2210-Medical and Public Health- 03-Rural Health- Services Allopathy- 110-Hospitals and Dispensaries-	(O) 500.25 (S) 37.85 (R) 48.78 <hr/> 586.88		(-)586.88
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APPENDIX VIII (concl.)

Sr. No.	Grant No.	Major head of Account and subhead	Provision (O): Original (S): Supplementary (R): Reappropriation	Actual expenditure	Excess(+)/ Saving(-)
(1)	(2)	(3)	(4) (In lakhs of rupees)	(5)	(6)

TRIBAL DEVELOPMENT DEPARTMENT

46	T.7	2215-Water Supply and Sanitation-	(O) 2627.14 (S) 274.07 (R) (-)221.27		
			<u>2679.94</u>	3184.43	(+)504.49
47	T.7	2235-Social Security and Welfare-	(O) 219.00 (R) (-)12.22		
			<u>206.78</u>	267.43	(+)60.65
48	T.7	3054-Roads and Bridges-	(O) 715.27 (R) 232.77		
			<u>948.04</u>	446.59	(-)501.45

WOMEN AND CHILD WELFARE DEPARTMENT

49	X.1	2235-Social Security and Welfare- 103-Women's Welfare- II-Rescue Work- (a) Assistance to Voluntary agencies for running reception centre	(O) 81.60 (R) (-)73.00		
			<u>8.60</u>	40.37	(+)31.77
50	X.2	2236-Nutrition- 02-Distribution of Nutritious Food and Beverages- (iv)(c)Centrally Sponsored Scheme-Establishment Grant-in-aid to Zilla Parishad under Section 123 and 261 of the Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961.	(O) 3457.47 (R) 972.32		
			<u>4429.79</u>	2791.78	(-)1638.01

APPENDIX IX

(Reference : Paragraph 2.2.11(a); Page 31)

Statement of cases where expenditure on New Service/New Instrument of Service was met by reappropriation without obtaining the requisite approval of Legislature

Sr. No.	Grant No.	Major Head	Amount (in lakhs of rupees)
(1)	(2)	(3)	(4)
1	C.1	2029-Land Revenue- 103-Land Records- City Land Records-	64.68
2	C.15	2245-Relief on account of Natural Calamities- 02-Floods, Cyclones etc. 101-Gratuitous Relief- (xiii)-Temporary shelters to earthquake affected persons	405.30
3	C.15	2245-Relief on account of Natural Calamities- 02-Floods, Cyclones etc. 102-Drinking Water Supply- Emergency Water Supply Scheme	2050.62
4	C.17	2406-Forestry and Wild Life- 105-Forest Produce- 105(i)-Exploitation by Government Agency- 105(i)(c)-Exploitation by Government Agency (Timber)	49.58
5	C.17	2406-Forestry and Wild Life- 105-Forest Produce- 105(ii)-Maintenance of Depots	44.55
6	C.17	2406-Forestry and Wild Life- 800-Other expenditure- 800(iv)-Forest Parks	28.64
7	C.17	2406-Forestry and Wild Life- 800-Other expenditure 800(viii)-Payment to Adivasi Khatodars under the Maharashtra- Sale of Trees by occupants belonging to the Scheduled Tribes (Regulation) Act, 1969	84.00

APPENDIX IX (contd.)

Sr. No.	Grant No.	Major Head	Amount (in lakhs of rupees)
(1)	(2)	(3)	(4)
8	C.17	2406-Forestry and Wild Life- 01-Forestry- 070-Communications and Buildings- 070(iv)-Repairs of buildings-	101.81
9	C.17	2406-Forestry and Wild Life- 101-Forest Conservation and Development- 101(i)-Administration and Protection-	815.36
10	C.17	2406-Forestry and Wild Life- 101-Forest Conservation and Development- 101(iv) and (i)-Fire and Forest Protection-	98.74
11	D.4	2401-Crop Husbandry- 001-Direction and Administration- 001(ii)(b)-Agriculture Divisional Offices-	78.00
12	D.4	2401-Crop Husbandry- 001(i)(g)Establishment grants to Zilla Parishads-	88.00
13	D.4	2401-Crop Husbandry- 119(iii)(b)(ix)-Subsidy for installing Sprinkler Irrigation System	58.53
14	D.8	2405-Fisheries- 001(i)(a)District Offices	35.87
15	D.8	2405-Fisheries- 101(i)(a) and 101(ii)(a)-Fish Seed Farms-	28.83
16	F.16	6215-Loans for Water Supply and Sanitation- 01-Water Supply- 191-Loans to Local Bodies, Municipalities etc.- 48(ii)(a)-Loans to Municipal Councils for Water Supply Schemes-	3667.00

APPENDIX IX (contd.)

Sr. No.	Grant No.	Major Head	Amount (in lakhs of rupees)
(1)	(2)	(3)	(4)
17	G.9	2071-Pensions and Other Retirement Benefits- 110-Pensions of Employees of Local Bodies-	100.00
18	H.10	4216-Capital Outlay on Housing- 700-Other Housing- 700(ii)-Jails-Major Works-	26.29
19	H.15	4210-Capital Outlay on Medical and Public Health- 03-Medical Education, Training and Research- 101-Ayurvedic- Buildings-Major Works-	25.15
20	I.3	2701-Major and Medium Irrigation- 01-Major Irrigation-Commercial- Major Projects- Maintenance and Repairs-Purna Project	130.79
21	I.11	4701-Capital Outlay on Major and Medium Irrigation- 01-Major Irrigation-Commercial- (68)-Human Project	403.56
22	I.11	4701-Capital Outlay on Major and Medium Irrigation- (85)-Mula Modernisation	242.30
23	I.11	4701-Capital Outlay on Major and Medium Irrigation- (86)Kukadi-(CADA,Ahmednagar)	257.10
24	I.11	4701-Capital Outlay on Major and Medium Irrigation- (12)-Upper Tapi Project-Stage I	466.68
25	I.11	4701-Capital Outlay on Major and Medium Irrigation- (113)-Khadakpurna Project- (B.I.P.C., Buldhana)	258.35

APPENDIX IX (contd.)

Sr. No.	Grant No.	Major Head	Amount (in lakhs of rupees)
(1)	(2)	(3)	(4)
26	I.11	4701-Capital Outlay on Major and Medium Irrigation-(107)-Manjra-(CADA, Beed)	44.00
27	I.11	4701-Capital Outlay on Major and Medium Irrigation-(108)-Vishnupuri (CADA,Aurangabad)	43.12
28	I.14	4801-Capital Outlay on Power Projects-01-Hydel Generation-Hydro-electric schemes-(d)-Major Works (5)Pench Hydro Electric Project	430.36
29	I.14	4801-Capital Outlay on Power Projects-01-Hydel Generation-Hydro Electric Schemes-(d)-Major Works (19)-Bhima Ujjani Hydro Electric Project	147.58
30	I.14	4801-Capital Outlay on Power Projects-01-Hydel Generation-Hydro Electric Scheme-(d)-Major Works-(25)-Surya Hydro-electric Project-	76.80
31	I.14	4801-Capital Outlay on Power Projects-01-Hydel Generation-001-Direction and Administration-(6)-Bhira Tail Race-	151.98
32	I.14	4801-Capital Outlay on Power Projects-(7)-Bhandardara Hydro Electric Project-	53.34
33	I.14	4801-Capital Outlay on Power Projects-(8)-Tillari Hydro Electric Project-	100.00
34	I.14	4801-Capital Outlay on Power Projects-(14)-Khadakwasla Hydro Electric Project-Stage II	92.74

APPENDIX IX (contd.)

Sr. No.	Grant No.	Major Head	Amount (in lakhs of rupees)
(1)	(2)	(3)	(4)
35	I.16	4701-Capital Outlay on Major and Medium Irrigation- 01-Major Irrigation- Commercial-Major Projects- (4)-Chaskaman Project	42.00
36	I.16	4701-Capital Outlay on Major and Medium Irrigation- 01-Major Irrigation- Commercial-Major Projects- (ii)-Lower Terna Project- (Osmanabad Irrigation Circle)	300.00
37	L.4	2215-Water Supply and Sanitation 01-Water Supply Programme- (b)-Plan grants to Zilla Parishads- 41-Grant-in-aid- (1)-Grant to Village Panchayats/ Zilla Parishads for Water Supply Scheme (WS-6) (State Sector)	1278.78
38	L.4	2215-Water Supply and Sanitation- 01-Water Supply Programme- (d)-Special Component for Scheduled Castes- Rural Drinking Water Supply- (ii)-Borewells	137.06
39	L.4	2215-Water Supply and Sanitation- (B)-World Bank Assistance Project- (i)(b)-Piped Water Supply Schemes-	326.92
40	L.4	2215-Water Supply and Sanitation- (c)-Centrally Sponsored Scheme- (A)-Accelerated Rural Water Supply Programme- (ii)-Grants to Village Panchayats/ Zilla Parishads for Boring Operation. (WS-6) (State Sector)	625.70

APPENDIX IX (contd.)

Sr. No.	Grant No.	Major Head	Amount (in lakhs of rupees)
(1)	(2)	(3)	(4)
41	L.4	2215-Water Supply and Sanitation- (viii)-Sanitation Programme- (2)-Construction of latrines-	26.01
42	L.10	2501-Special Programmes for Rural Development- 800-Other expenditure- (ii)-Expenditure under Development- of Women and Children- Rural Area-	141.97
43	L.11	2505-Rural Employment- 01-National Programme- 702-Jawahar Rozgar Yojna- (7)-Special Component Plan- under Assured Employment Scheme-	1150.00
44	L.19	2702-Minor Irrigation- 191-Assistance to Local Bodies- Plan grants to Zilla Parishads-(i)-General Plan	309.59
45	M.3	2408-Food, Storage and Warehousing- 01-Food- 101-Procurement and Supply- (iii)-Procurement, Distribution and Price control- (b)-Mofussil-	205.09
46	R.3	2210-Medical and Public Health- 06-Public Health- 010-Minimum Needs Programme's- (i)(a)-Upgradation of Primary Health- Centres into Rural Hospitals	305.01
47	R.3	2210-Medical and Public Health- 06-Public Health- 010-Minimum Needs Programmes- Centrally Sponsored Scheme- 010(iii)-Grants for Plan Scheme under Section 187 of the Maharashtra Zilla Parishads and	245.96

APPENDIX IX (contd.)

Sr. No.	Grant No.	Major Head	Amount (in lakhs of rupees)
(1)	(2)	(3)	(4)
		Panchayat Samitis Act, 1961	
48	R.3	2210-Medical and Public Health- 06-Public Health- 010(iv)(b)-Schemes in the Special Component Plan-Establishment- Construction of Rural Hospitals	62.54
49	R.3	2210-Medical and Public Health- 06-Public Health- 101-Prevention and Control of diseases- (xi)-Leprosy Control Units and hospitals	169.47
50	R.3	2210-Medical and Public Health- 06-Public Health- 101-Prevention and Control of diseases- 50% Centrally Sponsored Scheme- 101(xxv)-National Malaria- Eradication Programme-	90.67
51	R.4	2211-Family Welfare- 102-Urban Family Welfare Service- 102(2)-Grants for Urban Family Welfare Centres run by Local Bodies and Other Institutions	39.00
52	T.3	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes- 02-Welfare of Scheduled Tribes- 277-Education- 01-Hostels (i)-Opening and maintenance of Government Hostels for Scheduled Tribe Boys/Girls	53.48
53	T.7	2405-Fisheries	48.00
54	T.7	3054-Roads and bridges	232.77

APPENDIX IX (contd.)

Sr. No.	Grant No.	Major Head	Amount (in lakhs of rupees)
(1)	(2)	(3)	(4)
55	T.9	4225-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	175.38
56	V.12	4851-Capital Outlay on Village and Small Industries 109(ii)(i)-Share Capital contribution to the Industrial Co-operative Societies	103.97
57	W.5	2230-Labour and Employment 102-Apprenticeship Training-I(a)-Apprenticeship Training	46.70
58	X.2	2236-Nutrition 02-Distribution of Nutritious Food and Beverages- 101-Special Nutrition Programme-(iv)(c)-Centrally Sponsored Scheme-Establishment-Grant-in-aid to Zilla Parishad	972.32
59	X.2	2236-Nutrition 02-Distribution of Nutritious Food and Beverages- 101(a)(i)-Nutrition Programme	117.88
			<hr/> 17955.92 <hr/>

APPENDIX X

(Reference: Paragraph 2.2.11(b); Page 31)

Statement of cases where expenditure was incurred without any provision of funds

Sr. No.	Grant No.	Head of Account	Expenditure (in lakhs of rupees)
(1)	(2)	(3)	(4)
REVENUE AND FORESTS DEPARTMENT			
1	C.1	2029-Land Revenue- 102-Survey and Settlement Operations- Pot Hissa Measurement Operation	5.24
2	C.8	2059-Public Works- 80-General 800-Other Expenditure- Provision on account of acquisition of land for Government Purpose- Social Welfare, Cultural Affairs and Sports Department	12.72
3	C.25	4701-Capital Outlay on Major and Medium Irrigation-Surya Project	6.16
4	C.25	4701-Capital Outlay on Major and Medium Irrigation- Dawadi Project	7.68
5	C.25	4701-Capital Outlay on Major and Medium Irrigation-Bhima Aaskhed	21.94
6	C.25	4701-Capital Outlay on Major and Medium Irrigation-Ujjani Ahmednagar	8.01
7	C.25	4701-Capital Outlay on Major and Medium Irrigation-Ujjani Indapur	83.26
8	C.25	4701-Capital Outlay on Major and Medium Irrigation-Lower Dudhana	380.59
9	C.25	4701-Capital Outlay on Major and Medium Irrigation-Vadhao	12.74

APPENDIX X (contd.)

Sr. No.	Grant No.	Head of Account	Expenditure (in lakhs of rupees)
(1)	(2)	(3)	(4)
10	C.25	4701-Capital Outlay on Major and Medium Irrigation-Shirur	6.03
11	C.25	4701-Capital Outlay on Major and Medium Irrigation-Dudhaganga Project	9.58
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT			
12	D.4	2401-Crop Husbandry 800-Other Expenditure- Resettlement of landless agricultural labourers on forest land	232.55
PUBLIC WORKS DEPARTMENT			
13	H.9	2059-Public Works 80-General 052-Machinery and Equipment (ii)-Schemes in the local sector- Purposive grant to Zilla Parishads	221.23
IRRIGATION DEPARTMENT			
14	I.5	2705-Command Area Development (4)-Command Area Development Authority-Ahmednagar (4)(2)-Trial-cum-Demonstration Farms Establishment	7.59
15	I.11	4701-Capital Outlay on Major and Medium Irrigation- 01-Major Irrigation-Commercial-Major Projects- Major Project under Command Area Development-Purana (CADA, Nanded)	386.82
16	I.11	4701-Capital Outlay on Major and Medium Irrigation-80-General- 800-Other Expenditure (viii)Rehabilitation Grant	60.25

APPENDIX X (concl.d.)

Sr. No.	Grant No.	Head of Account	Expenditure (in lakhs of rupees)
(1)	(2)	(3)	(4)

RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT

17	L.4	2215-Water Supply and Sanitation- 01-Water Supply- 102-Rural and Water Supply Programme- (c)-Other Rural Water Supply Scheme- (iv)-Installation of Power Pumps- Conversion of hand-pumps into power-pumps	202.92
18	L.4	2215-Water Supply and Sanitation- 01-Water Supply- 102-Rural Water Supply Programme- Establishment of Project Planning and Monitoring Units (Local Sector)	44.02

SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT

19	N.5	2216-Housing- 02-Urban Housing- 104-Housing Co-operatives- (b)-Schemes in Five Year Plan- Financial Assistance to the Co-operative Housing Societies (iv)-Vimukta Jati and Nomadic Tribes	45.74
20	N.5	2216-Housing- 03-Rural Housing- 104-Housing Co-operatives- (b)-Schemes in Five Year Plan- Financial Assistance to the Co-operative Housing Societies (iv)-Vimukta Jati and Nomadic Tribes	11.61

APPENDIX XI

(Reference : Paragraph 2.2.12(I); Page 31)

Details of saving of Rs.1 crore and above not surrendered

Sr. No.	Name of the grant/appropriation	Saving	Surrender	Saving which remained to be surrendered
(1)	(2)	(3)	(4)	(5)
		(In crores of rupees)		
1	A.3-Elections-	65.15	63.09	2.06
2	C.2-Stamps and Registration-	1.60	0.59	1.01
3	C.8-Public Works-	82.75	14.06	68.69
4	C.17-Forestry and Wild Life-	39.08	34.58	4.50
5	C.23-Capital Outlay on Forestry and Wild Life-	4.51	2.54	1.97
6	C.32-Loans for Crop Husbandry-	4.35	0.34	4.01
7	D.1-Appropriation for Reduction or Avoidance of Debt-	3.28	—	3.28
8	D.4-Crop Husbandry-	19.58	16.34	3.24
9	D.7-Dairy Development-	376.13	272.12	104.01
10	D.9-Agricultural Research and Education-	1.28	—	1.28
11	E.2-General Education-	39.08	12.46	26.62
12	F.5-Water Supply and Sanitation-	26.44	25.21	1.23
13	F.14-Capital Outlay on Urban Development-	2.27	—	2.27
14	F.14-Capital Outlay on Urban Development-(Charged)	1.00	—	1.00
15	F.16-Loans for Water Supply and Sanitation-	44.24	—	44.24

APPENDIX XI (contd.)

Sr. No.	Name of the grant/appropriation	Saving	Surrender	Saving which remained to be surrendered
(1)	(2)	(3)	(4)	(5)
		(In crores of rupees)		
16	F.17-Loans for Urban Development-	4.53	3.02	1.51
17	G.2-Sales Tax-(<i>Charged</i>)	30.22	—	30.22
18	G.3-Other Fiscal Services-	1.79	0.01	1.78
19	G.5-Interest Payments-(<i>Charged</i>)	46.07	0.79	45.28
20	G.9-Pension and Other Retirement Benefits-	175.32	95.58	79.74
21	G.9-Pension and Other Retirement Benefits-(<i>Charged</i>)	4.38	—	4.38
22	H.15-Capital Outlay on Public Works, Administrative and Functional Buildings-	18.95	16.72	2.23
23	I.1A-Relief on account of Natural Calamities-	16.02	—	16.02
24	I.3-Major and Medium Irrigation-	118.58	—	118.58
25	I.11-Capital Outlay on Major and Medium Irrigation-	23.39	—	23.39
26	I.14-Capital Outlay on Power Projects-	108.06	94.75	13.31
27	I.16-Capital Outlay on Removal of Regional Imbalance-	62.73	—	62.73
28	K.9-Industries-	6.00	0.33	5.67
29	K.20-Other Loans to Industries and Minerals-	3.01	2.00	1.01

APPENDIX XI (contd.)

Sr. No.	Name of the grant/appropriation	Saving	Surrender	Saving which remained to be surrendered
(1)	(2)	(3)	(4)	(5)
		(In crores of rupees)		
30	L.4-Water Supply and Sanitation-	47.22	44.41	2.81
31	L.8-Forestry and Wild Life-	2.50	1.29	1.21
32	L.11-Rural Employment-	34.12	0.09	34.03
33	L.19-Revenue Expenditure on Removal of Regional Imbalance-	7.10	—	7.10
34	L.20-Capital Outlay on Soil and Water Conservation-	21.62	20.54	1.08
35	L.22-Capital Outlay on Minor Irrigation-	4.39	1.06	3.33
36	L.26-Loans for Minor Irrigation-	4.34	—	4.34
37	L.28-Miscellaneous Loans-	327.93	278.92	49.01
38	N.11-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes-	19.28	13.28	6.00
39	O.2-Rural Employment-	37.89	26.25	11.64
40	O.2-Rural Employment-(Charged)	32.60	—	32.60
41	Q.1-Other Taxes and Duties on Commodities and Services-	1.41	—	1.41
42	Q.2-Appropriation for Reduction or Avoidance of Debt-	1.57	—	1.57
43	Q.6-Housing-	6.67	—	6.67
44	Q.8-Social Security and Welfare-	2.38	1.32	1.06

APPENDIX XI (concl.)

Sr. No.	Name of the grant/appropriation	Saving	Surrender	Saving which remained to be surrendered
(1)	(2)	(3)	(4)	(5)
		(In crores of rupees)		
45	S.1-Medical and Public Health-	20.02	11.68	8.34
46	T.8-Revenue Expenditure on Removal of Regional Imbalance-	7.60	0.91	6.69
47	V.1-Appropriation for Reduction or Avoidance of Debt-	23.82	0.06	23.76
48	V.5-Co-operation-	9.20	3.38	5.82
49	V.11-Capital Outlay on Co-operation-	41.15	38.33	2.82
50	V.18-Loans for Co-operation-	14.15	—	14.15
51	V.19-Loans for Village and Small Industries-(Charged)	1.19	—	1.19
52	W.2-General Education-	19.19	4.66	14.53
53	W.3-Technical Education-	1.16	—	1.16
54	W.5-Labour and Employment-	25.88	23.82	2.06
	Total	2044.17	1124.53	919.64

APPENDIX XII

(Reference : Paragraph 2.2.12(II); Page 31)

Cases of Surrender of Funds on 29 and 30 March 1996

Sr.No.	Department	Name of the grant	Amount of surrender (In crores of rupees)
(1)	(2)	(3)	(4)
1.	General Administration	A.3-2015-Election	63.09
2	-do-	A.12-2235-Social Security and Welfare	3.55
3	-do-	A.14-2251-Secretariat- Social Services	0.97
4	Home	B.6-2055-Police	3.13
5	-do-	B.17-3452-Tourism	1.95
6	Agriculture, Animal Husbandry, Dairy Development and Fisheries	D.4-2401-Crop Husbandry	16.34
7	-do-	D.6-2403-Animal Husbandry	1.31
8	School Education	E.2-2202-General Education	12.46
9	Urban Development	F.5-2215-Water Supply and Sanitation	22.71
10	-do-	F.5-2215-Water Supply and Sanitation	2.50
11	-do-	F.6-2217-Urban Development	9.07
12	Finance	G.9-2071-Pensions and other Retirement Benefits	95.58
13	-do-	G.16-7610-Loans to Government Servants	1.26

APPENDIX XII (contd.)

Sr.No.	Department	Name of the grant	Amount of surrender (In crores of rupees)
(1)	(2)	(3)	(4)
14	Industries, Energy and Labour	K.15-4885-Other Capital Outlay on Industries and Minerals	2.77
15	Rural Development and Water Conservation	L.3-2053-District Administration	1.72
16	Rural Development and Water Conservation	L.10-2501-Special Programme for Rural Development	22.52
17	-do-	L.10-2501-Special Programme for Rural Development	9.68
18	-do-	L.12-2515-Other Rural Development Programme	1.99
19	-do-	L.15-2810-Non-conventional Sources of Energy	3.53
20	-do-	L.20-4402-Capital Outlay on Soil and Water Conservation	20.58
21	-do-	L.28-7615-Miscellaneous	278.92
22	Food, Civil Supplies and Consumer Protection	M.2A-2236-Nutrition	5.49
23	-do-	M.3-2408-Food, Storage and Warehousing	92.67
24	-do-	M.6-4408-Capital Outlay on Food, Storage and Warehousing	741.97
25	Social Welfare, Cultural Affairs and Sports	N.3-2204-Sports and Youth Services	1.04
26	Planning	O.2-2505-Rural Employment	6.25

APPENDIX XII (concl'd.)

Sr.No.	Department	Name of the grant	Amount of surrender (In crores of rupees)
(1)	(2)	(3)	(4)
27	-do-	O.3-2515-Other Rural Development Programme	15.72
28	-do-	O.4.2551-Hill Areas	1.59
29	Housing and Special Assistance	Q.13.6216-Loans for Housing	2.01
		Total	<hr/> 1442.37 <hr/>

APPENDIX XIII

(Reference : Paragraph 2.2.13; Page 32)

Details of surrender in excess of actual saving in the grants/appropriations involving substantial amounts

Sr.No	Name of the grant/appropriation	Amount Surrendered	Actual Saving
(1)	(2)	(3) (In crores of rupees)	(4)
1	A.4-Public Service Commission	0.40	0.39
2	A.11-Information and Publicity	0.76	0.67
3	A.12-Social Security and Welfare	3.55	0.91
4	B.2-State Excise	0.30	0.29
5	B.5-Secretariat-Government Services	0.16	0.05
6	B.12-Other Social Services	0.52	0.52*
7	C.6-Secretariat-General Services	0.09	0.08
8	C.14-Social Security and Welfare	3.72	3.55
9	C.15-Relief on account of Natural Calamities	159.43	142.65
10	C.31-Loans for Relief on account of Natural Calamities	0.81	0.81**
11	D.2-Interest payments (<i>Charged</i>)	0.32	0.17
12	D.6-Animal Husbandry	1.36	0.04
13	D.8-Fisheries	2.21	2.17
14	D.14-Capital Outlay on Dairy Development	0.15	0.12
15	D.15-Capital Outlay on Fisheries	0.69	0.65
16	D.21-Loans for Fisheries	1.18	1.17
17	E.3-Sports and Youth Services	0.51	0.23

* Rs.4,794 surrendered in excess

** Rs.33,568 surrendered in excess

APPENDIX XIII (concl'd.)

Sr.No	Name of the grant/appropriation	Amount Surrendered (3)	Actual Saving (4)
(1)	(2)	(In crores of rupees)	
18	F.6-Urban Development	9.07	4.64
19	F.18-Loans to Government Servants	0.14	0.13
20	G.8-Other Administrative Services	887.35	886.85
21	G.16-Loans to Government Servants	1.26	1.23
22	H.12-Capital Outlay on Ports and Light Houses	0.05	0.04
23	H.16-Capital Outlay on Removal of Regional Imbalance	78.51	77.87
24	I.2-Soil and Water Conservation	0.10	0.09
25	I.10-Capital Outlay on Soil and Water Conservation	0.69	0.68
26	I.12-Capital Outlay on Minor Irrigation	1.17	0.86
27	J.8-Loans to Government Servants	0.54	0.47
28	K.11-Secretariat-Economic Services	0.03	0.02
29	M.2A-Nutrition	5.49	4.77
30	M.3-Food, Storage and Warehousing	92.67	92.60
31	N.3-Sports and Youth Services	3.90	3.89
32	N.4-Art and Culture	1.49	1.46
33	N.5-Housing	0.80	0.77
34	N.7-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	17.59	10.07
35	O.3-Other Rural Development Programmes	15.83	3.04
36	S.3-Secretariat-Social Services	0.19	0.04
37	V.12-Capital Outlay on Village and Small Industries	0.49	0.48
38	W.8A-Capital Outlay on Education, Sports, Art and Culture	2.00	1.85
39	X.2-Nutrition	14.58	12.37
	Total	1310.10	1258.69

APPENDIX XIV

(Reference : Paragraph 2.2.14; Page 33)

Cases of drawal from Contingency Fund where the expenditure was not such as could not have been foreseen

Sr. No. (1)	Sanction No. and Date (2)	Department (3)	Purpose for which drawn (4)	Amount sanctioned (5) (Rupees)	Remarks (6)
1	CNF.1196/273 Bud-12, dated 15.3.96	Agriculture, Animal Husbandry, Dairy Deve- lopment and Fisheries	Centrally sponsored scheme on balanced and integrated use of fertilisers	99,000	The advance is for the Centrally Sponsored Scheme involving training of personnel. While formu- lating the scheme, this aspect should have been thought of and provision for the same could have been made in the original Budget or supplementary demand.
2	CNF.1196/275 BUD-9 dated 16.3.96	Irrigation	Taking up a new Nageshwari Minor Irrigation Scheme in Raigad District for execution in the year 1995-96	6,00,000	As the advance is for the execution of a new scheme, proposals for the same would have been under consideration. Hence, funds could have been provided for either in the regular Budget or supplementary demand.
3	CNF.1196/278 BUD-14 dated 14.3.96	Agriculture, Animal Husbandry, Dairy Deve- lopment and Fisheries	Extension of training centre at Maharashtra Mendhi Va Sheli Vikas Mahamandal at Mukhed District Nanded.	12,00,000	The expenditure is not such as could not have been foreseen. Hence provision could have been made in the regular Budget or supplementary demand.
4	CNF.1196/281 BUD-9 dated 19.3.96	Irrigation	Taking up two new Kolhapur Type Weirs	10,00,000	The proposal would have been under consideration for sometime. Hence funds for execution of the same could have been provided for in the regular Budget or supplementary demand.
5	CNF.1196/283 BUD-9, dated 19.3.96	Irrigation	Taking up new Ridhore Kolhapur Type Weir for execution in Solapur District	5,00,000	The proposal would have been under consideration for sometime. Hence funds for execution of the same could have been provided

APPENDIX XIV (concl'd.)

Sr. No. (1)	Sanction No. and Date (2)	Department (3)	Purpose for which drawn (4)	Amount sanctioned (5) (Rupees)	Remarks (6)
					for in the regular Budget or supplementary demand.
6	CNF.1196/292 BUD-5 dated 30.3.96	Social Welfare, Cultural Affairs and Sports	For Dalit Vasti Improvement Scheme	5,65,03,000	The Department had stated that the provision of Rs.24.55 crores already made through regular Budget proved insufficient and hence advance from contingency fund was drawn. But, the advance for continuing the scheme has been drawn on the last working day of the Financial Year i.e. 30 March.
7	CNF.1196/296 BUD-12 dated 30.3.96	Agriculture, Animal Husbandry and Fisheries	To set up Metro- logical centre for Meterological observations on Taluka seed farm in Marathwada	9,58,000	The proposal to set up centre would have been under consideration of Government. Hence, funds for the execution of the same could have been provided for in the regular Budget or in the supplementary grant, instead of resorting to advance from contingency fund on 30 March.

APPENDIX XV

(Reference : Paragraph 3.21; Page 69)

Statement showing number of paragraphs in respect of which Government explanatory memoranda (UORs) had not been received

Sr. No.	Name of Department	86-87	87-88	88-89	89-90	90-91	91-92	92-93	93-94	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Agriculture, Animal Husbandry, Dairy Development and Fisheries	-	-	-	1	-	3	6	4	14
2	Co-operation and Textiles	-	-	-	-	-	-	1	1	2
3	Higher and Technical Education and Employment	-	-	-	-	-	-	1	2	3
4	Home	-	-	-	-	-	-	-	2	2
5	Housing and Special Assistance	-	-	-	-	3	3	1	5	12
6	Irrigation	-	-	-	-	1	2	10	13	26
7	Law and Judiciary	-	-	-	-	-	-	-	1	1
8	Medical Education and Drugs	-	-	-	-	2	2	1	2	7
9	Public Health	-	-	-	-	-	-	1	1	2
10	Public Works	-	-	-	-	-	-	-	1	1
11	Revenue and Forests	1	1	-	-	-	-	6	4	12
12	Rural Development and Water Conservation	-	2	6	1	-	2	2	12	25
13	School Education	-	-	1	-	-	1	-	1	3
14	Social Welfare, Cultural Affairs and Sports	-	-	-	2	1	2	1	3	9
15	Urban Development	-	-	-	-	2	-	2	7	11
	TOTAL	1	3	7	4	9	15	32	59	130

APPENDIX XVI

(Reference : Paragraph 3.22; Page 69)

Cases of misappropriation reported upto March 1996, awaiting finalisation as on 30 September 1996

Sr. No.	Name of Department	Reported upto March 1992		Reported in 1992-93		Reported in 1993-94		Reported in 1994-95		Reported in 1995-96		Total	
		Num-ber	Amo-unt	Num-ber	Amo-unt	Num-ber	Amo-unt	Num-ber	Amo-unt	Num-ber	Amo-unt	Num-ber	Amo-unt
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
(Amount in lakh of rupees)													
1	Agriculture, Animal Husbandry, Dairy Development and Fisheries	50	19.88	-	-	2	0.05	-	-	2	4.52	54	24.45
2	Food, Civil Supplies and Consumer Protection	16	17.16	-	-	-	-	3	14.80	-	-	19	31.96
3	Finance	4	2.38	-	-	-	-	-	-	1	23.02	5	25.40
4	General Administration	2	1.35	-	-	-	-	-	-	-	-	2	1.35
5	Home	27	12.73	-	-	-	-	1	0.20	1	0.02	29	12.95
6	Higher and Technical Education and Employment	8	2.59	-	-	1	0.48	-	-	-	-	9	3.07
7	Housing and Special Assistance	4	0.81	-	-	-	-	-	-	-	-	4	0.81
8	Irrigation	3	2.48	2	64.20	-	-	-	-	-	-	5	66.68
9	Industries, Energy and Labour	-	-	1	0.78	-	-	-	-	-	-	1	0.78
10	Law and Judiciary	6	1.03	1	0.85	-	-	1	0.56	1	0.10	9	2.54
11	Medical Education and Drugs	6	7.75	-	-	-	-	-	-	-	-	6	7.75
12	Public Health	21	12.50	-	-	-	-	-	-	-	-	21	12.50
13	Public Works	3	2.14	1	0.77	-	-	-	-	-	-	4	2.91
14	Revenue and Forests	279	41.48	7	1.96	2	0.60	2	0.45	1	0.009*	291	44.49
15	Rural Development and Water Conservation	32	13.22	-	-	-	-	-	-	1	58.43	33	71.65

* Amount is only Rs.877/-

APPENDIX XVI (concl'd.)

Sr. No.	Name of Department	Reported upto March 1992		Reported in 1992-93		Reported in 1993-94		Reported in 1994-95		Reported in 1995-96		Total	
		Num-ber	Amo-unt	Num-ber	Amo-unt	Num-ber	Amo-unt	Num-ber	Amo-unt	Num-ber	Amo-unt	Num-ber	Amo-unt
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
(Amount in lakh of rupees)													
16	Social Welfare, Cultural Affairs, and Sports	7	78.69	-	-	1	1.20	-	-	2	6.27	10	86.16
17	School Education	2	2.64	-	-	-	-	-	-	-	-	2	2.64
Total :		470	218.83	12	68.56	6	2.33	7	16.01	9	92.36	504	398.09

APPENDIX XVII

(Reference : Paragraph 5.1.8; Page 105)

Statement indicating equipment and stores lying idle

Sr. No.	Name of the General Hospital/ Office	Name of equipment/ stores	Cost (Rupees in lakhs)	Month of purchase	Month/year from which lying idle	Reasons/Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Amravati	Incubator	1.03	February 1979	1990	Due to theft of spare parts
2.	Akola	i)Hip Prophesis	0.52	October 1995	Since its purchase	Reasons not known
		ii)Operation tables	0.17	March 1995	Since its purchase	Reasons not known
		iii)Anesthesia trolley	0.09	March 1995	Since its purchase	Reasons not known
		iv)Oxygen flow meters	0.29	December 1995	Since its purchase	Excess quantity - no demand
3.	Beed	i)100 MA X-ray Machine	0.83	June 1961	Since last 20 years	Defective installation
		ii)Intercom	0.44	March 1986	1994	For want of repairs
		iii)Shadowless lamps	0.06	July 1995	July 1995	Reasons not known
4.	Bhandara	i)Solar water heater	1.98	January 1985	April 1990	) ) ) For want
		ii)Short wave diathary	0.25	April 1986	October 1994	) of) repairs)
		iii)Intercom	0.44	May 1986	April 1987))
5.	Chandrapur	Intercom	0.44	April 1986	August 1986	Manufacturing defect
6.	Latur	i)100 MA X-ray machine	1.58	July 1989	April 1996	) ) ) For want
		ii)Intercom	0.44	March 1986	January 1988	) of) repairs)
		iii)EPABX	1.23	October 1989	January 1990))
7.	DMO, Wardha	Microscope	0.56	August 1995	March 1996	Not in working condition since 31 March 1996.
		TOTAL	10.35			

APPENDIX XVIII

(Reference : Paragraph 7.1; Page 147)

Departmentally managed commercial and *quasi-commercial* undertakings for which *pro forma* accounts were awaited

AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

A.	MILK SCHEMES	Year of accounts in arrears
1.	Greater Mumbai Milk Scheme, Mumbai	1995-96
B.	OTHERS	
2.	Land Development by Bulldozer Scheme, Amravati	1995-96
3.	Land Development by Bulldozer Scheme, Aurangabad	1995-96
4.	Land Development by Bulldozer Scheme, Pune	1995-96

FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT

5.	Procurement, Distribution and Price Control Scheme (Mumbai and Thane Rationing Areas)	1995-96
6.	Procurement, Distribution and Price Control Scheme (Mofussil)	1995-96

REVENUE AND FORESTS DEPARTMENT

7.	Allapalli and Pendigundam Forest Ranges of Forest Division including Saw Mills and Timber Depot	1986-87 to 1995-96
8.	Integrated Unit, Paratwada	1993-94 and 1995-96

APPENDIX XIX

(Reference : Paragraph 7.1; Page 147)

SUMMARISED FINANCIAL STATEMENT OF DEPARTMENTALLY MANAGED COMMERCIAL/QUASI-COMMERCIAL UNDERTAKINGS

Sr. No.	Particulars of undertaking	Year of commencement of activities	Period of accounts	Government capital (Mean capital)	Block assets at depreciated cost	Depreciation provided during the year	Turnover	Net Profit (+)/Net Loss(-)	Interest on mean capital	Total return (9+10)	Percentage of return on mean capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
				(Rupees		in		lakhs			

AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

A. MILK SCHEMES MUMBAI REGION

1	Greater Mumbai Milk Scheme	1947	1994-95	4013.81	1571.43	123.50	19051.99	(-)5668.86	548.17	(-)5120.69	-
2	Paragrass Production Scheme, Mumbai	1950	1995-96	189.38	61.54	0.78	59.43	(-)236.06	27.22	(-)208.84	-
3	Unit Scheme, Mumbai	1950	1995-96	346.88	184.30	18.42	117.81	(-)260.69	49.69	(-)211.00	-
4	Electricity Scheme, Mumbai	1950	1995-96	181.75	31.04	3.26	288.46	(-)160.27	26.23	(-)134.04	-
5	Cattle Feed Scheme, Mumbai	1950	1995-96	50.21	2.34	0.13	126.70	(-)24.01	6.78	(-)17.23	-
6	Water Works Scheme, Mumbai	1950	1995-96	133.20	33.35	0.80	79.27	(-)121.57	19.16	(-)102.41	-
7	Dairy Project, Dapchari	1960	1995-96	937.59	595.09	20.06	46.08	(-)540.30	140.64	(-)399.66	-
8	Government Milk Scheme, Chiplun	1966	1995-96	125.90	57.90	3.08	149.63	(-)115.80	18.88	(-)96.92	-
9	Government Milk Scheme, Mahad	1966	1995-96	93.39	37.71	2.30	73.96	(-)127.26	13.97	(-)113.29	-
10	Government Milk Scheme, Ratnagiri	1966	1995-96	138.24	93.44	5.68	86.93	(-)107.00	20.04	(-)86.96	-
11	Government Milk Scheme, Khopoli	1966	1995-96	153.49	128.54	5.26	141.18	(-)121.03	16.85	(-)104.18	-
12	Government Milk Scheme, Kankavali	1967	1995-96	82.53	37.35	3.88	131.85	(-)108.96	12.38	(-)96.58	-
13	Government Milk Chilling Centre, Saralgaon	1979	1995-96	51.76	9.96	0.66	26.05	(-)22.91	7.51	(-)15.40	-

APPENDIX XIX (contd.)

Sr. No.	Particulars of undertaking	Year of commencement of activities	Period of accounts	Government capital (Mean capital)	Block assets at depreciated cost	Depreciation provided during the year	Turnover	Net Profit (+)/Net Loss(-)	Interest on mean capital	Total return (9+10)	Percentage of return on mean capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
				(Rupees		in	lakhs)		
14	Cattle Breeding and Rearing Farm, Palghar	1979	1995-96	134.49	64.66	3.75	66.61	(-) 63.79	18.83	(-) 44.96	-
15	Government Milk Chilling Centre, Wada	1980	1995-96	10.07	9.98	0.29	NIL	(-) 2.09	1.40	(-) 0.69	-
16	Milk Distribution Depot, Gove, (Bhiwandi)	1987	1995-96	130.97	52.32	5.03	271.79	(-) 177.86	19.03	(-) 158.83	-
PUNE REGION											
17	Government Milk Scheme, Pune	1950	1995-96	1480.80	520.28	29.03	3107.68	(-) 1263.39	214.72	(-) 1048.67	-
18	Government Milk Scheme, Solapur	1960	1995-96	457.92	91.32	7.16	1059.89	(-) 526.25	49.05	(-) 477.20	-
19	Government Milk Scheme, Miraj	1961	1995-96	2001.19	481.51	30.23	3025.14	(-) 711.66	270.16	(-) 441.50	-
20	Government Milk Scheme, Mahabaleshwar	1966	1995-96	116.59	31.83	2.14	367.84	(-) 52.93	16.90	(-) 36.03	-
21	Government Milk Scheme, Satara	1979	1995-96	1273.80	239.52	11.75	3865.55	(-) 335.07	184.13	(-) 150.94	-
NAGPUR REGION											
22	Government Milk Scheme, Nagpur	1958	1995-96	1155.56	242.90	25.10	2697.36	(-) 987.39	219.60	(-) 767.79	-
23	Government Milk Scheme, Wardha	1976	1995-96	378.08	46.16	2.43	656.54	(-) 217.96	54.82	(-) 163.14	-
24	Government Milk Scheme, Chandrapur	1979	1995-96	300.56	128.58	6.99	582.02	(-) 241.08	43.58	(-) 197.50	-
25	Government Milk Scheme, Gondia (Bhandara)	1979	1995-96	367.99	72.10	4.96	1281.35	(-) 164.37	53.36	(-) 111.01	-
AURANGABAD REGION											
26	Government Milk Scheme, Aurangabad	1962	1995-96	329.63	123.56	6.41	1129.87	(-) 388.82	49.44	(-) 339.38	-
27	Government Milk Scheme, Udgir	1971	1995-96	1481.15	463.27	8.50	1448.37	(-) 660.89	127.41	(-) 533.48	-

APPENDIX XIX (contd.)

Sr. No.	Particulars of undertaking	Year of commencement of activities	Period of accounts	Government capital (Mean capital)	Block assets at depreciated cost	Depreciation provided during the year	Turnover	Net Profit (+)/Net Loss(-)	Interest on mean capital	Total return (9+10)	Percentage of return on mean capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
					(	Rupees	in	lakhs)		
28	Government Milk Scheme, Beed	1977	1995-96	1338.62	254.62	7.91	3310.96	(-) 209.00	194.10	(-) 14.90	-
29	Government Milk Scheme, Nanded	1977	1995-96	418.84	122.51	12.13	984.16	(-) 410.92	60.73	(-) 350.19	-
30	Government Milk Scheme, Bhoom	1978	1995-96	408.69	182.44	5.86	1699.76	(-) 189.38	59.26	(-) 130.12	-
31	Government Milk Scheme, Parbhani	1979	1995-96	175.35	82.98	3.61	196.64	(-) 194.43	23.66	(-) 170.77	-
NASHIK REGION											
32	Government Milk Scheme, Nashik	1960	1995-96	273.58	98.13	6.57	549.19	(-) 269.02	39.67	(-) 229.35	-
33	Government Milk Scheme, Dhule	1962	1995-96	1252.76	413.66	18.07	3045.38	(-) 318.01	181.65	(-) 136.36	-
34	Government Milk Scheme, Chalisgaon	1969	1995-96	210.53	12.25	0.89	255.50	(-) 142.75	30.53	(-) 112.22	-
35	Government Milk Scheme, Ahmednagar	1969	1995-96	1995.93	394.88	30.06	5741.47	(-) 605.72	289.41	(-) 316.31	-
36	Government Milk Scheme, Vani	1978	1995-96	41.02	21.26	1.30	103.93	(-) 37.07	5.95	(-) 31.12	-
AMRAVATI REGION											
37	Government Milk Scheme, Amravati	1962	1995-96	242.53	127.49	4.52	233.77	(-) 225.82	36.38	(-) 189.44	-
38	Government Milk Scheme, Akola	1962	1995-96	1594.75	752.33	41.63	1258.20	(-) 506.58	230.55	(-) 276.03	-
39	Government Milk Scheme, Nandura (Buldhana)	1978	1995-96	239.73	71.32	2.16	375.93	(-) 236.07	34.76	(-) 201.31	-
B. OTHERS											
40	Land Development by Bulldozers' Scheme, Pune	1944	1994-95	144.26	77.47	4.52	46.75	(-) 72.83	18.75	(-) 54.08	-
41	Land Development by Bulldozers' Scheme, Aurangabad	1960	1994-95	34.91	2.08	-	3.83	(-) 18.06	4.60	(-) 13.46	-

APPENDIX XIX (concl'd.)

Sr. No.	Particulars of undertaking	Year of commencement of activities	Period of accounts	Government capital (Mean capital)	Block assets at depreciated cost	Depreciation provided during the year	Turnover	Net Profit (+)/Net Loss(-)	Interest on mean capital	Total return (9+10)	Percentage of return on mean capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
				(Rupees in lakhs)							
42	Land Development by Bulldozers' Scheme, Amravati	1965	1994-95	2.35	0.38	-	1.08	(-) 5.64	0.31	(-) 5.33	-
43	Land Development by Bulldozers' Scheme, Nagpur	1966	1995-96	6.84	0.52	0.01	0.73	(-) 3.95	0.89	(-) 3.06	-

FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT

44	Procurement, Distribution and Price Control Scheme (Mumbai and Thane Rationing Areas)	1959	1994-95	4628.31	13.89	19.76	18645.98	(+) 1522.75	-	(+) 1522.75	-
45	Procurement, Distribution and Price Control Scheme (Mofussil)	1957	1994-95	1546.02	106.38	91.20	36787.00	(-) 705.47	-	(-) 705.47	-

REVENUE AND FORESTS DEPARTMENT

46	Allapalli and Pandigundam Forest Ranges of Forest Division including Saw Mills and Timber Depot	1926	1985-86	1857.85	15.57	9.27	826.24	(+) 383.32	170.74	(+) 554.06	29.82
47	Integrated Unit, Paratwada	1962	1992-93	6.01	5.82	0.17	1.22	(-) 9.74	0.81	(-) 8.93	-

APPENDIX XX

GLOSSARY OF ABBREVIATIONS

AIDS	Acquired Immuno Deficiency Syndrome
ANC	Ante natal care
BLVK	Bhartiya Lok Vikas Karyakaram
BMC	Brihanmumbai Municipal Corporation
CDO	Central Design Organisation
CEs	Chief Engineers
CETP	Common Effluent Treatment Plant
CIP	Central Issue Price
COT	Cut off Trench
CPCB	Central Pollution Control Board
CSSA	Cash Settlement Suspense Account
DDHS	Deputy Director of Health Services
DDP	Desert Development Programme
DHA	Designated Hill Area
DHS	Directorate of Health Services
DMs	District Managers
DPAP	Drought Prone Area Programme
DRDA	District Rural Development Agency
DSCO	Divisional Soil Conservation Officer
DSO	District Supply Officer
DSR	District Schedule of Rates
DTO	District Tuberculosis Officer

APPENDIX XX (contd.)

DVIOs	District Village Industries Officers
EAS	Employment Assurance Scheme
EEs	Executive Engineers
FCI	Food Corporation of India
FPS	Fair Price Shop
GMSD	Government Medical Stores Depot
GOI	Government of India
HIV	Human Immuno Deficiency Virus
IEC	Information Education and Communication
ITDP	Integrated Tribal Development Project
JRY	Jawhar Rojgar Yojana
KG	Kilogram
KMs	Kilometres
KT	Kolhapur type
LASDC	Lokshahir Annabhau Sathe Development Corporation
LBM	Lean Bitumen Macadam
LOC	Letter of Credit
M	Metres
MERI	Maharashtra Engineering Research Institute
MI	Minor Irrigation
MIP	Minor Irrigation Projects
MOST	Ministry of Surface Transport
MPBCDC	Mahatma Phule Backward Class Development Corporation

APPENDIX XX (contd.)

MPCB	Maharashtra Pollution Control Board
MPWA	Miscellaneous Public Works Advances
MS	Mild steel
MSKVIB	Maharashtra State Khadi and Village Industries Board
MT	Metric Tonne
NACO	National AIDS Control Organisation
NGO	Non-Government Organisation
NIT	Notice Inviting Tender
PDS	Public Distribution System
PWD	Public Works Department
RAB	Running Account Bill
RD	Running Distance
RM	Regional Manager
RPDS	Revamped Public Distribution System
SACB	State AIDS Control Board
SC	Scheduled Castes
SCA	Special Central Assistance
SCP	Special Component Plan
SDSCO	Subdivisional Soil Conservation Officer
SEs	Superintending Engineers
SHEB	State Health Education Bureau
SIDC	State Industrial Development Corporation
SRPF	State Reserve Police Force
SSI	Small Scale Industries

APPENDIX XX (concl.)

ST	Scheduled Tribe
STD	Sexually Transmitted Diseases
SWD	Social Welfare Department
TDC	Tribal Development Corporation
WBM	Water Bound Macadam
WW	Waste Weir
ZBTC	Zonal Blood Testing Centre

Government Central Press, Mumbai

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