



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

FOR THE YEAR ENDED 31 MARCH 2001

**(CIVIL)
VOLUME I**

GOVERNMENT OF MADHYA PRADESH

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Preface

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution and under Section 35(1) of the Madhya Pradesh Reorganisation Act 2000 for placing in the respective State Legislative Assemblies.
2. Chapters I and II of this Report respectively contain Audit observations on matters arising from examination of Finance Accounts of composite State Government of Madhya Pradesh upto 31 October 2000 and of State Government of Madhya Pradesh (Successor State) for the period from 1 November 2000 to 31 March 2001 and Appropriation Accounts of the State Government of Madhya Pradesh for the year 2000-01.
3. The remaining chapters deal with the observations selected from the findings of the test audit of transactions of Government of composite State of Madhya Pradesh upto 31 October 2000 and also of Government of Madhya Pradesh (Successor State) for the period from 1 November 2000 to 31 March 2001. However, the performance audit of the four schemes viz. (a) Environmental Acts and Rules relating to Air Pollution and Waste Management (b) Prevention and Control of Diseases (c) District Institutes of Education and Training (DIET) and (d) Non Formal Education, covering transactions of Government of composite State of Madhya Pradesh upto 31 October 2000 and also transaction of both the Governments of Madhya Pradesh (Successor State) and Chhattisgarh for the period from 1 November 2000 to 31 March 2001, are also featured in the Report.
4. The Report containing observations arising as a result of test audit of transactions for the period from 1 November 2000 to 31 March 2001 in respect of Government of Chhattisgarh is presented separately.
5. The Report containing the observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing such observations on Revenue Receipts and Public Works, Public Health Engineering and Water Resources departments are presented separately.
6. The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 2000-01 as well as those which had come to notice in earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 2000-01 have also been included wherever necessary.

OVERVIEW

Overview

This Report includes two chapters containing the observations on the Finance Accounts of the composite State of Madhya Pradesh for the period 1st March 2000 to 31st October 2001 and successor State of Madhya Pradesh for the period 1st November 2000 to 31st March 2001 and Appropriation Accounts of the Government of Madhya Pradesh for the year 2000-01 and two other chapters comprising 6 reviews and 26 paragraphs, based on the audit of certain selected schemes, programmes and the financial transactions of the State Government. A synopsis of the important findings contained in the reviews and the more important paragraphs is presented in this overview.

1. Finances of the State Government

The Revenue receipts during the year (Rs.12839 crore) were much less than the Revenue expenditure (Rs.14985 crore), resulting in Revenue deficit of Rs.2146 crore. The Revenue receipts comprised tax revenue (Rs.5640 crore), non-tax revenue (Rs.1724 crore), State's share of union taxes and duties (Rs.3955 crore) and grants-in-aid from the Government of India (Rs.1520 crore). The main source of tax revenue were taxes on sales (49 per cent), State excise (17 per cent), Stamps and registration fees (8 per cent) and Taxes on vehicles (7 per cent). Non-tax revenue came mainly from interest receipts (11 per cent) and Economic services (74 per cent).

The capital receipts comprised of Rs.13 crore from recoveries of loans and advances and Rs.3101 crore from public debt. Against this, the expenditure was Rs.1110 crore on capital outlay, Rs.296 crore on disbursement of loans and advances and Rs.818 crore on repayment of public debt. The receipts in the Public Account amounted to Rs.16520 crore, against which disbursements of Rs.15836 crore were made. The net effect of the transactions in the Consolidated Fund, Contingency Fund and Public Account was decrease of Rs.565 crore (including Rs.(-) 45 crore allocated to Chhattisgarh State on 1 November 2000) in the cash balance at the end of the year.

The Funds were mainly applied for revenue expenditure, whose share in overall expenditure of the State Government decreased from 91.77 per cent to 90.38 per cent, but remained significantly higher than the share of the revenue receipts (77.44 per cent) in the total receipts of the State Government. The percentage of capital expenditure increased from 5 per cent to 7 per cent, but lending for development purposes declined from 1.95 per cent to 1.78 per cent.

The Financial operation of the State Government led to a 8.08 per cent growth in its financial liabilities during April 2000 to October 2000, but declined thereafter by 19.35 per cent during November 2000 to March 2001, largely as a natural result of apportionment of some of the liabilities to the new State of Chhattisgarh. The assets which grew by 1.63 per cent during April 2000 to October 2000 also declined by 5.53 per cent during November 2000 to March 2001, mainly for the same reasons.

The quality of expenditure deteriorated over the past five years as was evident from the declining percentage of plan and capital expenditure, rising percentage of expenditure on general services, huge amounts of fund blocked in incomplete projects and substantial funds transferred to Deposit account, after booking as expenditure.

The Government had a fiscal deficit of Rs.3539 crore and registered a decrease of 9.5 per cent over the fiscal deficit in the preceding year. Revenue deficit which declined by 26.81 per cent, accounted for nearly 61 per cent of the fiscal deficit as a result of which capital formation suffered.

The total liabilities of the Government decreased to Rs.22548.42 crore, from Rs.25947.76 crore in 1999-2000. However, the repayment obligations from the past borrowings left very little of the borrowings for investment and other expenditure. The position of net availability of funds from borrowings is likely to deteriorate further in view of increasing outstanding debts.

The internal debt slightly decreased from Rs.6141.25 crore in 1999-2000 to Rs.5967.51 crore during 2000-01. The net indebtedness to Government of India had been consistently increasing during the last four years but decreased during 2000-01 as a result of apportionment of some of the loans and advances from Central Government to the new State of Chhattisgarh and stood at Rs.7964.77 crore at the end of the year 2000-01.

State finances have been characterised by high negative BCR and increasing interest ratio while the tax/GSDP ratio remained stagnant. Thus, large amounts were spent on interest payments which far outpaced the growth in receipts. The high revenue deficit, despite significant increase in State's share of Union taxes and duties, led to more and more borrowings being devoured by revenue expenditure, with only meagre funds remaining available for asset formation, as evidenced by a high RD/FD ratio of 0.61. The high revenue deficit to fiscal deficit ratio increases the vulnerability of Government finances to further borrowings merely to meet current expenditure including repayment of earlier borrowing. Increasing Debt/GSDP ratio is only going to further increase the pressure on State's finances.

(Paragraph 1.1 to 1.11)

2. Appropriation Audit and Control over expenditure

As against the revised appropriation of Rs.25914.70 crore, the actual expenditure during 2000-01 was Rs.20785.89 crore resulting in saving of Rs 5128.81 crore. The expenditure of the State Government during 2000-01 exceeded the budget provision in 3 grant and 4 appropriation by Rs.265.07 crore. Such excesses totaling Rs.4872.92 crore pertaining to the year 1990-91 to 1999-2000 had not been regularised (December 2001). The excess expenditure required regularisation by the State Legislature under Article 205 of the Constitution.

Supplementary provision of Rs.1290.64 crore obtaining in 64 cases during the year proved unnecessary.

In 20 cases, the entire budget provision aggregating to Rs. 134.99 crore provided under various Central Schemes remained unutilised. In 54 Schemes, there was substantial savings of Rs.5 crore or more and also more than 80 per cent of the provisions.

In 11 Schemes, expenditure was in excess by Rs.5 crore or more and also by more than 100 per cent of the provision.

In 143 cases, savings of Rs 2608.44 crore were not surrendered and allowed to lapse. This included Rs.2523.92 crore in 45 cases where saving exceeded Rs.5 crore or more in each case were not surrendered.

In 152 cases, Rs.3499.11 crore were surrendered during the year. Of which Rs.1164.44 crore including Rs.92.30 crore for Chhatisgarh were surrendered on the last day of the financial year.

In 2 cases, funds amounting to Rs.614.76 crore were surrendered though there were eventual excesses amounting to Rs.264.70 crore indicating incorrect estimation of savings.

While the recoveries/credits to be adjusted in accounts as reductions of expenditure were estimated at Rs.887.99 crore, the actual recoveries during 2000-01 were Rs.340.26 crore only.

No reconciliation of expenditure figure was carried out by the DDOs under 16 major heads involving expenditure of Rs.3872.14 crore.

During 2000-01 Rs.220.96 crore were drawn and exhibited as final expenditure under various heads (Schemes) after transferring to 8443-Civil Deposits-800 Other Deposits. Out of this, Rs.52.17 crore pertained to Central Government Schemes.

(Paragraph 2.1 to 2.4)

3 Implementation of Sericulture Industries Schemes

Sericulture activities upto 1995 were carried out under "Block Plantation Scheme", in which local Villagers were engaged on daily wage basis in Mulberry/Tasar centres. A new Sericulture scheme named 'Support to Training and Employment Programme' (STEP) was launched by Government of India in 1995 in selected districts. The scheme envisaged provision of self-employment to rural women through sericulture by giving them usufruct rights on Government mulberry plantations for carrying out sericulture activities. Another similar scheme named "SWABLAMBAN" was introduced by the State Government in 1996 in which activities upto the level of production of cocoons was given to beneficiaries for increasing their income. In addition 8 projects including 5 centrally aided (1995-99) and one project (1998) with Japanese help were also sanctioned to increase production of quality cocoons. These projects included all the activities from soil to silk.

Introduction of new schemes with usufruct rights did not increase the production of cocoons & income of beneficiaries as envisaged. Production of mulberry

cocoons, and effective area of plantation decreased due to lack of irrigation facilities and technical guidance. The annual income of beneficiaries decreased inspite of spending Rs.3.23 crore on development works. The Schemes/Projects failed in achieving their objectives because of absence of wage payment available under Block Plantation Scheme.

- Expenditure of Rs.6.18 crore incurred on STEP was unfruitful as the production of cocoons, yarn and cloth was 17, 2 and 1 per cent respectively of the targets (1995-98).
- Rs.41.34 lakh provided during 1998-99 for Natural Tasar Development Project in Bastar district were deposited under "8443 Civil Deposits" '800 Other Deposits' after showing the amount as spent.
- STEP and SWABLAMBAN schemes introduced by the GOI and State Government respectively did not yield desired results as production of mulberry cocoons, effective area of plantation and annual income of beneficiaries declined and Rs.3.23crore incurred on development work of mulberry centres in seven test checked districts also proved unfruitful.
- Non-availability of water and wrong selection of site led to closure of 120 mulberry centres and Rs.7.55 crore spent on establishment was unfruitful.
- In Rajgarh Mulberry Sericulture Project, expenditure of Rs.90.50 lakh proved unfruitful due to abnormal shortfall in production of cocoons.
- While Reeling and Twisting factories at Dharamjaygarh were closed due to shortage of raw material (cocoons) and rendered expenditure of Rs.24.38 lakh unfruitful, tasar cocoons valuing Rs.22.71 lakh were lying unsold in the Government store at the end of March 2001.

(Paragraph 3.1)

4 Environmental Acts and Rules relating to Air Pollution and Waste Management

With a view to prevent and control Air Pollution and have efficient Waste management, Air (Prevention and Control of Pollution) Act, 1981 and the Environment (Protection) Act 1986 (Environment Act) were enacted. State Pollution Control Board (Board) was responsible for implementation of the Acts.

Board failed to prepare required comprehensive programme for prevention, control and abatement of air pollution. Industrial units, mostly stone crushers were operating without the approval of Board. 30 per cent of identified vehicles emitting air pollutants in excess of norms continued to ply on roads because of lack of coordination between the Board and traffic police. Air pollution from the thermal plants could not be controlled even after installation of APC equipments. Bio-medical waste generated in hospitals was not treated and disposed of as required.

- Shortfall in collection and analysis of air samples in Industries was high in Bhopal (73 per cent) and Durg (62 per cent). Even after installation of Air Pollution Control Equipments in thermal power plants the emission level of SPM was 305 to 466 per cent higher than the prescribed limit.
- Bio-medical waste could not be disposed of properly in most of the Government hospitals and nursing homes due to non-installation of incinerators. The waste generated in these hospitals was not segregated, treated and disposed of as per provisions of the Act.
- The sites for disposal of hazardous waste of the industries were not identified and developed. Hence the waste was not disposed of properly and was posing a serious threat to Public Health.
- No action plan was prepared by the local bodies for management and disposal of Urban Solid Waste.

(Paragraph 3.2)

5. Working of ITIs in Madhya Pradesh State

Craftsmen Training Programme launched in 1950, provided industrial and technical training to the educated youth for gainful employment.

A review of the programme revealed that 13 ITIs were found running with only one trade instead of 3 to 6 trades sanctioned due to lack of staff and infrastructure and non-availability of trainees for certain trades etc. Though 47 to 66 per cent trainees successfully completed the course during 1996-2001, only 3612 out of 49932 candidates could be gainfully employed. 55 to 70 per cent of posts of Principal and Vice Principal and 32 to 52 per cent of instructional staff were lying vacant which contributed to poor performance of ITIs. The programme was poorly implemented.

- Non-release of funds for completion of 5 incomplete ITI buildings rendered Rs.5.48 crore incurred so far unfruitful.
- Government of India funds of Rs.6.16 crore were irregularly credited to State receipts (Rs.1.01 crore) and Civil deposits (Rs.5.15 crore).
- The percentage of successful candidates (49932) was 47 to 66 of which (3612) only 4.2 per cent were gainfully employed during 1996-2001.
- Due to closure of certain trades, the expenditure of Rs.79.67 lakh spent on machinery proved unfruitful.
- Unspent balance of Rs.3.43 crore provided for construction of Mini ITI buildings remained to be recovered from DRDAs.
- Large number of vacancies in Principal/Vice Principal cadre and instructional staff affected the performance of ITIs.

(Paragraph 3.3)

6. Prevention and Control of Diseases

National Tuberculosis Control Programme is being implemented since 1962. The envisaged cure rate was not achieved. There were shortfalls in detection of new cases and sputum examination. Follow-up treatment was poor and treatment was discontinued midway in several cases. Shortage of staff and untrained staff also contributed to poor performance.

National Programme for Control of Blindness (NPCB) from 1976 and a World Bank Assisted Cataract Blindness Control Project from 1994 are being implemented in the State. The prevalence of blindness in the State was 0.63 per cent as of March 2001 as against the envisaged rate of 0.3 per cent. Blindness due to cataract in the State was not assessed; the targets for cataract operations were fixed on an adhoc basis as a result of which the back log of cataract operations as of March 2001 was not known. The reasons for the high prevalence of Cataract were poor performance in mobilising patients for surgeries, poor utilisation of funds, lack of IEC activities and poor follow-up.

(a) National Tuberculosis Control Programme (NTCP)

- Central assistance of Rs.1.74 crore for purchase of TB drugs was not utilised for more than 3 years and kept under "8443-Civil Deposits". Central assistance of Rs.86 lakh was lying unutilised with District Tuberculosis Control Society.
- Achievement figures for examination of sputum cases of new patients was inflated. 76 per cent patients did not take the complete course of treatment and there was increasing incidence of TB during 1996-2001. 7 to 20 per cent new TB patients could not be brought under treatment.
- 4 to 19 per cent sanctioned posts were lying vacant and deployment of untrained staff ranged between 28 and 57 per cent.
- The cure and default rate ranged between 55 and 86 and 4 and 22 per cent respectively against the norms of more than 90 and less than 5 per cent.
- Non-utilisation of TB drugs before expiry date resulted in loss of Rs.13.48 lakh.

(b) National Programme for Control of Blindness (NPCB)

- Achievement against physical target were very low as compare to the funds spent.
- Unrealistic distribution of targets to districts defeated the aims of the programme. 10 to 43 per cent catops of the targets only were contributed by Government sector. 50 per cent catops were performed in camps against the 20 per cent norm during 2000-01. As against the 1500 catops per annum per Mobile Ophthalmic Unit (MOU), actual performance ranged between 505 and 897.

- In test checked districts, vision could not be restored to 3120 patients. Only 5 per cent of the children identified for refracting were provided spectacles.
- 20 posts of ophthalmic were lying vacant in eight districts.
- As against target date of 31 March 2001 for completion of Hospitals/Wards, 32 Eye wards with Dark rooms were lying incomplete resulting in blocking of funds of Rs.1.77 crore with the PWD.
- Monitoring of the programme was inadequate. Survey conducted during 2000-01 under NPCB revealed the prevalence of blindness due to cataract as 0.63 per cent as against the norm of 0.30 per cent thus defeating the goal of the programme.

(Paragraph 3.4)

7. District Institutes of Education and Training

District Institutes of Education and Training (DIETs) were established in all the 45 districts in the State during 1987-90 under the Centrally Sponsored Scheme of "Restructuring and Reorganisation of Teacher Education" with the main purpose of providing pre-service teacher education course, and orientation programmes for elementary school teachers and for Adult Education (AE) and Non Formal Education (NFE) personnel. Despite providing Rs.26.22 crore during 1987-97 for construction of DIET buildings in all the 45 districts only 24 could be handed over to the department as of April 2001. Due to lack of proper planning and monitoring only 12 to 68 per cent of available mandays of DIET academic staff was utilised. No training was provided to AE personnel during 1996-2001 and to NFE personnel during 2000-01. Other activities like field interaction, field study, action research, experimentation etc. were almost ignored. Thus the objectives of DIETs could not be fulfilled.

- Rs.3.11 crore were irregularly claimed from Central Government.
- Out of 45 DIET buildings for which Rs.26.22 crore were provided 35 were completed and only 24 were handed over.
- Rs.0.51 crore received under special orientation programme for training to teachers were misutilised.
- Percentage of mandays of staff utilised for in-service teachers training in test checked DIETs ranged from 12 to 68 per cent of mandays available and it was found to be less than 50 per cent in 11 out of 15 DIETs.
- Central assistance of Rs.1.47 crore remained unspent with SCERT, Rs.1.48 crore were paid as salaries on idle training staff under NFE.

(Paragraph 3.5)

8. Non-Formal Education Scheme

'Non Formal Education' scheme introduced in February 1975 in Madhya Pradesh as a State Scheme was to cater to the needs of the children in the age group of 6 to 14 years who remained outside the formal system of education due to various socio-economic constraints. The scheme however failed to achieve even its supplemental objectives of mopping up school drop out children. The dropout rate was 96 per cent in primary and 84 per cent in upper primary level despite incurring an expenditure of Rs.157.98 crore on NFE in state sector during 1995-2001. State Government launched a new scheme "Education Guarantee Scheme" (EGS) with effect from January 1997 which ran parallel to NFE during 1996-2000. Though NFE scheme was closed from 1 April 2000, the State Government continued to claim grant under the Scheme from GOI.

- Lesser number of NFE centres and non purchase of text books resulted in savings ranging between Rs.1.12 crore to Rs.9.07 crore during 1995-99.
- Rs.2.42 crore released by Government of India for payment of bonus, mass media/motivation, supervisors training etc. was utilised towards office expenses.
- Central assistance of Rs.10.50 crore released under NFE during 2000-01 was utilised by State Government on EGS as all NFE Centres in the State were closed from 1 April 2000.
- Condensed course for NFE learners, and specially designed teaching/learning material to meet the diverse needs of learners, were not developed by the SCERT.
- Rs.94.92 lakh worth of Text books were supplied late by 4 months to one year. Teaching Learning Material (TLM) worth Rs.3.83 crore was purchased late by 8 to 30 months. TLM costing Rs.23.40 lakh was lying un-utilised.
- Irregular purchases of furniture, Sports material and Stationery amounted to Rs.50.76 lakh. NFE teaching, learning, material worth Rs.12.09 lakh was irregularly utilised on Education Guarantee Scheme.
- Rs.44.46 lakh was irregularly claimed as lighting/fuel charges by 741 NFE centres run during day time.
- Percentage of successful children in Vth and VIIIth Board examination ranged between 2 to 5 and 6 to 9 per cent respectively and indicated the poor performance of the NFE scheme.
- Utilisation of Rs.3.79 crore released to 26 voluntary agencies for running 1875 NFE centres in 8 districts was doubtful.

(Paragraph 3.6)

9. Audit Paragraphs

A. Infructuous expenditure

(i) Rs.34.98 lakh incurred on the pay and allowances of Excise Training Institute staff proved infructuous.

(Paragraph 3.11)

(ii) Due to improper planning and lack of co-ordination, Rs.37.13 lakh spent on additional staff posted for running CHCs, proved infructuous as PHCs could not be upgraded to CHCs.

(Paragraph 3.24)

B. Irregular expenditure

(i) Purchase of medicines without any demand and purchase of bandages of higher specification resulted in unfruitful expenditure of Rs.59.87 lakh.

(Paragraph 3.22)

(ii) Rs.40 lakh received from GOI for celebration of closing events of 50th Anniversary of India's Independence were irregularly spent after 15 August 1998.

(Paragraph 3.9)

C. Blockage of Government funds

(i) Lack of proper planning for conservation and preservation of the protected monuments resulted in blocking of Rs.4.20 crore.

(Paragraph 3.8)

(ii) An amount of Rs.1.69 crore meant for Land Acquisition was unauthorisedly kept by the Collectors in bank accounts instead of in PD Account.

(Paragraph 3.13)

(iii) Non installation of seismic instruments in the body of Indira Sagar Dam resulted in blocking of Rs.1.13 crore.

(Paragraph 3.19)

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CHAPTER I

**AN OVERVIEW OF THE FINANCES
OF THE STATE GOVERNMENT**

CHAPTER I

An overview of the finances of the State Government

1.1 Introduction

This Chapter discusses the financial position of the Government of Madhya Pradesh (MP), based on the analysis of the information contained in the Finance Accounts. The analysis is based on the trends in the receipts and expenditure, the quality of expenditure and the financial management of the State Government. In addition, the Chapter also contains a section on the analysis of indicators of financial performance of the Government, based on certain ratios and indices developed on the basis of the information contained in the Finance Accounts and other information furnished by the State Government. Some of the terms used in this Chapter are described in **Appendix I**.

In terms of the Madhya Pradesh Re-organisation Act 2000 (No.28 of 2000), 16* districts of the erstwhile State of Madhya Pradesh were transferred to form the new State of Chhattisgarh on 1 November 2000, the 'appointed day'. The apportionment of assets and liabilities of the composite State of MP immediately prior to the 'appointed day' as also the other financial adjustments are to be done in each case in accordance with the provisions of the Act, *ibid*. The actual progress achieved in this direction is indicated in **Appendix II**.

1.2 Financial position of the State

In the government accounting system, comprehensive accounting of the fixed assets like land and buildings etc., owned by Government is not done. However, the government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred by the Government. Exhibit I gives an abstract of such liabilities and the assets as on 31 March 2001, compared with the corresponding position on 31 March 2000. While the liabilities consist mainly of internal borrowings, loans and advances from the Government of India (GOI), receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital outlay, loans and advances given by the State Government and the cash balances.

It would be seen from Exhibit I that the liabilities grew by 8.08 per cent during the period from April 2000 to October 2000, but declined thereafter by 19.35 per cent during November 2000 to March 2001, largely as a natural result of apportionment of some of the liabilities to the new State of Chhattisgarh. The assets which grew by 1.63 per cent during April 2000 to October 2000 also declined by 5.53 per cent during November 2000 to March 2001, mainly for the same reasons.

* Bastar, Bilaspur, Dantewada, Dhamtari, Durg, Janjgir-Champa, Jashpur, Kanker, Kawardha, Korba, Koriya, Mahasamund, Raigarh, Raipur, Rajnandgaon and Surguja.

EXHIBIT-I
SUMMARISED FINANCIAL POSITION OF THE
GOVERNMENT OF MADHYA PRADESH AS ON 31 MARCH 2001

(Rupees in crore)

As on 31.03.2000	Liabilities	As on 31.10.2000	As on 31.03.2001
6141.25	Internal Debt-	7628.95	5967.51
4250.58	Market Loans bearing interest	4709.69	3794.21
4.33	Market Loans not bearing interest	5.39	3.70
721.17	Loans from other Institutions	775.61	645.95
171.62	Ways and Means Advances	256.87	--
--	Overdraft from Reserve Bank of India	145.53	--
993.55	Special Security issued to NSS fund of Central Government	1735.86	1523.65
10195.04	Loans and Advances from Central Government-	10606.50	7964.77
550.77	Pre 1984-85 Loans	526.47	365.27
3483.21	Non-Plan Loans	3441.82	2516.89
5961.95	Loans for State Plan Schemes	6440.06	4932.36
62.71	Loans for Central Plan Schemes	61.30	43.91
136.40	Loans for Centrally Sponsored Plan Schemes	136.85	106.34
33.07	Contingency Fund	26.61	40.00
6752.98	Small Savings, Provident Funds, etc.	7371.50	6534.82
2196.00	Deposits	1872.19	1806.12
662.50	Reserve Funds	663.77	275.20
156.40	Suspense and Miscellaneous Balances	80.60	196.14
26137.24		28250.12	22784.56

As on 31.03.2000	Assets	As on 31.10.2000	As on 31.03.2001
15236.23	Gross Capital Outlay on Fixed Assets -	15760.57	14862.15
1637.93	Investments in shares of Companies, Corporations, etc.	1642.14	1679.08
13598.30	Other Capital Outlay	14118.43	13183.07
2844.63	Loans and Advances -	2883.18	2990.98
1819.17	Loans for Power Projects	1819.17	2010.84
961.98	Other Development Loans	995.85	914.27
63.48	Loans to Government servants and Miscellaneous loans	68.16	65.87
	Reserve Fund Investments	--	--
13.26	Advances	13.88	10.32
638.08	Remittance Balances	665.60	631.59
296.72	Cash -	17.11	(-)223.57
(-)0.17	Cash in Treasuries and Local Remittances	(-)68.26	(-)28.22
184.29	Deposits with Reserve Bank	38.51	(-)546.29
82.02	Departmental Cash Balance including permanent cash imprest	21.86	12.19
30.58	Cash Balance Investments and Investment of Earmarked Funds	25.00	338.75
7108.32	Deficit on Government Accounts -	8909.78	4513.09
4175.02	(i) Accumulated deficit brought forward	7108.32	4167.53
2932.26	(ii) Revenue Deficit of the Current year/period	1801.46	344.46
1.04	(iii) Amount closed to government account	--	1.10
26137.24		28250.12	22784.56

Receipts						Disbursements								
1999-2000			01.04.2000 to 31.10.2000	01.11.2000 to 31.03.2001	Total	1999-2000		01.04.2000 to 31.10.2000			01.11.2000 to 31.03.2001			Grand total
						2.43	-Science, Technology and Environment	0.82	0.40	1.22	0.50	0.93	1.43	2.65
						33.59	-General Economic Services	24.11	1.01	25.12	19.92	2.92	22.84	47.96
						647.84	Grants-in-aid and contributions	349.97	--	349.97	178.53	--	178.53	528.50
2932.26	II.	Revenue deficit carried over to Section B	1801.45	344.46	2145.91	--	II-Revenue surplus carried over to Section B	--	--	--	--	--	--	--
16135.94		Total	8937.93	6047.28	14985.21	16135.94	Total	7720.85	1217.08	8937.93	4581.61	1465.67	6047.28	14985.21
		Section-B												
171.11	III	Opening cash balance including Permanent Advances and Cash Balance investment	296.72	61.68	358.40	--	III.Opening overdraft from RBI			--			--	--
							IV. Capital outlay			--			--	--
	IV	Miscellaneous Capital receipts				15.82	General Services	0.37	4.91	5.28	--	10.58	10.58	15.86
						194.73	Social services	0.19	37.56	37.75	1.40	96.63	98.03	135.78
						36.28	-Education, Sports, Arts and Culture	--	1.16	1.16	--	11.50	11.50	12.66
						44.16	-Health and Family Welfare	0.19	13.64	13.83	1.40	14.36	15.76	29.59
						17.10	-Water Supply, Sanitation Housing and Urban Development	--	5.70	5.70	--	12.42	12.42	18.12
						0.25	- Information and Broadcasting	--	--	--	--	0.13	0.13	0.13
						92.54	-Welfare of Scheduled Castes/Scheduled Tribes/Other Backward Classes	--	16.04	16.04	--	57.72	57.72	73.76
						3.88	-Social Welfare and Nutrition	--	0.23	0.23	--	0.37	0.37	0.60
						0.52	-Other Social Services	--	0.79	0.79	--	0.13	0.13	0.92
						739.52	Economic Services	5.62	475.69	481.31	(-)2.57	480.12	477.55	958.86
						59.02	-Agriculture and Allied Activities	5.22	(-)0.25	4.97	(-)2.92	41.00	38.08	43.05
						64.20	-Rural Development	--	24.57	24.57	--	42.24	42.24	66.81
						374.70	-Irrigation and Flood control	0.33	263.37	263.70	0.12	223.42	223.54	487.24
						154.81	-Energy	--	126.34	126.34	--	112.37	112.37	238.71
						8.29	-Industries and Minerals	0.05	3.11	3.16	0.05	1.31	1.36	4.52
						77.31	-Transport	--	57.67	57.67	0.17	58.20	58.37	116.04
						1.19	-General Economic Services	0.02	0.88	0.90	0.01	1.58	1.59	2.49
		Total				950.07	Total	6.18	518.16	524.34	(-)1.17	587.33	586.16	1110.50

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EXHIBIT-II (Continued)

1999-2000	Receipts				1999-2000	Disbursements				
			2000-01					2000-01		
			01.04.2000 to 31.10.2000	01.11.2000 to 31.03.2001	Total		01.04.2000 to 31.10.2000	01.11.2000 to 31.3.2001	Total	
313.80	V	Recoveries of Loans and Advances	(-)5.79	19.24	13.45	342.85	V. Loans and Advances disbursed	32.76	262.95	295.71
118.79-		-From Power Projects	--	--		216.31	-For Power Projects	--	191.67	191.67
14.64		-From Government Servants	9.72	4.42	14.14	10.72	-To Government Servants	14.40	2.13	16.53
180.37		-From others	(-)15.51	14.82	(-)0.69	115.82	-To others	18.36	69.15	87.51
	VI	Revenue Surplus brought down	--			2932.26	VI. Revenue deficit brought down	1801.46	344.46	2145.92
3462.25	VII	Public debt receipt	2170.59	929.94	3100.53	549.49	VII. Repayment of Public debt	271.44	546.92	818.36
2104.24		-Internal debt other than ways and means advances and overdraft	1308.30	567.84	1876.14	135.27	-Internal debt other than ways and means advances and overdraft	51.37	72.46	123.83
1358.01		-Loans and advances from Central Government	631.52	362.10	993.62	393.31	-Repayment of loans and advances to Central Government	220.07	180.58	400.65
--		-Net transactions under Ways and means advances including overdraft	230.77	--	230.77	20.91	-Net transactions under Ways and means advances including overdraft	--	293.88	293.88
	VIII	Appropriation to Contingency Fund	--	--	--	--	VIII. Appropriation to Contingency Fund	--	--	--
0.23	IX	Amount transferred to Contingency Fund	6.93	--	6.93	6.93	IX. Expenditure from Contingency Fund	13.39	(-)13.39	--
17170.49	X	Public Account receipts	9881.84	6638.57	16520.41	16039.56	X. Public Account disbursements	9689.79	6145.90	15835.69
1923.89		-Small Savings and Provident Funds	1221.95	530.25	1752.20	1015.28	-Small Savings and Provident Funds	603.42	392.42	995.84
139.17		-Reserve funds	1.77	125.17	126.94	62.09	-Reserve Funds	0.50	2.26	2.76
8116.27		-Suspense and Miscellaneous	5131.11	3606.20	8737.31	8138.82	-Suspense and Miscellaneous	5206.92	3479.85	8686.77
4230.00		-Remittances	2286.88	1499.60	3786.48	4146.51	-Remittances	2314.39	1618.48	3932.87
2761.16		-Deposits and Advances	1240.13	877.35	2117.48	2676.86	-Deposits and Advances	1564.56	652.89	2217.45
--	XI	Closing Overdraft from Reserve Bank of India	--	--		296.72	XI. Cash Balance at end of the year	17.11	(-)223.57	(-)206.46
						(-)0.17	-Cash in Treasuries and Local Remittances	(-)68.26	(-)28.22	(-)96.48
						184.29	-Deposits with Reserve Bank	38.51	(-)546.29	(-)507.78
						82.02	-Departmental Cash Balance including permanent cash imprest	21.86	12.19	34.05
						30.58	-Cash Balance Investment and Investment of Earmarked Funds	25.00	338.75	363.75
21117.88		Total	12350.29	7649.43	19999.72	21117.88	Total	12350.29	7649.43	19999.72

EXHIBIT-III
SOURCES AND APPLICATION OF FUNDS

(Amount in crores of rupees)

1999-2000		Sources	2000-01			Per cent
Amount	Per cent		01.04.2000 to 31.10.2000	01.11.2000 to 31.3.2001	Total amount	
13203.68	75.09	Revenue receipts	7136.48	5702.82	12839.30	77.44
313.80	1.78	Recoveries of Loans and Advances	(-) 5.79	19.24	13.45	0.08
2912.76	16.57	Increase in Public debt	1899.15	383.02	2282.17	13.76
1153.48	6.56	Receipts from Public account	619.80	260.74	880.54	5.31
908.61		a. Increase in Small Savings	618.53	137.83	756.36	
84.30		b. Increase in Deposits and Advances	--	--	--	
77.08		c. Increase in Reserve Funds and Reserve Fund Investment	1.27	122.91	124.18	
83.49		d. Effect of Remittances transactions	--	--	--	
		Decrease in closing cash balance	279.60	285.25	564.85*	3.41
17583.72	100.00	Total	9929.24	6651.07	16580.31	100.00
		Application				
16135.94	91.77	Revenue expenditure	8937.93	6047.28	14985.21	90.38
342.85	1.95	Lending for development and other purposes	32.76	262.95	295.71	1.78
950.07	5.40	Capital expenditure	524.34	586.16	1110.50	6.70
6.70	0.04	Net effect of Contingency Fund transactions	6.46	(-)13.39	(-)6.93	(-)0.04
22.55	0.13	Application from Public Account-	427.75	(-)231.93	195.82	1.18
22.55		a. Net effect of Suspense and Miscellaneous	75.81	(-) 126.35	(-) 50.54	
		b. Miscellaneous Government Account	---	----	----	
		c. Decrease in Deposits and Advances	324.43	(-) 224.46	99.97	
--		d. Effect of Remittances transactions	27.51	118.88	146.39	
125.61	0.71	Increase in closing cash balance	--	---	--	--
17583.72	100.00	Total	9929.24	6651.07	16580.31	100.00

Explanatory Notes to Exhibits I, II and III:

- The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts
- Government accounts being mainly on cash basis, the deficit on government account, as shown in Exhibit I, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures etc., do not figure in the accounts.
- Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and inter-departmental and inter-Government payments and others awaiting settlement.
- There was a difference of Rs.4037.82lakh (credit) between the figures reflected in the Accounts-Rs.54629.37 lakh (credit)- and those intimated by Reserve Bank of India - Rs.50591.55 lakh (Debit)- regarding "Deposits with Reserve Bank" included in the cash balance. The difference has since been reconciled (December 2002).

* This includes Rs. -44.57 crore transferred to newly formed state of Chhattisgarh on 1st November 2000.

EXHIBIT-IV
TIME SERIES DATA ON STATE GOVERNMENT FINANCES

(Rupees in crore)

	1996-97	1997-98	1998-99	1999-2000	2000-01		Total
					01.04.2000 to 31.10.2000	01.11.2000 to 31.03.2001	
Part A. Receipts							
1. Revenue Receipts	10014	11257	11346	13204	7136	5703	12839
(i) Tax Revenue	4104 (41)	4564 (40)	5108 (45)	5795 (44)	3225	2415	5640 (44)
Taxes on Agricultural Income	--	--	--	--	--	--	--
Taxes on Sales, Trade, etc.	1731 (42)	2056 (45)	2297 (45)	2555 (44)	1568	1198	2766 (49)
State Excise	743 (18)	845 (19)	965 (19)	1073 (19)	674	301	975 (17)
Stamps and Registration fees	319 (8)	361 (8)	400 (8)	470 (8)	298	179	477 (8)
Taxes on Vehicles	338 (8)	371(8)	382 (7)	402 (7)	257	149	406 (7)
Other Taxes	973(24)	931(20)	1064(21)	1295(22)	428	588	1016(19)
(ii) Non Tax Revenue	1975 (20)	2019 (18)	1782 (16)	2469 (18)	1020	704	1724 (13)
(iii) State's share in Union taxes and duties	2636 (26)	3327 (30)	2932 (26)	3262 (25)	2318	1637	3955 (31)
(iv) Grants-in-aid from GOI	1300 (13)	1348 (12)	1523 (13)	1678 (13)	574	946	1520 (12)
2. Misc. Capital Receipts	--	--	--	--	--	--	--
3. Total revenue and Non debt capital receipts (1+2)	10014	11257	11346	13204	7136	5703	12839
4. Recovery of Loans and Advances	861	794	56	314	(-6)	19	13
5. Public Debt Receipts	1689	2093	2796	3462	2171	930	3101
Internal Debt (Excluding Ways & Means Advances and Overdraft)	624(37)	651(31)	742(28)	2104(61)	1308	568	1876(61)
Loans and Advances from Government of India	1065(63)	1442(69)	1862(72)	1358(39)	632	362	994(32)
Net Transactions under Ways and means advances and overdraft	--	--	192	--	231	--	231(7)
6. Total receipts in the Consolidated fund (3+4+5)	12564	14144	14198	16980	9301	6652	15953
7. Contingency Fund receipts	13	3	--	--	7	--	7
8. Public Account receipts	12364	13961	15717	17170	9882	6638	16520
9. Total receipts of the Government (6+7+8)	24941	28108	29915	34150	19190	13290	32480
Part B. Expenditure / Disbursements							
10. Revenue expenditure	11462(90)	11726(85)	14218(92)	16136(93)	8938	6047	14985 (91)
Plan	2440(21)	2283(19)	2476(17)	2727(17)	1217	1466	2683 (18)
Non-Plan	9022(79)	9443(81)	11742(83)	13409(83)	7721	4581	12302 (82)
General Services (including interest, payments)	3343(29)	3857(33)	4766(34)	5244(33)	3364	1959	5323 (36)
Social Services	4040(35)	4482(38)	5574(39)	6210(38)	3639	2197	5836 (39)
Economic Services	3749(33)	3052(26)	3462(24)	4033(25)	1585	1713	3298 (22)
Grants-in-aid and contributions	329(3)	335(3)	416(3)	648(4)	350	178	528 (3)
11. Capital Expenditure	1021(8)	1678(12)	1010(6)	950(5)	524	586	1110 (7)
Plan	1010 (99)	1672 (100)	999 (99)	946 (100)	518	587	1105(100)
Non-Plan	11 (1)	6	11 (1)	4	06	(-01)	05
General Services	21 (2)	22 (1)	20 (2)	16 (2)	05	11	16
Social Services	212 (21)	170 (10)	219 (22)	195 (20)	38	98	136(12)
Economic Services	788 (77)	1486 (89)	771 (76)	739 (78)	481	477	958(86)

S

Includes ways and means advances from GOI.

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EXHIBIT-IV (continued)

	1996-97	1997-98	1998-99	1999-2000	2000-01		Total
					01.04.2000 to 31.10.2000	01.11.2000 to 31.03.2001	
12. Disbursement of Loans and Advances	318 (2)	468 (3)	302 (2)	343 (2)	33	263	296(2)
13. Total expenditure (10+11+12)	12801	13872	15530	17429	9495	6896	16391
14. Repayment of Public Debt	543	353	439	549	271	547	818
Internal Debt (excluding Ways & Means Advances and Overdraft)	22	43	90	135	51	72	123
Net transactions under Ways and Means Advances and Overdraft	252	--	--	21	--	294	294
Loans and Advances from Government of India ^s	269	310	349	393	220	181	401
15. Appropriation to Contingency Fund	--	--	--	--	--	--	--
16. Total disbursement out of Consolidated Fund (13+14+15)	13344	14225	15969	17978	9766	7443	17209
17. Contingency Fund disbursements	3	-- ⁽¹⁾	-- ⁽²⁾	7	13	(-) ¹³	--
18. Public Account disbursements	11472	13729	14131	16040	9690	6146	15836
19. Total disbursements by the Government (16+17+18)	24819	27954	30100	34025	19469	13576	33045
Part C. Deficits							
20. Revenue Deficit (1-10)	1448	469	2872	2932	1802	344	2146
21. Fiscal Deficit (3+4-13)	1926	1821	4127	3911	2365	1174	3539
22. Primary Deficit (21-23)	550	161	2292	1772	858	270	1128
Part D. Other data							
23. Interest payments (included in revenue expenditure)	1376	1660	1835	2139	1507	904	2411
24. Arrears of Revenue (percentage of Tax & non-Tax Revenue receipts)	238 (4)	264 (4)	248 (4)	465 (6)	--	--	347 (5)
25. Financial assistance to local bodies etc.	1318	677	759	1505	224	589	813
26. Ways and Means Advances/Overdraft availed (days)	171/24	142/48	129/144	165/100	70/9	95/38	165/47
27. Interest on WMA/Overdraft	4/1	4/1	5/3	10/3	6/2	2/1	8/3
28. Gross State Domestic Product (GSDP) *	75345	81042	90737	98768(P) ⁽³⁾	--	--	88445 ⁽⁴⁾
29. Outstanding debt (year-end)	15948	17972	21959	25948		22548	22548
30. Outstanding guarantees (year-end)	3546	3890	1413	142		--	467
31. Maximum amount guaranteed (year-end)	8352	9092	8599	9671		--	9673
32. Number of incomplete projects	53	55	59	237	--	--	185
33. Capital blocked in incomplete projects	3058	3498	3725	5957	--	--	4983

S Figures of GSDP revised as per the revised series, with 1993-94 as base year.

(P)- Provisional

(1) Rs.0.05 crore

(2) Rs.0.23 crore

(3) Worked out on average basis. Government figures not prepared.

(4) Provisional figures of GSDP for the full year (Rs.73165 crore) for the successor State of MP plus pro-rata figures of that for Chhattisgarh (Rs.15280 crore) for April - October 2000.

1.3 Financial operations of the State Government

1.3.1 Exhibit II gives the details of the receipts of and disbursements made by the State Government. The Revenue expenditure (Rs.14985 crore) during the year exceeded the revenue receipts (Rs.12839 crore) resulting in a revenue deficit of Rs. 2146 crore. The Revenue receipts comprised tax revenue (Rs.5640 crore), non-tax revenue (Rs.1724 crore), State's share of Union taxes and duties (Rs.3955 crore) and grants-in-aid from the Government of India (Rs.1520 crore). The main sources of tax revenue were taxes on sales (49 per cent), State excise (17 per cent) stamps and registration fees (8 per cent) and taxes on vehicles (7 per cent). Non-tax revenue came mainly from Interest receipts (11 per cent) and economic services (74 per cent).

1.3.2 Capital receipts comprised of Rs.13 crore from recoveries of loans and advances and Rs.3101 crore from public debt. Against this, the expenditure was Rs.1110 crore on capital outlay, Rs.296 crore on disbursement of loans and advances and Rs.818 crore on repayment of public debt. The receipts in the Public Account amounted to Rs.16520 crore, against which disbursements of Rs.15836 crore were made. The net effect of the transactions in the Consolidated Fund, Contingency Fund and Public Account was decrease of Rs.565 crore in the cash balance at the end of the year.

1.3.3 The financial operations of the State Government pertaining to its receipts and expenditure are discussed in the following paragraphs, with reference to the information contained in Exhibit II and the time-series data for the five-year period from 1996-2001 presented in Exhibit IV.

1.4 Sources and application of funds

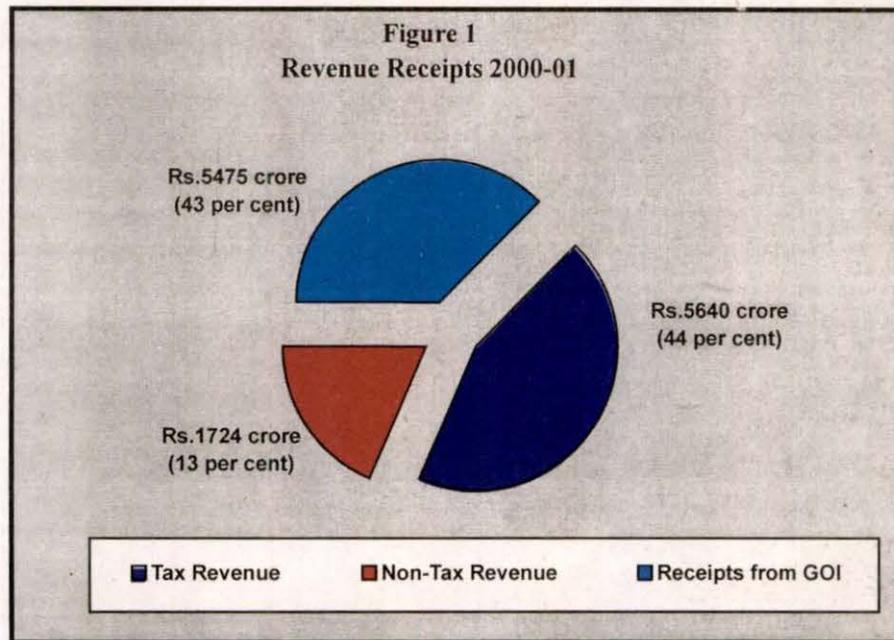
Exhibit III gives the position of sources and application of funds during the current and the preceding years. The main sources of funds include the revenue receipts of the Government, recoveries of the loans and advances, public debt and receipts in the Public Account. These are applied mainly on revenue and capital expenditure and lending for developmental purposes. It would be seen that the revenue receipts constitute the most significant source of funds for the State Government. While the relative share of Revenue receipts increased marginally from 75.09 per cent in 1999-2000 to 77.44 per cent during 2000-01, the shares of net receipts from Public Account, recoveries of loans and advances and receipts from the Public Debt, however, declined from 6.56 per cent, 1.78 per cent and 16.57 per cent in 1999-2000 to 5.31 per cent, 0.08 per cent and 13.76 per cent respectively in 2000-01.

1.4.2 The funds were mainly applied for revenue expenditure, whose share decreased from 91.77 per cent to 90.38 per cent but remained significantly higher than the share of the revenue receipts (77.44 per cent) in the total

receipts of the State Government. This led to revenue deficit. Further, while the share of capital expenditure increased from 5.40 per cent to 6.70 per cent, that of lending for development purposes declined from 1.95 per cent to 1.78 per cent.

1.5 Revenue receipts

1.5.1 The revenue receipts consist mainly of tax and non-tax revenue and receipts from Government of India (GOI). Their relative shares are shown in Figure 1. The revenue receipts grew at an average annual rate of 10.62 per cent during 1996-2000 but declined by 2.76 per cent during 2000-01 as a natural consequence of the re-organisation of the State.



1.5.2 Tax revenue

These constitute the major share (44 per cent) of the revenue receipts. Even though the tax revenue decreased from Rs.5795 crore in 1999-2000 to Rs.5640 crore during the current year, its share in revenue receipts remained un-altered. Exhibit IV shows that the relative contribution of sales tax increased from 44 per cent in 1999-2000 to 49 per cent in 2000-01 but that of State excise came down from 19 per cent in 1999-2000 to 17 per cent in 2000-01, and of stamps and registration fees and taxes on vehicles remained static.

1.5.3 Non-tax revenue

The share of non-tax revenue in the revenue receipts has registered a continuous decline, from 20 per cent in 1996-97 to 13 per cent in 2000-01, except in 1999-2000 when it was 18 per cent.

1.5.4 State's share of Union taxes and duties and grants-in-aid from the Central Government

The State's share of Union taxes (Central excise duties, Income tax and Corporation taxes) increased by 21 per cent during the year, while the grants-in-aid from the Central Government decreased by 9 per cent. However, as a percentage of revenue receipts (both taken together), it rose from 39 per cent in 1996-97 to 43 per cent during 2000-01.

1.6 Revenue expenditure

1.6.1 Revenue expenditure accounted for 93 per cent of the total expenditure of the State Government in 1999-2000 and decreased during the current year to 91 per cent. In absolute terms, it decreased (from Rs.16136 crore to Rs.14985 crore) by 7 per cent during the year due to re-organisation of the State. The decrease was both on the Plan and non-Plan sides. A comparison, however, shows that over the period 1996-97 (Rs.9022 crore) to 2000-01 (Rs.12302 crore) the rate of growth in non-Plan component (36 per cent) of revenue expenditure far surpassed that in Plan expenditure (10 per cent), as can be seen from Exhibit IV. Trend analysis shows that the Government failed to arrest the growing share of the revenue expenditure to total expenditure which increased to 91 per cent in 2000-01 from a comparatively low of 85 per cent in 1997-98.

1.6.2 Sector-wise analysis shows that while the expenditure on General Services increased by 59 per cent, from Rs.3343 crore in 1996-97 to Rs.5323 crore in 2000-01, the corresponding increase in expenditure on Social Services was only 44 per cent and the expenditure on Economic Services in fact decreased by 12 per cent. As a proportion of the revenue expenditure, the shares of General Services and Social Services increased from 29 and 35 per cent in 1996-97 to 36 and 39 per cent respectively in 2000-01, whereas the share of Economic Services steeply declined from 33 per cent in 1996-97 to 22 per cent in 2000-01 during the same period.

1.6.3 Interest payments

Interest payments increased by 75 per cent from Rs.1376 crore in 1996-97 to Rs.2411 crore in 2000-01, the increase during the year being 13 per cent over the previous year. This is further discussed in the section on financial indicators.

1.6.4 Financial assistance to local bodies and other institutions

The quantum of assistance provided to different local bodies etc., during the five-year period ending 2000-01 was as follows:

(Rupees in crore)

	1996-97	1997-98	1998-99	1999-2000	2000-01		Total
					As on 31.10.2000	As on 31.3.2001	
Education	203	206	292	312	193	160	353
Water Supply, Sanitation, Housing and Urban Development	25	55	36	45	26	39	65
Cooperatives	7	44	25	2	1	2	3
Madhya Pradesh Electricity Board	1079	365	402	1140	--	385	385
Public Undertakings	4	7	4	6	4	3	7
Total	1318	677	759	1505	224	589	813
Percentage of growth over previous year	139	-49	12	98	--	--	(-) 46
Assistance as a percentage of revenue expenditure	12	6	5	9	--	--	5

A major portion of the assistance has been accounted for by the State Electricity Board and educational institutions.

1.7 Capital expenditure

1.7.1 Capital expenditure normally leads to asset creation. In addition, financial assets arise from money invested in institutions or undertakings outside Government i.e. public sector undertakings (PSUs), corporations etc. and loans and advances. Exhibit IV shows that most of the capital expenditure has been on Economic and Social Services on the Plan side.

1.7.2 Loans and Advances by the State Government

The Government gives loans and advances to government companies, corporations, local bodies, autonomous bodies, co-operatives, non-government institutions, etc., for developmental and non-developmental activities. The position for the last five years from 1996-97 to 2000-01 was as given below:

(Rupees in crore)

	1996-97	1997-98	1998-99	1999-2000	2000-01		Total
					As on 31.10.2000	As on 31.3.2001	
Opening balance	3439	2897	2570	2816	2845	2883	2845
Amount advanced during the year	319	467	302	343	32	263	295
Repayments received during the year	861	794	56	314	(-)6	19	13
Proforma correction amount transfer to Chhattisgarh						(-)136	(-)136
Closing balance	2897	2570	2816	2845	2883	2991 ^(@)	2991 ^(@)
Net addition	-542	-327	245	29	38	244	282
Interest received	270	223	147	247	33	124	157

(@) Includes Rs.2191 crore retained in Madhya Pradesh pending further apportionment between the successor States.

It would be seen that except for 1996-97 and 1997-98, the repayments have constituted only a small percentage of loans advanced indicating that the recovery of loans was very poor. Out of loans, the detailed accounts of which are maintained by the Principal Accountant General (Accounts and Entitlements), recovery of Rs.189.14 crore (principal) apart from interest due there on (which could not be calculated because of reorganization of State) was in arrears as on 31 March 2001. Details in respect of loans, the detailed accounts of which were maintained by the departmental officers, had not been furnished to the Principal Accountant General (Accounts and Entitlements).

1.8 Quality of expenditure

1.8.1 Government spends money for different activities ranging from maintenance of law and order and regulatory functions to various developmental activities. Government expenditure is broadly classified into Plan and non-Plan and Revenue and Capital. While the Plan expenditure is usually associated with asset creation, the non-Plan expenditure is identified with expenditure on establishment, maintenance and services. By definition, therefore, in general, the Plan expenditure can be viewed as contributing to the quality of expenditure.

1.8.2 Wasteful public expenditure, diversion of funds and funds blocked in incomplete projects would also impinge negatively on the quality of expenditure. Similarly, funds transferred to Deposit heads in the Public Account after booking them as expenditure, can also be considered as a negative factor in judging the quality of expenditure; as the expenditure is not actually incurred in the concerned year, it should be excluded from the figures of expenditure for that year. Another possible indicator is the increase in the expenditure on General Services to the detriment of Economic and Social Services.

1.8.3 The following table lists out the trend in these indicators:

	1996-97	1997-98	1998-99	1999-2000	2000-01		Total
					April-October 2000	November 2000 to March 2001	
1 Plan expenditure as a percentage of :							
-- Total expenditure (Revenue + Capital)	28	30	23	22	18	31	24
2 Capital expenditure	8	13	7	6	6	9	7
3 Expenditure on General Services as a percentage of total expenditure (Revenue + Capital)	27	29	31	31	36	--	33
4 Amount of wastages and diversion of funds etc. reported in Audit Reports (Rs. in crore)	1	25	24	232			399
5 Non-remunerative expenditure on incomplete projects (Rs. in crore)	405	456	404	5957			4983
6 Unspent balances under Deposit heads, booked as expenditure (Rs. in crore)	618	505	1101	1089			880

It would be seen that the share of both the Plan expenditure and Capital expenditure has been declining, except in 2000-01 when both went up but was still significantly lower than high of 30 and 13 per cent respectively achieved in 1997-98. The expenditure on General Services, at the same time, has been consistently on the increase. Substantial funds (Rs.4983 crore) remained blocked in 185 incomplete projects as on 31 March 2001. Apart from large amounts of wastages and diversions of funds reported in the Audit Reports from year to year, substantial amounts were parked every year in Civil Deposits, without the expenditure having been actually incurred. All these reflect adversely on the quality of expenditure.

1.9 Financial management

The issue of financial management in Government should relate to efficiency, economy and effectiveness of its revenue and expenditure operations. Subsequent Chapters of this Report deal extensively with these issues, especially as these relate to the expenditure management in the Government, based on the findings of the test audit. Some other parameters, which can be segregated from the accounts and other related financial information of the Government, are discussed in this section.

1.9.1 Investments and returns

Investments are made out of the capital outlay by the Government to promote developmental, manufacturing, marketing and social activities. The sector-wise details of investments made and the number of concerns involved were as under:

(Rupees in crore)

Sector	Number of concerns	Amount invested	
		During 2000-01	As on 31.03.2001
Statutory Corporations	13	5.14	947.82
Government Companies	25	-0.02	199.54
Joint Stock Companies	24	--	1.65
Co-operative Institutions	124	36.03	530.08
Total	186	41.15	1679.09 (*)

(*) Includes Rs.1628 crore yet to be apportioned between the two successor States.

The details of investments and the returns realised during the last five years by way of dividend and interest were as follows:

Year	Investment at the end of the year	Return	Percentage of return	Average rate of interest on Government borrowing (per cent)
	(Rupees in crore)			
1996-97	764.53	2.81	0.37	13.75
1997-98	1531.36	1.55	0.10	12.30
1998-99	1598.36	1.00	0.06	12.50
1999-2000	1637.94	1.81	0.11	11.70
2000-01	1679.09	0.31	0.02	10.95

The table above shows that while the Government was raising high cost borrowings from the market, its investment in Government companies etc., fetched insignificant returns, indicating very poor performance by public sector undertakings, Government companies and statutory corporations and co-operative bodies.

1.9.2 Financial results of irrigation works

The financial results of 10 major and medium irrigation projects with revenue expenditure of Rs.335.99 crore during the year showed that revenue realised (Rs.47.16 crore) from these projects during 2000-01 was 14.04 per cent of revenue expenditure, far from being sufficient to meet even the expenditure on maintenance.

1.9.3 Incomplete projects

As on 31 March 2001, there were 185 incomplete projects with a cumulative investment of Rs.4983.31 crore. The number of such projects of unified State had gone up to 237 during the last years. This showed that the Government was spreading its resources thin, which failed to yield any return. The number of such projects has, however, come down during 2000-01, due to re-organisation of the State.

1.9.4 Arrears of revenue

As on 31 March 2001, the following were the arrears of revenue pending collection as intimated by some of the departments:

(Rupees in crore)

Sl. No.	Nature of revenue/ name of the Department	Amount of arrears as on 31.3.2001	of on	Amount of arrears outstanding for more than five years as on 31.3.2001
1.	Commercial Tax	225.79		112.65
2.	Taxes on Vehicles	11.09		NA
3.	State Excise	37.17		29.51
4.	Taxes and duties on electricity	16.18		6.68
5.	Stamp duty and registration fee	11.37		2.83
6.	Mining and Metallurgical Industries	37.81		NA
7.	Co-operation	7.78		2.05
TOTAL		347.19		153.72

The percentage of arrears of revenue pending collection has come down from 6 per cent in 1999-2000 to 5 per cent of total tax and non-tax revenue during 2000-01 but was still higher than that (4 per cent) during 1996-97 to 1998-99.

1.9.5 Ways and means advances and overdraft

Under an agreement with the Reserve Bank of India, the State Government had to maintain with the Bank a minimum daily cash balance of Rs.1.96 crore. If the balance fell below the agreed minimum on any day, the deficiency had to be made good by taking ways and means advances (WMA) /special ways and means advances from the Bank. Besides, overdraft (OD) is also made available by the Bank whenever necessary. Recourse to WMA/OD means a mismatch between the receipts and expenditure of the Government, and hence reflects poorly on the financial management in Government.

During the year 2000-01, the Government took ways and means advances for 165 days amounting to Rs.2246 crore (as against Rs.2926 crore for 165 days during 1999-2000) and OD for 47 days amounting to Rs.1220 crore (Rs.2274 crore in 1999-2000 for 100 days). The interest paid on WMA and OD was Rs.8 crore and Rs.3 crore respectively.

1.9.6 Deficit

1.9.6.1 Deficits in government account represent gaps between the receipts and expenditure. The nature of deficit is an important indicator of the prudence of financial management. Further, the ways of financing the deficit and the application of the funds raised in this manner are important pointers of the fiscal prudence of the Government. The discussion in this section relates to three concepts of deficit viz., Revenue Deficit, Fiscal Deficit and Primary Deficit.

1.9.6.2 Revenue Deficit is the excess of revenue expenditure over revenue receipts. The Fiscal Deficit may be defined as the excess of revenue and capital expenditure (including net loans given) over the revenue receipts (including grants-in-aid received). Primary Deficit is fiscal deficit less interest payments. The following Exhibit gives a break-up of the deficit in government account:

(Rupees in crore)

CONSOLIDATED FUND								
Receipts	Amount			Total	Disbursements	Amount		
	April - October 2000	November 2000 - March 2001				April - October 2000	November 2000 - March 2001	Total
Revenue	7136	5703	12839	Revenue deficit: 2146	Revenue	8938	6047	14985
Misc. capital receipts	--	--	--		Capital	524	586	1110
Recovery of loans & advances	(-6)	19	13		Loans & advances disbursement	33	263	296
Sub Total	7130	5722	12852	Gross fiscal deficit: 3539	Sub Total	9495	6896	16391
Public debt	2171	930	3101		Public debt repayment*	271	547	818
Total	9301	6652	15953	A: Deficit in Consolidated Fund : 1256	Total	9766	7443	17209

CONTINGENCY FUND								
Amount transferred to Contingency Fund	07	--	07		Expenditure from Contingency Fund	13	(-)13	--
				B. Surplus in Contingency Fund : 7				
PUBLIC ACCOUNT								
Small savings, PF etc.	1222	530	1752	C: Deficit in Consolidated Fund and Contingency Fund financed by Public Account: Rs.684	Small savings, PF etc.	603	393	996
Deposits & advances	1240	877	2117		Deposits & advances	1564	653	2217
Reserve funds	02	125	127		Reserve funds	-	03	03
Suspense & misc.	5131	3606	8737		Suspense & misc.	5207	3480	8687
Remittances	2287	1500	3787		Remittances	2314	1619	3933
Total Public Account			16520		Total			15836
Decrease in cash balance C-(A+B) = 684 - (1256-7) = 565								

Gross Fiscal Deficit of Rs.3494 crore (Rs.3539 crore minus Rs.45 crore allocated to Chhattisgarh) was financed from net proceeds of Public Debt (Rs.2283 crore), surplus from Public Account (Rs.684 crore), Contingency Fund (Rs.7 crore) and Cash balance (Rs.565 crore).

The Cash Balance of the composite State of Madhya Pradesh which stood at Rs.296.72 crore on 31 March 2000 declined to Rs.17.11 crore on 31 October 2000. Out of this, Rs.(-)44.57 crore were transferred to newly formed State of Chhattisgarh on 1 November 2000 as a result of which, the successor State of Madhya Pradesh was assigned a cash balance of Rs.61.68 crore on the appointed day. The closing cash balance however, came down to Rs.(-)223.57 crore as on 31 March 2001 and registered an overall decrease of Rs.564.86 crore during the year.

1.9.6.3 Application of the borrowed funds (Fiscal Deficit)

The Fiscal Deficit (FD) represents total net borrowings of the Government. These borrowings are applied for meeting the Revenue Deficit (RD), for making the Capital Expenditure (CE) and for giving loans to various bodies for development and other purposes. The relative proportions of these applications would indicate the financial prudence of the State Government and also the sustainability of its operations because continued borrowing for revenue expenditure would not be sustainable in the long run. The following table shows the position for the last five years:

Ratio	1996-97	1997-98	1998-99	1999-2000	2000-01
RD/FD	0.75	0.26	0.70	0.75	0.61
CE/FD	0.53	0.92	0.24	0.24	0.31
Net loans/FD	-0.28	-0.18	0.06	0.01	0.08
Total	1.00	1.00	1.00	1.00	1.00

The pre-dominance of the borrowed funds in meeting the revenue expenditure in the last five years is evident from the high RD/FD ratio. Resultantly, the capital expenditure has suffered as can be seen from the low CE/FD ratio. The increase in capital expenditure in 1997-98 was possible mainly because of decline in revenue expenditure and good recovery of past loans. Obviously

there is an urgent need to control revenue expenditure or else capital formation will continue to suffer.

1.10 Public debt

1.10.1 The Constitution of India provides that a State may borrow within the territory of India, upon the security of Consolidated Fund of the State within such limits, if any, as may from time to time, be fixed by an Act of Legislature of the State. No law had been passed by the State Legislature laying down any such limit. The details of the total liabilities of the State Government as at the end of the last five years are given in the following table. During the five-year period, the total liabilities of the Government had grown by 41 per cent. This was on account of 117 per cent growth in internal debt, 21 per cent growth in loans and advances from Government of India and 30 per cent growth in other liabilities. In absolute terms, though the total liabilities of the State declined during 2000-01 by 13.1 per cent over previous year, due to re-organisation of the State yet it constituted 25 per cent of GSDP.

(Rupees in crore)

Year	Internal debt	Loans and advances from Central Government	Total public debt	Other liabilities ^α	Total liabilities	Ratio of debt to GSDP
1996-97	2741.13	6585.38	9326.51	6621.55	15948.06	0.21
1997-98	3349.02	7717.61	11066.63	6905.73	17972.36	0.22
1998-99	4193.19	9230.35	13423.54	8535.09	21958.63	0.24
1999-2000	6141.25	10195.05	16336.30	9611.46	25947.76	0.26
2000-01	5967.51	7964.77	13932.28	8616.14	22548.42	0.25

1.10.2 The amount of funds raised through Public debt, the amount of repayment and net funds available are given in the following table:

(Rupees in crore)

	1996-97	1997-98	1998-99	1999-2000	2000-01		
					Upto 31.10.2000	Upto 31.03.2001	Total
Internal Debt							
-Receipt	2335	3222	4738	7304	2758	2585	5343
-Repayment (principal + interest)	2282	2992	4346	5913	1737	2636	4373
-Net funds available (per cent)	53(2)	230(7)	392(8)	1391(19)	1021	(-)51	970 (18)
Loans and advances from GOI							
- Receipt during the year	1065	1442	1862	1358	632	362	994
- Repayment (principal + interest)	908	1058	1268	1527	836	658	1494
- Net funds available (per cent)	157 (15)	384 (27)	594 (32)	(-)169 (-12)	(-)204	(-)296	(-)500 (-)50
Other liabilities							
- Receipt during the year	3019	2940	4229	4381	2242	1396	3638
- Repayment	2459	3106	3062	3758	2371	1086	3457
- Net funds available (per cent)	560 (19)	-166 --	1167 (28)	623 (14)	(-)129	310	181 (5)

^α Other liabilities include small savings, provident funds, reserve funds and deposits, etc.

Note: Figures of GSDP revised because of change in the base year to 1993-94.

Considering that the outstanding debt has been increasing year after year (the decrease during the current year being only due to re-organisation of the State) the net availability of funds through borrowings is going to reduce considerably. This is evident from the fact that while the yield from other liabilities too showed a reduction during the year of Rs.442 crore over the previous year, the position of net yield from loans and advances from Government of India was worse, being negative to the extent of Rs.500 crore, indicating net outflow of funds.

1.11 Indicators of the financial performance

1.11.1 A Government may either wish to maintain its existing level of activity or increase its level of activity. For maintaining its current level of activity it would be necessary to know how far the means of financing are sustainable. Similarly, if Government wishes to increase its level of activity it would be pertinent to examine the flexibility of the means of financing and finally, Government's increased vulnerability in the process. All the State governments continue to increase the level of their activity principally through Five Year Plans which translate into Annual development plans and are provided for in the State Budget. Broadly, it can be stated that non-Plan expenditure represents Government maintaining the existing level of activity**, while Plan expenditure entails expansion of activity. Both these activities require resource mobilization increasing Government's vulnerability. In short, financial health of a Government can be described in terms of sustainability, flexibility and vulnerability. These terms are defined as follows:

(i) Sustainability

Sustainability is the degree to which a Government can maintain existing programmes and meet existing creditor requirements without increasing the debt burden.

(ii) Flexibility

Flexibility is the degree to which a Government can increase its financial resources to respond to rising commitments by either expanding its revenue base or increasing its debt burden.

(iii) Vulnerability

Vulnerability is the degree to which a Government becomes dependent on and therefore vulnerable to sources of funding outside its control or influence, both domestic and international.

**

There are exceptions to this, notably transfer of Plan to non-Plan at the end of Plan period.

(iv) Transparency

There is also the issue of financial information provided by the Government. This consists of annual Financial Statement (Budget) and the Accounts. As regards the budget, the important parameters are timely presentation indicating the efficiency of budgetary process and the accuracy of the estimates. As regards accounts, timeliness in submission, for which milestones exist and completeness of accounts, would be the principal criteria.

1.11.2 Information available in Finance Accounts can be used to flesh out Sustainability, Flexibility, and Vulnerability that can be expressed in terms of certain indices/ratios worked out from the Finance Accounts. The list of such indices/ratios is given in Appendix I to this Chapter. Exhibit V indicates the behaviour of these indices/ratios over the period from 1996-97 to 2000-01.

EXHIBIT-V
Financial indicators for Government of Madhya Pradesh

	1996-97	1997-98	1998-99	1999-2000	2000-01
Sustainability					
BCR (Rupees in crore)	(-)234	662	(-)1725	(-)1556	(-) 793
Primary Deficit (PD) (Rupees in crore)	550	161	2292	1772	1128
Interest Ratio	0.11	0.13	0.15	0.15	0.18
Capital outlay/Capital receipts	0.37	0.61	0.31	0.22	0.28
Total Tax receipts/GSDP	0.09	0.10	0.09	0.09	0.11
State Tax receipts/GSDP	0.05	0.06	0.06	0.06	0.06
Return on Investment (per cent)	0.37	0.10	0.06	0.11	0.02
Flexibility					
BCR (Rupees in crore)	(-)234	662	(-)1725	(-)1556	(-)793
Capital repayments/Capital borrowings	0.17	0.17	0.17	0.15	0.18
State tax receipts/GSDP	0.05	0.06	0.06	0.06	0.06
Debt/GSDP	0.21	0.22	0.24	0.26	0.25
Vulnerability					
Revenue Deficit(RD) (Rupees in crore)	1448	469	2872	2932	2146
Fiscal Deficit(FD) (Rupees in crore)	1926	1821	4127	3911	3539
Primary Deficit(PD) (Rupees in crore)	550	161	2292	1772	1128
PD/FD	0.29	0.09	0.55	0.45	0.32
RD/FD	0.75	0.26	0.70	0.75	0.61
Outstanding Guarantees/ Revenue receipts	0.35	0.35	0.12	0.01	0.04
Assets/Liabilities	0.95	0.93	0.81	0.73	0.80

Notes

1. Fiscal deficit has been calculated as: Revenue expenditure + Capital expenditure + net loans and advances – Revenue receipts – non-loan capital receipts.
2. In the ratio Capital outlay vs. Capital receipts, the denominator has been taken as internal loans + Loans and Advances from Government of India + net receipts from small savings, PF etc. and recoveries of loans advanced by the State Government – Loans advanced by State Government.
3. Figures of GSDP have been revised as its base year has been changed to 1993-94.

1.11.3 The implications of these indices/ratios for the state of the financial health of the State Government are discussed in the following paragraphs.

(i) Balance from current revenues (BCR)

BCR is defined as revenue receipts minus Plan assistance grants minus non-Plan revenue expenditure. A positive BCR shows that the State Government has surplus from its revenues for meeting Plan expenditure. The table shows that the State Government had positive BCR in one out of the five years (1997-98), suggesting that the State finances were greatly stressed and Government had to depend on borrowings for not only meeting its Plan expenditure, but increasingly to bridge the substantial gap in current revenues also, except in 1997-98 when the BCR was positive.

(ii) Interest ratio

Interest ratio is defined as

$$\frac{\text{Interest payments} - \text{Interest receipts}}{\text{Total Revenue receipts} - \text{Interest receipts}}$$

A higher interest ratio has adverse implications for the sustainability since it points to the rising interest burden, not only on the current year's revenue but also on future resources. The higher the ratio, lesser the ability of the Government to service any fresh debt and meet its revenue expenditure from its revenue receipts. In case of Madhya Pradesh, the ratio has risen from 0.11 in 1996-97 to 0.18 in 2000-01 mainly due to the sharp increase in interest payments compared to the growth of revenue receipts while the former increased by 75 per cent in 2000-01 compared to 1996-97, (as explained in paragraph 1.6.3) the corresponding growth of the latter by only 28 per cent.

(iii) Capital outlay/capital receipts

This ratio would indicate to what extent the capital receipts are applied for capital formation. A ratio of less than one would not be sustainable in the long run inasmuch as it indicates that a part of the capital receipts are being diverted to unproductive revenue expenditure. On the contrary, a ratio of more than one would indicate that capital investments are being made from revenue surplus as well. The trend analysis of this ratio would throw light on the fiscal performance of the State Government. A rising trend would mean an improvement in the performance. In the case of Madhya Pradesh, the ratio has all along been less than one and has been steadily declining from 0.61 in 1997-98 to 0.28 in 2000-01 indicating that a substantial part of capital receipts were not available for investment. The comparatively higher ratio of 0.61 in 1997-98 was possible mainly because of revenue expenditure constituting the lowest share in the total expenditure during the five-year period 1996-01, coupled with higher recovery of past loans, as discussed in paragraph 1.9.6.3, not replicated in any of the succeeding years.

(iv) Tax receipts Vs Gross State Domestic Product (GSDP)

Tax receipts consist of State taxes and State's share of Central taxes. The latter can also be viewed as Central taxes paid by people living in the State. Tax receipts suggest sustainability. But the ratio of tax receipts to GSDP would have implications for the flexibility as well. While a low ratio would imply that the Government can tax more, and hence its flexibility, a high ratio may not only point to the limits of this source of finance but also its inflexibility. Exhibit V shows that in case of Madhya Pradesh, this ratio has, after being practically static during 1996-2000 (at 0.10/0.09), and slightly improved (to 0.11 in 2000-01), largely due to 22 per cent increase over the previous year in State's share of Union taxes. The ratio of State tax receipts compared to GSDP has on the other hand, been stagnating at 0.06 during the last four years. Analysis of the composition of tax revenue in paragraph 1.5.2 shows that State Government depended heavily on Sales tax with no significant improvement of other taxes.

(v) Return on Investment (ROI)

The ROI is the ratio of earnings to the capital employed. A high ROI suggests sustainability. Exhibit V shows that the ROI in case of Government of Madhya Pradesh has been negligible and has in fact come down from a poor 0.37 per cent in 1996-97 to a measly 0.02 per cent in 2000-01, while the cost of government borrowings to fund these investments was very high as discussed in paragraph 1.9.1. Obviously, the situation is unsustainable.

(vi) Capital repayments vs Capital borrowings

This ratio would indicate the extent to which the capital borrowings (internal debt and loans and advances from GOI) are available for investment after repayment of capital. The lower the ratio, the higher would be the availability of capital for investment. In case of Madhya Pradesh this ratio has gone up from 0.15 during 1999-2000 to 0.18 during the current year, indicating lower availability of capital for investment. As the total borrowings of the Government are increasing from year to year, liability of repayments against these loans in future will put further pressure on the Government revenues to meet the higher levels of repayments.

(vii) Debt vs Gross State Domestic Product (GSDP)

The GSDP is the total internal resource base of the State Government, which can be used to service debt. An increasing ratio of Debt/GSDP would signify a reduction in the Government's ability to meet its debt obligations and therefore increasing risk for the lender. In the case of Madhya Pradesh, this ratio deteriorated to 0.25 in 2000-01 compared to 0.21 in 1996-97.

(viii) Revenue deficit vs Fiscal deficit

The revenue deficit is the excess of revenue expenditure over revenue receipts and represents the part of revenue expenditure financed by borrowings etc. Evidently, the higher the revenue deficit, the more vulnerable is the State. Since fiscal deficit represents the aggregate of all the borrowings, the revenue

deficit as a percentage of fiscal deficit would indicate the extent to which the borrowings of the Government are being used to finance non-productive revenue expenditure. Thus, the higher the ratio, the worse-off the State because that would indicate that the debt burden is increasing without adding to the repayment capacity of the State. As discussed in paragraph 1.9.6.3, this ratio has been rising, from a low of 0.26 in 1997-98 to a high of 0.75 in 1999-2000 before coming down to, but still at a significant high of 0.61 in 2000-01. This indicates that 61 per cent of the borrowings were applied for revenue expenditure as compared to 26 per cent in 1997-98 underlining a marked deterioration in the quality of application of borrowed funds. This is mainly due to the revenue expenditure (28 per cent) growing at double the rate of revenue receipts (14 per cent) in the intervening period.

(ix) Primary deficit vs Fiscal deficit

Primary deficit is the fiscal deficit minus interest payments. Primary deficit represents the net borrowings available after discharging interest liability for current activities of the Government (considering that interest payments are the results of past actions of the Government). Primary deficit is sustainable only when the economy grows at a rate higher than the interest rate on borrowings. As would be seen from Exhibit V, the Primary deficit after touching a high of Rs.2292 crore in 1998-99 has been coming down, but still exhibited a growth of 105 per cent in 2000-01 (Rs.1128 crore) over 1996-97 (Rs.550 crore), with the growth of GSDP not keeping pace with it. This evidently has serious implications for sustainability.

(x) Guarantees vs Revenue receipts

Outstanding guarantees, including the letters of comfort issued by the Government, indicate the risk exposure and should therefore be compared with the ability of the Government to pay *viz.* its revenue receipts. Thus, the ratio of the total outstanding guarantees to total revenue receipts of the Government would indicate the degree of vulnerability of the State Government. In case of Madhya Pradesh, this ratio sharply decreased to 0.1 and 0.04 in 1999-2000 and 2000-01 respectively, after having risen to 0.35 in 1996-97 and 1997-98. However, the figures of total guarantees outstanding are not reliable as information was not furnished by most of the departments of the State Government. Hence the extent of liability and risk exposure of State revenue to guarantees is not known.

(xi) Assets vs Liabilities

This ratio indicates the solvency of the Government. A ratio of more than 1 would indicate that the State Government is solvent (assets are more than the liabilities) while a ratio of less than 1 would be a contra-indicator. As explained in paragraph 1.2, the Government accounts capture mainly the financial assets and liabilities. However, the trend of even this ratio would be an important indicator of the quality of financial management. Exhibit V shows that in case of Madhya Pradesh Government this ratio has registered a steady decline from 0.95 in 1996-97 to 0.80 in 2000-01, indicating that the financial liabilities have been committed without creating corresponding

assets. A more realistic picture would however be available only after the assets and liabilities are fully apportioned between the successor States of Madhya Pradesh and Chhattisgarh.

(xii) Budget

There was no delay in submission of the budgetary estimates and their approval. The details are given in the following table:

Preparation	Month of submission	Month of approval
Vote on account	March 2000	March 2000
Budget	March 2000	March 2000
Supplementary I	July 2000	July 2000
Supplementary II	November 2000	November 2000
Supplementary III	March 2001	March 2001

Chapter II of this Report carries a detailed analysis of variations in the budget estimates and the actual expenditure as also of the quality of budgetary procedures and control over expenditure. It indicates defective budgeting and inadequate control over expenditure, as evidenced by persistent resumption (surrenders) of significant amounts every year *vis-a-vis* the final modified grant. Significant variations (excess/saving) between the final modified grant and actual expenditure were also persistent.

(xiii) Accounts

There was no significant delay in the submission of accounts by the treasuries/departments during 2000-01, though 94 monthly accounts from Public Works Divisions (89 accounts), Forest Divisions (4 accounts) and Rural Engineering Services Division (one account) up to October 2000 and 19 accounts from PW Divisions (16 accounts), Forest Divisions (2 accounts) and RES Divisions (one account) for the period November 2000-March 2001 were received late by 12 days or more resulting in their exclusion from the monthly cash accounts. As a result of large scale exclusions, the monthly accounts failed to reflect reliable picture of appropriations against grant and progress of expenditure. All the excluded accounts were, however, adjusted subsequently.

1.11.4 Conclusion

State finances have been characterised by high negative BCR and increasing interest ratio while the tax/GSDP ratio remained stagnant. Thus, large amounts were spent on interest payments which far outpaced the growth in receipts. The high revenue deficit, despite significant increase in State's share of Union taxes and duties, led to more and more borrowings being devoured by revenue expenditure, with only meagre funds remaining available for asset formation, as evidenced by a high RD/FD ratio of 0.61. The high revenue deficit to fiscal deficit ratio increases the vulnerability of Government finances to further borrowings merely to meet current expenditure including repayment of earlier borrowing. Increasing Debt/GSDP ratio is only going to further increase the pressure on State's finances.

Obviously, the Government need to control its revenue deficit and dependence on borrowings to improve its financial position.

CHAPTER II

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

CHAPTER II

Appropriation Audit and Control over Expenditure

Appropriation Accounts 2000-01 – At a Glance

Appropriation Accounts : Unified and Successor State of Madhya Pradesh

Total No. of Grants : 97 Grants/Appropriation

Total provision and actual expenditure

(Rupees in crore)

Provision	Amount	Expenditure	Amount
Original	22935.96		
Supplementary	2978.74		
Total Gross provision	25914.70	Total Gross expenditure	20785.89
Deduct- Estimated recoveries in reduction of expenditure	887.99	Deduct- Actual recoveries in reduction of expenditure	340.26
Total Net provision	25026.71	Total Net expenditure	20445.63

Voted and charged provision and expenditure

(Rupees in crore)

	Provision		Expenditure	
	Voted	Charged	Voted	Charged
Revenue	16953.08	2870.60	12730.98	2498.07
Capital	2294.99	3796.03	1502.15	4054.69
Total Gross	19248.07	6666.63	14233.13	6552.76
Deduct- Recoveries in reduction of expenditure	887.49	0.50	340.26	--
Total Net	18360.58	6666.13	13892.87	6552.76

2.1 Introduction

The Appropriation Accounts are prepared every year indicating the details of amounts on various specified services actually spent by Government vis-à-vis those authorised by the Appropriation Act in respect of charged and voted items of budget.

The objective of appropriation audit is to ascertain whether the expenditure actually incurred under various grants is within the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions. As per the Madhya Pradesh Reorganisation Act No.28 of 2000, One Appropriation Accounts of Government of composite and successor State of Madhya Pradesh for the year 2000-01 was prepared.

2.1.1 Consequent upon reorganisation of Madhya Pradesh from 1st November 2000, as per Section-34 of Madhya Pradesh Reorganisation Act 2000, Finance Department of Government of Madhya Pradesh issued Instructions (October 2000) to the Departments of Successor State of Government of Madhya Pradesh for surrender of amount equal to the estimated expenditure of five months (November 2000 to March 2001) of Chhattisgarh State from the approved Budget Provision of Madhya Pradesh State for the 2000-01.

Scrutiny of Appropriation Accounts of Government of Madhya Pradesh revealed that as against the funds amounting to Rs.3241.97 crore (Revenue:Rs.2363.28 crore, Capital: Rs.878.69 crore) to be provided for the newly created State of Chhattisgarh, an amount of Rs.2413.17 crore (Revenue:Rs.1631.95 crore, Capital:Rs.781.22 crore) was surrendered by the Departments of Successor State of Government of Madhya Pradesh for Chhattisgarh State; reasons for less transfer of funds have not been given. Details of such surrender of funds are given in **Appendix III of Appropriation Account 2000-01**. Further details of less surrender of funds amounting to Rs.828.80 crore to provide fund for Chhattisgarh state are also given in an **Annexure to this Chapter**.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2000-01 against 97 grants/appropriations was as follows:

(Rupees in crore)

	Nature of expenditure	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total	Actual Expenditure	Variation Saving (-)/ Excess (+)
Voted	I- Revenue	14870.41	2082.67	16953.08	12730.98	-4222.10
	II- Capital	1393.49	515.87	1909.36	1206.44	- 702.92
	III- Loans & Advances	321.65	63.98	385.63	295.71	- 89.92
Total Voted		16585.55	2662.52	19248.07	14233.13	- 5014.94
Charged	IV- Revenue	2757.50	113.10	2870.60	2498.07	- 372.53
	V- Capital	2.13	3.51	5.64	0.50	- 5.14
	VI- Public Debt	3590.78	199.61	3790.39	4054.19	+ 263.80
Total Charged		6350.41	316.22	6666.63	6552.76	- 113.87
Appropriation to contingency fund (if any)	Nil					
Grand Total		22,935.96	2978.74	25914.70	20785.89	- 5128.81

The table presents the poor quality of budget preparation and budget operation of the State Government. The significant savings in voted section of Revenue budget (24.9 per cent) and Capital budget including loans and advances (34.5 per cent) specially in view of supplementary grants reveal expenditure was less than the original grant and negated the justification for supplementary grant of Rs.2662.52 crore. Under charged section (Revenue and Capital) the Supplementary provisions of Rs.116.61 crore also proved unnecessary. Savings were partly due to less surrender of funds to newly formed Chhattisgarh State, reasons for which have not been given. In case of Public debt (charged expenditure) there was significant excess expenditure of Rs.263.80 crore (7 per cent) despite supplementary appropriation. The excess of Rs.263.80 crore under Public Debt has further increased to Rs.876.66 crore (23.1 per cent) due to transfer of Rs.612.86 crore to newly formed Chhattisgarh State. Detailed comments on the expenditure and budgetary systems in some test checked grants are contained in para 2.4.

(a) The figures of expenditure overstated as detailed below:

1. Transfer of Rs.220.96 crore (Revenue section: Rs.183.93 crore and Capital section: Rs.37.03 crore) to Major head 8443-Civil Deposits-800-Other Deposits through Nil payment vouchers.
2. Genuineness of expenditure of Rs.8.89 crore during 2000-01 could not be checked in the absence of Detailed Contingent Bills.

(b) The total expenditure was understated at least to the extent of:

Rs.4.58 crore incurred under various major heads for which vouchers were not received from the Treasuries and hence remained unaccounted for and kept in the objection book of the Suspense Accounts in the books of the Principal Accountant General (A&E).

2.3 Results of Appropriation Audit

2.3.1 Regularisation of Excess Expenditure

(a) Excess expenditure relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for the State Government to get the excess expenditure over a grant or appropriation regularised by the State legislature. However excess expenditure of Rs.4872.92 crore for the years from 1990-91 to 1999-2000, was yet to be regularised (December 2001). The details are given below.

(Rupees in crore)

Year	No. of grants/ appropriation	Amount of excess	Amount for which explanations not furnished to PAC
1990-91	22	119.51	--
1991-92	16	258.58	--
1992-93	21	189.32	--
1993-94	21	258.11	2.05
1994-95	15	407.46	0.39
1995-96	21	251.59	--
1996-97	18	224.17	0.91
1997-98	13	302.79	106.23
1998-99	17	1276.45	328.05
1999-2000	17	1584.94	1584.94
Total		4872.92	2022.57

Possibility of financial irregularities remaining unexamined/undetected due to failure and long delay in furnishing explanation of unregularised excess expenditure could not be ruled out.

(b) Excess over provision during 2000-01 requiring regularisation

The excess of Rs.2,65,07,37,362 under 3 cases of grants (Rs.1.03 crore) and 4 cases of Appropriation (Rs.264.04 crore) during the year 2000-01 require regularisation under Article 205 of the constitution as detailed below:

(In rupees)

Sl. No.	Grant numbers and name	Total Grant/ Appropriation	Actual expenditure	Amount of excess (Percentage of excess)	Main reason
1.	2.	3	4	5	6
A- Revenue Voted					
1.	02- Other expenditure pertaining to General Administration Department	12,97,31,000	13,87,34,622	90,03,622 (6.94%)	Not given
2.	70- Externally Aided Project pertaining to Man Power Planning Department	1,000	56,742	55,742 (5574.2)	Not given
Total (A)		12,97,32,000	13,87,91,364	90,59,364	
B- Revenue Charged					
1.	24- Public Works- Roads and Bridges	10,00,000	14,16,316	4,16,316 (41.63%)	Not given
Total (B)		10,00,000	14,16,316	4,16,316	
C- Capital Voted					
1.	88- Upgradation of standards of administration recommended by 11th Finance Commission- Administration of Justice	2,49,00,000	2,62,06,000	13,06,000 (5.24%)	Not given
Total (C)		2,49,00,000	2,62,06,000	13,06,000	

(In rupees)

1.	2.	3.	4.	5.	6.
	D- Capital Charged				
1.	Public Debt	37,90,39,04,000	40,54,18,96,173	2,63,79,92,173 (7%)	Excess withdrawals against the provisions which could not be assessed accurately during preparation of budget and increase in the amount of loans and overdraft due to financial constraints of the State Government
2.	21- Expenditure pertaining to Housing and Environment Department	1,00,000	1,15,540	15,540 (15.54%)	Not given
3.	23- Water Resources Department	20,00,000	39,47,969	19,47,969 (97.39%)	Not given
Total (D)		37,90,60,04,000	40,54,59,59,682	2,63,99,55,682	
Total (Voted) (A+C)		15,46,32,000	16,49,97,364	1,03,65,364	
Total (Charged) (B+D)		37,90,70,04,000	40,54,73,75,998	2,64,03,71,998	
Grand Total (A+B+C+D)		38,06,16,36,000	40,71,23,73,362	2,65,07,37,362	

Reasons for the excess, except under "Public Debt" appropriation, had not been furnished by the Government as of December 2001.

2.3.2 The overall saving of Rs.5128.81 crore was the result of saving of Rs.5393.88 crore in 181 cases of grants and appropriations offset by excess of Rs.265.07 crore in 7 cases of grants and appropriations.

2.3.3 Supplementary provision of Rs.2978.74 crore obtained during the year constituted 13 per cent of the original provision as against 18.68 per cent in the previous year.

2.3.4 Supplementary provision of Rs.1290.64 crore made in 64 cases during the year proved unnecessary in view of saving in each case exceeding Rs.10 lakh, aggregating Rs.4385.40 crore as detailed in *Appendix-III*.

2.3.5 In 33 cases, against additional requirement of only Rs.763.54 crore, supplementary grants of Rs.1448.10 crore were obtained resulting in savings in each case exceeding Rs.10 lakh, aggregating to Rs.684.56 crore. Details of these cases are given in *Appendix-IV*.

2.3.6 In 3 cases, supplementary provision of Rs.203.91 crore proved insufficient by more than Rs.10 lakh in each case, leaving an aggregate uncovered excess expenditure of Rs.264.83 crore as per details given in *Appendix-V*.

2.3.7(a) In 111 cases, expenditure was less than the provision by more than Rupees one crore in each case and also by more than 10 per cent of the total provision as indicated in *Appendix-VI*.

2.3.7 (b) In 20 cases, the entire budget provision of Rupees one crore and more in each case totalling to Rs.134.99 crore, provided under various Central Schemes remained unutilised as detailed in *Appendix-VII*.

2.3.8(a) In 21 cases, there were persistent savings of Rupees one crore or more in each case and also 20 per cent or more of the provision. Details are given in *Appendix-VIII*.

2.3.8(b) Significant excess was persistent in one appropriation as detailed below:

Description of Appropriation	Amount of excess (Rupees in crore) (Percentage of excess in brackets)		
	1998-99	1999-2000	2000-01
<i>Capital-charged</i>			
Public Debt	801.99 (23.3)	1026 (21.7)	263.80 (7.0)

Persistent excess requires investigation by the Government for remedial action.

2.3.9(a) In 11 schemes, expenditure in each case exceeded the approved provisions by Rs.5 crore or more and also by more than 100 per cent of the total provision aggregating to Rs.199.35 crore. Details of these are given in *Appendix IX*.

2.3.9(b) In 54 schemes, substantial savings of Rs.5 crore or more and also more than 80 per cent of the provision in each case totalling to Rs.1699.84 crore were noticed. In 27 out of 54 schemes, the entire provision remained unutilised. The details are given in *Appendix X*.

2.3.10 Excessive/ unnecessary re-appropriation of funds

Re-appropriation 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 re-appropriation of funds of more than Rupees one crore in each case proved injudicious due to (a) surrender of funds from heads where excess expenditure had already occurred (b) surrender of funds in excess of available saving (c) unnecessary augmentation of funds despite saving and (d) augmentation of funds by more than the amount required to cover the excess, are as given in *Appendix XI*.

2.3.11 Anticipated saving not surrendered

2.3.11(a) According to rules, 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 there were 143 cases of grants/ appropriations in which large savings had not been surrendered. The amount involved was Rs.2608.44 crore. In 45 cases, savings of Rs.5 crore or above aggregating Rs. 2523.92 crore were not surrendered *Appendix XII*.

2.3.11(b) In 152 cases, out of total surrender of Rs. 3499.11 crore, Rs.1164.44 crore including Rs.92.30 crore for Chhattisgarh (33.3 per cent) were surrendered on 31st March 2001, indicating inadequate financial control over expenditure.

2.3.12(a) Surrender in excess of actual savings

In 20 cases, a total of Rs.507.10 crore was surrendered which was in excess of actual savings of Rs.408.20 crore. This resulted in excess surrender of Rs.98.90 crore and indicated inadequate budgetary control. Details are given in *Appendix XIII*.

2.3.12(b) In 2 cases, Rs.614.76 crore were surrendered though there was excess expenditure amounting to Rs.264.70 crore. Details are given in *Appendix XIV*.

Though such instances of budgetary irregularities were reported from year to year in Chapter II of the Audit Reports, no precautions were taken by the Government/departments for minimising these irregularities.

2.3.13 Advances from the Contingency Fund

The Contingency Fund of the State is an imprest with a corpus of Rs.40 crore and it was established in 1957 under MP Contingency Fund Act, 1957 in terms of provisions of Articles 267 (2) and 283 (2) of the Constitution of India. The Corpus of the contingency fund continued to remain Rs.40 crore even after the reorganisation of the state of Madhya Pradesh from 1 November 2000.

Advances from the Fund are to be made only for meeting expenditure of an unforeseen and emergent character, the postponement of which, till its authorisation by the Legislature would be undesirable.

The Controlling Officers (COs) are required to submit to the Principal Accountant General (A&E) every month, the 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 Principal 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 COs and reconciliation was not done with the Accountant General's books.

During the year 2000-01, 34 sanctions were issued for withdrawal of Rs.58.87 crore, out of which advances amounting to Rs.40.34 crore (68.5 per cent) were drawn against 23 sanctions.

The information received from the Principal Accountant General (A&E) M.P. disclosed that (i) sanctions for advances were issued without the requirement of funds (ii) amount of advance was sanctioned more than the requirement and (iii) advances were sanctioned even though provisions could have been made in the regular budget or supplementary demand as discussed below :

- (a) Three sanctions amounting to Rs.13.26 crore were partially acted upon.
- (b) One sanction amounting to Rs.10 lakh, out of Rs.40.34 crore drawn was directly debited to concerned major head.

The practice of sanctioning advances from Contingency Fund as above continued in spite of instructions issued by the Finance Department to avoid indiscriminate sanctioning of advances from Contingency Fund.

2.3.14 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 as reduction of expenditure. The anticipated recoveries and credits are shown separately in the budget estimates.

In 3 grants/appropriations the actual recoveries adjusted in reduction of expenditure (Rs.72.69 crore) exceeded the estimated recoveries (Rs.57.40 crore) and in 26 Grants/appropriations the actual recoveries (Rs.267.57 crore) were less than the estimated recoveries (Rs.830.59 crore). Thus during 2000-01, the net actual recovery fell short by Rs.547.73 crore. Further out of 26 grants/appropriation, in 14 grants/appropriation no recovery were made though budget estimates provides recoveries of Rs.143.48 crore during the year. More details are given in **Appendix I of Appropriation Accounts 2000-01**.

2.3.15 Non-receipt of explanations for savings/excesses

After the close of each financial year, the detailed Appropriation Accounts showing the final grants/appropriations, the actual expenditure and the resultant variations are sent to the controlling officers requiring them to explain significant variations under the heads. During the year 2000-01 explanations for savings/excesses were either not received or were received incomplete in respect of 894 sub heads out of total number of 1107 sub heads.

2.3.16 Unreconciled Expenditure

Financial rules require the Departmental Controlling Officers to reconcile periodically the departmental figures of expenditure with those booked by the Principal Accountant General (A&E). In respect of 16 major heads, expenditure of Rs.3872.14 crore pertaining to 2000-01 remained unreconciled by various controlling officers. Details are given in **Appendix XV**.

2.3.17 Defective sanctions of Re-appropriation/surrender

As per instructions (August 1996) of State Government and financial rules, budget provision under the head "office expenses" should not be increased by re-appropriation in any circumstances, reappropriation from 'salary & wages' to any other head is not permissible and all sanctions for re-appropriation/surrender should be issued before the end of the financial year. Contrary to these instructions, Rs. 133.85 crore were re-appropriated/

surrendered during 2000-01 by the Government as per details given in **Appendix XVI**.

2.3.18 Rush of expenditure

Uniform flow of expenditure in the year is a primary requirement of budgetary control. The rush of expenditure particularly in the closing months of the financial year is regarded as a breach of financial rules. It was, however, noticed that in 14 cases, the expenditure incurred during March 2001 ranged between 49 and 100 per cent of the total expenditure during the year. The department failed to maintain uniform flow of expenditure though the position of expenditure in each case for the quarter ending June 2000, September 2000 and March 2001 was also brought to the notice of Finance Department through Monthly Appropriation Accounts regularly by the Principal Accountant General (A&E), Madhya Pradesh. The details are given in **Appendix XVII**.

2.3.19 Transfer of funds to Civil Deposits (other deposits)

Financial Rules provide that no money shall be drawn from the Treasury unless required for immediate disbursement. Audit, however, observed that Rs.220.96 crore were drawn particularly in March 2001 under various major heads in 20 grants and credited to Major Head 8443-Civil Deposit-800 Other Deposits after exhibiting them as expenditure in accounts. Thus the actual expenditure was inflated by Rs.220.96 crore and the credits to Civil Deposits were made with a view to avoid lapse of budget grant. However out of this amount, Rs.52.17 crore pertained to different Central Government Schemes*.

In 14 cases pertaining to State Schemes, the entire provision of Rs.57.12 crore was drawn and credited to Civil Deposits after showing as expenditure in the accounts. More details are given in **Appendix II of Appropriation Accounts 2000-01**.

2.3.20 Expenditure without Budget Provision

Expenditure should not be incurred on a scheme/service without provision of funds provided in the budget. It was however noticed, that under scheme-7610-204- Advance for purchase of computers in grant No.6.- Expenditure pertaining to Finance Department, an expenditure of Rs.27.37 lakh was incurred without the provision having been made in the original estimates/supplementary demand.

2.4 Comments on expenditure and budget control

2.4.1 Budgetary procedure and practices

The budget estimates are required to be prepared by the each subordinate unit on the basis of actual requirement and sent to the controlling officers for

*
0701 – Centrally Sponsored Schemes Normal (Rs.1.89 crore).
0801 – Central Sector Schemes Normal (Rs.29.47 crore).
0703 - Central Sponsored Schemes S.C.P. (Rs.20.48 crore)
0802 - Central Sponsored Schemes T.S.P. (Rs.0.33 crore)

preparation and sanction of consolidated budget estimates. Immediately after the approval of the budget by the Legislature, Finance Department intimates the final allotments to the controlling authority of the department, who in turn allocates them to the Directing Offices (Commissioners/Directors/Chief Engineers etc.) for further distribution among the field units. The expenditure at every stage is required to be restricted to these allocations.

Each department of the Government on whose behalf a grant or appropriation is authorised by the Legislature is responsible for control over expenditure against the sanctioned grant or appropriation placed at its disposal through the Head of the Department, other controlling officers and disbursing officers subordinate to them and also control mechanism such as submission of periodical reports on expenditure and maintenance of various registers at each level to control the expenditure. The departmental figures of the expenditure are required to be reconciled periodically with those booked in the Office of the Principal Accountant General (A&E), Madhya Pradesh before closing of accounts for the year. Further, no money shall be drawn from the treasury unless it is required for immediate disbursement, nor it shall be drawn for depositing under Civil Deposits to avoid lapse of budget grant and that regular flow of expenditure is primary requirement of budgetary control.

Contrary to above instructions test check of the records pertaining to grant numbers 8-Land Revenue and District Administration, 32-Expenditure pertaining to Public Relations Department, 42- Public Works Relating to Tribal Areas Sub-Plan-Roads and Bridges, 49- Scheduled Castes Welfare, 56-Rural Industries, 67- Public Works-Buildings and 78- Externally Aided Project pertaining to Rural Industries for the year 2000-01 revealed as under.

(a) *Non maintenance of expenditure control register*

Monthly statement of expenditure were not received regularly by the Controlling Officers of the test checked grants * from the subordinate units and expenditure control registers were also not maintained or were incomplete in these offices. Thus the upto date progressive expenditure on monthly basis could not be worked out by the Controlling Officers. This showed lack of proper control and monitoring of expenditure.

(b) *Defective preparation of budget estimates*

The procedure followed in test checked grants * and Appropriation Accounts 2000-01 revealed that demands for Budget estimates were not assessed properly and prepared on adhoc basis. This led to excessive budget provision by Rs.10.21 crore, Rs.10.99 crore, Rs.8.08 crore and Rs.9.31 crore under Revenue (Voted) section of grant No.32, 49, 56 and 78 respectively and Rs.7.67 crore, Rs.45.69 crore and Rs.61.61 crore under Capital (Voted) section of grants No.8, 42 and 67.

Significant savings were found mainly in 39 schemes in test checked grants. Details are given in **Appendix XVIII**.

* Grant No. (8, 32, 42, 49, 56, 67 and 78)

* Grant No. (No.8, 32, 42, 49, 56, 67 and 78)

The expenditure in 7 major heads under grant No.67 and 42 was less than 5 per cent of estimates signifying adhoc budgeting without any work requirement. Further in 7 major heads of grant No.67 and 1 Major Head of grant No.42 upto date expenditure was less than 30 per cent resulting in unwarranted lapses of more than 70 per cent of the provision. Details are given in **Appendix XIX**.

(c) Unnecessary and excessive supplementary provision under schemes

While in 11 schemes of test checked grants supplementary provision of Rs.87.96 crore remained unutilised and proved unnecessary, the supplementary provision in 2 schemes, was excessive by Rs.13.23 crore as detailed in **Appendix XX**.

(d) Rush of expenditure

The expenditure in March under 6 schemes of Major Head 2220 of grant No.32, ranged between 25 per cent to 70 per cent of total expenditure. Controlling Officer replied that as the drawal were banned and relaxation was granted only in the month of March 2001.

Under 3 schemes of Major Head 2851 of grant No.78, the expenditure in March ranged between 41 per cent to 99 per cent of total expenditure.

Under 8 Major Heads under grant No.67 the expenditure in March 2001 ranged between 73 per cent to 100 per cent of total expenditure. Details are given in **Appendix XXI**.

(e) Non-reconciliation of expenditure figures

(i) Expenditure of Rs.5.90 crore under the grant no.8 incurred by the Controlling Officers, was not reconciled during the year.

(ii) In grant No.42 and 67 and under Major Head 2851 of grant No.56 and 78 the expenditure figures were not reconciled with the figure booked in the Office of the Principal Accountant General (A&E).

2.4.2 Review of two departments with excess expenditure

The Director of Veterinary Services and the Secretary, to the 20 Point Implementation Department were the Controlling Officers of grant No.14 and 50, respectively.

Test check of records and Appropriation Accounts for the year 1998-99 to 2000-01 pertaining to Revenue (Voted) section in grant No.14- Expenditure pertaining to Animal Husbandry Department and grant No.50- Expenditure pertaining to 20 Point Implementation Departments revealed as under:-

(a) The grant No. 14 and 50 showed excess expenditure during 1998-2000 and savings during 2000-01 as detailed below:

Grant number and name	Section	Excess expenditure (Rupees in lakh)			Total excess
		1998-99	1999-2000	2000-01	
14-Expenditure pertaining to Animal Husbandry Department	Revenue (voted)	185.12	21.42	Saving (- 2314.33)	206.54
50-Expenditure pertaining to 20-point implementation department	Revenue (Voted)	43.52	8.52	Saving (- 42.33)	52.04

These excesses have not been regularised so far (December 2001).

The excess was mainly under 6 schemes under grant No.14 and one scheme under grant No.50, as detailed in **Appendix XXII**. These excesses were partly counter balanced by savings in some other schemes. Controlling Officers of grant No.14 stated (June 2001) that the excess was due to payment of arrears as a result of fixation of pay as per Vth Pay Commission and non availability of sufficient provisions for payment of arrears of Dearness Allowances etc., while the Controlling Officers of grant No.50 stated (August 2001) that excess was due to misclassification of expenditure by the DDOs on bills/vouchers submitted to Principal Accountant General (Accounts & Entitlement) and also due to payment of arrears as per recommendations of Vth Pay Commission.

(b) Irregular surrender/reappropriation

During 2000-01, under scheme Implementation of 20 point programme, an amount of Rs.49.16 lakh (Rs.41.04 lakh for Chhattisgarh and Rs.8.12 lakh for other purposes) was surrendered in excess of available saving. This resulted in final excess of Rs.6.70 lakh.

(c) Non-reconciliation of expenditure

The Controlling Officer of grant No.50 had not reconciled the departmental figures of expenditure with those booked by the Principal Accountant General (A&E)-I, Madhya Pradesh, Gwalior. The fact was accepted by the Controlling Officer and stated (August 2001) that instructions have been issued to all the Drawing and Disbursing Officers to reconcile the expenditure.

(d) Withdrawal of funds in advance of requirement

An amount of Rs.5.97 crore, was drawn under centrally sponsored schemes of Major Head 2403-Animal Husbandry in grant No.14 on 30 and 31 March 1999 and credited to 8443-Civil Deposits-800 Other Deposits. Out of this, Rs.5.22 crore was withdrawn in 1999-2000 and Rs.75 lakh in 2000-01 and utilised subsequently. Thus it proved that amount of Rs.5.97 crore was drawn to avoid the lapse of budget grant in anticipation of requirement.

The Director, Veterinary Services, Bhopal replied (August 2001) that amount of centrally sponsored scheme was released by the Central Government at the fag end of financial year, hence could not be utilised in the same financial year and was deposited in Civil Deposit for further utilisation under the same scheme after receipt of sanction for revalidation from Central Government. The reply was not acceptable as the expenditure of Rs.5.97 crore was incorrectly shown incurred during the year 1998-99 whereas it was actually credited to Civil Deposit and utilised upto the year 2000-01.

Annexure to Chapter II

Grant-wise details of less surrender of funds for Chhattisgarh State

(Rupees in crore)

Sl. No.	Grant number and name	Surrender for Chhattisgarh State Less(-)/More(+)	
		Revenue	Capital
1	2	3	4
1.	Interest Payment and Servicing of debt charged	(-)8.09	--
2.	1-General Administration		
	Charged	(-)2.67	--
	Voted	(-)2.10	(-)4.00
3.	06-Expenditure pertaining to Finance Department		
	Charged	(-)0.02	--
	Voted	(-)177.54	(-)40.00
4.	07-Expenditure pertaining to Commercial Tax Department		
	Charged	(-)2.72	--
	Voted	(-)3.24	--
5.	13-Agriculture		
	Voted	(-)0.73	--
6.	15-Financial Assistance to Three Tier Panchayati Raj Institutions under special component Plan for Scheduled Castes		
	Voted	(-)2.12	--
7.	18-Labour		
	Voted	(-)0.65	--
8.	19-Public Health and Family Welfare		
	Voted	(-)1.00	--
9.	21-Expenditure Pertaining to Housing and Environment Department		
	Voted	(-)6.71	(-)19.89
10.	23-Water Resources Department		
	Charged	(-)0.01	--
11.	24-Public Works-Roads and Bridges		
	Charged	(-)0.02	(-)0.01
	Voted	--	(-)2.34
12.	26-Expenditure pertaining to Culture Department		
	Voted	(-)0.02	--
13.	27-School Education		
	Voted	(-)410.55	--
14.	28-State Legislature		
	Charged	(-)0.04	--
	Voted	(-)3.62	--
15.	29-Administration of Justice and Elections		
	Charged	(-)1.95	--
	Voted	(-)6.80	--
16.	30-Expenditure pertaining to Panchayat and Rural Development Department		
	Voted	(-)0.05	--
17.	39-Expenditure pertaining to Food, Civil Supplies and Consumer Protection Department		
	Voted	(+)0.02	--
18.	40-Expenditure pertaining to Command Area Development Department		
	Voted	(+)0.01	(+)0.53

(Rupees in crore)

1	2	3	4
19.	41-Tribal Areas Sub Plan		
	<i>Charged</i>	--	(-)0.01
	Voted	(-)10.28	(-)3.22
20.	42-Public Works relating to Tribal Areas Sub Plan-Roads and Bridges		
	<i>Charged</i>	--	(-)0.05
	Voted	--	(-)7.92
21.	45-Minor Irrigation-Works		
	Voted	--	(-)0.73
22.	47-Technical Education and Man Power Planning		
	Voted	(-)5.16	--
23.	56-Rural Industries		
	Voted	(-)0.46	--
24.	58-Expenditure on Relief on account of Natural Calamities and scarcity		
	Voted	(-)1.77	(-)0.04
25.	64-Special Component Plan for Scheduled Castes		
	Voted	(-)20.41	(-)5.38
26.	67-Public Works-Buildings		
	<i>Charged</i>	(-)0.05	--
	Voted	(-)7.70	(-)5.00
27.	68-Public Works relating to Tribal Areas Sub Plan-Buildings		
	Voted	--	(-)9.41
28.	79-Expenditure pertaining to Medical Education Department		
	<i>Charged</i>	(-)0.02	--
	Voted	(-)13.67	--
29.	80-Financial Assistance to Three Tier Panchayati Raj Institutions		
	Voted	(-)32.15	--
30.	81-Financial Assistance to Urban Bodies		
	Voted	(-)3.86	--
31.	82-Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal Areas Sub Plan		
	Voted	(-)5.18	--
Total	Voted	(-)715.74	(-)97.40
	Charged	(-)15.59	(-)0.07
	Total	(-)731.33	(-)97.47
	Grand Total	(-)828.80	

CHAPTER III

CIVIL DEPARTMENTS

SECTION A - REVIEWS

SECTION B - PARAGRAPHS

CHAPTER III : Civil Departments

SECTION A- REVIEW

Gramodyog Department

3.1 Implementation of Sericulture Industries Schemes

Highlights

Sericulture activities in the State upto 1995 were carried out under "Block Plantation Scheme", in which local Villagers were engaged on daily wage basis in Mulberry/Tasar centres.

A new initiative 'Support to Training and Employment Programme' (STEP) was launched by Government of India in 1995 in selected districts which envisaged provision of self-employment to rural women through sericulture by giving them usufruct rights on Government mulberry plantation for carrying out sericulture activities. A similar scheme named "SWABLAMBAN" was introduced by the State Government in 1996 in which activities upto the level of production of cocoons was given to beneficiaries for increasing their income. In addition 8 projects including 5 centrally aided (1995-99) and one project (1998) with Japanese help were also sanctioned to increase production of quality cocoons. These projects included activities from soil to silk.

Introduction of new schemes with usufruct rights did not increase the production of cocoons & income of beneficiaries as envisaged. Production of mulberry cocoons and effective area of plantation decreased due to lack of irrigation facilities and technical guidance. The annual income of beneficiaries decreased inspite of spending Rs.3.23 crore on development works. The Schemes/Projects failed because of absence of wage payment available under Block Plantation Scheme.

Rs.6.18 crore incurred on STEP was unfruitful as the production of cocoons, yarn and cloth was 17, 2 and 1 per cent respectively of the targets (1995-98).

(Paragraph 3.1.4.1)

Rs.41.34 lakh provided during 1998-99 for Natural Tasar Development Project in Bastar district were deposited under "8443 Civil Deposit" '800 Other Deposit' after showing the amount as spent.

(Paragraph 3.1.5.2)

STEP and SWABLAMBAN schemes introduced by the GOI and State Government respectively did not yield desired results as production of mulberry cocoons, effective area of plantation and annual income of beneficiaries declined

and Rs.3.23crore incurred on development works of mulberry centres in seven test checked districts also proved unfruitful.

(Paragraph 3.1.6.1)

Non-availability of water and wrong selection of sites led to closure of 120 mulberry centres and Rs.7.55 crore spent on their establishment was unfruitful.

(Paragraph 3.1.7.1(i))

In Rajgarh Mulberry Sericulture Project, expenditure of Rs.90.50 lakh proved unfruitful due to abnormal shortfall in production of cocoons.

(Paragraph 3.1.8.1)

While Reeling and Twisting factories at Dharamjaygarh were closed due to shortage of raw material (cocoons), and rendered expenditure of Rs.24.38 lakh unfruitful, tasar cocoons valuing Rs.22.71 lakh were lying unsold in the Government store at the end of March 2001.

(Paragraph 3.1.12.1 & 3.1.12.3)

3.1.1 Introduction

Sericulture is a forestry based village industry. Being labour intensive, the rearing of silk worms provides opportunities for gainful employment in rural areas. Prior to 1995, Block Plantation Scheme was being implemented through Government Sericulture Centres by engaging local villagers on daily wage basis for production of cocoons. They were provided Chawki worms and Mulberry leaves at a nominal cost which was adjusted from the cost of cocoons produced by them and sold to the department. In 1995, 'Support to Training and Employment Programme' (STEP) was started with funding by Government of India (GOI) and State Government in the ratio of 90:10 with the objective of providing self employment to rural women through sericulture. The scheme was taken up as a pilot project for a period of three years with effect from April 1995 in selected districts/blocks. The new programme extended usufruct rights on Government mulberry plantations to the beneficiaries and included all activities from soil to silk. The project was initially implemented in 24 blocks of 5 districts (Balaghat, Bilaspur, Raigarh, Shivpuri and Surguja). Subsequently remaining blocks of these districts with 13 other districts were also included. Sericulture activities were also carried out under "Kalpa Vriksha Yojna" introduced by GOI in 1991-92 involving community approach and payment of subsidy. The scheme was withdrawn by GOI in 1998. In the remaining districts/blocks, the State Government introduced (1996-97) another similar scheme named 'SWABLAMBAN' to promote participation of rural beneficiaries in mulberry sericulture upto production of cocoons. In order to minimise the role of Government, Madhya Pradesh Silk Federation was constituted (1998) to perform post cocoon[#] functions and

[#] Post cocoon activities – stifling reeling, twisting and weaving.

marketing activities. In addition eight[@] (Johad/Nateran and Sironj/Lateri(Vidisha), Mungawali(Guna), Sarangpur(Rajgarh), Silwani(Raisen), Raparam(Panna), Natural Tasar Development Project(Bastar) and Resham Pariyjna(Bilaspur) projects, including five centrally aided projects, were sanctioned in different districts during 1995-99. These substituted SWABLAMBAN scheme in these areas. Further, one foreign aided project was sanctioned for Bilaspur district in 1998 at a cost of Rs.117.16 crore with Japanese aid.

The main objective of these schemes was to create self-employment opportunities for the families living in rural areas through sericulture with emphasis on participation of women beneficiaries and production of quality silk yarn.

3.1.2 Organisational set up

Secretary to Government of Madhya Pradesh, Rural Industries Department, Bhopal was responsible for overall supervision and monitoring of the scheme at State level. Commissioner, Sericulture, Madhya Pradesh, Bhopal is the Head of the Department and nodal agency for implementation of scheme in the State. He is assisted by 3 Joint Directors, 10 Deputy Directors and 29 Assistant Directors of Sericulture (ADS) for execution of schemes at Divisional and District level respectively. In respect of foreign aided Bilaspur Project, the Project Director is the Controlling Officer. He is assisted by 1 Joint Registrar, 1 Executive Engineer and 2 Assistant Engineers. On creation of Chhattisgarh State from November 2000, 2 Joint Directors, 6 Deputy Directors, 16 Assistant Directors besides other subordinate officers were transferred to new State. The new departmental set up is however, yet to be approved by the Government.

3.1.3 Audit Coverage

Test check of the records for the years 1996-97 to 2000-01 in the offices of the Commissioner Sericulture Bhopal, Project Director Bilaspur, ADS in 7* districts covering 88 out of 295 Government Mulberry Centres (GMCs) and 25 out of 133 Government Tasar Centres (GTC) was conducted between April and September 2001. Results of test check are in succeeding paragraphs.

3.1.4 Financial outlay and expenditure

3.1.4.1 Support to Training and Employment Programme (STEP)

STEP was implemented in 18 selected districts during 1995-98. Against the total Project cost of Rs.7.18 crore Government of India released Rs.5.77 crore to Madhya Pradesh Mahila Arthik Vikas Nigam (MPMAVN) Bhopal. Though interest of Rs.56.40 lakh was earned on it, only Rs.5.59 crore were released by it. Rs.6.18 crore were spent on the scheme. State Government did not release its

[@] (Johad/Nateran and Sironj/Lateri(Vidisha), Mungawali(Guna), Sarangpur(Rajgarh), Silwani(Raisen), Rapuram(Panna), Natural Tasar Development Project(Bastar) and Resham Pariyojna(Bilaspur)

* Baikunthpur, Indore, Jashpurnagar, Mandla, Narsinghpur, Raigarh and Rajgarh

share of Rs.71.18 lakh and so excess expenditure was met by diverting funds from other sources.

Test check of records and information supplied by the Project Director Sericulture, Bilaspur (June 2001) revealed that

Unfruitful expenditure of Rs.6.18 crore due to failure of scheme

(i) the percentage of achievement, in the production of cocoons, yarn and cloth was only 17, 2 and 1 per cent of the target. In contrast the percentage of beneficiaries involved in the production of cocoons, yarn and cloth against the target fixed was 99, 51 and 83 respectively during 1995-98 as per details given below:

Items of work	Production			Beneficiaries		
	Targets (1995-98)	Achievements (1995-98)	Percentage of achievement	Target	Achievement	Percentage
Production of cocoons (kg)	7,98,000	1,32,877	17	4,800	4,760	99
Reeling of yarn (kg)	66,500	1342	2	2,400	1,230	51
Weaving of cloth (sqm.)	6,65,000	5371	1	3,160	2,622	83

Since the shortfall in production was higher with reference to the target of beneficiaries covered, the per capita income earned by the beneficiaries was very low. The abnormal shortfall in production, indicated that the project was undertaken without proper training to the beneficiaries. Thus Rs.6.18 crore spent on STEP scheme did not yield desired results.

On this being pointed out in audit, the department stated that a Committee had been formed at Directorate level to find out the reasons for failure of the scheme.

(ii) An expenditure of Rs.48.08 lakh was incurred on the purchase of tool kits. The department could not supply details as to whether these tool kits were provided to the trainees or were still lying in the stores.

(iii) Rs.17.62 lakh were paid to the trainers as honorarium for imparting training to the beneficiaries. Audit observed that inspite of the training, the production of Mulberry cocoons did not increase. The ADS, Raigarh, stated that 200 beneficiaries were imparted training in rearing of silk worms and reeling of yarn but none of them had adopted sericulture due to insufficient income. The ADS Baikunthpur and Jashpurnagar stated that out of 260 and 40 beneficiaries trained respectively only 63 and 3 beneficiaries were engaged in sericulture work.

3.1.4.2 Revolving Fund

As provided in the project, GMCs were to be allotted to the groups of landless women beneficiaries with usufruct ownership rights and were to be given training in the art of rearing of silk worms. Revolving fund @Rs.6200/- per acre of planted area (for inputs & maintenance of plantation) was admissible and was to be deposited in the joint account of Secretary of the group of beneficiaries and the Assistant Director of centres. Rs.3.93 crore was disbursed for establishing the Revolving Fund (inputs and maintenance of plantation etc: Rs.2.98 crore, threading Rs.0.48 crore and weaving Rs.0.47 crore).

A test check of records of ADS Baikunthpur, Mandla and Raigarh revealed that Rs.10.89 lakh was deposited in excess as detailed below :

(Rupees in lakh)

Sl. No.	District	Effective area remained with beneficiaries	Revolving fund admissible @Rs.6200/- per acre	Amount of revolving fund deposited	Excess deposit
1.	Mandla	76 acre	4.71	9.13	4.42
2.	Raigarh	35 acre	2.17	6.22	4.05
3.	Baikunthpur	30 acre	1.86	4.28	2.42
		141 acre	8.74	19.63	10.89

Rs.10.89 lakh so excess deposited was not refunded to Government.

3.1.5 State Funded Scheme

The five year details regarding state funded schemes including SWABLAMBAN as per appropriation accounts were as follows :

(Rupees in crore)

Sl. No.	Year	Budget Allotment	Expenditure	(+) Excess/ (-) savings
1.	1996-97	17.95	17.56	(-)0.39
2.	1997-98	16.05	15.36	(-)0.69
3.	1998-99	21.50	21.69	(+)0.19
4.	1999-2000	27.38	24.78	(-)2.60
5.	2000-01	27.15	26.53	(-)0.62
	Total	110.03	105.92	(-)4.11

Reasons for saving of Rs.2.60 crore during 1999-2000 were attributed to 10 per cent cut on plan expenditure imposed by State Government (Rs.1.11 crore) and reduction in budget provision sanctioned for National Co-operative Development Corporation (Rs.1.50 crore). However, over all savings were mainly due to (i) non filling of vacant posts, (ii) imposition of ban by the Government on drawal of funds due to financial crisis (iii) non sanction of share by the Central Silk Board leading to non-utilisation of matching grant by State Government.

3.1.5.1 Kalpa Vriksha Yojna

The centrally sponsored scheme of "Kalpa Vriksha" introduced in 1991-92 was withdrawn by the Government of India in November 1998 and orders were issued to withdraw subsidy amount lying unutilised in the Joint Account of beneficiaries and department authorities. Instead of refunding the amount to Central Government, Rs.87.23 lakh as detailed in the **Appendix XXIII** were irregularly credited to the State Government. Thus the receipts of the State Government during that year were inflated to that extent.

3.1.5.2 Natural Tasar Development Project funds of Rs.41.34 lakh kept under "8443 Civil Deposits"

Government sanctioned Rs.4.58 crore in 1998-99 for Natural Tasar Development Project in Bastar Division. The project period was 2 years and 10282 and 29134 beneficiaries were to be covered respectively in two consecutive years. Every

Central funds of Rs.87.23 lakh were irregularly credited to State receipts.

Depositing tasar project funds of Rs.41.34 lakh in Civil Deposits.

beneficiary was to earn an additional income of Rs.8750 per annum. The Government provided Rs.41.34 lakh at the end of March 1999 for starting the project. Money was deposited under "8443 Civil Deposits" '800-Other Deposit' in the same month after depicting it as expenditure. As the scheme has not started, funds were still lying in Civil Deposits (March 2001).

3.1.6 Implementation of Programme

With a view to promote sericulture in the State, 428 centres (295 Government Mulberry Centres (GMCs) and 133 Government Tasar Centres (GTCs) were established upto 1995-96. These centres were responsible for implementation of all the schemes in respective areas. Working of these centres has been discussed in succeeding paragraphs.

3.1.6.1 Mulberry centres

Under STEP and SWABLAMBAN schemes mulberry centres were to be allotted to groups of beneficiaries on usufruct right basis.

Audit observed that the production of mulberry cocoons declined from 1.53 lakh kilograms in 1996-97 to 0.22 lakh kilogram in 2000-01 and the number of beneficiaries also came down from 5614 to 1856 during 1998-2001. The beneficiaries could not maintain the mulberry plantations partly due to lack of irrigation facilities and partly due to failure of Government to provide initial technical help to the beneficiaries. As a result, area of plantation and production of cocoons gradually declined.

Details of the targets for production of mulberry cocoons, achievements, effective area of plantation, number of beneficiaries, their annual income from Sericulture and expenditure on development works of 88 mulberry centres in seven test checked districts was as under:

(Rupees in lakh)

Year	Effective area (acre)	Production of Cocoons			No. of beneficiaries	Annual income per beneficiary	Expenditure on development of works
		Target fixed (in Kg.)	Achievements (in Kg.)	Percentage			
1995-96	570	88150	59870	68	1482	2286	62.30
1996-97	570	77475	33810	44	710	2711	58.10
1997-98	513	69675	30262	43	702	3198	68.40
1998-99	429	71040	18301	26	600	2094	60.99
1999-2000	329	54425	18984	35	524	2103	70.07
2000-01	251	29767	11128	37	356	1967	65.42
Total							322.98

Unfruitful expenditure of Rs.3.23 crore in the test checked districts on development works of mulberry.

Since effective area under mulberry plantation declined from 570 acres (1996-97) to 251 acres (2000-01) and production of cocoons from 59870 Kg. to 11128 Kg. the annual income of the beneficiaries also declined from Rs.3198 in 1997-98 to Rs.1967 in 2000-01 inspite of incurring an expenditure of Rs.3.23 crore on development works during 1996-97 to 2000-01. STEP and SWABLAMBAN failed to provide envisaged benefits as the production decreased year after year and so the number of beneficiaries declined from 1482 in 1995-96 to only 356 in 2000-01.

On this being pointed out in audit, Commissioner Sericulture stated (April 2001) that under the schemes daily wages required for subsistence of beneficiaries was not permissible and so the beneficiaries did not take interest in maintaining plantation and production of cocoons. A revised scheme was stated to be under consideration.

3.1.6.2 Tasar centres

The tasar centres were managed by the departmental authorities from the very beginning. Disease free layings (DFLs) were prepared at these centres for distribution to beneficiaries who reared these on the Arjuna and Saja trees in forest areas for production of cocoons.

It was observed that production of tasar cocoons declined from 175.74 lakh (number) in 1997-98 to 34.12 lakh in 2000-01. Number of beneficiaries also came down from 11370 to only 3278. The reasons for this decline were (i) ruthless felling of Arjuna and Saja trees on which tasar cocoons are fed, by the villagers for domestic use and (ii) adverse climatic conditions.

In seven test checked districts position was as follows:

(Rupees in lakh)

Year	Effective area (in acre)	Target of cocoon production fixed (in lakh number)	Achievements (in lakh)	Percentage	No. of beneficiary	Annual income per beneficiary	Expenditure on development works
1995-96	2206	49.50	38.60	78	2098	585	29.81
1996-97	2117	48.50	45.23	93	2972	648	39.96
1997-98	1910	58.50	52.23	89	3147	569	48.98
1998-99	2029	61.50	30.10	49	2894	359	36.78
1999-2000	1937	54.00	31.95	59	1726	628	68.19
2000-01	1848	47.55	27.97	59	1620	445	37.78

Meagre income of beneficiaries

Audit observed that effective area declined alongwith production of cocoons. Further scrutiny revealed that the beneficiary's annual average income also declined from Rs.648 to Rs.445 causing lack of interest on the part of beneficiaries.

According to Commissioner, the reasons for shortfall in production of tasar cocoons were due to deforestation of Arjun and Saja trees by the villagers for domestic purposes, unfavourable weather conditions etc. ADS Mandla attributed it to short supply of disease free layings (DFLs) for production of tasar cocoons.

3.1.7 Closure of Government Mulberry Centres

Wrong selection of sites and non-availability of water led to closure of Mulberry centres.

3.1.7.1 Unfruitful expenditure of Rs.8.16 crore on closed/unproductive Government Mulberry centres

(i) 120 GMCs were closed under the orders of the Government of Madhya Pradesh Village Industries Department, Bhopal (14 in 1996, 32 in 1997, 53 in July

1999 and 21 in June 2001) owing to non availability of water and wrong selection of sites etc. Rs.7.55 crore (information furnished for 112 centres only) incurred on these centres on land development, fencing, buildings and maintenance etc. was rendered unfruitful

(ii) Further the average production of cocoons was less than the prescribed norm of 60 kg per year per acre in 11 GMCs of Bilaspur, Mandla, Narsingpur, Kanker and Rajnandgaon districts during 1995-96 to 2000-01. Commissioner Sericulture declared these centres unproductive and recommended their closure in April 2000. Rs.61.05 lakh (pay and allowances Rs.15.81 lakh and on establishing centres, irrigation, fencing and plantation etc. Rs.45.24 lakh) incurred on these centres became infructuous. No responsibility was fixed for selection of unsuitable sites.

Poor production of mulberry cocoons was attributed to non availability of irrigation facilities, unsuitable soil for mulberry plantation and damage to the plantations.

3.1.8 Rajgarh Project

3.1.8.1 Abnormal shortfall in production of cocoons

Integrated Project for mulberry sericulture development in Rajgarh district conceived specifically for upliftment and empowerment of scheduled caste women was sanctioned (June 1995) for 1995-98. Rearing of silk worms and production of cocoons started only from 1996-97. Under the scheme, landless women beneficiaries were allotted one acre plantations available on Government land on usufruct right basis for rearing of silk worms and production of mulberry cocoons. Subsidy for maintenance of plantation for 3 years @Rs.2000 per acre was payable to the beneficiaries. Cost of the project was Rs.1.66 crore which was sharable between GOI (Rs.1.19 crore) and State Government (Rs.0.47 crore). However, State Government released Central Government share of only Rs.1.02 crore in March 1996 (Rs.77.25 lakh) and September 1997 (Rs.25 lakh). Out of this Rs.90.50 lakh were spent upto March 2001 and Rs.11.75 lakh were kept in PD Account. State's share of Rs.0.47 crore was not released till March 2001.

Unfruitful expenditure of Rs.90.50 lakh on Rajgarh project due to abnormal shortfall in production of cocoons.

Test check of records of ADS Rajgarh revealed the following:

(i) Achievements in production of cocoons and reeling of yarn ranged between 1.88 to 11 and 1.36 to 2.87 per cent respectively. Number of beneficiaries actually benefited ranged between 45 and 33 per cent respectively. Higher percentage of beneficiaries covered vis-à-vis greater shortfall in achieving production targets resulted in meagre income to beneficiaries.

(ii) The project envisaged an average annual income from production of mulberry cocoons of Rs.11570 from the 4th year of plantation per beneficiary but the actual income was only Rs.390 (3 per cent) from fourth year which further declined to Rs.219 in the fifth year. Thus the project failed to improve the socio economic condition of the women.

(iii) Rs.23.83 lakh spent on the construction of three stop dams far away from the plantation area, instead of 24 tube wells, could not be used for irrigation because of low water level and the expenditure was rendered unfruitful.

(iv) Provision of Rs.21 lakh in the form of bank loan for providing rearing equipment to the beneficiaries was not availed. Absence of rearing equipment adversely affected cocoon production.

Thus Rs.90.50 lakh incurred on the project was by and large unfruitful. ADS Rajgarh attributed the shortfall to (1) lack of irrigation facilities, (2) absence of cattle proof trench to prevent cattle from entering the plantation area, (3) late construction of rearing house, (4) shortage of staff for providing guidance to beneficiaries, (5) non-release of Central/State share of Rs.0.47 crore and (6) failure to impart training to beneficiaries and supply of equipment for rearing silk worms. It is thus evident that the project failed due to improper management as mentioned above.

3.1.9 Regional research laboratory

3.1.9.1 Unfruitful expenditure of Rs.70 lakh

Rs.70 lakh incurred on irrigation facilities could not increase the cocoon production.

Rs.1.30 crore was advanced to the Regional Research Laboratory (RRL) Bhopal in 1997 for development of irrigation facilities in 9* districts and Rs.60 lakh for the survey for identifying suitable land for mulberry plantation in Bilaspur district. Utilisation Certificates for Rs.1.26 crore were received in 1997 and 1998. Balance amount of Rs.4.50 lakh was still lying with RRLB.

Test check (June 2001) revealed that even after incurring Rs.70 lakh by the RRLB, production of mulberry cocoons could not be increased in these districts during the years 1997-2001. Thus expenditure of Rs.70 lakh proved unfruitful. No reasons were given by the Commissioner. Details of targets and achievements for production of cocoons are in **Appendix XXIV**.

3.1.10 Training

The scheme provided training to beneficiaries in rearing, reeling and weaving of Mulberry & Tasar Cocoons.

3.1.10.1 Shortfall in training programmes

Six Mini Industrial Training Institutes (Mini ITIs) established in Bilaspur, Balaghat, Bhopal, Guna, Raigarh and Rajgarh at a cost of Rs.1.60 crore (construction cost of mini ITI Guna not made available) by the Panchayat and Rural Development Department were made available to the Sericulture Department in 1995-96. These Mini ITIs were to train 300 beneficiaries every year in rearing, reeling and weaving trade. Trainees were paid stipend by the District Rural Development Authority (DRDA) under the TRYSEM scheme. Sericulture Department had to bear the expenditure on the pay and allowances of the teaching staff taken on deputation from the M.P. State Textile Corporation.

* (Bilaspur, Balaghat, Guna, Hoshangabad, Rajnandgaon, Raipur, Sehore, Shajapur and Ujjain)

Mini ITIs started training from October 1996. Against the target of 750 persons only 436 persons (58 per cent) could be trained during the years 1996-99. Though cases of 190 beneficiaries were sent to the District Panchayat/ Janpad Panchayat/ Banks for loan only 39 cases were finalised.

3.1.11 Non observance of codal provision

3.1.11.1 Double drawals of Rs.0.66 lakh

Treasury Rules require that vouchers should be stamped as paid and cancelled after payment to avoid double payment.

Test check of records of ADS (Seed) Raigarh revealed that Rs.0.66 lakh were drawn twice from treasury under departmental head and also from the Jawahar Rojgar Yogna (JRY) Bank Account as detailed in **Appendix XXV**.

The ADS concerned stated that matter was under departmental enquiry and a chargesheet has been issued (August 2000).

3.1.12 Other points of interest

3.1.12.1 Shortage of raw material led to closure of departmental reeling and twisting factories

Unfruitful expenditure of Rs.24.38 lakh due to closure of Reeling and Twisting factories.

Reeling and twisting factories established by the Government at Dharamjaygarh in 1987-88 and 1998-99 respectively at a cost of Rs.21.29 lakh were underutilised due to shortage of raw material (cocoons) and were finally closed from January 1999 (Reeling factory) and December 1999 (Twisting factory). Rs.24.38 lakh spent on these factories including pay and allowances of staff proved unfruitful.

The ADS concerned stated that factories were closed because of non-availability of raw material (cocoons), disconnection of power by the Madhya Pradesh Electricity Board and un-economical production. Reply was not tenable as huge stock of cocoons (52.52 lakh in number) was lying unutilised with ADS Raigarh as discussed in paragraph 3.1.12.3.

3.1.12.2 Cold storage constructed at a cost of Rs.9.20 lakh remained unused

Unfruitful expenditure of Rs. 9.20 lakh as cold storage building was lying unused.

A cold storage building was constructed in 1986 to preserve tasar seeds and to obtain DFLs for production of cocoons. Though an expenditure of Rs.9.20 lakh including electricity charges was incurred, the cold storage was not used at all (December 2000). The ADS stated that cold storage could not be used due to non posting of operator.

3.1.12.3 Non disposal of tasar cocoons worth Rs.22.71 lakh

Tasar cocoons valuing Rs.22.71 lakh were lying unsold.

Tasar cocoons (52.52 lakh numbers) purchased from the rearers during 1996-2001 were lying unsold in the Government store at the end of March 2001. The estimated selling price of these cocoons was Rs.22.71 lakh. Due to storage of cocoons for a longer period, their quality might have deteriorated and may not be able to fetch the estimated selling price.

The ADS Raigarh stated that there was not much demand of cocoons from the local weavers. Reply was not tenable as reeling and twisting factories of Dharamjaygarh were closed due to non availability of cocoons as given at para 3.1.12.1.

3.1.13 Monitoring and evaluation

Department failed to monitor and evaluate the schemes/projects effectively.

Though the monthly, quarterly and annual reports prescribed (for centres) by the Directorate of Sericulture were compiled centre wise and categorised as A, B, C and D on the basis of production of each centre and the centres showing negligible production were proposed for closure or for conversion into Tasar centre, neither any remedial measures seemed to have been taken to improve the working of slack centres, nor any responsibility was fixed for failure of centres to achieve the target fixed for production of cocoons.

The lack of proper supervision and monitoring resulted in failure of the programme. The scheme of transfer of usufruct right to the beneficiaries had also failed to achieve envisaged results as proper guidance was not provided to beneficiaries. Further the beneficiaries were deprived of daily wages earned by them earlier under departmental working which was essential for their survival.

The above points were referred to the Government in August 2001; the reply had not been received so far (January 2002).

Housing and Environment Department

3.2 Environmental Acts and Rules relating to Air Pollution and Waste Management

Highlights

With a view to prevent and control Air Pollution and have efficient Waste management, Air (Prevention and Control of Pollution) Acts 1981 and the Environment (Protection) Act 1986 (Environment Act) were enacted. M.P. State Pollution Control Board (Board) was responsible for implementation of the Acts.

Board failed to prepare required comprehensive programme for prevention, control and abatement of air pollution. Industrial units, mostly stone crushers were operating without the approval of the Board. 30 per cent identified vehicles emitting air pollutants in excess continued to ply on roads because of lack of coordination between the Board and traffic police. Air pollution in the thermal plants could not be controlled even after installation of Air Pollution Control (APC) equipments. Bio-medical waste generated in hospitals was not treated and disposed of as required.

30 per cent vehicles on roads caused emission in excess of prescribed limit.

(Paragraph 3.2.6.2)

Shortfall in collection and analysis of air samples in Industries was high in Bhopal (73 per cent) and Durg (62 per cent). Even after installation of Air Pollution Control Equipments in thermal power plants the emission level of SPM was 305 to 466 per cent higher than prescribed limit.

(Paragraph 3.2.6.4(i)(ii))

Bio-medical waste could not be disposed of properly in Government hospitals and Nursing homes due to non-installation of incinerators. The waste generated in these hospitals was not segregated, treated and disposed of as per provisions of the Act.

(Paragraph 3.2.7.1 (a)&(b))

The sites for disposal of hazardous waste of the industries were identified late and were not developed. Hence the waste was not disposed of properly and was posing a serious threat to Public Health.

(Paragraph 3.2.7.2 (a))

No action plan was prepared by the local bodies for management and disposal of Urban Solid Waste.

(Paragraph 3.2.7.2 (b))

3.2.1. Introduction

The process of industrialisation and urbanisation has an adverse impact on the environment leading to air pollution. The increase in the air pollution attracted the attention of the Central Government, and Parliament enacted the Air (Prevention and Control of Pollution) Act 1981 for prevention and control of air pollution. Further a more comprehensive Act viz. the Environment (Protection) Act 1986 (Environment Act) was enacted. Under the Act, the Central Government made the following rules:-

Hazardous waste (Management and Handling) Rules 1989.

Manufacture, storage and import of Hazardous Chemicals Rules 1989.

Bio-Medical Waste (Management and Handling) Rules 1998 and

Urban Solid Waste (Management & Handling) Rules 2000.

The implementation of the above rules in the State except the Urban Solid waste (Management and Handling) Rules 2000, was entrusted to the M.P. Pollution Control Board (PCB).

While the Urban Development Department had overall responsibility for Enforcement of the Urban Solid Waste (Management & handling) Rules 2000, local bodies were responsible for implementation of the provisions.

3.2.2 Organisational setup

The Board with its headquarter at Bhopal was under the overall administrative control of Housing and Environment Department. It is headed by a Chairman and has a Member Secretary, five members representing State Government and five members representing local authorities. In addition, it has three non-official members representing interests of Agriculture, Fisheries, Industries or Trade or any other interest and two members representing companies/corporation owned, managed/controlled by State Government. The Board has three zonal offices at Gwalior, Jabalpur and Raipur and fourteen Regional offices*.

3.2.3 Audit coverage

Records relating to Prevention and Control of Air Pollution, Management of Hazardous Waste Management and Handling of Bio-Medical Waste were test

* Bhopal, Bhilai, Bilaspur, Gwalior, Indore (I), Indore (II), Jabalpur, Jagdalpur, Raipur, Rewa, Sagar, Satna, Ujjain and Vijaypur (Distt.Guna)

checked for the period 1996-97 to 2000-01 during March 2001 to June 2001 in the office of the Member Secretary, Madhya Pradesh Pollution Control Board, Bhopal and six** Regional offices. Audit coverage also extended to the Urban Development Department, Medical Department, Transport Departments. The points noticed during test check are discussed below.

3.2.4 Financial position

The Board received grants-in-aid from the State Government/Central Government and also collected consent fee, annual license fee and water cess from the industries. The details are as under:-

(Rupees in crore)

Year	Amount of grant	Income from other sources	Total	Expenditure	Savings
1996-97	4.82	5.68	10.50	6.07	4.43
1997-98	2.90	6.24	9.14	7.46	1.68
1998-99	5.65	9.21	14.86	7.76	7.10
1999-2000	5.40	9.51	14.91	9.56	5.35
2000-01	2.46	7.53	9.99	NA	NA
Total	21.23	38.17	59.40	30.85	18.56

Though the grants were received for specific projects/schemes, projects/scheme-wise accounts were not prepared. The accounts for the year 1999-2000 had not been finalised so far (May 2001). The Board as per Act 1981 was required to submit its annual reports to the State Government before the end of July for being laid before the State Legislature by the end of December each year. Audit observed that there were delays of 78 to 137 days in the submission of the annual reports by the Board and a consequential delay of 35 to 114 days in placing it before the State Legislature during 1996-97 to 1999-2000.

3.2.5 Survey and Planning

Under the Air Act the Board was required to make comprehensive programme for prevention, control and abatement of air pollution in the State for which it was essential that the polluting industries should be surveyed. However, it was observed that no survey was conducted due to shortage of staff. Thus the Board was unaware of the number of polluting industries in the State.

3.2.6 Prevention and control of air pollution

3.2.6.1 Industrial units operating without consent of the Board

Under the provision of the Air Act, industrial activities were not to be carried out in the State without the consent of the Board. Test check of the records of the regional offices at Bhopal, Bilai, Gwalior and Indore-I and Indore-II revealed that 270 out of 342 industries mostly stone crushers, identified as causing air pollution by the Regional Officers, were operating from 1996 to 2001 without the

No survey was conducted to plan comprehensive programme for prevention and control of air pollution.

Most of the industrial units were functioning without obtaining consent of Board.

** Bhopal, Bilai, Gwalior, Indore(I), Indore(II) and Jabalpur

consent of the Board. Out of these only 72 units were granted consent/renewal of consent in the year 1999-2000 i.e. much after the start of production. This indicated that the provisions of the Act were not enforced properly.

3.2.6.2 Monitoring of vehicular pollution

Under section 20 of Air Act 1981, the Board had to inspect vehicles with or without the help of the Traffic Police and Transport authorities to ensure that the standards for emission of air pollutants by vehicles were being complied with. The Board had identified (October 1994) the points of heavy traffic in 13* cities of Madhya Pradesh for monitoring the emission of air pollutants from vehicles. Out of 90,609 vehicles checked 27552 (30 per cent) vehicles were found causing air pollution in excess of the limit prescribed as per details given below:-

30 per cent of the vehicles causing emission in excess of prescribed limit.

Year	Total number of vehicles monitored	Total number of vehicles exceeding emission limit	Percentage of vehicles exceeding limit
1996-97	18805	5718	30
1997-98	18430	5970	32
1998-99	19709	5948	30
1999-2000	17960	5619	31
2000-01	15705	4297	27
Total	90609	27552	30

It was also observed that emission levels of the vehicles in Gwalior, Durg and Bhopal were much higher in comparison to other cities. Details of action taken by the Transport authorities in this regard were not available with the Board.

On being pointing out, R.T.O. Gwalior stated that the fitness certificate of 919 vehicles emitting excessive pollution in Gwalior township had been cancelled during 1996-2001. Further action to stop their plying on road had to be taken by the traffic police. The lack of co-ordination between the PCB, Transport authorities and Traffic Police resulted in continued pollution by such vehicles (December 2001).

3.2.6.3 National ambient air quality monitoring (NAAQM)

Central Pollution Control Board had launched the project of monitoring of ambient air quality in selected cities and industrial areas in 1984. The Board had been monitoring the ambient air quality under this project since 1987. The ambient air quality was monitored at 19 centres located in 8 towns** for three Parameters viz. Suspended Particulate Matters (SPM), Sulphur di-oxide (SO₂) and Oxides of Nitrogen (NOX). The details are as under:-

Shortfall in analysis of air samples ranged between 20 to 26 per cent.

No. of NAAQM station	No. of samples to be conducted	No. of samples collected	Shortfall	Percentage of shortfall
19 stations in 8 towns	SPM 5928	SPM 4752	1176	20
	SO ₂ 11856	SO ₂ 8820	3036	26
	NOX 11856	NOX 8876	2980	25

* Bhopal, Bhilai, Bilaspur, Gwalior, Indore, Jabalpur, Jagdalpur, Rewa, Raipur, Ratlam, Sagar, Satna, Ujjain

** Bhopal, Bhilai, Indore, Jabalpur, Korba, Nagda, Satna, Urla (Raipur)

The reasons for short fall against targets were stated to be disorders of instruments and heavy rains.

An analysis of the results indicated that the quantum of SPM was in excess of the prescribed limit. The maximum quantum of SPM in some of the NAAQM station as observed during the period 1996-2001 were as under:

Sl. No.	Name of city	Prescribed SPM limit	Month of analysis	Maximum SPM found	Excess percentage
1.	Bhopal	150	March 2000	773	415
2.	Durg (Bhilai)	150	January 2000	1556	937
3.	Indore	150	March 2000	848	465
4.	Jabalpur	150	March 2000	588	292
5.	Raipur	150	March 2000	583	289

Analysis found Bhilai, Indore and Bhopal as highly polluted cities.

Thus Bhilai, Indore and Bhopal were found to be highly polluted cities. Though Gwalior was not a selected town for air monitoring under the scheme "NAAQM" it was observed during the test check of the records of the R.O. Gwalior that the quantum of SPM was 1285 in December 2000 and 1306 in May 2001 which was 757 and 771 per cent more than the prescribed limit.

No remedial action or corrective measures had been taken to bring down the pollution level with in the prescribed limit.

3.2.6.4 Air quality monitoring and inspection of industries

(i) Non-achievement of annual targets

According to provisions of the Act, the Board was required to conduct periodical inspection for prevention, control and abatement of air pollution.

Board had not fixed any annual targets for inspection of industries but only annual monitoring targets were proposed by the Regional offices of the Board for their execution as per facilities available there. Test checks of records in the Regional offices at Bhopal, Durg, Gwalior, Indore and Jabalpur further revealed that the number of industries monitored were 19 to 73 per cent of the target fixed by the Board in annual packages. The position of the targets fixed, samples collected and analysed by the R.Os during the period 1996-97 to 2000-01 was as under:-

Sl. No.	Name of Regional office	Target fixed	Samples actually collected and analysed	Shortfall and percentage of shortfall
1.	Bhopal	548	146	402 (73)
2.	Durg	942	361	581 (62)
3.	Gwalior	886	681	205 (23)
4.	Indore	1095	717	378 (35)
5.	Jabalpur	482	394	88 (18)

The high shortfall was attributed to heavy rains, breakdown of electricity and disorders and frequent breakdown of sampling instruments. The reply was not tenable as due to high shortfall in collection of air samples, the quantum of air pollution could not be adjudged and remedial measures could not be taken to control the pollution. Thus, the objective of prevention and control of air pollution was defeated.

Objectives of prevention and control of air pollution were defeated due to high shortfall in analysis of air samples in 5 regions.

(ii) Excess emission in Thermal Power Plants

Excessive emission of pollutants caused high air pollution.

Audit observed that the emission levels of suspended particulate matters (SPM) in the Thermal Power Plants was much higher than the prescribed limit though the Air Pollution Control (APC) equipments viz. Electro Static Precipitators (ESP) and Bag filters were installed. The emission level of some Thermal Power Plants during the period 1996-2000 were as under:

Sl. No.	Name of Thermal Power Plant	Prescribed level of SPM	Date of samples	Maximum emission level of SPM	Excess percentage
1.	Satpura thermal Power Plant Sarni	150	February 2000	849	466
2.	M.P.E.B. (East) Thermal Power Plant, Korba	150	February 2000	643	329
3.	-----do----- (West)	150	January 1999	608	305

Even though the inspections and air monitoring of these Power Plants were carried out by the Board, emission level had not been brought down within the prescribed level. On this being pointed out, the Member Secretary stated that the Thermal Power Plants and the ESP installed for control of fly ash were of old design. The reply was not tenable as the ESP should have been replaced/upgraded to ensure control of air pollution.

(iii) Excess emission of air pollutants in cement plants

Air pollution caused due to excess emission of cement dust.

Test check of records of the Board revealed that the environment in the vicinity of the cement plants was highly polluted. The suspended particulate matter (SPM) emitted in the air was beyond the permissible limit. The position of SPM in a few cement industry locales during the period 1996-97 to 2000-01 was reported as under:

Sl. No.	Name of Cement Industry	Prescribed limit of SPM	Date of sampling	Maximum level of SPM recorded	Percentage maximum level
1.	Modi Cement Raipur	150	March 1998	2344	1463
2.	Grasim Cement, Raipur	150	April 1998	272	81
3.	Maiher Cement	150	September 2000	1045	597
4.	Prism Cement, Satna	150	November 1999	556	271
5.	Birla Corporation Limited (Cement Division), Satna	150	September 1999	1269	746

Thus the emission of cement dust far exceeded the prescribed SPM limit. Further the APC equipments were not checked regularly to ensure their proper functioning. Though these units/plants were operating under consent, Board did not take legal action against these Industries. On being pointed out, the Board stated that notices were issued to these industrial units.

(iv) Excess emission of air pollutants in other industries

Test check further revealed that the emission level of air pollutants in the vicinity of certain industries was very high. The results of analysis of air samples in some

major industries where air pollutants were found at highest level during the period 1996-97 to 2000-01, were as under:

Quantum of air pollutants in industries was very high. No effective steps were taken to control it.

Sl. No.	Name of industry	Limit prescribed	Month	Maximum SPM noticed	Percentage of excess emission
1.	HEG Ltd. Boral Durg	150	February 2000	1414	843
2.	D.M.C. Kumhari, Durg	150	June 2000	836	457
3.	Bhilai Steel Plant Bhilai, Durg	150	December 2000	2342	1461
4.	Tata International Ltd. Dewas	150	September 2000	1677	1018
5.	Maral Overseas Ltd. Dewas	150	January 1998	520	247
6.	S.Kumar Dewas	150	August 1998	1841	1127
7.	Ranbaxy Laboratories, Dewas	150	September 1998	2480	1553
8.	HR Johnson Ltd. Dewas	150	November 2000	2896	1831
9.	Lilason Breweries Ltd. Bhopal	150	Febraury 1998	955	537

Member Secretary stated (June 2001) that notices were issued to the industries for taking necessary steps. It is apparent that no penal proceedings were initiated against the defaulting industries.

3.2.6.5 Non-installation of Air Pollution Control equipments (APCs)

Air pollution control equipments not installed by 32 large industrial units and 760 Small Scale Industries.

Section 21(5) of the Air Act makes it obligatory for industrial plant, to install and operate air pollution control equipments of such specification as the Board may prescribe.

It was observed that though 583 large/medium and 2192 small scale industries were required to install APCs, only 551 large/medium and 1432 small scale industries had installed APCs as on March 2001. Member Secretary informed that small scale industries were financially not capable of installing the APCs and 32 large industries were being persuaded to install the APC.

3.2.7 Waste Management

In exercise of the powers conferred by Section 6, 8 and 25 of Environment (Protection) Act 1986, Government of India made

Hazardous waste (Management and Handling) Rules 1989.

Manufacture, storage and import of Hazardous Chemicals Rules 1989.

Bio-Medical Waste (Management and Handling) Rules 1998 and

Urban Solid Waste (Management & Handling) Rules 2000.

The enforcement of these rules except of solid waste was assigned to the Board.

3.2.7.1 Management of Bio-medical Waste

The Bio-medical waste generated in Hospitals and Nursing homes, etc., includes human anatomical waste, microbiology waste, waste sharps, discarded medicines, solid and liquid waste, chemical waste etc. It should not be mixed with other waste prior to its storage, treatment and disposal to avoid pollution. The bio-medical waste should be treated and disposed of within a period of 48 hours. Test check of records revealed as under:

(a) Non-installation/functioning of incinerators in hospitals

Bio-medical waste was not disposed of properly due to non-installation/functioning of incinerators in hospitals.

As per Rule 5 of the Bio-Medical Waste Management Rules 1998, Hospitals and Nursing Homes with 500 beds and above were required to set up incinerators, autoclave, microwave oven etc. for treatment of bio-medical waste by 30 June 2000. Hospitals/Nursing Homes with 200 beds and above were to have these equipment by 31 December 2000. Out of six hospitals in the State though 4 had installed incinerators only three were working at Hamidia Hospital, Bhopal, M. Y. Hospital, Indore and Medical College Hospital, Jabalpur.

(ii) Director of Medical Education (D.M.E.) could not purchase the incinerators for the Medical Colleges at Gwalior and Raipur inspite of a budget provision of Rs.30 lakh provided in the supplementary budget for 1999-2000, as the funds were not released by Government. However, Rs.18.78 lakh were again provided in 2000-01 for purchase of incinerator for Gwalior. The amount was drawn and credited to the Personal Deposit (PD) account of the Laghu Udyog Nigam (LUN) on 31 March 2001. The LUN had not supplied the incinerator upto November 2001. For Raipur no provision has been made and the incinerator installed at Sanjay Gandhi Memorial Hospital, Rewa had not yet started functioning.

(iii) Though Board had identified 27 hospitals having 200 to 500 bedded capacity in Madhya Pradesh for setting up incinerators, none of these has so far installed any such facilities. The PCB stated that instructions have been issued to all such units to observe the rules of management of bio-medical waste.

The PCB failed to initiate penal proceedings after 31 December 2000 in accordance with the provisions of the Environment (Protection) Act (1986) and rules made thereunder in 1998 against the defaulting units except in the case of M.Y.Hospital, Indore.

(b) Non observance of the provision of Rules of Management and Handling of Bio medical waste

(i) As per rule 6 of the Bio-Medical Waste Rules 1998, the waste had to be segregated in the separate containers/bags and labelled at the point of generation of waste and no waste should be stored beyond 48 hours.

Government Hospitals and Nursing homes flouted the prescribed rules while disposing of medical waste.

8* Government Hospitals/10** large nursing homes mixed the bio-medical waste with other waste and dumped it in the premises or burnt it in the open or threw in the Municipal dustbins. The Municipal bodies were not collecting and transporting the waste daily to the dumpsite for its disposal. As a result bio-medical waste was lying in the hospital premises/Municipal dustbins for days together and created pollution.

(ii) The waste water of the hospitals was mixed with chemicals and liquid waste and directly discharged through the sewer lines to nearby nallahs/rivers without treatment or disinfection. This resulted in pollution and infection of river water.

(c) Improper grant of authorisation to Hospitals

Authorisation was granted to hospitals for storing, handling and disposing of the bio medical waste for an earlier period.

Every occupier of the institution generating, collecting, receiving, storing, treating, disposing and/or handling Bio-medical waste should obtain prescribed authorisation from the Board.

Out of 1098 institutions identified, only 289 institutions had applied to the Board and only 14 were granted authorisation by the Board. The remaining institutions were functioning without any authorisation.

Out of 14 institutions, authorisation to six institutions was granted provisionally for a period of one year which had already expired.

The authorisation was not renewed as these institutions were not observing the rules and had not made necessary arrangements for management and handling of bio-medical waste. In all these cases the authorisation was granted for the period preceding the date of grant of authorisation. The reasons for grant of authorisation for preceding years (period) were not on record. No legal action was initiated against any of these hospitals.

(d) Irregular functioning of incinerator in M. Y. Hospital, Indore

Bio-medical waste could not be disposed of due to irregular functioning of incinerator. Operating standards of incinerators were not followed.

(i) As per rules no bio-medical waste should be kept untreated for more than 48 hours. In the case of M. Y. Hospital Indore, it was observed that the incinerator had remained idle for 317 days during 3 May 1999 to 11 January 2001. In other words the hospital failed to dispose of bio-medical waste as prescribed. This was accepted (December 2000) by the Superintendent, M. Y. Hospital.

(ii) As per standard norms fixed for incinerator, the temperature of the primary chamber should be $800^{\circ}\text{C} \pm 50^{\circ}\text{C}$ and secondary chamber $1050^{\circ}\text{C} \pm 50^{\circ}\text{C}$. But the temperature of the primary and secondary chambers of the incinerator at Indore as per log book was 500°C and 1000°C respectively. Thus the standards of operating the incinerator were not followed.

* Hamidia Hospital, Bhopal, JP Hospital, Bhopal, Sultania Janana Hospital, Bhopal, Indira Gandhi Hospital, Bhopal, TB Hospital, Bhopal, JA Group of Hospital, Gwalior, MY Hospital, Indore, ESI Hospital, Indore.

** Nivedita maternity & Nursing Home, Bhopal, Bhilai Hospital, Bhilai, Thakur Hospital, Gwalior, Choithram Hospital, Indore, Gokuldas Hospital, Indore, Suyash Hospital, Indore, Geeta Bhawan Hospital, Indore, Jabalpur Hospital & Research Centre, Jabalpur, Royal Hospital, Gwalior, Pushpa Kunj Hospital, Indore.

3.2.7.2 Management of Solid waste

(a) Identification and development of disposal sites.

Hazardous waste could not be disposed of due to non-development of sites.

The Board was required to develop sites for disposal of hazardous waste but no time schedule was fixed. 10 sites had been identified by March 2000, but the Environment Impact Assessment Study of only three sites viz. Indore, Rajgarh and Jabalpur had been conducted. Though these sites have been notified, no site had been handed over to Board for development.

(b) Urban Waste Management

Solid waste or Municipal wastes include commercial and residential waste generated in Municipal areas. The Municipal authorities and the urban development departments are responsible for handling such solid waste.

(i) Non obtaining of authorisation

Neither any action plan for management /disposal of waste prepared nor authorisation for setting up waste processing and disposal facilities was obtained.

As per rule 4 of the Solid Waste (Management and Handling) Rules 2000, every Municipal authority should obtain authorisation from the Board for setting up the facilities of treatment and disposal of urban solid waste. Test check of records at Bhopal, Gwalior and Jabalpur revealed that these Municipal authorities had not applied for authorisation and did not prepare any action plan for management and disposal of Urban Solid Waste.

Member Secretary replied that the rules had been brought to the notice of Municipal Authorities. No action had, however, been initiated against the local bodies.

(ii) Non provision of funds

Funds for management and disposal of solid waste not provided.

Test-check of records in Urban Development Department, Bhopal revealed that no budget provision was made between 1995-96 and 2000-01 for management of solid waste. Proposals were framed for composting process of solid waste of urban areas in sixteen municipal corporations/committee. In absence of funds and proper planning, the waste was dumped leading to spread of diseases.

3.2.8 Monitoring and Evaluation

The Board had not fixed any annual target and periodicity for inspection nor kept any records/details of monitoring and inspection visits conducted by its officers.

The working of the Board had neither been evaluated by the Board nor by any other agency since inception.

The above points were referred to the Government in July 2001; the reply had not been received so far (January 2002).

Man Power Planning Department

3.3 Working of ITIs in Madhya Pradesh

Highlights

Craftsmen Training Programme was launched in 1950 with the main objective of providing industrial and technical training to the educated youths for gainful employment in the industrial units in the State.

A review of the scheme revealed that 13 ITIs were found running with only one trade instead of 3 to 6 trades sanctioned due to lack of staff and infrastructure and non-availability of trainees for certain trades etc. Though 47 to 66 per cent trainees successfully completed the course during 1996-2001, the rate of gainful employment in respect of passed out candidates was very low. 55 to 70 per cent of posts of Principal and Vice Principal and 32 to 52 per cent of instructional staff were lying vacant which contributed to poor performance of ITIs. The scheme was implemented in a lackadaisical manner by the department and no efforts were made to improve the working of the ITIs.

Non-release of funds for completion of 5 incomplete ITI buildings led the expenditure of Rs.5.48 crore incurred so far unfruitful.

(Paragraph 3.3.5.1)

Government of India funds of Rs.6.16 crore were irregularly credited to State receipts (Rs.1.01 crore) and Civil deposits (Rs.5.15 crore).

(Paragraph 3.3.5.2)

The percentage of successful candidates was 47 to 66 of which only 7.23 per cent were gainfully employed during 1996-2001.

(Paragraph 3.3.6)

Due to closure of certain trades, the expenditure of Rs.79.67 lakh spent on machinery proved unfruitful.

(Paragraph 3.3.8)

Unspent balance of Rs.3.43 crore provided for construction of Mini ITI buildings remained to be recovered from DRDAs.

(Paragraph 3.3.9.2)

Large vacancies in Principal/Vice Principal cadre and in instructional staff affected the performance of ITIs.

(Paragraph 3.3.10)

3.3.1 Introduction

The Craftsman Training Scheme (CTS) was introduced by the Government of India in 1950 to ensure a steady flow of skilled workers in different trades. Initially the cost of training was shared between the Central and State Government. From April 1969 the entire expenditure was borne by the State Government. Government of India set up a National Council for Vocational Training (NCVT) (August 1956), and entrusted it with the responsibility of prescribing standards and curricula. State Councils and trade committees were established to assist the National Council.

The objective of CTS was to provide industrial training in various trades* to fulfil the needs of industries and reduce un-employment among the educated youth. For this purpose Manpower Planning Department under Human Resources Development (HRD) Department was set up. Apart from these, Mini ITIs being run by the Rural Development Department under "Training of Rural Youths for Self Employment (TRYSEM) Scheme, were also transferred to Manpower Planning Department during 1999-2000 (August 1999).

3.3.2 Organisational set up

Secretary to Government, Manpower Planning Department was responsible for overall supervision, guidance and monitoring of the programmes at State level. Director of Employment and Training (DET), Jabalpur was the nodal agency for implementation of the programme. Joint Directors of Employment and Training were responsible for co-ordination between various authorities and implementing agencies for proper monitoring of the programme at Divisional level. Principals/Superintendents of Industrial Training Institutes (ITIs) and Mini ITIs were responsible for actual implementation of the programme at institute level.

3.3.3 Audit Coverage

Composite Madhya Pradesh State had 111 ITIs and 63 Mini ITIs till October 2000. However, 22 ITIs and 23 Mini ITIs were transferred to the newly created State of Chhattisgarh as detailed below:

Trades sanctioned for ITIs

Electrician, Painter, Electronics, Machinist, RTV, Fitter, Surveyor, Turner, Wireman, Motor Mechanic, Blacksmith, Carpenter, Tractor Mechanic, Moulder, Mason, Sheetmetal, Cutting & Tailoring, Hand Composition, Welder, Hand weaving, Needle Embroidery, Footwear, Watch and Clock maker, Tool and Die maker, Machine Grinder, Plumber, Equipment Mechanic, Draftsman mechanical, Steno Hindi, Preservation of food, Computer, Secretarial Practice etc.

Trades sanctioned for Mini ITIs

Electrician, Diesel Mechanic, Electronics, Fitter, Dress making, Welder, Radio & TV, Mason, Cutting & Tailoring, Data preparation & Computer Software, Carpenter, Draftsman, Stenography Hindi, Refrigeration & Air Conditioning, Computer operating and programme Assistant.

Sl. No.	Name of the State	No. of ITIs	No. of Mini ITIs	No. of Mini ITIs not in operation
1.	Madhya Pradesh	89*	37	3
2.	Chhattisgarh	22	13	10
	Total	111	50	13

Test check of the records of Director of Employment and Training, Jabalpur, 30 ITIs, 14 Mini ITIs located in Madhya Pradesh (Successor State), was conducted during February to August 2001.

3.3.4 Financial out lay and Expenditure

As against the allotment of Rs.219.30 crore the department spent Rs.156.24 crore leaving an unutilised balance of Rs.63.06 crore as detailed below:-

(Rupees in crore)

Sl No.	Year	Total Budget allotment	Expenditure as per Appropriation Account	Total expenditure (departmental figure)	Difference between Appropriation Accounts and departmental figure	Savings as per Appropriation Accounts
1	1996-97	40.15	22.51	23.11	(+) 0.60	17.64
2	1997-98	41.59	29.52	25.71	(-) 3.81	12.07
3	1998-99	44.89	30.75	30.37	(-) 0.38	14.14
4	1999-2000	56.05	38.33	32.65	(-) 5.68	17.72
5	2000-01	36.62	35.13	23.55	(-) 11.58	1.49
Total		219.30	156.24	135.39	(-)20.85	63.06

Non-utilisation of 29 per cent of available funds affected the implementation of the scheme.

The department's failure to utilise Rs.63.06 crore (29 per cent) affected implementation of the programme. The reasons for savings were (i) non-operation of sanctioned trades, (ii) non-filling of vacant posts and (iii) ban imposed by Government on purchase of tools and plants.

Audit observed that there was an unreconciled difference of Rs.20.85 crore between the figures appearing in respective year's Appropriation Accounts and those reported by the department.

* 6 ITIs of Tribal Welfare Department were transferred to Man Power Planning Department in the year 2000-01.

3.3.5 Financial Irregularities

3.3.5.1 Unfruitful expenditure of Rs.5.48 crore on incomplete I.T.I buildings

Non-providing of funds for completing 5 ITI buildings rendered the expenditure of Rs.5.48 crore unfruitful.

State Government issued administrative sanction of Rs.8.61 crore for the construction of 5 Industrial Training Institute buildings at Seoni, Khargone, Raipur, Jhabua and Mangawan (Rewa) during the years 1992-93 to 1996-97. However, only Rs.3.75 crore were made available. Rs.5.48 crore were spent upto August 2001 and revised estimates for Rs.14.26 crore have been submitted. The State Government has not released any further money since 1996-97 and the expenditure of Rs.5.48 crore incurred has been rendered unfruitful. The incomplete buildings languishing for want of further funds are likely to deteriorate.

3.3.5.2 Irregular credit of GOI fund in the State receipt

GOI funds received for modernisation of ITIs were irregularly credited to state receipt (Rs.1.01 crore and Civil Deposits (Rs.5.15 crore).

Government of India, under the World Bank scheme provided funds amounting to Rs.6.16 crore for modernisation of ITIs but the department irregularly credited Rs.1.01 crore to State receipts and deposited Rs.5.15 crore under Civil Deposits which subsequently lapsed to State Government during 1990-2000. This not only inflated the State receipts but also shows that Central funds deposited under Civil Deposit were allowed to lapse only to improve the ways and means position of the State Government.

Sl. No.	Year	Name of Scheme for which amount was received	Amount (Rs. in crore)	Kept in Civil Deposits/ Credited into State receipt	Date/ month of credit
1.	1990-91 to 1997-98	Modernisation of ITIs (World Bank Scheme)	5.15	Civil Deposit	
2.	1997-98	Modernisation of eight ITIs (World Bank Scheme)	0.78	Credited to receipt head	3.8.1998
3.	1997-98	--do--	0.02 0.04 0.07	--do--	12.10.1999 12.10.1999 27.12.1999
4.	1996-97	--do--Gr.No41/64 special component ST/SC	0.08	--do--	30.11.1998
5.	1999-2000	Modernisation of ITIs (World Bank Scheme)	0.02	--do--	2.7.1999
	Total		6.16		

DET stated that the above action was as per directions of Government.

3.3.5.3 Irregular expenditure of Rs.29.30 lakh on pay and allowances

Payment of salary (Rs.29.30 lakh) to teaching staff of unsanctioned trade was irregular.

State Government sanctioned three trades viz. Steno Hindi, Secretarial Practice and Computer Operating Programme Assistant (COPA) for the Women Industrial Training Institute, Indore. Test check of the records revealed that the training was being imparted in Electronic Trade viz. Television, Radio Mechanic, Refrigeration, Airconditioning etc. instead of the sanctioned trade of COPA since 1992-93. The pay and allowances of Rs.11.08 lakh (approximately) were paid irregularly on un-sanctioned trade to the instructional staff of Electronic Trade.

Further, Rs.18.22 lakh were paid irregularly to the staff of 5 trades (Handloom, Moulder, RTV, Secretarial Practice and Knitting) already closed during August 1997 to August 1999 in three** ITIs. No action was taken to transfer the staff of the closed trades of these ITIs to other ITIs/trades.

Only 4.2 per cent of trained/passed out personnel during 1996-2001 could be placed in gainful employment during 1996-2001.

3.3.6 Performance of ITIs

The details of performance of ITIs are as under:-

Sl. No.	Trg. Session (Year) (August-July)	No. of trainees required to be admitted (as per sanctioned seats)	No. of trainees actually admitted and their percentage	No. of dropouts and percentage	No. of trainees appeared in exam. (examinees) (including repeaters of previous years)	No. of trainees passed out and percentage to the trainees who appeared in exam	No. of trainees gainfully employed	Percentage to passed out trainees
1	2	3	4	5	6	7	8	9
1	1996-97	23198	17,210 (74.2)	1630 (9.5)	16462	10877 (66%)	1779	16.4
2	1997-98	23294	17,272 (74.1)	1434 (8.3)	19962	11980 (60%)	1078	8.99
3	1998-99	23342	18,004 (77.1)	2331 (12.9)	20006	11730 (59%)	175	1.5
4	1999-2000	23342	15,273 (65.4)	1052 (6.9)	18244	8552 (47%)	447	5.2
5	2000-01	18326	12496 (68.2)	983 (7.9)	11513	6793 (59%)	133	2.0
	Total	111502	80255	7430	86187	49932	3612 (4.2%)	

In spite of drop outs the number of examinees was more than number of students revealing the existence of large number of repeaters (13362) which represented 16.6 per cent of new entrants and 15.5 per cent of examinees. Number of ITI passed candidates successfully employed was only 4.2 per cent of the examinees.

Only one trade was operative in 13 out of 14 ITIs in M.P.

3.3.7 Deficiency in running of trades

As against the sanction of 3 to 6 trades in an ITI, only 1 to 2 trades were in operation in 14 ITIs in the successor State.

3.3.8 Idle machinery worth Rs.79.67 lakh

Machine/tools, equipments worth Rs.79.67 lakh were lying idle due to non-operation/closure of the 17 industrial trades in 25* ITIs including Mini ITIs during August 1996 to August 1999.

Closure of 17 trades led the Machine and tools worth Rs.79.67 lakh idle.

** ITI Khandwa, Women Khandwa and Women Bhopal

* (Women Jabalpur, Model Bhopal, Women Bhopal, Mini ITI Bargi, Berasia, Khandwa, Women Khandwa, Ganjbasoda, Gadarwara, Tendukheda, Nohta, Baldeogarh, Badamalehara, Bina, Chachoda, Kumbhraj, Susner, Mahidpur, Badnagar, Shamgarh, Ujjain, Women Ujjain, Dhamnoda, Alot, Karhi).

The reasons for closure of trades were stated to be unpopularity of the trade, non-affiliation of trade with NCVT and lack of interest of candidates in these trades.

3.3.9 Mini ITIs

3.3.9.1 Establishment of Mini ITIs

Under Training of Rural Youths for Self Employment (TRYSEM) Scheme, the Expert Committee on Integrated Rural Development Programme (IRDP) had recommended (October 1995) setting up of Mini-ITIs in each block and each Mini-ITI was to cater to 3-4 selected trades/enterprises relevant to the locality. The expenditure was to be shared between Central and State Government in the ratio of 50 : 50. State Government was to plan Mini ITIs in such a manner that these would cater to a maximum number of trades for 3-4 continuous groups of blocks. Thus, a trainee from one block could be sent to a nearby block as training facility for the desired trade may not exist in the Mini-ITI set up in his block. Extreme care was to be taken to ensure that no Mini-ITI remains idle and was utilised to its optimum capacity. The Mini ITIs were also to conduct refresher courses and maintain registers for proper follow up after imparting training.

3.3.9.2 Provision of funds for construction of Mini ITI buildings

Government of India, Rural Development Department had accorded sanction for opening of 60 Mini ITIs in 1995-96 (in first phase) and 30 Mini ITIs in 1997-98 (in second phase) but only 63 were established. However, on reorganisation of the State only 40 Mini ITIs were retained by the Madhya Pradesh (successor State).

Rs.23 crore were provided during 1995-96 by Central/State Government to 28 DRDAs for construction of 28 Mini ITI buildings (out of 60 sanctioned in first phase) and purchase of machinery/tools. Out of this an expenditure of Rs.15.17 crore was incurred upto August 1999.

Out of unspent balance of Rs.7.83 crore only Rs.4.40 crore were refunded by different DRDAs during June-October 2000 to DET Jabalpur. No demand was raised by DET for refund of remaining Rs.3.43 crore from DRDAs. Rs.1.89 crore out of Rs. 4.40 crore were kept in the Current Account of State Bank of India.

From 1999-2000 the control of all the 40 Mini ITIs was transferred from DRDAs to the Director of Employment and Training, Jabalpur under Manpower Planning Department. Audit observed that 3 Mini ITIs were not yet functional because of insufficient infrastructure inspite of their buildings having been completed in 1997-98. Further staff sanctioned for these Mini ITIs has been diverted to other Mini ITIs. Of the 37 functioning Mini ITIs 15 and 22 were running with two and one trades respectively. Thus Rs.96 lakh (approximately) spent upto October 2000 on construction of buildings, worksheds, purchase of machinery, tools, equipments and pay and allowances, contingencies etc. was rendered partly un-fruitful due to non-appointment of instructional staff according to the sanctioned trades and non-calling of applications for admission from prospective trainees in these 40 Mini ITIs.

Non-recovery of unutilised amount of Rs.3.43 crore from DRDAs.

Unfruitful expenditure of Rs.96 lakh on idle staff and infrastructure.

3.3.10 Man power management in ITIs & Mini ITIs

Vacancy of more than 50 per cent posts adversely affected implementation of the programme.

Before bifurcation of Madhya Pradesh, 111 ITIs and 63 Mini ITIs were established in the State. Of these, 89 ITIs and 40 Mini ITIs including 3 Mini ITIs, which were not functioning (Alot, New Ramnagar and Women Niwali) were retained by successor State of Madhya Pradesh. The position of posts sanctioned, working and lying vacant in ITIs/Mini ITIs at the time of bifurcation of the State (as on 31 October 2000) was as under :

Sl. No.	Name of the post	No. of posts		Vacant posts	Remarks and percentage
		Sanctioned	Working		
1.	Principal Gr-I	20	9	11	55
	Gr-II	38	20	18	47
2.	Vice Principal	33	10	23	70
3.	Dy. Director	02	--	02	
4.	Asstt. Director	01	--	01	
5.	Trg. Supdt T/E	312	176	136	44
6.	Trg. Officers T/E				
	Gr.I	111	75	36	32
	Gr.II	889	493	396	45
	Gr.III	1362	656	706	52
	Trg. Social Study Gr.III	42	42	--	
7.	Trg. Officer PPO T/E	5	--	5	100
	Computer Operating Programme Assistance T/E	27	--	27	
	AVTS T/E	12	--	12	
8.	Accounts Officer/ Registrar	2	--	2	
9.	Ministerial Staff	965	726	239	
10.	Class IV staff (Driver workshop Asstt. and Peon)	1994	1474	520	For both the State of M.P. and C.G.
Total (1 to 7)		2854	1481	1373	

About 50 per cent of the sanctioned posts (mainly training staff) were lying vacant. 29 Principals, 23 Vice Principals and 1301 instructional staff have not been appointed. 100 per cent posts under COPA, AVTS and PPO/TE trades were lying vacant. Shortage of staff was directly responsible for poor performance of ITIs.

Reasons for vacant posts as stated (December 2001) by the department was the ban imposed by the State Government on recruitment and promotion and Stay orders issued by State Administrative Tribunal, Jabalpur, Bhopal and Gwalior on the proposed contract appointments of selected training instructors/officers.

3.3.11 Non-maintenance of record cards of the successful trainees by ITIs

Non-maintenance of record cards indicated flouting of provision of Training Manual by ITIs.

As per provisions of the Training Manual for Industrial Training Institutes/Centres, Record Cards should be maintained to monitor whether the passed out trainees had been able to secure gainful employment. If employed, the name of the employer etc. should be given, failing which, the whereabouts of the unemployed trainees should be shown in the record cards. Unemployed trainees were required to report periodically to the ITI say every three months, till they succeeded in getting employment. Further with a view to encourage correspondence by the trainees, they are permitted to write letters to the instructional staff without having to pay for the postage. Free postage cards were

required to be issued to the passed out trainees by the institution from which they passed out. No such record cards were, however, found to have been maintained and hence follow up action was non existent.

3.3.12 Supervision and monitoring

For successful running of ITIs /Mini ITIs monitoring of quarterly/annual inspections were prescribed in the ITI Manual at the Directorate level.

Audit observed that only 87 quarterly and 34 annual inspections were carried out of the total 161 ITIs/Mini ITIs in the State (old Madhya Pradesh).

The above points were referred to the Government in August 2001; the reply had not been received so far (January 2002).

Public Health and Family Welfare Department

3.4 Prevention and Control of Diseases

Highlights

National Tuberculosis Control Programme (NTCP) is being implemented since 1962. The envisaged cure rate was not achieved during the period of review. There were shortfalls in detection of new cases and sputum examination. Follow-up of treatment was poor and treatment was discontinued mid-way in several cases. Shortage of staff and untrained staff also contributed to poor performance.

National Programme for Control of Blindness (NPCB) from 1976 and a World Bank Assisted Cataract Blindness Control Project from 1994 were being implemented in the state. The prevalence of blindness was 0.63 per cent as of March 2001 as against the envisaged rate of 0.3 per cent. Blindness due to cataract was not assessed; the targets for cataract operations were fixed on an adhoc basis as a result of which the backlog of cataract operations as of March 2001 was not known. The reasons for the high prevalence of blindness were mainly due to poor performance in mobilising patients for surgeries, poor utilisation of funds, lack of IEC activities and poor follow-up.

(a) National Tuberculosis Control Programme (NTCP)

Central assistance of Rs.1.74 crore for purchase of TB drugs under NTCP was not utilised for more than 3 years and kept under "8443-Civil Deposits". Central assistance of Rs.86 lakh was lying unutilised under Revised National Tuberculosis Control Programme (RNTCP) with the District Tuberculosis Control Societies (DTCS).

(Paragraph 3.4.5.1)

Achievement figures for Examination of Sputum of New Patients was inflated. 76 per cent patients did not take the complete course of treatment and there was increasing incidence of TB during 1996-2001. 7 to 20 per cent new TB patients could not be brought under treatment.

(Paragraph 3.4.5.2 (b))

4 to 19 per cent of sanctioned posts were lying vacant and deployment of untrained staff ranged between 28 and 57 per cent.

(Paragraph 3.4.5.2 (d))

The cure rate and default rate ranged between 55 and 86 and 4 and 22 per cent respectively against the norms of more than 90 and less than 5 per cent under RNTCP.

(Paragraph 3.4.5.2(e))

Non-utilisation of TB drugs before expiry date resulted in loss of Rs.13.48 lakh.

(Paragraph 3.4.5.2(f))

(b) National Programme for Control of Blindness (NPCB)

Achievement of targets was very low as compared to the funds spent.

(Paragraph 3.4.5.3(a)(ii))

10 to 43 per cent catops only were contributed by Government sector. 50 per cent catops were performed in camps during 2000-01 against the norm of 20 per cent. As against the 1500 catops per annum per Mobile Ophthalmic Unit (MOU), the actual ranged between 505 and 897.

(Paragraph 3.4.5.4(a)(i) & (ii))

In test checked districts, vision could not be restored in 3120 cases (Jabalpur : 2036; Satna:1084). Only 5 per cent of the children identified for refracting error were provided spectacles.

(Paragraph 3.4.5.4 (b))

11 to 80 per cent ophthalmic posts in test checked districts were lying vacant (March 2001).

(Paragraph 3.4.5.4(d)(i))

32 Civil Works were incomplete as of March 2001 resulting in blocking of funds of Rs.1.77 crore with the PWD.

(Paragraph 3.4.5.4(d)(ii))

25 eyes in Eye Bank, Bhopal rendered useless during 1996-2001 as these were not found suitable due to mishandling etc.

(Paragraph 3.4.5.4(f))

Monitoring of both the schemes was inadequate. Survey conducted during 2000-01 under NPCB revealed the prevalence of blindness due to cataract as 0.63 per cent thus defeating the goal of the programme.

(Paragraph 3.4.6)

3.4.1 Introduction

To control the dreaded disease of tuberculosis, National Tuberculosis Control Programme (NTCP) was implemented from 1962. The scheme was revised in 1993 and a revised NTCP was introduced with the object of achieving a cure rate of at least 85 per cent by observing Directly Observed Treatment of Short Course Chemotherapy (DOTS).

A National Programme for Control of Blindness (NPCB) was introduced in 1976. Another World Bank-assisted Cataract Blindness Control Project was implemented from 1994. As per survey conducted by World Health Organisation in 1986-89, the prevalence of blindness in the country was 1.49 per cent. These programmes aimed at reducing the prevalence of blindness in the State from 1.49 to 0.3 per cent by the year 2000.

Shortcomings noticed in implementation of these two programmes are discussed in succeeding paragraphs.

3.4.2 Programmes implemented

The details of the programmes for the prevention and control of Tuberculosis and Blindness in the State, sources of finance and the envisaged goals were as follows:

	Programmes implemented	Source of finance and funding pattern	Objectives and envisaged goal
(i) Tuberculosis	(a) NTCP is being implemented in the State since 1962 to control the disease. Based on the findings of a review committee, a revised programme called Revised National Tuberculosis Control Programme (RNTCP) was evolved in 1993 with emphasis on cure of infectious cases through Directly Observed Treatment Short Course Chemotherapy (DOTS). World Bank assisted RNTCP was introduced as a pilot study in two centres of Bhopal district during 1994 which was extended (1998-99) to two districts of Bhopal & Vidisha and in 1999-2000 to Rajgarh district.	Central assistance is provided in cash and kind for meeting 50 per cent of the requirement of anti TB drugs and equipment. State Government meets the entire expenditure on running the TB institutions (towards staff, maintenance of buildings, vehicles etc.). Implementation of RNTCP in the districts was cent per cent financed byGOI.	DOTS under RNTCP was aimed to achieve a cure rate of over 85 per cent with emphasis on the augmentation of case finding activities to detect 75 per cent of the estimated new cases. Besides the standard regimen was to be strengthened in non RNTCP Districts.

(ii) Blindness	NPCB is being implemented in the State from 1976. A World Bank assisted Cataract Blindness Control Project (WBCBCP) is also being implemented in the State since April 1994. The project period was seven years upto 2000-01 which was extended by one more year, i.e. upto 2001-2002.	NPCB is a cent per cent centrally sponsored scheme. Under the World Bank project also, GOI is releasing assistance as per the Action plan approved every year by the Ministry of Health and Family Welfare.	The envisaged goal of NPCB and the World Bank project was to reduce the prevalence of blindness in the State from 1.49 per cent to 0.3 per cent by 2000 AD by providing comprehensive primary, secondary and tertiary levels of eye health care.
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3.4.3 Organisational set-up

Principal Secretary, Health & Family Welfare Department was overall incharge of all the schemes. The other officers who were in charge of the schemes were as given below:

National Tuberculosis Control Programme	National Programme for control of Blindness
<p>At the State level a full time State TB Officer in the post of Joint Director under the control of Director of Medical and Health Services (DHS) coordinates and supervises the programme activities.</p> <p>At the District level the Chief Medical and Health Officer (CMHO) is responsible for the implementation of the programme with the help of District Tuberculosis Centre (DTC) and Tuberculosis Unit (TU) at sub-district level and other health institutions in the district such as Primary Health Centres (PHCs) Civil Hospitals, etc.</p> <p>In addition, a State TB society in the office of DHS and District Tuberculosis Control Society (DTCS) in each district were established to ensure smooth implementation of the scheme.</p>	<p>At the State level, the programme was implemented by State Ophthalmic Cell headed by Joint Director under the DHS to monitor and co-ordinate the programme.</p> <p>At district level the programme is being implemented by District Blindness Control Societies (DBCS) which were formed in all districts with the District Collector as the Chairman, CMHO of the district as Secretary and the District Programme Manager (DPM) appointed by the District Collector on contract basis, to coordinate all NPCB activities in the district.</p>

3.4.4 Audit coverage

The implementation of the programmes for the period 1996-2001 was reviewed through test-check of records during December 2000 to July 2001 in the Director of Health Services M.P. Bhopal and Chhattisgarh, Raipur and CMHOs, DTOs and

DPMs of 8* out of 61 districts of combined MP & Chhattisgarh. Significant points noticed are given in the succeeding paragraphs.

3.4.5 National Tuberculosis Control Programme (NTCP)

Central assistance of Rs.1.74 crore reported to have been spent was lying unutilised in Civil deposits.

3.4.5.1 Financial performance

Details of allotment and expenditure under NTCP was as under:

(Rupees in crore)

Year	Allotment	Expenditure	Savings (-)/ Excess (+)
1996-1997	10.70	9.64	(-)1.06
1997-1998	10.98	9.46	(-)1.52
1998-1999	12.24	12.81	(+)0.57
1999-2000	11.02	12.38	(+)1.36
2000-01	12.11	12.24	(+)0.13
Total	57.05	56.53	(-)0.52

Excess expenditure during the year 1998-99 to 2000-01 was attributed (January 2002) by the Director to increased expenditure on pay and allowances of the staff. Audit observed that the expenditure shown during 1997-98 was inflated by Rs.1.74 crore as it was kept under "8443 Civil Deposits". Director stated that the funds kept under "Civil Deposits" were provided by Government of India for purchase of drugs for TB sputum negative cases and the same were not utilised for the purpose due to subsequent supply of drugs from GOI.

Consolidated position of funds received, expenditure incurred and balance lying with the societies under RNTCP was as under:

(Rupees in crore)

Year	Opening balance	Funds released by GOI	Total	Expenditure	Closing balance
1997-98	NIL	0.47	0.47	0.05	0.42
1998-99	0.42	0.15	0.57	0.21	0.36
1999-2000	0.36	0.73	1.09	0.67	0.42
2000-01	0.42	1.04	1.46	0.60	0.86
Total		2.39		1.53	

Thirty six per cent (Rs.0.86 crore) funds provided under RNTCP were lying unutilised at the end of March 2001. In test checked district Bhopal, Rs.0.13 crore was lying un-utilised. Director stated (January 2002) that the reasons for non-utilisation of funds have been called for from all the societies of three districts. Non-utilisation of funds adversely affected the programme.

* Bhopal, Guna, Indore, Jabalpur, Mandasaur and Satna out of 45 district from MP & 2 districts Bilaspur and Jagdalpur out of 16 district of Chhattisgarh.

3.4.5.2 Physical performance

66 per cent inflated achievements against targets for patients under going sputum examination.

(a) Targets and Achievements

Annual action plan under the NTCP was not prepared by the department. Targets for detection of new cases and sputum positive fixed by the GOI for each year were distributed to the districts on the basis of their population. Details of targets and achievements were as under:

Year	Targets			Achievements			Percentage of achievements		
	Detection of new cases	Number of patients under gone Sputum Examination	Sputum positive cases	Detection of new cases	Number of patients under gone Sputum Examination	Sputum positive cases	Detection of new cases (Col. 2 & 5)	Patients under gone Sputum Examination (Col. 3 & 6)	Sputum positive cases (Col. 4 & 7)
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
1996-97	87220	Nil	26110	83429	Nil	10868	96	--	42
1997-98	87220	Nil	26110	81128	Nil	12150	93	--	47
1998-99	103864	Nil	38468	78813	Nil	18387	76	--	48
1999-2000	--	391730	39170	--	364475	23683	--	93	60
2000-01	--	293744	29370	--	291484	22666	--	99	77

NB: Upto 1998-99 targets were given by GOI for detection of new cases whereas from 1999-2000 targets were related to patients who have undergone Sputum examination.

Reasons for shortfall in detection of new cases during 1998-99 and sputum positive cases during 1996-2001 were not intimated to audit. However, audit scrutiny revealed that the shortfall during 1998-99 was due to reporting of new cases of only Primary Health Centres and non-reporting of cases registered at district hospitals. It was, further noticed that for the number of patients undergoing sputum examination during 1999-2000 and 2000-01, the department reported the number of sputum slides examined instead of number of patients. Thus, the achievement under number of patients undergoing sputum examination was inflated as three sputum tests are required to be conducted for each patient.

Detection of new cases against the targets during the period 1996-97 to 2000-01 ranged between 62 and 147 per cent. While achievement in Bilaspur, Guna, Jabalpur, Jagdalpur and Mandasaur ranged between 62 and 98 per cent, in Bhopal, Indore and Satna it was between 113 and 147 per cent. Director stated (January 2002) that the higher achievements were due to organisation of TB camps by the district officers.

Defaulter rate in taking complete course of treatment in the State was 76 per cent.

(b) Low cure rate

Short course chemotherapy envisages complete cure of TB within 6 to 8 months if regular and complete course of treatment is taken. Analysis of the programme in the state during 1996-2001 revealed that only 24 per cent of patients had taken the

complete course of treatment. Information on re-treatment cases was not available. Percentage of patients taking complete treatment excluding defaulter patients, migrated patients and death cases was 27 per cent. Re-treatment cases were between 3 and 30 per cent at Guna, Indore, Jagdalpur, Mandsaur and Satna whereas this information was not available at Bhopal, Bilaspur and Jabalpur. No reasons for the low cure rate and high percentage of defaulters were given by the Director and CMHOs. However audit observed that non-counselling of the patients for taking regular and un-interrupted treatment resulted in high percentage of defaulter patients.

Further, there was increasing trend in number of TB patients in the state and 7 to 20 per cent new TB patients could not be brought under treatment. Director stated (June 2001) that the patients changed their residence after detection of the disease and therefore all patients could not be brought under treatment. Reply was not tenable as no follow up action like field visits were under taken by health workers.

(c) Detection of infectious TB patients

Details of TB patients and details of sputum examinations carried out, are shown in **Appendix XXVI**. The percentage of sputum positive cases found in the state ranged between 5 and 6 during 1996-97 to 1999-2000 and 8 per cent during 2000-01 against 10 per cent stipulated as normal by the Director. Less than 10 per cent detection of positive cases indicated that either the potential TB patients were not identified properly or the quality of sputum test was poor. In test-checked districts, sputum positive cases ranged between 3 and 9 per cent except at Bhopal where it was 22 per cent.

It was observed that after treatment only 59 per cent positive cases were converted into TB negative cases in test checked districts. Reasons for low conversion of positive cases into negative cases were not given by the Director/CMHOs.

In Jabalpur and Satna sputum of the patients was examined only once against the norms of thrice. CMHO Jabalpur stated that due to shortage of laboratory technician and financial stringency, three tests could not be conducted, CMHO Bilaspur stated that since the positive cases were already detected by way of X-ray examination there was no need to conduct three tests. The reply of CMHO Bilaspur was not tenable as X-ray positive diagnosis is not a confirmed test for positive cases.

(d) Establishment of District Tuberculosis Centre (DTC)

DTC functioned as referral centre and nodal point for control of TB in the district whereas all the peripheral health institutions acted as referral centres in the state. 441 microscopic, 267 X-ray and 1197 referral centres were formed in the State under the NTCP. Details of staff are shown in **Appendix XXVII**. It was observed that 24 posts (DTO : 5, ASOs : 9, TO :8 and X-ray Tech :2) were lying vacant as on 31 October 2000 under NTCP which was 4 to 19 per cent of the sanctioned posts. Further the percentage of untrained staff deployed was between 28 and 57 per cent. It was, further observed (June 2001) that work in 16 districts of newly created Chhattisgarh State was being carried out by the existing staff of the mother districts. While Director, Health Services, Madhya Pradesh did not

Identification of infectious TB patients and their conversion into non-infectious patients was low.

Deployment of untrained staff under NTCP was 28 to 57 per cent and 4 to 19 per cent posts were vacant.

intimate the reasons for vacant posts, Director, Health Services, Chhattisgarh stated that non creation of 9 posts of DTO has affected the implementation of the TB Control Programme adversely. In test checked districts 22 per cent sanctioned posts were lying vacant as on 31 March 2001 and 41 per cent staff posted was untrained.

(e) Revised National Tuberculosis Control Programme

Low achievement against performance indicators set by GOI.

The programme envisaged achievement of cure rate of at least 85 per cent and conversion of sputum positive cases into negative of more than 90 per cent by observing Directly Observed Treatment of Short course Chemotherapy. Details of treatment are given in **Appendix XXVIII & XXIX**. Achievement under the programme in the State during 1999 and 2000 are shown in **Appendix XXX**.

The data revealed that the expected conversion rate of sputum positive into sputum negative (more than 90 per cent) was not achieved during 1999 & 2000. It was ranging between 80 and 88 per cent. As against the prescribed cure rate of 85 per cent and default rate of 5 per cent, the actual cure rate ranged between 55 and 86 per cent and default rate ranged between 4 and 22 per cent even after the close follow up action by health workers under RNTCP. Director, Health Services, Madhya Pradesh stated that the low cure rate and high default rates were due to discontinuance of treatment by the migrant patients for employment purposes.

Low achievement led to continued prevalence of TB in the State. The impact of the programme could not be adjudged as no survey was conducted.

(f) Loss of Rs.13.48 lakh on time expired medicines

Avoidable loss of Rs.13.48 lakh due to non utilisation of drugs before expiry period.

TB drugs for sputum positive cases were supplied by the GOI. Test check revealed that the following time expired drugs were lying un-utilised in October 2001.

Medicines	Quantity available	Date of expiry	Cost (Rupees in lakh)	Name of districts where medicines were lying
1.	2.	3.	4.	5.
Tab INH 100 mg	21.89 lakh	9/99 to 11/99	1.75	Bhopal, Ratlam, Morena, Shivpuri
Tab INH 300 mg	16.68 lakh	11/99 to 12/99	3.08	Sehore, Morena, Shivpuri, Mandla, Rajnandgaon and Sidhi
Tab INH 150 mg + TZN - 50 mg	46.49 lakh	10/99 and 11/99	8.65	Sehore, Bilaspur, Rajgarh, Shivpuri, Rajnandgaon, Sidhi Ratlam and Bhopal
Total			13.48	

Thus drugs costing Rs.13.48 lakh had been rendered worthless and the department failed to initiate timely action to divert the drugs to other places. Director Health Services stated (October 2001) that medicines were received in excess of requirement. This is not acceptable and surplus drugs could have been transferred to needy places.

3.4.5.3 National Programme for Control of Blindness (NPCB)

3.4.5.3.a Financial performance

3.4.5.3.a(i) Allocation and expenditure

Details of budget provision and expenditure under NPCB and WBCBCP are given below:

(Rupees in crore)

Year	NPCB			WBCBCP					
	Budget provision	Expenditure	Excess	Allocation	Opening Balance	Released by GOI	Total	Expenditure	Closing balance
1996-97	3.65	3.71	0.06	3.22	1.61	4.00*	5.61	3.08	2.53
1997-98	3.65	3.98	0.33	2.15	2.53	1.60	4.13	4.04	0.09
1998-99	6.64	7.57	0.93	1.13	0.09	5.46	5.55	1.27	4.28**
1999-2000	5.81	7.05	1.24	3.66	4.28	2.23	6.51	5.62	0.89
2000-01*	5.81	6.01	0.20	1.92	0.89	1.54	2.43	1.44	0.99
TOTAL	25.56	28.32	2.76***	12.08	1.61	14.83	16.44	15.45	0.99

* Excess release was balance amount of Central assistance for the year 1994-95.

** Due to late receipt of funds from GOI.

*** Due to increase in pay and allowances of the Staff.

3.4.5.3.a(ii) Grant to District Societies

Grants released and expenditure incurred by the District Societies in test checked districts (**Appendix XXXI**) indicate that in Bhopal, Jabalpur and Jagdalpur districts whereas 64 to 90 per cent of funds released were utilized, the achievement of physical targets ranged between 3 and 27 per cent only.

3.4.5.4.a Physical performance

3.4.5.4.a(i) Targets and achievement

As per the norms 400 catops per 1 lakh population were required to be performed. Annual Action Plan in test checked districts proposed more than 400 catops at Indore, Jabalpur and Satna and less than 400 catops at Guna, Mandsaur and Jagdalpur. Bhopal and Bilaspur did not prepare the Action Plan. Director, Health Services stated (October 2001) that GOI had fixed adhoc targets for cataract operations in various districts.

Survey during 2000-01 revealed that the prevalence rate of blindness was 0.63 per cent against 0.3 per cent contemplated in the programme. Thus the targets fixed were unrealistic.

* Apart from above, the details of amount provided to newly formed (November 2000) Chhattisgarh State and expenditure there against were as under :-
Budget Provision Rs.78.74 lakh; Expenditure Rs.72.22 lakh; Savings (-) Rs.6.42 lakh (under pay and allowances)

Achievements of physical targets was very low as compared to the funds spent.

Details of cataract Surgery Operations against targets were as under:

Shortfall in cataract surgery operations.

Year	No. of cataract surgery operation			Cataract surgery operations in camps		
	Target (in lakh)	Achievements (in lakh)	Percentage	Camps organised (Number)	Cataract operation conducted (Number)	Percentage of Cataract operation in camp
1.	2.	3.	4.	5.	6.	7.
1996-97	2.50	2.13	85	1890	26122	12
1997-98	2.80	2.53	90	1459	30201	12
1998-99	3.08	2.86	93	2512	40354	14
1999-2000	3.00	2.75	92	2604	22718	08
2000-01	2.40	2.33	97	2175	117445	50

The average number of cataract operations carried out in the camps was less than norm of 20 per cent catops in camps. The high percentage of operations in camps during 2000-01 was attributed by the Director to the operations organised by the NGO at Satna which was equipped with advance technology and cataract patients from other State/districts were coming for operation there. Achievements in test checked districts ranged between 45 and 110 per cent. Audit, however, observed that in the test checked district during the period of 1996-2001 achievements included cataract operations conducted by private doctors and Camp operations by the NGOs ranged between 2 and 96 per cent.

Further 45 Mobile Ophthalmic Units (MOU) including 7 CMU and 5 Medical College Mobile Units were established. As against 1500 catops per MOU per year, the achievement of the MOU during 1996-2000 ranged between 505 (34 per cent) and 897 (60 per cent). Reasons for low achievement were not on record.

In order to clear the backlog of operations target of 700 operations per ophthalmologist per year was laid down by the GOI. Audit observed that target of 569 catops was however fixed for each ophthalmic surgeon by the State Government. No reasons for fixing a lower target despite availability of sufficient beds in the government hospitals were furnished.

3.4.5.4.a(ii) Poor performance under Government Sector

Cataract surgeries were assigned to three sectors viz. Government, Non-Government Organisations and private sector. The detailed break-up at the State level were not available. However, scrutiny of details given in the table in preceding paragraph revealed that in test checked districts during 1997-2001 the Government sector contributed only 10 to 43 per cent cataract surgeries, inspite of incurring expenditure of Rs.1.67 crore on construction of 20/10 bedded eye wards with OT during 1994-2001 and creation of 160 posts of Medical & Para Medical Ophthalmic Assistants (PMOA's) in PHCs, CHCs, Mobile units, Hospitals etc. The targets were not achieved by Government sector in the test checked districts.

10 to 43 per cent catops contributed by Government sector.

3.4.5.4.b Failures of cataract surgery, post operation complication, screening of refracting error

(a) Details of screening of refracting error even after cataract surgery, post operation complication and rehabilitation of incurably blind in the State were not maintained by the Director, Health Services, M.P. However, scrutiny of records of the test checked districts revealed that non-restoration of vision due to post operations complications were noticed in 3120 cases at Jabalpur (2036) and Satna (1084) which was 9 and 1 per cent of the total catops conducted.

(b) 16.14 lakh school going children were examined in the test checked districts for detecting refracting errors and 71610 children were identified for refracting errors but only 3505 children (5 per cent) were provided spectacles. Reasons for coverage lower number were not intimated to Audit.

3.4.5.4.c Information, Education and Communication (IEC)

Non taking up of IEC programme.

Action plan for IEC at the state level was not prepared. Director Health Services Madhya Pradesh stated (June 2001) that allocation on this component was done at the National level and publicity material received from Government of India, was being utilised. Against allocation of Rs.47 lakh provided by GOI for IEC, only Rs.10.57 lakh (Rs.5.32 lakh provided to districts for hoardings and details of Rs.5.25 lakh were not available with Directorate) were spent. Test check revealed that no IEC work was conducted in 6 districts (Bhopal, Bilaspur, Guna, Indore, Jabalpur and Jagdalpur).

3.4.5.4.d Infrastructure

3.4.5.4.d(i) Manpower Management

Inadequate ophthalmic services due to vacant posts.

For creation of permanent infrastructure for eye health care State Government identified 665 PHCs (upto 1986-87: 346; 1987 to 1996:319), 7 CHCs (1995-96), 55 District Hospitals (upto 1986-87: 45; 1995-96:10) including 4 Civil Hospitals. 45 Mobile Ophthalmic Units (upto 1986-87:18; 1988-96:27) were also set up. Audit, however, observed, that the details of actual man power were not available with the State Project Cell sanctioned and set up in 1994-95. Details of man power in test checked districts is shown in **Appendix XXXII**. Posts of ophthalmic surgeons (3), assistants (11), nurses (1), OT assistant (1) and camp coordinator (4) were lying vacant for more than 5 years (1996-97). Reasons for keeping the posts vacant were not intimated. Shortage of ophthalmologist also contributed to lower number of catops performed by Government sector.

3.4.5.4.d(ii) Construction work

Non utilisation of infra structure developed for extension of ophthalmic services.

Government of India provided Rs.11.50 crore for the construction of 10/20 bedded eye wards with operation theatres and dark rooms at various places in the State. Details of construction works as on March 2001 was as under:

Particulars of Works	Sanctioned works	Position of construction works				Funds provided by GOI	Expenditure incurred	Balance lying with PWD & State Government
		Completed & handed over	Completed but not handed over	Incomplete	Total			
(Rupees in lakh)								
1.	2.	3.	4.	5.	6.	7.	8.	9.
20 Bedded eye ward with operation theatre	24	19	--	05	24	342.48	299.85	42.63
10 Bedded eye ward with operation theatre	54	37	04	13	54	546.72	465.46	81.26
Dark rooms	483	456	13	14	483	260.80	207.93	52.87
Total	561	512	17	32	561	1150.00	973.24	176.76

According to instructions from GOI all the works were to be completed by March 2001. Audit, observed that 32 works (Madhya Pradesh 24; Chhattisgarh: 08) were incomplete (October 2001). World Bank National Consultant (Infra Development) Team during their inspection had observed that the quality of construction was generally unsatisfactory. The team also observed that completed and handed over buildings were also not put to use because of shortage of staff and other facilities. Director intimated (October 2001) that a committee under the Chairmanship of Principal Secretary Health Department reviewed the construction work and defects/deficiencies noticed have been corrected by the PWD. It was further observed by the Audit that the newly constructed 20 bedded ward with OT at Bhopal was not put to use due to the existence of SULABH COMPLEX in the vicinity and absence of separate source of water. Thus faulty selection of sites for construction, delay in completion of works and non utilisation of completed works not only resulted into blocking of funds Rs.1.77 crore but also deprived the ophthalmic patients the much needed operations and facilities.

3.4.5.4.e Training

Targets for training under Intra Ocular Lense (IOL) surgery were not fixed by the department. 107 eye surgeons were trained and 34427 IOL surgery operations were conducted at Bhopal (7279), Bilaspur (1581), Indore (23968) and Jabalpur (1599) during the period from 1997-98 to 2000-01. It constituted only 10(Bhopal), 6(Bilaspur), 27(Indore) and 3(Jabalpur) per cent of the total operations conducted in the respective districts as against the target of 30 per cent prescribed by GOI.

3.4.5.4.f Eye banks

Though State level position of establishment of eye banks was not available with the Directorate, eye banks in all the 6 medical colleges were established. Test check of records of Medical College, Bhopal revealed that during the period 1996-2001 out of 106 eyes collected, 25 eyes could not be utilized as these were not found suitable due to mis-handling etc. and these were used for research purposes.

Performance of IOL surgery operations was much less than the 30 per cent target laid down by GOI.

3.4.6 Monitoring and Evaluation

**Inadequate
monitoring and
evaluation**

Programme Implementation Committee under the Chairmanship of the Secretary of Public Health was not formed. DBCS of the districts were visited by the Principal Secretary/Commissioner, Director and Joint Director of Health Services as per requirement but no records of such visits were maintained. Monitoring of the programme at the State level was not adequate as data on working strength of ophthalmic staff, data on post operations complications, non-restoration of vision after catops etc. were not available at the Directorate. Survey conducted during 2000-01 revealed that the prevalence of blindness in the state was 0.63 per cent and the target of reducing the blindness to 0.3 per cent by 2000 AD could not be achieved.

The above points were referred to the Government in September 2001; the reply had not been received so far (January 2002).

School Education Department

3.5 District Institutes of Education and Training

Highlights

District Institutes of Education and Training (DIETs) were established in all the 45 districts in the State during 1987-90 under the Centrally Sponsored Scheme of "Restructuring and Reorganisation of Teacher Education" with the main purpose of providing pre-service teacher education course, training orientation programmes for elementary school teachers, for Adult Education (AE) and for Non Formal Education (NFE) personnel. Despite providing Rs.26.22 crore for construction of DIET buildings in all the 45 districts only 24 could be handed over to the department as of April 2001. Under utilisation of academic staff was noticed and only 12 to 68 per cent of available mandays were utilised for in-service teachers training and no training was provided to AE personnel and NFE personnel during 2000-01. Other activities like field interaction, field study, action research, experimentation etc. were almost ignored. Thus the objectives of DIETs could not be fulfilled.

Excess central assistance of Rs.3.11 crore was irregularly claimed on travelling allowance for in-service training programme (Rs.1.87 crore), inflation of expenditure (Rs.1.11 crore) and non-deduction of State's liability (Rs.0.13 crore).

(Paragraph 3.5.5.1, 3.5.5.2 & 3.5.5.3)

Despite providing Rs.26.22 crore for construction of 45 DIET buildings only 24 buildings out of 35 completed could be taken over.

(Paragraph 3.5.7.1)

Rs.0.51 crore under Special Orientation Programme for Teachers, were misutilised.

(Paragraph 3.5.8.2 (iii))

Percentage of mandays of staff utilised for in-service teachers training in test checked DIETs ranged from 12 to 68 per cent.

(Paragraph 3.5.8.3)

Central assistance of Rs.1.47 crore remained unspent with SCERT and Rs.1.48 crore was incurred on salaries of idle training staff.

(Paragraph 3.5.8.4.1 & 3.5.8.4.2)

3.5.1 Introduction

The new National Policy of Education (NPE) adopted by the Government of India (GOI) in May 1986 emphasised teacher education and a Centrally Sponsored Scheme of "Restructuring and Re-organisation of Teacher Education" was approved by GOI in October 1987. One of the components of the scheme was establishment of 'District Institute of Education and Training' (DIET) in each district by upgrading the existing Basic Training Institutes (BTI). A new DIET was to be established in the district having no BTI. The main purpose was to provide (i) training/orientation of elementary school teachers, headmasters of schools, instructors and supervisors of non-formal and adult education, resource persons etc. (ii) academic and resource support to elementary and adult education system and (iii) research and experimentation to deal with specific problems. Accordingly GOI sanctioned upgradation of 40 BTIs out of 46 existing BTIs as DIETs on the basis of their performance and also sanctioned 5 new DIETs during 1988-90.

3.5.2 Organisational set-up

At the State level, DIETs were controlled by the Principal Secretary, School Education Department and Director, State Council of Educational Research and Training (SCERT). At district level Chief Executive Officer, District Panchayat and at DIET level, the Principal, assisted by Vice Principal were responsible for the proper functioning of DIET. Construction of DIET buildings was the responsibility of the State Public Works Department (PWD).

3.5.3 Audit coverage

Test check of records in the offices of Directors, SCERT, Bhopal and Raipur, Engineer in Chief, PWD Bhopal and 15 out of 45 Principals DIETs* (functioning in M.P. and Chhattisgarh State) for the period 1996-2001 was conducted during February to May and August 2001. The results are in succeeding Paragraphs.

3.5.4 Funding Pattern

GOI provided assistance for meeting recurring expenditure on salaries of staff, training programmes conducted (except Travelling Allowance (TA) during training) and contingent expenditure incurred by DIETs. In addition, non recurring assistance was also provided for civil works and procurement of equipment. The State Government's liability was limited to extant expenditure on erstwhile BTIs at the time of their conversion into DIETs. Expenditure on TA during training was also to be borne by the State Government.

3.5.4.1 Budget outlay and expenditure

The details of funding and expenditure were as under:

(Rupees in crore)

Year	Provision made in State Budget	Expenditure during the year	Savings	State Government liability	Central assistance due	Central assistance received during the year	Unspent balance of Central assistance at the end of the year
1.	2	3	(2-3)4	5	(3-5)6	7	(7-6)8
1996-97	12.95	9.63	3.32	1.88	7.75	8.95*	(+)1.20
1997-98	12.20	11.21	0.99	1.88	9.33	10.16	(+)0.83
1998-99	20.78	15.69	5.09	1.88	13.81	13.77	(-)0.04
1999-2000	21.24	17.40	3.84	1.88	15.52	19.17	(+)3.65
2000-01**	25.83	15.81	10.02	1.88	13.93	15.45	(+)1.52
Total	93.00	69.74	23.26	9.40	60.34	67.50	(+)7.16

There were persistent savings ranging between Rs.99 lakh to Rs.10.02 crore. Savings amounting to Rs.1.53 crore was noticed in Chhattisgarh State during 2000-01. The reasons for saving were failure to conduct field interaction, field study, action research and experimentation etc.

3.5.5 Financial management and control

3.5.5.1 Excess claim of assistance for recurring expenditure

Claims of reimbursement were 48 per cent over and above the expenditure of previous year.

Reimbursement of Rs.1.11 crore in excess of actual expenditure.

(i) GOI provided assistance for recurring expenditure on the basis of estimates, submitted by SCERT through School Education Department based on the requirement obtained from DIETs. Unspent balances were required to be adjusted. It was observed that Rs.23.28 crore were proposed for 1999-2000 which was 48 per cent higher than expenditure incurred in 1998-99.

(ii) A scrutiny of Monthly Expenditure Returns (MERs) received from DIETs and expenditure reported to GOI by SCERT for adjustment of grant revealed excess claim of Rs.86.58 lakh during 1998-2001. In 9 test checked DIETs excess claim was Rs.24.69 lakh during 1996-98.

3.5.5.2 Irregular claim of Central assistance for travelling allowance

Irregular reimbursement of Rs.1.87 crore of travelling allowance to "in-service participants".

Travelling allowance of in-service participants was to be borne by the State Government but Rs.1.87 crore was included in the recurring expenditure of DIETs and claimed by State Government for reimbursement during the period 1998-2001.

* Includes unspent balance of Rs.1.63 crore as on 1.4.96

** On the formation of Chhattisgarh State with effect from 1 November 2000- central assistance amounting to Rs.2.54 crore (included in Rs.25.83 crore) was allocated to Chhattisgarh State for meeting expenditure during November 2000 to March 2001. Out of which an expenditure of Rs.1.01 crore only inclusive State's Committed liability of Rs.0.24 crore, was incurred and the central assistance of Rs.1.53 crore remained unspent as on 31 March 2001 with Chhattisgarh State.

3.5.5.3 Non deduction of State Government's liability in respect of Bastar DIET

State Government's committed liability of Rs.0.13 crore was included in the claim.

Central assistance was to be exclusive of State Government's committed expenditure on erstwhile BTIs upgraded to DIETs. But the State's liability for Bastar BTI amounting to Rs.13.25 lakh for the period 1996-2001 was not deducted on the ground that it was running under tribal welfare department. The reason was not tenable as the expenditure on erstwhile BTIs was to be borne by the State Government irrespective of the department.

3.5.6 Man Power Management

3.5.6.1 Large vacancies

Large number of posts were lying vacant.

Each DIET was to be provided with a Principal, a Vice Principal, Senior Lecturers, Lecturers, experienced teacher along with supporting personnel. GOI approved 38 to 48 posts (teaching and non teaching) for each DIET in the State. Out of 1202 academic and 946 other supporting posts sanctioned for 45 DIETs, only 696 academic and 631 supporting posts were filled and 506 academic (42 per cent) and 315 supporting posts (33 per cent) were vacant as of April 2001.

3.5.6.2 Non formation of cadre

Non formation of DIET cadre even after a lapse of ten years.

Formation of suitable cadre for the DIET faculty and its management, recruitment procedure, eligibility criteria and determination of levels and pay scales of various posts was the responsibility of State Government. However no separate DIET cadre was formed even after a lapse of more than ten years. Although the recruitment rules for gazetted cadre of DIET were framed by the Government in February 1994 which provided for 25 per cent recruitment of Sr. Lecturers and cent per cent by direct recruitment of Lecturers. No direct recruitment of Sr.Lecturer/Lecturer has been carried out till December 2001.

As regards recruitment for non-gazetted posts like experienced teachers, librarians, statisticians and other office staff, no recruitment rules were framed so far and all the posts were being filled in by the District Education Officers. The basis on which the staff for these disciplines was appointed, was not intimated.

3.5.6.3 Irregular reimbursement of expenditure on unsanctioned posts

Irregular reimbursement of expenditure of Rs.1.28 crore on posts not sanctioned by GOI.

(i) 16 part-time computer teachers in 16 DIETs (not sanctioned in DIETs) were appointed without approval of GOI and the expenditure on their pay and allowances amounting to Rs.8 lakh during 1996-2001 was irregularly got reimbursed. Similarly no posts were sanctioned for music teacher and physical training Instructors; 7 Music teachers and 2 Physical Training Instructor (Ambikapur 2, Bemetra 1, Bhopal 2, Indore-1, Khargone-1, Raipur 1 and Shahdol-1) of erstwhile BTIs continued to be deployed and their pay and allowances amounting to Rs.0.47 crore were paid for, against the vacant posts of lecturers and got reimbursed from GOI

(ii) Four under qualified teachers (Bemetra 1, Khargone 2 and Indore 1) were irregularly posted from Education Department and their pay and allowances

amounting to Rs.0.15 crore from 1996-97 to March 2001 were got reimbursed from GOI.

(iii) Wages amounting to Rs.45 lakh in respect of 20 daily wage peons for the period 1996-2001 (Ambikapur-3, Pendra-5 and Raipur-12) not sanctioned by GOI, were irregularly claimed although this expenditure was to be borne by State Government.

(iv) 16 officials including 6 lecturers of 5 DIETs (Bhopal-2, Gwalior-5, Raisen-6, Sehore-2 and Shivpuri-1) were attached with SCERT and other offices in excess of sanctioned strength during July 1997 and September 2000. Their pay and allowances amounting to Rs.13 lakh were irregularly got reimbursed from GOI.

3.5.7 Progress of DIET buildings

3.5.7.1 Increase in cost of construction inspite of curtailment in specifications

Inspite of irregular curtailment in specifications, the expenditure on construction of DIET buildings could not be contained within prescribed cost ceiling.

GOI accorded sanction (1987-90) for construction of Institute building, Hostel building (100-150 seaters) and staff quarters inclusive of basic amenities and special repairs at a total cost of Rs.20.61 crore for all the 45 DIETs and provided Rs.20.61 crore during 1987-95, with the instructions that all the new buildings would be designed and constructed in most economical manner and all effort should be made to construct hostel buildings having intake capacity as sanctioned. Building work would be taken up in such a manner so as to be within the cost ceiling indicated in the sanctions.

State Government instructed PWD (January 1993) for curtailment in specifications (Institute's buildings by one floor and intake capacity of hostels from 100 to 58 seats and from 120-150 to 90 seats in respect of 13 and 11 DIETs respectively). In spite of curtailment in specification, State Government demanded (November 1996) additional funds of Rs.10.19 crore for completion of all 45 buildings against which the GOI released (March 1997) Rs.5.61 crore. The progress of DIETs buildings reported (April 2001) by SCERT/PWD revealed that though the building work in respect of 35 DIETs (out of 45) was completed, only 24 buildings were handed over to the department after incurring an expenditure of Rs.27.24 crore upto March 2001. Despite curtailment, expenditure was not within sanctioned cost.

The position of construction works in test checked DIETs was as under:

Sl. No.	Name of DIET	Construction works to be executed	Amount and date of Administrative approval	Details of works actually executed	Expenditure incurred	Present status of the work
1.	Dhar	1. Institute building with First floor 2. 150 seated hostel 3. Staff quarters 6 Nos.	0.64 crore/ March 1991	1. Institute's building upto ground floor only excluding finishing work 2. 58 seated hostel building excluding finishing work 32 seater girls hostel not started 3. Staff quarter work not started	1.18 crore	The works were lying incomplete since February 2001 for want of revised Administrative Approval for Rs.1.52 crore. Submitted to SCERT (April 2000)
2.	Khandwa	1. Institute's building with First Floor 2. Hostel building 120 seated 3. Staff quarter 6 Nos.	0.50 crore/ March 1991	1. Institute's building excluding finishing work 2. Hostel building 60% roof completed 3. Staff quarters work not started	0.39 crore	The works were lying incomplete since February 2000 for want of revised Administrative Approval of Rs.1.24 crore submitted (1996-97)

There was cost over run of Rs.54 lakh due to abnormal delay in allotment of suitable land, allotment of funds, sanction of revised estimates and administrative approval in Dhar DIET. However no reasons for slow progress of work, and increase in cost were intimated by Principal DIET Khandwa.

3.5.7.2 Unauthorised use of DIET buildings

(i) Although DIET buildings at Bhopal constructed at a cost of Rs.79.16 lakh were handed over to Department during 1993-96, the institute was still running in the old BTI building as the newly constructed building was irregularly given to Shiksha Mahavidyalaya. Thus the DIET was deprived of its own building and sufficient space for the various additional activities entrusted to it.

(ii) Hostel building of DIET at Indore meant for stay of in-service teachers during trainings was irregularly transferred to Indian Institute of Management Indore (a Central Government College) in March 1998, as per instructions of SCERT. Neither any rent was being charged from the institute nor any agreement executed.

(iii) Two rooms of DIET building in Shahdol were allotted to the Zila Shiksha Kendra under Rajiv Gandhi Prathmik Shiksha Mission Shahdol as per verbal orders of Collector. Similarly one 'F' type quarter and one 'I' type quarter of DIET Shivpuri meant for residence of Principal and peon of the Institute respectively were allotted to other State Government officials by Collector. No approval was sought from SCERT/State Government/GOI.

Buildings meant for DIET were utilised for other activities in 3 districts.

3.5.8 Implementation of Programme and activities

3.5.8.1 Pre-service teacher education programme (D.Ed course)

Dropout rate in pre-service teacher education programme was 12 to 17 per cent.

GOI guidelines provided that a two year pre-service teacher education programme was to be organised by each DIET.

Test checked DIETs and SCERT revealed that only 75 to 85 per cent of the sanctioned seats were actually filled in out of which 12 to 17 per cent candidates dropped out without completing the course.

3.5.8.2 In-service training Programmes of elementary teachers

Non identification of training needs and non preparation of annual calendar of in-service teachers training by DIETs were noticed.

GOI guidelines provided for continuous in-service education of teachers to keep them abreast of the changes taking place in their professional environment, as also to develop their knowledge, skills and aptitudes. Every DIET was required to identify in-service training needs (short, medium and long term) of elementary school teachers and an annual calendar of training based on this exercise was required to be prepared by each DIET so that every working teacher was trained for a minimum duration of two weeks (preferably 3 to 5 weeks) over a cycle of five years.

No DIET prepared such annual calendar and no training programme was organised. DIETs stated that only short term training programmes mainly Special Orientation Programme of Training (SOPT) of 7 days and Sikhna-Sikhana package of 12 days, were conducted. Apart from these very short term training (2-3 days) on subject matter were also found conducted in test checked districts. The position of SOPT and Sikhna-Sikhana was as under :

Year	Special orientation programme of training			Sikhna Sikhana package		
	Targets	Achievement	Shortfall with percentage	Targets	Achievement	Shortfall with percentage
1993-97	1,48,000	20,581	1,27,419 (86%)	70,268 (1996-97)	46,500	23,768 (34%)
1997-98	Nil	Nil	--	1,48,000	1,12,000	36,000 (24%)
1998-99	Nil	Nil	--	2,00,000	1,27,609	72,391 (36%)
1999-2000	Nil	Nil	--	83,000	68,816	14,184 (17%)
2000-01	27,000	4188	22,812 (84%)	Nil	Nil	--

(i) It can be seen as against 1,75,000 teachers to be trained only 24,669 were trained under SOPT in 8 years. Training programmes were uneven and not conducted every year. The short fall in Sikhna Sikhana package achievements ranged from 17 to 36 per cent with no programme in 2000-01.

(ii) Criteria for fixation of targets and for selection of teachers for training programmes were not intimated by the department. Records relating to the reported achievements of training under Sikhna-Sikhana was not made available. The teachers of upper primary schools and those of non-government schools were not imparted any training meant for in-service teachers.

(iii) National council of Education Research and training (NCERT) New Delhi provided funds of Rs.1.28 crore to SCERT for providing training to 148000 teachers during 1993-96 under SOPT programme. Audit observed that no training was conducted during 1993-96. Out of Rs.1.28 crore Rs.0.51 crore were irregularly spent on purchase of equipment for DIETs during 1994-95 for which

Mis-utilisation of funds of Rs.0.51 crore of SOPT programme received from NCERT.

separate funds were already made available by GOI, Rs.0.67 crore were spent on training during 1996-97 and Rs.0.10 crore was lying in Bank accounts of SCERT. Thus funds of Rs.0.51 crore provided by NCERT for training were misutilised for purchase of equipment without approval of NCERT/GOI.

(iv) Notwithstanding the fact that 25795 copies of "NIRDESHIKA" book costing Rs.8.20 lakh out of 50,000 copies printed by SCERT during 1996-97 for SOPT training were lying unused in SCERT as no training was conducted during 1997-2000. 29000 copies of new "NIRDESHIKA" were got printed at a cost of Rs.7.13 lakh during 2000-01 when no training was conducted. Out of these new books, 24812 books costing Rs.6.10 lakh were also lying unused with SCERT and DIETs. This resulted in infructuous expenditure of Rs.14.30 lakh (Rs.8.20 + Rs.6.10 lakh).

3.5.8.3 Under utilisation of training staff

Under utilisation of training staff was noticed in test check DIETs.

Test check of records of 15 DIETs revealed that training was provided to in service teachers in a group of 40. The mandays of the academic staff utilised in test checked DIETs is given in **Appendix XXXIII** which revealed that the percentage of mandays of staff utilised for in-service teacher's training in test checked DIET's ranged from 12 to 68 per cent and was even less than 50 per cent in 11 out of 15 DIETs.

(i) Average number of mandays of academic staff utilised for training by DIETs during 1996-2001 ranged between 59 (Shahdol) and 248 (Ambikapur) against available 490 mandays and the overall position of mandays utilised per DIET per year worked out to 129 only.

(ii) No training was provided by DIET Dhar in 1999-2000 and by DIET Shahdol in 2000-01 and mandays utilised for training were negligible in DIET Sehore (9) and Datia (12) during 1997-98, by Dhar (3), Ambikapur (14) Bemetra (14) and Raisen (16) during 2000-01.

(iii) Thus lecturers posted in DIETs could not be properly and fully utilised.

3.5.8.4 Training

The District Resource Unit (DRU) comprising of one post of Vice Principal/Senior lecturer and four posts of lecturer (2 for AE and 2 for NFE), being an important branch of DIET, was to provide induction and Annual Refresher training for 31 days and 50 days to AE and NFE personnel respectively.

3.5.8.4.1 Training to Adult Education personnel

Unfruitful expenditure of Rs.1.48 crore due to non imparting training to AE Personnel.

(i) Although the DRUs were established in every DIET but no training to AE Personnel (Instructors and Supervisors) was provided in any of the DIETs as neither any instructions were issued nor any budget allotment made by SCERT. SCERT stated that it had no role in training of AE personnel. The reply was not tenable in view of the provisions contained in GOI guidelines and that specific staff was sanctioned and posted for training of AE personnel.

(ii) Further scrutiny of records of SCERT and 15 test checked DIETs revealed that though no training to AE's personnel was provided by DIETs, 26 lecturers

were working in 14 DIETs in DRU in excess of sanctioned posts. Expenditure of Rs.1.48 crore on their pay and allowances during 1996-2001, worked out at the average rate of emoluments proved unfruitful.

3.5.8.4.2 Training to Non-Formal Education personnel

(i) GOI granted Rs.3.16 crore for training of NFE personnel during 1996-2001. Audit observed that the total expenditure was only Rs.2.65 crore out of which the Central Share should have been only Rs.1.69 crore. Thus GOI assistance of Rs.1.47 crore remained unutilised with SCERT.

(ii) No training to NFE personnel was provided during the year 2000-01 as the scheme was discontinued by State Government in April 2000. 54 lecturers remained idle as no specific orders for utilisation of their services for other work were issued by SCERT. The expenditure of Rs.76.78 lakh on their pay and allowances during 2000-01 calculated at the rate of average emoluments proved unfruitful.

3.5.8.5 Other Activities

Other activities like field interaction, extension activities for dissemination of various educational information among educational workers and field study, action research and experimentation etc. which were primary responsibilities of DIETs were not found conducted in almost all the 15 test checked DIETs and funds of Rs.45 lakh provided by GOI to SCERT in 1999-2000 for extension activities were not utilised for the purpose as these were not released to the DIETs.

3.5.9 Institute's Library

The library which is an important unit for DIET was required to be equipped with about 10,000 books on various subjects and was to be run on Open Access system. The library was to remain open longer than the normal institute hours. One post of librarian and one post of clerk was exclusively sanctioned for the library. A Library Advisory Committee was also required to be set up in each DIET.

Rs.74.65 lakh was sanctioned by GOI as non recurring assistance to equip libraries but only Rs.4.65 lakh was reported (February 2001) to have been spent on books. Rs.70 lakh was kept in Civil Deposits which lapsed to Government accounts. The unutilised amount should have been returned to GOI and not allowed to lapse to help the State Government. The non establishment of Library denied the few teachers trained, an opportunity to increase their information levels.

3.5.10 Improper utilisation of computers

Computers worth Rs.29.60 lakh were supplied by SCERT in 20 DIETs during the year 1990-91 (4 Computer with printer in each DIET @Rs.1.48 lakh) and computers worth Rs.54 lakh were supplied by GOI to 25 DIETs (2 computer with printer @Rs.2.16 lakh in each DIET) in the year 1992-93. As regards utilisation of computers, SCERT directed (October 1995) that computers be used mainly for preparation of database of educational statistics.

Central assistance of Rs.1.47 crore remained unutilised with SCERT due to improper planning.

Non functioning of libraries as per provision of scheme.

A scrutiny of record of test checked DIETs however revealed that the computers were not being utilised for preparation of data base of educational statistics of the districts which would have been useful for functioning of DIETs particularly for conducting effective in-service teachers training programmes and ascertaining training needs. Further the computers supplied to DIET Raisen were not installed since 1992-93 and computers of Dhar DIET were transferred to other offices during 1995-96. Thus the main object for which computers were supplied to DIETs was not achieved.

3.5.11 Monitoring and Evaluation

(a) Monitoring

Complete lack of monitoring/evaluation.

A State level Steering cum Monitoring Committee was to be constituted and the Committee was required to meet every quarter or more frequently if necessary. Though the Committee was stated to have been formed the records relating to the formation of Committee was not made available to audit. Audit observed that no meetings were convened by the Committee during 1996-2001. Thus there was complete lack of monitoring of DIETs at State level.

Similarly at the District level, a Committee was required to be constituted to address to problems at field level but no such Committee was found functioning in 14 out of 15 DIETs test checked. Every DIET was also required to form a programme advisory Committee which would advise and guide the DIET in planning and conducting its programme and activities but such a programme advisory Committee was also not formed in 11 DIETs.

(b) Evaluation

In order to determine how far it succeeded in achieving its specific goals qualitatively and quantitatively, every DIET was required to conduct a self evaluation at the end of each academic year and submit report to SCERT. Further Central and State Governments, NCERT and SCERT were required to get performance of selected number of DIETs evaluated by a competent external agency with a view to evaluating their strengths and weakness and taking suitable action to make them more effective. But neither any DIET was self evaluated nor got evaluated by external agencies. No feed back on utility of training programmes was received.

On being pointed out in audit, Director, SCERT stated (April 2001) that such evaluation could not be conducted during 1996-2001 and would be started from this year.

The above points were referred to the Government in July 2001; the reply had not been received so far (January 2002).

3.6 Non-Formal Education

Highlights

'Non Formal Education' scheme introduced in February 1975 in Madhya Pradesh as a State Scheme and adopted by GOI in 1979-80 was reorganised in 1993. The scheme failed to achieve even its supplemental objectives of mopping up drop out children and increase in enrolment. The dropout rate was 96 per cent in primary and 84 per cent in upper primary level despite incurring an expenditure of Rs.157.98 crore on NFE in State sector during 1995-2001. Instead of improving the implementation of this scheme the State Government launched a new scheme "Education Guarantee Scheme" (EGS) with effect from January 1997 which ran parallel to NFE during 1996-97 to 1999-2000. Though NFE scheme was closed from 1 April 2000, the State Government continued to claim grant under the Scheme from GOI.

Opening of lesser number of NFE centres and non purchase of text books resulted in persistent savings ranging between Rs.1.12 crore to Rs.9.07 crore during 1995-99.

(Paragraph 3.6.6.1(i))

Central assistance of Rs.2.42 crore for payment of bonus, mass media/motivation, supervisors training etc. was utilised towards office expenses.

(Paragraph 3.6.6.2(ii))

Central assistance of Rs.10.50 crore released under NFE during 2000-01 was utilised on EGS as all NFE Centres were closed.

(Paragraph 3.6.6.3)

Condensed course for NFE learners, and specially designed teaching/learning material to meet the diverse needs of learners, were not developed by the SCERT.

(Paragraph 3.6.7.3 and 3.6.7.4)

Supply of Text Books costing Rs.94.92 lakh was delayed by 4 to 12 months and Teaching Learning Material (TLM) worth Rs.3.83 crore was purchased late by 8 to 30 months, of which material costing Rs.23.40 lakh was lying un-utilised.

(Paragraph 3.6.7.5(i),(ii) & 3.6.7.6)

Irregular purchases of Rs.50.76 lakh on items like furniture, Sports material and Stationery not provided under the scheme, and NFE teaching, learning, material worth Rs.12.09 lakh irregularly utilised on EGS were observed.

(Paragraph 3.6.7.5 (ii) (c) & (d))

Central assistance of Rs.44.46 lakh for lighting/fuel charges was irregularly claimed by NFE centres run during day time.

(Paragraph 3.6.7.6)

Percentage of children passed out in Vth and VIIIth Board examination with respect to enrollment during 1995-96 to 1999-2000 ranged between 2 to 5 and 6 to 9 per cent respectively indicated the poor performance of the NFE scheme.

(Paragraph 3.6.7.7)

Utilisation of Central assistance of Rs.3.79 crore released to 26 voluntary agencies for running 1875 NFE centres in 8 districts was doubtful.

(Paragraph 3.6.9(ii))

3.6.1 Introduction

"Non Formal Education" Scheme was introduced in February 1975 in Madhya Pradesh as a State Scheme and the same was adopted by GOI and launched at the National level from 1979-80. The National Policy on Education was adopted in May 1986 by GOI with a view to achieve the objectives of Universalisation of Elementary Education (UEE) and Non-Formal Education (NFE) was made an integral component.

3.6.2 Objectives

Specific objectives of the scheme were (i) to meet educational needs of out of school children by evolving curricula, learning materials, instruction methods, evaluation techniques, etc., relevant to the needs, environment and working life of learners; (ii) to establish partnership between the Government on the one hand and Non Government Organisation on the other hand to achieve the goal of UEE, (iii) to identify young persons from local community and train them to organise NFE centres and (iv) to give special attention to the training of women NFE organisers for furtherance of objectives of Women's development.

3.6.3 Organisational set up

Principal Secretary Education Department, Commissioner of Public Instructions (CPI) and State Council of Educational Research and Training (SCERT) were responsible at State level. They were assisted by Joint Directors at Divisional level and by District Education Officers and Assistant Directors, NFE at District level, and Project Officers at project level.

Overall administration, monitoring and supervision in a district were entrusted to Zila, Janpad and Gram Panchayats after introduction of Panchayati Raj institutions in the State in August 1994 and consequent delegation of powers to them in October 1996.

NFE scheme and its implementation at State level was transferred to Rajiv Gandhi Shiksha Mission (RGSM) in December 1999 and was finally closed from April, 2000.

3.6.4 Audit Coverage

Test check of records relating to implementation of NFE for the period 1995-96 to 1999-2000 in Secretariat, Directorate of Education, Rajiv Gandhi Shiksha Mission (State Education centre) 11* District Education Offices and Project offices thereunder, Zila Janpad Panchayats and Municipal Corporation/Municipalities was conducted during January to August 2001.

3.6.5 Funding of Scheme

Expenditure on the Scheme was required to be shared between Central and State Governments in the ratio of 60:40 for co-educational centres and 90:10 for exclusively girl's centres. Cent per cent central assistance was provided to NGOs, for running NFE centres and for experimental and innovative Projects.

3.6.6 Financial out lay/Budget Provision

3.6.6.1 Details of funding as per Appropriation Accounts was as under:

(Rupees in crore)

Year	Budget Estimate	Actual Expenditure	Excess (+)/ Savings (-) and percentage of savings	State Share in expenditure	GOI's Share in expenditure	Grant released by GOI	Excess grant released by GOI
1995-96	27.37	26.25	(-) 1.12 (4)	8.87	17.38	24.15	6.77
1996-97	30.27	25.30	(-) 4.97 (16)	7.53	17.77	26.46	8.69
1997-98	34.76	25.69	(-) 9.07 (26)	7.93	17.76	23.26	5.50
1998-99	34.11	30.44	(-) 3.67 (11)	9.17	21.27	28.70	7.43
1999-2000	36.07	37.86	(+) 1.79	11.36	26.50	25.78	(-)0.72
2000-01	37.02	12.44	(-)24.58 (66)	4.63	7.81	10.50	2.69
Total	199.60	157.98	(-)41.62 (21)	49.49	108.49	138.85	30.36

Persistent Saving due to non purchase of books and functioning of lesser number of NFE centres.

(i) Persistent savings ranging between Rs.1.12 crore to Rs.9.07 crore was due to functioning of 6 to 13 per cent less number of NFE centres than sanctioned and non purchase of books in these years. This reflected that budget estimates were not realistic and budgetary control was lacking.

(a) Eventhough the NFE scheme was closed in the State from April 2000, the Central assistance of Rs.10.50 crore received during 2000-01 was irregularly utilised towards EGS (State Government Scheme). Despite receiving an allocation of only Rs.10.50 crore, an expenditure of Rs.12.44 crore was irregularly booked under NFE during 2000-01 for reimbursement from GOI. Details are at Paragraph 6.3.

(b) Unspent Central assistance (ending March 2000) amounting to Rs.3.27 crore was reported by State Government while as per expenditure figures of Accountant General (A&E), it worked out to Rs.27.67 crore. On being pointed out CPI stated that discrepancy of Rs.24.40 crore was due to non-reconciliation of expenditure figures.

* Bhopal, Guna, Gwalior, Indore, Jhabua, Mandla, Seoni, Shivpuri and Tikamgarh (MP State) Raipur & Rajnandgoan (Chhatisgarh State)

3.6.6.2 Excessive financial assistance claimed

Central assistance claimed for sanctioned number of centres included nonfunctional /closed NFE centres.

(i) 340 Projects comprising 34080 NFE centres were sanctioned under this scheme. It was seen in audit that only 30654 centres (90 per cent of target) were functioning during the year 1995-96 and number of functioning centres gradually declined to 29536 (87 per cent) by 1999-2000. Despite less number of functioning centres the State Government claimed central assistance for all the sanctioned number of centers.

Director (RGSM) stated (January 2001), that closing/opening of NFE centres was a continuous process throughout the year as such funds were demanded on the basis of sanctioned number of centres (34080). The reply was not tenable as the number of centres functioning had never exceeded 32000 and nearly Rs.27.67 crore have been claimed in excess in 5 years.

It was further noticed that funds (Rs.3.15 crore as on 31 March 2001) were lying un-utilised with Zila Panchayats, Janpad Panchayats, Nagar Nigams and Nagar Palikas even after closure of the Scheme in March 2000. Department failed to initiate any action to recover unspent amount from these bodies.

(ii) Test check of records of 75 projects in 11 Districts revealed that Central assistance of Rs.4.60 crore was obtained, whereas expenditure reported was only Rs.3.40 crore. This was mainly due to non-payment of Bonus to instructors, mass media/motivation and supervisors training, for which central assistance was admissible and claimed.

Central assistance of Rs.2.42 crore was utilised on office expenses.

Similarly though assistance of Rs.1.22 crore was claimed for bonus, mass media/motivation and supervisor's training for remaining 265 Projects, no expenditure was incurred on these items. Audit further observed that the excess central assistance of Rs.2.42 crore obtained was irregularly utilised on office expenses.

3.6.6.3 Central assistance claimed under NFE was utilised on EGS

With a view to make EGS (a State Scheme running from 1997) more broad-based by providing a new institutional structure, and more importantly with the intention of utilising NFE funds for EGS, Government decided (September 1999) to close NFE scheme from April 2000. GOI while disagreeing with the above proposal directed the State Government (September 2000) that NFE scheme should not be disrupted during 2000-01, and EGS as such could be started from April 2001 and called for estimates. Notwithstanding the advice of GOI, State Government closed NFE Centres but submitted (December 2000) proposals for central assistance of Rs.25.51 crore which inter-alia included (i) Expenditure on administrative resource support (Rs.6.53 crore) (ii) Expenditure for 5 months (April-August 2000) on honorarium of instructors and recurring expenditure for 12 months for all 34080 sanctioned NFE centres (Rs.17.49 crore) and (iii) Expenditure for 9052 primary EGS schools and 2000 upper primary EGS schools started under Serva Shiksha Abhiyan (Rs.1.49 crore), against which only Rs.10.50 crore were released by GOI for running of NFE centres for 5 months (April - August 2000).

Central assistance of Rs.10.50 crore received under NFE during 2000-01 was utilised on EGS by State Government.

Contrary to instructions of GOI to continue the NFE Scheme upto March 2001 the Government of Madhya Pradesh transferred (April 2000) NFE officers and staff

to EGS/State Education Centres and Zila Shiksha Kendras of RGSM and clerical staff to Block Education offices (BEO's). As such entire central assistance of Rs.10.50 crore received during 2000-01 under NFE scheme was utilised on EGS by State Government.

3.6.7 Planning and Implementation

3.6.7.1 Base line survey

Survey of Children in the age group of 6 to 14 years who were living in hilly, tribal, educationally backward areas and urban slums and had remained out of Formal School Education was required to be conducted before opening NFE centres. NFE centres were opened on the basis of information submitted by instructors, who were either local unemployed youths, retired persons or part time workers of villages without the basic data viz. population of children comprising non-entrants, working children, out of school children including girls, dropouts, habitations without schooling facility etc.

3.6.7.2 Targets and Achievements

34080 NFE centres under 340 projects were sanctioned with 20 to 25 learners in each centre. The year wise details of NFE centres reported to be in operation and that found in 11 test checked districts was as under:

Year	Position of NFE centres functioning in the State			Position of NFE centres functioning in 11 test checked districts		
	Sanctioned	Actually Functioning	Percentage	Sanctioned	Actually Functioning	Percentage
1995-96	34080	30654	90	7500	6822	91
1996-97	34080	32000	94	7500	6563	87
1997-98	34080	29792	87	7500	6277	84
1998-99	34080	29790	87	7500	6194	83
1999-2000	34080	29536	87	7500	5688	76

The test check indicated that the number of functioning NFE centers was less than that sanctioned.

3.6.7.3 Non-development of condensed course

Guidelines provided that the entire curriculum of 5 years of Primary school was to be condensed and completed in 2 years. Curriculum of upper primary level was to be completed in three years. Audit observed that such condensed course was not designed and developed by SCERT, handicapping NFE centres run by State Government and voluntary organisations. SCERT stated (January 2001), that learning material of formal system Class-I to V was divided into 18 units, which were to be taught in two years to the children in the age group of 9 to 14 years at NFE centres and the children enrolled at the age of 6 years were taught that course in five years time. But the records substantiating their contention were not shown to audit. DEOs however, intimated that condensed course was not developed by SCERT and as such NFE learners were taught from formal school course books only.

Number of NFE Centres in test checked districts declined from 91 per cent to 76 per cent.

SCERT failed to design and develop envisaged condensed course.

3.6.7.4 Non development of specially designed learning material

Project officers failed to develop specially designed learning material for learners.

For covering the courses of Primary and Upper Primary levels within prescribed period of two and three years respectively, specially designed learning material i.e. maps, charts, books, game material etc. were to be developed at Project level. District Education officers and Project Officers of test checked districts intimated that specially designed teaching learning material could not be developed because all purchases relating to TLM were made by Zila Panchayats. The reply was not tenable as development of specially designed teaching material had no correlation with purchases. Verification of Stock registers of Project offices revealed that only routine items like slates, pencil, etc were purchased and distributed every year.

3.6.7.5 Delay in supply of books and TLM

Text books, equipments and TLM were to be supplied before start of academic session i.e. July each year.

(i) Purchase of Text books

Belated supply of books worth Rs.94.92 lakh.

In 6 out of 11 test checked districts 10 lakh text books costing Rs.94.92 lakh were distributed late by 4 to 12 months as per details given in **Appendix XXXIV**. No books were purchased in Jhabua district during 1995-96 & 1998-99 and in Guna and Seoni districts during 1998-99. While DEO Jhabua stated that books were purchased as per requirement, DEO Seoni intimated that purchases for 1998-99 were made in October 1998 but could not produce records substantiating the purchase.

(ii) Purchase of Teaching, Learning Material (TLM)

Belated purchase of TLM Rs.3.83 crore by Zila Panchayat during 1996-2000.

(a) Purchase of TLM costing Rs.3.83 crore were made by eight Zila Panchayats during 1996-97 to 1999-2000. Audit scrutiny revealed that purchases were not made timely and regularly. Delay of 8 to 30 months was observed in procurement of TLM, consequently distribution to centres was further delayed which adversely affected the learners.

TLM costing Rs.23.40 lakh was lying un-used in Stock.

(b) Rs.23.40 lakh worth of TLM purchased during 1999-2000 was lying undistributed in stock as on August 2001 as per stock registers of DEO Jhabua (Rs.3.98 lakh), Rajnandgaon and Shivpuri (Rs.8.21 lakh), Nagar Nigam Bhopal (Rs.3.33 lakh), 7 POs of Guna district (Rs.5.97 lakh) and 4 POs of Raipur District (Rs.1.91 lakh) due to closure of NFE centres from April 2000.

Irregular expenditure of Rs.50.76 lakh was incurred on unspecified items.

(c) It was seen that purchase of furniture (Table, Chair, Stools) for Rs.24.20 lakh was made by Zila Panchayat Raipur during 1998-99, similarly purchase of sport material for Rs.21.77 lakh by Zila Panchayats Mandla, Raipur, Seoni and Shivpuri and that of stationery items for Rs.4.79 lakh by Zila Panchayat Indore and Rajnandgaon were made during 1997-98 to 1999-2000. Since these items were not specified in the scheme, Rs.50.76 lakh incurred on their purchase was irregular. CEOs Zila Panchayats Indore, Mandla, Rajnandgaon, Seoni and Shivpuri stated that items selected and recommended by District level purchase committee (DLPC), were purchased. Reply was not tenable as the DLPC was not competent to recommend items not provided in the scheme.

NFE funds
Rs.12.09 lakh
were
irregularly
utilised on
EGS.

(d) TLM for NFE purchased for Rs.9.69 lakh by Zila Panchayat Gwalior during 1998-99 and 1999-2000 was distributed to EGS centres as per directions of Commissioner of Public Instructions (March 2000). Funds of Rs.2.40 lakh were transferred to Rajiv Gandhi Mission Jhabua in March 2001 for 60 EGS centres converted from NFE centres during 2000-01. Thus central assistance amounting to Rs.12.09 lakh were irregularly diverted to EGS.

Lighting/fuel
charges
Rs.44.46 lakh
paid to 741
daytime
working NFE
Centres.

3.6.7.6 Unauthorised grant of lighting/fuel charges

The scheme provided grant-in-aid for lighting/fuel charges @Rs.100 per centre per month, if NFE centres were run during evening hours.

In 6 test checked districts Rs.44.46 lakh was paid during 1996-2000 to 741 NFE centres despite the fact that these centres were running only during day time.

On being pointed out the DEO Bhopal and Gwalior stated that the lighting/fuel grant were being paid as part of contingent expenditure which includes lighting as well as stationery expenditure etc. Reply was not tenable as the contingent expenditure @ Rs.250 per centre per annum was being separately paid and so the grant Rs.44.46 lakh for fuel charges was unauthorised.

3.6.7.7 Testing and certification of NFE learners

NFE scheme provided testing and certification of NFE learners to enable their entry into formal education system. Accordingly it was to be ensured that all the enrolled learners who appeared in prescribed examination of Primary and upper primary level and passed the examination entered the main stream of formal education. Scrutiny of the records revealed that NFE learners were allowed to appear in the Vth and VIIIth class examinations conducted by the State Education Department. Year wise details are at **Appendix XXXV**.

The dropout percentage of children from NFE centres showed an increasing trend and on an average upto 96 per cent children in Primary Level and 84 per cent in upper Primary Level dropped out during the period 1995-2000. Further very few NFE learners actually completed the course and appeared in the examination.

The percentage of successful children who passed the Board examination ranged between 2 to 5 and 6 to 9 per cent of enrolment respectively. On being pointed out in audit, Director (RGSM) intimated (January 2001) that less amount of honorarium to instructors, absence of incentives and non-availability of buildings for NFE centres etc were reasons responsible for poor performance. High percentage of drop out year after year is indicative of failure in Universalisation of Elementary Education.

3.6.8 Training

According to the instructions issued (August 1993) by Government of India, intensive training inputs with annual refresher courses were to be given to NFE functionaries to enhance their effectiveness. Accordingly training programmes in 3 phases of 6, 12 and 6 days were developed by SCERT. Against the target of 15000 personnel to be trained every year the achievement ranged between 72 to 85 per cent during 1995-96 to 1999-2000. However, the information regarding the number of instructors and supervisors trained was not on record separately.

High percentage
of dropout and
low percentage
of successful
candidates
indicate poor
performance of
NFE learners.

3.6.9 Financial Assistance to NGO's

Non creation of control mechanism to ensure proper utilisation of funds given to voluntary agencies noticed.

(i) Guidelines of NFE scheme were silent on control mechanism to be applied by the State level and district level authorities on the financial assistance provided to voluntary agencies (VAs). However directions were contained in each financial sanction (GOI) endorsed to School Education Department to ensure that project is implemented satisfactorily. The authorities, however showed ignorance about these endorsement and State Government also did not develop/create any control mechanism for supervision and monitoring of the NGO run centres except constituting a Joint Evaluation Team (JET), in December 1996 on the advice of GOI, which was headed by Collector of the District with two members viz. (i) District Education Officer and (ii) Principal DIET. GOI provided financial assistance of Rs.8.97 crore to 51 voluntary agencies in the state for running 3260 NFE centres. State Government/CPI/Shiksha Mission/Collectors and DEOs, however, had no information/record about the number of NFE centres being run by these agencies and the financial assistance provided to them by GOI in spite of the copy of sanction being endorsed to them regularly.

Utilisation of grant of Rs.3.79 crore given to voluntary agencies was doubtful.

(ii) Central assistance of Rs.3.79 crore was granted by GOI to 26 voluntary agencies in 8* districts for running of 1875 NFE centres, Audit observed that required JET were not constituted in 6 districts (Guna, Gwalior, Raipur, Rajnandgoan, Shivpuri and Tikamgarh). However, collectors, DEO's and PO's of 6 districts intimated that no NFE centre was being run in their districts by VAs and no children of these non existing NFE centres appeared in any examination being conducted by District Boards. Thus possibility of grant of Rs.3.79 crore released to them being misappropriated by these agencies cannot be ruled out. Collector, Morena after investigation confirmed non-existence of NFE centres. At the instance of audit, Collector, Guna after investigation directed (January 2002), the Deputy Director, Panchayat and Social Welfare, Guna, to lodge a First Information Report (FIR) against the President of Azad Nirdhan Bal Kalyan Samiti, Ashok Nagar, Guna who was paid a grant of Rs.72.85 lakh during October 1997 to March 1999, without actually running any NFE centres.

Grant of Rs.50.58 lakh to 3 voluntary agencies proved unfruitful.

Out of 7** VA's (Bhopal 5 and Indore 2), which produced utilisation certificates duly approved by Chartered Accountant, children of 4*** VA's only appeared in Board Examinations. As such grant of Rs.50.58 lakh paid to 3 VA's proved unfruitful.

* Bhopal, Guna, Gwalior, Morena, Rajnandgoan, Raipur, Shivpuri and Tikamgarh

** Maa Sharda Jan Kalyan Siksha Samiti, Oriental Kala Avam Seva Kendra, Rafi Ahmad Qidwai Shiksha Samiti, Satlaj Adivasi Mahila Mandal and Varun Manav Vikas Samiti of Bhopal, Kasturba Gandhi National Memorial Trust and Shree Parshwanath Bal Mandir of Indore.

*** Rafi Ahmad Qidwai Shiksha Samiti and Satlaj Adivasi Mahila Mandal of Bhopal, Kasturba Gandhi National Memorial Trust and Shree Parshwanath Bal Mandir of Indore.

(iii) Performance of NFE centres

The educational performance of the learners enrolled by these 4 VAs was far from satisfactory as shown below:

Dismal performance by NFE learners of VAs rendered the grant of Rs.62.62 lakh wasteful.

Year	No. of NFE centres sanctioned	Total No. of learners to be enrolled as per norms	Number of learners at primary level					
			Total number of learners enrolled	No. of learners appeared in V Board exam	Total No. of learners dropped	Percentage of drop out	Total No. of learners passed out	Percentage of passed out learners to those enrolled
1995-96	100	2500	1904	37	1867	98	31	1.6
1996-97	50	1250	1488	149	1339	90	138	9.3
1997-98	175	4375	4481	145	4336	97	95	2.1
1998-99	100	2500	2701	190	2511	93	115	4.2
1999-2000	150	3750	3726	293	3433	92	105	2.8

The high drop out rate and meagre number of learners appearing in the examination, indicated unsatisfactory role of VA's in the implementation of the NFE scheme despite receiving Rs.62.62 lakh.

3.6.10 Monitoring and Evaluation**(i) Monitoring**

The scheme of NFE was to be monitored through quarterly progress reports at district and State level. Emphasis was laid on data collection to develop management information system (MIS). State level authorities were responsible for planning, monitoring and evaluating the scheme.

Lack of MIS at State/district level.

It was, however, seen that no MIS was developed at State/District level. Quarterly progress reports were not made available to audit by CPI, and it was stated that monitoring of the scheme had been entrusted to Zila/ Janpad/ Gram Panchayats. DEOs stated that inspection of centres was conducted by POs/Supervisors and action was taken to overcome shortcomings. In addition, village education committees (VEC) were formed in each village after introduction of panchayati raj institution in the State, who were responsible for administrative supervision of NFE Centres. Thus the scheme was monitored at supervisor level only who is a contract worker at fixed pay. No Government officer was involved in monitoring the scheme.

(ii) Evaluation

NFE scheme envisaged periodical evaluation studies of the scheme. State Government was to undertake evaluation studies to assess the extent to which the NFE scheme had been successful in mopping up of dropout Children and increasing of enrolment; State Government failed to conduct any evaluation during 1995-1999.

However, evaluation of NFE scheme was done by Rajiv Gandhi Prathmik Shiksha Mission (RGPSM), a registered autonomous society working under School

Education Department during Lok Sampark Abhiyan in June 1996 and subsequently by the Education Division of Planning Commission in May 1998, which categorically surmised that NFE system had not made any significant contribution to the realisation of the goal of Universalisation of Elementary Education. State Government instead of taking steps to overcome the weaknesses of NFE, closed the scheme from 1st April 2000 despite directions of GOI to continue the scheme.

The above points were referred to the Government in July 2001; the reply had not been received so far (January 2002).

SECTION B- PARAGRAPHS

Agriculture Department

3.7 Excess payment of subsidy on sprinkler sets

Excess payment of subsidy of Rs.91.08 lakh in 1999-2001 on sprinkler sets

Government of India, Ministry of Agriculture, Department of Agriculture and Co-operation, Technology Mission on Oilseeds and Pulses fixed (May 1999) following norms of subsidy under Oilseeds and Pulses programme, a Centrally Sponsored Scheme:

- (i) 50 per cent of the cost or Rs.15,000 whichever is less to Small/Marginal Scheduled Caste, Scheduled Tribe (S/M SC/ST) and women farmers.
- (ii) 33 per cent of the cost or Rs.10,000 whichever is less to other categories of farmers.

Director of Agriculture Bhopal (May 1999) also issued similar instructions to all field offices. Test check of records of Director, Agriculture Bhopal (June 2000) and information collected from Deputy Director of Agriculture in 11* districts, revealed that the payment of subsidy was made on sprinkler sets at the rate of 75 per cent of cost or Rs.15,000 whichever was less to S/M SC/ST and women farmers and at the rate of 50 per cent or Rs.10,000 whichever was less to other categories of farmers. Thus subsidy of Rs.250.50 lakh (1999-2000: Rs.198.08 lakh; 2000-01: Rs.52.42 lakh) was paid against the admissible payment of Rs.159.42 lakh (1999-2000: Rs.124.06 lakh; 2000-01: Rs.35.36 lakh) under GOI instructions leading to excess payment of subsidy of Rs.91.08 lakh. On being pointed out in audit, the Director, Agriculture, replied (June 2000 and January 2002) that the orders issued in May 1999 being in the middle of the year the payment of subsidy was made at the rate applicable to subsidy on sprinkler sets as per the orders issued in April 1999 by the Government of Madhya Pradesh, Agriculture Department.

The reply was not tenable as revised orders of the GOI were circulated by the Director of Agriculture in May 1999 which superseded the State Government orders of April 1999.

The matter was referred to the Government in June 2001; reply had not been received (December 2001).

* Raisen and Vidisha (August 2000), Balaghat, Gwalior, Indore, Seoni and Sidhi (April-May 2001), Betul, Barwani, Umaria and Hoshangabad (September- November 2001).

Culture Department

3.8 Blocking of loan amount

Lack of planning resulted in blocking loan of Rs.4.20 crore and loss of interest of Rs.91.88 lakh.

The State Government Culture Department (Department) had submitted a proposal of Rs.13.25 crore to Government of India for conservation and preservation of 15 protected monuments and buildings of archaeological importance at Orchha. However, the Planning Commission sanctioned (March 2000) Central Assistance of Rs.6 crore comprising Rs.1.80 crore as grants-in-aid and Rs.4.20 crore as loan carrying interest @ 12.5 per cent. The Central Assistance was to be utilised during the same financial year. The loan of Rs.4.20 crore for the project was to be treated as loan for the State Plan Schemes and was deemed to have been paid on 1 October 1999. The maturity of loan portion was 20 years and was repayable in annual equal instalments alongwith interest.

Test check (July 2000) of the records of the Commissioner, Archaeology Archives and Museums (Commissioner) Bhopal revealed that Rs.6 crore were received in March 2000 from GOI for conservation and preservation of monuments. As it was not possible for the Department to incur expenditure in such a short time, the amount was kept (March 2000) in Personal Deposit Account of the Commissioner with the approval of the Finance Department. The State Government sought extension for utilisation of funds from Government of India which has been granted upto March 2002. It was further observed that the State Government had engaged Indian National Trust for Art and Cultural Heritage (INTACH) for study reports of 4 monuments (February 2001) and 3 monuments (August 2001). While the study report in respect of 4 monuments was received in July 2001 the report in respect of other 3 monuments was still awaited (December 2001). Further instructions were not issued for preparation of study report of 6 monuments and two works on monuments were taken up departmentally. Despite non completion of study reports the State Government sanctioned (December 2000) Rs.1.79 crore for conservation and preservation of 5 monuments in the first phase.

Thus, while 21 months of the extended period of the Central Assistance upto March 2002 was over, the State Government had not even prepared the proper plan for execution of the project and had kept the entire loan of Rs.4.2 crore alongwith grant-in-aid of Rs.1.8 crore in PDA. The entire amount of Rs.6 crore was transferred (August 2001) from PDA to bank account of Madhya Pradesh Heritage Development Trust (MPHDT) and after incurring an expenditure of Rs.33.47 lakh upto December 2001 balance of Rs.566.53 lakh was still lying with the trust. This resulted in avoidable interest liability of Rs.91.88 lakh upto December 2001 without any fruitful utilisation of funds due to lack of preparation of proper plan for conservation and preservation of the protected monuments before seeking grant/loan from GOI.

On being pointed out (July 2000) the Commissioner stated (July 2000, January 2001 and June 2001) that it was a big plan likely to be completed in the year 2002. He further stated that though interest shall have to be paid, the benefit to the State Government would be much more.

The reply was not tenable as the proposal of the Department for conservation and preservation of monuments worth Rs.13.25 crore was unrealistic and the Department had not even conducted the preliminary study of the monuments proposed to be protected. This resulted in creation of avoidable interest liability of Rs.91.88 lakh on the State Government. The act of the State Government thus lacked financial prudence.

The Government in its reply (July 2001) however, did not add anything new to the reply of the Commissioner.

3.9 Misutilisation of Central grant

Central Grant of Rs.40 lakh for closing ceremony of 50th Anniversary of India's Independence was misutilised

Government of India (GOI) decided (May 1998) to commemorate closing events of 50th Anniversary of India's Independence in each of the State and Union Territories during the period 1 to 14 August 1998 with formal closing function on 15 August and issued directions to State Government to constitute State Level Committees (SLCs) (under Governors/Chief Ministers) and District Level Committees (DLCs) under Collectors. The GOI impressed on these Committees to formulate/plan functions in such a manner so as to involve mass participation of citizens, private individuals/groups, organisations, schools, colleges etc. so that atmosphere throughout the State should be festive. For this purpose, the GOI issued guidelines (May 1998) and sanctioned a grant of Rs.40 lakh to State Governments (15 July 1998).

Test check of records of Director, Rajbhasha and Sanskriti Department (September 2000) revealed that SLC in its meeting held on 3rd August 1998 under the Chairmanship of Finance Minister decided to spend the grant on the items which were not included in the GOI order. The entire grant was placed at the disposal of Director, Swaraj Bhawan on 9 September 1998 much after the event dates of 1st August to 15th August 1998 for implementing this programme. The Director, Swaraj Bhawan had spent it on the following items.

(Rupees in lakh)

Sl. No.	Item	Amount spent during		
		1998-99	1999-2000	Total
(i)	Extension of activities of Swaraj Bhawan	15.17	5.84	21.01
(ii)	Fellowship	0.30	--	0.30
(iii)	Publication of books	--	0.10	0.10
(iv)	Lectures Series	2.96	0.16	3.12
(v)(a)	Maintenance of Shaheed Bhawan Bhopal	2.49	--	2.49
(v)(b)	Production of film	3.73	0.02	3.75
(vi)	Serial on All India Radio	2.00	--	2.00
(vii)	Purchase of vehicle for Swaraj Bhawan	2.90	--	2.90
	Total	29.55	6.12	35.67

It was further observed in audit that the expenditure of Rs.21.01 lakh booked under extension of Swaraj Bhawan included Rs.11.79 lakh spent on Digital

Camera, Air Conditioner and Computer though there was no provision in the GOI guidelines for creation of any asset. Further the entire expenditure of Rs.35.67 lakh was incurred after 15 August 1998 even though the entire amount was to be spent during the period 1 August 1998 to 15 August 1998. Thus, the entire expenditure was irregular. At the end of financial year 1999-2000 saving of Rs.4.33 lakh was available in cash with Director, Swaraj Bhawan which had also not been refunded so far (March 2001).

On this being pointed out Director, Swaraj Bhawan stated that the expenditure was incurred after receipt of grant (9 September 1998) and that it was felt that commemoration of feelings of masses for the country's struggle for independence should not be limited to a particular year but should be a permanent source for inspiration for the masses; for this very purpose Swaraj Bhavans were established and expenditure was incurred accordingly.

The reply was not tenable as the grant was released to State Government by GOI in time (July 1998) and was to be utilised within the period from 1 August to 15 August 1998 for the specific purpose of involving the masses to create an atmosphere of festive and joy which was defeated.

The matter was reported to Government (April 2001); Government in its reply (July 2001) reiterated the views of Director Swaraj Bhawan.

Dairy Development Department

3.10 Infertuous expenditure on milk chilling plants

Setting up of Milk Chilling plants without assessing the availability of milk resulted in infertuous expenditure of Rs.26.30 lakh

With a view to increasing the milk production and ensuring distribution of wholesome and hygienic milk to Urban Consumers, a milk chilling plant with capacity of 60000 liters per month was established (November 1995) at Geedam District Jagdalpur at a cost of Rs.9.93 lakh (building: Rs.5.70 lakh and plant and machinery: Rs.4.23 lakh) with the assistance (Rs.12.28 lakh) received from District Rural Development Agency, (DRDA) Jagdalpur.

Another milk chilling plant was transferred (1995) from Kanker to Kondagaon. The cost of plant and building was not available.

Test check (March 2000) of the records of the Deputy Milk Commissioner (Commissioner), Jagdalpur, revealed that while milk chilling plant at Geedam had stopped functioning with effect from August 1997, the other chilling plant transferred to Kondagaon could also not be started, due to non availability of milk at both (Geedam and Kondagaon) the places. The milk chilling plant at Geedam during its 21 months of operation (November 1995 to July 1997) had processed only 31619 liters of milk i.e. 30 liters per day as against installed capacity of 2000 litres a day and incurred an expenditure of Rs.16.37 lakh (Rs.12.02 lakh Geedam and Rs.4.35 lakh Kondagaon) on pay and allowances and electricity bills. Thus no meaningful purpose was served by the establishment of milk chilling plants at Geedam and Kondagaon.

On being pointed out (March 2000) the Deputy Milk Commissioner stated that the district milk advisory committee had suggested (April 1999) for early restart of the milk chilling plants and DRDA had assured supply of milk by increasing the number of milk yielding animals in the area. He further stated that with a view to avoid further loss to Government, plants had been disconnected and that the state cabinet after review of the working of the Dairy Development Corporation had stopped (December 1999) the commercial activities of Dairy Development Department.

As the chilling plants were established in 1995 without any proper survey regarding availability of milk in the area, the plan proved an ill-conceived one and the expenditure of Rs.26.30 lakh (Building, Plant and Equipment: Rs.9.93 lakh + Pay and allowances: Rs.16.37 lakh) was rendered infertuous.

The matter was reported to Government (November 2000); reply was awaited (December 2001).

Excise Department

3.11 Infertuous expenditure on idle staff

Non-conduction of training courses resulted in idle outlay of Rs.34.98 lakh.

Excise training Institute (Institute) Birlanager, Gwalior was established (October 1986) to impart 4 months training to District Excise Officers (DEO), Excise Sub-Inspectors (ESI), Commercial Sub-Inspectors (CSI) who were selected directly by the Madhya Pradesh Public Service Commission. During the remaining part of the year, refresher courses for DEO's and ESIs were to be organised prior to their promotion.

Test-check (July 2000) of the records of Institute revealed that no training/refresher courses were conducted during the period from July 1996 to March 2000. All the posts of lecturers and trainers were lying vacant (July 2000) and only 13 posts of Group C and D had been filled and an expenditure of Rs.34.98 lakh had been incurred on their pay and allowances during the period July 1996 to March 2001.

On being pointed out (July 2000) the Principal of the Institute agreed that no training courses were organised by the Institute. However, he did not intimate the reasons for non-starting of training courses.

Thus due to non-starting of training courses in the Institute, the expenditure of Rs.34.98 lakh incurred on the pay and allowances of the staff proved infertuous.

Matter was reported to Government in January 2000; reply had not been received (December 2001).

General Administration Department

3.12 Unauthorised Foreign travels by Ministers/MLAs and officials

Unauthorised expenditure of Rs.77.87 lakh on foreign visits undertaken by the Ministers, MLAs and officials despite ban imposed by State Government on foreign visits.

3.12.1 General

The foreign travels of Government Officials, Ministers of the Central/State Government, Members of Parliament, non-officials as member of Government sponsored delegations and Members of State Legislature and Union Territories are regulated under guidelines issued (March 1995) by Government of India. These instructions stipulate that clearance from the Government of India, Ministry of Finance, Department of Economic Affairs (GOI) would be obtained before undertaking foreign travel. Further as per Demi Official letter (19 July 1999 and 31 January 2000) of the Chief Minister addressed to all the State Ministers, it was emphasized that no foreign tour should be undertaken without GOI clearance.

Government of Madhya Pradesh imposed (28 May 1997) a blanket ban on foreign travel of Ministers, MLAs and officials of the State Government and Undertakings except where foreign travel was financed by the Central Government or other institutions like World Bank, Asian Development Bank etc. so that no financial burden falls on State Government or its Undertakings. As per instructions issued (May 1999), by State Government (Finance Department) foreign travel in exceptional circumstances could be undertaken provided the tour was cleared by the Chief Minister and was in the interest of State Government. However again in January 2000 a complete ban on foreign tours at the cost of State Government and its Undertakings was imposed by the State Government.

A test check of cases of foreign travels undertaken by the Ministers, MLAs and officials of State Government, during 1998-99 to 2000-01 was carried out during March 2000 to June 2000 and June 2001 in General Administration Department (GAD) and Madhya Pradesh Vidhan Sabha Sachivalaya. Similarly a test check of cases of foreign travels by politicians and officials of Madhya Pradesh State Co-operative Marketing Federation Limited Bhopal (Federation) was undertaken in January 2000 covering the period from 1996-97 to 1998-99. Further information was collected in June 2001. The results of test check are discussed in the succeeding paragraphs.

3.12.2 Foreign travels without prior approval of Government of India

Audit observed that 7 visits to various countries undertaken during 1998-2001 by the Ministers, MLAs and officials of the State Government and MARKFED involving an expenditure of Rs.48.39 lakh approximately as detailed in **Appendix XXXVI** were without the approval of GOI.

3.12.3 Foreign tours despite total ban

Despite the complete ban imposed by the State Government in May 1997 and January 2000 on foreign travels at the State Government/State Undertakings expenses, 8 foreign tours as detailed in **Appendix XXXVII** were undertaken by the State Ministers and officials during 1998-2001 involving an expenditure of Rs.29.48 lakh. State Government (GAD) stated (August 2000 and June 2001) that Government was competent to relax the ban but no documents in support of relaxation of ban in these cases were furnished to Audit.

3.12.4 Excess payment of daily allowance

As per M.P. State Marketing Federation, T.A. Rules applicable to Directors (non-officials) of the Federation, the entitlement of daily allowance on foreign tour was at the rate of Rs.200 per day against which the payment was made at the rates in foreign currency (converted value in Rupees shown in the table below) applicable to Government employees resulting in excess payment of Rs.1.74 lakh. The excess payment was yet to be recovered from the Directors (non officials) as detailed below:

(Rupees in lakh)

Period of journey	No. of Directors and days for which paid	Amount admissible @ Rs.200 per day	Amount paid		Excess payment recoverable
			Rate (Rupees)	Amount	
17/12/95 to 28/12/95	02 (12 days)	0.05	1583	0.38	0.33
25/01/96 to 05/02/96	03 (12 days)	0.07	1527	0.55	0.48
04/06/97 to 18/06/97	02 (15 days)	0.06	3300	0.99	0.93
TOTAL		0.18		1.92	1.74

Similarly 25 Directors who went on foreign tours during 23 May 1998 to 02 June 1998 (11 days), were paid an advance of Rs.4.50 lakh in May 1998 as against the entitlement of Rs.0.55 lakh @ Rs.200 per day (200x11x25). The balance of Rs.3.95 lakh has not yet been recovered from them even after a lapse of 3 years of its payment. The Federation stated (June 2001) that notices have been issued (June 2001) to all the 25 Directors for depositing the balance amount of advance. Recovery was still awaited (June 2001).

3.13 Unauthorised retention of Government money in bank accounts

Government funds of Rs.1.69 crore for Land Acquisition were kept in bank accounts by Collectors of Guna and Sheopurkalan instead of in Personal Deposit Account.

According to Financial Rules, Government money should not be kept outside Government account in bank accounts unless otherwise authorised. Finance Department issued instructions in January 1998 that funds for land acquisition kept in the bank accounts should be withdrawn and deposited in the Personal Deposit Account.

Test-check of the records of Collectors Guna (August 2000) and Sheopurkalan (January 2001) and further information collected (September 2001) revealed that despite above instructions Rs.1.34 crore were lying in seven different bank accounts at end of March 2001 in the name of Collector Guna. One bank draft dated 18 September 2000 for Rs.34.65 lakh received for land acquisition from Sub-Division Officer, Water Resources Department, Veerpur (Sheopurkalan) was deposited by Collector, Sheopurkalan in Fixed Deposit Account in a Co-operative Bank on 1 November 2000 instead of PD Account.

While Collector Guna stated (August 2000) that action would be taken according to the rules, Collector Sheopurkalan replied (January 2001) that action in this regard would be taken after due consultation with the Treasury Officer. However, the fact remains that no action has so far (September 2001) been taken and the funds are lying in bank accounts.

The replies of the Collectors were not tenable as keeping the amount received for land acquisition in bank account was in contravention of the instructions issued by the Finance Department.

The matter was referred to Government in March 2001; reply had not been received (December 2001).

Higher Education Department

3.14 Unfruitful expenditure on construction of hostel building

Unfruitful expenditure of Rs.45.37 lakh on unoccupied hostel building

Government of Madhya Pradesh, Higher Education Department accorded (January 1988) administrative approval of Rs.21.93 lakh and Rs.19.07 lakh for construction of a girls college and a 50 seater hostel respectively at village Bijawada in Seoni district. Technical sanction was accorded (August 1988) by the Superintending Engineer PWD. The construction work entrusted to Executive Engineer (EE) PWD was started in January 1989 and December 1988 respectively.

Test check (January 2000) of the records of Principal, Government Girls College Seoni (Principal) revealed that both the works had been completed with delays of 6 to 9 years in December 1995 and June 1998 at a cost of Rs.29.35 lakh and Rs.45.37 lakh with cost over run of Rs.7.42 lakh and Rs.26.30 lakh respectively.

While the College building was taken over in June 2001 after 65 months from the date of completion of construction and college started functioning, the hostel building has not been taken over so far (December 2001). The Principal expressed his inability to take over as the buildings have in the meantime developed cracks. Further, the building was not electrified and boundary walls were not constructed. Also the hostel is located at 8 Kms away from the city.

Thus even after 42 months of the construction of hostel at a cost of Rs.45.37 lakh with cost over run of Rs.26.30 lakh, the hostel building remained unoccupied partially due to incomplete work and partially due to selection of wrong site. This had resulted the expenditure of Rs.45.37 lakh unfruitful.

Matter was reported to Government (April 2000); reply had not been received (December 2001).

3.15 Deployment of staff in excess of sanctioned strength

Deployment of staff in excess of sanctioned strength in three Colleges resulted in irregular expenditure of Rs.56.84 lakh

In order to have better manpower management in the Government offices/establishments, Council of Ministers of Madhya Pradesh (October 1995) recommended that the practice of attachment of staff at places other than the places of their original posting be stopped and Government of Madhya Pradesh accordingly issued orders (January 1996 and July 1996) to this effect.

Test check (September 2000) of records of Principals Government Chhattisgarh College, Raipur, Government Dodhari Bajrang (DB) Girls College Raipur and Government Girls College Katni (Jabalpur) revealed that in disregard to Government orders (1996) unauthorised attachment of staff continued as discussed below:

(i) In Government Chhattisgarh College, Raipur, 8 Assistant Professors were attached during October 1997 to June 2000 (1 during 1997-98, 3 during 1998-99, 3 during 1999-2000 and 1 during 2000-01) over and above the sanctioned posts of Assistant Professors and an expenditure of Rs.25.68 lakh was incurred on their pay and allowances during the period October 1997 to October 2000.

(ii) In Government DB Girls College Raipur, 3 Assistant Professors (1 in September 1993, 1 in September 1998 and 1 in October 1998) 1 Matron (September 1998) and 1 Accountant (April 1998) were posted over and above the sanctioned posts and an expenditure of Rs.24.69 lakh was incurred on their pay and allowances during September 1993 to October 2000. Out of three Assistant Professors one was adjusted against the vacant post in August 2000.

(iii) In Government Girls College Katni, 3 Assistant Professors were posted over and above the sanctioned posts of 16 Assistant Professors (1 in August 1997, 1 in June 1998 and 1 in May 2000) and an expenditure of Rs.6.47 lakh was incurred on their pay and allowances during August 1997 to October 2000.

Thus an expenditure of Rs.56.84 lakh was incurred on pay and allowances of staff deployed in excess over sanctioned posts and in contravention of Government orders.

On being pointed out, Principals of all the three colleges intimated that additional staff over and above the sanctioned posts was posted by the order of competent authority and the position of excess staff was also intimated to Government at the time they joined the colleges.

The matter was brought to the notice of the Government in December 2000 and March 2001, reply was awaited (December 2001).

Home (Police) Department

3.16 Short realisation of charges in respect of Protection Force

Failure to demand quarterly payments for deployment of armed police battalions resulted in short realisation of Rs.58.49 crore

Armed Police Battalions are deployed from one state to another to maintain law and order. To bring uniformity regarding reimbursement of charges on account of such deployment, Government of India, Ministry of Home Affairs issued instructions (September 1995) that the borrowing state/union territory/unit shall reimburse expenditure to the extent of Rs. 50 lakh per quarter per battalion towards the close of June, September, December and March every year. These provisional payments were subject to adjustment on receipt of audited figures and balance if any, were to be paid immediately to the lending State Government. In case of deployment of Armed Police Battalions at the instance of Ministry of Home Affairs, claims were to be preferred to the Ministry of Home Affairs. Failure in timely payment could lead to withdrawal of the forces from defaulting states.

Test-check (September 1999) of the records of Director General of Police, Bhopal and further information received (January 2002) revealed that an amount of Rs.58.49 crore was outstanding at the end of March 2001 which included recovery of Rs.12.68 crore pertaining to the period May 1982 to October 1992 on account of contingent of SAF Battalions deployed in Assam. As the quarterly provisional payments, as envisaged under Government of India instructions, were not deposited immediately on or before deployment of battalions and due to lack of initiative on the part of concerned authorities the liability of the State Government was increasing day by day.

Matter was reported to Government (January 2001); reply had not been received (December 2001).

Mahila Evam Bal Vikas Department

3.17 Blocking of World Bank assistance on construction of Anganwadi Centres

World Bank assistance of Rs.2.55 crore remained blocked due to non-completion of 215 Anganwadi Centres and construction of 17 Centres sanctioned during 1994-1999 not taken up.

Rupees 86.03 crore were provided for construction of 8670 Anganwadi Centres during 1994-1999 under World Bank aid for 244 Integrated Child Development Projects (ICDS-II) by the Commissioner Mahila Evam Bal Vikas (Commissioner) to different executing agencies^(A) through the Collectors of the districts concerned.

While providing funds to the Collectors, the Commissioner had stipulated that these Anganwadi Centres should be completed within 3-4 months in the same financial years. As per administrative approval, maximum estimated cost of each centre was Rs.1.10 lakh and construction agencies were asked to choose only one design best suited to the prevailing site conditions, out of the designs prepared by Environmental Pollution Control Organisation (EPCO).

Test check (January-February 2001) of the records of Commissioner revealed the following:

Year	Numbers of sanctioned Anganwadi Centres	Amount released (Rs. In crore)	No. of incomplete Anganwadi Centres as on December 2000		Rent paid per year (Rupees)	Delay in construction in years (excluding one year allowed for completion of work) Position as of March 2001	Amount spent on rent (Rupees)
				Cost (Rs. in crore)			
1994-95	2814	22.74	77		600	5	2,31,000
1995-96	590	5.30	24		600	4	57,600
1996-97	1995	21.95	79		600	3	1,42,200
1997-98	2647	29.12	184		600	2	2,20,800
1998-99	629	6.92	123		600	1	73,800
Total	8675	86.03	487	5.36			7,25,400

Scrutiny of cases revealed that (i) out of 8675 Anganwadi Centres sanctioned only 8211 which included 23 centres constructed in Raigarh district in excess of sanctioned number of centres, were complete as of December 2000. Thus, 487 Centres were not complete.

(ii) Of the 487 incomplete Anganwadi centers, 155 were completed upto plinth level, 135 upto roof level, 138 were nearing completion and in respect of 59

^(A) Panchayat:4187; RES:3189; PWD:381; Forest Department:328; M.P. Housing Board:278; Irrigation Department:49; DOTW:35; R.K. Mission:10 and Others:213 = 8670 + 5 model centers + 23 constructed in excess of sanctioned centres in Raigarh District.

centers, the construction work had not been started as of February 2001. Commissioner stated that due to change of construction agency at district level and Panchayat elections, the work could not be started on these 59 centres.

Thus due to non-completion of 215 Anganwadi Centres, Rs.2.55 crore was blocked with different construction agencies for 1 to 5 years.

On this being pointed out, Commissioner stated (February 2001) that completion period had been extended upto June 2001 for the incomplete Anganwadi Centres. By December 2001, 17 works valuing Rs.18.70 lakh were yet to be started and 215 works valuing Rs.2.36 crore were still incomplete.

Thus abnormal delay in completion of works sanctioned 1 to 6 years back indicated that the department was unable to effectively monitor progress of works.

The matter was referred to Government in March 2001; reply had not been received (December 2001).

Medical Education Department

3.18 Non-remittance of hospital receipts into treasury

Failure to regularise services of staff of six autonomous medical colleges resulted in non remittance of receipts of Rs.13.91 crore into treasuries.

The Government of Madhya Pradesh by the Notification Extraordinary (March 1997) declared all Medical, Ayurvedic and Homoeopathy Colleges and their affiliated hospital as autonomous bodies to be governed by societies registered under State Co-operative Societies Act 1956. Accordingly societies were required to (i) prescribe the fee structure of students and collect charges for services rendered to the patients (ii) lay down service terms and conditions for the absorption of existing staff after taking prior approval of the Government. Further Medical Education Department was required to make schemes for doctors, officers and employees presently working in these institutions for their continuance in Government service or absorption in the society. The Government notification failed to specify procedure of utilisation of receipts of the Medical Colleges and hospitals.

Test-check (March-April 2001) of the records of Joint Director cum Superintendent of affiliated Hospital of Pandit Jawaharlal Nehru Memorial Medical College Raipur and further information collected (July-August 2001) from other five Medical Colleges and their associated hospitals* revealed that although these institutions were declared autonomous with effect from March 1997, the Government had not yet (December 2001) taken any policy decision for regularisation of services of existing staff as envisaged in the notification and continued to bear expenditure on pay and allowances of staff, contingencies and other recurring expenditure relating to upkeep and maintenance of the colleges/hospitals. An expenditure of Rs.241.70 crore (pay and allowances Rs.146.06 crore; contingencies and other expenditure: Rs.95.64 crore) was incurred during the period April 1997 to October 2000 in respect of Raipur Hospital (till the date of formation of Chhattisgarh State) and during April 1997 to March 2001 in respect of other institutions by drawing funds from the treasury.

It was also seen that entire receipts amounting to Rs.13.91 crore including rent received on Government building/properties for the period 1997-98 to 2000-01 was credited into society's account and out of this Rs.5.94 crore were spent for office expenses and purchase of medicines and equipment etc., whereas the management of colleges/hospitals as well as movable/immovable properties had not been transferred to the societies so far.

* *Gandhi Memorial Hospital, Rewa, Mahatma Gandhi memorial Medical College, Indore and its associated Hospitals, Gandhi Medical College, Bhopal and its associate hospital, Gajra Raja Medical College, Gwalior and its associate Hospital and Medical College, Jabalpur and its associate Hospital*

On being pointed out in audit while the Director Medical Education, Bhopal stated (July 2001) that action was being taken to frame the rules, the heads of these institutions replied that as per the bye laws of societies all receipts were to be credited into the Society accounts. The reply was not tenable as until and unless the properties of the colleges/hospitals and management was taken over and maintenance thereof met by the societies from its own resources, the income earned from Government funds could not be treated as receipt of the society and either should have been credited to Government Account or deducted from the allotments to the Societies while releasing funds for meeting recurring expenditure of these hospitals/institutions including pay and allowances.

Thus, the lapse on the part of Government in not framing rules for transfer of staff and property of these hospitals to the newly formed autonomous bodies even after a lapse of more than four years and continuous release of funds of Rs.227.97 crore without reducing the receipt of Rs.13.91 crore from budget allocation during the subsequent years since April 1998 to 31st October 2000 in respect of Raipur Hospital and since April 1998 to March 2001 in respect of others, resulted in undue benefit to the societies to the extent of Rs.13.91 crore.

The matter was referred to Government in August 2001; reply had not been received (December 2001).

Narmada Valley Development Department

3.19 Blockade of funds

Blocking of funds of Rs.1.13 crore due to non installation of seismic instruments in the body of Indira Sagar dam

With a view to establish ten seismic observatories at Indira Sagar Project (Onkareshwar and Maheshwar under Periphery of ISP), a contract was executed between Government of M.P. and M/s Sprengnether Instruments Incorporation Ltd. USA (December 1996) to purchase seismic instruments for Rs.3.78 crore (US Dollars 10,31,997). According to the provisions of the contract, the seismic instruments were to be supplied within a period of twelve months from the date of contract and were to be installed within twenty four months. Supply order was placed on 12 February 1997. The guarantee period was thirty six months after installation of the last instrument and its accessories or sixty months after the date of contract whichever was earlier. The supplier was to provide after sales service and spare parts for a period of five years after completion of all obligations under the contract. An amount of Rs.3.70 crore was deposited in Industrial Development Bank of India (IDBI) in March and April 1997 for opening of the letter of credit (LOC).

Test check of records of the Superintending Engineer, Quality Control NVDA Narmada Nagar, Khandwa (August 1998) and further information collected (October 2000) revealed that the firm had supplied ten instruments between 27 October 1997 and 17 April 1998 which were installed at nine observatories leaving one at Bagli which was yet to be set up. However, the strong motion oscillogrammes (12 NOS) and other instruments costing Rs.1.13 crore were not installed.

On this being pointed out in audit the department replied (April 2001) that the instruments were to be installed in the body of the dam which had not yet been raised to the required elevation. The reply indicated that there was lack of proper coordination between the construction division and quality control division, and the delivery of the equipment was not postponed and the requirement synchronised with the construction of dam. The uninstalled equipment as and when commissioned would complete its warranty of five years from the date of contract by which time its trouble free working would not have been established.

The matter was reported to the Government (May 2001), the reply was still awaited (December 2001).

Panchayat and Rural Development Department

3.20 Construction of sub-standard Water Bound Macadam roads

Sub-standard execution of 47 WBM road works, valuing Rs.1.17 crore.

According to the Ministry of Surface Transport (MOST) specifications, which were made applicable for rural roads by Government of Madhya Pradesh, Panchayat and Rural Development (March 1998), the quantity of graded metal and moorum to be used on construction of roads for sub-base and base course was required to be collected 20 per cent in excess of theoretical/sectional measurements after due consideration of voids so that the required thickness of road could be achieved after consolidation.

Panchayat and Rural Development department in its technical circular (June 1997) and revised instructions (March 1998) instructed that the earth work was required to be carried out in layers of 15 cms and each layer was required to be compacted by 8 to 10 ton heavy rollers. Similarly, moorum and metal were also to be laid and compacted by road rollers.

A. Test check of the records of Executive Engineer, Rural Engineering Services (EE, RES) Betul in December 2000 revealed that neither the initial levels were recorded nor 20 per cent extra collection of metal was done to obtain required compacted thickness. Compaction of earth work was also not found to have been done. Moreover, against the estimated quantity of 28753 cum soil required to be used in earth work and 5904 cum moorum required to be used for sub base to ensure prescribed thickness after compaction, only 22449 cum of soil and 3943 cum of moorum was used. Eight road works involving an expenditure of Rs.40.88 lakh were found to be constructed below specifications.

On being pointed out, EE RES, Betul stated (December 2000) that there was no provision for tools and plants in RES and hence equipment required for recording initial levels were not available and hence could not be recorded before starting the work and the quantity of moorum and soil was used as per actual requirement on spot. It was further clarified that entire work in RES was being executed without recording any levels. However, no comments on less utilisation of road material and non-compaction of earth work were offered.

The reply was not tenable as the instructions contained in the manual of works department and technical specifications of MOST were not adhered to by the RES Division Betul resulting in 8 roads being constructed using less quantity of soil and moorum the prescribed thickness could not be ensured.

B. Test check of the records of the Executive Engineer, Rural Engineering Services (EE,RES) Rewa (November 2000) revealed that against the Administrative Approval of Rs.1.84 crore and Technical Sanction of Rs.2.25 crore an expenditure of Rs.76.10 lakh was incurred on construction of 39 WBM roads in Rewa district upto October 2000. According to the prescribed specifications issued by MOST 20 per cent quantity of metal and moorum was required to be collected extra over and above the normal requirement of the road

to achieve the compacted thickness. Records reveal that no extra material was collected. This resulted in construction of below specification/sub-standard roads.

On being pointed out, EE RES Rewa stated in November 2000 that collection of 20 per cent extra road material was not done due to non-availability of technical orders in his office and action would be taken according to the directions of Development Commissioner.

The reply of EE was not tenable as Panchayat and Rural Development Department orders dated 24 March 1998 clearly stated that the requirement of material for roads shall conform to the MOST specifications and were circulated to all offices.

The matter was referred to the Government in March 2001; reply had not been received (December 2001).

Public Health and Family Welfare Department

3.21 Unfruitful expenditure on construction of Multi Purpose Workers Training Centre

Selection of wrong site for Multipurpose Works Training Centre with no water and other amenities resulted in unfruitful expenditure of Rs.29.70 lakh

Government of Madhya Pradesh, Public Health and Family Welfare Department (Department) accorded administrative approval (September 1993) for construction of a Multi Purpose Workers Training Centre at Teelakhedi district Vidisha under Indian Population Project-6 funded by World Bank. Technical sanction was accorded (September 1994) by Superintending Engineer, Public Works Department Bridge Construction Circle Bhopal and work order was issued by Bridge Construction Division in January 1995.

Test-check (November 2000) of the records of Chief Medical and Health Officer (CMHO) Vidisha revealed that though the building was completed in October 1996 at a cost of Rs.29.70 lakh (cost of construction Rs.26 lakh + Rs.3.70 lakh for electrification out of Rs.4.76 lakh separately sanctioned) and possession handed over to CMHO in March 1997, the training was not started in the new premises and continued to be imparted in a rented building at a monthly rent of Rs.5000.

On being pointed out, CMHO stated (November 2000) that the building could not be utilised as it was situated 4 km away from the district headquarters at a deserted place and facilities like electricity, water, approach road had not been provided and the condition of the building was deteriorating gradually.

Thus wrong selection of site and award of work before checking availability of water at site resulted in unfruitful expenditure of Rs.29.70 lakh on construction of training centre besides recurring expenditure of Rs.0.60 lakh per year for rented premises.

Matter was referred to Government (January 2001); the reply had not been received (January 2002).

3.22 Unfruitful expenditure on purchase of I.V. sets without I.V. fluids and irregular expenditure on purchase of medicines and Cotton bandage

Purchase of medicines without any demand and purchase of bandages of higher specification resulted in unfruitful expenditure

Test check (August-September 2000) of the records of the Commissioner Health Services (CHS) revealed that:

(A) The Government of Madhya Pradesh, Public Health and Family Welfare Department allotted Rs.75 lakh to the CHS Bhopal for purchase of medicines during 1998-99. Since there were chances of spread of epidemic during the months of March-April, the Commissioner decided to purchase the following medicines on the rates offered by Madhya Pradesh Laghu Udyog Nigam (MPLUN) for the year 1998-99:

Sl. No.	Name of medicine	Proposed Quantity (in lakh)	Amount (Rupees in lakh)	Actual purchase (quantity)	Amount (Rupees in lakh)
1.	I.V. Dextrose 5%	2.04	16.83	--	--
2.	I.V. Dextrose with normal saline	2.04	16.83	--	--
3.	I.V. Dextrose Ringer Lactate	1.18	9.73	--	--
4.	I.V. sets	2.68	13.27	2.68	12.06
5.	Adhesive Plaster	0.12	6.86	0.12	6.86
6.	Injection Benzine Penicillin 5 lac	2.28	11.47	2.28	11.47
7.	Injection Benzene Penicillin 10 lac	--	--	2.70	18.74
8.	Procaine Penicillin 4 lac	--	--	2.40	10.75
9.	Injection streptomycin 0.75 gm	--	--	2.28	13.91

The DHS placed orders (March 1999) for purchase of Injection Benzine Penicillin 10 lac, Injection Procaine Penicillin 4 lac and Injection Streptomycin worth Rs.43.40 lakh with MPLUN over and above the requirement instead of purchasing Injection I.V. fluids on the plea that rates of Injection I.V. fluids were not available with MPLUN.

Audit observed that though the rates of MPLUN were available for I.V. fluids purchase orders were placed for Injection Benzine Penicillin 10 lakh, Injection Procaine Penicillin 4 lakh and Injection Streptomycin for which there was no demand. Since I.V. fluids had not been purchased, the purchasing of I.V. sets worth Rs.12.06 lakh was not justified.

On being pointed out (August-September 2000) the Commissioner Office stated that I.V. fluids were not purchased as rates were not available with MPLUN and I.V. sets were being used by all CMHOs. Reply was not tenable as the rates for I.V. fluids were already available in the rate list of MPLUN for the year 1998-99, and purchase of I.V. sets without I.V. fluids was unjustified.

Thus purchase of I.V. sets without I.V. fluids resulted in unfruitful expenditure of Rs.12.06 lakh and purchase of medicines for which there was no demand further resulted in irregular expenditure of Rs.43.40 lakh.

(B) The Government of India Ministry of Family Welfare Department (April 1998) allotted Rs.47.69 lakh for purchase of cotton bandages measuring 4 cm.x4mtr. under RCH Programme.

The CHS Bhopal instead invited quotations for supply of cotton bandage measuring 10 cmx4mtr. from M.P. State Textile Corporation (MPSTC) which quoted (October 1998) a rate of Rs.53.60 per dozen bandage of the above size. The CHS, however, again invited rates from MPSTC which quoted (January 1999) a rate of Rs.60 per dozen. Thereafter orders were placed (February 1999) for supply of 71,610 dozen cotton bandage measuring 10cm.x4mtr @ 60 per dozen and payment of Rs.42.97 lakh was made (April 1999). The reinvitation of rates for the same size of bandage resulted in extra liability of Rs.4.58 lakh.

Further perusal of the rate list of MPSTC revealed that they had also quoted the rate of Rs.37 per dozen for cotton bandages measuring 5cmx5mtr. which was ignored by the department. Had the department purchased 71610 dozen cotton bandages measuring 5cm.x5mtr. it could have saved the differential cost of Rs.11.89 lakh (71610 x 16.60 i.e. difference of Rs.53.60 and Rs.37).

The State Government stated (March 2001) that though bandage cloth was purchased on higher rate it proved economic as the quantity procured was more. The reply was not tenable as procurement of bandage of higher width was not only against the specification prescribed by GOI but also did not result in increased length, and was hence wasted.

Thus purchase of bandage of higher specification resulted in avoidable extra expenditure of Rs.16.47 lakh.

(C) According to store purchase rules of the State Government, medicines shall be purchased through the agency of Madhya Pradesh Laghu Udyog Nigam (MPLUN). In case of non-availability of medicines with MPLUN, non-availability certificate was to be obtained from MPLUN and purchases were to be made after calling tenders.

Test check (September 2000) of the records of Chief Medical and Health Officer (CMHO) and Civil Surgeon (CS) Khandwa revealed that both the offices did not follow the aforesaid procedure for purchasing medicines from MPLUN and instead collected quotations from 3 to 4 local dealers registered with MPLUN and placed orders directly for medicines worth Rs.41.12 lakh (CMHO:Rs.28.71 lakh and CS :Rs.12.41 lakh). This resulted in excess payment of Rs.9.41 lakh due to purchase of medicines at higher rates than that of MPLUN.

On being pointed out the CMHO and CS stated (September 2000) that medicines were purchased as per decision (October 1999) of the Zilla Yojna Samiti.

The reply was not tenable as Zilla Yojna Samiti was also bound to follow store purchase rules of the Government. Thus the act of the CMHO, CS and Zilla Yojna Samiti was contrary to the store purchase rules of the Government.

Matter was referred to Government (February 2001); reply had not been received (December 2001).

3.23 Idle outlay on X-Ray machines

X-Ray machines worth Rs.68 lakh were purchased without ensuring infrastructure for making them functional

Mention was made in paragraph 3.34.9 of the Comptroller and Auditor General of India Audit Report for the year ending March 1997 regarding purchase of X-Ray machines by the Public Health and Family Welfare Department and their non installation at respective places. Para has not been discussed by PAC

Subsequent test check (December 1998 to September 2000) of the records of Chief Medical and Health Officers (CMHOs) Betul, Dhar, Guna, Jhabua, Rajgarh Khandwa, Dindori, Hoshangabad and Dewas revealed that out of 48 X-Ray machines purchased during January 1997 to May 2000, 40 machines costing Rs.68 lakh were not put to use due to non posting of Radiographer (16), non construction of dark room (6) non availability of power supply (1), shortage of space(5), non availability of accessories (5), non installation (5), in addition 2 machines were found defective. Besides, expenditure of Rs.9.45 lakh incurred on construction of dark rooms in Dhar district also proved infructuous as the space provided for installation of the machines was insufficient. Thus the expenditure of Rs.68 lakh on purchase of X-Ray machines coupled with the expenditure of Rs.9.45 lakh incurred on construction of dark rooms with insufficient space aggregating to Rs.77.45 lakh had proved infructuous and idle.

On being pointed out the Director Health Services stated (September 2001) that the machines were purchased on the basis of demand received from districts. He further stated that the places where the post of radiographer had not been sanctioned, alternative arrangements had been made to operate the X-Ray machines. The reply was not tenable as sufficient infrastructure had not been provided to ensure functioning of the machines. Further verification (January 2002) of reply in two districts (Dewas and Jhabua) revealed that machines were still lying idle due to non posting of X-Ray technicians.

Thus purchasing of 40 X-Ray machines worth Rs.68 lakh without ensuring proper infrastructure for making the machines functional resulted in idle outlay besides depriving general public at large of X-Ray facilities.

Matter was referred to Government (April 2000); reply had not been received (December 2001)

3.24 Infructuous expenditure on idle staff in non-functional upgraded Community Health Centres

Infructuous expenditure of Rs.37.13 lakh on idle staff in five non functional upgraded Community Health Centres (Hoshangabad : 2 and Jabalpur : 3) during 1998-2001.

Government of Madhya Pradesh (Government) sanctioned (February/ March 1998) upgradation of the Primary Health Centres (PHCs) to 30 bedded

Community Health Centers (CHCs). Additional staff in different cadres was also sanctioned for this. The Government also instructed (March 1998) that buildings for the CHCs may be arranged locally or on hire basis till wards having additional beds were constructed.

Test check of the records of Chief Medical and Health Officer (CMHO), Jabalpur and Hoshangabad (December 2000 and May 2001) and additional information collected in January 2002 revealed that upgraded CHCs had not started functioning at 5 PHCs (Jabalpur: Majholi, Natwara and Panagar; Hoshangabad Bankhedi and Suktawa) for want of basic facilities though additional* staff sanctioned for running the CHCs was posted in addition to the existing staff of PHCs. Expenditure of Rs.37.13 lakh (Hoshangabad : Rs.21.11 lakh and Jabalpur : Rs.16.02 lakh) was incurred during April 1998 to March 2001 on pay and allowances of the additional staff posted to run the CHCs.

On being pointed out CMHO Jabalpur replied that PHCs could not be started as 30 bedded CHCs for want of buildings and had also not received any Government orders for hiring the building. CMHO, Hoshangabad stated that creation of the posts and posting of the staff was made by the Government and suitable buildings was not available for hire. He further stated that buildings for 20 bedded at PHC Bankhedi has been constructed and taken over in August 2000 and that building for 10 bedded is under construction. The reply was not acceptable as the Government had already instructed for hiring the buildings for CHCs. The staff was kept idle due to lapse on the part of CMHOs.

Thus, due to improper planning and lack of co-ordination, Rs.37.13 lakh was spent on idle staff.

The matter was referred to Government (January 2001); reply had not been received (December 2001).

* *Hoshangabad: 2PHCs: 9 staff nurses, 1 Radiographer and 5 class four posted during April 1998 to November 1999; Jabalpur: 3PHCs: 12 staff nurses and 2 Radiographers posted in April 1998.*

Scheduled Tribes and Scheduled Castes Welfare Department

3.25 Suspected defalcation of Government money

Non observance of codal provisions resulted in defalcation of Rs.2.73 lakh

State Government financial rules provide for fortnightly verification by drawing officer of the drawals made from the treasury with reference to treasury voucher slips and record a certificate to that effect in the cash book. The rules also provide for monthly review of bill register and fortnightly review of bill transit register by the drawing officer and result of the review recorded in the respective registers. Further, rule 32 of the Madhya Pradesh Treasury Code also enjoins upon the sub treasury officer to forward to the Treasury Officer, the list of daily receipt and payments and balance statement with all challans and payment vouchers.

Test-check (March 1999) of the records of the Block Education Officer (BEO) Tribal Development Annuppur district Shahdol revealed that the BEO presented three bills viz., bill No.544, dated 27 November 1997 for Rs.15,960 (mid-day meal), bill No. 606, dated 29 December 1997 for Rs.42,825 (scholarship) and bill No.717, dated 28 January 1998 for Rs.2,58,132 (Salary for January 1998) to the sub-treasury Annuppur for payment. Further perusal of the treasury slips which were received between 16 January 1998 to 31 January 1998 revealed that though the payment of Rs.3,16,917 was shown to have been made on 16 January 1998 (Rs.58,785) and 31 January 1998 (Rs.2,58,132), the payment of Rs.44175 only had been shown as received in 4 installments between 24 January 1998 to 7 February 1998 (Rs.188 on 24 January 1998, Rs.38 on 28 January 1998, Rs.37162 on 2 February 1998 and Rs.6787 on 7 February 1998) in the cash book without any reference against which bill payment was drawn. On being asked the reasons for acceptance of short payment, the BEO stated that the treasury accountant explained short payment to shortage of funds or non-working of double lock. The reason was not convincing as the BEO should have brought the fact of short payment of bills to the notice of Treasury Officer immediately and lodged a complaint with the police.

Thus due to failure on the part of the BEO to exercise checks as per Madhya Pradesh Financial Code and Madhya Pradesh Treasury Code respectively, there was misappropriation of Rs.2.73 lakh.

The matter was reported to Government (October 2000); reply had not been received (December 2001).

3.26 Outstanding temporary advances amounting to Rs.1.61 crore

Non-adjustment of temporary advances of Rs.1.61 crore

According to Rule 53(iv) of Madhya Pradesh Treasury Code Vol.I temporary advances are required to be adjusted as early as possible and in no case the temporary advance should be allowed to remain unadjusted for more than three months.

Test check (April 1998 & November 2000) of the records of Assistant Commissioner Tribal Development (ACTD) Sidhi and information gathered from another 21 offices of the Tribal Welfare department revealed that temporary advances of Rs.1.61 crore given to officials during the period from April 1984 to November 2000 for construction works, pay and allowances, mid day meals etc. were outstanding and no efforts were made by the officers incharge to adjust them. In one particular instance in the office of ACTD Sidhi, temporary advance of Rs.5 lakh pertaining to scholarships was outstanding against one official since 1984-85 and no efforts were made by ACTD either to adjust the amount or recover the advance.

On being pointed out (April 1998 & November 2000) the ACTD admitted that no efforts were made by the then ACTDs. However, Commissioner Tribal Development stated (December 2001) that efforts were being made to adjust the long outstanding advances. The replies were not tenable because as per rules the drawing and disbursing officers were responsible for recovery/adjustment of advances within stipulated time and punitive action like recovery of advances in one lump sum from salary alongwith the penal interest was called for.

The matter was referred to Government in January 2001; reply had not been received (December 2001).

3.27 Infructuous expenditure on the construction of two incomplete Scheduled Castes Girls Hostels

Execution of construction work despite stay of court resulted in infructuous expenditure of Rs.37.22 lakh.

The State Government accorded administrative approval in March 1996 for the construction of 2 Scheduled Castes Girls Hostels at Gwalior under a Centrally Sponsored Scheme at an estimated cost of Rs.60.66 lakh (Rs.40.44 lakh for 100 seater Adarsh Girls Ashram and Rs.20.22 lakh for 50 seater Pre-Matric Girls Hostel respectively) equally shareable between Central and State Governments. The Commissioner, Scheduled Castes Development accorded revised administrative approval of Rs.43.20 lakh for Adarsh Ashram and Rs.22.74 lakh for Pre-Matric Hostel in January 1999. Before calling for tenders clear title for land was to be ensured as per existing rules.

Test-check (March 2001) of the records of District Organizer Tribal Welfare, Gwalior (DOTW) revealed that the Commissioner, Scheduled Caste Development

awarded (September 1996) these works to Madhya Pradesh Laghu Udyog Nigam (MPLUN). Accordingly DOTW provided Rs.60.66 lakh to MPLUN during July 1997 to March 1999 for the construction of the aforesaid hostel buildings. Advance possession of land was handed over to DOTW on 18 March 1998 with the condition that after completing all the formalities of transfer of land, the cases were required to be submitted in the next meeting of Land Pool Committee (LPC) for issue of formal orders. The Commissioner Gwalior approved the allotment of land in June 1998. The construction of both the hostel buildings was scheduled to be completed by March 1999 and April 1999 respectively.

The construction works were started in June 1998 and July 1998 respectively. Meanwhile the land owner had obtained a stay order from the Honorable High Court on 30 July 1998 but the DOTW informed the MPLUN only in June 1999 to stop the work in view of stay order of the court with immediate effect till further orders. An expenditure of Rs.37.22 lakh (Adarsh Ashram Rs.24.69 lakh and Pre-Matric Hostel Rs.12.53 lakh) had been incurred so far and works were left incomplete at roof and lintel level respectively. It was also noticed that unspent balance of Rs.23.44 lakh was lying with MPLUN for which a reference was made by DOTW only in February 2001 to refund the same with interest liability @ 13 per cent per annum, amounting to Rs.6.09 lakh.

Thus, delay in stopping the work of construction of 2 girls hostel buildings resulted in infructuous expenditure of Rs.37.22 lakh. The DOTW stated (January 2002) that his office was not aware of the court case and the intimation regarding stay order was given verbally by Additional Collector on 29 June 1999 on the basis of which the work was stopped and no expenditure was incurred after June 1999. The reply confirmed the delay in intimation of courts stay order which resulted in infructuous expenditure of Rs.37.22 lakh.

The matter was referred to Government in June 2001; reply was still awaited (December 2001).

Veterinary Department

3.28 Infertuous expenditure on pay and allowances of idle bull attendants

Rs.5.51 crore incurred on pay and allowances of idle bull attendants in 10 districts was infertuous.

Under Intensive Cattle Development Programme, the State Government had created/sanctioned (1981-82) the posts of bull attendants for carrying out artificial insemination and collection of semen in sub-centers. Director Veterinary services (Director) directed (December 1994) to transfer the bulls to the Gram Panchayats and advised that the bull attendants may also be transferred and adjusted against the vacant posts and no expenditure be incurred under this head with effect from 1995-96. Accordingly Veterinary Department declared (December 1998) 1482 posts of bull attendants (274 regular and 1208 posts of contingency paid) as dying cadre (abolished) and transferred these posts to the Chief Executive Officers (CEO) Districts Panchayats with immediate effect.

Test-check (July 1999 to October 2000) and additional information supplied by 10* Dy. Directors of veterinary services revealed that 370 bull attendants remained on their roll and continued to draw salary amounting to Rs.5.51 crore for the period 1995-96 to August 2000 which was irregular and contrary to the instructions issued both by the Director and the Government.

On being pointed out, the Dy. Directors stated (July 1999 to March 2001) that the services of bull attendants were being utilised as class-IV employees. The reply was not tenable as 370 posts of bull attendants should have been placed at the disposal of CEO's of District Panchayats and the continuation of 370 posts of bull attendants without the bulls in the department was contrary to the orders of the Government and release of pay and allowances amounting to Rs.5.51 crore proved infertuous.

Matter was reported to Government (November 2000); reply had not been received (December 2001).

* Betul 15 attendants; Rs.41.40 lakh, Bilaspur 86 attendants; Rs.133.13 lakh, Chhatarpur 24 attendants; Rs.32.28 lakh, Chhindwara 19 attendants; Rs.23.94 lakh, Raigarh 82 attendants; Rs.120.54 lakh, Rewa 50 attendants; Rs.63.75 lakh, Raipur 34 attendants Rs.51.98 lakh, Satna 36 attendants; Rs.35.36 lakh Shahjapur 14 attendants ; Rs33.21 lakh and Balaghat 10 attendants; Rs.15.18 lakh.

General

3.29 Follow up action on earlier Audit Reports

Outstanding Action Taken Notes

The Comptroller and Auditor General of India's Audit Reports represent culmination of the process of scrutiny starting with initial inspection of the accounts and records maintained in the various offices and departments of Government. It is necessary, therefore, that these elicit appropriate and timely response from the executive. Madhya Pradesh Vidhan Sabha had issued instructions (November 1998) to all the Administrative Departments to submit explanatory notes on paragraphs and reviews included in the Audit Reports within three months of their presentation to the Legislature without waiting for any notice or call from the Public Accounts Committee (PAC) duly indicating the action taken or proposed to be taken thereon.

However, it was noticed that though the Audit Reports for the year 1989-90 to 1998-99 were presented to the State legislature in February 1992, December 1993, May 1994, March 1995, August 1995, August 1996, July 1997, July 1998, July 1999, November 2000 respectively, as much as 29 departments who were commented upon did not submit explanatory notes on 150 paragraphs/ reviews out of 473 as of August 2001 as indicated below:

Year of the Audit Report (Civil)	Total paragraphs/ reviews in Audit Report	Number of paragraphs/reviews for which explanatory notes were not received
1989-90	52	04
1990-91	46	07
1991-92	43	03
1992-93	45	15
1993-94	41	03
1994-95	40	08
1995-96	40	04
1996-97	63	15
1997-98	53	43
1998-99	50	48
Total	473	150

Department wise analysis is given in the **Appendix XXXVIII**. The break-up revealed that the departments largely responsible for non-submission of explanatory notes were Agriculture, Panchayat and Rural Development. Audit also found that around 32 per cent of Audit observations remain unresponded to comments on topics such as Jawahar Rojgar Yojna, Integrated Rural Development Scheme, Public Health and Family Welfare, Total Literacy Campaign etc.

3.30 Transfer of funds to Personal Deposit Account

There were 320 Personal Deposit Accounts (PDAs) having balance of Rs.240.13 crore in respect of Government and semi Government Institutions as on 31 March 2001. A test check of 22 PDAs (Rs.180.54 crore) conducted (October 2001)/supplemented by the information furnished by Accountant General (A&E) M.P. Gwalior revealed the following irregularities.

(a) Non-closing of PDAs

All the 320 PDAs having balance of Rs.240.13 crore were required to be closed at the end of the financial year by minus debit to the relevant service head as per provisions of Rule 543 of Madhya Pradesh Treasury Code. The closing balance in these accounts indicates that rules regarding closing of PDAs at the end of the financial year were not observed. Out of these 70 PDAs having balance of Rs.72.85 crore remained un-operative during 2000-01.

(b) Funds remaining un-utilised in PDAs

(i) Government of India released Rs.1.30 crore as Central Assistance for the construction of 1300 houses under housing scheme for Hamals @Rs.10,000 per beneficiary. As per instructions of Government of India, houses were to be constructed within the period of two years (including extended period of six months). Test check of records of Labour Commissioner Madhya Pradesh, Indore (October 2001) revealed that Rs.1.22 crore was deposited (March 1998) in PDA after advancing Rs.0.08 crore to the Madhya Pradesh Housing Board. Out of the 1300 houses only 58 houses could be constructed (October 2001). The amount of Rs.1.22 crore was still lying in the PDA in contravention of rules.

On being pointed out Department stated that funds could not be utilised as Hamals had not shown any interest in the housing scheme.

(ii) Commissioner, Panchayat and Social Welfare Department credited Rs.144.34 crore in the PDA (March 2000) provided on the recommendation of 10th Finance Commission for construction works. During 2000-01, Rs.77.29 crore was released to District Panchayats, from whom utilisation certificates for Rs.21.33 crore were still awaited (October 2001). An amount of Rs.19.89 crore was transferred to newly created Chhattisgarh State (November 2000). The balance amount of Rs.47.16 crore was still lying in the PDA (October 2001).

On being pointed out, the Commissioner stated (October 2001) that balance amount could not be released to District Panchayats as the utilisation certificates of earlier amounts were awaited.

(iii) Director, Urban Administration Bhopal withdrew Rs.55.76 crore on account of Octroi Compensation Grant for the months of February and March 2000 which was to be paid to Urban Local Bodies, but deposited the same in PDA (March 2000). Out of this an amount of Rs.9.27 crore was transferred to the newly created Chhattisgarh State (November 2000). The balance amount of Rs.46.49 crore remained unutilised for the year 2000-01.

On being pointed out Director stated (October 2001) that balance amount would be released to Urban Local Bodies during 2001-02.

(iv) An amount of Rs.3.75 crore pertaining to ICMR Project (Central Share) for gas affected persons was credited in the PDA of the Director, Centre for Rehabilitation Studies (CRS) Bhopal in August 1995. Another amount of Rs.1.25 crore (State share) was sanctioned by Government of Madhya Pradesh for the said purpose which was also credited in the PDA (February 1996). The PDA (Rs.5 crore) remained unoperative for last five years. No action was taken by the Department/Treasury for closure of PDA as provided under the rules.

On being pointed out Director, CRS stated (October 2001) that in lieu of interest on the amount kept in PDA Government released grants to the centre from which research work was being conducted.

The action of the Government was not in order as PDA being non-interest bearing account, no interest was payable on such account.

(v) According to instructions issued by Finance Department (January 1998) all amounts lying in the bank accounts were to be withdrawn and kept in PDA.

Scrutiny of records of Land Acquisition and Rehabilitation Officers, Sardar Sarowar Project (LARO), Khargone and Badwani revealed that in contravention of above instructions of Finance Department LARO Khargone withdrew Rs.0.10 crore from PDA (Rs.1.51 crore) and deposited it in the bank account.

On this being pointed out LARO stated (October 2001) that amount was drawn for distribution among oustees of the project who did not present themselves for the collection of relief payment. The reply of Department was not tenable as money should not have been drawn in anticipation of demand.

(c) PDAs opened to avoid lapse of budget grants/surrender of funds

Financial rules provide that no money shall be drawn from treasury unless it is required for immediate disbursement. The closing balance under PDA as on 31 March 2001 indicate that money was drawn to avoid the lapse of budget grants. During 2000-01, an amount of Rs.60.73 crore was transferred to 17 PDAs which includes Rs.1.20 crore (Assistant Commissioner, Tribal Welfare Khargone Rs.1.16 crore and Mandla Rs.0.04 crore) pertaining to centrally sponsored/assisted schemes to avoid the lapse of funds.

Since the amount shown under PDA had already been shown as expenditure in the respective heads, the expenditure to this extent was inflated and did not depict the factual position of accounts of the State. In addition, non-utilisation of funds not only delayed the implementation of schemes for which funds were released and also defeated the purpose of providing budget in the respective financial years.

(d) Opening of PDAs without specific concurrence of Accountant General

Rule 623 of the Central Treasury Rules provide that PDA should not be opened without the specific authority of Accountant General. Similar instructions were also issued by Finance Department in February 1962, but these instructions were superseded by Government notification dated 22 November 1994 according to which all administrative departments were authorised to open PDA without specific sanction of Accountant General.

With a view to ensure better financial discipline, the matter regarding review of said notification was taken up (October 1997) by Principal Accountant General (A&E). The reply of the State Government was however awaited.

During 2000-01, 49 PDAs having balance of Rs.8.22 crore (March 2001) were opened without specific authority of Principal Accountant General (A&E) Madhya Pradesh. In addition 4 PDAs having balance of Rs.0.27 crore (October 2000) were opened in the treasuries during the period April 2000 to October 2000 which now come under Chhattisgarh State.

CHAPTER IV

**FINANCIAL ASSISTANCE TO
AUTHORITIES AND BODIES**

CHAPTER IV

Financial assistance to authorities and bodies

4.1 General

4.1.1 Autonomous bodies and authorities including local bodies are set up to discharge generally non commercial functions of public utility services. These bodies/authorities receive substantial financial assistance from the Government. Substantial financial assistance is also provided by Government to other institutions such as those registered under the respective State Co-operative Societies and Companies Act, 1956 etc. to implement specific programmes of the State Government assigned to them. The grants are intended essentially for maintenance of educational institutions, hospitals, charitable institutions, construction and maintenance of schools and hospital buildings, improvement of roads and other communication facilities under municipalities and local bodies.

During 2000-01 financial assistance of Rs.764.15 crore was sanctioned to various autonomous bodies and other agencies broadly grouped as under :

(Rupees in crore)

Sl. No.	Name of Institutions	Assistance paid
1.	Universities and Educational Institutions	156.20
2.	Municipal Corporations and Municipalities	190.72
3.	Zilla Parishads and Panchayati Raj Institutions	218.89
4.	Development Agencies	9.08
5.	Hospitals and other Charitable Institutions	18.90
6.	Other institutions	170.36
	Total	764.15

4.1.2 *Delay in submission of accounts*

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/head of Departments are 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.

Though Government is requested every year to furnish this information, the information in respect of the following 5 organisations was awaited as on October 2001 for a number of years as indicated below :

Sl. No.	Name of the organisations	Year for which information had not been furnished
1.	Madhya Pradesh Seed Corporation, Bhopal	1992-93 to 1998-99
2.	Rajeev Gandhi Primary Education Mission, Bhopal	1994-95 to 2000-01
3.	Jawahar Lal Nehru Agricultural University, Jabalpur	1997-98 to 2000-01
4.	Jawahar Lal Nehru Agricultural University, Raipur	1995-96 to 2000-01
5.	Madhya Pradesh Khadi and Village Industries Board, Bhopal	1992-93 to 2000-01

The audit of accounts of the following bodies had been entrusted to the Comptroller and Auditor General of India for periods detailed below :

Sl. No.	Name of body	Period of entrustment	Date of entrustment
1.	Madhya Pradesh Marketing Federation, Bhopal	1992-93 and onwards	16.5.1997
2.	Madhya Pradesh State Oil Federation, Bhopal	1992-93 and onwards	16.5.1997
3.	Jawahar Lal Nehru Agricultural University, Jabalpur	1992-93 and onwards	16.5.1997
4.	Madhya Pradesh Housing Board, Bhopal	1997-98 to 2001-02	22.1.1999
5.	Madhya Pradesh Khadi and Village Industries Board, Bhopal	1998-99 and onwards	24.2.1999

4.1.3 Audit arrangement

The primary audit of local bodies (Zilla parishads, Nagar Palikas, Town Area/Notified Area Committee and Panchayati Raj Institutions), educational institutions and others is conducted by Director, Local Fund, Madhya Pradesh, Gwalior. Audit of Co-operative Societies is conducted by the Registrar, Co-operative Societies, Madhya Pradesh, Bhopal.

Out of 783 units of 34 bodies of Madhya Pradesh, only 560 units attracted audit under Comptroller and Auditor General (DPC) Act, 1971. Out of these, audit of 405 units was taken up during 2000-01.

Panchayat and Rural Development Department

4.2 Unfruitful expenditure on unsuccessful wells

Release of funds for digging of 249 wells without ensuring availability of underground water resulted in unfruitful expenditure of Rs.52.54 lakh besides blocking of Rs.41.15 lakh due to non completion of 195 wells.

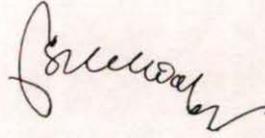
To provide irrigation facilities to marginal farmers owning cultivable land below 2.5 acres, the Government of India introduced (December 1987) a scheme titled "Jeewan Dhara Yojna" under which assistance of Rs.21,100 was payable to beneficiaries who desired to dig wells after ascertaining title of the land to beneficiary and availability of sufficient ground water. The Government of Madhya Pradesh, Panchayat and Rural Development Department, Bhopal, directed (March 1996) that no new wells be sanctioned so long as the old incomplete wells were not completed.

Test check (June 2000) of the records of District Rural Development Agency (DRDA), Rewa and further information collected (September 2001) revealed that though 461 wells were incomplete at the end of March 1998, 282 new wells were sanctioned to the beneficiaries during 1998-99 in disregard to instructions of Government, bringing the total number of incomplete wells to 743 at the end of March 2000. The department could complete only 299 wells during 2000-01 leaving 444 wells incomplete. Further 249 wells out of 444 were declared unsuccessful resulting in unfruitful expenditure of Rs.52.54 lakh @ Rs.21,100 for each well.

Thus, sanctioning of 282 additional wells during 1998-99 rather than completing the 461 incomplete wells was contrary to the instructions of the Government. Further, release of funds amounting to Rs.52.54 lakh for digging of wells without ensuring availability of underground water proved to be unfruitful as these were declared unsuccessful. Even after allowing a margin for 10 percent failure, the net unfruitful expenditure works out to Rs.47.29 lakh. Further Rs.41.15 lakh released during 1997-99 were blocked due to

non-completion of digging of remaining 195 wells.

Matter was referred to Government (January 2001); reply had not been received (December 2001).

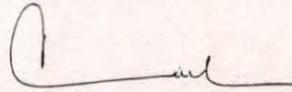


Gwalior
The

(SURINDER PAL)
Principal Accountant General (Audit)-I,
Madhya Pradesh

02 JUN 2003

Countersigned



New Delhi
The

(VIJAYENDRA N. KAUL)
Comptroller and Auditor General of India

12 JUN 2003

APPENDICES

Appendix I

Definitions of terms used in Chapter I

(Reference: paragraph 1.1, page 1)

Part A : Government Accounts

I. **Structure** : The accounts of the State Government are kept in three Parts, (i) Consolidated Fund, (ii) Contingency Fund, and (iii) Public Account.

Part I: Consolidated Fund

All receipts of the State Government from revenues, loans and recoveries of loans go into the Consolidated Fund of the State, constituted under Article 266(1) of the Constitution of India. All expenditure of the Government is incurred from this Fund from which no amount can be withdrawn without authorisation from the State Legislature. This Part consists of two main divisions, namely, Revenue Account (Revenue Receipts and Revenue Expenditure) and Capital Account (Capital Receipts, Capital Expenditure, Public Debt and Loans, etc.).

Part II: Contingency Fund

The Contingency Fund created under Article 267(2) of the Constitution of India is in the nature of an imprest placed at the disposal of the Governor of the State to meet urgent unforeseen expenditure pending authorisation from the State Legislature. Approval of the State Legislature is subsequently obtained for such expenditure and for transfer of equivalent amount from the Consolidated Fund to Contingency Fund. The corpus of this Fund authorised by the Legislature during the year was Rs.40 crore.

Part III: Public Account

Receipts and disbursements in respect of small savings, provident funds, deposits, reserve funds, suspense, remittances, etc., which do not form part of the Consolidated Fund, are accounted for in Public Account and are not subject to vote by the State Legislature.

II. Form of Annual Accounts

The accounts of the State Government are prepared in two volumes *viz.*, the Finance Accounts and the Appropriation Accounts. The Finance Accounts present the details of all transactions pertaining to both receipts and expenditure under appropriate classification in the government accounts. The Appropriation Accounts present the details of expenditure by the State Government *vis-a-vis* the amounts authorised by the State Legislature in the budget grants. Any expenditure in excess of the grants requires regularisation by the Legislature.

Appendix I (continued)

Part B. List of indices/ratios and basis for their calculation

<i>Indices/ratios</i>		<i>Basis for calculation</i>
<i>Sustainability</i>		
-Balance from the current revenues (BCR)		Revenue Receipts minus all Plan grants (under Major Head 1601- 02,03,04)and Non-Plan revenue expenditure
-Primary Deficit		Fiscal Deficit minus Interest Payment.
-Interest Ratio		<u>Interest payments-Interest receipts</u>
Capital Outlay Vs Capital receipts	Capital Outlay	Total revenue receipts-Interest receipts
	Capital receipts	Capital expenditure as per Statement No.2 of the Finance Accounts
		Internal Loans (net of ways and means advances) + Net receipts from small savings, PF etc. + Repayments received of loans advanced by the State Government – Loans advanced by the State Government.
		Exhibit V
-Total tax receipts Vs GSDP		Exhibit V
-State tax receipts Vs GSDP		
<i>Flexibility</i>		
-Balance from current revenues		As above
-Capital repayments Vs Capital borrowings	Capital Repayments	Disbursements under Major Heads 6003 and 6004 minus repayments on account of Ways and Means Advances/Overdraft under both the major heads
	Capital Borrowings	Addition under Major Heads 6003 & 6004 minus addition on account of Ways & Means Advances/Overdraft under both the major heads
-Total Tax Receipts Vs GSDP	State Tax Receipts	Exhibit V
	Total Tax Receipts	Statement No.1 of Finance Accounts
-Debt Vs GSDP	Debt	Borrowings and other obligations at the end of the year (Statement No.4 of the Finance Accounts) Exhibit V
<i>Vulnerability</i>		
-Revenue Deficit		Revenue expenditure minus Revenue receipts.
-Fiscal Deficit		Total expenditure minus revenue receipts and non-debt public receipts. Paragraph No 1.9.6 of the Audit Report
-Primary Deficit Vs Fiscal Deficit	Primary Deficit	Fiscal Deficit minus interest payments
Total outstanding guarantees including letters of comfort Vs Total revenue receipts of the Government	Outstanding guarantees	Exhibit IV
	Revenue Receipts	Exhibit II
Assets Vs Liabilities	Assets and Liabilities	Exhibit I

Appendix II
(Reference: paragraph 1.1, page 1)

Statement showing apportionment of assets and liabilities of the erstwhile composite State of MP as on 31 October 2000 between successor States of Madhya Pradesh and Chhattisgarh

(Rupees in crore)

Items	Balance as on 31 October 2000	Apportioned to		Balance retained in MP accounts pending apportionment	Reference to Finance Accounts Statements No.
		Madhya Pradesh	Chhattisgarh		
I- Liabilities-					
1. Internal Debt	7628.95	5766.01 ^(a)	1862.94 ^(a)	--	4 and 17
2. Loans and Advances from Central Government	10606.50	7783.25 ^(a)	2823.25 ^(a)	--	4 and 17
3. Contingency Fund	26.61	26.61	--	--	16
4. Small savings, provident funds, etc.	7371.51	4840.27 ^(b)	974.52 ^(b)	1556.72 ^(b)	4, 16 and 17
5. Deposits	1872.19	1325.09	288.60	258.50 ^(b)	4 and 16
6. Reserve Funds	657.94 ^(c)	45.49	11.55	102.46 ^(d)	4 and 16
7. Suspense and Miscellaneous Balances	39.58	25.46	5.93	8.19 ^(e)	16
II- Assets-					
1. Gross Capital Outlay	15760.57	4941.77	1484.59	9334.21 ^(e)	2 and 13
2. Loans and Advances	2883.18	555.95	135.91	2191.32 ^(f)	5 and 18
3. Advances	13.88	12.25	1.63	--	16
4. Remittance balance	665.60	512.72	152.88	--	16
5. Cash balance	-29.75	22.29	-52.04	--	7
III- Contingent Liabilities-					
Guarantees	9709.60	--	--	9709.60 ^(e)	6

N.B.: For further details, see Finance Accounts.

(a) Apportioned vide Government of India, Ministry of Finance, Department of Economic Affairs (Budget Division) order F. No. 9(2)B(S)/2002 dated 25 June 2002; includes Ways and Means Advances and Overdraft apportioned by Reserve Bank of India.

(b) To be reviewed after receipt of details of final allocation of employees to the two successor States.

(c) Dropped Rs.498.44 crore out of total of Rs.657.94 crore, in terms of second proviso to Section 42(1) of MP Re-organisation Act, 2000.

(d) Retained in MP pending decision of GOI.

(e) Retained in MP for want of details.

(f) Retained in MP due to non-receipt of decisions/details from successor States.

Appendix III

(Reference: paragraph 2.3.4, page 31)

Cases where supplementary provision proved unnecessary

(Rupees in crore)

Sl. No	Number and description of grant/ appropriation	Original grant/ appropriation	Supplementary grant/ appropriation	Actual expenditure	Savings
1.	2.	3	4	5	6
A- Revenue Voted					
1.	01- General Administration	87.08	15.10	81.94	20.24
2.	03- Police	1015.25	150.35	950.47	215.13
3.	05- Jail	70.35	4.24	62.70	11.89
4.	06- Expenditure pertaining to Finance Department	2344.85	0.13	1000.73	1344.25
5.	07- Expenditure pertaining to Commercial Tax Department	186.55	19.82	174.79	31.58
6.	08- Land Revenue and District Administration	357.79	37.07	320.64	74.22
7.	09- Expenditure pertaining to Revenue Department	25.88	0.49	22.10	4.27
8.	10- Forest	574.63	23.93	457.83	140.73
9.	11- Expenditure pertaining to Commerce and Industry Department	36.06	8.16	35.98	8.24
10.	12- Expenditure pertaining to Energy Department	455.70	2.62	401.94	56.38
11.	13- Agriculture	311.88	5.95	250.11	67.72
12.	15- Financial Assistance to Three Tier Panchayati Raj Institution under Special Component Plan for Scheduled Castes	91.07	30.34	65.58	55.83
13.	16- Fisheries	15.52	1.57	12.24	4.85
14.	17- Co-operation	43.57	7.39	40.77	10.19
15.	18- Labour	42.15	4.23	37.71	8.67
16.	19- Public Health and Family Welfare	630.43	43.73	557.47	116.69
17.	21- Expenditure pertaining to Housing and Environment Department	23.77	4.35	20.93	7.19
18.	23- Water Resources Department	314.28	0.10	288.01	26.37
19.	28- State Legislature	19.97	2.23	16.59	5.61
20.	29- Administration of Justice and Elections	124.28	6.47	94.72	36.03
21.	31- Expenditure pertaining to Planning Economics and Statistics Department	25.51	2.17	17.44	10.24
22.	32- Expenditure pertaining to Public Relation Department	37.48	3.94	31.21	10.21

Appendix
(Rupees in crore)

1.	2.	3	4	5	6
23.	33- Tribal Welfare	634.92	45.01	553.80	126.13
24.	34- Social Welfare	27.20	1.82	23.79	5.23
25.	36- Transport	23.57	0.75	16.35	7.97
26.	41- Tribal Area Sub Plan	525.54	66.07	418.21	173.40
27.	43- Sport and Youth Welfare	7.30	1.17	6.79	1.68
28.	45- Minor Irrigation-Works	40.33	3.00	38.48	4.85
29.	46- Science and Technology	2.55	0.49	2.26	0.78
30.	47- Technical Education and Man Power Planning Department	171.26	14.33	142.94	42.65
31.	55- Expenditure pertaining to Women and Child Welfare	238.32	31.54	166.02	103.84
32.	56- Rural Industries	30.08	1.50	23.50	8.08
33.	61- Externally Aided Projects pertaining to Public Health and Family Welfare	12.70	0.32	1.23	11.79
34.	63- Expenditure pertaining to Minority Welfare Department	2.09	0.25	1.60	0.74
35.	64- Special Component Plan for Scheduled Castes	327.08	4.74	232.58	99.24
36.	66- Welfare of Backward Classes	49.04	0.07	42.60	6.51
37.	67- Public Works-Buildings	287.12	11.27	255.37	43.02
38.	72- Expenditure pertaining to Gas Tragedy Relief Works	26.04	0.01	19.06	6.99
39.	73- Externally Aided Projects pertaining to Housing and Environment Department	50.00	2.00	33.76	18.24
40.	79- Expenditure pertaining to Medical Education Department	173.52	21.95	171.57	23.90
41.	80- Financial Assistance to Three Tier Panchayati Raj Institutions	684.88	175.31	633.23	226.96
42.	81- Financial Assistance to Urban Bodies	789.22	7.62	652.71	144.13
43.	82- Financial Assistance to Panchayati Raj Institutions under Tribal Area Sub Plan	155.69	60.39	120.17	95.91
44.	86- Upgradation of standards of Administration recommended by 11th Finance Commission- Jail	Nil	2.36	Nil	2.36
45.	94- Special problems under recommendation of 11th Finance Commission- Sports and Youth Welfare	Nil	2.00	Nil	2.00
	Total (A)	11092.50	828.35	8497.92	3422.93
	B- Revenue Charged				
1.	Interest payment and servicing of debt	2634.03	108.60	2410.78	331.85
2.	01- General Administration	5.98	2.36	5.76	2.58
3.	10- Forest	15.58	0.50	6.36	9.72
4.	29- Administration of Justice and Elections	13.40	1.53	13.23	1.70
	Total (B)	2668.99	112.99	2436.13	345.85

(Rupees in crore)

1.	2.	3	4	5	6
C- Capital Voted					
1.	08- Land Revenue and District Administration	10.25	0.74	3.33	7.66
2.	11- Expenditure pertaining to Commerce and Industries Department	12.30	1.13	4.80	8.63
3.	23- Water Resources Department	203.61	55.37	186.52	72.46
4.	24- Public Works-Road and Bridges	104.87	49.76	77.99	76.64
5.	39- Expenditure pertaining to Food, Civil Supplies and Consumer Protection Department	21.00	2.00	5.17	17.83
6.	40- Expenditure pertaining to Command Area Development Department	5.25	0.50	2.99	2.76
7.	41- Tribal Area Sub Plan	188.30	44.75	123.28	109.77
8.	45- Minor Irrigation-Works	60.12	2.74	22.18	40.68
9.	48- Narmada Valley Development	406.85	91.12	360.61	137.36
10.	56- Rural Industries	2.13	0.24	0.39	1.98
11.	58- Expenditure on Relief on account of Natural Calamities and Scarcity	2.80	3.50	0.63	5.67
12.	64- Special Component Plan for Scheduled Castes	92.31	6.02	56.81	41.52
13.	67- Public Works-Buildings	29.19	60.88	28.46	61.61
14.	68- Public Works Relating to Tribal Area Sub Plan Buildings	3.87	27.04	2.71	28.20
Total (C)		1142.85	345.79	875.87	612.77
D- Capital Charged					
1.	48- Narmada Valley Development	0.35	3.51	0.01	3.85
Total (D)		0.35	3.51	0.01	3.85
Grand Total (A+B+C+D)		14904.69	1290.64	11809.93	4385.40

Appendix IV

(Reference : paragraph 2.3.5, page 31)

Cases where supplementary provision obtained, proved excessive

(Rupees in crore)

Sl. No	Number and Description of grant/ appropriation	Original grant/ appropriation	Supplementary grant/ appropriation	Actual expenditure	Savings
1.	2.	3	4	5	6
A- Revenue Voted					
1.	04- Other Expenditure pertaining to Home Department	6.04	10.39	9.68	6.75
2.	14- Expenditure pertaining to Animal Husbandary Department	154.45	23.92	155.23	23.14
3.	20- Public Health Engineering	314.24	214.14	421.31	107.07
4.	26- Expenditure pertaining to Culture Department	15.36	7.38	20.57	2.17
5.	27- School Education	1789.35	269.04	2016.58	41.81
6.	30- Expenditure pertaining to Panchayat and Rural Development Department	248.44	215.92	426.08	38.28
7.	39- Expenditure pertaining to Food, Civil Supplies and Consumer Protection Department	112.47	51.66	132.87	31.26
8.	44- Higher Education	302.80	89.95	352.55	40.20
9.	52- Externally Aided Projects pertaining to Agriculture Department	3.34	2.10	4.07	1.37
10.	53- Financial Assistance to Urban Bodies under Special Component Plan for Scheduled Castes	2.86	7.64	9.08	1.42
11.	54- Expenditure pertaining to Agricultural Research and Education	40.00	8.28	46.97	1.31
12.	58- Expenditure on relief on account of Natural Calamities and Scarcity	121.07	216.19	129.57	207.69
13.	65- Aviation Department	4.95	4.25	8.33	0.87
14.	83- Financial Assistance to urban Bodies under Tribal Area Sub Plan	3.71	10.19	9.40	4.50
15.	84- Upgradation of standard of Administration recommended by 11th Finance Commission- - Revenue	Nil	16.45	4.13	12.32
16.	85- Upgradation of standards of Administration recommended by 11th Finance Commission- Police	Nil	6.11	2.98	3.13
17.	87- Upgradation of standard of Administration recommended by 11th Finance Commission- Urban Administration and Development	Nil	8.26	4.15	4.11
18.	89- Upgradation of standard of Administration recommended by 11th Finance Commission- Finance Department	Nil	3.54	0.89	2.65

(Rupees in crore)

1.	2.	3	4	5	6
19.	90- Upgradation of standard of Administration recommended by 11th Finance Commission- Public Health and Family Welfare	Nil	13.20	6.64	6.56
20.	91- Upgradation of standard of administration recommended by 11th Finance Commission- School Education	Nil	28.06	14.11	13.95
21.	92- Upgradation of standard of administration recommended by 11th Finance Commission – Culture	Nil	6.95	1.48	5.47
22.	93- Special Problems under recommendation of 11th Finance Commission- Tourism	Nil	18.00	10.56	7.44
	Total (A)	3119.08	1231.62	3787.23	563.47
	B Capital Voted				
1.	01- General Administration	0.21	4.17	4.12	0.26
2.	17- Co-operation	26.77	64.74	62.80	28.71
3.	21- Expenditure pertaining to Housing and Environment Department	14.59	12.39	26.00	0.98
4.	37- Tourism	2.31	2.50	2.46	2.35
5.	42- Public Works relating to Tribal Area Sub Plan- Roads and Bridges	25.82	46.85	26.98	45.69
6.	57- Externally Aided Projects pertaining to Water Resources Department	98.02	25.00	108.14	14.88
7.	60- Expenditure pertaining to District Plan Schemes	40.40	10.00	46.97	3.43
8.	62- Externally Aided Projects pertaining to Medical Education Department	5.00	5.56	9.25	1.31
9.	75- NABARD Aided Project pertaining to Water Resources Department	51.40	33.05	63.04	21.41
10.	80- Financial Assistance to Three Tier Panchayati Raj Institutions	4.03	8.67	11.67	1.03
11.	85- Upgradation of standard of Administration recommended by 11th Finance Commission- Police	Nil	3.55	2.51	1.04
	Total (B)	268.55	216.48	363.94	121.09
	Grand Total (A+B)	3387.63	1448.10	4151.17	684.56

Additional requirement: Rs.4151.17 crore- Rs.3387.63 crore = Rs.763.54 crore

Appendix V

(Reference: paragraph 2.3.6, page 31)

Cases where supplementary provision was insufficient
(Rupees in crore)

Sl. No.	Number and description of grant/appropriation	Supplementary provision	Final excess
1.	2.	3.	4.
A- Revenue Voted			
1.	02- Other expenditure pertaining to General Administration Department	1.81	0.90
	Total (A)	1.81	0.90
B- Capital Voted			
1.	88- Upgradation of standards of administration recommended by 11th Finance Commission - Administration of Justice	2.49	0.13
	Total (B)	2.49	0.13
C- Capital Charged			
1.	Public Debt	199.61	263.80
	Total (C)	199.61	263.80
	Grand Total (A+B+C)	203.91	264.83

Appendix VI
(Reference: paragraph 2.3.7(a), page 31)

Cases where expenditure fell short by more than rupees one crore and also by more than 10 percent of the total provision

		<i>(Rupees in crore)</i>
Sl. No.	Grant number and description of grant/appropriation	Amount of saving (Percentage of provision)
1.	2	3
A	Revenue-Voted	
1	01-General Administration	20.24 (19.8)
2	03-Police	215.13 (18.5)
3	04-Other Expenditure pertaining to Home Department	6.75 (41.1)
4	05-Jail	11.89 (15.9)
5	06-Expenditure Pertaining to Finance Department	1344.25 (57.3)
6	07-Expenditure pertaining to Commercial Tax Department	31.59 (15.3)
7.	08-Land Revenue and District Administration	74.22 (18.8)
8	09-Expenditure Pertaining to Revenue Department	4.27 (16.2)
9	10-Forest	140.73 (23.5)
10	11-Expenditure Pertaining to Commerce and Industry Department	8.24 (18.6)
11	12-Expenditure pertaining to Energy Department	56.38 (12.3)
12	13-Agriculture	67.72 (21.3)
13	14-Expenditure pertaining to Animal Husbandry Department	23.14 (13)
14	15-Financial Assistance to Three Tier Panchayati Raj Institution under special component plan for scheduled castes	55.83 (46)
15	16-Fisheries	4.85 (28.4)
16	17-Co-operation	10.19 (20)
17	18-Labour	8.67 (18.7)
18	19-Public Health and Family Welfare	116.69 (17.3)
19	20-Public Health Engineering	107.07 (20.3)
20	21-Expenditure pertaining to Housing and Environment Department	7.19 (25.6)
21	24-Public Works-Roads and Bridges	52.26 (15.2)
22	25-Expenditure pertaining to Mineral Resources Department	7.34 (41.8)
23	28-State Legislature	5.61 (25.3)
24	29-Administration of Justice and Election	36.03 (27.6)

1.	2	3
25	31-Expenditure pertaining to Planning, Economics and Statistics Department	10.24 (37)
26	32-Expenditure pertaining to Public Relations Department	10.21 (24.6)
27	33-Tribal Welfare	126.13 (18.6)
28	34-Social Welfare	5.23 (18)
29	35-Rehabilitation	1.01 (50)
30	36-Transport	7.97 (32.8)
31	39-Expenditure pertaining to Food, Civil Supplies and Consumer Protection Department	31.26 (19)
32	40-Expenditure pertaining to Command Area Development Department	2.90 (51.3)
33	41-Tribal Areas Sub Plan	173.40 (29.3)
34	43-Sports and Youth Welfare	1.68 (19.8)
35	44-Higher Education	40.20 (10.2)
36	45-Minor Irrigation-Works	4.85 (11.2)
37	47-Man Power Planning Department and Technical Education	42.65 (22.9)
38	48-Narmada Valley Development	5.71 (63.4)
39	49-Scheduled Castes Welfare	10.99 (21.5)
40	51-Religious trusts and endowments	1.90 (33.9)
41	52-Externally Aided Projects pertaining to Agriculture Department	1.37 (25.2)
42	53-Financial Assistance to Urban bodies under special component plan for scheduled castes	1.42 (13.5)
43	55-Expenditure pertaining to Women and Child Welfare	103.84 (38.5)
44	56-Rural Industries	8.08 (25.6)
45	58-Expenditure on relief on account of Natural Calamities and Scarcity	207.69 (62)
46	61-Externally Aided Projects pertaining to Public Health and Family Welfare	11.79 (90.6)
47	64-Special component Plan for Scheduled Castes	99.24 (29.9)
48.	66-Welfare of Backward Classes	6.51 (13.3)
49.	67-Public Works-Buildings	43.02 (14.4)
50.	69-Expenditure pertaining to Urban Administration and Development Department-Urban Welfare	4.33 (18.9)
51.	71-Externally Aided Projects pertaining to Animal Husbandary Department	1.41 (77.4)
52.	72-Expenditure pertaining to Gas Tragedy Relief Works	6.99 (26.8)
53.	73-Externally Aided Projects pertaining to Housing and Environment Department	18.24 (35.1)

1.	2	3
54.	74-Externally Aided Projects pertaining to Finance Department	129.91 (86.6)
55.	77-Externally Aided Projects pertaining to Development of Tribal Areas in Bilaspur Division	8.00 (100)
56.	78-Externally Aided Projects pertaining to Rural Industries Department	9.31 (44.2)
57.	79-Expenditure pertaining to Medical Education Department	23.90 (12.2)
58.	80-Financial Assistance to Three Tier Panchayati Raj Institutions	226.96 (26.5)
59.	81-Financial Assistance to Urban Bodies	144.13 (18.1)
60.	82-Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal Areas Sub Plan	95.91 (44.4)
61.	83-Financial Assistance to Urban Bodies under Tribal Areas Sub Plan	4.50 (32.4)
62.	84-Upgradation of standards of Administration recommended by 11th Finance Commission-Revenue	12.32 (74.9)
63.	85-Upgradation of standards of Administration recommended by 11th Finance Commission-Police	3.13 (51.2)
64.	86-Upgradation of standards of Administration recommended by 11th Finance Commission- Jail	2.36 (100)
65.	87-Upgradation of standards of Administration recommended by 11th Finance Commission--Urban Administration and Development	4.11 (49.8)
66.	89-Upgradation of standards of Administration recommended by 11th Finance Commission-Finance Department	2.65 (74.9)
67.	90-Upgradation of standards of Administration recommended by 11th Finance Commission--Public Health and Family Welfare	6.56 (49.7)
68.	91-Upgradation of standards of Administration recommended by 11th Finance Commission-School Education	13.95 (49.7)
69.	92-Upgradation of standards of Administration recommended by 11th Finance Commission-Culture	5.47 (78.7)
70.	93-Special Problem under recommendation of 11th Finance Commission-Tourism	7.44 (41.3)
71.	94-Special problem under recommendation of 11th Finance Commission -Sports and Youth Welfare	2.00 (100)
B-Revenue- Charged		
72.	<i>Interest payment and servicing of debt</i>	331.85 (12.1)
73.	<i>01-General Administration</i>	2.58 (30.9)
74.	<i>07-Expenditure pertaining to Commercial Tax Department</i>	3.84 (12.8)
75.	<i>10-Forest</i>	9.72 (60.4)
76.	<i>12-Expenditure pertaining to Energy Department</i>	4.44 (17.8)
77.	<i>29-Administration of Justice and Elections</i>	1.70 (11.4)
78.	<i>81-Financial Assistance to Urban Bodies</i>	16.54 (55.1)
C-Capital- Voted		
79.	03-Police	1.39 (11.6)
80.	06-Expenditure pertaining to Finance Department	10.34 (37.4)
81.	08-Land Revenue and District Administration	7.67 (69.8)

Appendix
(Rupees in crore)

1.	2	3
82.	11-Expenditure pertaining to Commerce and Industry Department	8.63 (64.3)
83.	12-Expenditure pertaining to Energy Department	23.11 (11.1)
84	13-Agriculture	2.28 (80)
85	17-Co-operation	28.71 (31.4)
86	20-Public Health Engineering	3.53 (31.2)
87	23-Water Resources Department	72.46 (28)
88	24-Public Works-Roads and Bridges	76.64 (49.6)
89	37-Tourism	2.36 (49.1)
90	39-Expenditure pertaining to Food, Civil Supply and Consumer Protection Department.	17.83 (77.5)
91	40-Expenditure pertaining to Command Area Development Department	2.76 (48)
92	41-Tribal Areas Sub-plan	109.77 (47.1)
93	42-Public Works relating to Tribal Areas Sub-plan-Roads and Bridges	45.69 (62.9)
94	45-Minor Irrigation-Works	40.68 (64.7)
95	48-Narmada Valley Development-	137.36 (27.6)
96	55-Expenditure pertaining to Women and Child Welfare	1.29 (95.6)
97	56-Rural Industries	1.98 (83.5)
98	57-Externally Aided Project pertaining to Water Resources Department.	14.88 (12.1)
99	58-Expenditure on relief on account of Natural Calamities and Scarcity	5.67 (90.0)
100	62-Externally Aided Projects pertaining to Medical Education Department	1.31 (12.4)
101	64-Special Component Plan for Scheduled Castes	41.52 (42.2)
102	67-Public Works-Buildings	61.61 (68.4)
103	68-Public Works relating to Tribal Areas Sub-plan -Buildings	28.20 (91.2)
104	69-Expenditure pertaining to Urban Administration and Development-Urban Welfare	1.66 (11.3)
105	75-NABARD Aided Projects pertaining to Water Resources Department	21.41 (25.3)
106	76-Externally Aided Projects pertaining to Public Works Department	6.44 (74.8)
107	78-Externally Aided Projects pertaining to Rural Industries Department	2.93 (100)
108	81-Financial Assistance to Urban Bodies	3.12 (75.4)
109	85-Upgradation of standard of Administration recommended by 11th Finance Commission-Police	1.04 (29.3)
D-Capital- Charged		
110	11-Expenditure pertaining to Commerce and Industry Department	1.10 (100)
111	48-Narmada Valley Development	3.85 (99.7)

Appendix VII

(Reference : paragraph 2.3.7 (b), page 32)

Cases where entire budget provision under Central schemes remained unutilised

(Rupees in crore)

Sl. No.	Grant number and name	Head of account	Budget provision not utilised
1.	2.	3.	4.
A. Centrally Sponsored Schemes			
1.	11-Expenditure pertaining to Commerce and Industry Department	2852-80-800-0701-7604- Establishment of Export Promotion Industrial Park in Pithampur, District-Dhar	4.49
2.	18-Labour	2230-01-103-0701-8352- Construction of Houses for Bidi labours in State	2.53
3.	45-Minor Irrigation-Works	4402-800-0701-7614- Scheme for development of ground water level	2.44
4.	64-Special Component Plan for Scheduled Castes-02-Home Department	4059-60-789-800-0703-5172-Establishment of New Police Stations	1.80
5.	67-Public Works-Buildings	4059-01-051-0701-7634- Completion of under construction Building of District Court, Bhopal	2.00
	Total – A		13.26
B. Central Sector Schemes			
1.	08-Land Revenue and District Administration	2029-103-0801-8717- Sixteenth Animal Census	1.00
2.	18-Labour	2230-01-101-0801-5019- Housing Scheme for Hammal Working in Mandies	1.50
3.	19-Public Health and Family Welfare	2211-800-0801-2498-Supply of conventional contraceptives	15.00
4.	19-Public Health and Family Welfare	3606-237-0801-2498-Supply of conventional contraceptives	14.50

1.	2.	3.	4.
5.	19-Public Health and Family Welfare	3606-237-0801-4244-Malaria	12.00
6.	19-Public Health and Family Welfare	3606-237-0801-8282-Child life and Safe Maternity Programme	27.50
7.	21-Expenditure pertaining to Housing and Environment Department	2215-02-106-0801-8872-National River Conservation Scheme	3.50
8.	41-Tribal Areas sub-plan 17-Public Health and Family Welfare	2210-03-796-103-0802-2779-Implementation of Prime Minister Gramoday Yojana	3.93
9.	41-Tribal Areas Sub-plan 29-Food and Civil Supplies Department	2408-01-796-190-0802-4994-Construction of Godown Grid	3.63
10.	41-Tribal Areas sub Plan 29-Food and Civil Supplies Department	6408-01-796-190-0802-4994-Construction of Godown Grid	3.63
11.	41-Tribal Areas sub-plan 31-Water Resources Department	4702-796-800-0802-3828-Minor Irrigation Scheme	5.00
12.	64-Special Component Plan for Scheduled Castes 17-Public Health and Family Welfare Department	2210-03-789-103-0803-2779-Implementation of Prime Minister Gramodyog Yojna	2.39
13.	66-Welfare of Backward Classes	2225-03-277-0801-9026-Post Metric Scholarship	1.00
14.	80-Financial Assistance to Three Tier Panchayati Raj Institutions	2202-01-101-0801-447-Operation Black Board	15.00
15.	82-Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal Area Sub-plan 25-Scheduled Tribes, Scheduled Caste and Backward Class Welfare Department	2225-02-796-277-0802-7587-Operation Black Board Scheme	12.15
	Total (B)		121.73
	Grand Total (A+B)		134.99

Appendix VIII
(Reference: paragraph 2.3.8 (a), page 32)

Cases of persistent savings

(Rupees in crore)

Sl No.	Number and Name of Grant	Amount of saving (Percentage of saving in brackets)		
		1998-99	1999-2000	2000-01
1	2	3	4	5
A-Revenue-Voted				
1.	06-Expenditure pertaining to Finance Department	2896.54 (71)	864.64 (41.2)	1344.25 (57.3)
2	51- Religious Trusts and Endowments	1.43 (26.8)	1.62 (28.6)	1.90 (33.9)
3.	55-Expenditure Pertaining to Women and Child Welfare	43.99 (22.5)	50.99 (23.1)	103.84 (38.5)
4.	61- Externally Aided Project Pertaining to Public Health and Family Welfare	10.73 (80.9)	10.18 (64.3)	11.79 (90.6)
5.	73- Externally Aided Project Pertaining to Housing and Environment Department	29.76 (58.3)	31.62 (62)	18.24 (35.1)
6.	74- Externally Aided Project Pertaining to Finance Department	150.50 (100)	650.00 (100)	129.91 (86.6)
7	78- Externally Aided Project Pertaining to Rural Industries Department	17.42 (87.1)	12.60 (69.2)	9.31 (44.2)
8	87- Upgradation of Standards of Administration under recommendation of 11 th Finance Commission-Urban Administration and Development	1.19 (95.2)	1.13 (66.5)	4.11 (49.8)
B- Capital- Voted				
9	08- Land Revenue and District Administration	5.02 (40)	6.43 (52.5)	7.67 (69.8)
10	11-Expenditure Pertaining to Commerce and Industry Department	7.30 (59)	8.56 (62.5)	8.63 (64.3)
11	13-Agriculture	2.53 (79.8)	1.97 (23.8)	2.28 (80)
12	24-Public Works-Roads and Bridges	15.97 (34.1)	17.88 (32.0)	76.64 (49.6)
13	42-Public works Relating to Tribal Areas Sub Plan-Roads and Bridges	17.17 (33.1)	16.51 (33.8)	45.69 (62.9)
14	45-Minor Irrigation-Works	29.18 (27.5)	29.89 (49.7)	40.68 (64.7)
15	48-Narmada Valley Development	122.79 (30.2)	108.50 (26.7)	137.36 (27.6)
16	55-Expenditure Pertaining to Women and Child Welfare	14.18 (40)	31.60 (89.1)	1.29 (95.6)
17	58-Expenditure on relief on account of Natural Calamities and Scarcity	2.16 (72)	2.17 (77.5)	5.67 (90.0)
18	64-Special Component Plan for Scheduled Castes	13.59 (20.9)	26.37 (39.6)	41.52 (42.2)
19	67-Public works-Buildings	18.60 (29.2)	17.91 (45.8)	61.61 (68.4)
20	68-Public Works relating to Tribal Areas Sub Plan-Buildings	2.44 (68.9)	2.25 (63.7)	28.20 (91.2)
21	81-Financial Assistance to Urban Bodies	13.11 (92.7)	1.70 (41)	3.12 (75.4)

Appendix IX

(Reference : paragraph 2.3.9(a), page 32)

Cases involving substantial excesses under the schemes

(Rupees in crore)

Sl. No.	Number and name of Grant	Name of scheme	Amount of excess	Percentage of excess
1.	2.	3.	4.	5.
A. Revenue-Voted				
1.	03-Police	2055-001-1011-Regional IG and Divisional Establishment	5.01	154
2.	10-Forest	2406-01-001-0101-2965-Rehabilitation of degraded forest	5.28	219
3.	13-Agriculture	2401-800-0701-7625-Supplementation/co-mplementation of State efforts through work plan (Macro management)	8.75	391
4.	19-Public Health and Family Welfare	2210-06-101-4244-Malaria	10.69	451
5.	24-Public Works-Roads and Bridges	3054-04-337 134-Maintenance and repairs-ordinary	57.76	158.3
6.	24-Public Works Roads and Bridges	3054-80-001-2301-Direction and Administration-Prorata share of establishment transferred from Grant No.67-Major head 2059	44.65	119
7.	27-School Education	2202-01-104-0101-4442-Assistant District Inspector of Schools (for basic minimum services)	5.64	470366
8.	58-Expenditure on relief on account of Natural Calamities and Scarcity	2245-05-800-8030-Grant for Re-establishment and other work	18.16	276
Total (A)			155.94	
B. Revenue- Charged				
9.	Interest payments and servicing of Debt	2049-01-101-5-11.50 per cent Madhya Pradesh State Development loan-2009	21.46	130
Total (B)			21.46	
C. Capital- Voted				
10.	23-Water Resources Department	4701-01-211-0101-9193-Grant to Betwa River Board	16.63	831
11.	24-Public Works-Roads and Bridges	5054-03-337-0101-4336-Construction of State Highway Roads in State	5.32	419
Total (C)			21.95	
Grand Total (A+B+C)			199.35	

Appendix X

(Reference : paragraph 2.3.9(b), page 32)

Cases involving substantial savings under schemes

(Rupees in crore)

Sl. No.	Number and name of Grant	Name of scheme	Amount of savings	Percentage of savings
1.	2.	3.	4.	5
A	Revenue-Voted			
1.	03-Police	2055-109-194 Other Police	14.40	82.7
2	03-Police	2055-800-8333-Expenditure from Road safety Fund.	5.00	100
3.	06-Expenditure Pertaining to Finance Department	2070-800-224-Other Expenditure	675.00	100
4	10-Forest	2406-01-102-0101-6699-Expenditure from Forest Development cess fund	15.18	99
5	10-Forest	2406-01-797-216-Transfer of amount received from other departments for forestation to compensatory forestation/ plantation Fund.	20.00	100
6.	10-Forest	2406-01-0801-6538-Eco Development	10.87	87.7
7	15-Financial Assistance to Three Tier Panchayati Raj Institutions under Special Component Plan for Scheduled caste-20-School-Education	2202-01-789-101-0103-4398-Government Primary Schools	6.50	85
8	15-Financial Assistance to Three Tier Panchayti Raj Institutions under Special Component Plan for Scheduled Castes -15-Panchayat and Rural Development Department	2515-789-101-1303-5185-Lump Sum grant for Basic Services	30.33	100
9	19-Public Health and Family Welfare	2210-06-800-0801-1801-Aid and Material under TCA Programme	12.08	99.99
10	19-Public Health and Family Welfare	2211-800-0801-2498-Supply of Conventional Contraceptives	15.00	100
11	19-Public Health and Family Welfare	2211-800-0801-6106-Universal Immunisation	34.99	99.97
12	19-Public Health and Family Welfare	3606-237-0801-2498-Supply of Conventional contraceptives	14.50	100
13	19-Public Health and Family Welfare	3606-237-0801-4244-Malaria	12.00	100
14	19-Public Health and Family Welfare	3606-237-0801-8282-Child life and safe maternity Programme	27.50	100
15	20-Public Health Engineering	2215-01-102-0101-8717-Drinking water supply in Fluorides effected Village of Jhabua District	5.25	100
16	24-Public Works-Roads and Bridges	3054-04-337-4557-Strengthening	11.59	87.5
17	24-Public Works-Roads and Bridges	3054-04-337-1366-Widening	8.34	83.2
18	29-Administration of Justice and Elections	2015-105-4311-Charges for conduct of elections to Parliament	8.96	82.7
19	41-Tribal Areas Sub-Plan-10-forest	2406-01-796-800-0802-5231-Grant to Small Forest Produce Federation for Small Forest Produce Work	14.66	97.7

Appendix
(Rupees in crore)

1.	2.	3.	4.	5
20	44-Higher Education	2202-03-102-0101-5205-Ravi Shankar University Raipur	6.04	85.1
21	47- Technical Education and Man Power planning Department	2203-104-0101-8885-Assistance to Autonomous Technical Institutes	12.99	87.5
22	58-Expenditure on relief on account of Natural Calamities and Scarcity	2245-01-101-8874-Additional Provision for Drought Relief and Employment	85.27	100
23	58-Expenditure on relief on account of Natural Calamities and Scarcity	2245-02-101-747-Relief to Hail Storm sufferers	14.14	94.3
24	58-Expenditure on relief on account of Natural calamities and Scarcity	2245-05-101-7566-Transfer of fund, released by Government of India on account of flood and draught calamities to National Calamities fund	38.86	100
25	61-Externally Aided Projects Pertaining to Public Health and Family Welfare	2210-05-105-0801-8132-Prevention of Aids Diseases	6.99	99.8
26	64-Special Component Plan for Scheduled Castes 25-Scheduled Tribes, Scheduled Caste and Backward Class Welfare Department	2225-01-793-102-603-4675 Self Employment Scheme	6.99	99.9
27	67-Public Works Buildings	2059-01-053-7722-Buildings of offices-Minor Work	6.90	100
28	74-Externally Aided Projects Pertaining to Finance Department	2052-091-0101-8451-Establishment of State Revival Fund	129.91	86.6
29	77-Externally Aided Projects Pertaining to Development of Tribal Areas in Bilaspur Division	2225-02-102-1202-8762-Grant to Tribal Development Society under assistance for International Agriculture Development fund	8.00	100
30	80-Financial Assistance to Three Tier Panchayati Raj Institutions	2202-01-101-0801-447-Operation Black Board	14.99	100
31	80-Financial Assistance to Three Tier Panchayati Raj Institutions	2202-02-103-0701-1131-Non-Formal Education (90:10)	5.25	87.5
32	80-Financial Assistance to Three Tier Panchayati Raj Institutions	2202-02-191-8403-Grant for Pay to Shiksha Karmies for Basic Minimum Services.	11.39	90.4
33	81-Financial Assistance to Urban Bodies	2202-02-191-2669-Maintenance assistance to local Bodies Rural and Urban	6.34	80.2
34	82-Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal Areas Sub-Plan 22-Panchayat and Rural Development Department	2515-796-101-0102-1302-5185-Lump sum Grant for Basic Services	40.40	100
35	82-Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal Areas Sub-Plan 25-Scheduled Tribe, Scheduled Caste and Backward Class Welfare Department	2225-02-796-277-0802-7587 Operation Black Board Scheme	12.15	100
		Total (A)	1348.76	

1.	2.	3.	4.	5
B-Capital- Voted				
36	23-Water Resources Department	4701-202-101-541-Suspense	31.95	97.0
37	23-Water Resources Department	4701-03-800-0101-2339- Direction and Administration	15.41	99.3
38	24-Public Works-Roads and Bridges	5054-03-337-0101-7549- construction and upgradation of BHOPAL/SEHORE By pass Road	29.34	99.6
39	41-Tribal Areas Sub Plan 25- Scheduled Tribe Scheduled Caste and Backward Class Welfare Department	4225-02-796-277-0702-1400- Ashram and Hostel Building	5.39	98
40	41-Tribal Areas Sub Plan-27- Narmada Valley Development Department	4701-03-796-202-0102-4647- Establishment (Jobat Project)	19.61	86
41	41-Tribal Areas Sub Plan 31- Water Resources Department	4702-796-800-0802-3828-Minor Irrigation Scheme	5.00	100
42	42-Public works relating to Tribal Areas Sub-Plan-Roads and Bridges	5054-04-796-800-0102-2457- Minimum Needs Programme (Rural Roads)	29.96	91.2
43	45-Minor Irrigation-Works	4702-102-0101-2339-Direction and Administration	34.35	96.3
44	48-Narmada Valley Development	4701-01-241-0101-7624- Construction of Canal Work for Rani Awanti Bai Sagar Project	29.90	100
45	57-Externally Aided Projects pertaining to Water Resources department	4701-01-211-1201-2367- Construction work	20.00	100
46	60-Expenditure pertaining to District Plan Schemes	4515-800-0101-7608- Governments Contribution in Development Schemes with Public Participation	8.00	100
47	64-Special Component Plan for Scheduled Castes 19-Public Works Department	5054-04-789-800-0103-9002- Construction of Roads in Scheduled Castes Predominant areas	13.17	87.8
48	67-Public Works-Buildings	4059-01-051-0101-7611-District Administration Construction of 16 District offices Building for 16 Newly organised District -26- Major Construction work	10.00	100
49	67-Public Works-Buildings	4210-01-110-0101-7650-For construction of Hospital Building 26-Major construction work	6.00	100
50	67-Public Works Buildings	4210-02-103-0101-4143- Construction of Primary Health centre under Basic minimum Services-26-Major construction work	31.00	100

Appendix
(Rupees in crore)

1.	2.	3.	4.	5
51	67-Public Works Buildings	4211-101-0101-7651-Completion of under Construction Primary Health Centre and Rest Houses under Social Safety net scheme 26-Major Construction work	8.00	100
52	68-Public Works relating to Tribal Areas Sub-Plan Buildings	4210-02-796-104-0102-7638 Upgradation of Primary Health Centre of Tribal areas in Community Health centre	16.00	100
53	68-Public Works relating to Tribal Areas Sub-Plan Buildings	4210-02-796-110-0102-7636- Construction of 100 Beded Hospital Building in Tribal Area	8.00	100
54	75-NABARD Aided Projects Pertaining to Water Resources Department	4702-101-0101-7584-II,III,IV Stage Scheme of NABARD	30.00	100
Total (B)			351.08	
Grand Total (A+B)			1699.84	

Appendix XI

(Reference : paragraph 2.3.10, page 32)

Cases of injudicious/irregular/incorrect re-appropriation/surrenders

- (A) Some of the cases, in which funds were injudiciously withdrawn by re-appropriation/surrenders, although accounts already showed excess over provision :

(Rupees in crore)

Sl. No.	Grant number and Head of Account	Original plus supplementary provision	Actual expenditure	Excess before re-appropriation	Re-appropriation/surrender	Final excess
1	2	3	4	5	6	7
1	Interest payment and servicing of Debt-2049-01-101-5-11 50% Madhya Pradesh State Development loan-2009-(Charged)	16.49	37.95	21.46	(-)2.19	23.65
2.	Interest payment and servicing of Debt – 2409-01-101-8090 11.50% Madhya Pradesh development loan – 2010 (Charged)	17.32	26.43	9.11	(-)2.30	11.41
3.	Interest payment and servicing of Debt – 2409-01-200-3089 Interest on ways and means Advances and to meet short fall in cash balance received from the Reserve Bank (Charged)	10.00	11.01	1.01	(-)1.06	2.07
4.	Interest payment and servicing of Debt – 2409-03-104-4487 Interest on General Provident Fund (Charged)	467.78	493.10	25.32	(-)53.18	78.50
5.	Public Debt- 6003-110-637-Ways and means Advances – (Charged)	1554.30	2348.86	794.56	(-)82.10	876.66
6.	07-Expenditure pertaining to Commercial Tax Department-2040-101-1509-District Establishment	39.69	42.85	3.16	(-)2.54	5.70
7.	10- Forest- 2406-01-001-3555 Headquarters Establishment	9.72	11.45	1.73	(-)1.21	2.94
8.	17-Co-operation 2425-101-0101-359-Audit Board	8.10	9.54	1.44	(-)1.27	2.71
9.	19-Public Health and Family Welfare-2210-01-110-1473-District Hospital-	40.64	51.57	10.93	(-)4.33	15.26
10.	19-Public Health and Family Welfare 2210-01-001-0101-2283-Direction and Administration (Rajiv Gandhi Mission)	8.78	9.71	0.93	(-)1.12	2.05
11	19-Public Health and Family Welfare 2210-01-110-2606-Dispensaries for Welfare of Backward classes-	13.99	15.47	1.48	(-)1.12	2.60
12	19-Public Health and Family Welfare 2210-01-110-0101-993-TB Hospital-	11.78	16.16	4.38	(-)1.00	5.38
13	19-Public Health and Family Welfare 2210-01-110-0101-1491-Strengthening and improvement of Blood Banks Medical and Health services at district Hospitals	25.91	28.82	2.91	(-)3.40	6.31
14	19-Public Health and Family Welfare 2210-03-103-0101-2777—Primary Health Centres (Basic Services)	111.78	127.08	15.30	(-)7.62	22.92
15	19-Public Health and Family Welfare 2210-03-110-748-Dispansaries-	11.41	12.11	0.70	(-)1.38	2.08

1	2	3	4	5	6	7
16.	19-Public Health and Family Welfare 2210-06-101-0101-8150-Multipurpose workers schemes.	15.23	20.14	4.91	(-)2.00	6.91
17	19-Public Health and Family Welfare 2210-06-101-0701-4244-malaria	28.09	31.32	3.23	(-)1.71	4.94
18	20-Public Health Engineering-2215-01- 001-2715-Administration-	39.75	49.14	9.39	(-)5.21	14.60
19	20-Public Health Engineering-2215-01- 102-1202-Maintenance of Rural (piped) water Supply scheme	8.00	9.35	1.35	(-)1.15	2.50
20	20-Public Health Engineering-2215-01- 102-2219-Maintenance of Tube wells	32.23	38.35	6.12	(-)9.03	15.15
21	20-Public Health Engineering-2215-01- 799-4058-Miscellaneous Public Works Advances	22.00	25.22	3.22	(-)2.00	5.22
22	20-Public Health Engineering-2215-01- 800-5300-Maintenance of water supply scheme of Local Bodies	14.03	14.46	0.43	(-)2.34	2.77
23	23-Water Resources Department 2701- 80-001-0101-814-Executive Establishment (E&M)	7.14	8.56	1.42	(-)1.39	2.81
24	23-Water Resources department 2701-80- 001-0101-3264-Circle establishment	5.78	6.70	0.92	(-)1.23	2.15
25	24-Public Works-Roads and Bridges- 3054-04-337-134-Maintenance and Repairs-Ordinary	36.49	94.25	57.76	(-)8.09	65.85
26	24-Public Works-Roads and Bridges- 3054-80-001-2301 Direction and Administration Prorata share of establishment Transferred from Grant No.67 major Head -2059	37.50	82.15	44.65	(-)4.92	49.57
27	30-Expenditure pertaining to Panchayat and Rural development Department 2501-01- 001-0701-8774-Staff of State Level	3.39	4.17	0.78	(-)2.15	2.93
28.	30-Expenditure pertaining to Panchayat and Rural development Department 2515-101- 0101-2474-Charges in connection with the Panchayati Raj Insittutions	48.67	56.40	7.73	(-)9.00	16.73
29	41-Tribal Area Sub Plan-17-Public Health and Family Welfare Department-2210-03- 796-103-0102-2779-Primary Health Centre	11.94	14.85	2.91	(-)1.52	4.43
30	44-Higher Education-2202-03-104-0101- 3444-Maintenance Grants to Colleges	43.41	60.18	16.77	(-)2.81	19.58
31	57-Externally Asided Projects pertaining to Water Resources-4701-01-211-1201-2339- Direction and Administration (Prorata)	71.00	88.85	17.85	(-)56.40	74.25
32	60-Expenditure pertaining to District Plan Schemes-4515-800-0101-8284-Madhya Pradesh Vidhan Sabha Election Area Development Scheme	40.40	46.97	6.57	(-)3.83	10.40
33	67-Public Works Building -2059-80-799- 4056-Miscellaneous Public Works Advances	20.00	20.99	0.99	(-)3.00	3.99
34	67-Public Works Building -2059-01-053- 6519-ordinary repairs	18.04	26.36	8.32	(-)1.10	9.42
35	67-Public Works Building -2059-80-001- 0101-2418 Direction	98.51	99.09	0.58	(-)13.30	13.88

(Rupees in crore)

1	2	3	4	5	6	7
36	80-Financial Assistance to Three Tier Panchayati Raj Institutions-2515-101-4610-Against Collection of Stamp Duty-	30.00	42.36	12.36	(-)3.64	16.00
37	80-Financial Assistance to Three Tier Panchayati Raj Institutions-2515-101-0101-6698-Grant to Panchayat from 30% share of Income from surcharge on Commercial Tax imposed by Commercial Tax Department	9.90	10.92	1.02	(-)1.23	2.25
38	80-Financial Assistance to Three Tier Panchayati Raj Institutions-2515—101-0101-8209-Honorarium and other amenities to Panchayat officers	12.00	20.52	8.52	(-)2.42	10.94
39	80-Financial Assistance to Three Tier Panchayati Raj Institutions 2515-101-0101-8214-Secretariate arrangement	12.00	14.44	2.44	(-)3.09	5.53
40	82-Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal Area Sub plan 22-Panchayat and Rural development Department-2515-796-101-0102-5185-Lumpsum Grant for Basic Services.	22.32	25.85	3.53	(-)3.48	7.01

(B) **Some of the cases, in which funds were injudiciously withdrawn by re-appropriation/surrenders, in excess of available saving, resulting in final excess:**

(Rupees in crore)

Sl. No.	Grant number and Head of Account	Original plus supplementary provision	Actual expenditure	Available saving	Re-appropriation/surrender	Final excess
1	2	3	4	5	6	7
1	Interest payment and servicing of debt-2049-04-101-3707- Interest on loans for State/Union Territory Plan Scheme (Charged)	681.09	601.69	79.40	(-)92.38	12.98
2.	01-General Administration 2013-800-3283- POL for Ministers during their tours	3.31	2.51	0.80	(-)1.32	0.52
3.	01- General Administration-2052-090-4327-Secretariate	37.10	29.29	7.81	(-)11.14	3.33
4.	01- General Administration 2070-104-3844- Lok Ayukta	7.42	5.88	1.54	(-)1.67	0.13
5.	03-Police-2070-107-2710-Office of the Commandant General and other subordinate offices	19.47	17.22	2.25	(-)5.41	3.16
6.	07- Expenditure pertaining to Commercial Tax Department-2039-001-1470- District Executive Establishment	33.92	27.45	6.47	(-)7.71	1.24
7.	10-Forest-2406-01-101-3836 Lumber Forest Circles Nationalised Timber, Khair and Bamboos	109.72	94.22	15.50	(-)15.99	0.49

1	2	3	4	5	6	7
8.	10- Forest 2406-01-101-3877- Divisional Forest Offices	220.29	195.83	24.46	(-)28.25	3.79
9.	10- Forest-2406-01-102-0101-646- Plantation in deserted forest (Expenditure from Forest Compensation)	20.00	6.43	13.57	(-)13.75	0.18
10.	18- Labour-2230-01-0101-4271-Staff for implementation of labour laws	6.79	5.72	1.07	(-)1.42	0.35
11.	19- Public Health and Family Welfare 2211-001-0801-1508- District Level Staff	16.40	13.96	2.44	(-)4.15	1.71
12.	19- Public Health and Family Welfare- 2211-101-0801-1200 Rural Family Welfare Services-Direct Expenditure	64.71	47.57	17.14	(-)25.49	8.35
13.	19- Public Health and Family Welfare 2211-101-0801-4051- Village Health Guide	3.22	1.33	1.89	(-)2.10	0.21
14.	19- Public Health and Family Welfare - 2211-102-0801-2703-Direct Expenditure	9.00	6.56	2.44	(-)3.16	0.72
15.	20-Public Health Engineering-2215-01-102-0101-4378- Drinking Water Supply in problem villages	68.83	43.00	25.83	(-)25.95	0.12
16.	20-Public Health Engineering-2215-01-191-0701-8305-71-Urban Water Supply Scheme	10.00	4.59	5.41	(-)7.41	2.00
17.	20-Public Health Engineering-2215-01-800-0101-9938-Recharging of underground water resources	5.95	4.51	1.44	(-)5.50	4.06
18.	21- Expenditure pertaining to Housing and Environment Department-4217-01-051-0101-284 Non residential Buildings	3.00	1.73	1.27	(-)1.86	0.59
19.	23- Water Resources department-2701-01-204-2894-Barrage and Canals	5.00	3.47	1.53	(-)2.69	1.16
20.	23-Water Resources Department-2701-80-799-0101-9191-stock	20.10	9.04	11.06	(-)12.19	1.13
21.	23- Water Resources Department-4701-01-203-0101-2884-Canal and Appurtenant Work	29.50	7.83	21.67	(-)23.70	2.03
22.	23-Water Resources Department-4701-01-210-0101-541-Suspense	3.00	1.19	1.81	(-)2.30	0.49
23.	23-Water Resources Department-4701-01-212-0101-2884-Canal and Appurtenant Work	5.22	1.43	3.79	(-)3.91	0.12
24.	29- Administration of Justice and Elections- 2052-090-9057-Law and Legislative Works	3.69	3.22	0.47	(-)1.92	1.45
25.	30- Expenditure pertaining to Panchayat and Rural Development Department-2501-01-001-0701-8775-Administration Scheme-District Level	30.06	8.11	21.95	(-)24.56	2.61
26.	30-Expenditure pertaining to Panchayat and Rural Development Department 2501-01-101-0701-8376 Construction of Mini ITI	3.86	2.00	1.86	(-)3.86	2.00

1	2	3	4	5	6	7
27.	30- Expenditure pertaining to Panchayat and Rural Development Department-2501-01-101-0701-8701-Swarn Jayanti Gram Swarojgar Yojna	6.22	4.55	1.67	(-)2.23	0.56
28.	30- Expenditure pertaining to Panchayat and Rural Development Department-2501-01-702-0701-6503-Rojgar Ashwasan Yojna	33.35	22.28	11.07	(-)14.53	3.46
29.	32-Expenditure pertaining to Public Relations Department-2220-01-001-0101-2320-Direction and Administration	18.18	15.20	2.98	(-)4.20	1.22
30.	32- Expenditure pertaining to Public Relations Department-2220-01-105-0101-2822-Establishment of Film Unit	2.28	0.85	1.43	(-)1.55	0.12
31.	33- Tribal Welfare-2225-02-001-1483-District Administration	20.42	12.40	8.02	(-)8.13	0.11
32.	33- Tribal Welfare-2515-102-2506-Project Headquarters	8.95	7.32	1.63	(-)2.33	0.70
33.	40- Expenditure pertaining to Command Area Development Department-4705-205-0701-2823-Construction of Field Channels	1.10	0.35	0.75	(-)1.02	0.27
34.	41- Tribal Area Sub Plan 22- Panchayat and Rural Development Department-2501-01-796-101-0702-8776-District Panchayat (DRDA) Administration	2.00	0.60	1.40	(-)1.62	0.22
35.	44- Higher Education-2202-03-103-0101-798-Arts, Science and Commerce Colleges	256.11	219.60	36.51	(-)37.29	0.78
36.	55- Expenditure pertaining to Women and Child Welfare-2235-02-001-0101-8682-Staff for 62 projects	8.81	4.66	4.15	(-)5.24	1.09
37.	55-Expenditure pertaining to Women and Child Welfare-2235-02-001-0101-9041-Directorate of Women and Child Welfare	5.87	5.22	0.65	(-)2.50	1.85
38.	55-Expenditure pertaining to Women and Child Welfare-2235-02-102-0801-5354-Integrated Services Scheme (Under Externally Aided Scheme)	77.26	48.51	28.75	(-)37.29	8.54
39.	55- Expenditure pertaining to Women and Child Welfare- 2235-02-102-0801-5356-Supervision of Integrated Development Scheme (Under Externally aided Scheme)	4.25	3.58	0.67	(-)1.65	0.98
40.	56- Rural Industries-2851-107-3778-Implementation of Sericulture Industry Scheme	9.41	8.06	1.35	(-)2.05	0.70
41.	58- Expenditure on relief on account of Natural Calamities and Scarcity-2245-02-101-2018-Cash doles	10.00	8.78	1.22	(-)2.13	0.91

(Rupees in crore)

1	2	3	4	5	6	7
42.	64-Special Component Plan for Scheduled Castes-22- Panchayat and Rural Development Department-2216-03-789-102-0703-5198-Indira Housing Scheme	10.94	9.53	1.41	(-)2.07	0.66
43.	64- Special Component Plan for Scheduled Castes-22-Panchayat and Rural Development Department-2501-01-789-101-0703-8376-Construction of Mini ITI	2.71	0.45	2.26	(-)2.71	0.45
44.	66- Welfare of Backward Classes- 2225-03-277-0101-3673-State Scholarships	30.07	26.76	3.31	(-)4.30	0.99
45.	67-Public Works- Buildings 2059-01-053-3387-Repairs-Rest Houses	4.81	3.77	1.04	(-)1.54	0.50
46.	67-Public Works- Buildings-2059-80-001-0101-3300-Circle Establishment	7.93	6.20	1.73	(-)1.94	0.21
47.	73- Externally Aided Projects Pertaining to Housing and Environment Department-2217-01-191-1201-8294-Assistance for Bhoj Wet land Conservation	50.00	31.76	18.24	(-)18.58	0.34
48-	78-Externally Aided Projects pertaining to Rural Industries Department-2851-107-1203-8300-Extension and Development of Tussar	7.47	4.34	3.13	(-)3.51	0.38
49.	80- Financial Assistance to Three Tier Panchayati Raj Inistutions-2515-101-0101-5848-Grant to Gram Panchayat for Basic works	210.00	188.22	21.78	(-)25.74	3.96

(C) Some of the cases of un-necessary augmentation of funds by re-appropriation despite saving:

(Rupees in crore)

Sl. No.	Grant number and Head of Account	Original plus supplementary provision	Actual expenditure	Available saving	Re-appropriation	Final saving
1	2	3	4	5	6	7
1	03-Police-2055-111-9259-Supervisory Staff (Rail Police-Western Section)	12.45	8.31	4.14	(+)4.17	8.31
2.	23-Water Resources Department-2701-01-201-6135-Canals	13.50	8.40	5.10	(+)4.43	9.53
3.	48-Narmada Valley Development-4701-01-241-0101-2428-Executive Establishment Unit I and II	11.52	10.40	1.12	(+)1.16	2.28
4.	48- Narmada Valley Development-4701-01-241-0101-8191-Executive Establishment Unit-II	4.84	3.96	0.88	(+)1.74	2.62
5.	57- Externally Aided Projects pertaining to Water Resources-4701--01-211-1201-2367-Construction work	20.00	Nil	20.00	(+)59.90	79.90

(D) Cases in which funds were injudiciously augmented by re-appropriation of more amount than required to cover the excess of expenditure over the provision:

(Rupees in crore)

Sl. No	Grant number and Head of Account	Original plus supplementary provision	Actual expenditure	Excess before re-appropriation	Reappropriation	Final saving
1	2	3	4	5	6	7
1.	13-Agriculture 2401-800-0701-7625-Supplementation/complementation of State efforts through work plan (Macro management)	2.24	10.99	8.75	+9.56	0.81
2	21-Expenditure pertaining to Housing and Environment Department-4217-01-051-0101-3763-Residential Building	0.81	1.86	1.05	+1.20	0.15
3	23-Water Resources department-2701-01-203-2894-Barrage and Canals	6.25	7.72	1.47	+1.62	0.15
4	23-Water Resources department-4701-01-202-0101-2897-Dam and Appurtenant work	15.09	26.29	11.20	+14.80	3.60
5	23-Water Resources Department-4701-01-216-0101-2884-Canal and Appurtenant Work	10.37	13.34	2.97	+3.13	0.16
6	41-Tribal Areas Sub Plan-14-Agriculture Department-2401-796-800-0702-7625-Agriculture Programme (Macro management)	0.84	1.65	0.81	+1.06	0.25
7	48-Narmada Valley Development-4801-01-206-0101-3419-Machinery and equipment	75.70	86.75	11.05	+21.18	10.13
8	55-Expenditure pertaining to Women and Child Welfare-2235-02-103-0801-8687-Girls Prosperity Scheme	1.62	3.06	1.44	+2.31	0.87
9	75-NABARD Aided Projects pertaining to Water Resources Department 4702-101-9469-Under loan assistance from NABARD	40.50	55.47	14.97	+19.28	4.31
10	81-Financial Assistance to Urban Bodies-2217-05-800-0101-5866-Lumpsum Grant for basic amenities to Urban Local Bodies under recommendation of 10th Finance Commission	36.57	38.52	1.95	+5.60	3.65

Appendix XII

(Reference: paragraph 2.3.11 (a), page 32)

Cases of lapse of budget provision

(Rupees in crore)			
Sl. No.	Number and name of grant/appropriation	Total available saving	Amount not surrendered (percentage to total saving in brackets)
1.	2.	3.	4.
A	Revenue- Voted		
1.	03- Police	215.13	105.38 (48)
2.	06- Expenditure pertaining to Finance Department	1344.25	1318.52 (98.8)
3.	08- Land Revenue and District Administration	74.22	22.65 (30.5)
4.	10- Forest	140.73	36.35 (25.8)
5.	13- Agriculture	67.72	12.15 (17.9)
6.	14- Expenditure pertaining to Animal Husbandry Department	23.14	8.30 (35.9)
7.	15- Financial Assistance to Three Tier Panchayati Raj Institutions under special component plan for Scheduled Castes	55.83	18.20 (32.6)
8.	19- Public Health and Family Welfare	116.69	15.58 (13.4)
9.	24- Public Works- Roads and Bridges	52.26	12.45 (23.8)
10.	27- School Education	41.81	41.81 (100)
11.	29- Administration of Justice and Elections	36.03	27.55 (76.5)
12.	31- Expenditure pertaining to Planning, Economics and Statistics Department	10.24	7.69 (75.1)
13.	33- Tribal Welfare	126.13	10.77 (8.5)
14.	41- Tribal Areas Sub-Plan	173.40	44.78 (25.8)
15.	47- Technical Education and Man Power Planning Department	42.65	6.83 (16.01)
16.	58- Expenditure on Relief on account of Natural Calamities and Scarcity	207.69	170.39 (82.0)
17.	61- Externally Aided Projects pertaining to Public Health and Family Welfare	11.79	7.21 (61.2)
18.	64- Special Component Plan for Scheduled Castes	99.24	31.36 (31.6)
19.	72- Expenditure pertaining to Gas Tragedy Relief Works	6.99	6.99 (100)
20.	79- Expenditure pertaining to Medical Education Department	23.90	23.90 (100)
21.	80- Financial Assistance to Three Tier Panchayati Raj Institutions	226.96	62.06 (27.3)
22.	81- Financial Assistance to Urban Bodies	144.13	84.54 (58.7)
23.	82- Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal Area Sub Plan	95.91	28.18 (29.4)

(Rupees in crore)

1.	2.	3.	4.
24.	90- Upgradation of Standards of Administration under recommendation of 11 th Finance Commission- Public Health and Family Welfare	6.56	6.56 (100)
25.	91- Upgradation of Standards of Administration under recommendation of 11 th Finance Commission- School Education	13.95	13.95 (100)
26.	92- Upgradation of standards of Administration under recommendation of 11 th Finance Commission- Culture	5.47	5.47 (100)
	Total (A)	3362.82	2129.61 (63.3)
B	Revenue- Charged		
1.	10- Forest	9.72	9.42 (96.9)
2.	81- Financial Assistance to Urban Bodies	16.54	11.54 (69.8)
	Total (B)	26.26	20.96 (79.8)
C	Capital- Voted		
1.	06- Expenditure pertaining to Finance Department	10.34	6.31 (61.0)
2.	08- Land Revenue and District Administration	7.67	6.02 (78.5)
3.	11- Expenditure pertaining to Commerce and Industry Department	8.63	5.12 (59.3)
4.	17- Co-operation	28.71	15.97 (55.6)
5.	23- Water Resources Department	72.46	15.31 (21.1)
6.	24- Public Works -Roads and Bridges	76.64	67.10 (87.6)
7.	39- Expenditure pertaining to Food, Civil Supplies and Consumer Protection Department	17.83	11.14 (62.5)
8.	41- Tribal Areas Sub-Plan	109.77	36.04 (32.8)
9.	42- Public Works relating to Tribal Areas Sub-Plan-Roads and Bridges	45.69	30.50 (66.8)
10.	45- Minor Irrigation-Works	40.68	31.60 (77.7)
11.	48- Narmada Valley Development	137.36	17.34 (12.6)
12.	57- Externally Aided Projects pertaining to Water Resources Department	14.88	7.25 (48.7)
13.	64- Special Component Plan for Scheduled Castes	41.52	27.03 (65.1)
14.	67- Public Works-Buildings	61.61	55.67 (90.4)
15.	68- Public Works Relating to Tribal Areas Sub-plan- Buildings	28.20	27.85 (98.8)
16.	75- NABARD Aided Projects pertaining to Water Resources Department	21.41	7.61 (35.5)
17.	76- Externally Aided Projects pertaining to Public Works Department	6.44	5.49 (85.2)
	Total (C)	729.84	373.35 (51.2)
	Grand Total (A+B+C)	4118.92	2523.92

Appendix XIII
(Reference: paragraph 2.3.12(a), page 33)

Cases of injudicious surrenders

(Rupees in crore)

Sl No.	Grant number and name	Available saving	Amount surrendered
(1)	(2)	(3)	(4)
A-Revenue-Voted			
1	01- General Administration	20.24	23.22
2	07-Expenditure Pertaining to Commercial Tax Department	31.59	34.42
3	16-Fisheries	4.85	4.92
4	20-Public Health Engineering	107.07	136.64
5	23-Water Resources Department	26.37	37.45
6	30-Expenditure Relating to Panchayat and Rural Development Department	38.28	70.31
7	40-Expenditure Pertaining to Command Area Development Department	2.90	3.00
8	44-Higher Education	40.20	49.98
9	50-Expenditure Pertaining to 20 Point Implementation Department	0.42	0.49
10	54-Expenditure Pertaining to Agricultural Research and Education	1.31	2.75
11	55-Expenditure Pertaining to Women and Child Welfare	103.84	110.62
12	66-Welfare of Backward classes	6.51	7.57
13	73-Externally Aided Projects pertaining to Housing and Environment Department	18.24	18.59
	Total (A)	401.82	499.96
B- Revenue- Charged			
1.	08-Land Revenue and District Administration	0.08	0.12
	Total (B)	0.08	0.12
C-Capital- Voted			
1.	09-Expenditure Pertaining to Revenue Department	0.09	0.11
2	21-Expenditure Pertaining to Housing and Environment Department	0.98	1.15
3	30-Expenditure Pertaining to Panchayat and Rural Development Department	0.16	0.17
4	55-Expenditure Pertaining to Women and Child Welfare	1.29	1.33
5	60-Expenditure Pertaining to District Plan Schemes	3.43	3.83
6	82-Financial Assistance under Three Tier Panchayati Raj Institutions under Tribal Areas Sub- Plan	0.35	0.43
	Total (C)	6.30	7.02
	Grand Total (A+B+C)	408.20	507.10

Appendix XIV

(Reference: paragraph 2.3.12(b), page 33)

Cases of injudicious/unrealistic surrenders

(Rupees in crore)

Sl No.	Grant number and name	Excess over provision	Amount surrendered
A- Revenue- Voted			
1.	02-Other Expenditure pertaining to General Administration Department	0.90	1.90
	Total-A	0.90	1.90
B- Capital- Charged			
1	Public Debt	263.80	612.86
	Total-B	263.80	612.86
	Grand Total (A+B)	264.70	614.76

Appendix XV

(Reference : paragraph 2.3.16, page 34)

Non-reconciliation of expenditure figures for 2000-01

(Rupees in crore)

Sl. No.	Head of Account	Grant number	Amount of expenditure not reconciled during the year
1	2	3	4
1	2015	32	0.01
2	2040	07	4.52
3	2049	Interest payment and servicing of Debt	729.13
4	2053	08	0.02
5	2059	01, 67	44.00
6	2202	27, 32, 44, 64, 80, 82	2537.24
7	2203	32, 41, 47, 64	31.41
8	2204	27	172.08
9	2205	26, 32, 41, 64, 92	5.89
10	2210	15, 18, 19, 20, 32, 41, 61, 64, 67, 72, 79, 80, 82, 90	131.59
11	2235	72	0.31
12	2245	58	81.00
13	2250	02, 30, 51	1.12
14	2406	10	23.04
15	2408	39	94.03
16	2801	41, 64	16.75
Total	Major Heads-16	Grants-27	3872.14

Appendix XVI

(Reference: paragraph 2.3.17, page 35)

Cases of defective sanctions for re-appropriation/surrenders

Sl No.	Number of sanctions	Grant number	Amount (Rs. in crore)	Particulars of irregularities
1	2	3	4	5
1	9	22, 29, 46, 53, 81, 83 and 87	111.28	Sanctions were issued after expiry of financial year 2000-01.
2	12	Interest Payment, 15, 18, 26, 32, 41, 56, 64	10.37	Non -availability of funds in the heads from which re-appropriations/ surrenders were sanctioned.
3	2	4 and 29	0.33	Funds to the head "Office expenses" increased by re-appropriation and funds re-appropriated from 'salary and wages' to other heads.
4	2	6	0.13	Non-tallying of totals of the two sides of re-appropriation sanctions.
5	4	6,7 and 56	11.74	Non-issue of separate surrender sanctions for savings and re-appropriation sanctions against excess expenditure and non-furnishing of correct details.
Total			133.85	

Appendix XVII
(Reference: paragraph 2.3.18, page 35)

Rush of expenditure during March 2001

(Rupees in crore)

Sl No	Grant number and description	Total provision	Expenditure up to		Total expenditure upto March 2001	Expenditure in March 2001	Percentage of expenditure in March to total expenditure
			June 2000	Sept 2000			
1	2	3	4	5	6	7	8
1	17-Co-operation	142.48	8.66	19.29	103.57	56.88	54.9
2	21-Expenditure pertaining to Housing and Environment Department	55.11	5.56	12.08	46.94	23.88	50.9
3	30-Expenditure pertaining to Panchayat and Rural Development Department	464.59	54.00	117.78	426.09	234.57	55.1
4	38-Additional Expenditure under employment programme	0.03	0.00	0.01	0.02	0.02	100
5	53-Financial Assistance to Urban Bodies under Special Component Plan for Scheduled Castes	10.57	0.01	1.93	9.13	6.42	70.3
6	60-Expenditure pertaining to District Plan Schemes	50.40	2.43	9.93	46.97	23.06	49.1
7	74-Externally Aided Project pertaining to Finance Department	150.00	00	00	20.09	18.95	94.3
8	83-Financial Assistance to Urban Bodies under Tribal Areas Sub-Plan	13.90	00	0.01	9.40	6.37	67.8
9	85-Upgradation of Standards of Administration recommended by 11 th Finance-Commission –Police-	9.66	00	00	5.49	5.49	100
10	87-Upgradation of Standards of Administration recommended by 11 th Finance Commission- Urban Administration and Development	8.26	00	00	4.15	4.15	100
11	88-Upgradation of Standards of Administration recommended by 11 th Finance Commission -Administration of Justice	2.49	00	00	2.62	2.62	100
12	92- Upgradation of Standards of Administration recommended by 11 th Finance Commission –Culture-	6.95	00	00	1.48	1.48	100
13	93- Special Problems under recommendation of 11 th Finance Commission –Tourism	18.00	00	00	10.56	10.56	100
14	95- Upgradation of Standards of Administration recommended by 11 th Finance Commission -- Panchayat and Rural Development	20.83	00	00	20.83	20.83	100

Appendix XVIII

(Reference: paragraph 2.4.1(b), page 36)

Substantial savings under schemes of grants selected for budgetary review

(Rupees in crore)

Sl. No.	Grant number and scheme	Saving
8-Land Revenue and District Administration		
1	6401-800-862-Agriculture Land Act	7.45
32-Expenditure pertaining to Public Relations Department		
2	2220-01-001-0101-2320-Direction and Administration	2.98
3	2220-01-105-0101-2822-Establishment of Film Unit	1.43
4	2220-60-106-0101-1479-Establishment of District Publicity and Mobile Unit	0.50
5	2220-60-106-0101-4065-Publicity for special occasions	0.60
6	2701-80-001-3956-Advertising, Sales and Publicity expenses	0.92
7	3054-01-800-7724-Publication of Advertisement in News Papers	0.54
42-Public Works relating to Tribal Areas Sub Plan-Roads and Bridges		
8	5054-03-796-101-0102-4149-Major bridges construction work	4.69
9	5054-03-796-101-0102-5225-Construction of bridges (NABARD)	10.23
10	5054-03-796-337-0102-3710-State Highways	0.56
11	5054-04-796-800-0102-2457-Minimum Needs Programme (Rural Roads)	29.96
12	5054-04-796-800-0802-7654-Construction of roads in Tribal Areas	3.00
49-Scheduled Castes Welfare		
13	2225-01-001-1474-District and Project Administration	1.54
14	2225-01-001-2296-Direction	0.43
15	2225-01-277-673-Grant-in-aid to Voluntary Institutions for educational and other welfare activities	0.61
16	2225-01-277-1396-Hostel	2.74
17	2225-01-277-8050-Scholarships	3.61
18	2225-01-277-8051-Welfare of Scheduled Castes-Ashrams and Schools	1.09
19	2225-01-800-5762-Formation of Commission to review projects organised for Welfare of Scheduled Castes	0.22
56-Rural Industries		
20	2851-103-0701-9200-Development of Marketing (Handloom)	0.94
21	2851-107-3778-Implementation of Sericulture Industries Schemes	1.35
22	2851-107-0101-2731-Research and training	0.49
23	2851-107-0101-5852-Establishment of 6 Mini I.T.I.	0.47
24	2851-107-0101-8585-Establishment of District Village Industries Offices for decentralisation of programmes and duties of Panchayat	2.20
25	2851-110-0701-9199-Project Package (Handloom)	0.57
26	2851-110-0701-9282-Development of Marketing Handloom	1.10
67-Public Works-Buildings		
27	4059-01-051-0101-7611-District Administration-Construction of 16 district office Building for 16 newly organised district	10.00
28	4059-01-051-0101-8040-Construction of Jail Buildings	1.00
29	4059-01-051-0701-7634-Completion of under construction Building of District Court Bhopal	2.00
30	4202-01-202-0101-3490-Construction of Secondary school	1.06
31	4202-02-105-0101-515-Construction of Engineering/Technical Institutes Buildings	1.05
32	4210-01-110-0101-7649-For construction of 100 Beds Hospital Building	1.00
33	4210-01-110-0101-7650-For construction of Hospital Building	6.00
34	4210-02-103-0101-4143-Construction of Primary Health Centre under Basic Minimum Services	1.20
35	4210-02-103-0101-4143-Construction of Primary Health Centres under Basic Minimum Services	31.00
36	4211-101-0101-7651-Completion of under construction Primary Health Centre and Rest Houses under social safety net scheme	8.00
78-Externally aided Projects pertaining to Rural Industries Department		
37	2851-107-1201-3394-Extension of Mulberry Sericulture	0.71
38	2851-107-1202-8300-Extension and Development of Tusser Programme	5.47
39	2851-107-1203-8300-Extension and Development of Tusser	3.13

Appendix XIX
(Reference: paragraph 2.4.1(b), page 37)

(a) Cases where expenditure was less than 5 per cent of estimates

(Rupees in lakh)

Grant number	Major Head	Provision	Actual expenditure	Percentage
67	2216(Charged)	3.00	Nil	0
67	2225 (Voted)	8.50	0.05	0.6
67	2401 (Voted)	11.00	0.49	4.5
67	2515 (Voted)	15.00	0.39	2.6
67	2853 (Voted)	10.00	Nil	0
67	4853 (Voted)	25.00	0.88	3.5
42	5054 (Charged)	10.00	Nil	0

(b) Cases where expenditure was less than 30 per cent of estimates

Grant number	Major Head	Provision	Actual expenditure	Percentage
67	2204 (Voted)	14.00	1.42	10.1
67	2205 (Voted)	10.50	0.99	9.4
67	2211 (Voted)	9.50	1.29	13.6
67	4202 (Voted)	620.60	121.70	19.6
67	4210 (Voted)	4912.00	1196.89	24.4
67	4211 (Voted)	1152.88	310.59	26.9
67	4405 (Voted)	4.20	0.84	20
42	5054 (Voted) 2457-minimum needs programme	3285.00	288.56	8.8

Appendix XX

(Reference: paragraph 2.4.1(c), page 37)

(A) Cases in which supplementary provision under schemes proved unnecessary

(Rupees in crore)

Sl. No.	Grant number and name of scheme	Original provision	Supplementary provision	Expenditure	Saving
1.	2.	3.	4.	5.	6.
(a)	32- Expenditure pertaining to Public Relations Department				
1.	2220-01-001-0101-2320-Direction and Administration	15.92	2.25	15.20	(-)2.97
2	3054-01-800-7724-Publication of Advertisement in news paper	Nil	0.54	Nil	(-)0.54
(b)	42-Public Works relating to Tribal Areas Sub-Plan-Roads and Bridges				
3	5054-04-796-800-0102-2457-Minimum needs programme (Rural Roads)	7.85	25.00	2.89	(-)29.96
(c)	56-Rural Industries				
4	2851-107-3778-Implementation of Sericulture Industry Scheme	8.23	1.17	8.06	(-)1.34
(d)	67-Public Works- Buildings				
5	4059-01-051-0101-7611-District Administration-Construction of 16 district offices building for 16 newly organised District.	Nil	10.00	Nil	(-)10.00
6	4059-01-051-0101-8040-Construction of Jail Buildings	Nil	1.00	Nil	(-)1.00
7	4059-01-051-0701-7634-Completion of under construction Building of District Court Bhopal	Nil	2.00	Nil	(-)2.00
8	4210-01-110-0101-7649-For construction of 100 Beds Hospital Building.	Nil	1.00	Nil	(-)1.00
9	4210-01-110-0101-7650-For construction of Hospital Building.	Nil	6.00	Nil	(-)6.00
10	4210-02-103-0101-4143-Construction of Primary Health Centre under Basic Minimum Services.	Nil	31.00	Nil	(-)31.00
11	4211-101-0101-7651-Completion of under construction primary Health Centre and Rest houses under social safety net scheme	Nil	8.00	Nil	(-)8.00
Total		32.00	87.96	26.15	(-)93.81

(B) Cases in which supplementary provision under schemes proved excessive

(Rupees in crore)

42-Public Works relating to Tribal Areas Sub Plan – Roads and Bridges					
1.	5054-03-796-101-0102-5225-Construction of bridges (NABARD)	4.96	15.00	9.73	(-)10.23
2	5054-04-796-800-0802-7654-Construction of roads in Tribal Areas	Nil	6.85	3.85	(-)3.00
Total		4.96	21.85	13.58	(-)13.23

Appendix XXI
(Reference: paragraph 2.4.1(d), page 37)

Rush of expenditure under schemes

(Rupees in lakh)

Sl. No.	Grant number and name of schemes/Major Head	Total expenditure	Expenditure in March	Percentage
1	2	3	4	5
32-Expenditure pertaining to Public Relations Department				
1.	2220-01-001-0101-5340- Training for workers of Public Relations	2.89	1.53	52.9
2.	2220-01-001-2320- Direction and Administration	1519.66	390.36	25.7
3.	2220-01-105-0101-2822- Establishment of Film Unit	84.56	59.80	70.7
4.	2220-60-102-0101-4573- Information Centre	71.32	36.89	51.7
5.	2220-60-106-0101-994- Field Publicity	169.21	43.39	25.6
6.	2220-60-109-2831-Photo Services	63.78	19.26	30.2
78-Externally aided Projects pertaining to Rural Industries				
7.	2851-107-1201-3394- Extension of Mulberry Sericulture	272.56	271.07	99.5
8.	2851-107-1202-8300- Extension and Development of Tusser Programme	469.43	415.89	88.6
9.	2851-107-1203-8300- Extension and Development of Tusser	434.12	177.54	40.9
67-Public Works Building				
10.	2202	17.87	14.78	82.7
11.	2203	11.79	9.57	81.1
12.	2204	1.42	1.42	100
13.	2205	0.99	0.99	100
14.	2210	16.74	12.59	75.2
15.	2403	25.07	24.07	96
16.	2851	5.18	3.80	73.4
17.	4405	0.84	0.84	100

Appendix XXII
(Reference: paragraph 2.4.2(a), page 38)

Excess under schemes of grant number 14 and 50

Sl. No.	Grant number and scheme	Amount excess (Percentage of provisions) (Rupees in lakh)		
		1998-99	1999-2000	2000-01
1	2	3	4	5
14 Expenditure pertaining to Animal Husbandry Department				
1	2403-001-4297- Directorate level	57.51 (22.8)	---	---
2	2403-101-0101-2549- Veterinary Hospital & Dispensaries	289.31 (13.2)	901.35 (15.9)	---
3	2403-102-0101-1108- Intensive Cattle Development Project	108.59 (11.1)	12.10 (0.5)	----
4	2403-001-0701-4293- Establishment of M.P.State Veterinary council in directorate	0.13 (1.0)	5.07 (101.4)	6.40 (128.0)
5	2403-113-0701-1458- Systematic control of Important Animal Diseases	6.38 (10.2)	7.55 (34.3)	5.77 (26.2)
6	2403-113-0701-1971- Estimation of availability of Milk, egg, wool and meat	14.04 (63.8)	11.75 (34.3)	15.97 (46.8)
50-Expenditure pertaining to 20- Point Implementation Department				
7	2053-800-2987- Implementation of 20 points programme	49.64 (16.7)	14.54 (4.5)	--

Appendix XXIII

(Reference : paragraph 3.1.5.1, page 45)

Statement showing unutilised funds pertaining to centrally sponsored scheme refunded to State receipts accounts

Sl. No.	By whom unutilised funds refunded	Name of districts Office	Un-utilised amount lying deposited in Bank refunded into treasury in departments receipt head
1	ADS	Raigarh	2123074.75
2.	ADS	Bilaspur	55435.00
3	ADS	Ambikapur	2492280.00
4	ADS	Raipur	715.00
5	ADS	Rajnandgaon	52148.00
6	ADS	Mandla	383882.00
7	ADS	Balaghat	80998.00
8	ADS	Seoni	36642.00
9	ADS	Narsinghpur	34969.00
10	ADS	Hoshangabad	269474.00
11	ADS	Betul	148324.00
12	ADS	Korba	312794.00
13	ADS	Jagdalpur	1003597.00
14	ADS	Narayanpur	592720.00
15	ADS	Kanker	834790.40
16	ADS	Dantewada	175671.00
17	ADS	Rajgarh	48109.00
18	ADS	Ujjain	44086.00
19	ADS	Raisen	33087.00
Total			8722795.00

ADS= Assistant Director of Sericulture

Appendix XXIV

(Reference : paragraph 3.1.9.1, page 49)

Statement showing targets and achievements of production of mulberry cocoons

Sl. No.	Name of district	1997-98		1998-99		1999-2000		2000-01	
		Targets	Achievements	Targets	Achievements	Targets	Achievements	Targets	Achievements
1.	Bilaspur	38300	10932	32000	3567	10000	978	1800	79
2.	Balaghat	19400	14083	19000	9813	16000	7175	14000	7029
3.	Guna	6300	4199	3000	2849	4000	1877	4200	2012
4.	Hoshangabad	34800	13025	38000	7201	20000	8245	12600	3535
5.	Raipur	14900	9502	15000	4138	7000	2187	3000	153
6.	Rajnandgaon	1600	109	1500	57	800	10	240	Nil
7.	Shajapur	6100	2140	6000	680	4000	351	1200	354
8.	Sehore	4100	1949	2000	804	2000	732	1600	629
9.	Ujjain	8100	1616	5500	600	4000	3500	1200	470
Total		133600	57555	122000	29709	67800	25055	39840	14261
Percentage			43		24		37		36

Appendix XXV
(Reference: paragraph 3.1.11.1, page 50)

Statement showing double drawals and payments

(A) Details of drawals from JRY accounts

SL. No.	Cash book page No.	Vouchers no./date	Amount	Purpose for which amount was drawn
1.	48	21/A/31.7.96	15000	Mulberry cuttings
2.	49	23/16.8.96	8946	Mulberry cuttings
3.	52	33/12.9.96	19262	Purchase of jet pump
4.	58	58/25.2.97	14853	Payment of electric bill
5.	62	1/	8750	Labour payment for GMC Lailunga
Total			Rs.66811	

(B) Details of drawals from departmental head

Sl. No.	Bill No. & date	Vouchers no./date	Amount	Purpose for which amount was drawn
1.	191/3.3.97	670/12.3.97	15000	Mulberry cuttings
2.	191/3.3.97	671/12.3.97	8946	Mulberry cuttings
3.	114/5.10.96	325/19.10.96	19262	Jet pump
4.	187/3.3.97	677/12.3.97	14853	Electric bill
5.	155/11.2.97	--	8750	Labour payment
			66811	

Appendix XXVI

(Reference : paragraph 3.4.5.2.(c), page 76)

Statement showing the sputum examination, sputum positive cases and sputum positive cases converted into negative cases under NTCP

Year	No. of patients/population to be screened	No. of TB cases detected	No. of cases in which sputum smear examination carried out	No. of cases in which sputum smear examination results were positive	No. of positive cases converted into negative by treatment	Percentage of Sputum positive w.r.t. sputum examination
1996-97	5902007	71162	196211	10868	18397	06
1997-98	5767972	70524	175231	10134	16870	06
1998-99	5149397	65665	363506	18387	15496	05
1999-2000	5003239	61019	364475	23683	16395	06
2000-2001	4458414	63370	291484	22666	15181	08
Total				85738	82339 96%	

Appendix XXVII

(Reference : paragraph 3.4.5.2(d), page 76)

Deployment of staff in NTCP and RNTCP in Madhya Pradesh as on 31 October 2000

Post	NTCP				RNTCP			
	Sanctioned	Working	Trained	Vacant	Sanctioned	Working	Trained	Vacant
1.	2.	3.	4.	5.	6.	7.	8.	9.
District TB Officer	47	42	31 66%	05 11%	--	--	--	--
STLS	--	--	--	--	08	08	08	--
STS	--	--	--	--	08	08	08	--
ASO	47	38	20 43%	09 19%	-	--	--	--
TO	49	41	29 59%	08 16%	--	--	--	--
LT	71	71	51 72%	--	25	25	25	--
X-ray Tech	47	45	34 72%	02 4%	--	--	--	--
TB HV	--	--	--	--	13	13	--	--
Data Entry Operator	--	--	--	--	03	02	01	01
Drivers	--	--	--	--	03	03	--	--

Appendix XXVIII

(Reference : paragraph 3.4.5.2.(e), page 77)

Year- wise details of patients under RNTCP

Name of district	Year	Population covered	No. of TB cases registered								
			New				Re-treatment cases				
			Sputum positive	Sputum negative	Extra pulmonary	Total	Re-lapse cases	Failure cases	Default cases	Other	Total
Bhopal	1999	18.5 lakh	1080	714	245	2039	99	59	38	48	244
	2000	18.5 lakh	906	812	278	2056	135	47	80	120	382
Vidisha	1999	11.2 lakh	870	724	63	1657	43	31	51	56	181
	2000	11.2 lakh	716	855	97	1668	53	35	116	126	330
Rajgarh	2001	10 lakh	463	502	48	1013	3	6	100	130	239

Appendix XXIX

(Refer: paragraph 3.4.5.2(e), page 77)

Statement showing number of conversion of positive cases into Sputum negative cases at three months under RNTCP

Name of district	Year	Total number of sputum positive patients	Sputum at 3 months		
			Positive	Negative	Percentage of conversion
Bhopal	1999	1080	196	884	81 %
	2000	906	111	795	88 %
Vidisha	1999	870	177	693	80 %
	2000	716	133	583	81 %
Rajgarh	2001	463	65	398	86 %

Appendix XXX

(Refer : paragraph 3.4.5.2(e), page 77)

Statement showing performance under RNTCP during 1999 and 2000

Year	1999				2000					
	Bhopal 18.5 lakh		Vidisha 11.2 lakh		Bhopal 18.5 lakh		Vidisha 11.2 lakh		Rajgarh 10 lakh	
Performance Indicator	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement
Detection of new Sputum (Sp)+ cases-- 50 per lakh per year	925	1080	560	870	925	906	560	716	500	463
Detection of total no. of cases of TB-- 135 per lakh per year	2497	2039	1512	1657	2497	2056	1512	1668	1350	1013
Detection of treatment cases-- 50% New Sp+ cases	540	244	435	181	453	382	358	330	231	239
Detection of E.P. Cases-- 20% of new Sp + cases	216	245	174	63	181	278	143	97	92	48
Ratio of Sp. + to Sp. - 01:1.2	1080:12 96	1080:7 14	870: 1044	870: 724	906: 1087	906: 872	716: 859	716: 855	463: 555	463: 402
Sputum convention rate 3 months >=90%	972	884 81%	783	693 80%	815	795 88%	644	583 81%	416	398 86%
Cure Rate >85 %	918	75.22	NA	85.71	770	77.22	608	55.37	393	NA
Default rate <=5%	54	38	739	51	45	80	35	116	23	100

Appendix XXXI

(Reference : paragraph 3.4.5.3.a(ii), page 78)

Statement showing details of grant-in-aid and expenditure of the Districts societies for control of Blindness in test checked districts during the period from 1996-97 to 2000-2001

(Rupees in lakh)

Year	Opening balance	Grant in aid	Interest accrued	Total	Expenditure	Closing balance	Percentage of closing balance
1.	2.	3.	4.	5.	6.	7.	
Bhopal	1.23	26.82	--	28.05	18.01	10.04	36 %
Bilaspur	2.93	86.41	--	89.34	89.30	0.04	0.04 %
Guna	1.89	32.39	--	34.28	33.07	1.22	4 %
Indore	0.13	37.97	--	38.10	37.32	0.78	2 %
Jabalpur	0.26	58.53	--	58.79	53.14	5.65	10%
Jagdulpur	3.00	59.28	--	62.28	56.29	5.99	10%
Mandsaur	0.23	36.50	--	36.73	37.48	(-0.75)	--
Satna	9.07	296.31	--	305.38	305.21	0.17	0.06 %
Total	18.74	634.21	--	652.95	629.81	23.14	4%

Appendix XXXII

(Refer : paragraph 3.4.5.4(d)(i), page 80)

Details of staff in the test-checked districts under NPCB as on 31 March 2001

Posts	Sanctioned	In operation	Vacant	Percentage of vacancies	Vacant since
1	2	3	4	5	6
Ophthalmic Surgeon	27	24	3	11	1996-97 (1) and 1997-98 (2)
Ophthalmic Assistant	89	78	11	12	1996-97 (8), 1997-98 (1), Not known (2)
Camp Coordinator	5	1	4	80	1996-97
Nurses	8	7	1	12	1996-97
Operation Theatre Assistant	6	5	1	17	1996-97
Driver	8	8	Nil	--	--

Appendix XXXIII

(Reference: paragraph 3.5.8.3, page 90)

Details of manpower in test-checked DIETs for in-service teachers training during 1996-2001

Sl. No.	Name of DIET	Number of lecturers posted/mandays available for training	Mandays utilised for training*					Total mandays utilised during 1996-2001	Average mandays utilised per year (with percentage)
			1996-97	1997-98	1998-99	1999-2000	2000-01		
1	2	3	4	5	6	7	8	9	10
1	Ambikapur	2/490	240	178	317	490	14	1239	248 (51%)
2	Bemetara	2/490	130	8	120	43	14	315	63(13 %)
3	Bhopal	2/490	371	84	380	163	34	1032	206(42 %)
4	Datia	2/490	70	12	225	36	21	364	73(15 %)
5	Dhar	1/245	71	119	120	--	3	313	63(26 %)
6	Gwalior	1/245	62	48	82	490	30	712	142(58 %)
7	Indore	2/490	56	28	32	180	147	443	89(18 %)
8	Khandwa	2/490	131	385	120	233	74	943	189(39 %)
9	Khargone	2/490	112	74	141	62	490	879	176(36 %)
10	Pendra	1/245	190	340	197	80	21	828	166(68 %)
11	Raipur	2/490	104	199	65	68	29	465	93(19 %)
12	Raisen	2/490	176	98	122	244	16	656	131(27 %)
13	Sehore	1/245	91	9	21	326	31	478	96(39 %)
14	Shahdol	2/490	95	71	98	32	--	296	59(12 %)
15	Shivpuri	1/245	148	184	153	108	91	684	137(56 %)
Total			2047	1837	2193	2555	1015	9647	129

* Mandays utilised have been worked out on the basis of Number of trainee groups, duration of training the mandays available on the basis of number of lecturers posted for training (245 mandays per lecturer per year).

Appendix XXXIV

(Reference: paragraph 3.6.7.5(i), page 98)

Details of belated supply of text books by Text Book Corporation (TBC) and further delay in distribution among the NFE learners

Sl No.	Names of test-checked districts	Year	Number of text books purchased from TBC	Dates of receipt of text books from TBC	Cost of text books purchased (Rs.)	Dates of issue of books to project office	Delay in issue	Remarks	
1	2	3	4	5	6	7	8	9	
1	Guna	1995-96	49644	28-12-1995	513581	Date of issue was not mentioned in Stock register	6 to 7 Months	The text books received by the Assistant Director (NFE) were supplied to the Project Officers who further supplied them to Instructors of NFE centres. But the dates of actual distribution of text books among the NFE learners were never obtained and acknowledgement of children were never called for. The position of books which could not be distributed was also not obtained from the NFE centres	
		1996-97	37978	27-2-97	334158	Date of issue was not mentioned in Stock register	8 to 9 months		
		1997-98	17503	9-11-97	198435	Books were issued in March 98	5 to 9 months		
		1998-99	--	Books were not purchased					
		1999-2000	62401	4-11-99	506125	Date of issue was not mentioned	4 to 5 months		
2	Indore	1995-96	34330	20-10-95	327609	Date of issue was not mentioned	4 to 5 months		
		1996-97	29880	13-1-97	440211	Date of issue was not mentioned	6 to 7 months		
		1997-98	81620	28-10-97	452382	Date of issue was not mentioned	4 to 5 months		
		1998-99	41400	30-12-98	439705	Date of issue was not mentioned	6 to 7 months		
		1999-2000	47280	1-11-99	382857	Date of issue was not mentioned	4 to 5 months		
3	Jhabua	1995-96	--	Books were not purchased					
		1996-97	33850	11-10-96	339750	Date of issue was not mentioned	4 to 5 months		
		1997-98	28933	21-10-97	385759	Date of issue was not mentioned	4 to 5 months		
		1998-99	--	Books were not purchased					
		1999-2000	28795	1-11-99	284977	Date of issue was not mentioned	4 to 5 months		

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1	2	3	4	5	6	7	8	9	
4	Rajnandgaon	1995-96	11000	31-10-95	102435	10-1-96	6 to 7 months		
		1996-97	26700	10-10-96	326547	1-12-96	5 to 6 months		
		1997-98	23199	7-7-97	293365	1-10-97	4 to 5 months		
		1998-99	27515	6-11-98	303697	12/98	5 to 6 months		
		1999-2000	30411	15-10-99	259106	11/99	4 to 5 months		
5	Seoni	1995-96	33500	10-10-95	318814	11/95	4 to 5 months		
		1996-97	58440	25-10-96	412350	11/96	4 to 5 months		
		1997-98	59680	3-12-97	435504	1/98	6 to 7 months		
		1998-99	Books were not purchased						
		1999-2000	42830	1-11-99	368528	12/99	5 to 6 months		
6	Tikamgarh	1995-96	40830	18-10-95	394619	7-12-95	5 to 6 months		
		1996-97	32769	16-10-96	374205	7-1-97	6 to 7 months		
		1997-98	40540	31-10-97	452944	7-11-97	5 to 6 months		
		1998-99	65000	14-12-98	673070	16-6-99	11 to 12 months		
		1999-2000	21350	7-1-2000	171400	16-3-2000	8 to 9 months		
			1007378		9492133				

Appendix XXXV

(Reference : paragraph 3.6.7.7, page 99)

Testing and certification of NFE learners

(i) Position of State as a whole

Year	Number of learners at primary level					Number of learners at upper primary level				
	Enrolled and eligible to appear in V Board Exam	Appeared in V Board Exam	Drop out (with percentage)	Passed out	Percentage of passed out to the total learners enrolled	Enrolled and eligible to appear in VIII Board exam	Appeared in VIII Board Exam	Drop out (with percentage)	Passed out	Percentage of passed out to the total learners enrolled
1995-96	734362	61793	672569 92.0	34498	4.7	54909	16698	38211 69.6	4329	7.8
1996-97	762742	65948	696794 91.4	33110	4.3	60503	25943	34560 57.0	5490	9
1997-98	679238	48833	630405 93.0	22685	3.3	70244	18410	51834 74.0	6434	9.2
1998-99	694547	41964	652583 94.0	19608	2.8	60883	17605	43278 71.0	5195	8.5
1999-2000	536970	23872	513098 95.6	12545	2.3	65182	10514	54668 84.0	3854	5.9

(ii) Position of test-checked districts

1995-96	165222	15247	149975 91.0	8074	4.8	14187	3647	10540 74.0	1144	8
1996-97	159358	15477	143881 90.0	7553	4.7	14973	4364	10609 71.0	1214	8
1997-98	147415	13929	133486 90.5	7635	4.7	14402	4448	9954 69.0	1809	12.6
1998-99	144278	13173	131105 91.0	7187	4.9	14599	5090	9509 65.0	1755	12
1999-2000	82162	7165	74997 91.2	2714*	3.7	6738	2915	3823 57.0	1139*	17

* Number of passed out learners during 1999-2000 in Bhopal, Indore, Raipur and Shivpuri are not included as information was not available due to closure of NFE centres.

Appendix XXXVI
(Reference: paragraph 3.12.2, page 109)

Foreign visits of Ministers and officials without prior approval of Government of India

Sl. No.	Names of Ministers/ officials	Dates of visit	Countries/ Places visited	Purpose of visit	Expenditure incurred (Rupees in lakh)			Funded by
					Actual	Advance	Total	
1.	(i)Minister for Agriculture and Dairy Development , (ii)Secretary, Agriculture Department (iii)Agriculture Production Commissioner. (iv)Managing Director, M.P. State Agriculture Marketing Board	20 September 1998 to 11 October 1998	Australia, New Zealand, Philippines, Thailand, Singapore.	Study tour	11.81	--	11.81	M.P. State Agriculture Marketing Board
2.	(i)Minister for Commerce and Industries (ii)Commissioner, Handloom	17 to 19 January 1999 14 to 19 January 1999	Brussels and Antwerp Frankfurt, Brussels and Antwerp	To participate in the Heimtextile fair	NA 1.67	1.62 --	1.62 1.67	Hasth Shilp Vikas Nigam State Government
3.	Minister for Animal Husbandry	18 to 20 March 1999	Bangkok (Thailand)	To attend VIV – Asia Intensive Live Stock and Poultry show	0.25	--	0.25	M.P. State Live Stock Corporation
4.	(i)Agriculture Production Commissioner, (ii)Managing Director, M.P. State Agricultural Marketing Board	10 to 31 October 1999	South Africa, Brazil, Argentina, Mexico, USA UK and Netherlands	Study tour arranged by COSAMB	8.92	1.32	10.24	M.P. State Agricultural Marketing Board
5.	(i)Minister for Commerce and Industries (ii)Minister of State for Agriculture (iii)Secretary, Agriculture (iv)Principal Secretary, Commerce and Industries (v)Managing Director, M.P. State Agro Industries Development Corporation	16 to 24 October 1999	Spain, Switzerland and U.K.	Business promotional tour	NA 4.91 2.55 2.28	--	NA 4.91 2.55 2.28	Confederation of Indian Industries M.P. State Agricultural Marketing Board M.P. State Industrial Development Corporation M.P. State Agro Industries Development Corporation
6.	(i)Minister for Agriculture and Command Area Development (ii) Managing Director, M.P. State Agriculture Marketing Board	19 August 2000 to 3 September 2000	Israel, Turkey, Greece, Spain, Portugal, Neitherlands	Study tour	6.61	--	6.61	M.P. State Agriculture Marketing Board
7.	(i)Commissioner, Co-operation and Registrar Co-operative Societies (ii)Managing Director, M.P. State Co-operative Marketing Federation (iii)Registrar, Co-operative Societies	4 to 18 June 1997 --do-- 23 May 1998 to 2 June 1998	Italy, Switzerland, France, UK --do-- Japan, Hongkong, Korea, Thailand	To promote export business --do-- Co-operative study tour	2.46 2.50 1.49	--	2.46 2.50 1.49	M.P. State Co-operative Marketing Federation
Total					45.45	2.94	48.39	

Appendix XXXVII

(Reference: paragraph 3.12.3, page 110)

Ministers and officials who proceeded on foreign tours despite ban imposed on 28.5.1997 and 14.1.2000

Sl. No.	Names of Ministers/ officials	Date of visit	Countries/ Places visited	Purpose of visit	Expenditure incurred (Rupees in lakh)			Funded by
					Actual	Advance	Total	
1. (I) (ii) (iii)	Minister for Agriculture and Dairy Development alongwith: Commissioner, Agriculture Production Secretary, Agriculture Managing Director State Agro Marketing Board, Madhya Pradesh.	20 September 1998 to 11 October 1998	Australia Philippines New Zealand Singapore Thailand	To study infrastructure and system of Agricultural Marketing	11.81	--	11.81	MP State Agriculture Marketing Board
2.	Minister for Manpower Planning & Medical Education	10 May 1998 to 21 May 1998	U.K.	To appraise the delegates of best practices in higher technical education in U.K.	3.58	--	3.58	To and fro Airfare, Lodging & Boarding by State Govt. and expenses to travel in UK, escort and guide services by British Council
3.	Minister for Commerce and Industry alongwith Commissioner, Handloom	14 January 1999 to 19 January 1999	Frankfurt Brussels Antwerp	To participate in the 'Heimtextile' fair at Masse, Frankfurt	1.67	1.62	3.29	State Government
4.	Principal Secretary, Tribal Welfare	20 April 1999 to 25 April 1999	Rome (Italy)	To participate in loan negotiations with IFAD in connection with the Bihar-MP Tribal Development Programme proposed to be implemented in selected blocks of Surguja, Raigarh & Jashpur Districts.	1.07	--	1.07	State Government
5.	Minister for Animal Husbandry	18 March 1999 to 20 March 1999	Thailand	VIV-Asia Intensive Live stock & Poultry show	0.25	--	0.25	MP State Live stock & Poultry Development Corporation
6.	Chief Secretary alongwith Commissioner and Director Institutional Finance	12 April 1999 to 18 April 1999	Manila	To represent the State Govt. in loan negotiations with Asian Development Bank in connection with the M.P. Public Resources management programme	1.00	--	1.00	State Government
7.	Minister for Agriculture and Ayacut alongwith Managing Director, M.P. State Agriculture Marketing Board	19 August 2000 to 3 September 2000	Israel, Turkey, Greece, Spain, Portugal, Neetherlands		6.61	--	6.61	M.P. State Agriculture Marketing Board
8.	Deputy Secretary to Chief Minister and Commerce and Industries (Information Technology) Department	26 March 2001 to 28 March 2001	USA	To participate in Microsoft Government Leaders Conference	--	1.87	1.87	State Government
Total					25.99	3.49	29.48	

Appendix XXXVIII
(Reference: paragraph 3.29, page 131)

Statement showing paragraphs/reviews for which explanatory notes were not received

Sl. No.	Name of the Department	Audit Reports										
		1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	Total
1.	Agriculture						04		07	05	04	20
2.	Labour									01		01
3.	Medical Education									02		02
4.	Panchayat and Rural Development			01	04		01	02		14	04	26
5.	Revenue								01		05	06
6.	Co-operative									01	04	05
7.	Commerce and Industries						02			06	02	10
8.	Scheduled Tribe and Scheduled Caste Welfare		02						02	03	03	10
9.	Fisheries								01			01
10.	Social Welfare				01					01	01	03
11.	Jan Sampark								01			01
12.	Dairy Development							01		01	01	03
13.	Planning and Statistical								01			01
14.	Bhopal Gas Tragedy Relief and Rehabilitation									01	01	02
15.	General Administration									01		01
16.	Public Health & Family Welfare				07	03	01		02	03	03	19
17.	Food and Civil Supplies									02	01	03
18.	Women and Child Welfare										01	01
19.	Rehabilitation										01	01
20.	School Education										01	01
21.	Animal Husbandry										01	01
22.	Gramodyog										02	02
23.	Horticulture										01	01
24.	Higher Education										01	01
25.	Home (Police)										02	02
26.	Jail										01	01
27.	Urban Administration and Development										01	01
28.	Manpower Management										02	02
29.	General	04	05	02	03			01	--	02	05	22
		04	07	03	15	03	08	04	15	43	48	150

Appendix XXXIX

Glossary of abbreviations

A&E	:	Accounts and Entitlement
ACTD	:	Assistant Commissioner, Tribal Development
ADS	:	Assistant Director, Sericulture
AE	:	Adult Education
AIE	:	Alternative Innovative Education
APC	:	Air Pollution Control
ASOs	:	Assistant Statistical Officers
BEOs	:	Block Education Officers
BTI	:	Basic Training Institutes
BTR	:	Bill Transit Register
CARE	:	Co-operation for American Relief Everywhere
CEO	:	Chief Executive Officer
CHCs	:	Community Health Centres
CHS	:	Commissioner of Health Services
CMHO	:	Chief Medical and Health Officer
CMU	:	Central Mobile Units
COPA	:	Computer Operating Programme Assistant
COSAMB	:	Council of State Agriculture Marketing Board
CPI	:	Commissioner of Public Instruction
CRS	:	Centre for Rehabilitation Studies
CS	:	Civil Surgeon
CSI	:	Commercial Sub Inspector
CTO	:	Commercial Tax Officer
CTS	:	Craftsman Training Scheme
DBCS	:	District Blindness Control Societies
DDO	:	Drawing and Disbursing Officer
DEO	:	District Education Officer
DEO	:	District Excise Officer
DET	:	Director of Employment and Training
DFLs	:	Disease Free Layings
DHS	:	Director of Health Services
DIET	:	District Institute of Education and Training
DLCs	:	District Level Committees
DLPC	:	District Level Purchase Committee
DME	:	Director of Medical Education
DOTS	:	Directly Observed Treatment Short Course Chemotherapy
DOTW	:	District Organiser, Tribal Welfare
DPF	:	Departmental Provident Fund
DPM	:	District Programme Manager
DRDA	:	District Rural Development Agency
DRU	:	District Resource Unit
DTC	:	District Tuberculosis Centre

DTCS	:	District Tuberculosis Control Societies
DTO	:	District Tuberculosis Officer
EE	:	Executive Engineer
EGS	:	Education Guarantee Scheme
EOIB	:	Economic Offence Investigation Bureau
EPCO	:	Environmental Planning and Co-ordination Organisation
ESI	:	Excise Sub Inspector
ESP	:	Electro Static Precipitators
FIR	:	First Information Report
FVC	:	Fully Vouched Contingent
GAD	:	General Administration Department
GMCs	:	Government Mulberry Centres
GOI	:	Government of India
GPF	:	General Provident Fund
GTC	:	Government Tasar Centre
HIG	:	High Income Group
HRD	:	Human Resources Development
ICDS	:	Integrated Child Development Scheme
ICMR	:	Indian Council of Medical Research
IDBI	:	Industrial Development Bank of India
IEC	:	Information, Education and Communication
INTACH	:	Indian National Trust for Art and Culture Heritage
IOL	:	Intra Ocular Lense
IRD P	:	Integrated Rural Development Programme
ISP	:	Indira Sagar Project
ITIs	:	Industrial Training Institutes
JET	:	Joint Evaluation Team
JRY	:	Jawahar Rojgar Yojna
LARO	:	Land Acquisition and Rehabilitation Officer
LOC	:	Letter of Credit
LPC	:	Land Pool Committee
MARKFED	:	Marketing Federation
MERs	:	Monthly Expenditure Returns
MIS	:	Management Information System
MLA	:	Member of Legislative Assembly
MOST	:	Ministry of Surface Transport
MOU	:	Mobile Ophthalmic Units
MPHB	:	Madhya Pradesh Housing Board
MPHDT	:	Madhya Pradesh Heritage Development Trust
MPLUN	:	Madhya Pradesh Laghu Udyog Nigam
MPMAVN	:	Madhya Pradesh Mahila Arthik Vikas Nigam
MPSCSC	:	Madhya Pradesh State Civil Supplies Corporation
MPSTC	:	Madhya Pradesh State Textile Corporation
NAAQM	:	National Ambient Air Quality Monitoring

NABARD	:	National Bank of Agriculture and Rural Development
NCERT	:	National Council of Education Research and Training
NCVT	:	National Council for Vocational Training
NFE	:	Non Formal Education
NGOs	:	Non Government Organisations
NOX	:	Oxides of Nitrogen
NPCB	:	National Programme for Control of Blindness
NPE	:	National Policy of Education
NTCP	:	National Tuberculosis Control Programme
OSCS	:	Oil Seed Co-operative Societies
OT	:	Operation Theatre
PAC	:	Public Accounts Committee
PCB	:	Pollution Control Board
PD	:	Personal Deposit
PHCs	:	Primary Health Centres
PMOA	:	Para Medical Ophthalmic Assistant
PWD	:	Public Works Department
RES	:	Rural Engineering Services
RGSM	:	Rajiv Gandhi Shiksha Mission
RNTCP	:	Revised National Tuberculosis Control Programme
RRLB	:	Regional Research Laboratory, Bhopal
RTO	:	Regional Transport Officer
S/M SC/ST	:	Small/Marginal Scheduled Caste/Scheduled Tribe
SCERT	:	State Council of Educational Research and Training
SDO	:	Sub Divisional Officer
SLCs	:	State Level Committees
SO₂	:	Sulphur Di-oxide
SPM	:	Suspended Particulate Matters
SPOT	:	Special Orientation Programme of Training
SSI	:	Small Scale Industries
STEP	:	Support to Training and Employment Programme
TA	:	Travelling Allowance
TLM	:	Teaching Learning Material
TO	:	Treatment Organiser
TRYSEM	:	Training of Rural Youth for Self Employment
UEE	:	Universalisation of Elementary Education
UNICEF	:	United Nations International Children's Education Fund
VAs	:	Voluntary Agencies
WBCBCP	:	World Bank assisted Cataract Blindness Control Project

