REPORT

OF THE

COMPTROLLER

AND

AUDITOR GENERAL OF INDIA

FOR THE YEAR 1981-82

(CIVIL)

GOVERNMENT OF MADHYA PRADESH

REPORT

OF THE

COMPTROLLER

AND

AUDITOR GENERAL OF INDIA

FOR THE YEAR 1921-22

(STATE)

GOVERNMENT OF TAMIL NADU

ERRATA

Report of the Comptroller and Auditor General of India for the year 1981-82 (Civil) — Government of Madhya Pradesh

Page No.	Reference	For	Read
(i)	Table of Contents, line 2 from top	Perfatory	Prefatory
(i)	Heading of Para 1.5	Caiptal	Capital
(i)	Table of Contents, line 6 from bottom	Co-ordinafed	Co-ordinated
2	Fifth line from bottom of footnote	Tbere	There
3	Third line from top	estimate	estimates
4	Para 1.3, Sl. No. (ii) (b)	Receipt	Receipts
4	Sl. No. (ii) (d)	States'	State's
5	Para 1.5-Heading	Ezpenditure	Expenditure
5	Third line from bottom	Insert 'the' after 'below' and before '1980-81'	
9	Line 12 from top	Court's	Courts'
10	Line 2 from bottom of footnote	Rs.3,92,56 crores	Rs. 3,92.56 crores
11	Para 1.11 line 4	Rs. 23.39	Rs. 23.29
13	S.No 3 under 'CAPITAL', line 2	expendtiture	expenditure
20	S.No 6(i), column 2	Loacal	Local
20	S. No, 6 (i), line 3 of explanation	non-sissue	non-issue
22	Line 6 from bottom	Bariyarpur	Baryarpur
26	Line 9 from bottom	(May-July 1982	(May-July 1982)
27	Table, top of col. (5)	1980-80	1980-81
29	Item 6, last line	chicks were	chicks was met were
33	Line 2 from bottom	watershed	watersheds
35	Table 2, column (3)	(*In thousandhectares*	(*In thousand hectares*)
35	Line 4 from bottom, col. 1 of third table	fforestation	Afforestation
36	Line 13 from top	conducte	conducted
36	Line 5 from bottom	oil	Soil
39	Line 16 from top	actualy	actually
39	Line 17 from top	catchements	catchments
39	Line 6 from bottom	measrues	measures
40	Para 3.4, line 7	an	and
41	Para 3.5, line 9	Rs.2.16 lakh,	Rs. 2.16 lakhs,
41	Para 3.5, sub-para 2; First line	orginally	originally
41	Para 3.5, sub-para 4, last line	awiated	awaited
43	Line 4 from bottom, col. 1 of the table	santioned	sanctioned
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46	Table, Column (2)	(*Nubmer of persons*)	(*Number of persons*)
46	Item (ii), penultimate line of this item	unde	under
47	Line 3 from top	auhthority	authority
47	Para 6.2, line Ist	grantfor	grant for
47	Para 6.2, line 5	purchased during	purchased. During
47	Para 6.2, last line	Rs.2.83 lakh).	Rs.2.83 lakhs).
47	Sub-para 7.1 (i), line 2	neurs the	neurs under the
48	Footnote with guidemark †	respectivly	respectively
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50	Para 10, line 5	propsoed	proposed
50	Para 11, line 12 from bottom	acress	acres
51	Para 12, line 4	beset	be set
51	Sub-para 13(ii), line 4	inpsection	inspection
52	First line	acheivement	achievement
53	Table, S.No. 2, Col. (2)	Techninician	Technician
53	Table, S.No. 3, Col. (2)	Nurses	Nurse
55	Line 5 from top	genueneness	genuineness
55	Line 15 from top	avaialable	available
56	Col.5, Third line from bottom	Rs. 25	Rs.0.25
56	Heading of Column 6	Diffrence	Difference
57	Para 3.12, line 5	Orderd	ordered
58	Line 4 from bottom	requirment	requirement
58	Line 4 from bottom	rates	rate
59	Sub-para 3.14 (i), line 3	at	as
60	Para 3.16, third line	acknowlegment	acknowledgement
61	Table, Col. 4, line 4	acknoledge-	acknowledge-
62	Line 3 from top	deprartment	department
62	Line 7, last word	forefited	forfeited
62	Sub-para 3.19 (1), line 2	pecial	special
62	Line 11 from bottom	percent	per cent
62	Line 8 from bottom, last word	student	students
62	Line 4 from bottom	cummunity	community
63	Sub-para (ii), line 4	utencils,	utensils,
64	Table, Plan period 80-81, Column (6)	Nil	12
64	Sub-para (c), line 9	Hosuing	Housing
64	Sub-para (d), line 2 from bottom	Rs. 5.49 lakh	Rs. 5.49 lakhs
65	Sub-para (iv), line 3	childern	children
65	Sub-para (iv), line 1 below table	childern	children
66	Sub-para (V)(a), line 2	Bhoapl	Bhopal
66	Sub-para (V)(a), line 2	capcity	capacity
67	Line 3 from top	capcity	capacity
67	S.No. (b)(4), 4th line	p or	poor
67	Do.	due	due to
68	Line 3 from top, last word	timing	timings
68	Line 7 from top	examiniation	examination
68	Line 16 from top	adimitted	admitted
70	Line 2 from top	resleased	released
70	Line 19 from top	within stipulated	within the stipulated
70	2nd line from bottom	doposits	deposits
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71	Sub-para (b), line 4	obiectives	objectives
72	Sub-para (ii), line 1	scavangers	scavengers
72	Sub-para (ii), Line 2	scavangers	scavengers
72	Sub-para (ii), Line 9	ocoupied	occupied
72	Sub-para (iii), Line 6	indentification	identification
73	Line 20 from bottom	short fall on	shortfall in
73	Sub-para (iv) line 9	Court	Courts
75	Line Ist, last word	depratment	department
75	Line 2 from top	wihtin	within
75	Sub-para C, line 3	Tresasury	Treasury
76	Line 2 from top	to	and
76	Sub-para (C), line 20	1977-78 to 18	1977-78 and 18
6	Sub-para (C), line 20	1977-78 to 59	1977-78 and 59

77	Sub-para 12, line 5	was	were
79	Para 3.22, line 4	sutiable	suitable
80	Para 4.1, line 13	augementing	augmenting
81	Sub-para 3.1, line 3	Kahrif	Kharif
83	Line 5 from top	complet	complete
83	Sub-para 3.2 (IV), line 8	reservior	reservoir
83	Sub-para 3.2 (IV), line 8	techniical	technical
84	Sub-para 3.4 last line	reconsideraition	reconsideration
85	Sub-para 3.6, line 3	Ravisankar	Ravishankar
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88	5th line from bottom	trurbine	turbine
89	7th line	i 1971	in 1971
90	Line 8 from top	specifice	specific
92	Line Ist from top	contractot	contractor
92	4th line from top	Hea	Head
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95	Last line, first word	ratea	rates
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97	Line 18 from top	Govenment	Government
99	Para 4.8, line 4, Ist word	povided	provided
100	Line 6 from top	materal	material
108	13th line from top	res ect	respect
109	Para 6.2, Table, Col (2), S.No.11	Adminstration	Administration
111	Sub-para 3(i), line 17	expnditure	expenditure
111	Sub-para 3 (ii), line 4	intorduced	introduced
112	Sub-para (IV), line 16	propsed	proposed
113	16th line from bottom	Put fullstop after 'Account matured'	
115	Table, column (1), Scheme (e) (i), line 2	Corporatioon	Corporation
115	Table, column (1), Scheme (e) (ii), line 1	Interegrated	Integrated
115	3rd line from bottom	Put fullstop after 'dwellers'	
116	Ist line	tenements	tenement
116	Last line	Put fullstop after 'April 1974' and delete the word 'no'	thereafter
117	Sub-para 7.1, line 14	bag	bags
118	Line 21 from top	abondoned	abandoned
118	Line 14 from bottom	resulting extra	resulting in extra
119	Line 9 from top	bulloks	bullocks
121	Table under sub-para 6.7.1 (b), heading above columns 4 to 7	Assissance granted	Assistance granted
121	First line below the table under sub-para 6.7.1 (b)	Govetnment	Government
122	Sub-para 5, line 1	gtanted	granted
122	Table below sub-para 6 column 2	invocved	involved
124	Table below para 7.2, column 3, first line	year	years
142	Table in Appendix III.2, Heading of column 5, 4th line	1979-70	1979-80
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PREFATORY REMARKS

This report has been prepared for submission to the Governor under Article 151 of the Constitution. It relates mainly to matters arising from the Appropriation Accounts for the year 1981-82 together with other points arising from the audit of the financial transactions of the Government of Madhya Pradesh. It also includes certain points of interest arising from the Finance Accounts for the year 1981-82.

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

3. The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 1981-82 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 1981-82 have also been included, wherever considered necessary.

4. The points brought out in this Report are not intended to convey or to be understood as conveying any general reflection on the financial administration by the departments/bodies/authorities concerned.

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CHAPTER I

GENERAL

1.1. Summary of transactions

The receipts and expenditure of the Government of Madhya Pradesh for the year 1981-82 are given below with corresponding figures of the previous year :—

Particulars (1)	1980-81 (2)	1981-82 (3)
	(*Rupees in crores*)	
(1) *Revenue—*		
Revenue receipts—		
(*i*) Revenue raised by the State Government	6,49.78	8,25.86
(*ii*) Receipts from the Government of India	4,84.16	5,18.20
Total—Revenue receipts	11,33.94	13,44.06
Revenue Expenditure—		
Non-Plan	7,40.22	8,65 .99
Plan	2,75.94	2,48.81
Total—Revenue expenditure	10,16.16	11,14.80
Revenue surplus (+)	+1,17.78	+2,29.26
(2) *Public Debt—*		
(*i*) *Internal debt of the State Government—*		
(*a*) Market loans—		
Receipts	11.57	19.59
Repayments	5.71	9.13
Increase(+)	+5.86	+10.46
(*b*) *Loans from autonomous bodies—*		
Receipts	9.44	10.84
Repayments	4.24	4.01
Increase (+)	+5,20	+6.83
(*c*) Ways and means advances from the Reserve Bank of India—		
Receipts	6,24.69	6,54.46
Repayments	5,58.96	6,24.52
Increase (+)	+65.73	+29.94
Total—Internal debt of the State Government (net)—Increase (+)	+76.79	+47.23

Particulars (1)	1980-81 (2)	1981-82 (3)
	(*Rupees in crores*)	
(*ii*) *Loans and advances from the Government of India*—		
Receipts	2,11.15	1,80.90
Repayments	55.42	53.48
Increase (+)	+1,55.73	+1,27.42
Total—Public debt(net)—Increase (+)	+2,32.52	+1,74.65
(3) *Capital expenditure*—		
Non-Plan	3.80	3.42
Plan	2,56.95	2,62.59
Increase (+)	—2,60.75	—2,66.01
(4) *Loans and advances by the State Government*—		
Disbursements	2,27.26	2,29.14
Recoveries	32.86	28.41
Increase (+)	—1,94.40	—2,00.73
(5) *Transfer to Contingency Fund*	—20.00	..
Increase (+)	—20.00	..
(6) *Contingency Fund (net)*—		
Increase (+) / Decrease (—)	+18.78	—6.85
(7) *Public Account*—		
Receipts	14,08.41	17,80.11
Disbursements	13,37.88	17,06.41
Increase (+)	+70.53	+73.70
Net deficit(—) / Net Surplus(+)	—35.54	+4.02
(8) *Cash balance*—		
Opening cash balance	—27.92	—63.46
Net deficit as above	—35.54	+4.02 (*)
Closing cash balance	—63.46	—59.44

(*) The closing cash balance of Rs.—59.44 crores was made up of Rs. —60.41 crores (Deposits with Reserve Bank of India), Rs. 0.73 crore (Remittances in transit) and Rs. 0.24 crore (Cash in treasuries). There was a difference of Rs. 70.47 crores between the figures reflected in the accounts (Rs.—60.41 crores and that intimated by Reserve Bank of India (Rs. —1,30.88 crores) regarding 'Deposits with Reserve Bank' included in the cash balance. After reconciliation and adjustment in the accounts to end of August 1982, a difference of Rs. 0.56 crore remains to be reconciled (March 1983).

1.2. Revenue surplus/deficit

(*a*) *Revenue receipts.*—The actuals of revenue receipts of the Government for the year 1981-82 as compared with (*i*) the budget estimates and (*ii*) the budget estimate *plus* additional taxation during the year with corresponding figures for 1979-80 and 1980-81 are shown below:—

Year	Budget	Budget *plus* additional taxation (less concessions in taxation)	Actuals	Variation between columns (4) and (3)	
				Amount of increase(+) decrease(—)	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
			(*Rupees in crores*)		
1979-80	9,71.50	9,72.00	9,58.63	—13.37	1.4
1980-81	11,14.88	11,19.88	11,33.94	+14.06	1.2
1981-82	12,64.76	12,69.66	13,44.06	+74.40	5.9

(*b*) *Expenditure on revenue account.*—The expenditure on revenue account during 1981-82 as compared with (*i*) the budget estimates and (*ii*) the budget estimates *plus* supplementary provision and the corresponding figures for the preceding two years are shown below :—

Year	Budget	Budget *plus* supplementary	Actuals	Variation between columns (4) and (3)	
				Amount	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
			(*Rupees in crores*)		
1979-80	8,02.80	9,27.31	7,91.54	—1,35.77	15
1980-81	9,93.31	10,89.16	10,16.16	—73.00	7
1981-82	10,62.45	11,23.84	11,14.80	—9.04	1

(*c*) The year ended with a revenue surplus of Rs. 2,29.26 crores as against a surplus of Rs. 2,02.31 crores anticipated in the budget.

The figures of revenue surplus for the year under review and the corresponding figures for the last two years are given below:—

Year	Revenue surplus
(1)	(2)
	(*Rupees in crores*)
1979-80	1,67.09
1980-81	1,17.78
1981-82	2,29.26

1.3. Revenue receipts

During 1981-82, revenue receipts (Rs. 13,44.06 crores) showed an increase of Rs. 2,10.12 crores (19 per cent) over those in 1980-81 (Rs. 11,33.94 crores).The increase is analysed below :—

	Receipts		
	1980-81	1981-82	Increase(+) Decrease(—)
(1)	(2)	(3)	(4)
		(*Rupees in crores*)	
(*i*) REVENUE RAISED BY THE STATE GOVERNMENT—			
(*a*) Tax Revenue	3,77.20	4,58.50	+81.30
(*b*) Non-Tax Revenue	2,72.58	3,67.36	+94.78
Total (*i*)	6,49.78	8,25.86	+1,76.08

	Receipts		
	1980-81	1981-82	Increase (+) Decrease (—)
(1)	(2)	(3)	(4)
	(*Rupees in crores*)		
(*ii*) RECEIPTS FROM THE GOVERNMENT OF INDIA—			
(*a*) Taxes on Income other than Corporation Tax	73.80	74.83	+1.03
(*b*) Hotel Receipt Tax	0.03	0.06	+0.03
(*c*) Estate duty	0.41	(x) —0.51	—0.92
(*d*) States' share of Union Excise Duties	2,28.64	2,66.99	+38.35
(*e*) Grants—			
(1) Non-Plan grants—			
Grants under the Constitution (Distribution of Revenues) Order	9.99	12.88	+2.89
Grants in lieu of tax on Railway passenger fare	0.95	0.95	..
Other grants	4.30	5.61	+1.31
(2) Grants for State Plan Schemes—			
Grants under proviso to Article 275(1) of the Constitution	22.13	27.03	+4.90
Other grants	67.75	64.03	—3.72
(3) Grants for Central Plan Schemes	46.05	27.38	—18.67
(4) Grants for Centrally sponsored Plan Schemes—			
Grants under proviso to Article 275 (1) of the Constitution	0.16	0.44	+0.28
Other grants	29.95	38.51	+8.56
Total (*e*) Grants	1,81.28	1,76.83	—4.45
Total (*ii*)	4,84.16	5,18.20	+34.04
Total (*i*) and (*ii*)	11,33.94	13,44.06	+2,10.12

Receipts from the Government of India during 1981-82 (Rs. 5,18.20 crores) were 39 per cent of the total revenue receipts in the year.

More information on the subject will be found in the Report of the Comptroller and Auditor General of India for the year 1981-82, Revenue Receipts—Government of Madhya Pradesh.

1.4. Expenditure on revenue account

The expenditure, Plan and Non-Plan, on revenue account during 1981-82 under the different sectors, as also the provision of funds and corresponding expenditure in the preceding year, are given in Appendix I.1.

(x) Minus receipt is due to adjustment of excess share paid during the years 1972-73 to 1976-77.

There was under-utilisation in sectors—'A—General Services' (Plan and Non-Plan), 'C—Economic Services' (Plan) and excess expenditure under sector 'B—Social and Community Services' (Plan and Non-Plan) and 'C—Economic Services' (Non-Plan). The Plan expenditure on 'General Economic Services' and 'Agriculture and Allied Services' has noticeably gone down to Rs. 5.96 crores and Rs. 1,09.62 crores compared to Rs. 7.99 crores and Rs. 1,48.64 crores respectively in 1980-81, whereas the expenditure on 'Social and Community Services', 'Industry and Minerals' and 'Water and Power Development' has gone up to Rs. 1,14.30 crores, Rs. 11.10 crores and Rs. 5.01 crores as compared to Rs. 1,10.18 crores, Rs. 8.59 crores and Rs. —2.41 crores respectively in 1980-81.

Taking Plan and Non-Plan expenditure together, the increase of Rs. 98.64 crores in 1981-82 compared to the preceding year was mainly on 'General Services' (Rs. 47.73 crores), 'Social and Community Services' (Rs. 57.62 crores), 'Industry and Minerals' (Rs. 2.99 crores), 'Water and Power Development' (Rs. 3.80 crores), 'Transport and Communications' (Rs.8.99 crores) and 'Grants-in-aid and contributions' (Rs. 2.19 crores). The expenditure on 'Interest Payments' increased by Rs. 24.35 crores mainly due to larger payment of interest on 'Internal Debt' and 'Small Savings and Provident Funds', and on 'Loans from Central Government'. Rupees 11.98 crores more were spent on Police Department mainly on up-gradation of standards in administration. Rupees 29.62 crores more were spent on 'Education' due mainly to more expenditure on additional dearness allowance and grants to non-Government institutions. Rupees 11.57 crores more were spent on 'Forest' due mainly to more expenditure on collection of minor forest produce and increase in wage rates. The increase in expenditure by Rs. 10.20 crores under 'Irrigation, Navigation, Drainage and Flood Control Projects' was mainly due to purchase of more stores and stock. Rupees 10.37 crores more were spent on 'Roads and Bridges' due mainly to more expenditure on maintenance of 'State Highways' and 'District and Other Roads'.

1.5. Expenditure on capital account

(*i*) The capital expenditure during the three years ending 1981-82 and the budget estimates, augmented by supplementary provision, are given below :—

Year	Budget	Budget *plus* supplementary	Actuals	Variation between columns (4) and (3)	
				Amount	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
		(*Rupees in crores*)			
1979-80	1,92.29	2,36.51	2,16.69	—19.82	8
1980-81	2,20.53	2,47.63	2,60.75	+13.12	5
1981-82	2,47.52	2,56.76	2,66.01	+9.25	4

(*ii*) The expenditure, Plan and Non-Plan on capital account during 1981-82 under the different sectors, as also the provision of funds and the corresponding expenditure in the preceding year, are given in Appendix I.2.

Against the Plan provision of Rs. 2,45.61 crores during 1981-82, the expenditure was Rs. 2,62.59 crores *i.e.* excess of Rs. 16.98 crores (6 per cent). Compared to the Plan expenditure of Rs. 2,56.95 crores in 1980-81, the expenditure during 1981-82 was more by Rs. 5.64 crores. Under Non-Plan, the expenditure of Rs. 3.42 crores was below 1980-81 level (Rs.3.80 crores). The expenditure was also less compared to provision (Rs. 11.15 crores) by Rs. 7.73 crores.

The excess expenditure under Plan in 1981-82 compared to provision was mainly under 'Agriculture and Allied Services' (provision : Rs. 45.54 crores and expenditure : Rs. 55.88 crores) and 'Transport and Communications' (provision : Rs. 34.82 crores and expenditure: Rs. 46.32 crores). The expenditure as compared to 1980-81 was at higher level mainly under 'Social and Community Services' (increase of Rs. 5.87 crores, about 54 per cent), 'General Economic Services' (increase of Rs. 8.04 crores, about 149 per cent), and 'Water and Power Development' (increase of Rs. 21.62 crores, about 21 per cent).

1.6. Loans and advances by the Government

(*i*) The actuals of disbursement of loans and advances by the Government during 1981-82 and the budget estimates as also the estimates augmented by supplementary provision alongwith the corresponding figures for the two preceding years are given below :—

Year	Budget	Budget *plus* supplementary	Actuals	Variation between columns (4) and (3)	
				Amount	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
			(*Rupees in crores*)		
1979-80	1,63.12	1,80.09	1,69.70	—10.39	6
1980-81	2,14.17	2,41.31	2,27.26	—14.05	6
1981-82	2,34.84	2,47.22	2,29.14	—18.08	7

The shortfall in disbursement compared with provision in 1981-82 was mainly because of less loans given for 'Housing' (Rs. 1.04 crores), 'Co-operation' (Rs. 1.94 corres), 'Agriculture' (Rs. 1.08 crores), 'Power Projects' (Rs. 11.98 crores) and 'Loans to Government Servants' (Rs. 2.94 crores). The shortfall was partly counterbalanced by more loans given for 'Industrial Research and Development' (Rs. 1.76 crores).

(*ii*) The budget and actuals of recoveries of loans and advances for the three years ending 1981-82 are given below :—

Year	Budget	Actuals	Variation	
			Amount	Percentage
(1)	(2)	(3)	(4)	(5)
		(*Rupees in crores*)		
1979-80	31.43	27.68	—3.75	12
1980-81	53.99	32.86	—21.13	39
1981-82	52.63	28.41	—24.22	46

Recoveries in 1981-82 were notably less than estimated under 'Co-operation' (Rs. 3.45 crores), 'Agriculture' (Rs. 13.22 crores) and 'Loans to Government Servants' (Rs. 4.66 crores).

(*iii*) The sector-wise disbursement of loans and advances and recoveries made during the three years ending 1981-82 as also the loans outstanding at the beginning/end of each year are given in Appendix I.3. Further details are available in Statement Nos. 5 and 18 of Finance Accounts, 1981-82.

(*iv*) *Recoveries in arrears.*—(*a*) *Loans and advances, the detailed accounts of which are maintained by the Audit Office.*—Recovery of Rs. 7.40 crores (principal : Rs. 3.89 crores; interest : Rs. 3.51 crores) was in arrears at the end of March 1982 as shown below :—

(1)	Principal (2)	Interest (3)
	(*Rupees in crores*)	
Up to 1980-81	3.37	3.08
1981-82	0.52	0.43
Total	3.89	3.51

(*b*) *Loans and advances, the detailed accounts of which are maintained by departmental officers.*—Complete information about arrears in recovery of loans and advances has not been supplied by the departmental officers. According to the information received (December 1982), recovery of Rs. 18.66 crores (principal) (*) was outstanding at the end of March 1982. Out of the total recovery reported to be in default, the recovery of Rs. 9.26 crores (principal) (*) was outstanding for more than three years as on 31st March 1982.

(*v*) The balances under the various loans are communicated to the loanees where detailed accounts are maintained by the Audit Office and to the departmental officers in other cases every year for verification and acceptance of balances. Out of 8,048 cases where the detailed accounts are maintained by the Audit Office and 2,642 cases where the detailed accounts are maintained by the departmental officers, acceptances have been received in 252 cases in respect of the former and remained wanting in all cases in respect of the latter (March 1983).

1.7. Sources of funds for capital expenditure and net outgo under loans and advances

The capital expenditure (Rs. 2,66.01 crores) and the net outgo under loans and advances by the State Government (Rs. 2,00.73 crores) during 1981-82 were met mainly from revenue surplus (Rs. 2,29.26 crores), internal debt of the State Government (Rs. 47.23 crores), loans and advances from Central Government (Rs. 1,27.42 crores) and increase in provident fund balances, etc. (Rs. 70.53 crores).

1.8. Debt position

(*a*) The total debt liability of the Government at the close of 1981-82 was Rs. 20,34.34 crores. A comparative analysis of the debt liability as at the end of March 1980, 1981 and 1982 is given below:—

Nature of debt	Balance on 31st March		
	1980	1981	1982
(1)	(2)	(3)	(4)
	(*Rupees in crores*)		
(*i*) Public Debt—			
(1) Internal debt of the State Government	1,50.43	2,27.22	2,74.45
(2) Loans and Advances from the Government of India	8,50.85	10,06.58	11,34.00
Total—(*i*) Public Debt	10,01.28	12,33.80	14,08.45

(*) Information about interest in default has not been received (March 1983).

Nature of debt	Balance on 31st March		
	1980	1981	1982
(1)	(2)	(3)	(4)
	(*Rupees in crores*)		
(*ii*) Small Savings, provident funds, etc.	2,98.55	3,59.16	4,29.69
(*iii*) Reserve funds and deposits (interest bearing)	29.51	36.94	51.22
(*iv*) Reserve funds and deposits (non-interest bearing)	84.15	1,21.21	1,44.98
Total	14,13.49	17,51.11	20,34.34

The borrowings from the Government of India constituted 81 per cent of the State Government's public debt on 31st March 1982 as against 82 per cent of the public debt on 31st March 1981.

During the year a loan of Rs. 18.82 crores bearing interest at 7 per cent per annum (redeemable at face value in 1993) was floated by Government against which Rs. 18.82 crores were subscribed.

(*b*) *Ways and Means advances and overdrafts from the Reserve Bank of India.*—Under an agreement with the Reserve Bank of India, the State Government has to maintain a minimum cash balance of Rs. 80 lakhs on each day. The Bank makes ways and means advances when cash balance falls short of this minimum.

The extent to which the Government maintained the minimum balance with the Bank during 1981-82 is given below:—

(*i*) Number of days on which the minimum balance was maintained without obtaining any advance	Nil
(*ii*) Number of days on which the minimum balance was maintained by taking ways and means advances (ordinary and special).	2
(*iii*) Number of days on which there was shortfall from minimum balance after taking the above advance but no overdraft was taken	Nil
(*iv*) Number of days on which overdrafts were taken	363

On 1st April 1981 ways and means advances and overdrafts aggregating Rs. 65.73 crores (ordinary : Rs. 16 crores, special : Rs. 8 crores and overdrafts: Rs. 41.73 crores) were outstanding. During 1981-82, ways and means advances and overdrafts aggregating Rs.6,54.46 crores (ordinary : Rs. 2.47 crores, special : Rs. 8 crores and overdrafts: Rs. 6,43.99 crores) were obtained out of which Rs. 6,24.52 crores (ordinary : Rs. 2.47 crores, special : Rs. 8 crores and overdrafts : Rs. 6,14.05 crores) were repaid leaving an amount of Rs. 95.67 crores (ordinary : Rs. 16 crores, special : Rs. 8 crores and overdrafts : Rs. 71.67 crores) outstanding at the end of the year.

Rupees 11.85 crores were paid as interest to the Bank on ways and means advances and overdrafts during 1981-82 against Rs. 0.06 crore during 1979-80 and Rs. 2.12 crores during 1980-81.

(*c*) *Interest charges.*—Interest payments on account of debt are analysed below :—

(1)	1980-81 (2)	1981-82 (3)
	(*Rupees in crores*)	
Interest paid by the State Government	77.35	1,01.70
Interest received by the State Government—		
(*a*) Interest received on loans and advances	48.89	67.62
(*b*) Interest received on investment of cash balances	0.25	0.24
Net burden of interest on revenue	28.21	33.84
Net interest as percentage of total revenue receipts	2.48	2.52

In addition, there were other miscellaneous receipts of interest (Rs. 1.36 crores) and if these are taken into account, the net burden of interest on revenue would be Rs. 32.48 crores or 2.42 per cent of total revenue receipts. The Government also received during the year Rs. 2.30 crores by way of dividend on investments in commercial and industrial undertakings, etc.

The net addition to small Savings, Provident Funds and Insurance and Pension Fund balances, during 1981-82 was Rs. 70.53 crores while interest paid on such balances was Rs. 25.04 crores.

(*d*) The major liabilities relating to Reserve Funds, Deposits and other obligations to the extent the balances are not invested and are retained in cash are :—

Sinking Funds (Rs. 18 crores), Depreciation/Renewal Reserve Funds (Rs. 6.80 crores), Miscellaneous Deposits(Rs. 51.23 crores), Revenue Deposits (Rs. 13.17 crores), Civil Court's Deposits (Rs. 3.02 crores), Personal Deposits (Rs. 9.31 crores), Public Works Deposits (Rs. 36.75 crores), Deposits of Educational Institutions (Rs. 4.23 crores) and Other Deposits (Rs. 49.87 crores).

1.9. Investments by Government

Details of amounts invested by Government during 1981-82 as well as cumulative figures to end of the year togetherwith the dividend/ interest received by Government therefrom during the year are given below :—

Categories of bodies	Investments during 1981-82		Investments as at the end of 1981-82		Dividend/interest received during the year (percentage of return to cumulative investments in brackets)
	Number	Amount	Number	Amount	
(1)	(2)	(3)	(4)	(5)	(6)
		(*Rupees in crores*)			
(*i*) Statutory Corporations—					
(*a*) Shares and debentures	..	5.84	4	32.81	1.28 (3.90)
(*b*) Loans	2	1,74.57	4	9,33.51	64.14 (6.87)
(*c*) Total	2	1,80.41	8	9,66.32	65.42 (6.77)
(*ii*) Government Companies—					
(*a*) Shares and debentures	4	6.03	29	50.86	0.08 (0.16)
(*b*) Loans	8	8.37	10	29.38	0.14 (0.48)
(*c*) Total	12	14.40	39	80.24	0.22 (0.27)
(*iii*) Joint-stock Companies—					
(*a*) Shares and debentures	..	..	24	1.02	0.06 (5.88)
(*b*) Loans	3	1.24	4	1.33	.. (..)
(*c*) Total	3	1.24	28	2.35	0.06 (2.55)

Categories of bodies	Investments during 1981-82		Investments as at the end of 1981-82		Dividend/interest received during the year (percentage of return to cumulative investments in brackets)
	Number	Amount	Number	Amount	
(1)	(2)	(3)	(4)	(5)	(6)
				(*Rupees in crores*)	
(*iv*) Banks—					
(*a*) Shares and debentures	..	..	1	(£)	.. (..)
(*b*) Loans	..	..	..	..	.. (..)
(*c*) Total	..	..	1	..	.. (..)
(*v*) Co-operative Institutions—					
(*a*) Shares and debentures	(A)	13.91	(A)	85.64	0.88 (1.03)
(*b*) Loans	(A)	8.67	(A)	63.08	1.74 (2.76)
(*c*) Total	(A)	22.58	(A)	1,48.72	2.62 (1.76)
Grand Total	..	2,18.63	..	11,97.63	68.32 (5.70)

1.10. Guarantees given by the Government

(*i*) The Government has given guarantees for repayment of loans, payment of interest thereon, etc., raised by Statutory Corporations/Bodies, Government Companies, Joint-stock Companies, Co-operative Banks and Societies, Municipalities, Corporations and Townships and other Institutions.

The guarantees are in the nature of contingent liabilities on the State revenues. Brief particulars of these contingent liabilities, based on the available information are given below (further details are given in Statement No.6 of Finance Accounts, 1981-82):—

Body on whose behalf guarantee was given	Maximum amount guaranteed	Sums guaranteed outstanding on 31st March 1982
(1)	(2)	(3)
	(*Rupees in crores*)	
	(*)	(*)
(*a*) Working capital raised by the Madhya Pradesh Financial Corporation, Indore and dividend thereon	4.87	4.83
(*b*) Loans, debentures, bonds, etc., raised by—		
	(*)	(*)
(*i*) Statutory Corporations and Boards	6,04.15	4,25.61
(*ii*) Government Companies	62.20	21.14
(*iii*) Joint-Stock Companies	3.80	(a)
(*iv*) Co-operative Banks and Societies	6,92.50	2,63.92
(*v*) Municipalities, Corporations and Townships	26.49	17.94
(*vi*) Other institutions	0.04	(a)
Total	13,94.05	7,33.44

(£) Actual is Rs. 15,660 only.

(A) Complete information is not available.

(*) Includes statutory guarantees of Rs. 5,63.69 crores (amount outstanding Rs. 4,14,18 crores) on behalf of Madhya Pradesh Financial Corporation (Rs. 20.39 crores, amonnt outstanding Rs. 19.36 crores), Madhya Pradesh State Road Transport Corporation (Rs. 10.00 crores, amount outstanding principal: Rs. 2.26 crores and interest: Rs. 0.04 crore) and Madhya Pradesh Electricity Board (Rs. 5,33.30 crores, amount outstanding Rs. 3,92,56 crores).

(a) Information is awaited from the Government.

According to the orders issued by the State Finance Department, the administrative departments are required to intimate to Audit by 15th May every year the guarantees outstanding on 31st March of that year. Such information as on 31st March 1982 was not received (Devember 1982) in complete form in respect of loans, etc., amounting to Rs. 1,97.81 crores (x) guarnateed by the Government on behalf of (*i*) Statutory Corporations and Boards (Rs. 17.47 crores), (*ii*) Government Companies (Rs. 21.15 crores), (*iii*) Joint-Stock Companies (Rs. 3.80 crores), (*iv*) Co-operative Banks and Societies (Rs. 1,54.25 crores), (*v*) Municipalities, Corporations and Townships (Rs. 1.10 crores) and (*vi*) other Institutions (Rs. 0.04 crore).

(*ii*) During the year, Rs. 1,77.25 lakhs were paid as a result of the guarantees given in favour of various bodies being invoked. The total payment on account of guarantees invoked up to the end of 1981-82 was Rs. 8,00.35 lakhs. Against this, Rs. 3,44.86 lakhs were recovered from the parties concerned leaving a balance of Rs. 4,55.49 lakhs. Year-wise details of the amount paid on account of guarantees invoked and recoveries made are as follows:—

Year	Amount	
	Paid	Recovered
(1)	(2)	(3)
	(*Rupees in lakhs*)	
Up to 1973-74	67.46	5.45
1974-75	25.37	11.26
1975-76	54.67	..
1976-77	..	1.25
1977-78	..	27.96
1978-79	1,51.52	1,36.31
1979-80	1,61.02	53.17
1980-81	1,63.06	80.37
1981-82	1,77.25	29.09
Total	8,00.35	3,44.86

(*iii*) No law under Article 293 of the Constitution has been passed by the State Legislature laying down the limits within which the Government may give guarantees on the security of the Consolidated Fund of the State (March 1983).

1.11. Plan performance

Against the total provision (budget and supplementary) of Rs. 2,72.10 crores under Revenue and Rs. 2,45.61 crores under Capital for plan schemes during 1981-82, expenditure of Rs. 2,48.81 crores and Rs. 2,62.59 crores respectively was incurred. While there was shortfall of Rs. 23.39 crores in revenue expenditure, there was excess expenditure of Rs. 16.98 crores over the Plan provision for capital expenditure. The major items of shortfall/excess are indicated below :—

	Provision	Actuals	Shortfall(—) Excess(+)
(1)	(2)	(3)	(4)
	(*Rupees in crores*)		
REVENUE :			
1. Education	18.94	13.70	(—)5.24
	The shortfall was mainly due to posts remaining vacant in Primary, Secondary schools and Professional colleges and non/late implementation of new schemes.		

(X) The amount stands included in the maximum amount of Rs. 13,94.05 crores guaranteed by the Government.

(1)	Provision (2)	Actuals (3)	Shortfall(—) Excess(+) (4)
	(*Rupees in crores*)		
2. Medical	10.51	6.81	(—)3.70
	The shortfall was mainly due to less expenditure on the schemes under Tribal Areas Sub-Plan and late implementation of new schemes.		
3. Public Health, Sanitation and Water Supply	38.92	48.72	(+) 9.80
	Excess expenditure was due to more expenditure on prevention and control of malaria, small-pox eradication programme and leprosy control programme.		
4. Co-operation	8.21	5.48	(—)2.73
	The shortfall was mainly due to (*i*) less expenditure on the scheme of "Appointment of Samiti Sevaks for Agricultural Co-operative Credit Societies—Management subsidy" owing reportedly to less receipt of sanction from Government of India, economy in expenditure and less requirement of funds under Centrally Sponsored Plan Scheme of "Strengthening of Agriculture Credit (Stabilisation) Funds" and (*ii*) less expenditure on the scheme of Tribal Areas Sub-Plan.		
5. Minor Irrigation	23.65	14.35	(—)9.30
	The shortfall was mainly due to less expenditure on schemes of Agriculture and irrigation under "Tribal Areas Sub-Plan", less subsidy to small and marginal farmers for construction/deepening of wells and tanks and non-implementation of some schemes due reportedly to non-receipt of sanction from Government of India.		
6. Community Development	53.19	46.56	(—)6.63
	The shortfall was mainly due to vacant posts and non-receipt of central share for Centrally Aided Integrated Rural Development Schemes as the amount was being directly given to the District Rural Development Agencies by the Government of India.		
7. Irrigation, Navigation, Drainage and Flood Control Projects	0.17	5.01	(+)4.84
	Excess expenditure was attributed to purchase of more stores keeping in view the work load on the projects.		

	Provision	Actuals	Shortfall(—) Excess(+)
	(2)	(3)	(4)
	(*Rupees in crores*)		
CAPITAL ;			
1. Medical	5.08	1.83	(—)3.25
	The shortfall was mainly due to less expenditure on buildings for hospitals, dispensaries and primary health centres and also under Tribal Areas Sub-Plan.		
2. Co-operation	15.77	13.44	(—)2.33
	The shortfall was mainly due to less expenditure on (*i*) investment in Credit Co-operative Banks owing reportedly to non-receipt of sanctions from Reserve Bank of India and reduction of Government's share by the Agriculture Refinance and Development Corporation, and (*ii*) Soyabin complex owing to non-receipt of sanction from National Co-operative Development Corporation.		
3. Minor Irrigation, Soil Conservation and Area Development	38.70	50.61	(+)11.91
	Excess expendtiture was attributed to accelerated progress on schemes of minor and micro-minor irrigation and works in scarcity areas.		
4. Roads and Bridges	28.75	40.21	(+)11.46
	Excess expenditure was attributed to accelerated progress of work on district and other roads to link villages and tribal areas on priority basis.		

1.12. Growth of non-Plan expenditure

The revenue expenditure (non-Plan) has shown a steady trend of increase over a three year period as shown below :—

Year	Expenditure
(1)	(2)
	(*Rupees in crores*)
1979-80	6,31.31
1980-81	7,40.22
1981-82	8,65.99

The increase of Rs. 1,25.77 crores during 1981-82 over the non-Plan expenditure of 1980-81 was mainly under :—

(*i*) General Services (Rs. 47.89 crores) on Interest payments (Rs. 24.35 crores), Police (Rs. 11.98 crores) and Pensions and Other Retirement Benefits (Rs. 4.39 crores), (*ii*) Social and Community Services (Rs. 53.50 crores), on Education (Rs. 26.74 crores), Medical (Rs. 5.03 crores), Public Health, Sanitation and Water Supply (Rs. 12.86 crores) and Relief on

account of natural calamities (Rs. 3.46 crores), (*iii*) Agricutlture and Allied Services (Rs. 15.55 crores), and (*iv*) Transport and Communications (Rs. 8.96 crores).

1.13. Delay in submission of accounts

Under the State Financial Rules, the due date for rendition of monthly accounts to Audit Office by the Public Works/Forest divisions and Treasuries are as under :—

Public Works divisions	By 10th of the month following that to which the accounts relate.
Forest divisions	By 12th of the month following that to which the accounts relate.
Treasuries	Between 5th and 8th of the month following that to which the accounts relate.

During 1981-82, 326 monthly accounts(Public Works divisions : 163; Forest divisions: 58 and Treasuries: 105) were submitted late, the delay ranging from 7 to 85 days (Public Works divisions: 10 to 20 days; Treasuries: 8 to 85 days and Forest divisions: 7 to 30 days)

CHAPTER II

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

2.1. Summary and major variations

(*a*) A summary of total grants/appropriations, actual expenditure and resultant variations for 1981-82 is given below :—

Authorised to be spent (grants and charged appropriations)	Revenue	Capital	Loans and Advances	Public Debt	Total
(1)	(2)	(3)	(4)	(5)	(6)
		(*Rupees in crores*)			
Original—					
Voted	10,60.49	3,23.27	2,34.84	..	16,18.60
Charged	*1,32.84*	*0.16*	..	*5,67.56*	*7,00.56*
Supplementary—					
Voted	51.06	9.16	12.38	..	72.60
Charged	*10.33*	*0.09*	..	*1,53.47*	*1,63.89*
Total—					
Voted	11,11.55	3,32.43	2,47.22	..	16,91.20
Charged	*1,43.17*	*0.25*	..	*7,21.03*	*8,64.45*
Actual Expenditure—					
Voted	11,69.93	3,28.80	2,29.14	..	17,27.87
Charged	*1,37.22*	*0.22*	..	*6,91.14*	*8,28.58*
Excess(+)/Shortfall(—)—					
Voted	+58.38	—3.63	—18.08	..	+36.67
Charged	*—5.95*	*—0.03*	..	*—29.89*	*—35.87*

(*b*) In the following fifteen cases the excess over or saving in provision (of not less than Rs. one crore each) was more than 10 per cent of the total provision under the revenue or capital sections of the grants/charged appropriations. The details of the schemes, programmes or objectives affected by the excess/saving, as also the reasons for it, where available, are given below:—

Serial Number	Number and name of grant/ appropriation	Provision Original(O) Supplementary (S) Total (T)		Expenditure	Excess(+)/ Saving(—) (percentage to total provision)
		(*Rupees in crores*)			
(1)	6—Expenditure pertaining to Finance Department (Capital-Voted)	O.	18.04		
		S.	0.53		
		T.	18.57	15.60	(—)2.97 (16%)

"Saving occurred mainly under 'Festival Advances' (Rs. 1.53 crores) and 'Other advances' to Government servants (Rs.2.30 crores) due to non-receipt of demand for advances from certain Government servants. Saving of Rs. 2.87 crores, Rs. 2.37 crores and Rs. 2.89 crores out of the provision of Rs. 7.50 crores each year also occurred under the latter head during 1980-81, 1979-80 and 1978-79 respectively".

Serial Number	Number and name of grant / appropriation	Provision Original(O) Supplementary (S) Total (T)		Expenditure	Excess(+)/ Saving(—) (percentage to total provision)
		(*Rupees in crores*)			
(2)	8—Land Revenue and District Administration (Capital-Voted)	O.	0.27		
		S.	1.80		
		T.	2.07	0.78	(—)1.29 (62%)

Against a provision of Rs. 2 crores for loans under Agriculturists Loans Act, the expenditure was Rs. 0.68 crore only.

(3)	9-Other Expenditure pertaining to Revenue and Land Reforms Departments (Revenue-Voted)	O.	6.75		
		S.	5.27		
		T.	12.02	13.77	(+) 1.75 (15%)

On relief works (roads and other works), against the provision of Rs. 2.02 crores (inclusive of supplementary provision of Rs. 1.40 crores) Rs. 5.11 crores were spent (excess of Rs. 3.09 crores). As against this, Rs. 1.33 crores out of the provision of Rs. 1.53 crores meant for providing drinking water remained unutilised. Saving of Rs. 1.69 crores and Rs. 2.02 crores out of a provision of Rs. 2.20 crores each year also occurred under this item during 1980-81 and 1979-80 respectively.

(4)	17—Co-operation (Revenue-Voted)	O.	7.46		
		S.	(*)		
		T.	7.46	5.73	(—) 1.73 (23%)

On strengthening of Agricultural Credit (Stablisation) Fund, Rs. 75 lakhs could be spent out of the provision of Rs. 1,72.50 lakhs (saving of Rs. 97.50 lakhs). Managerial subsidy of Rs. 7.53 lakhs only was paid to the agricultural co-operative credit societies although provision was made for Rs. 47.65 lakhs.

(5)	17—Co-operation (Capital-Voted)	O.	17.49		
		S.	1.83		
		T.	19.32	16.41	(—)2.91 (15%)

For establishment of a Soyabin complex, although a capital expenditure of Rs. 1.69 crores and a loan expenditure of Rs.3.37 crores were provided for, the expenditure of Rs. 0.56 crore and Rs.1.11 crores could only be incurred resulting in large savings of Rs.1.13 crores and Rs. 2.26 crores respectively.

(6)	20—Public Health Engineering (Revenue-Voted)	O.	56.01		
		S.	3.46		
		T.	59.47	94.29	(+)34.82 (59%)

On 'Sewerage and Water Supply Suspense' though provision was Rs. 28 crores, the expenditure was of the order of Rs. 57.33 crores. Excess of Rs. 16.58 crores and Rs. 12.70 crores also occurred under this head during 1980-81 and 1979-80 respectively.

(7)	21-Expenditure pertaining to Housing and Environment Department (Capital-Voted)	O.	5.34		
		S.	0.71		
		T.	6.05	8.01	(+) 1.96 (32%)

Excess occurred mainly on construction of non-residential buildings under Bhopal Capital Project (expenditure: Rs. 3.31 crores against provision of Rs. 0.98 crore), reasons for which have not been intimated (March 1983).

*Provision is Rs. 38,700 only.

Serial Number	Number and name of grant / appropriation	Provision Original(O) Supplenmentary (S) Total (T)		Expenditure	Excess(+)/ Saving(—) (percentage to total provision)
			(*Rupees in crores*)		
(8)	22—*Expenditure pertaining to Local Government Department* (*Revenue-Charged*)	*T.*	*35.50*	*30.52*	(—)*4.98* (14%)

Rules for payment of compensation grants to newly formed urban local bodies to make up for loss of income to them arising from abolition of octroi still remained to be finalised. As a result, out of provision of Rs. 35.20 crores for grants to local bodies on this account, Rs. 5.18 crores remained unutilised.

(9)	24-Public Works (Revenue-Voted)	O.	1,10.13		
		S.	0.41		
		T.	1,10.54	1,58.74	(+)48.20 (44%)

On "Public Works Suspense" maintenance and repairs (of buildings, roads and bridges, etc.) and purchase of machinery, other equipments, tools and plants although provision was made for Rs. 51.74 crores, an expenditure of Rs. 89.11 crores was incurred. Excess of Rs.8.01 crores and Rs. 9.22 crores also occurred under suspense transactions (Public Works) during 1980-81 and 1979-80 respectively.

(10)	31—Expenditure pertaining to Planning, Economics and Statistics Departments (Revenue-Voted)	T.	2.79	1.75	(—)1.04 (37%)

Saving occurred mainly due to some posts remaining vacant, economy in expenditure, non-completion of the organisation of State Planning Board and non-availability of land for construction of building for the installation of computer.

(11)	34—Social Welfare (Revenue-Voted)	O.	11.00		
		S.	0.08		
		T.	11.08	12.38	(+)1.30 (12%)

Excess occurred mainly under 'Social Security Pension' due to payment of old age pensions to a large number of beneficiaries than anticipated.

(12)	39—Expenditure pertaining to Food Department (Revenue-Voted)	O.	2.22		
		S.	1.22		
		T.	3.44	2.19	(—)1.25 (36%)

Saving occurred mainly due to postponement of the scheme for public distribution of food grains, sugar and other essential commodities through the M.P. State Commodities Trading Corporation and non-availability of sufficient quantity of wheat and paddy under the price support scheme. A provision of Rs. 100 lakhs for payment of Grant-in-aid to this corporation to enable it to arrange public distribution could not accordingly be utilised.

(13)	40—Irrigation Command Areas Development (Revenue-Voted)	O.	7.80		
		S.	0.02		
		T.	7.82	5.38	(—)2.44 (31%)

Saving occurred under various schemes of Ayacut development mainly due to posts remaining vacant, non-issue of sanction for creation of additional posts, closure of surplus irrigation sub-divisions, non-purchase of machinery, non-undertaking of some minor construction works and non-issue of sanction for implementation of various irrigation schemes.

Serial Number	Number and name of grant/appropriation	Provision Original (O) Supplementary (S) Total (T)		Expenditure	Excess (+)/ Saving (—) (percentage to total provision)
			(*Rupees in crores*)		
(14)	41—Tribal Areas Sub-Plan (Revenue-Voted)	O.	88.81		
		S.	1.44		
		T.	90.25	65.94	(—)24.31 (27%)

Saving was mainly due to posts remaining vacant, observance of economy and non-issue of Government sanctions for implementation of various programmes including payment of grants-in-aid under various tribal welfare schemes of various departments.

(15)	42-Public Works relating to Tribal Areas Sub-Plan (Capital-Voted)	O.	19.33		
		S.	0.10		
		T.	19.43	21.47	(+)2.04 (11%)

Excess was attributed mainly to accelerated progress of construction of rural roads and major bridges in Tribal areas.

2.2. Excess over grants/charged appropriations requiring regularisation

The excess expenditure over sanctioned grants/appropriations under the revenue and capital sections (18 and 10 cases respectively) requires regularisation under Article 205 of the Constitution. These are listed in the summary portion of the Appropriation Accounts, 1981-82 and in the grant-wise/appropriation-wise Appropriation Accounts. The more important cases are detailed in paragraph 2.1; the remaining are given in Appendix II.1.

2.3. Supplementary grants/appropriations

The supplementary provision of Rs. 2,36.49 crores being about 10 per cent of the original budget provision of Rs. 23,19.16 crores was obtained during the year. Rupees 51.06 crores were to augment revenue expenditure under 37 grants and Rs. 21.54 crores to augment capital expenditure under 23 grants. Similarly, Rs. 10.33 crores were to augment revenue expenditure and Rs. 1,53.56 crores were to augment capital expenditure under 14 and 3 charged appropriations respectively.

Apart from the grants/appropriations with excess/saving in expenditure of more than 10 per cent (but not less than Rs. 1 crore each) of the total provision detailed in paragraph 2.1, the details of other significant cases of unnecessary, excessive and inadequate supplementary grants/charged appropriations are given in Appendix II.2.

2.4. Unutilised provision

The provision of funds and the expenditure incurred during the year 1981-82 and the two preceding years under some of the principal sectors/sub-sectors indicating persistent shortfall in expenditure (revenue, capital and loans) are given in Appendix II.3. In addition to the grants/appropriations analysed in paragraph 2.1 and Appendix II.2, some of the other grants/appropriations where the provision remained substantially/wholly unutilised under some of the major schemes are detailed below :—

S.No.	Grant number and heads/schemes	Provision	Saving	Percentage
		(*Rupees in lakhs*)		
(1)	10—Forests —			
	(*i*) Plantation Schemes—			
	Social Forestry Project with the assistance of U.S.A.I.D. (M.H. 313)	1,92.20	1,81.99	95
		Saving was attributed to non-issue of Government sanction for the scheme.		

S. No.	Grant number and head/Scheme	Provision	Saving	Percentage
		(*Rupees in lakhs*)		
	(*ii*) Central Sector Scheme—			
	Plantation of Rural Fuel wood (M.H. 313)	1,35.58	1,32.96	98
		Reasons for saving ~~under the aforesaid two schemes~~ have not been intimated (March 1983).		
	(2) 13—Agriculture—			
	(*i*) Lift Irrigation Schemes—			
	Establishment of Project preparation, Monitoring and Evaluation Cell (M.H. 306)	1,01.00	1,01.00	100
		Saving was attributed to non-issue of the Government sanction for the establishment of the cell.		
	(*ii*) Credit Co-operatives—			
	Cotton Development (M.H. 693)	1,50.00	1,08.33	72
		Saving was attributed to less demand for loans from the ginning and processing units.		
	(3) 19—Medical, Public Health and Family Welfare—			
	Central Sector Scheme— Malaria (M.H. 282)	7,30.60	7,30.60	100
		Reasons for the saving have not been intimated (March 1983).		
	(4) 23—Irrigation Works—			
	(*i*) Bargi Hydel Scheme (Unit III) (M.H. 532)	4,50.00	4,50.00	100
	(*ii*) Ravi Shankar Irrigation Scheme-Canals and distributaries (Phase II) Action Plans III, IV and V (M.H. 532)	7,37.22	5,96.53	81
	(*iii*) Upper Wainganga Irrigation Scheme - Canals (M.H. 533)	3,24.19	3,24.19	100
	(*iv*) Upper Wainganga Irrigation Scheme Distributaries (M.H. 533)	1,16.59	1,16.59	100
	(*v*) Rajghat Project - Dam and Appurtenant works (M.H. 533)	3,00.00	2,86.72	96
	(*vi*) Baryarpur Project Suspense (M.H. 533)	4,12.64	3,98.88	97
	(*vii*) Medium Project - Construction - Special Tools and Plants (M.H. 533)	2,41.00	1,61.92	67
	(*viii*) Mechanical Workshop (M.H. 533)	1,20.00	1,20.00	100
	(*ix*) Hydro Electric Scheme- Bansagar Project- Phase II-Suspense (M.H. 534)	2,45.00	1,72.84	71

S. No.	Grant number and head/scheme	Provision	Saving	Percentage
		(*Rupees in lakhs*)		
	(*x*) Bansagar Project Dam works (M.H. 534)	5,82.76	4,12.27	71
		Reasons for saving under the aforesaid ten schemes have not been intimated (March 1983). During 1980-81 the entire provision of Rs. 150 lakhs, 150 lakhs, 102.25 lakhs in respect of the schemes at sl. nos. (*i*), (*iii*) and (*iv*) respectively remained unutilised and saving of 1,82.71 lakhs out of the provision of Rs. 265 lakhs occurred in respect of the scheme at sl. no. (*viii*) above.		
(5)	24—Public Works-Upgradation of Standards of Administration recommended by Seventh Finance Commission-Buildings—(MH.459)	1,24.25	1,24.17	100
		Saving was attributed to non-finalisation of details of works/non--issue of administrative approval.		
(6)	30—Expenditure pertaining to Panchayat and Rural Development Department			
	(*i*) Loacal Development Works-Grants-in-aid (M.H.314)	1,22.44	1,01.64	83
		Out of total saving of Rs. 1,01.64 lakhs Rs. 70.44 lakhs were attributed mainly to non-sissue of sanction for establishment of balwadis and non-implementation of proposals for construction of godowns from the contribution of CARE. Reasons for the balance saving of Rs. 31.20 lakhs have not been intimated (March 1983).		
	(*ii*) Rural Works Programme—Village Upliftment Programme (M.H.314)	1,14.00	77.71	68
		Out of the above saving, the saving of Rs. 57 lakhs was attributed to implementation of the scheme in one village per block instead of two as proposed initially. Reasons for the balance saving of Rs. 20.71 lakhs have not been intimated (March 1983).		

S. No.	Grant number and head/scheme	Provision	Saving	Percentage
		(*Rupees in lakhs*)		
(7)	33—Tribal and Harijan Welfare—			
	(*i*) Upgradation of Standards of Administration in Tribal Areas (M.H.282)	2,20.00	2,20.00	100
		Entire provision was surrendered on 31st March 1982 as Government did not sanction implementation of the scheme. Entire provision of equivalent amount was surrendered during 1980-81 also.		
	(*ii*) Special Nutrition Programme in Tribal Areas (M.H.288)	3,14.71	2,46.03	78
		Saving reportedly occurred mainly due to less demand and non-supply of food stuff in time. Saving of Rs. 1,66.06 lakhs and Rs. 2,70.03 lakhs out of the provision of Rs. 3,12.64 lakhs and Rs. 3,34.21 lakhs also occurred under this scheme during 1980-81 and 1979-80 respectively.		

2.5. Non-receipt of explanations for excess/saving

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 the variations in general and those under important heads in particular.

In regard to the Appropriation Accounts for 1981-82, the explanations for variations in respect of 510 heads were called for, out of which explanations for 355 heads were either not received at all or were incomplete. In particular, the Revenue and Land Reforms, Forest, Agriculture, Co-operation, Irrigation, Public Works, Education, Panchayat, Rural Development and Tribal and Harijan Welfare Departments did not furnish the explanations in a large number of cases. Such delays in submission of material for Appropriation Accounts result in the Audit Report remaining incomplete in certain essential respects.

2.6. Shortfall/Excess in recoveries

Under the system of gross budgeting followed by Government, the demands for grants/ charged appropriations presented to the Legislature are for gross expenditure and exclude all credits and recoveries which are adjusted in the accounts in reduction of expenditure, the anticipated recoveries and credits are shown separately in the Budget estimates. During 1981-82 such recoveries under voted grants were anticipated at Rs. 2,06.95 crores (Revenue: Rs. 1,30.84 crores and Capital: Rs. 76.11 crores). Actual recoveries during the year, however, were Rs. 2,55.37 crores (Revenue: Rs. 1,92.35 crores and Capital: Rs. 63.02 crores). Grant-wise details of estimated recoveries, actual recoveries and shortfall in or excess over

estimated recoveries have been given in Appendix II to the Appropriation Accounts for the year 1981-82. Some of the important cases of variations are detailed below :—

S. No.	Number and name of grant	Budget estimates	Actuals	Amount of excess(+)/ shortfall(—) of recoveries compared to estimates
(1)	(2)	(3)	(4)	(5)
		(*Rupees in crores*)		
Revenue :				
1.	20—Public Health Engineering	28.13	51.96	+23.83
		Excess was due to issue of more materials for works than anticipated and consequential more recoveries.		
2.	24—Public Works	56.01	99.96	+43.95
		Excess was partly due to issue of more materials for works and partly due to more recovery of establishment/tools and plants charges on percentage basis, than anticipated.		
Capital :				
1.	13—Agriculture	4.89	8.94	+4.05
		Excess was mainly due to sale proceeds of larger quantity of cotton seeds and more receipts under soil conservation schemes than anticipated.		
2.	23—Irrigation Works	67.24	49.75	—17.49
		Shortfall was mianly due to— (*i*) less receipts from the Madhya Pradesh Electricity Board than anticipated under Bodhghat, Bansagar, Maheshwar and Narmada Sagar Projects; (*ii*) non-receipt of anticipated credits under the head "Suspense" in Bariyarpur, Urmil and Kolar Projects; and (*iii*) less receipts from Uttar Pradesh and Bihar States of their share for common works under Bansagar Project.		

S. No.	Number and name of grant	Budget estimates	Actuals	Amount of excess (+)/ shortfall(—) of recoveries compared to estimates
(1)	(2)	(3)	(4)	(5)
		(*Rupees in crores*)		
3.	40—Irrigation Command Areas Development	1.76	3.05	+1.29
		Excess was mainly due to issue of more stock materials for works of Chambal Project than anticipated and consequential more recoveries.		
4.	41—Tribal Areas Sub-Plan—Agriculture Department	1.67	..	—1.67
		Reasons for non-recovery of estimated amount have not been intimated (March 1983).		

2.7. Advances from the Contingency Fund

(*a*) A Contingency Fund with a corpus of Rs. 40 crores has been placed at the disposal of the Government to meet unforeseen expenditure pending authorisation by the State Legislature. Advances from the Fund can be made only to meet unforeseen expenditure not provided for in the budget which is of such an emergent character that its postponement till the vote of Legislature is taken, would be undesirable.

(*b*) Government issued 279 sanctions advancing Rs. 30.40 crores from the Contingency Fund. Against these sanctions, advances amounting to Rs. 19.55 crores were drawn, out of which Rs. 10.12 crores were not recouped to the Fund till the close of the year.

(*c*) It was also noticed that —

(*i*) 173 sanctions for Rs. 7.37 crores were neither operated upon nor cancelled;

(*ii*) 2 sanctions for Rs. 3.54 lakhs were not operated upon and were subsequently cancelled; and

(*iii*) actual withdrawal (Rs. 65.54 lakhs) against 9 sanctions (Rs. 2,68.73 lakhs) was less than 50 per cent of the sanctioned amount.

(*d*) In the following cases, the amount of advances (more than Rs. 30 lakhs each) sanctioned was not drawn at all or was substantially in excess of the amount drawn:—

Serial No.	Head of account	Purpose for which advance was sanctioned	Amount of advance sanctioned	Amount drawn
(1)	(2)	(3)	(4)	(5)
			(*Rupees in lakhs*)	
1.	288—Social Security and Welfare	Advances to Tribal Development authorities for local development programmes	1,25.00	4.85
2.	289—Relief on account of Natural Calamities	Relief to persons affected by hailstorm	1,00.00	48.84

Serial No.	Head of account	Purpose for which advance was sanctioned	Amount of advance sanctioned	Amount drawn
(1)	(2)	(3)	(4)	(5)
			(*Rupees in lakhs*)	
3.	305—Agriculture	Implementation of World Bank Aided Agriculture Extension and Research Scheme in additional 4 districts	69.72	..
4.	Do.	Government aid on the price given to farmers for supply of sugarcane to Sugar Mills	72.00	35.43
5.	505—Capital Outlay on Agriculture	Investment in share capital of Madhya Pradesh State Seed and Farm Development Corporation	39.18	..
6.	720—Loans for Industrial Research and Development	Loan to M/s. Jaora Sugar Mills, Ratlam and Seth Govind Ram Sugar Mills, Mahidpur for repairing of their machinery	33.00	..
7.	Do.	Loans to M/s. Jaora Sugar Mills, Ratlam and Seth Govind Ram Sugar Mills, Mahidpur for running of Mills, payment of bonus and outstanding amount to be paid to farmers	54.05	..
8.	Do.	Loans to Madhya Pradesh Audyogik Vikas Nigam for investment in its four regional units	40.00	..

2.8. Drawal of funds in advance of requirements

The financial rules provide that no money should be drawn from Treasury unless it is required for immediate payment. Cases of significant drawal of funds in advance of

requirements noticed by Audit are mentioned below :

Department/office	Purpose for which drawn	When drawn	Amount
(1)	(2)	(3)	(4)
			(*Rupees in lakhs*)
(*i*) *Agriculture*:			
Director of Agriculture	Subsidies payable to financing banks under the scheme of subsidies for minor irrigation	31st March 1982	10,28.10
	Purchase of 28 Bulldozers (Tractor mounted rippor)	Do.	1,02.00

The amounts were kept under 'Civil Deposits'. No expenditure was incurred (October 1982) against the above drawals.

(*ii*) *Co-operation*:

Registrar, Co-operative Societies	Interest subsidy on loan distributed to weaker sections of Harijan farmers	31st March 1982	37.32

The amount was kept under 'Civil Deposits' which was cleared in June 1982 by payment to the Land Development Bank, Bhopal.

(*iii*) *Fisheries*:

Director of Fisheries	Construction of hatcheries in tribal areas	31st March 1982	9.75

The amount was kept under 'Civil Deposits'. No expenditure was incurred (October 1982) against the above drawal.

(*iv*) *Education*:

(*a*) District Education Officer, Ambikapur (Surguja)	Purchase of furniture and other miscellaneous articles	31st March 1982	0.92

The amount was converted into bank drafts in favour of the suppliers and was shown as paid in the Cash Book. The drafts were lying with the District Education Officer as the supplies had not been received (September 1982).

(*b*) District Education Officer, Raigarh	Payment to teachers as incentive	31st March 1982	0.30

The amount was deposited in the personal account of the District Education Officer in the bank. No expenditure was incurred (September 1982) against the above drawal.

CHAPTER III

CIVIL DEPARTMENTS

AGRICULTURE (VETERINARY) DEPARTMENT

3.1. Government poultry farms

1. *Introductory.*—The poultry extension programme was introduced with the objectives, *inter alia,* of maintenance of improved varieties of breeding birds, production of improved high laying capacity birds, supply of breeding birds to encourage poultry keeping as a subsidiary occupation and supply of eggs and poultry meat for table purposes to consumers. Under the programme three State level farms (Bhopal, Durg and Jabalpur), ten regional farms (Bilaspur, Chhindwara, Gwalior, Indore, Jagdalpur, Jhabua, Kondagaon, Raigarh, Rewa and Shahdol), a Co-ordinated Poultry Breeding Centre and Feed Analysis Laboratory at Bhopal were set up in the State upto March 1982.

The expenditure on poultry development and maintenance of various farms in the State during the five years (1977-78 to 1981-82) amounted to Rs. 492.36 lakhs. Expenditure incurred on poultry farms was, however, not ascertainable as it was not booked separately.

The results of test-check of accounts and records of the three State level farms, six regional farms (Gwalior, Indore, Jagdalpur, Kondagaon, Rewa and Shahdol) and Co-ordinated Poultry Breeding Centre, Bhopal conducted during the period from May to July 1982 are set out in the following paragraphs.

2. *Maintenance of layers and utilisation of layer capacity*

2.1. The number of layers maintained during 1977-78 to 1981-82 in nine selected farms as compared to their capacity and eggs produced were as follows:—

Particulars	1977-78	1978-79	1979-80	1980-81	1981-82
(1)	(2)	(3)	(4)	(5)	(6)
(*i*) Total layer capacity	15,000	15,000	15,200	16,800	20,950
(*ii*) Number of layers maintained	11,353	11,793	12,229	13,943	22,397
(*iii*) Total number of eggs produced (in lakhs)	22.87	25.01	25.65	27.18	38.37
(*iv*) Average number of eggs produced per layer	201	212	210	195	171

2.2. Analysis of performance in the individual farms showed that, while the utilisation capacity at the State level farms registered a marked improvement, the percentage of shortfall in utilisation of layer capacity ranged between 23 and 39 at Gwalior, 10 and 82 at Indore, 8 and 38 at Jagdalpur, 5 and 69 at Kondagaon and 15 and 52 at Shahdol. While no reason were furnished in respect of Gwalior farm, the shortfall was attributed (May-July 1982 by the field officers to short supply of foundation chicks in case of the remaining four farms However, according to the information furnished by the Co-ordinated Poultry Breeding Centre, Bhopal, 1.08 lakh foundation chicks were supplied to Indore, Jagdalpur, Kondagaon and Shahdol farms during 1977-78 to 1981-82, against the total capacity of 0.25 lakh layers.

2.3. The white leghorn is the main breed of layer kept in the farms. According to the annual production programme prepared by the department, the target for annual production of eggs per layer per year was 200. However, the annual average production of eggs, per layer, declined from 212 in 1978-79 to 210 in 1979-80, 195 in 1980-81 and 171 in 1981-82. The

shortfall ranged between 10 and 25 per cent in Jabalpur, 8 and 16 per cent in Gwalior, 9 and 33 per cent in Indore, 9 and 18 per cent in Jagdalpur and 26 and 42 per cent in Kondagaon farms. While the average production of eggs per layer in Kondagaon farm continued to be below the target (116 to 148) in all the years (except 1978- 79), the performance, which was above the target, declined in Indore (1980-81 : 164; 1981-82 : 133), Jabalpur (1980-81 : 179; 1981-82: 151) and Jagdalpur (1979-80 : 164; 1980-81: 158; 1981-82 : 173) farms.

Reasons for decline in average production per layer during these years were, however, not investigated by the department.

2.4. According to standing departmental instructions eggs are classified into four grades as ; A (45 grams and above), B (between 35 grams and 45 grams), C (less than 35 grams) and D (cracked and broken). Records of Durg farm showed that while the percentage of production of 'A' grade eggs had steeply declined from 56 to 18, that of 'D' grade eggs had registered a marked increase from 3 to 47 during the period from 1977-78 to 1981-82.

In June 1981, the Director of Veterinary Services (hereafter referred to as Director) had instructed the Joint Directors to make arrangements for proper grading of eggs produced in the farms. Nevertheless, percentage of 'D' grade eggs in Durg farm further increased from 42 to 47 during 1981-82.

3. *Hatching of eggs.*—Facilities for hatching of eggs by mechanical process (incubators) were available in the farms. However, the number of days in which hatching activity was conducted varied from farm to farm (in a year) and year to year. The average number of days on which incubators worked were 131 in 1977-78, 138 in 1978-79, 161 in 1979-80, 211 in 1980-81 and 261 in 1981-82. In Rewa and Kondagaon the incubators worked only for 190 and 146 days respectively during 1981-82.

3.1. There was a shortfall in utilisation of hatching capacity even with reference to the capacity during the operation period as shown below:—

Particulars	1977-78	1978-79	1979-80	1980-80	1981-82
(1)	(2)	(3)	(4)	(5)	(6)
(*i*) Annual incubator capacity (eggs in lakhs)	23.78	23.78	23.78	39.63	44.59
(*ii*) Number of eggs set for hatching (in lakhs)	1.91	2.56	4.52	7.52	13.35
(*iii*) Percentage of utilisation of incubator capacity	8.03	10.77	19.01	18.98	29.94
(*iv*) Incubator capacity during operation period (eggs in lakhs)	9.63	8.11	10.22	20.36	28.58
(*v*) Percentage of utilisation of incubator capacity	19.83	31.57	44.23	36.94	46.71

The field officers attributed the low utilisation of incubator capacity to shortage of breeding capacity and less demand for day old chicks from the poultry rearers. However, as pointed out in para 6 below the supply of day old chicks to poultry rearers was less than the targets prescribed in this behalf. Steps taken/ proposed to overcome the shortage of breeding capacity and to motivate the growers for rearing of more chicks were not stated.

3.2. Up to 1979-80, the farms were having 46 incubators, out of which 16 incubators (cost not known) were idle, 14 (kerosene oil operated old model) since receipt in 1964-65 and 2 being unserviceable since 1965-66 and 1969-70 (one each). Although the existing

capacity was utilised only to the extent of 56 per cent, 62.5 per cent and 64.5 per cent in Shahdol, Indore and Bhopal farms respectively during 1979-80, six additional incubators were purchased and supplied to these farms (2 each) during 1980-81 at a cost of Rs. 1.92 lakhs.

3.3. According to the annual forecasts made by the department, 60 per cent of eggs produced in the farms were available for hatching. However, during 1977-78 to 1981-82 the percentage of eggs set for hatching ranged between 8.35 to 34.80 of the total production of eggs and the bulk quantity of eggs was sold away for table purposes as detailed below:—

	1977-78	1978-79	1979-80	1980-81	1981-82
(1)	(2)	(3)	(4)	(5)	(6)
Number of eggs produced (in lakhs)	22.87	25.01	25.65	27.18	38.37
Number of eggs set for hatching (in lakhs)	1.91	2.56	4.52	7.52	13.35
Percentage of eggs set for hatching	8.35	10.24	17.62	27.67	34.80
Number of eggs sold for table purposes (in lakhs)	18.90	21.89	20.15	18.39	22.22
Percentage of eggs sold for table purposes	82.64	87.52	78.56	67.66	57.91

Reasons for large scale sale of eggs for table purposes and underutilisation of hatching capacity of farms were not investigated by the department.

3.4. According to norms fixed (June 1967) by the Director, minimum percentage of hatchability was 60 of the eggs set. Against this, the actual percentage of hatchability in Kondagaon, Jagdalpur and Jabalpur farms ranged between 50 and 54.95 during 1977-78 to 1981-82. Low hatchability was attributed to old machines requiring complete overhaul and electric interruptions in Jagdalpur farm although a generator was available there. Reasons for low hatchability were not on record in Jabalpur farm.

In Kondagaon farm, there was no hatching activity during 1977-78 to 1980-81 due, reportedly, to non-receipt of orders from higher authorities to start hatching although an incubator (cost: Rs. 0.14 lakh) was available. Of 0.14 lakh eggs set for hatching during 1981-82, only 0.07 lakh chicks (50 per cent) could be produced. Reasons for such a low hatching performance were not investigated by the department.

4. *Segregation of day old male chicks.*—As the rearing of male chicks was considered uneconomical and to avoid overcrowding in brooding houses, one day old male chicks were to be segregated and disposed of. This system was, however, adopted only in Bhopal (from 1978-79) and Indore (from December 1980) farms when sexers were appointed. In other farms, sexers were not appointed and male chicks were retained upto the age of three months when they were sexed and disposed of. In the absence of details regarding the number of male chicks produced and reared at these farms, the extra expenditure incurred on such male birds could not be worked out.

5. *Mortality.*—As against the mortality norms of 15 per cent for chicks, 6 per cent for growers and 12 per cent for adults approved by the Government in June 1976, the average mortality of different categories of birds in the farms was as follows :—

Year	Percentage of mortality		
	Chicks	Growers	Adults
(1)	(2)	(3)	(4)
1979-80	7.87	2.35	2.68
1980-81	10.51	2.56	5.14
1981-82	11.35	4.00	6.36

In comparison to the average mortality in a year, the percentage of mortality was higher in Bhopal farm during 1979-80 (chicks: 9.24), 1980-81 (chicks: 12.42; adults: 7.26) and 1981-82 (chicks: 19.42; adults: 11.13). In Jagdalpur farm, the percentage of mortality in chicks was 8.61 during 1979-80, 26.92 during 1980-81 and 23.41 during 1981-82. In Kondagaon farm, the percentage of mortality in chicks and adults during 1980-81 (chicks 11.20; adults: 11.60) and 1981-82 (chicks: 12.60; adults: 15.70) was higher than the average mortality. In Shahdol farm, the percentage of mortality in chicks during 1981-82 was 16.70. The high mortality in the case of Bhopal and Shahdol farms was attributed to diseases; while in the case of Jagdalpur and Kondagaon farms, it was stated to be due to stress in transportation and change in environment respectively.

6. *Supply of chicks to poultry growers.*—One of the objectives of setting up of farms was to make available breeding birds to rural population (poultry growers) to encourage poultry breeding under various schemes sponsored by the Government. The targets fixed for supply of day old chicks by the farms during 1980-81 and 1981-82 were 5.58 lakhs and 12.10 lakhs respectively. However, only 4.06 lakhs and 7.81 lakhs day old chicks were supplied by these farms to poultry growers during 1980-81 and 1981-82 respectively. Reasons for shortfall in achievement of targets and the manner in which the remaining requirement of poultry growers for day old chicks were not investigated.

7. *Culling of birds.*—The birds start laying eggs at the pullet stage (3 to 6 months). However, for production purposes, the laying period is considered 12 months after attaining the age of 6 months. No layer is to be retained after the age of 18 months and should be disposed of by culling or selling for table purposes. It was, however, observed that culling of birds of over 18 months age was not timed in Indore, Jagdalpur and Kondagaon farms and birds were retained beyond the age of 18 months for periods ranging between 1 to 6 months, although such birds had stopped laying eggs. The cost of feed (433 quintals) consumed by such birds during the period 1977-78 to 1981-82, was assessed as Rs.0.65 lakh.

Test-check showed that layers were also culled in the farms before attaining the age of 18 months. Information furnished by the field officers indicated that the average percentage of culling of layers, added to the flock during a year, was 29 in 1977-78 and 1979-80 and 40 in 1978-79. Non-productiveness and deformed developments due to disease and infections during laying periods were reported to be the reasons for such large scale culling of layers. The Director had issued instructions in July 1980 for segregation of unproductive birds at pullet stage only and, at the layer stage, after due inspection by a committee. No such committee was, however, constituted for Jagdalpur and Kondagaon farms. The percentage of culling of layers during the laying period was, however, reduced only to 10 in 1980-81 and 16 in 1981-82.

8. *Working results*:

8.1. The farms were expected to work on 'no profit no loss' basis. Maintenance of *pro-forma* accounts to assess the financial results of farms was not prescribed by the Government

and , as such, the actual financial results of the working of the farms were not assessed by the department. However, on the basis of figures of direct expenses and receipts made available by the farms including the Co-ordinated Breeding Centre, Bhopal it was noticed (May-July 1982) in audit that the farms were incurring substantial losses, as the expenditure exceeded the receipts, and that the excess of expenditure over the receipts showed an increasing trend year after year in all the State level farms as well as six regional farms as shown below :—

Year	Direct expenses	Total receipts	Excess of expenditure over receipts
(1)	(2)	(3)	(4)
		(*Rupees in lakhs*)	
1977-78	27.18	18.80	8.38
1978-79	30.00	20.46	9.54
1979-80	35.78	21.01	14.77
1980-81	47.59	24.04	23.55
1981-82	63.89	31.73	32.16
Total	204.44	116.04*	88.40

During 1979-80 to 1981-82, receipts realised each year were even insufficient to meet the cost of poultry feed consumed in these farms (1979-80: Rs.22.45 lakhs; 1980-81: Rs.30.94 lakhs; 1981-82: Rs.42.41 lakhs). The excess of expenditure over receipts was attributed by field officers to (*i*) non-maintenance of required number of layers, (*ii*) increase in cost of feed/feed ingredients, and (*iii*) increase in expenditure on establishment. The Deputy Director (Poultry Research), Co-ordinated Breeding Centre, Bhopal stated (May 1982) that whereas the cost of day old chicks charged by private hatchers in the market ranged between Rs.22 to Rs.25 per chick, the rate fixed (August 1975) by the department for the sale of day old chicks was 30 paise for male chick and Rs.2.10 per female chick. However, as a result of a proposal to revise the rates made out by the department in November 1981, the Government revised (August 1982) the rate of a day old female chick to Rs.3 with effect from 1st September 1982.

8.2. During 1977-78 to 1981-82, an amount of Rs.0.44 lakh was accounted for by the farms as receipt on account of sale of deep litter manure. It was, however, observed in audit that no norms were fixed by the department for determining the quantity of deep litter manure per bird which could be obtained in the farms and anticipated sale proceeds thereof that could be realised. However, in the project reports on special animal husbandry programme prepared by the Director, return from sale of deep litter manure was taken as Rs.3 per bird. Taking into account the total number of adult birds maintained in the farms (0.83 lakh), the amount realisable (at the rate of Rs.3 per bird per year) from the sale of deep litter manure, during 1977-78 to 1981-82, worked out to Rs.2.49 lakhs against Rs.0.44 lakh realised and credited. No account of production of deep litter manure and its disposal was maintained in the farms. Test-check also showed that no sale proceeds were realised in Gwalior farm during 1977-78 to 1981-82 and Indore and Kondagaon farms during 1977-78 to 1980-81. The per bird sale of deep litter manure was very low in other farms (Jabalpur: Re.0.16; Bhopal: Re.0.24;, Rewa: Re.0.47; Jagdalpur: Re 0.49; Shahdol: Re.0.67; and Durg: Rs.1.49).

* Excludes Rs. 7.14 lakhs representing cost of eggs and poultry sold to private parties (Rs. 0.24 lakh) and Government agencies (Rs. 6.90 lakhs) awaiting recovery/adjustment.

9. *Other topics of interest :*

9.1. Under the 'Deshi' project, the department decided to establish two farms at an estimated cost of Rs.5 lakhs each at Jhabua and Jagdalpur during 1979-80 with a view to improving stock and preserving rare breed of birds found in tribal areas (Kadaknath in Jhabua and Ashil in Jagdalpur) for providing source of additional income to tribal population.

The farm at Jhabua was not (December 1982) established as the building was reported to be under construction (expenditure incurred so far not known). However, the rearing of foundation chicks of this breed, obtained from the Co-ordinated Breeding Centre, Bhopal, which was taken up by the Indore farm, pending setting up of the Jhabua farm, did not show encouraging results as out of 1,014 and 1,271 foundation chicks reared during 1980-81 and 1981-82, 481 (47.5 per cent) and 1,084 (85.3 per cent) died. Even out of 720 birds reared, 380 were sold for table pruposes. Reasons for high mortality of chicks and failure to improve the stock of breeding flock were not investigated by the department.

The Ashil farm at Jagdalpur started coming up in May-June 1981 when staff was posted. The construction of residential and non-residential buildings, including sheds to house 1,900 birds, was completed in January 1982 at a cost of Rs.7.67 lakhs. The rearing activity at the farm started in November 1981 when 50 foundation birds (cost: Rs.0.04 lakh) were procured. Out of 105 chicks produced during 1981-82, 62 chicks (60 per cent) died. During this period expenditure of Rs.1.49 lakhs was incurred on the pay and allowances of the staff employed in the farm. Against the carrying capacity of 1,900 birds, the farm was having only 89 birds at the end of March 1982, out of which only 31 were layers.

9.2. An overhead tank was constructed at the Jabalpur farm in April 1978 at a total cost of Rs.0.75 lakh against an estimated cost of Rs.0.32 lakh. The tank could not be commissioned as a 5 H.P. pump, which was installed, was found incapable of lifting water to the overhead tank. A 10 H. P. pump required for the tank could not be purchased and installed (July 1982) for want of sanction of the Director. Thus, expenditure of Rs.0.75 lakh incurred prior to May 1978 could not provide the intended benefit so far (July 1982).

10. *Summing up.*—(*i*) The full capacity for maintenance of layers in the farms was not utilised in any of the years except 1981-82. The average utilisation of layer capacity was 75.69 to 82.99 per cent during 1977-78 to 1980-81.

(*ii*) Against the estimated production of 200 eggs per layer per year, the average production of eggs per layer was 195 during 1980-81 and 171 in 1981-82. In Durg farm, the production of 'D' grade eggs (including cracked and broken) was 42 per cent in 1980-81 and 47 per cent in 1981-82 of the total production.

(*iii*) The percentage of utilisation of incubator capacity during the operation period was 19.83 to 46.71. Notwithstanding this, additional incubators were purchased for Rs.1.92 lakhs during 1980-81.

(*iv*) Only 8.35 to 34.80 per cent of eggs produced in the farms were set for hatching (against the requirement of 60 per cent) and bulk of the eggs produced were sold every year for table purposes. Against the target of supply of 17.68 lakhs day old chicks during 1980-82, only 11.87 lakhs day old chicks were supplied to poultry growers.

(*v*) Hatching results in Kondagaon, Jagdalpur and Jabalpur farms fell short of the norm for hatchability fixed by the Director. In Kondagaon farm, hatchability was only 50 per cent of the eggs set for hatching.

(*vi*) The system of segregation and disposal of one day old male chicks was not adopted in any farm except Bhopal and Indore resulting in extra expenditure on maintenance of such birds. Culling of birds of over 18 months age was not timed in Indore, Jagdalpur and

Kondagaon farms; test-checks also showed layers were culled in the farms even before the age of 18 months.

(*vii*) Although the farms were expected to run on 'no profit no loss' basis, the direct expenses on running exceeded their receipts by Rs.88.40 lakhs. During 1979-80 to 1981-82, receipts were not even sufficient to meet the cost of poultry feed. Excess of expenditure over receipt was attributed, *inter alia*, to increase in expenditure on establishment and increased cost of feed/feed ingredients.

The matter was reported to the Government in August 1982; reply is awaited (March 1983).

3.2. Idle Outlay

With a view to rearing and maintaining cattle of progressive genetic potential for distribution for breeding purposes so as to increase milk production, the Veterinary department acquired, in April 1977, 55.65 hectares of forest land in Balaghat Forest Division for establishment of a cattle breeding farm. Works on land development and construction of non-residential and residential buildings were taken up between October 1978 and March 1979 respectively and were completed at a total cost of Rs.15.53 lakhs (35 residential buildings: Rs.7.14 lakhs; 18 non-residential buildings: Rs.6.14 lakhs; sanitary fittings: Rs.1.65 lakhs and land development: Rs.0.60 lakh) between May and September 1980. Expenditure of Rs.0.69 lakh on purchase of a tractor for the farm was also incurred in March 1979.

In December 1979, the Forest department asked for the surrender of 27.70 hectares of land for establishment of Forest Ranger's College. It was stated (January 1982) by the Assistant Director of Veterinary Services, Balaghat that the remaining 27.95 hectares of land was insufficient for establishment of the farm and that although the Forest department had proposed to hand over 80 acres (32.37 hectares) near the present site on the other side of the road, no decision was taken. The dispute was under negotiation between the two departments (September 1982). Thus, the objective of establishing the cattle breeding farm was not achieved.

Out of the 35 residential buildings completed (May 1980) only 15 were reported (January 1983) to have been allotted and occupied between July 1981 and January 1983 by the staff of the Veterinary department. The remaining buildings were vacant (January 1983). Out of 18 non-residential buildings completed in July 1980, five have been occupied by the Veterinary department between December 1981 and August 1982.

The matter was reported to the Government in January 1982; reply is awaited (March 1983).

AGRICULTURE DEPARTMENT

3.3. Co-ordinated scheme for soil conservation measures in River Valley Projects

1. *Introductory.*—With the object of checking the production of excessive silt in the catchment areas and its flow to and deposition in the reservoirs, schemes were sanctioned under a Centrally Sponsored Co-ordinated scheme drawn up in March 1962 (central assistance: 100 per cent till 1978-79; 50 per cent during 1979-80 and 100 per cent in 1981-82), for promotion of soil conservation measures in the catchment areas of 8 reservoirs in the State (Chambal, Hirakud, Mahi, Matatila, Rengali Mandira, Sone, Tawa and Ukai). The soil conservation measures contemplated under the schemes were top land protection (contour-bunding), compartmental bunding, bench terracing, gully-plugging, construction of minor engineering structures like check dams, silt detention tanks, etc., under agriculture sector and afforestation, improvement of pasture lands, fencing of forest areas, etc., to provide grass cover on barren lands under forest sector.

The soil conservation works in the agriculture sector were executed by 12 Assistant Soil Conservation Officers and 1 Assistant Agriculture Engineer working under a Joint Director (RVP) in the Directorate of Agriculture. The Soil conservation works in the forest sector were entrusted to 4 Divisional Forest Officers (Soil Conservation).

The expenditure incurred up to March 1982 was to the extent of Rs.20,39.19 lakhs (Chambal: Rs.5,46.70 lakhs; Hirakud: Rs.10,39.01 lakhs; Mahi: Rs.47.04 lakhs; Matatila: Rs.2,10.62 lakhs; Rengali Mandira: Rs.49.87 lakhs; Sone: Rs.2.11 lakhs; Tawa: Rs.55.40 lakhs and Ukai: Rs.88.44 lakhs). In Sone, the expenditure was incurred on establishment charges only as no soil conservation measures were started. The size of the catchment area of each reservoir and the area in Madhya Pradesh, are given below:—

Sl.No.	Reservoir	Size of catchment area	
		Total	In Madhya Pradesh
(1)	(2)	(3)	(4)
		(*In thousand hectares*)	
1.	Chambal—		
	(*i*) Gandhi Sagar	22,36.50	20,82.90
	(*ii*) Rana Pratap Sagar	2,30.40	1,45.90
2.	Hirakud	82,91.00	72,55.00
3.	Mahi	6,14.86	4,63.35
4.	Matatila	20,72.00	16,45.00
5.	Rengali Mandira	5,65.00	1,43.00
6.	Sone	18,64.80	18,64.80
7.	Tawa	5,98.50	5,98.50
8.	Ukai	Not known	Not known

Mention was made of certain aspects of the execution of soil conservation measures in catchment areas of Chambal and Hirakud in paragraphs 6.2 and 3.3 of the Report of the Comptroller and Auditor General of India (Civil) for the years 1975-76 (Supplementary and 1976-77 respectively. Further points noticed in test-check (April 1982 to August 1982) of the records of execution of soil conservation measures in the catchments of the reservoirs (excluding Sone) are mentioned in the succeeding paragraphs.

2. (*i*) *Watershed Management Strategy.*—In view of the vastness of the area needing treatment and with the object of achieving maximum results within the shortest time and limited resources, high priority was required to be given to the treatment of only such areas of the catchments of reservoirs which produced high sediment and contained accelerated erosion. In July 1974, the Government of India suggested adoption of a 'Watershed management strategy' which envisaged identification of self-contained watersheds (about 2000 hectares to 4000 hectares), according to the priorities (very high, high, medium, low and very low) to be fixed by the All India Soil and Land Use Organisation (AISLUO) on the basis of the silt-load-index of the watersheds as revealed by the reconnaissance soil survey and interpretation of aerial photographs. The watersheds falling under 'very high' and 'high' erosion categories were to be treated first and the treatment of watersheds in 'medium', 'low' and 'very low' categories was to be deferred for execution in later years or arranged from State funds. A selected watershed was to be treated fully before selecting another watershed. A detailed watershed management plan was to be prepared for treatment of each of the identified watersheds which was to include, *inter alia*, establishment of sediment monitoring stations for monitoring the reduction of sediment output from the watershed treated.

An analysis of treatment of the areas in the catchments of the seven reservoirs during 1974-75 to 1981-82 showed that, while in the catchment area of Rengali Mandira reservoir, the priorities were generally followed, the priorities were not fixed in catchments of Chambal (area treated: 85.89 thousand hectares; cost: Rs.3,61.35 lakhs) and Hirakud (area treated: 55.35 thousand hectares; cost: Rs.5,46.63 lakhs) and there were severe deviations in other catchments.

In the catchment of Mahi, the treatment of 16.12 thousand hectares at a cost of Rs.47.04 lakhs during 1980-81 and 1981-82 was provided to the areas in Ratlam district of the catchment for which priorities have not yet been fixed (July 1982), although the report (December 1979) of the AISLUO identifying priority wise watersheds in one portion (Jhabua district) of the catchment of Mahi reservoir was received by the Directorate of Agriculture in August 1980.

In Matatila, although AISLUO had identified (October 1973) 47 watersheds (1,75.13 thousand hectares) needing treatment in 'very high' and 'high' priority categories, 6.12 thousand hectares (16 per cent) out of 37.24 thousand hectares treated during 1974-75 to 1981-82 were in 'medium' priority category. Under the Centrally Sponsored scheme, treatment of 'medium' priority watersheds out of central funds was not permissible.

In Tawa, although the priorities for treatment of watersheds were fixed by the AISLUO in December 1977, only 0.30 thousand hectares (15.3 per cent) out of the total of 1.96 thousand hectares treated in Agriculture sector during 1977-78 to 1981-82 were in 'high' priority category. Further, none of the five watersheds (area:9.33 thousand hectares), recommended by the AISLUO for treatment on top-priority basis, was included in the watershed management plan for Tawa catchment and treated. Information about the priority categories of the area of 9.80 thousand hectares treated in forest sector during the above period was not available (July 1982).

In Ukai, as per the report of AISLUO (February 1981) only 3 watersheds in the Gomai sub-catchment under Ukai having an area of 5.32 thousand hectares fell in the 'very high' and 'high' priority categories. However, the total area of 17.89 thousand hectares treated during 1975-82 included 15.78 thousand hectares in 4 watersheds (expenditure: Rs. 28.92 lakhs) not recommended by the AISLUO.

Thus, the watersheds were not identified in all the catchments and the watersheds of priorities lower than 'very high' and 'high' categories were also treated despite the guidelines contained in the watershed management strategy. The Director of Agriculture stated (August 1982) that, since the priority reports were not made available in time, the watersheds were selected after spot-inspection and on the basis of erosion hazards, where known. The fact remained that, in the catchment areas of Mahi, Matatila and Tawa reservoirs, soil conservation measures were undertaken in watersheds other than those identified as 'very high' and 'high' priority despite the availability of reports of AISLUO.

(*ii*) *Incomplete watersheds.*—Although the watershed management strategy required that a new watershed should be selected and taken up for treatment only after watershed selected for treatment in the previous year was fully treated, in 6 reservoirs, 40 additional watersheds were selected and treated in succeeding years even when none of the 26 watersheds selected in the first year was fully treated, as shown below :—

Particulars	Number of watersheds selected and treated in the catchments of					
	Chambal	Hirakud	Matatila	Rengali Mandira	Tawa	Ukai
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Watersheds selected in the first year.	11	9	2	2	1	1
Watersheds selected in succeeding years till March 1982.	11	12	6	1	2	8
Watersheds under treatment at the end of March 1982.	22	21	8	3	3	[illegible]

3. *Low coverage.*—Out of the seven reservoirs, the extent of area needing treatment had been identified in the catchment areas of Matatila, Rengali Mandira, Tawa and Ukai. The table below shows the extent of the area treated by the soil conservation measures till the end of March 1982, as against the area needing treatment in these catchments :—

Catchment	Number of years till 1981-82 for which the scheme has been under operation	Area needing treatment	Area treated till 31st March 1982	Percentage of treatment
(1)	(2)	(3)	(4)	(5)
		(*In thousand hectares*)		
Matatila	12	5,72.22	63.39	11
Rengali Mandira	7	1,43.33	3.70	3
Tawa	5	3,40.05	11.76	3
Ukai	7	1,08.62	17.89	16

In catchments where areas needing treatment were not identified, the progress of work is as under:—

Catchment	Number of years till 1981-82 for which scheme has been under operation	Area treated till 31st March 1982
(1)	(2)	(3)
		(*In thousandhectares*
Chambal	21	1,77.37
Hirakud	21	2,18.48
Mahi	3	16.12

Thus, only 3 to 16 per cent of the areas needing treatment was actually treated in the catchments of these reservoirs till 31st March 1982. At the pace of treatment of the areas needing treatment achieved so far, complete treatment of four of the catchments, namely, Matatila, Rengali Mandira, Tawa and Ukai would need 37 years (Ukai) to 264 years (Rengali Mandira) and the period that will be necessary to treat the catchments of Rengali Mandira and Tawa reservoirs completely was likely to be more than the life of these reservoirs as assumed in the project reports.

The targets and achievements of the treatment of the catchments with various soil conservation measures between 1st April 1974 and 31st March 1982 were as under :—

Name of work	Target	Actual
(1)	(2)	(3)
	(*In thousand hectares*)	
Top land protection (contourbunding)	28.14	30.32
Compartmental bunding	13.84	2.00
Bench terracing	7.00	6.03
Gully-plugging—		
(*i*) On agricultural lands	35.40	62.85
(*ii*) On non-agricultural lands	23.77	21.69
Minor Engineering Works	199 (Numbers)	2.66 (Numbers)
fforestation	30.15	25.12
Pasture development	8.99	5.31
Closure fencing	53.83	60.15
Check bunds	41.93	52.92

The most noticeable shortfall in Agriculture sector was under compartmental bunding, where the achievement was only 14 per cent of the targets. The shortfall was attributed generally to non-availability of labour and consent of cultivators. While the targets of gully-plugging on agricultural land had been exceeded on the whole, the achievements had exceeded the targets only in catchment areas of Chambal, Mahi and Ukai reservoirs.

4. *Impact of the treatment.*—(*i*) In order to assess the efficacy of soil conservation measures, surveys for ascertaining the rate of silt deposition in the reservoirs were to be carried out. Such surveys for assessment of silt-deposition in the reservoirs were not being conducted by reservoir authorities, annually or at regular intervals, and, wherever done, the surveys were conducted mostly by the silt inflow and outflow method rather than the more scientific method of hydrographic survey.

The survey for assessing the silt-deposition in Rana Pratap Sagar (Chambal) and Tawa reservoirs was not done so far (July 1982). The survey of Ukai reservoir, conducte (1973) much before the commencement (1975-76) of the treatment of its catchment by soil conservation measures, showed that the extent of silt-deposition in the reservoir was 4.47 hectare metres per 100 square kilometres as against the projected rate of 1.48 hectare metres per 100 square kilometres. Results of a fresh survey conducted in 1981 were still awaited (October 1982). The surveys of Gandhi Sagar (Chambal) and Matatila reservoirs, last conducted in 1975, and of Hirakud and Rengali Mandira, last conducted in 1978, disclosed the following position of silt-deposition:—

Reservoir	Year from which soil conservation measures were undertaken	Extent of silt-deposition	
		Assumed in the project report (Maximum)	Noticed in the survey
(1)	(2)	(3)	(4)
Gandhi Sagar	1961-62	357 cubic metres per square kilometre per year.	450 cubic metres per square kilometre per year.
Hirakud	1961-62	252 cubic metres per square kilometre per year.	660 cubic metres per square kilometre per year.
Matatila	1970-71	132 cubic metres per square kilometre per year.	440 cubic metres per square kilometre per year.
Rengali Mandira	1975-76	30 per cent of the storage capacity of the reservoir was assumed to be reduced till 1978.	37.34 per cent of the storage capacity of the reservoir was actually reduced till 1978.

Thus, in all the four reservoirs, where survey of silt-deposition was done, the silt-deposition was found to be increasing despite catchment areas having been under treatment by oil conservation measures for over 3 to 5 years (Matatila and Rengali Mandira) and 14 to 17 years (Gandhi Sagar and Hirakud) till the date of survey. According to the Specialist (Sedimentation), Department of Agriculture, Government of India, the extent of loss of storage capacity till 1978 was 4.30 per cent in Gandhi Sagar, 15 per cent in Hirakud and 11.04 per cent in Matatila reservoirs.

(*ii*) The watershed management strategy provided for establishment of silt monitoring stations in each watershed for recording accurate observations of silt-flow with the help of mechanical equipments. Such stations were not established in any catchment except that of Chambal where construction of 9 stations was completed between 1975-76 and 1976-77 at a cost of Rs. 7.00 lakhs and the construction of one station (at Hingoria) started in 1972-73 was abandoned (1973-74) after incurring expenditure of Rs. 0.19 lakh because the station was located outside the approved watershed. None of the 9 stations had done any work so far (August 1982) because neither the laboratory buildings were constructed nor were the necessary equipments acquired and installed at the stations.

(*iii*) To evaluate the effect of soil conservation measures on the extent of silt flowing into the reservoirs, sedimentation surveys were required to be conducted regularly at properly supervised gauging stations, called silt observation posts, located at the out-let of the selected watersheds in the catchments. In this connection, the following points were noticed:—

(*a*) In the agriculture sector, while no observation post was established in the whole of the catchment of Tawa reservoir and in 5 of the 21 watersheds in the catchment of Hirakud reservoir, only 2 posts, as against the requirement of 6 posts, were established in the catchment of Mahi reservoir. In the forest sector, no post was established for any of the 9 watersheds in the catchments of Chambal, Hirakud and Matatila reservoirs.

(*b*) At the two posts in the catchment of Mahi reservoir, no observations were recorded in 1980-81, while in 1981-82 only 422 observations were recorded against the requirement of 480. At the posts in the Neemuch segment of the catchment of Chambal reservoir, only 2,278 observations against the requirement of 14,160 were recorded up to March 1982. This was attributed to the inadequacy of staff and non-availability of equipment.

(*c*) The sedimentation rates observed at 6 posts in Hirakud and Rengali Mandira reservoirs during 1974-75 to 1980-81 showed that the silt load flowing into the reservoir was increasing, contrary to expectation. This was attributed by the Assistant Soil Conservation Officer, Jashpurnagar to the execution of earth work on village roads, construction of cattle-proof trenches on grass lands and construction of village ponds in the catchment area which caused higher run-off of sand and flow of more silt in the main rivers. In other cases, the observations showed wide fluctuations in the sedimentation rates and, since the fluctuations had not been analysed so far, the impact of soil conservation measures in arresting the silt flowing into the reservoirs was not evaluated.

(*d*) Annual survey of silt level in the silt detention tanks, required to be done to get an idea of the extent of silt draining into the reservoirs, was never done in 471 of the 514 tanks constructed in the catchments of Chambal, Hirakud, Matatila and Rengali Mandira reservoirs.

5. *Other topics of interest*:

(*i*) *Non-recovery of expenditure on execution of works.*—(*a*) In June 1966, Government considered the question of recovery of charges for soil conservation measures, like engineering works, pasture development, afforestation, etc., and decided that, since such measures were undertaken mostly on Government lands and the lands of the cultivators were seldom involved, no charges need be recovered from the cultivators on this account. It was, however, noticed (April 1982) in audit that engineering works (gully-plugging) were executed on a very large area of 61.66 thousand hectares of lands of cultivators at a cost of Rs. 1,93.88 lakhs during 1974-75 to 1981-82 in the catchment areas of Chambal, Mahi and Ukai reservoirs without recovering proportionate charges from the cultiva-

tors. On being pointed out, the Director of Agriculture stated (August 1982) that orders of the Government were very clear and that such charges were not recoverable even for the works done on private lands on such a large scale. However, earlier in July 1972, the Director had instructed that, as far as possible, engineering works should not be executed, on private lands and when executed, 50 per cent cost of the works along with prescribed overhead charges should be recovered from the cultivators. It was also noticed that in the catchment areas of Matatila and Tawa reservoirs where engineering works were executed on agricultural lands, proportionate cost was recovered from the cultivators.

(*b*) A check dam (cost : Rs.1.14 lakhs) was constructed (June 1978) at Samilia Hira village under the orders (November 1975) of the Collector, Mandsaur. The cost of construction was to be shared equally by the Cane Development Council, Dalauda Zone, Mandsaur and the Jiwaji Rao Sugar Company Limited, Dalauda on whose behalf the work was undertaken. Out of the total expenditure of Rs.1.14 lakhs, Rs. 0.56 lakh was recovered from the Cane Development Council in August 1981. Action for recovery of Rs.0.58 lakh on this account from the stated company was in progress (October 1982).

(*ii*) *Extra cost.*—The maximum consolidated rate prescribed by Government of India (December 1974) for gully-plugging, periphery bund and provision of vegetative cover on agricultural lands was Rs.300 per hectare. Although only the gully-plugging work was executed in the catchements of Chambal, Mahi and Ukai reservoirs on agricultural lands during 1974-75 to 1981-82, expenditure up to the ceiling of Rs.300 per hectare was incurred. Computed with reference to the maximum rate for gully-plugging works only, on forest-lands and Government waste lands of Rs. 80 per hectare, the execution of works at higher rate without executing all the three components of the work resulted in extra expenditure of Rs.1,44.55 lakhs on gully-plugging in 61.66 thousand hectares. The Director of Agriculture stated (August 1982) that it was not possible to complete all the three items of work in the consolidated rate of Rs.300 per hectare and that the rate of Rs.300 per hectare should be taken for each component of work separately.

(*iii*) *Unfruitful works.*—Bench terracing works were proposed (January 1973) by Divisional Soil Conservation Officer, Mandsaur to be undertaken on Government waste lands in Mandsaur district before they were allotted to the landless labourers or auctioned for cultivation. Fifty per cent of cost of works was to be treated as subsidy and recovery of the balance amount of expenditure was to be made from the sale proceeds at auction or by treating it as loan. Bench terracing works were undertaken on 117 hectares of Government waste lands at a cost of Rs.3.23 lakhs between 1972-73 and 1980-81. The lands treated were, however, not allotted to the landless labourers, although a scheme for distribution of lands to such labourers was already in operation, nor auctioned (October 1982).

(*iv*) *Over-charging the beneficiaries.*—Under the Bhumi Sudhar Yojna Adhiniyam, 1967 and the rules framed thereunder, the expenditure incurred on Soil conservation measures on the fields of cultivators was required to be adjusted as loan recoverable from the

beneficiaries and as subsidy, in the proportion applicable to each case, according to orders in vogue. A test-check of the records of works and of the adjustments of expenditure incurred on works between 1965-66 and 1974-75 revealed that the adjustments to the loan accounts of the cultivators and subsidy exceeded the actual cost of works by Rs.2.76 lakhs and that the maintenance charges at the prescribed maximum ceiling of 2 per cent of the cost of works were added to the cost of works, on *ad hoc* basis, before making the adjustments, although no expenditure was incurred on maintenance. In reply to audit observations, the Director of Agriculture agreed (July 1982) that the inclusion of maintenance charges on *ad hoc* basis was not in accordance with the instructions.

(*v*) *Completion reports.*—Soon after completion of works, the soil conservation divisions are required to obtain from subordinate executive assistants completion reports in respect of completed works and send them to higher authorities of the department, after certifying correctness of the reports. Completion reports in respect of 759 works, completed between 1973-74 and 1981-82 at a cost of Rs.46.52 lakhs in the catchments of Hirakud, Matatila and Tawa reservoirs, were not issued till the time of the test-check and consequently it was not verified by the department whether the works were actualy completed within the estimated cost. In the catchements of Chambal, Mahi and Ukai reservoirs, where works were not declared as completed and completion reports were not submitted, the Assistant Soil Conservation Officer, Mandsaur stated that once the completion reports were issued it was not possible to carry out any repairs to those works since there was no provision of funds for repairs. The Assistant Soil Conservation Officers incharge of other divisions did not specify the exact reasons for non-submission of the completion reports.

6. *Summing up.*— (*i*) Rupees 20,37.08 lakhs were spent on the execution of soil conservation measures in the catchments of seven of the eight reservoirs till 31st March 1982. In the catchment of Sone reservoir, actual execution has not started and Rs.2.11 lakhs were spent on establishment between 1979-80 and 1981-82.

(*ii*) Till 31st March 1974, soil conservation treatment to the extent of 90 per cent was provided to the areas in second and lower categories of priority in Matatila catchment when 67 per cent of treatable areas in the first category of priority was awaiting treatment on that date. Priority categories on the basis of the extent of silt-accumulation caused by soil erosion were either not determined (Chambal and Hirakud) or not followed (Matatila, Tawa, Mahi and Ukai) while selecting areas for soil conservation measrues. Contrary to the instructions of the Government of India, additional watersheds were taken up for treament before completing treatment of watersheds taken up earlier. Only 3 to 16 per cent of treatable areas in the seven catchments were treated till 31st March 1982. The pace of treatment was very slow and, at this pace, complete treatment of the catchment will extend beyond the assumed life of two of the seven reservoirs.

(*iii*) The survey of silt-deposition in Rana Pratap Sagar (Chambal), Sone and Tawa reservoirs was not done so far. In Gandhi Sagar (Chambal), Hirakud, Matatila and Rengali Mandira, where surveys were done, silt-deposition was found to be increasing despite the treatment of catchment areas for over 3 to 17 years. None of the 10 silt monitoring stations (construction cost: Rs. 7.19 lakhs) had done any work so far.

(*iv*) In the catchments of Chambal, Mahi and Ukai reservoirs, soil conservation measures were undertaken on the private lands of cultivators, very extensively, without recovering the proportionate cost. In the catchment of Hirakud, the cultivators were overcharged by Rs. 2.76 lakhs for maintenance charges. Rupees 0.58 lakh, out of total cost of Rs. 1.14 lakhs of a check dam constructed in June 1978, were yet to be recovered from one of the private parties for whom it was constructed. The expenditure of Rs. 3.23 lakhs on bench terracing works undertaken on waste lands was not fruitful since neither were the lands allotted nor was the cost recovered, as planned. Completion reports in respect of 759 works completed between 1973-74 and 1981-82 at a cost of Rs. 46.52 lakhs in four of the seven catchments were not submitted.

The matter was reported to the Government in September 1982; reply is awaited (March 1983).

3.4. Non-remittance of sale proceeds

Mention was made in paragraph 3.2 of the Report of the Comptroller and Auditor General of India for the year 1978-79 about non-credit into the treasury of sale proceeds of seeds and pesticides amounting to Rs. 6.38 lakhs in seven districts by the Agriculture Extension Officers in contravention of the departmental instructions. Inspite of the assurance given by the Director of Agriculture, in September 1979, to the effect that matter would be investigated and action to effect recovery and fix responsibility initiated, test-check of records relating to distribution and sale of seeds and pesticides for the years 1979-80 an 1980-81, in nine districts (Bastar North, Chhindwara, Hoshangabad, Jhabua, Khandwa, Morena, Raipur, Sagar and Sehore), revealed the following :—

(*i*) Rupees 11.08 lakhs, representing cash sale proceeds of seeds/pesticides upto 1978-79, were not deposited into the treasury by the Extension Officer (November 1981 to April 1982). Of these, Rs. 9.79 lakhs (88 per cent) related to the sale proceeds in three districts only (Bastar-North, Jhabua and Raipur).

(*ii*) Out of the total cash sales of Rs. 112.90 lakhs, during the years 1979-80 and 1980-81, Rs. 3.87 lakhs (1979-80: Rs. 1.40 lakhs; 1980-81: Rs. 2.47 lakhs) were not remitted into treasury by the Extension Officers. Of these, Rs. 0.41 lakh, realised by one Extension Officer of Khandwa district were reported (December 1981) by the Deputy Director of Agriculture, to have been utilised by the former for his personal use. Further, out of the amount of Rs. 109.03 lakhs actually deposited into the treasury upto March 1982, Rs. 31.83 lakhs were credited after 4-29 months from the dates of realisation.

(*iii*) Of the seeds issued during 1979-80 and 1980-81 by two Deputy Directors of Agriculture to Agriculture Extension Officers, seeds worth Rs. 0.30 lakh (Sehore: Rs. 0.24 lakh and Hoshangabad: Rs. 0.06 lakh) were either not accounted for or accounted for short in the books of the recipient officers.

(*iv*) The Deputy Directors of Agriculture also distribute seeds through Agriculture Extension Officers to cultivators against loans allowed by the banks for this purpose. The cost is realised from the bank on whose authorisation seeds are distributed. Against the cost of seeds distributed upto 1980-81 Rs. 12.52 lakhs were due from the banks. Of this, Rs. 12.41 lakhs relate to two districts only (Bastar-North : Rs. 9.21 lakhs and Raipur: Rs. 3.20 lakhs).

The matter was reported to the Government in April 1982; reply is awaited (March 1983).

3.5. Unfruitful expenditure

Jhirmirah lift irrigation scheme, designed to irrigate 90 acres of cultivable land in Ujjain district and estimated to cost Rs. 0.80 lakh was taken up (November 1976)by the Soil Conservation sub-division, Barnagar and completed in March 1978 at a cost of Rs. 1.39 lakhs. The expenditure included a sum of Rs. 1.11 lakhs incurred on providing and laying mild steel pipes. Before taking up the scheme, acidity test of water flowing in Chambal river in the area was not done. On trial run (October 1978), heavy leakage of water was noticed in the pipeline. In December 1978, mild steel pipes, which were found unserviceable due, reportedly, to acidity in water, were replaced (December 1978) by asbestos pipes raising the cost of project to Rs. 2.16 lakh, (Rs. 2.51 lakhs *minus* Rs. 0.35 lakh cost of mild steel pipe found serviceable and transferred to other schemes). However, the project was not commissioned (November 1981) as arrangements for its technical inspection could not be completed by the department. Thus, an expenditure of Rs. 2.16 lakhs incurred on the scheme upto December 1978 proved to be unfruitful, besides depriving the beneficiaries of irrigation facilities.

Out of the mild steel pipes orginally laid 1,320 feet were found to be unserviceable. Expenditure aggregating Rs. 0.70 lakh incurred on the purchase (Rs. 0.59 lakh) and laying (Rs. 0.11 lakh) of such pipes was, thus, rendered infructuous.

It was also observed in audit that the work on the scheme was taken up without obtaining administrative approval; no test was conducted to ensure usefulness of water for irrigation purposes; and no action was taken for disposal of unserviceable mild steel pipes.

The matter was reported to the Government in December 1981. The Director of Agriculture intimated (January 1983) that Government had decided (June 1982) to conduct departmental inquiry against the officials responsible for the irregularities. Further developments are awiated (March 1983).

3.6. Idle Outlay

Under the Intensive Agriculture Extension Programme, mobile soil testing laboratories were to be set up to analyse the soil of the fields of the farmers in rural areas and recommend fertiliser doses for obtaining the optimum yield.

Against a supply order placed by the Director of Agriculture in March 1980, two Hindustan J-6 Diesel truck chassis (value: Rs. 2.22 lakhs), intended for mobile soil testing laboratories under the Intensive Agriculture Extension Programme,were received in April 1980 by the Agriculture Engineer, Raipur. The Director intimated (May 1980) the Agriculture Engineer that Madhya Pradesh Laghu Udyog Nigam would be entrusted with the job of building bodies over these chassis and, thereafter, the vehicles would be utilised as mobile soil testing laboratories. According to instructions (February 1982) from the Director, the two chassis, lying idle in the workshop since April 1980, were sent in March 1982 to the Directorate at Bhopal. It was observed in audit (April 1982) that the vehicles with bodies duly built had not been received by the Agriculture Engineer, Raipur.

Although an expenditure of Rs. 2.22 lakhs was incurred, the objectives of the programme were not fulfilled due to delay in fabrication of bodies (September 1982) of the vehicles.

The matter was reported to the Government in June 1982; reply is awaited (March 1983).

3.7. Delay in providing storage structures to farmers

An amount of Rs. 10 lakhs was sanctioned by the Government of India to the State Government in September 1978 as loan with interest at the rate of 5½ per cent per annum from the date of drawal (9th October 1978) for providing improved type of storage structures to farmers for storing food grains. The amount was to be utilised by December 1980. The State Government, however, accorded sanction for drawal of the amount from the Contingency Fund of the State in February 1979 and the amount of Rs. 10 lakhs was drawn (March 1979) from the treasury by the Director of Agriculture. It was converted into six bank drafts (five for Rs. 1.60 lakhs each and one for Rs. 2 lakhs) in favour of the Agriculture Engineers, who were to undertake at Regional Workshops, manufacture of iron bins to be supplied to farmers for storage of food grains. As the proposal (April 1979) of the Director of Agriculture for opening Personal Deposit Accounts in favour of Agriculture Engineers, was not accepted by the Finance Department, the bank drafts were cancelled and the amount refunded (June 1980). Thus, an amount of Rs. 10.00 lakhs drawn from treasury was kept out of Government accounts for 15 months (April 1979 to June 1980) resulting in a liability of interest to the tune of Rs. 0.69 lakh without achieving the purpose for which it was given by the Central Government.

The State Government, however, paid (June 1980) a loan of Rs. 20 lakhs (Rs. 10 lakhs sanctioned by the Government of India in September 1978 referred to above and a further loan for Rs. 10 lakhs sanctioned by Government of India in November 1979), to the Madhya Pradesh Agro-Industries Development Corporation for manufacture of storage bins. But, neither was the number of bins to be fabricated fixed by Government, nor was any time limit prescribed for completion of the job for manufacture of storage bins by the Corporation. Against the loan of Rs. 20 lakhs, the Corporation furnished (March 1982) utilisation certificate for Rs. 13.54 lakhs upto February 1982 to the State Government. According to the information furnished (August 1982) by the Corporation, the position regarding fabrication and sale of storage bins *vis-a-vis* targets, was as follows :—

Year	Targets	Febricated	Sold	Sale proceeds
(1)	(2)	(3)	(4)	(5)
		(*Bins in number*)		(*Rupees in lakhs*)
1980-81	2,000	888	497	1.26
1981-82	5,000	2,424	2,180	5.09
1982-83	5,000	483	705	1.89
		(Upto May 1982)		
Total	12,000	3,795	3,382	8.24

Further, the Corporation was to repay the loan in four equal annual instalments every June beginning from 1981 according to the terms and conditions of loan. Interest was payable at 6½ per cent per annum. Penal interest was also payable for default in payment of instalment due at 9½ per cent per annum. Instalments of Rs. 5 lakhs each due in June 1981 and June 1982 and interest (including penal interest) of Rs. 3.05 lakhs due in June 1982 had not been paid (August 1982) by the Corporation.

The matter was reported to the Government in August 1981 and August 1982; reply is awaited (March 1983).

COMMERCE AND INDUSTRIES DEPARTMENT

3.8. District Industries Centres

1. *Introductory.*—The District Industries Centres programme was launched by the Government of India in May 1978 with a view to providing an integrated administrative focal point at the district headquarters for effective development and viable operation of

cottage and small industries, widely dispersed in rural areas and small towns of the country. A District Industries Centre (DIC) was expected to provide all services and suport to the decentralised industrial sector to include information about the district, raw materials and other resources, arrangements for machinery and equipment, raw material, credit facilities, marketing assistance and quality control, research, extension and entrepreneural training.

The programme was to be implemented through the Director of Industries (Director) at the State level, assisted by 5 Additional/Joint Directors at Zonal level. The D. I. C. was headed by one General Manager at the District level. The General Manager was to be assisted by 5-6 functional managers for each D. I. C. with training facilities in functions of credit, marketing, information, basic facilities, Khadi and Village industries, handloom, etc. A District Advisory Committee with Collector as head for effective co-ordination between the D. I. C. and other State Government departments/ undertakings, local bodies and non-official agencies in the district was envisaged. In the State, D. I. Cs. were set up in 22 districts in June 1978, which included 10 districts covered earlier under the Rural Industries Programme and, in the remaining districts in April 1979.

A non-recurring grant of Rs. 2 lakhs for construction of an office building and Rs. 3 lakhs for meeting the expenditure on furniture and fixtures, office equipment, two diesel jeeps, etc., for each D. I. C. was provided by the Government of India. Recurring grant up to a maximum of Rs. 3.75 lakhs in 1978-79 on 75 : 25 basis, and 50 : 50 basis thereafter, was provided per D. I. C. for its establishment. The existing schemes of the State Government like subsidies, loans, etc., were required to be implemented through the D. I. Cs. to the extent possible.

Test-check of the records relating to the implementation of the programme in 13 D.I.Cs. (Bastar, Bhind, Bhopal, Chhindwara, Dhar, Gwalior, Khandwa, Mandla, Mandsaur Raigarh, Surguja, Tikamgarh and Vidisha) for the period up to March 1982 was conducted between September 1981 and May 1982. Results of test-check, supplemented by the information furnished by the Director, are set out in the succeeding paragraphs.

2. *Outlay and expenditure.*—The allotment of funds by the State Government including central assistance received and the expenditure incurred during 1978-79 to 1981-82 is given below :—

Particulars	1978-79		1979-80		1980-81		1981-82	
	Allotment	Actuals	Allotment	Actuals	Allotment	Actuals	Allotment	Actuals
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	(*Rupees in lakhs*)							
Non-recurring expenditure	225.00	162.61	..	21.89	..	21.98	..	15.10
Recurring expenditure on Establishment and Promotional Schemes	49.50	48.96	97.29	92.51	116.24	128.94	141.14	159.34
Share of expenditure by Central Government	36.89	28.60	46.26	46.26	64.47	64.47	79.67	79.67
D. I. C. Loans Central assistance santioned	93.00	35.53	22.50	56.65	..	50.00	31.50	..
Grants	261.89	191.21	46.26	68.15	64.47	86.45	79.67	94.77
Loans	93.00	35.53	22.50	56.65	..	50.00	31.50	..
Unutilised Grant		128.15		72.11		0.13		16.53

The total expenditure of Rs. 221.58 lakhs during 1978-79 to 1981-82 against non-recurring grant, included advances of Rs. 152.30 lakhs given by the department in March 1979 (Rs. 137.20 lakhs) and December 1981 (Rs. 15.10 lakhs) to the Madhya Pradesh Laghu Udyog Nigam (MPLUN) for construction of D. I. C. buildings (Rs. 90 lakhs) and supply of office equipment (Rs. 62.30 lakhs). The Director incurred an expenditure of Rs. 63.78 lakhs on purchase of office equipment and also drew (March 1979) an amount of Rs. 5.50 lakhs and kept it under 'Civil Deposits'. Out of the advance of Rs. 62.30 lakhs given for supply of office equipment, the MPLUN retained an unspent balance of Rs. 14.59 lakhs (February 1983).

3. *Staffing pattern and training.*—The programme laid emphasis on manning the DICs with personnel of proven ability and experience. The centres were to be headed by General Managers of the rank of Joint Director of Industries or a Senior Deputy Director, if found exceptionally suitable, to be assisted by 4 Functional Managers for economic investigation, credit and village industries, information, marketing training, etc., and 3 project managers. However, the DICs in the State were headed by General Managers of the rank of Deputy Director of Industries and 5—6 Functional Managers of the rank of Assistant Director of Industries. Thus, the revised set up for DICs prescribed by the Government of India was not implemented. The approval of the Government of India for continuance of the existing set up is awaited (February 1983).

Out of 45 General Managers and 332 Functional Managers working in DICs, 32 General Managers and 199 Functional Managers were trained upto March 1982; the remaining 13 General Managers and 133 Functional Managers were untrained.

4. *Action Plans.*—The programme envisaged preparation of Action Plans by the General Managers on the basis of the economic investigation of the potential for the development of the district including its raw materials and other resources. The DICs were to complete detailed survey and intensive development in the pre-selected villages and also prepare a detailed survey report for the whole district. Out of 13 selected DICs, in 6 DICs (Bhind, Khandwa, Mandsaur, Mandla, Raigarh and Surguja), set up in June 1978 action plans were prepared after a lapse of 6 to 12 months, while 7 DICs (Bastar, Bhopal, Chhindwara, Dhar, Gwalior, Tikamgarh and Vidisha), set up in April 1979, prepared their Action Plans after a lapse of 3 to 23 months.

The Director stated (March 1983) that district offices existed in all the offices even before the establishment of DICs in 1978 and basic data regarding existing resources and potentialities existed even before the implementation of the scheme and that though there were considerable delays in preparation of Action Plans, the industries were establishd with the help of available data. The fact remains that the action plans were not drawn up with updated data and the purpose envisaged for drawing up of Action Plan was not fulfilled.

5. *Targets and Achievements.*—(*i*) Prior to the introduction of the programme, 12,318 industrial units were already established in the State (1975-76: 2,164; 1976-77 : 3,036 and 1977-78 : 7,118). Modernisation of existing units and rural artisans and village and cottage industries in the spheres of handloom, sericulture, handicrafts, etc., were brought undert the purview of DIC programme for fixation of targets. Annual targets and achievements during

1978-79 to 1981-82 were as under :—

Year	Number of DICs	Target				Achievements	Number of DICs where the targets were	
		Rural areas		Industrial areas	Total			
		New units	Modernisation of existing units	new units			Exceeded	Not achieved
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1978-79	22	8,130	NA	NA	8,130	10,585	20	2
1979-80	45	4,450	4,426	5,414	14,290	20,851	45	..
1980-81	45	6,696	6,709	2,030	15,435	20,412	45	..
1981-82	45	8,930	8,946	2,717	20,593	22,355	38	7
Total		28,206	20,081	10,161	58,448	74,203		

(*a*) The Director stated (March 1983) that although specific instructions of the Government of India regarding modernisation of existing units for fixation of targets were not available, the targets were fixed keeping in view the necessity for modernisation of the existing units due to advancement in technology.

(*b*) Although the targets (58,448 units) were separately fixed for establishment of new units and modernisation of existing units in rural areas and new units in other areas, achievements (74,203 units) were not so categorised consequently, the actual number of units which were modernised was not available with the Director (February 1983). Further, in the Action Plans and evaluation reports neither the targets nor the achievements were categorised into artisans and small scale industrial units. In the absence of proper categorisation, it was not possible to ascertain whether units were set up in accordance with requirement as per Action Plans of respective DICs and targets set out.

(*c*) Test-check of five DICs (Bhind, Chhindwara, Gwalior, Mandla and Vidisha) showed that against 1,419 new units of 19 different categories of industries contemplated in their respective Action Plans, only 561 new units could be established during 1979-80 to 1981-82. Further, no small industrial unit was set up under 57 types of industries, of which 89 new units were provided in their Action Plans and survey reports. Although the overall achievement (6,855 units) in these DICs had exceeded the targets (5,234 units), this was mainly because of modernisation of existing/setting up of rural units in weaving in Chhindwara (722), cottage industries units in Mandla (449), readymade garments and Agro-forest units in Vidisha (188). Similarly, in four other DICs (Dhar, Mandsaur, Raigarh and Surguja), although no unit was set up under any of the 54 types of industries of which 62 units were contemplated in thetir Action Plans and survey reports, the overall achievements (8,297 units) had exceeded the targets (7,154 units), mainly because of setting up more artisan units of carpentary and readymade garments. These instances indicated that the overall achievements exceeded the targets in almost all the DICs mainly because of moderinsation of existing individual rural artisan units.

(*d*) The evaluation of performance of the DICs done by the Director from June 1979 to March 1981 did not indicate the number of villages where new units were established at the instance of the DICs. Against the target of 7,337 villages (having population of above 1,000 persons) to be developed by setting up five units each (total 36,685) within a period of three years ending March 1982, 4,103 villages were covered upto March 1980 in which 17,290 units were established (average 4.21 units per village). Information regarding the number of villages covered during 1980-81 and 1981-82 was reported (September 1982) to be not available with the Director.

(*ii*) The targets for generation of employment for the year 1979-80 were fixed on the basis of 250 persons per block (total blocks: 457) and for subsequent years on the basis of 3-4 persons per unit. The position of achievements *vis-a-vis* targets of employment was as shown below :—

Year	Target	Achievements
(1)	(2)	(3)
	(*Nubmer of persons*)	
1978-79	N.A.	26,416 (22 DICs)
1979-80	1,14,250	58,726
1980-81	52,770	52,578
1981-82	70,360	58,663

The targets for employment could not be achieved in 39 DICs in 1979-80, 20 DICs in 1980-81 and 32 DICs in 1981-82. The total achievement during 1979-80 to 1981-82 of 1,69,967 persons in 63,618 units showed that, on an average, 2.67 persons per unit could be provided with employment. In the absence of categorisation of achievements under modernisation of existing units and establishment of new units, the generation of employment unde these categories was not separately ascertainable.

(*iii*) Keeping in view the level of industrial backwardness and regional imbalances, the Government had classified all the 45 districts of the State into four categories *viz.*, 'Advanced', 'Backward-A', 'Backward-B' and 'Backward-C'. Fiscal concessions and facilities allowed in 'Bakcward-C' category were maximum. However, the industrial growth in terms of units set up, capital investment made and employment generation during the years 1979-80, 1980-81 and 1981-82 had no marked effect on reducing the regional imbalances. The rate of growth in terms of units set up per D.I.C. was 539 in 'Advanced', 607 in 'Backward-A', 405 in 'Backward-B' and 414 in 'Backward-C' categories of districts. No large and medium scale industries were established in 17 'Backward' districts upto March 1982 and no district was upgraded from 'Backward' to 'Advanced' category although, according to the departmental records, the industrial growth in some of backward districts like Dewas Raipur, Bilaspur and Vidisha was 143 to 287 per cent of the position existing in 1978-79. On the contrary, four 'Advanced' category districts (Khandwa, Satna, Shahdol and Ujjain) having 121 to 262 per cent growth and 25 medium and large industries were transferred to 'Backward' category in 1981-82.

6. *Construction of buildings and purchase of equipment*

6.1. *Buildings.*—According to the Director, out of Rs.152.30 lakhs advanced to the MPLUN for construction of 45 buildings for DICs, expenditure of Rs.121.57 lakhs was incurred by MPLUN upto August 1982 on construction of 44 DICs buildings out of which 37 buildings had been completed and 7 buildings were under construction. The construction of the building for one DIC (Jabalpur) could not be taken up as site was not made available by the department. The increase in cost of the buildings was attributed to inclusion of extra items like fencing, garage, chowkidar quarters, *etc.*, which were originally not provided and escalation in cost of material, *etc.* Additional funds of Rs.70.20 lakhs were required by MPLUN at the rate of Rs.1.56 lakhs per building (for 45 buildings) to meet the extra cost.

Out of 37 buildings which had been completed (August 1982) and taken over by the General Managers, the buildings of 3 DICs (Bastar, Rajgarh and Sehore) were reported to be defective. While no procedure was prescribed by the department for taking over and

maintenance of the DIC buildings, it was stated (October 1982) by the department that the deficiencies in the quality and workmanship were brought to the notice of the competent supervisory auhthority of the MPLUN who had taken steps to rectify the defects.

6.2. *Vehicles.*—Under the scheme, non-recurring grantfor purchase of vehicles (preferably diesel operated jeeps) was given by the Government of India (amount included in the non-recurring grant). According to the guidelines, not more than 2 vehicles were to be provided per DIC and vehicles provided under the Rural Industries Project Scheme were to be utilised so as to reduce the number of vehicles to be purchased during 1978-79 to 1980-81 the department purchased 83 jeeps (cost: Rs.48.94 lakhs), 4 Ambassador cars (cost: Rs.2.18 lakhs), and 1 Matador (cost: Rs. 0.71 lakh). Out of 83 jeeps thus purchased, 74 jeeps were provided to DICs; 9 jeeps were with the Zonal Offices (4) and the Director (5). Three, out of 4, cars and 1 Matador were also retained by the Director and the remaining 1 car was provided to the zonal office at Durg. Information regarding the nubmer of vehicles procured under the Rural Industries Project Scheme, which were to be transferred to the DICs, was not available with the Director (March 198 3). Thus, 14 vehicles (cost: Rs.8.41 lakhs) were not supplied to the DICs and were retained by the Director (number of vehicles: 9; cost: Rs. 5.58 lakhs) and allotted to the Zonal Offices (number of vehicles:5; cost: Rs. 2.83 lakhs).

7. *Credit facilities*

7.1. *Seed-Margin money loans.*—According to the scheme, loans/grants amounting to Rs. 147 lakhs given by the Government of India were intended for grant of soft loans as seed money/margin money at 2/4 per cent to the educated unemployed entrepreneur through DICs. However, no rules were framed by the State Government for grant of seed money/margin money loans and instead, the amount was disbursed under the existing State Aid to Industries Act, 1958 and through the Madhya Pradesh Co-operative Bank Limited, Bhopal (Apex Bank) without ensuring that the conditions prescribed by the Government of India were fulfilled, as stated below :—

(*i*) During 1978-79 and 1979-80 Rs. 56.18 lakhs were disbursed as loans to entrepreneurs the existing rules (viz., State Aid to Industries Act, 1958) at 6.5 per cent per annum.

(*ii*) Rupees 86 lakhs were paid during 1979-80 and 1980-81 to the Apex Bank at 6.5 per cent per annum for advancing the same to Central Co-operative Banks for financing establishment of new Industries in rural areas with an additional margin of 3.5 per cent. The Apex Bank reported (January 1982) that loans amounting to Rs. 120.16 lakhs were disbursed to 10,781 rural artisans. The Government of India, however, objected (March 1982) to the diversion of these funds to the Apex Bank on the ground that the loan grant was to be utilised entirely as seed money/margin money and was to be disbursed through DICs directly and not through any Co-operative Bank. The Director stated (September 1982) that no justification for diversion of loan grant was furnished to the Government of India.

Information whether the loans had been disbursed only to the educated unemployed entrepreneurs, as contemplated by the Government of India, was not available with the Director (January 1983). It was also observed in audit that loans were granted by the department at higher rates, viz., 6.5 per cent, under the State Aid to Industries Act, and 10 per cent by the Apex Bank to the entrepreneurs against the rate of 2/4 per cent fixed by the Government of India for grant of soft loans.

7.2. *Financial assistance from lead banks.*—The Manager (Credit), in a D.I.C was to arrange for providing all information to entrepreneurs pertaining to credit schemes and help them in obtaining loans from banks and financial institutions. For this purpose, he was required to provide all assistance in getting the loan application form filled in and arrange

for the processing and transmission of the same to the lead bank. He was to maintain close liason with the financial institutions to get loan cases sanctioned.

The overall position of loan cases sent to banks and disposed of by them since 1979-80 (information for the year 1978-79 was not available) as reported by the Director, was as under :—

Year	Cases sent to banks by DICs		Cases sanctioned by banks		Cases pending with banks	
	Number	Amount	Number	Amount	Number (Percentage)	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		(*Rupees in lakhs*)		(*Rupees in lakhs*)		(*Rupees in lakhs*)
1979-80	10,644	*	6,323	4,88.42	2,768(23)	*
1980 81	12,422	*	8,181	10,07.75	5,799(34)	12,23.91
1981-82	21,099	*	13,100	10,73.93	3,283 @	6,11.30 @

Although a time limit of four to nine weeks was laid down by the Reserve Bank of India for finalisation of loan cases, there were abnormal delays in sanctioning loans by the banks in 10 out of 13 D.I.Cs. during 1979-80 to 1981-82 for which information was available.

Name of D. I. C.	Cases sent to banks	Cases sanctioned 1979-80 to 1981-82	Cases sanctioned involving delays of		Cases pending with banks for more than		
			6 months	1 year and more	6 months	1 year	2 years
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Bastar	2,794	1,432	412	34	217	80	58
Bhopal	513	192	..	49	..	252	62
Chhindwara	611	584	41	..	..	14	..
Khandwa	1,476	613	594	19	123	189	263
Mandla	1,634	1,324	306	2	32	122	72
Mandsaur	1,651	1,134	366	41	36	18	197
Raigarh	2,619	1,314	93	..	76	426	224
Surguja	2,351	1,356	515	49+	6	15	2
Tikamgarh	1,002	510	116	36+	110	72	27
Vidisha	627	189	64	10	120	209	58

The delay was attributed by the banks to the shortage of field staff and delays in receipt of no dues certificates from other financial institutions. However, due to delay in sanctioning of loans by the banks and heavy pendency of loan cases, the objective of providing effective arrangements for credit facilities could not be achieved.

8. *Fiscal incentives.*—The Central and State Government had been giving various fiscal incentives to attract entrepreneurs in establishing and expanding their existing industrial units. During 1978-79 to 1980-81, the total incentive amounted to Rs. 586.90 lakhs on 10-15 per cent Central Investment subsidy scheme for 65 industrially backward blocks in 22 districts (Rs. 225. 91 lakhs), Sales tax subsidy (Rs. 168.64 lakhs), Electric power subsidy (Rs. 180.69 lakhs) and State Capital subsidy for all small scale and tiny units in rural areas (Rs. 11.66 lakhs).

* The information regarding the amount of loan cases sent to banks by various DICs during 1979-80 to 1981-82 and amount of pending loan cases for 1979-80 was not available with the department (February 1983).

@ Upto December 1981.

+ Include 3 and 12 cases respectivly of Surguja and Tikamgarh districts where delays of 2 years and more occurred.

Erroneous payments aggregating Rs. 3.21 lakhs were noticed in grant of subsidies details of which are given below :—

(*i*) In Dhar, in two cases in which Central Investment subsidy aggregating Rs. 2.12 lakhs was given to industrial units, which went out of production within five years of the grant of the subsidies. Revenue recovery certificates were not issued till April 1982.

(*ii*) A sum of Rs. 1.09 lakhs was paid to 9 units in 1980-81 and 1981-82 (Raigarh: 6 units, Rs. 0.12 lakh and Bastar: 3 units, Rs. 0.97 lakh) contrary to the scheme as these units were registered prior to 26th January 1980.

9. *Provision of raw-materials.*—

9.1. The work of distribution and checking of utilisation of the controlled and scarce raw-materials like coal, cement, paraffin wax, molasses and spirit, iron and steel was done by the Director. No powers in this regard were delegated to the General Managers except allocation of cement quota to units having requirement up to 10 metric tonnes. The D.I.Cs. were required to send to the Director annual demand of the industrial units. It was, however, noticed from the records relating to demand and allotment of scarce/controlled commodities in the Directorate for the year 1979-80 to 1981-82, that the allocations were 7.96 per cent of the demand in case of paraffin wax, 12.1 per cent in cases of iron and steel, 21.83 per cent in case of cement and 42.9 per cent in case of coal/coke.

9.2. The DICs were required to check the receipt and utilisation of the raw materials allotted to the industrial units every quarter and recommend the next year's cases with reference to proper utilisation during the previous year. It was, however, noticed in test-check that the utilisation of the scarce/controlled raw materials allotted to the respective industrial units was not being checked as indicated below :—

Name of D.I.Cs.	Year in which raw material was supplied	Number of units getting the raw material	Number of units where utilisation was not checked till March 1982
(1)	(2)	(3)	(4)
Khandwa	1978-79	84	80
	1979-80	100	91
	1980-81	114	95
	1981-82	83	67
Raigarh	1979-80	53	20
Dhar	1981-82	22	4
Tikamgarh	1981-82	45	19 (January 1982)
Surguja	1978-82	43	21

9.3. In the Raigarh DIC, 113 units were supplied 1,357 bags of paraffin wax, valuing Rs. 1.75 lakhs, in the year 1977. Misutilisation of this raw material was noticed in 70 cases which were stated to be under police investigation (April 1982). During departmental inspections of 32 coal depots in Gwalior district, conducted in January and March 1981, 26 depots were found non-existing. Information regarding the quantity of coal allocated to these units was not made available by the Director (March 1983).

The departmental supply of scarce raw material to a unit was stopped after the detection of its closure during inspection in September/October 1979. In February-March 1980, the DIC, however, noticed that the unit had obtained (December 1979) 21 bundles of Japanese imported tin sheets valued at Rs.1.80 lakhs against the import licence of October 1978 and purchase order of June 1979 issued by the Steel Authority of India. Out of these,

10 bundles of tin sheets were misutilised by showing the same as sales of their product, *e.g.*, buckets of persian wheel, etc. In March 1980, the DIC cancelled the registration of the unit and referred the case to the Chief Controller of Imports and Exports. After investigation, the Chief Controller of Imports and Exports imposed (June 1982) penalty of Rs.1.80 lakhs on the defaulting unit and debarred it from importing any goods and/or receiving import licences for three years from April 1982. Further developments regarding recovery of penalty are awaited (March 1983).

10. *Entrepreneural training.*—Rural Entrepreneural Development Programme launched by the department from 1978-79 as a State Plan Scheme was intended to impart training to the rural artisans in selected trades/industries so as to develop entrepreneurship and desired skill. Duriug the training period, the trainees were provided stipend and, after training, tool kits at subsidised rates. Against the propsoed cutlay of Rs.59 lakhs for five years from 1978-79, the actual expenditure incurred during 1978-79 to 1980-81 was Rs.6.75 lakhs. In 14 districts where the training Centres were established (total number of districts in which training centres were to be established was not specified), 1,568 artisans and 117 entrepreneurs were provided training up to March 1982. Information regarding the number of such trained persons who could set up their own industries was not, however, available (February 1983) with the Director.

11. *Infrastructure facilities.*—The department had provided basic facilities of land and sheds for industries in all the 45 districts. Till March 1982, there were 22 urban industrial estates, with 456 sheds in 17 districts, 29 semi-urban estates with 136 sheds and 50 industrial areas in 41 districts, and rural work-sheds in 36 villages in 33 districts. However, there were no rural work-sheds in 12 districts (Bhopal, Gwalior, Balaghat, Chhatarpur, Damoh, Guna, Hoshangabad, Morena, Narsinghpur, Panna, Rajgarh and Rewa) and no semi-urban industrial estate/area in four districts (Rajnandgaon, Sehore, Shahdol and Vidisha).

In addition, the department had proposed (March 1980) establishment of 290 growth centres with land and sheds (4-5 centres in every district) at Tahsil and Block headquarters for providing infrastructure facilities like communication, availability of raw materials, etc. Information regarding progress of establishment of growth centres was awaited (September 1982) from the Director.

Test-check of records in 13 selected DICs regarding development and allotment of lands and sheds revealed the following:—

(*i*) In five DICs (Bastar, Chhindwara, Tikamgarh, Mandsaur and Vidisha) seven sheds were not allotted and remained vacant since their construction (1961 to 1967).

(*ii*) In twelve DICs (except Bhopal), out of 609.61 acres of developed land, 409.94 acres of land was not allotted and, consequently, remained vacant.

(*iii*) In five DICs (Bastar, Dhar, Mandla, Surguja and Vidisha) 351.37 acress of land was yet to be developed.

(*iv*) In eight DICs (Bastar, Chhindwara, Dhar, Mandsaur, Mandla, Raigarh, Tikamgarh and Vidisha), losses of rent on 35 vacant sheds during the period from 1966-67 to 1981-82 amounted to Rs.2.44 lakhs.

(*v*) In twelve DICs (except Bhopal), arrears of rent amounting to Rs. 7.98 lakhs were outstanding. The Director stated (September 1982) that the department had issued revenue recovery certificate to Revenue Department for recovery of outstanding rent. Further developments regarding recovery of arrears of rent were awaited (March 1983).

(*vi*) In Gwalior, eight cases of encroachment/misutilisation of land (262.03 acres) were reported. Of this, 174.87 acres were occupied by 77 cultivators in one case. In two cases, 8.73 acres of land were used for construction of houses by 171 persons. Of the

remaining five cases of misutilisation of 78.43 acres of land, 4 cases were reported to be *subjudice* (June 1982) and Government's decision for cancellation of allotment orders was awaited in one case.

12. *Quality control and research facilities.*—For providing the facility of quality control on tools and products of the small scale industries, two testing laboratories at Bhopal, Gwalior, and five tool rooms at Bhilai, Bhopal, Gwalior, Indore and Raipur were proposed to beset up departmentally in 1979-80 and 1980-81 at the budgeted cost of Rs.21.34 lakhs. Only one tool room started functioning at Bhopal from April 1980 benefitting 108 industrial units in 1980-81 and 138 units in 1981-82. The Director stated (March 1982) that the number of beneficiaries would increase when additional machinery and equipment were provided.

In September 1976, the department proposed to set up Testing Laboratory and Tool Room at Sehore for providing facilities to the ancillary units of transport industry. Equipment valued at Rs.1.19 lakhs was purchased in 1978 and 1979 to be installed in 2 departmental sheds (cost of construction: Rs. 2.80 lakhs). The equipment remained uninstalled, however, as it was stated that there was no encouragement to the small industrial units from the Madhya Pradesh State Road Transport Corporation. Pursuant to a decision taken in May 1980, the equipment was shifted to Bhopal in May 1981. Expenditure on the staff engaged at Sehore during 1978-79 to 1980-81 aggregated Rs. 0.47 lakh. The departmental sheds at Sehore were not allotted to industrial units (December 1982).

13. *Monitoring and inspections.*—(*i*) The programme envisaged an in-built monitoring system by setting co-ordination and Advisory Committees at the State and District levels. The State level Committee was to meet once in six months to review and report, *inter-alia* the progress of the programme from time to time, District level Committees were to meet at least once in two months to arrange for effective co-ordination between the DICs and of the State Government departments/undertakings, local bodies and non-official agencies. It was, however, observed in audit that only one meeting of the State level Committee was held on 27th February 1979. No meetings of District level Committees were held in 4 DICs continuously for three years and in 16 DICs for two years.

(*ii*) Under the scheme, inspection of all units set up under the DICs was to be conducted by the Managers and Inspectors. Records of such inspections were not maintained in 8 DICs (Bastar, Bhopal, Gwalior, Khandwa, Mandsaur, Surguja, Tikamgarh and Vidisha). No inpsection was conducted in 2 DICs (Chhindwara and Raigarh) and in 2 DICs the rate of inspection was low (Dhar—Total units: 1,665—Inspected; 427; Bhind—Total units: 9,480—Inspected: 393).

(*iii*) Although 177, out of 39,237 units in the State, were reported as closed down (August 1981), it was seen in audit that 262 units were closed down in 13 selected districts till March 1982. In DICs Raigarh, Vidisha and Bhind the banks also reported to Audit that 15 units which were given loan of Rs. 7.63 lakhs had closed down but the department was not aware of the closure of these units.

14. *Summing up.*—(*i*) Against the total outlay of Rs. 599.29 lakhs, expenditure of Rs. 582.76 lakhs was incurred during 1978 to 1982 including central assistance of Rs. 361.18 lakhs; 22 DICs were set up in the State in June 1978 and 23 in April 1979.

(*ii*) As against the approved pattern of 4 Functional Managers and 3 Project Managers, 5-6 Functional Managers were provided to each DIC. Thirteen, out of 45, General Managers and 133 out of 332, Functional Managers were untrained.

(*iii*) Action Plans of DICs were prepared late after lapse of 6 to 23 months and, in the meanwhile, industries continued to be established on the basis of the available data.

(*iv*) Against the total target of 58,448 units which included modernisation of existing rural artisans units for the period 1978-79 to 1981-82, 74,203 units were set up. Information regarding the number of new units *per se* set up was not on record. Target of employment of 2.37 lakh persons for the period from 1979-80 to 1981-82 was not achieved in

20-39 DICs; the overall acheivement being employment generation of 1.70 lakh persons. The rate of industrial growth was more in 'Advanced' districts and 'Backward-A' category districts, in comparison to districts of 'Backward-B' and 'C' categories. No district was upgraded from 'Backward' to 'Advanced' category; four 'Advanced' districts were, however, down-graded to 'Backward' category in 1981-82.

(*v*) Out of 45 buildings, for which funds were placed at the disposal of the MPLUN, 37 buildings were completed, of which 3 were reported as defective. Out of 88 vehicles purchased, 9 jeeps, 4 cars and 1 matador were with the Director and Zonal Officers. Information regarding the number of vehicles procured under the RIP scheme which were transferred to the DICs was not available with the Director.

(*vi*) Loan grants meant for giving soft loans to educated unemployed entrepreneurs through DICs at the interest rate of 2/4 per cent per annum were utilised for giving loans under the State Aid to Industries Act and through the Apex Bank at 6.5 per cent per annum and 10 per cent per annum. The loan grants were neither wholly disbursed to educated unemployed entrepreneurs nor on the soft terms as envisaged in the scheme.

(*vii*) Credit facilities in the shape of loans given by the banks were not prompt and adequate.

(*viii*) Erroneous payments aggregating Rs.3.21 lakhs were noticed in two cases of Central Investment subsidy and nine cases of State capital subsidy.

(*ix*) There were shortfalls in provision of scarce raw materials. The utilisation of scarce raw materials was also not being checked regularly.

(*x*) The State level committees met only once in February 1979. District Committees did not meet once in two months as envisaged in the programme. Departmental inspections to ensure viable operation of industries were not regularly conducted by the DICs; sick and closed industrial units were not promptly and fully identified for timely assistance.

The matters were reported to the Government in July 1982; reply is awaited (March 1983).

PUBLIC HEALTH AND FAMILY WELFARE DEPARTMENT

3.9. Mobile Venereal Diseases Clinics

The Government sanctioned (February 1977) Rs.3.50 lakhs (including Rs.0.15 lakh towards establishment during 1976-77) for purchase of five mobile vans (Rs.2.75 lakhs), laboratory equipment (Rs.0.15 lakh) and medicines, *etc.* (Rs.0.45 lakh) for the establishment of five mobile venereal diseases clinics in the tribal districts of Bastar (3) and Surguja (2). The amount was advanced from the Contingency Fund in March 1977. The clinics were to be established for organising specific group service of vulnerable population in tribal areas for new venereal disease cases, tracing contracts of an index case, organising and supervising home treatment and giving health education in prevention and control of sexually transmitted diseases. Each mobile clinic was to be manned by an Assistant Surgeon, a Laboratory Technician, an Auxiliary Nurse, a driver and a sweeper.

Test-check (July 1980 and January 1982) of the accounts of the Director of Health Services revealed the following:—

(*i*) Although sanction for the purchase of vehicles was issued by Government in February 1977, the quotations for purchase of vehicles were sent by the Director of Health Services, to Government in August 1977 and the purchase committee directed (September 1977) that quotations should be invited separately for chassis and bodies. Decision of the purchase committee regarding the purchase of chassis and placing orders for

body-building was communicated in February 1978 and the vehicles were received by the District Health Officers, Bastar and Surguja in May 1979 only.

(*ii*) The staff required for the mobile clinics was either posted late or posts kept vacant as indicated below :—

S. No.	Category of staff	Bastar			Surguja		
		Number required to be appointed	Number appointed	Month of appointment	Number required to be appointed	Number appointed	Month of appointment
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Assistant Surgeon	3	1	November 1980	2	1	August 1982
			1	March 1981			
2.	Laboratory Technician	3	1	February 1982	2	1	January 1982
			1	September 1982		1	September 1982
3.	Auxiliary Nurses	3	Nil		2	Joined 2	Date not given
4.	Driver	3	1	June 1979	2	2	March 1982
			1	July1979			
			1	December 1979			
5.	Sweeper	3	Nil		2	Joined 2	..

Posts of 2 Assistant Surgeons (Bastar:1, Surguja:1), 1 Laboratory Technician (Bastar) and 3 Auxiliary Nurses (Bastar), 3 Sweepers (Bastar) remained vacant (January 1983).

(*iii*) To an enquiry in Audit regarding the work done by the clinics, the Director of Health Services stated (June 1982) that the required information was not readily available. However, according to the information collected (May 1981 and August 1982) by Audit from the two districts, the clinics had not started functioning (August 1982) and the mobile vans were being used for health survey, family welfare work, ambulance duty, *etc.* Excepting the purchase (March 1982) of some equipment (cost: Rs.0.04 lakh) in Bastar District, no other medicine or equipment was purchased for which Rs.0.61 lakh had been provided.

(*iv*) The services of the staff were utilised in the district hospitals and Primary Health Centres. Even though none of the mobile clinics had started functioning, an expenditure of Rs.0.76 lakh was incurred on pay and allowances of such staff up to March 1982. An amount of Rs.0.21 lakh, incurred on pay and allowances of two Assistant Surgeons for the period September 1978 to April 1979, entertained in excess of the sanctioned strength of the District Hospital, Ambikapur, was debited as expenditure on mobile venereal diseases clinics even though the mobile vans had not been supplied till May 1979.

In January 1983, the Director of Health Services intimated that the incidence of venereal diseases in Bastar and Surguja was the highest in Madhya Pradesh and 1,137 and 437 cases, 1,732 and 540 cases and 2,856 and 212 cases were diagnosed and treated in Bastar and Surguja, respectively, during the years 1978-79, 1979-80 and 1980-81. The delay in the appointment of Assistant Surgeons was attributed to a misunderstanding regarding the

partial ban on appointment of staff in tribal areas during 1978-79 and non-reporting for duty of the Assistant Surgeons appointed to the Mobile Venereal Diseases Clinics. Thus, although the scheme of Mobile Venereal Diseases Clinics was sanctioned in February 1977, the objectives of organising specific group service of vulnerable population in tribal areas for new venereal diseases cases, tracing contacts of index cases, organising comprehensive home treatment and giving health education in prevention and control of sexually transmitted diseases were not achieved.

The matter was reported to Government in February and June 1981; reply is still awaited (March 1983).

FOREST DEPARTMENT

3.10. Extra expenditure on Fire Protection Operations

(*a*) According to working plan, under Forest Manual the Divisional Forest Officer has to prepare a "Fire Protection Scheme" for the division, *inter alia*, indicating fire lines roads, ridges, culverts and artificial cutstrips to be covered up stating source of labour, cost estimate of each to be duly approved by the Conservator of Forests who fixes job rates for various items of work each year.

During test-check (July 1980-March 1981) of the accounts of four forest divisions (North Bastar, East Bastar, Dewas and North Seoni) it was observed that fire protection operations were carried out on muster rolls (*i.e.* on daily rate basis) instead of on job rates already approved by the respective Conservators of Forests. This resulted in avoidable extra expenditure of Rs. 1.28 lakhs as detailed below :—

S. No.	Name of the division	Period	Expenditure actually incurred on fire protection work on Muster roll basis	Expenditure that should have been incurred on job rate basis on fire protection work	Excess expenditure on fire protection work
(1)	(2)	(3)	(4)	(5)	(6)
			(*Rupees*)	(*Rupees*)	(*Rupees*)
1.	North Bastar	December 1978 to April 1979	77,988	29,517	48,471
2.	East Bastar	November 1978 to April 1979			
		November 1979 to April 1980	68,332	23,624	44,708
3.	Dewas	April 1979 to March 1980	42,260	19,798	22,462
4.	North Seoni	December 1980 to February 1981	21,044	8,945	12,099
		Total	2,09,624	81,884	1,27,740

or say Rs. 1.28 lakhs.

(*b*) (*i*) In three divisions (North Bastar, East Bastar and Dewas) during the period from November 1978 to April 1980, 43 cases were noticed in which payment of Rs. 0.20 lakh was made for fire protection operations, though the details of area covered up, length and width of roads,ridges,strips, cleared up/constructed were not mentioned on the vouchers, as such the genueneness of the payments could not be established.

(*ii*) In one division(Dewas)fire protection works were carried out without preparation of the fire protection scheme and approval of the same by the Conservator of Forests as envisaged in the working plan.

In another Division (Jashpurnagar) fire protection works were carried out(May 1979 to May 1981) by the Ranger without preparation of the fire protection scheme and approval of the same by the Conservator of Forests as envisaged in the working plan of the division. The expenditure, on this account amounted to Rs. 1.55 lakhs which was incurred on engagement of labourers on daily wages in contravention of the provisions of working plan. No records indicating the areas under complete and general protection, estimated cost of operation, number of fire watchers to be appointed, and their beats were made avaialable to Audit (July 1981).

The Divisional Forest Officers (North and East Bastar) stated (July and August 1980) that these operations were carried out on daily rate basis as the labourers were not forthcoming/available on job rates and work done on job rates was unsatisfactory. The Divisional Forest Officer, Dewas, however, stated that job rates fixed by the Conservator, were only guidelines thereby implying that their application was not mandatory. The rates were, however, fixed by the Conservator of Forests which were to be allowed by the Divisional Forest Officer. The confirmation of Divisional Forest Officer, Dewas's statement was called for from Government/Principal Chief Conservator of Forests (January 1982); reply is yet awaited (March 1983).

The matter was brought to the notice of the Government and Principal Chief Conservator of Forests, Madhya Pradesh, Bhopal (March 1981); reply is awaited (March 1983).

3.11. Extra expenditure of Rupees 1.16 lakhs

During the course of test-check of the accounts of the Divisional Forest Officers(T) Dhar, West Khargone, Sagar and Jashpurnagar conducted in 1980-81 and 1981-82, it was noticed that the specifications and rates prescribed/approved by the respective Conservators of Forests for various items such as construction of dry stone wall for cattle protection, repairs to wall, clearance of trenches and filling half pits by good and productive soil, were not correctly observed, resulting in extra expenditure of Rs. 1.16 lakhs as under :—

Name of the work	Name of Division	Approved specification/rates	Specification/rates at which work was done by the Divisions	Rates at which payment should have been made due to change of specification	Diffrence in rate	Work done	Extra expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
							(*Rupees in lakhr*)
Construction of dry stone wall and cattle proof trenches	Dhar(T)	1.50×1.25×M³ Rs. 3 to 6 PRMt	1×1.25×0.75M³ Rs. 5 PRMt	Rs.3 PRMt	Rs. 2 PRMt	13,748 RMts	0.27
	-do-	-do-	1.22×0.91×0.61M³ Rs. 6 PRMt	Rs. 2 PRMt	Rs. 4 PRMt	885 RMts	0.04
	Sagar	1.30×1.30×0.80M³ Rs.7 PRMt	1.30×1.30×0.80M³ Rs. 8.50 PRMt	Rs. 7 PRMt	Rs.1.50 PRMt	3,375 RMts	0.05
	-do-	-do-	-do- Rs.8 PRMt	Rs.7 PRMt	Re. 1 PRMt	868.25 RMts	0.01
	-do-	-do-	-do- Rs. 8.58 to 15.44 PRMt	Rs.7 PRMt	Rs. 1.58 to 8.44 PRMt	494 RMts	0.03
	-do-	-do- Rs.7 PRMt or 50 cft	3'×3'×2' or 18 cft. Rs. 19.44 per 50 cft. or 1 PRMt	Rs.7 per 50 cft	Rs. 12.44 per 50 cft	874 RMts	0.11
	W/Khargone	PCMt soft soil Rs.2 PCMt	PCMt soft soil Rs. 3 PCMt	Rs. 2 PCMt	Re. 1 PCMt	479 CMts	0.01
	-do-	PCMt hard soil Rs. 3 PCMt	PCMt hard soil Rs. 3.85 PCMt	Rs.3 PCMt	Re.0.85; PCMt	3.890 CMts	0.03
	T'garh	Stone wall Rs. 6 PRMt	Stone wall Rs. 7 PRMt	Rs.6 PRMt	Re. 1 PRMt	1,951	0.02
Filling pits by good and productive soil digging	Dhar..	30×30×30 CM³ Rs. 10 per 100 pits	45×30×30 CM³ Rs. 18 per 100 pits	Rs.15 per 100 pits	Rs.3 per 100 pits	564773	0.17
	W/Khargone	45×45×35 CMS Rs. 25 per 100 pits	45×45×45 CMt Rs. 45 per 100 pits	Rs. 25 per 100 pits	Rs. 20 per 100 pits	55475	0.11
Repairs to walls	Dhar	Re. 0.25 per RMts	Re. 0.50 per RMt	Re. .25 PRMT	Rs. 0.25 PRMt	27480	0.07
	-do-	-do-	-do-	-do-	-do-	27107	0.07
					Total 'A'		0.99

B : In Jashpurnagar (T) Division it was seen by the Audit (July 1981) that rates fixed by the Conservator of Forests for construction of dry stone wall and digging of cattle-proof trenches for the year 1980-81 were not followed by the division resulting in extra expenditure to the tune of Rs. 0.17 lakh as below :—

Name of work	Soft surface	Hard surface	Rocky surface	Dry stone wall
(1)	(2)	(3)	(4)	(5)
Total quantity of work done	13179.5 RMts	1481 RMts	10852 RMts	2240 RMts
	150×120×90	150×120×90	150×120×90 674 RMts. 150×100×90	
Rates as approved by the C. F.	Rs. 2.10 PRMt	Rs. 2.40 PRMt	Rs. 3.20 PRMt (for 150×120×90) Rs. 2.65 PRMt (for 150×100×90)	Rs. 6 PRMt.
Expenditure that should have been incurred as per approved rates	Rs. 27,677	Rs. 3,554	Rs. 34,727 Rs. 1,786	Rs. 13,440
			Rs. 36,513	81,184
		Expenditure actually incurred		98,049
		Excess expenditure—Total 'B'		16,865
			Or say Rs. 0.17 lakh.	

The matter was reported to the Government in July 1981; reply is awaited (March 1983).

3.12. Extra expenditure on purchase of angle iron poles

The Divisional Forest Officer, Gwalior placed (October 1978) orders on the Madhya Pradesh Laghu Udyog Nigam, Bhopal for supply of 15,000 poles of 1.85 metre length each (Gwalior : 10,000 poles, Datia : 5,000 poles) for utilisation in fencing with barbed wire. The Nigam, not being manufacturers, places orders, at agreed rates, on the indigenous manufacturers to supply the articles direct to the consignees. The Nigam instead orderd (February 1979) firms at Gwalior and Guna to effect supplies as under :—

Name of the firm	Quantity to be supplied	Rate	F. O. R. Destination
(1)	(2)	(3)	(4)
		(*In rupees*)	
Firm 'A' Gwalior	10,000	19 per pole.	Datia
Firm 'B' Guna	5,000	At the ruling rate (exact rate was not specified).	Gwalior

When the Divisional Forest Officer pointed out the inconsistency in the supply order the Nigam changed the above order and asked (March 1979) the Firm 'A' at Gwalior to effect supplies at Gwalior at Rs. 16.50 per pole (rate applicable for local delivery). The Firm 'A', however, offered to make supplies only at Datia. No decision was taken on the above offer either by the Nigam or by the Divisional Forest Officer and the entire quantity of 15,000 poles was subsequently obtained from the firm 'B' at Guna @ Rs. 14.75 per metre excluding taxes and transportation which worked out to Rs. 31.00 per pole, resulting in incurring an extra expenditure of Rs. 0.56 lakh which could have been avoided had at least 5,000 poles been obtained from firm 'A' for Datia.

(*ii*) Out of the 15,000 poles purchased in March 1979, 2,960 poles were defective. Of these 2,100 poles were replaced/repaired (June 1979) and 860 poles valued at Rs.0.28 lakhs were still lying unreplaced/unrepaired (August 1982).

The matter was brought to the notice of the Government and the Principal Chief Conservator of Forests in March 1981. The Principal Chief Conservator of Forests, Madhya Pradesh intimated in June 1981 that the responsibility for this rests with the M.P. Laghu Udyog Nigam authorities. As regards defective unreplaced angle irons (860 poles, value: Rs. 0.28 lakh) it was stated that action to get them replaced was in progress.

Comments of the Government are awaited (March 1983).

3.13. Extra expenditure in purchase of hessian bags

The tender of a Calcutta based firm for the supply of hessian bags (used for packing of tendu leaves) at the rates of Rs. 571.41 and Rs. 552.51 per hundred bags of 60″×45″ and 56″×45″ sizes, respectively (F.O.R. destination) was approved (April 1978) by the Conservator of Forests, Bilaspur. The agreement signed on 2nd May 1978 by the firm stipulated a total supply of 1,81,875 bags within a week subject to the Divisional Forest Officers (6) of the circle intimating the exact requirements direct to the firm. The Divisional Forest Officer, Raigarh (General), placed the order on the firm on 6th May 1978 for supply of 90,375 bags of both sizes within 7 to 10 days. The firm could, however, supply only 16,000 bags up to 16th May 1978 to this Division. As the requirement of bags for packing of the tendu leaves of 1978 season was considered urgent, the Conservator of Forests directed the Divisional Forest Officers, on 19th May 1978 to arrange the supply of bags by local purchase. Though the delay on the part of the Calcutta firm and its inability to supply the requirement by the stipulated date had thus come to the notice of the department on 19th May 1978 no action was taken to terminate the contract and inform the firm that supplies were being arranged from other sources at the cost and risk of the firm as provided for in the contract. The Divisional Forest Officer, Raigarh placed (19th May 1978) an order for 50,000 bags on a local firm at the rate of Rs.6.80 per bag for a delivery period of one week, *i.e.* at a rate higher by Rs.1.09 per bag compared to the Calcutta firm's rate for the bigger size bag with identical delivery period. By the time the local firm's supply materialised (between 29th May 1978 and 4th June 1978) the Calcutta firm also completed the supply in full (27th May 1978). The total quantity procured from both the firms stood at 1,40,375 (local firm: 50,000; Calcutta firm: 90,375). Out of this 54,100 bags were used in 1979 season and 9,360 in 1980 season. Thus, the purchase of 50,000 bags from the local firm at a total cost of Rs. 3.40 lakhs while orders were already placed with the Calcutta firm was not justified. Moreover, an extra expenditure of Rs. 0.55 lakh was incurred in purchasing 50,000 bags from the local supplier to whom higher rates were agreed to @ Rs. 1.09 per bag with identical delivery period and other terms of supply.

On this being brought (January 1979) to the notice of Government it was stated (May 1982) that the purchases would have been made by the Divisional Forest Officer keeping in view the estimated requirements and that as actual collections of tendu leaves could fall short of estimates due to natural causes, it was natural that the number of bags purchased turned out to be excessive. It was also stated that considering the higher prices of bags prevalent in 1979 and 1980 seasons (Rs. 6.51 and Rs. 6.87 per bag respectively), the excess purchase did not result in any loss to Government. It was, however, noticed in audit that the Divisional Forest Officer placed the order for supply of 90,375 bags (May 1978) against which a supply of 1,40,375 bags were obtained out of which 76,915 bags were used in 1978 season itself. The procurement of 50,000 bags from local supplier was in excess of this requirment. The rates for the year 1979 i.e. Rs. 6.51 per bag was less than price paid for the supply of the local supplier and the rate for the year 1980 i.e. Rs. 6.87 per bag was marginally (Rs. 0.07 per bag) higher. Therefore, no gain as envisaged in the reply of the Government actually occurred. Due to

unplanned purchase of additional 50,000 bags at higher rate from a local supplier at a time when supply was being received from the original supplier (Calcutta firm) an extra expenditure of Rs. 0.55 lakh was incurred and Rs. 3.40 lakhs of Government funds were blocked up for 24 months.

The matter was reported to the Government in September 1982; reply is awaited (March 1983).

INFORMATION AND PUBLICITY DEPARTMENT

3.14. Establishment of Information Centre at Bombay

Government decided on 25th September 1980 to set up an Information Centre at Bombay to be inaugurated on Ist November 1980. In response to offer dated 23rd September 1980 received from a Bombay firm, the Publicity Department purchased a shop (1557 sft. in ground floor and 925 sft. in mezzanine) on lease for sixty years for establishing the Centre at World Trade Centre, Backbay Reclamations, Bombay at a cost of Rs. 20.40 lakhs. Rupees 0.58 lakh were spent on renovation of the premises.

A scrutiny of the records of the Directorate revealed (March 1982) that :—

(*i*) The purchase of the shop was made without inviting tenders/quotations for ascertaining the competitiveness and reasonability of the rates and obtaining valuation of the site and building by the Revenue Department in consultation with the Public Works Department at required under the Financial Rules. No sale-deed was also drawn up. No records were available to show whether any negotiations were held directly with the owners M/s MVIRD (Mokshagundam Vishweshwaraiya Industrial Research and Development Centre) Bombay to purchase this or any other suitable building in the same area. The Bombay firm had paid only Rs.5.48 lakhs to the owners M/s MVIRDC, Bombay, while taking it on lease for 60 years in March 1977.

The Department, agreed (August 1982) that in view of the paucity of time, all possible formalities could not be gone through and the sale-deed was under the consideration of the Law Department. However, the Government stated (September 1982) that reasonableness of rates, etc., was ascertained by the then Secretary, General Administration Department, verbally, by meeting several people, and firms, in view of the urgency to open the Centre from Ist November 1980. This could not be confirmed from the records made available to audit.

(*ii*) Estimates were called for by telex from a firm of interior decorators on 26th September 1980 and work was awarded at the price (Rs. 2.67 lakhs) quoted. The work was taken up and completed in October 1980. The manner in which the adequacy and competitiveness of the amount quoted by him was not ascertainable from records.

(*iii*) An amount of Rs. 5.00 lakhs was sanctioned (October 1980) for purchase of furniture and other decoration work including painting, mosaic flooring, etc. Out of this, Rs. 2.67 lakhs were paid to a State Government undertaking for decoration work; furniture (Rs.0.76 lakh) was purchased from a private firm without obtaining quotations and Rs. 0.23 lakh was paid to a designer towards his travelling expenses. The State Government undertaking is yet (November 1982) to submit the detailed account of expenditure against the advance paid to it. The work was got executed without preparing detailed estimates, obtaining administrative approval or technical sanction and calling open tenders as per prescribed procedure.

The Centre was inaugurated on Ist November 1980 and started functioning from Ist April 1981.

REVENUE DEPARTMENT

3.15. Non-recovery of lease rent of Rs. 28.62 lakhs from Jiwaji University, Gwalior

Government decided to transfer 216.92 acres of land in Gwalior Tehsil, Gwalior District to the Jiwaji University, Gwalior (1965) out of which possession was given for 148 acres only. The remaining 68.92 acres of land was reported to be under encroachments and its transfer to the University had not, therefore, been possible (June 1982).

A proposal for fixing the premium and annual lease rent at Rs. 20.45 lakhs and Rs. 0.51 lakh respectively for the area actually transferred based on average market rate, was sent by the Collector to the Government for the first time in July 1980, i. e., after more than 14 years. A perusal of the records revealed that the matter was under correspondence between the Collector and the Commissioner for fixing premium and annual lease rent. The sanction of the Government to the proposal was awaited (June 1982). On this basis, a sum of Rs. 28.62 lakhs had become due (February 1982) to be recovered from the University.

The loss of Government land(68.92 acres) due to failure of the Collector to remove the encroachment has not been assessed March 1983).

The matter was reported to the Government (December 1976 and again in February 1982); reply is awaited (March 1983).

3.16. Drawal of funds in advance of requirements

The Financial Rules of the State Government provide that money should not be drawn from the treasury unless it is required for immediate disbursement and any unspent balance should be refunded promptly. In the absence of proper acknowlegement the possibility of elimination of defalcation of such amount can not be ensured. A test-check (October 1980) of account records revealed that a total sum of Rs. 2.39 lakhs was drawn by Tehsildar, Kawardha in contravention of these instructions at the fag end of the financial years 1977-78 to 1979-80 as detailed below :—

Month and year of drawal	Amount drawn	Purpose for which drawn	How utilised
(1)	(2) (*Rupees in lakhs*)	(3)	(4)
March 1978	0.30	Minister's Mass Contact Tour Works	Rupees 0.20 lakh paid in May 1978 and Rs. 0.10 lakh in November 1978 to Gram Panchayats.
March 1979	0.45	do.	Amount reportedly credited to the accounts of Gram Panchayats in Saving Bank Accounts in March 1979 though no acknowledgements were produced.
February 1980	1.19	Cash doles to Kotwars	The whole amount was deposited in February 1980 in the current account with the State Bank of India. The amount was reportedly disbursed to Kotwars by cheque though there were no acknowledgements on record.

Month and year of drawal	Amount drawn	Purpose for which drawn	How utilised
(1)	(2) (*Rupees in lakhs*)	(3)	(4)
March 1980	0.45	Minister's Mass Contact Tour Works	Amount reportedly credited to the bank accounts of Gram Panchayats in March 1980 though no acknoledgements were on record.
Total	2.39		

The matter was reported to Government in January 1981; reply is awaited (March 1983).

3.17. Irregular drawal from Scarcity Funds

Payment of cash doles to Kotwars at the rate of Rs. 33 per month in lieu of Jowar, as envisaged in the Scarcity Manual, was ordered by the Government in December 1979 due to non-availability of Jowar. Against a demand of Rs. 2.05 lakhs made (January 1980) by the Collector, Khandwa for the famine of 1979-80, Rs. 1.69 lakhs were allotted by the Government out of which an amount of Rs. 1.61 lakhs was drawn by Collector in March 1980 but only Rs. 0.32 lakh were paid (July 1980) to 319 Kotwars for 3 months of January 1980-March 1980 leaving a balance of Rs. 1.29 lakhs. Scrutiny of records by audit (August 1980) revealed that there were only 319 Kotwars who were entitled to receive the payment and the basis for placing demand for higher amount and for drawal of amount in excess of requirements was not available on record. The unspent amount of Rs. 1.29 lakhs had also not been refunded by the Collector into treasury till June 1982.

The matter was reported to Government (November 1980); reply is awaited (March 1983).

3.18. Purchase of defective machinery costing Rs. 1.04 lakhs

A test-check of account records of the Office of the Controller, Printing and Stationery, Bhopal revealed (July 1980) that four "Reel to Sheet cutting machines" were received from a Delhi based firm against orders placed in July 1979 and September 1979 for three and one machine respectively. These machines were installed at the Regional Presses at Gwalior, Bhopal, Rajnandgaon and Rewa during December 1979 and January 1980 at a total cost of Rs. 1.04 lakhs, which included Rs. 0.98 lakh paid to the firm being 95 per cent of the price.

The firm had guaranteed the satisfactory working of the machines for a period of 12 months from the date of installation and agreed to train the departmental staff in operating the machines. In case the machines were not found to be working satisfactorily, the firm was to either replace the machines or the defective parts thereof.

After the installation, it was found that all the four machines were cutting only two reels at a time instead of four as per the specification. Besides, there were defects like cutting knives being sub-standard and rings and bearings being worn out noticed during guarantee period. The firm which was asked (April 1980) to either replace the machines or their defective parts, intimated that the defects could be rectified at Government cost. The defects had not been set right nor has the cost of rectification been assessed by the Government. Thus the machines continue to be operated below their optimum capacity.

The Government has stated (November 1982) that each machine has been supplied with four stands as stipulated in the Notice Inviting Tenders and there was no stipulation that the machine should cut four reels at a time. The deprartment, however, specified the capacity of the machine for cutting four reels instead of two and did not acquire a machine with such a capacity. The Controller, Printing and Stationery has not considered it necessary to get other defects in the machines set right. The earnest money, security deposit and balance five per cent payment amounting to Rs. 8,982 has been forefited.

TRIBAL AND HARIJAN WELFARE DEPARTMENT

3.19. Schemes for Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes.

1. *Introductory*.—The Directive Principles of State Policy stipulate that, the State shall promote with pecial care, the educational and economic interests of the weaker sections of the people, and in particular of the scheduled castes and scheduled tribes and shall protect them from social injustice and exploitation. The scheduled castes and scheduled tribes constitute approximately 0.55 crore and 0.84 crore respectively, of the total population of 4.17 crores of the State as per 1971 census. In all, 14 programmes involving a total expenditure of Rs. 326.59 crores were implemented during the period from 1951-52 to 1981-82 (11 centrally sponsored schemes and 3 schemes financed by the State) vide details in Appendix III.1.

Important points which were noticed during the test-check (March-July 1982) in 9 out of 30 districts having larger scheduled castes and scheduled tribes concentration involving 14 offices of the District Organisers, Tribal Welfare (Khargone, Barwani, Jhabua, Alirajpur, Jagdalpur, Sukma, Raigarh, Jashpurnagar, Ambikapur, Baikunthpur, Ujjain, Dhar, Damoh and Bilaspur) and Offices of Directors Tribal Welfare, Harijan Development, Training and Research, are given in the succeeding paragraphs.

2. *Education*.—

(*i*) *Post-Matric Scholarships*.—Post-Matric Scholarships are granted to Scheduled Caste and Scheduled Tribe students to carry on their studies beyond Higher Secondary stage for pursuing various degree courses at prescribed rates. The rates were revised with effect from Ist July 1980 ranging between Rs. 85 and Rs. 225 per month for hostellers and between Rs. 50 and Rs. 105 per month for day scholars. The department had not made any field verifications of caste certificates.

The scheme envisaged that the State Government would finance the expenditure upto the total lev l of spending in the last year of the preceding Five year Plan; the excess amount would be met out of cent percent assistance of the Central Government.

During the period 1974 to 1982, as against an expenditure of Rs. 379.54 lakhs, the State Government provided Rs. 189.39 lakhs while the central assistance amounted to Rs. 302.93 lakhs. As against 0.78 lakh scholarships awarded to scheduled caste student in the State during the years 1974-75 to 1981-82 the number of scholarships awarded to scheduled tribe students was only 0.46 lakh. The Commission for Scheduled Castes and Scheduled Tribes observed (February 1980) in their First Report that even among the scheduled castes cummunity, more vocal communities like Mahars, Chamars, etc., came forward to receive the benefit of the scheme than other scheduled caste communities. In respect of scheduled tribes also, Gonds were prominent to receive the benefit compared to other scheduled tribes.

The instructions of the State Government regarding award of scholarships in two instalments in September and March every year were not observed. It was seen during test-check that there were delays in disbursement of scholarships as detailed below:—

Districts	Number of beneficiaries	Delay in months	Amount of scholarships
(1)	(2)	(3)	(4)
			(*Rupees in lakhs*)
Bilaspur and Bastar	1,229	3	10.70
Bastar and Jhabua	198	4	0.49
Bilaspur	4,271	5	36.86
Raigarh and Bilaspur	7,347	6	50.91

The Working Group on Tribal Development during the VI Plan observed (October 1980) that there had been complaints of delay in disbursement, so much so that on account of late availability of the first instalment some students had been unable to join the institutions as they had no funds to make advance payment of the initial fees, caution money, hostel dues, etc.

(*ii*) *Ashram Schools.*—The Ashram Schools were set up from 1956-57 onwards to provide overall development of Tribal and Harijan children by providing balanced diet as well as moral education. Boys and Girls in the ashrams were provided free-board and lodging, utencils, blankets, bed sheets, books, sports materials, etc. and paid stipends ranging from Rs. 75 per month to Rs. 90 per month to meet expenses on their living in ashrams and studies. Out of 202 ashram schools maintained by the Government (183 for tribals and 19 for harijan children), as on 31st March 1982 with a capacity of 5600 (5150 tribals and 450 harijans), 41 ashrams are located at the block/tahsil headquarters instead of in the interior, where other primary and middle schools were already established. The test-check disclosed that 108 school students dropped out after primary class. Out of 130 ashrams spread over the 9 districts test-checked, 11 ashrams in 6 districts were housed in rented buildings for which annual rent of Rs. 0.25 lakh was being paid, for want of Government buildings. Other ashrams were housed in Government buildings.

(*iii*) *Construction of Hostels:*—At the close of the third Five Year Plan, a programme for the establishment of girls' hostels was launched with the object of providing educational facilities to students of backward classes. Out of 1576 (1310 scheduled tribes+266 scheduled castes) pre-matric hostels proposed to be constructed to end of 1980-81, 122 (94 scheduled tribes+28 scheduled castes) were for girls. In the Fifth Five Year Plan, the Central assistance was increased for providing equipment for crafts like sewing, tailoring, training in fine arts, music, painting, embroidery, knitting and other cultural activities. No ceilings were fixed in respect of expenditure on construction of hostels and their maintenance.

According to information furnished (May 1982) by the Director, Tribal Welfare, Rs. 144.60 lakhs were provided for the scheme to the end of 1980-81 against which

Rs. 92.57 lakhs were spent on the construction of hostels as shown below :—

Plan period	Scheduled Castes				Scheduled Tribes			
	Number of hostels		Outlay provided	Outlay spent	Number of hostels		Outlay provided	Outlay spent
	Tar-get	Achie-vement			Tar-get	Achie-vement		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			(*Rupees in lakhs*)				(*Rupees in lakhs*)	
IV—Plan (1969-70 to 1973-74)	30	8	10.00	9.67	24	11	10.00	4.25
V—Plan (1974-75 to 1978-79)	7	Nil	14.45	3.21	6	Nil	15.88	5.00
1979-80	Nil	Nil	6.37	Nil	Nil	Nil	5.90	Nil
1980-81	Nil	Nil	12.00	0.44	Nil	Nil	70.00	70.00
1981-82	Nil	Nil	..	..	Nil	Nil	..	..
Total	37	8	42.82	13.32	42	11	101.78	79.25

Out of 79 buildings which were to be constructed till 1980-81 only 19 buildings were constructed. The objective to provide girls', hostels was not served to that extent.

(*a*) Out of 13 hostels taken up for construction in nine districts (Khargone, Jhabua, Bastar, Raigarh, Surguja, Ujjain, Dhar, Damoh and Bilaspur) during the Fifth Plan period only two were completed so far (February 1983).

(*b*) The shortfall in the admission of students as compared to the capacity of the hostels ranged between 58 (1975-76) and 275 (1978-79) in eight out of nine districts test-checked and to that extent the purpose of the scheme has not been fulfilled.

(*c*) The construction of hostel buildings was entrusted to Public Works Department up to 1979-80 and from 1980-81 the work was entrusted to the M. P. State Antyavasayee Co-operative Development Corporation Ltd., Bhopal through the Housing Board and Rural Engineering Services. Although sanctions for construction of 16 hostels in one district (Ujjain) were issued, it was seen in audit that 8 buildings were not completed (December 1982) though the work was taken up during 1978-79 and 1979-80. Although administrative approval for construction of a 20 seated hostel at Ujjain at an estimated cost of Rs. 1.08 lakhs was issued by Government in March 1979, due to delay of two years in selection of approved site plan, the work was entrusted to Hosuing Board in April 1981 and the construction was completed in December 1981 at a cost of Rs 2.26 lakhs.

(*d*) For construction of 50 seated girls' hostel at Ujjain, the State Government accorded administrative approval for Rs 5.60 lakhs in February 1980 and the amount was allotted (March 1980) to the Collector, Ujjain who deposited (March 1980) the amount without any agreement stipulating date of completion and penalty for delay with the Ujjain Development Authority for execution of the work. As the land and site plan for construction could be made available only in September 1981, the whole amount remained blocked with the Ujjain Development Authority for 18 months thereby Government lost interest of Rs. 0.50 lakh (@ 6 % minimum). The Ujjain Development Authority asked for (March 1982) additional funds of Rs 5.49 lakhs from the Government for completion of the work. The department stated (June 1982) that the delay occurred due to protracted

correspondence between Revenue and Tribal Departments regarding allotment of land for construction.

(*e*) As against the technical estimate for construction of girls' hostel at Dharampuri (Dhar) for Rs. 0.95 lakh, sanction was accorded by the Collector, Dhar for Rs. 0.40 lakh only in March 1979, the work order was issued to the contractor on 13th March 1979 with the stipulation that the work was to be completed by 31st March 1979 and the entire amount was drawn in anticipation of incurring expenditure. No further allotment for completion of the work had been received by the department (June 1982). The work was left incomplete (walls constructed upto roof level) and abandoned by the contractor in August 1979.

(*f*) The facilities for providing equipment for crafts like sewing, tailoring, training in fine arts, music, painting, embroidery, knitting and other cultural activities essential for girls as envisaged in the scheme were not provided in any of the districts in the State.

(*g*) During 1980-81, the Madhya Pradesh State Antyavasayee Co-operative Development Corporation Ltd., Bhopal was entrusted with the work of construction of 210 hostel buildings (Boys: 99; Girls 111) through (1) Housing Board and (2) Rural Engineering Services. For construction of Girls' hostels, the entire money needed was to be provided by the department, while for Boys' hostel buildings, 20 per cent of the cost was provided by the department and the balance amount was to be met by incurring loan from the Nationalised banks at 4 per cent interest. However, no loan had been sanctioned by the banks so far (June 1982).

Out of Rs. 357.92 lakhs sanctioned by the Government of India (Rs. 202.00 lakhs) and the State Government (Rs. 155.92 lakhs) during 1980-81 for construction of hostel buildings, Rs. 2,20.00 lakhs were drawn by the department on 31st March 1981 and kept under "Civil Deposits" to avoid lapse of budget provision. The amount was released in December 1981 to the Madhya Pradesh State Antyavasayee Co-operative Development Corporation Ltd., which invested it in banks as call deposits earning interest at 8 per cent per annum.

The Corporation had initially placed Rs, 99.74 lakhs (Housing Board : Rs. 69.00 lakhs; Rural Engineering Services : Rs. 30.74 lakhs) at the disposal of constructing agencies for the construction of 210 hostel buildings. From the records of the Corporation, it was seen that land was made available for the hostel buildings in 179 cases (out of 210), of which construction of 34 girls' hostels only was stated (September 1982) to have been started and in respect of the remaining no further progress was reported by the executing agencies to the Corporation.

For construction of a 20 seated hostel at Deori in Sagar district at a total cost of Rs.0.20 lakh by March 1971 Rs. 0.10 lakh was drawn in March 1971 and wood purchased even before land was acquired and technical estimate prepared. Eventhough Nazul land was made available in September 1974 and further allotments of Rs. 0.20 lakh and Rs. 0.44 lakh were received in 1975-76 and 1977-78 and spent without technical supervision, the work was still (June 1982) incomplete as flooring, plastering and shutters of doors and windows remained to be completed. As a result, the hostel building on which Rs. 0.74 lakh was spent during 1971-79 was not ready for use.

(*iv*) *Scholarships to the children of those engaged in unclean occupations.*—The scheme was introduced by Government of India from 1976-77 for providing good quality school education to the childern of scavengers of dry latrines and others engaged in unclean occupations. 80 scholarships at the rate of Rs. 100 per child per month with an additional allowance of Rs. 45 per month, to cover expenses were to be awarded to the students studying in classes VI to X in two centres in Indore and Ujjain districts. The Central assistance was 100 per cent up to 1980-81 and 50 per cent during 1981-82. As against Rs. 0.78 lakh received as Central assistance, the State Government provided Rs. 2.62 lakhs out of which expenditure of Rs. 2.24 lakhs was incurred during 1978-79 to 1981-82.

Though the scheme was to be implemented from the academic year 1977-78, it was actually implemented from 1979-80. The delay was attributed by the Director to the time taken to persuade the Harijan Sewak Sangh, Indore a voluntary organisation to undertake the scheme and time taken to find out children who had passed Vth class.

The targets and achievements are shown below :—

Year	Physical targets fixed	Physical targets achieved
(1)	(2)	(3)
1979-80	80	32
1980-81	200	35
1981-82	50	32
Total	330	99

The Department stated that (*i*) only childern from Indore, Ujjain and neighbouring districts could take advantage of the scheme as parents from other districts were not prepared to send their children to distant places, (*ii*) till children upto Vth class passed in sufficient numbers their number from VIth to Xth class was bound to be low.

Grant-in-aid at the rate of Rs. 145 per student per month for 50 students amounting to Rs. 0.73 lakh was sanctioned and released by the Department to the Harijan Sewak Sangh, Indore during each of the years 1979-80 and 1980-81 instead of on the basis of actual number of students admitted to the hostels during those years.

Detailed procedure required to be laid down by the State Government under the scheme for selection of students has not been prescribed so far. The scheme had not been extended to other districts.

(*v*) *Coaching and allied schemes.*—In order to assist the aspiring candidates for posts and admission in Central and State Governments, Public undertakings and professional colleges, coaching schemes had been in operation at Pre-Employment Training Centre, Bhopal, All India Services Pre-Examination Training Centre, Raipur and various colleges for Pre-Engineering and Pre-Medical tests. During the period 1975-76 to 1981-82, as against an allotment of Rs. 34.14 lakhs, expenditure of Rs. 21.71 lakhs was incurred on the scheme.

(*a*) *Pre-Employment Training Centre, Bhopal.*—The Pre-employment Training Centre at Bhoapl started with a capcity of 50 in 1969-70 and increased to 75 in 1980-81 was meant for coaching scheduled caste/scheduled tribe candidates for examinations conducted by State Public Service Commission.

Out of 2,305 candidates who had applied for admission to the Centre between 1969-70 and 1981-82, 943 candidates were selected for admission on the basis of marks obtained in the degree course and interview (against the total capcity of 700) and only 595 (550 boys and 45 girls)joined the centre out of whom 47 candidates left the centre before completion of the course as they got employment elsewhere. Of the remaining 548 (503 boys and 45 girls) candidates only 433 (397 boys and 36 girls) had appeared for the examination conducted by State Public Service Commission and 153 (148 boys, 5 girls i. e, 29 per cent) only had been selected.

The reasons for shortfall in the intake of the Centre was attributed by the department to the apathy and reluctance on the part of the candidates to leave their native place of living for jobs elsewhere.

(*b*) *All India Services Pre-examination Training Centre, Raipur.*—The centre for coaching scheduled caste and scheduled tribe candidates for All India Service examinations, both preliminary and final, was opened at Raipur during 1979-80 with a capacity of 200 for preliminary and 100 for final examination. The following defects and deficiencies were noticed in Audit in the maintenance of the institution:—

(1) Candidates from M.P. only were admitted for coaching though candidates from Orissa were also to be admitted. This was stated by the Deputy Director to be due to non-availability of facilities for imparting instructions in Oriya medium.

(2) No training facilities for entry into other technical and non-technical services were provided though a centre at Jabalpur was to be opened for entry into technical services. The two centres at Raipur and Bhopal worked independently and not in unison under the leadership of Raipur Centre and Jabalpur Centre was not opened.

(3) The post of Director approved (Janauary 1980) was still to be filled in (January 1983). No lecturers to teach Hindi and English were appointed till January 1983, though posts were approved (January 1980). However, a lecturer in commerce was posted in February 1980, though commerce was not taught as a subject and there was no other teaching or administrative work that could be entrusted to this official resulting in an unfruitful and infructuous expenditure of Rs. 0.43 lakh on his pay and allowances till the date of his relief (March 1982).

(4) Only 14, 22 and 12 candidates were selected out of whom only 11, 18 and 10 candidates joined the course during 1979-80, 1980-81 and 1981-82 respectively against the annu..l capacity of 200. None qualified at the final examination. The Deputy Director attributed the low intake and p or results due o limiting admissions to candidates from the State only, lack of response from English medium students for admission, non-availability of lecturers in English and Hindi and admissions of large number of third divisioners and also candidates who had left the University earlier.

(5) Out of an amount of Rs. 1.47 lakhs drawn (March 1980) by the Director, Tribal Welfare and given (December 1980) to the centre for purchase of books Rs 0.41 lakh was spent till March 1982 and the balance amount of Rs 1.06 lakh remained (March 1982) in a current account with a bank, contrary to the provision of financial rules.

(*c*) *Coaching for Pre-Medical Test (P. M. T.) and Pre-Engineering Test (P.E.T.).*—Coaching of scheduled caste and scheduled tribe students for pre-medical and pre-engineering

tests was started in 1977-78 at the 8 divisional headquarters which was later extended to other towns. In the nine districts test-checked there were six centres each for Pre-Medical Test and Pre-Engineering Test for giving coaching for the tests outside the regular timing of the institutions, by lecturers on honorarium basis.

As against 267 students admitted for coaching in the 6 Pre-Medical Test centres during 1979-80 and 1980-81, 184 students had filled in the form for examination, 97 students appeared for the examiniation and only 16 students were selected. In one centre (Jagdalpur) coaching was discontinued during 1980-81 due to non-receipt of instructions from the Directorate of Harijan Welfare, Madhya Pradesh for continuing the scheme.

Out of 6 Pre-Engineering Test Centres coaching classes were not opened in 3 and 1 centres during 1979-80 and 1980-81 respectively. Out of 99 students enrolled in the remaining centres during 1979-80 and 1980-81, 45 had filled in the form to appear at the test, 21 students only had appeared and none was selected.

During the period from 1975-76 to 1981-82, as against 2,825 seats reserved for Scheduled Caste/Scheduled Tribe students in Engineering Colleges and 1,512 seats in Medical Colleges, only 1,303 and 738 students were adimitted in Engineering and Medical Colleges respectively. The candidates could not take full advantage of the reservation inspite of being given facilities of coaching for the entrance examination.

(*vi*) *Book Banks.*—The scheme envisaged establishment of "Book Banks" in each of the Medical and Engineering Colleges so as to provide the prescribed text books to scheduled caste and scheduled tribe students who could ill-afford expensive education.

The assistance was limited to Rs. 2,300 or actual cost per set of books whichever was less, Rs. 1,000 for storage and Rs. 100 for contingencies. The expenditure on this scheme was shared by State and Central Governments on 50:50 basis. Amounts of Rs. 1.92 lakhs (in two instalments) and Rs.1.35 lakhs (in one instalment), representing central share for the years 1978-79 and 1979-80 respectively were received by the State Government.

Eventhough the scheme was to be implemented on an *ad hoc* basis from 1978-79, and the State Government decided to implement the scheme from 1979-80, it was not implemeted till March 1982. The grant of Rs. 3.27 lakhs received from the Government of India was also not refunded so far. The Director of Technical Education, stated that the scheme could not be implemented for want of sanction of the State Government.

3. *Housing*: *Integrated Harijan Housing Scheme.*—Mention was made in paragraph 3:21 of the Report of the Comptroller and Auditor General of India for the year 1976-77 (Civil), of a scheme for construction of 250 houses at eight divisional headquarters towns of the State for the members of scheduled castes. Only 90 houses were completed and thereafter the scheme was closed in 1976-77.

Another scheme known as 'Integrated Harijan Housing Scheme', was undertaken in March 1978 under which 1767 houses were proposed to be constructed (335 in 1977-78, 982 in 1978-79, 350 in 1979-80 and 100 in 1980-81) through the Madhya Pradesh Housing Board (1667 houses) and Ujjain Vikas Pradhikaran (100 houses). A total amount of Rs 51.72 lakhs was released to the Housing Board (Rs 48.72 lakhs) and Ujjain Vikas Pradhikaran (Rs 3.00 lakhs) during 1977-78 to 1979-80 and 1980-81 respectively. The details of amount

released, amount spent in each year and that remaining with the Housing Board/Vikas Pradhikaran are given below :—

Year	Amount sanctioned	Amount released		Amount adjusted/ spent	Towns where houses to be constructed
		Unspent balance of previous year	Fresh release		
(1)	(2)	(3)	(4)	(5)	(6)
		(*Rupees in lakhs*)			
Housing Board:					
1977-78	28.48	..	28.48	8.76	Bilaspur, Bhopal, Guna, Hoshangabad, Indore, Jabalpur, Raipur, Rewa, Sagar, Shivpuri, Ujjain (Total 11 towns).
1978-79	29.46	19.72	9.74	18.48	Bhind, Bhopal, Dewas, Dhar, Durg, Guna, Gwalior, Indore Jabalpur, Mandsaur, Narsinghpur, Raipur, Rajnandgaon, Rewa, Satna, Ujjain (Total 16 towns).
1979-80	10.50	10.98	10.50	8.85	Bhopal, Chhatarpur, Dewas, Dhar, Durg, Gwalior, Mandsaur, Raipur, Rajnandgaon, Ratlam, Rewa, Satna (Total 12 towns).
Vikas Pradhikaran :					
1980-81	3.00	..	3.00	2.28	Ujjain.

Note.—Funds were released @ Rs.8,500 per house during 1977-78 and Rs. 3,000 during 1978-79, 1979-80 and 1980-81.

Against Rs.28.48 lakhs released during 1977-78, Rs. 8.76 lakhs were treated to have been spent for construction of 103 houses @ Rs.8,500 per house, leaving an unspent balance of Rs.19.72 lakhs with the Housing Board. This was adjusted against the amount sanctioned for construction of 982 houses during 1978-79. No such adjustment was, however, made in respect of unspent balance of Rs.10.98 lakhs as at the end of March 1979, while releasing the funds during 1979-80.

2. A test-check (June 1982) of the records pertaining to construction of houses in 13 towns (Bhopal, Ujjain, Indore, Gwalior, Bhind, Raipur, Bilaspur, Jabalpur, Dhar, Dewas, Rajnandgaon, Durg and Shivpuri) revealed the following :—

During 1977-78, funds were released for 335 houses which were required to be completed by the Housing Board by the end of December 1978, the ceiling cost for each house being Rs.8,500 (Rs.7,000 towards cost of construction and Rs. 1,500 for development of land which was to be made available free of cost by the Tribal and Harijan Welfare Department to the Housing Board) against which Rs. 3,000 was to be treated as grant while the balance was to be recovered from the beneficiaries in 20 years as loan. Only 103 houses were completed within the stipulated time (Shivpuri-25, Guna-20, Raipur-38 and Rewa-20) and the remaining were abandoned as land could not be allotted by the Revenue Department.

982 houses were required to be constructed by the end of December 1979 by the Housing Board for which funds were resleased during 1978-79, but only 486 houses were completed. The records did not indicate whether construction of the remaining 496 houses had been abandoned and for what reasons. The ceiling cost for each house in Bhopal and Indore was revised from Rs. 8,500 fixed in 1977-78 to Rs. 9,700 and Rs. 8,780 respectively.

During 1979-80 funds were released for construction of 350 houses. Only 170 houses were actually completed by the Housing Board within the stipulated time of December 1980, and no information was available whether the construction of the remaining houses was proposed to be abandoned.

The actual cost of construction of each house, as intimated by the Housing Board to the department in April 1982, ranged between Rs.12,000 and Rs.15,000 against the ceiling cost mentioned above, which meant that the beneficiaries were burdened with heavier loans, thus defeating the purpose of the scheme.

100 houses for which Rs. 3.00 lakhs were released in March 1981 to Ujjain Vikas Pradhikaran were required to be completed by March 1982. None of the houses had been fully completed till July 1982. The ceiling cost for each house was fixed at Rs.8,000 including cost of land and its development. Although the agreement with the Pradhikaran provided for payment of interest on the amount deposited by Government in case of failure to complete the houses within stipulated date, even the rate of interest had not been fixed (July 1982) by the Government. The Pradhikaran had also not maintained separate account of the amount deposited by Government to ensure that these were spent only on the construction of these houses as was required under the agreement.

The Housing Board had constructed 80 houses at Ujjain against 64 sanctioned by the department during 1977-78 (40) and 1978-79 (24). Although these houses were lying unallotted, the construction of another 100 houses was entrusted to the Vikas Pradhikaran in March 1981 for which no reasons were available on record.

Out of 759 houses constructed by the Housing Board, only 254 houses were allotted (including 40 houses at Bhopal allotted to persons not covered by the scheme) and the remaining were awaiting allotment (July 1982).

No evaluation of the scheme had been made by the department to ascertain whether it has achieved its object.

4. *Economic and Social Upliftment*

(*i*) *Co-operation.*— (*a*) The Madhya Pradesh Antyavasayee Sahakari Vikas Nigam Maryadit (Nigam) was registered under Co-operative Societies Act on 28th March 1979 to assist scheduled caste and scheduled tribe members and to ascertain other weaker sections notified for this purpose, in economic betterment. The ratio of members of scheduled castes and others should be 70:30.

The operational agencies for helping the beneficiaries are the Zila Samitis which become the members of the Nigam. The aims and objects of the Nigam were to plan, promote, undertake and assist developmental programmes connected with agriculture, animal husbandry, fisheries, marketing, processing, collection and supply of agricultural produce, small scale industry, village industry, cottage industry, trade, business and other activities as might enable the members of scheduled castes/scheduled tribes and other weaker sections of society to earn better living and help them improve their standard of living.

Against the authorised share capital of the Nigam (Rs.500 lakhs) to be contributed by the State Government and Government of India in the ratio of 51:49, Rs,257.27 lakhs were paid up upto 1980-81 (State Government: Rs.136 lakhs; Government of India: Rs.121.27 lakhs). The entire share capital was kept in fixed doposits/call deposits in the nationalised banks and co-operative banks.

Eventhough the Nigam was registered in March 1979 and Government had provided funds in 1978-79 only, the Nigam started it's activity of arranging assistance to it's members from the banks from August 1980. During the intervening period the Nigam formulated broad outlines for obtaining bank loans to members of the Zila samitis.

The year-wise position of loans released by banks was as follows:—

(Amount: Rupees in lakhs)

Year	Scheduled Castes		Scheduled Tribes		Other weaker sections		Total	
	Number of beneficiaries	Amount	Number of beneficiaries	Amount	Number of beneficiaries	Amount	Number of beneficiaries	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1980-81 (1-8-80 to 30-6-81)	5,211	85.44	717	11.75	586	9.61	6,514	106.80
1981-82 (1-7-81 to 31-3-82)	7,145	122.11	982	16.79	804	13.74	8,931	152.64
Total	12,356	207.55	1,699	28.54	1,390	23.35	15,445	259.44

Eventhough the Zila Samitis were registered during 1979-80 and 1980-81, the Boards of Directors were constituted by State Government only in April 1982. It was stated (May 1982) by Government that efforts were being made to hold the first general body meeting of the Zila Samitis before December 1982. No such meeting had been held (January 1983).

(b) Madhya Pradesh State Tribal Co-operative Development Federation Limited (M.P.T.C.D.F.) (earlier called as Madhya Pradesh State Tribal Co-operative Development Society) was registered in March 1960.

The main objectives and functions of the Federation were to provide technical guidance to develop co-operative societies for the benefit of tribal population, to enter into contracts and transactions of forest and agricultural produces for the elimination of middlemen, to raise loans and accept deposits and provide credit facilities, which may be necessary for the development of tribal people.

The Federation had branches at Shahdol, Mandla, Ambikapur, Durg, Raigarh, Jhabua, Chhindwara, Jagdalpur, Bilaspur and Sendhwa.

The Federation was registered with a share capital of Rs. 1.00 crore. Till the close of the financial year ending June 1977, the State Government had invested Rs. 16.50 lakhs towards share capital and had advanced loans aggregating Rs. 144.62 lakhs out of which Rs. 7.00 lakhs had been repaid by the Federation.

The Federation also received (1975-76 to 1977-78) Rs. 40.00 lakhs as short-term loan from the Khadi Commission, out of which Rs. 19.85 lakhs had been refunded during 1976-77 and 1977-78.

It was noticed during audit that the Federation was constantly running into huge losses and it was not performing functions for which it was established and its accumulated losses had wiped out the paid-up share capital as well as Reserve Fund and it was not in a position to meet its liability. The Registrar, Co-operative Societies started liquidation proceedings from 22nd June 1981 and appointed a liquidator for it. Even after obtaining financial assistance to the extent of Rs. 307.97 lakhs, the Federation was not able to

conduct its business profitably for the benefit of tribals. It was not in a position to repay the Government of India loans to the extent of Rs. 137.62 lakhs. Government investment in the Federation was thus unfruitful. It was reported (July 1982) by the Department that subsidy at the rate of Rs. 0.10 lakh for Reserve Fund and Rs. 0.075 lakh for construction of godowns aggregating Rs. 164.32 lakhs was paid by the Tribal and Harijan Welfare Department to 939 Primary Co-operative Societies (F.L.C.S.—604 and M.P.C.S.—335) and that all the 939 societies went into liquidation. The financial assistance of Rs. 164.32 lakhs also proved unfruitful.

Cases of misappropriation of funds involving a total amount of Rs. 0.77 lakh were noticed in 6 branches and the Head office of the Federation (the heaviest being in Raigarh branch—Rs. 0.51 lakh). Misappropriation of funds occurred due to non-observance of prescribed procedure like checking of entries and totals in cash book by a person other than the writer, issue of printed receipts for money received, physical verification of cash, preparation of bank reconciliation statement, etc. In two cases, persons concerned were removed from service, while in other cases departmental action taken against the defaulters was not available on record.

Subsidies amounting to Rs. 12.00 lakhs and Rs. 6.05 lakhs were paid by the Government in 1965-66 and 1967-68 for establishment of 8 oil mills and 8 saw mills respectively. Six oil mills and five saw mills established during 1965 to 1972 at a cost of Rs. 5.77 lakhs and Rs 1.60 lakhs respectively did not work at all. In addition,equipment and machinery valuing Rs. 1.70 lakhs installed at the Tasar Centre during 1967 to 1972 were also idle from the beginning. Thus, investment on plant and machinery for the total value of Rs. 9.10 lakhs proved unproductive.

The State Government paid subsidy amounting to Rs. 13.00 lakhs for construction of 26 godowns during 1964-65 to 1967-68. Eleven godowns were constructed in eight branches. The Federation intimated (April 1980) that construction of remaining 15 godowns could not be taken up; the total expenditure incurred on the construction of 11 godowns were not kept on record. The unspent amount of subsidy had not been refunded to Government (February 1983).

(*ii*) *Improvement in the working and living conditions of scavangers and sweepers.*—In order to improve the working and living conditions of the scavangers and sweepers schemes for grant of subsidy for purchase of house sites and construction of house sites were implemented during 1957-58 to 1973-74. The assistance covered provision of wheel-barrows, gumboots and gloves to eradicate the practice of carrying night soil as head loads. Against an allotment of Rs. 10.31 lakhs, Rs. 4.69 lakhs were spent on the scheme. The department was not aware of the number of houses actually constructed and occupied by the beneficiaries. It was seen in audit that out of 220 houses taken up for construction in 9 districts during 1971-72 to 1973-74, 170 houses were constructed and 168 houses ocoupied up to May 1982. Against 63 plots, in two districts, for which subsidy of Rs. 0.38 lakh was spent between 1970-71 and 1975-76 not a single house had been constructed thereon up to June 1982.

(*iii*) *Protection of Civil Rights.*—The 'Untouchability (crime) Act, 1955' was modified by the Government of India and brought into force throughout the country from November 1976 under the title, 'Protection of Civil Rights Act, 1955'. Under the Act, the State Government was required to take measures for providing adequate facilities, including legal aid, appointment of officers for supervision over prosecutions, setting up of special courts, appointment of committees at appropriate levels, provision for periodic surveys and indentification of areas in respect of untouchability.

In Madhya Pradesh a special cell to enforce the provisions of 'Protection of Civil Rights Act, 1955' in the State and to co-ordinate the measures taken by the other departments in this behalf was established in June 1979.

Financial assistance to the extent of 50 per cent was provided by the Central Government for implementation of the scheme. As against the central assistance of Rs. 6.04 lakhs received during the years 1978-79 (when it was received first) to 1981-82 the State Government provided only Rs. 4.26 lakhs in their budget against which expenditure of Rs. 6.70 lakhs was incurred.

During the course of test check it was noticed that the State level committee consisting of thirty members to assist the State Government in formulating and implementing the measures under the Act was set up in March 1979 whereas District level committees were not set up so far (February 1983). Though the Act envisaged setting up of special courts for the trial of offences under the Act, and a decision to set up four special courts was taken (January 1981) by the Government, no courts were set up so far (Febraury 1983). Although sanction to set up a survey team for the periodic survey of the working of the provisions of the Act was accorded by the Government in 1981-82, it was not formed as the posts sanctioned were not filled in (June 1982) due to a general ban on filling up of posts. No staff was appointed at the district level for carrying out the activities under the 'Protection of Civil Rights Act'. A number of posts sanctioned for the Special cell by the State Government during 1978-79, 1980-81 and 1981-82 were lying vacant for long periods ranging from 3 months to 2 years.

(*iv*) *Legal Aid.*—Although Scheduled Caste and Scheduled Tribe communities enjoyed legal protection under the provisions of law, they were not in a position to seek due justice in Courts of law because of their poverty and illiteracy. Under the Madhya Pradesh Legal Aid Rules, 1960 and 1963, they were to be provided legal aid by the Government to over come this handicap, in the form of court fees and advocate's fees.

During 1975-76 to 1980-81 funds to the extent of Rs. 2.83 lakhs were provided by the State Government against which an expenditure of Rs. 0.96 lakh was only incurred. The shortfall on expenditure was ascribed by the department to less number of cases filed in Court of law than anticipated and the large number of cases pending in Courts of law for long periods, and slackness on the part of the field officers in giving wide publicity to the scheme, locating needy persons and extending aid to them. Information for the State as a whole regarding the number of beneficiaries to whom legal aid was provided was not available with the Directorate of Tribal Welfare. However, out of 14 District Organisers' offices test-checked, it was noticed that during 1975-76 to 1980-81 a sum of Rs. 0.15 lakh was spent by way of legal aid to 137 persons out of 149 who had applied for the same. As per rule 7 of the Scheduled Tribes(legal aid)Rules, 1960, Collectors of districts were required to maintain panels of legal practioners of their districts, who were willing to appear, plead and act for and to advise aided persons; the required panels were prepared only in 4 (Khargone, Bastar, Surguja and Rajgarh) out of nine districts. The person receiving legal aid was required to execute an agreement in form 'B' creating a charge in favour of the Government of Madhya Pradesh on all property, etc., which he might recover under any decree under court. Such agreements were not executed in four districts (Jhabua, Bastar, Dhar and Raigarh)in cases, where legal aid was provided.

(*v*) *Aid to Voluntary Organisations.*—During the period from 1974-75 to 1981-82, Grants-in-aid aggregating Rs. 207.82 lakhs were disbursed to 100 Voluntary Organisations to enlist their co-operation in the sphere of education and other welfare activities for scheduled castes, scheduled tribes and other backward classes.

Eventhough the scheme was started in the year 1950-51, no rules had been framed for regulating payment of grants-in-aid under the scheme despite the existence of specific requirement in Madhya Pradesh Financial Code. Grants-in-aid were being sanctioned on an *ad hoc* basis. The unspent balances of grants-in-aid actually released during a year were adjusted while releasing grants-in-aid for the next year. For instance, in 15 cases there were excess payments during 1978-79 aggregating Rs. 3.81 lakhs which were adjusted during 1979-80. The amount of excess release of grants during 1979-80 could not be specified by the Department. While releasing grants-in-aid for 1979-80, it was noticed that in 15 cases, as detailed in Appendix III.2 moneys released in excess in the previous year were adjusted. The excess payment occurred in the release of grant made on *ad hoc* basis in the absence of rules framed for the purpose.

As per instructions of the State Government in Tribal and Harijan Welfare Department, presence of 75 per cent of the students was compulsory in the hostels on the basis of average attendance for 10 months for full subsidy for management expenditure; otherwise the grant was to be proportionately reduced. It was, however, noticed during test-check (July 1981) that in four institutions (2 in Bastar and 2 in Jashpurnagar) the attendance of students as per records of the institutions ranged from 19 to 70 per cent and failure to reduce the grant proportionately as per rules resulted in excess payment of grants to the extent of Rs. 1.19 lakhs for 1978-79.

(*vi*) *Special Central Assistance for Scheduled Castes.*—On the analogy of the scheme for special central assistance for tribal sub-plans, a centrally sponsored scheme of Special Central Assistance to States for Scheduled Castes (estimated population: 0.55 crore) was introduced in 1979-80 as an assistance was to be additive to the plan programmes for the scheduled castes in the State. Some of the major schemes proposed to be taken up in 1980-81 by the State Government were Agriculture Development Programme, professionalisation of unclean occupations, Udyami Kendra (Training-*cum*-Production Centre), development of Harijan Bastis, own your own workshop, Economic Development Programme and grant to special Authorities of Denotified tribes. The special central assistance for scheduled castes received from the Government of India aggregated Rs. 632.00 lakhs (Rs. 32.00 lakhs in 1979-80, Rs. 300.00 lakhs in 1980-81 and Rs. 300.00 lakhs in 1981-82). Out of the above, only one scheme *viz.*, Agriculture Development Programme, which was started in the State in 1971-72 was implemented in all the 45 districts from the year 1979-80. According to the information furnished to Audit by the Director, Tribal and Harijan Welfare (May 1982), Rs. 66.33 lakhs were spent during 1980-81 against the outlay of Rs. 300.00 lakhs provided by the Government.

(*a*) *Professionalisation of unclean occupations.*—The entire amount of Rs. 43.38 lakhs sanctioned in March 1981 for (*i*) construction of transit houses (rest houses where the scavengers can take bath and change dress before returning to their houses), (*ii*) purchase of wheel barrows and (*iii*) conversion of service latrines into flush latrines through the agency of local bodies was initially drawn on 31st March 1981 and kept under 'Civil Deposits' and later in March 1982 placed at the disposal of the Antyavasayee Sahakari Vikas Nigam (a Corporation set up by the State Government). The Nigam in turn had kept (April 1982) the whole amount with a co-operative bank as a call deposit. Though the rules regarding the utilisation of funds were to be approved (June 1982) by the Government, the amount was placed at the disposal of the Nigam which was earning interest @ Rs. 0.29 lakh per month on the amount which remains unutilised (June 1982).

(*b*) *Harijan Component Plan—Agriculture Development Programme.*—Special Central assistance of Rs. 32.00 lakhs for scheduled castes was sanctioned during 1979-80 by Government of India for minor irrigation works under Agriculture Development Programme. An amount of Rs.32.00 lakhs was paid (March 1980) to Antyavasayee Sahakari Vikas Nigam Ltd,

who were to disburse the amount to the cultivators through the Agriculture depratment wihtin 3 months. The progress regarding the distribution of the amount by the Agriculture Department who received the amount after the expiry of 9 months in December 1980 was still awaited (February 1983).

Further, a provision of Rs. 65.00 lakhs in 1981-82 under 'Harijan Component Plan' for Agriculture Development Programme was transferred (October 1981) by the Harijan Development Department to the Agriculture Department. As envisaged in the scheme this amount represented 50 per cent of grant-in-aid payable to the agriculturists, the remaining 50 per cent to be paid by the *Nigam* (20 per cent margin money) and as loan from nationalised bank (30 per cent). The proper utilisation of the amount had not been reported (June 1982) by the Agriculture Department to the Harijan Development Department.

(*c*) *Typing/Stenography Training Centres.*—An amount of Rs. 8.12 lakhs was drawn(31st March 1981) by the Tribal Welfare Department for typing/ stenography training scheme, and kept under 'Civil Deposits' in Bhopal Tresasury. The amount was subsequently withdrawn by the Director, Tribal Welfare and transferred (31st March 1982) to the Director of Harijan Welfare through bank draft. As envisaged in the Scheme, 7 training centres were to be established at divisional level in March 1981 but were actually established in August 1982. Only 105 Hindi typewriters at an approximate cost of Rs. 3.91 lakhs were purchased (May 1982) payment for which was yet to be made (June 1982) by the Department. English typewriters, furniture, books and other articles were yet to be purchased.

5. *Research, Training and Special Projects.*—Tribal Research and Development Institute, Madhya Pradesh was established in 1954 at Chhindwara and later shifted (1965) to Bhopal 'with a view to have close contact with the administration and to ensure active participation in the Research, Planning and Development Schemes of Tribals and Harijans'. The main aims of the Institute were to promote research in tribal problems, train personnel to work in tribal areas, properly evaluate various programmes for the welfare of tribes and to assist at National and State level by building a data bank on all aspects of tribal life in the State. During the period from 1974-75 to 1981-82, expenditure of Rs. 83.10 lakhs was incurred.

(*a*) *Research.*—(*i*) A research advisory committee to review the research work and suggest topics for conducting research was set up only in 1972.

(*ii*) Against staff sanctioned numbering between 123 and 169, the number of posts vacant ranged between 36 and 69 (30 to 40 per cent) during 1974-75 to 1980-81. The regional research units could not be established due to a number of posts remaining vacant. In the field of research and evaluation as against 51 posts sanctioned, 27 (nearly 53 per cent) posts were lying vacant (June 1982) due to non-finalisation of recruitment rules by the Government. As observed by the Research Advisory Committee at its seventh meeting held in February 1982, the research and evaluation was adversely affected due to many posts lying vacant.

Although one of the main activities of the Institute was to build up a data bank on all aspects of tribal life in the State as stressed in the meeting of the Central Research Advisory Committee held in February 1974, no data bank had been built up till now (February 1983). The Acting Director had stated (May 1982) that the data bank could not be set up for want of staff.

(*b*) *Training.*—Training of personnel engaged in the welfare activities in the remote tribal areas, was to be imparted by the Institute with a view to providing re-orientation and insight in tribal life and culture to enable the staff to understand the problems of the tribal

people and effectively implement the welfare schemes. The period of training ranged between one week to twelve weeks for different classes of Government servants from various departments.

As against a minimum capacity of 200 officials that could be trained per year, the average number of officials trained per year was 25 ranging between 3 (1.5 per cent) in 1978-79 and 85 (42.5 per cent) in 1966.67. No official was trained during the years 1973-74, 1975-76, 1977-78, 1979-80 and 1980-81. The shortfall in utilisation of the capacity was attributed to less availability of officials deputed for training. No action was taken to remedy the lack of response from the various departments for the training. No evaluation was conducted to ascertain the impact of the training on the persons trained.

(*c*) *Other topics of interest.*—(*i*) Government of India had sponsored a scheme of establishment of a National Research Institute in Madhya Pradesh and sanctioned Rs. 5.00 lakhs being its 50 per cent share in March 1980. Accordingly the Tribal and Harijan Welfare Department had sanctioned an amount of Rs. 10.00 lakhs as Grant-in-aid to Rashtriya Antyodaya Prashikshan Evam Anusandhan Kendra and it was drawn (March 1980) by the Director of Tribal and Harijan Welfare, Madhya Pradesh, Bhopal and kept in 'Civil Deposits'. The Rashtriya Antyodaya Prashikshan Evam Anusandhan Kendra has not so far (July 1982) been registered as a society. No expenditure was incurred. The amount had not been utilised for the purpose for which it was paid. The amount of Rs. 1.04 lakhs was paid (March 1981) as advance to Sansthan for collection of rare tribal art material. It was seen during audit that Rs. 0.40 lakh was spent (April 1982) on furniture for the museum and not on tribal art material.

Three Centres were opened (1964) in Raigarh, Khargone and Bastar districts to impart training in tribal life and culture to the teachers and other Government servants working in tribal areas. During test-check (October 1973) it was noticed that as against capacity of 150 per year (3 sessions of 50 each) the number of trainees ranged between 34 and 100 per year during 1968-69 to 1972-73 in Raigarh. The scheme which was abandoned in 1974 was revived in 1977-78 with a capacity to train 180 persons per year whereas during test-check in Khargone (November 1978) and Bastar (November 1981) it was noticed that the number varied between 82 in 1977-78 to 18 in 1979-80 (Bastar) and 98 in 1977-78 to 59 in 1978-79 (Khargone) though there was no reduction in either the establishment or the expenditure of the Centres. Though expenditure of Rs. 2.96 lakhs, Rs. 2.62 lakhs and Rs. 4.91 lakhs were incurred during 1968-69 to 1972-73, 1977-78 to 1978-79 and 1977-78 to 1980-81 respectively in the three centres the non-training of teachers and other Government servants might have adversely affected the implementation of tribal welfare schemes.

6. *Evaluation and Monitoring.*—There was no machinery either at Secretariat level or at Directorate level for monitoring the progress of various schemes implemented by the Tribal and Harijan Welfare Departments.

Periodical evaluation of the schemes to ascertain their impact on the beneficiaries had not been carried out by the department even though Tribal Research Institute had been assigned that job.

Summing up :

1. As against the total outlay of Rs. 1672.63 lakhs for schemes since 1951-52 an expenditure of Rs. 1214.66 lakhs was incurred for the welfare of Scheduled Castes and Scheduled Tribes in the State.

2. The scheme of award of Post-Matric scholarships did not envisage any *inter-se* distribution of funds among the S.C./S.T. students, the benefits did not reach all backward classes uniformly as more number of vocal scheduled caste students had been awarded the scholarships compared to the scheduled tribe students.

3. 41 Ashrams were located at the Block or Tahsil headquarters where other primary and middle schools were already established by Government, instead of in the interior.

4. Only 19 out of 79 buildings for girls' hostels were constructed and crafts like sewing, tailoring, etc., were not provided in any of the hostels.

5. Out of Rs. 357.92 lakhs made available by Government of India and State Government for construction of hostels, Rs. 220 lakhs were drawn by the Department and kept in "Civil Deposits". The Antyavasayee Co-operative Development Corporation, which wa entrusted with this work, had advanced Rs. 99.74 lakhs to the Housing Board and Rural Engineering Services for constructing 210 buildings of which construction of only 34 hostels had started.

6. The scheme for award of scholarships to the children of those engaged in unclean occupations, was implemented from 1979-80 but only one-third of the targets could be achieved

7. The full capacity of the All India Services Pre-examination training centre, Raipur was not utilised and none qualified at the final examination as only candidates from Madhya Pradesh were admitted, lecturers to teach Hindi and English subjects were not appointed and the post of Director was not filled in.

8. Even though central assistance of Rs. 3.27 lakhs was received, the State Government had not implemented the scheme of Book Banks.

9. As against 1,767 houses (Rs. 51.72 lakhs) to be constructed under Integrated Harijan Housing Scheme for scheduled castes only 759 were constructed and 254 houses allotted Due to land being not made available to the Housing Board, construction had been done on the land of the Board resulting in heavier burden of loans on the allottees. Even though 64 houses constructed up to 1978-79 at Ujjain were lying unallotted, construction of another 100 houses was taken up in March 1981 without any valid reason.

10. M.P. State Tribal Co-operative Development Federation started in 1960 was liquidated in 1981 as it was not able to conduct its business profitably for the benefit of tribals, was running in huge losses wiping out the paid up share capital as well as reserve funds and not in a position to repay the Government of India loan of Rs. 137.62 lakhs.

11. No Special Court was set up under the Protection of Civil Rights Act, 1955.

12. Amounts of Rs. 43.38 lakhs for professionalisation of unclean occupations i.e., for construction of transit houses and supply of wheel-barrows, etc. was kept under "Civil Deposits" without implementing the scheme. The method of utilisation of Rs. 32.00 lakhs for Agriculture Development Programme during 1979-80 was not known to the department. Similarly, Rs. 65 lakhs drawn in 1981-82 was also handed over to Agriculture Department without watching the proper utilisation of the amount.

13. Research and evaluation and the training programmes were affected due to vacant posts and under-utilisation of capacity in the training centres. No system at Secretariat and Directorate level was established to monitor the progress of the scheme. No data bank had been built up for the research wing.

The matter was reported to the Government (August 1982); reply is awaited (March 1983).

GENERAL

3.20. Cases of Misappropriation of Government money and losses, etc.

The following table shows the position of cases of alleged misappropriation of Government money and losses, etc., reported to Audit up to 31st March 1982, but not finalised till the end of September 1982:—

Cases reported	Due to neglect/fraud etc., on the part of Government servants		Due to other reasons like natural causes, etc.		Total	
	No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
(1)	(2)	(3) (*Rupees in lakhs*)	(4)	(5) (*Rupees in lakhs*)	(6)	(7) (*Rupees in lakhs*)
(*i*) Cases reported upto March 1981 and outstanding at the end of September 1981.	737 (A)	106.77	286	44.01 (A)	1,023	150.78
(*ii*) Cases reported during 1981-82.	51	17.52	14	1.43 (B)	65	18.95 (B)
(*iii*) Cases disposed of till September 1982.	29	4.78	20	0.35	49	5.13
(*iv*) Cases outstanding at the end of September 1982.	759	119.51	280	45.09	1,039	164.60

According to the rules, cases of misappropriation should be dealt with expeditiously and finalised within six months of their detection and cases in which departmental enquiries have been ordered should be finalised within a year. There has, however, been considerable delay in finalisation of cases as shown below:—

(1)	Number of cases (2)	Amount (3) (*Rupees in lakhs*)
(*i*) Over five years	573	84.82
(*ii*) Over three years but less than five years	208	24.10
(*iii*) Up to three years	258	55.68

The reasons for which the cases were outstanding are stated below:—

(1)	Number of cases (2)	Amount (3) (*Rupees in lakhs*)
(*i*) Awaiting investigation	543	93.59
(*ii*) Awaiting action against officials	152	26.56
(*iii*) Awaiting recovery/information about recovery.	169	18.95
(*iv*) Awaiting orders for write off	86	5.29
(*v*) Pending in Courts of Law	89	20.21

(A) As per revised figures intimated by the departments.

(B) One case (Rs. 0.01 lakh) pertaining to 1981-82 has been closed in the same year

The department-wise analysis of the outstanding cases is given in Appendix III.3.

According to the rules, cases of losses, misappropriation, etc., are required to be reported immediately to the Accountant General. A review of the cases pending at the end of September 1982, disclosed delay of over one year in reporting to Audit 262 cases involving Rs. 18.62 lakhs.

3.21. Write off of losses, waiver of recoveries and remission of revenues

In 312 cases, losses due to shortage, theft, irrecoverable revenue, etc., amounting to Rs. 8.47 lakhs were written off/remitted during 1981-82 by competent authorities.

Department-wise details are given in Appendix III.4.

3.22. Delays in/non-receipt of replies to Draft Paragraphs/Reviews

Draft paragraphs and reviews based on Audit Inspections or test-checks and information obtained from the departmental officers are issued to the Government (addresed to the Secretary to Government, by name) and to the Heads of Departments concerned for eliciting their remarks in order to frame sutiable comments in the Audit Report. If no replies are received within a period of six weeks it is presumed that the facts and figures stood confirmed.

Out of 63 paras/reviews issued during June 1982 to September 1982 to the Government/Heads of Departments replies were received only in respect of 16 as shown in Appendix III.5. Out of these 16 replies, only 4 were received within the stipulated time, and there were delays between 1 and 2 months in 3 cases, between 2 and 3 months in 3 cases and between 3 and 4 months in 2 cases.

Similarly non-receipt of replies was noticed in 37 out of 41 cases in 1980-81 and 40 out of 49 cases in 1979-80.

CHAPTER IV

WORKS EXPENDITURE

IRRIGATION DEPARTMENT

4.1. Ravishankar Sagar Project :

1. *Introductory.*—The Ravishankar Sagar Project (RSP) administratively approved in January 1973 for Rs. 15,34 lakhs envisaged construction of a dam (1830 metres long) across Mahanadi river at 4.8 kilometres upstream of an existing weir at village Rudri in Dhamtari tahsil of Raipur district and a 42 kilometres long feeder canal taking off on the left flank for carrying water to the existing Tandula Main Canal in the adjoining Durg district. The additional storage of 27,045 million cubic feet (m cft.) of water provided by the Ravishankar dam to the weir (which was already having a storage of 15,748 mcft. for irrigating 3.82 lakh acres) was to be utilised for (*i*) bringing 0.35 lakh acres of new area under irrigation for kharif paddy in the command of the feeder canal after constructing a distributary net work to the feeder canal, (*ii*) additionally irrigating 1.65 lakh acres of kharif paddy and 1 lakh acres of rabi wheat in the existing Mahanadi and Tandula canal systems after enlarging their capacities through remodelling, extensions and improvements and (*iii*) augementing the supply of water to the Bhilai Steel Plant (BSP) from the Tandula Canal system from the existing 4,910 to 9,710 mcft. by diverting water from the Ravishankar reservoir to the feeder canal.

The Project Report (1969) did not, however, provide for the enlargement works of the Mahanadi and Tandula system and contemplated that these would be taken up in the second phase of construction programme.

2. *Progress of construction and outlay.*—The construction programme (January 1973) provided for the headworks of the RSP to be completed in a period of six years. The feeder canal was programmed to be constructed in four years in such a manner that the construction of the dam and the feeder canal would synchronise with the increased demand of water by the BSP. The work on the project was commenced in October 1973 and the dam and feeder canal were completed and commissioned in July-August 1979. The cost of the project was revised (November 1976) from the initial estimate of Rs. 15,34 lakhs to Rs. 29,17.23 lakhs, against which an expenditure of Rs. 32,13.87 lakhs was incurred to the end of March 1982. The estimate was revised further to Rs. 34,44 lakhs in June 1982 for which administrative approval is awaited (January 1983). The increase in cost, as per the June 1982 estimates, over the original estimates, was attributed by the department mainly to (*i*) increase in land compensation rates (Rs. 2,64.30 lakhs), (*ii*) increase in capital cost of earthmoving equipments and cost of fuel and lubricants (Rs. 4,11.36 lakhs), (*iii*) increase in quantity and strength of cement concrete due to change in design and construction of structures like guide bunds, spill channel, etc., not originally provided for (Rs. 4,17.21 lakhs), (*iv*) increase in the number of radial gates and additional provision of stop-log gates (Rs. 2,48.65 lakhs) and (*v*) increase in the capacity of and the number of structures in the feeder canal (Rs. 2,20.08 lakhs). The administrative approval for Rs. 15,34 lakhs accorded in January 1973 was based on the Project Report framed in 1969 and did not take into account the increase that had occurred thereafter in the cost of material and labour.

3. *Enlargement works of canal systems and construction of distributaries.*—

3.1. Against the additional irrigation of 2 lakh acres for kharif paddy and 1 lakh acres for rabi wheat as per the original Project Report the revised water utilisation planning (January 1977) envisaged 2.89 lakh acres for kahrif paddy and 0.10 lakh acres of rabi wheat taking into account the additional storage available from another dam on the river Sondur taken up for construction in 1977. Out of the contemplated additional irrigation of 2.99 lakh acres, 2.64 lakh acres were envisaged in the Mahanadi canal system, 0.59 lakh acres in the direct command of the main canal, 1.70 lakh acres in the command of two of its four branch canals (Lawan and Bhatapara branch canals) and 0.35 lakh acres by lifting water from another branch canal (Mandhar branch canal). Accordingly, six action plans were envisaged to enlarge the capacities of the main canal and the Lawan and Bhatapara branch canals through remodelling, extension and construction of the lift canal system and a distributary net work in the command area of the feeder canal. The details of the scheme and the progress of construction are given below:—

Name of work	Additional area to be irrigated	Month and year of approval	Estimated cost	Month and year of commencement	Month and year of scheduled date of completion	Outlay to end of March 1982	Stage of work
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	(*In lakh acres*)		(*Rupees in lakhs*)			(*Rupees in lakhs*)	
1. Extensions and improvements to the distributaries 1, 2, 2 A and 3 of Mahanadi Main Canal-MMC (Action Plan I)	0.59	March 1976	2,44.30	March 1976	July 1979	1,92.70	Completed in June 1980
2. Distributary net-work of RSP feeder canal (Action Plan II)	0.35	September 1976	1,07.00	September 1976	July 1979	1,09.92	Completed in April 1979
3. Extensions and improvements to Lawan Branch Canal (Action Plan III)	0.30	January 1977	1,11.00	January 1977	July 1979	1,31.55	In progress
4. Abhanpur Lift Canal Scheme (Action Plan I-A)	0.35	February 1977	1,90.00	February 1977	July 1979	3,22.84	In progress
5. Remodelling of MMC (Action Plan IV)	..	February 1977	9,56.40 (Revised to Rs. 23,35 lakhs in November 1978)	December 1976	Not provided	3,05.68	In progress
6. Remodelling and extensions of Bhatapara Branch Canal (Action Plan V)	1.40	February 1977	5,50.00 (Revised to Rs. 16,19 lakhs in October 1979)	February 1977	July 1979	10,52.44	In progress

The Action Plans for execution of various works were sanctioned without obtaining clearance of Central Water Commission (CWC). There were delays of 3 to 4 years in the sanctioning and commencement of the Action Plans after the approval of headworks; and only two Action Plans (I and II) were completed. The Planning Commission, Government of India had instructed (November 1971) the State Government to take up and complet the headworks and Action Plans simultaneously. The reasons for the delay in approval of Action Plans were not intimated by the Department (February 1983). Government decided (October 1978) to discontinue further works of the incomplete Action Plans and include them in a composite project for the Mahanadi irrigation system for being taken up with assistance from the International Development Association (IDA) of the World Bank. The IDA assisted composite project envisages to recommence the balance works in 1983.

3.2. *Remodelling of Mahanadi Main Canal.*—The schemes under Action Plans I, IA, III and V, which were approved for providing additional irrigation of 2.64 lakh acres, envisaged construction of additional distributaries, and extensions and improvements of the existing distrubutaries of the Mahanadi Main Canal (MMC) and its branches. Remodelling of the MMC intended to increase its carrying capacity by re-sectioning and lining the main canal was, therefore, the main link on which depended the success and efficacy of the schemes under Action Plans I, IA, III and V. However, the work relating to the re-modelling of MMC was neither planned nor executed so as to synchronise properly with the execution of the schemes under the other Action Plans as stated below:—

(*i*) Although the Government approved (March 1976) the remodelling of the first 16.28 kilometres of the MMC to increase its discharge from the existing 3500 cusecs to 4252 cusecs to cater to the additional water requirement for Action Plan I, the work was not taken up as it was decided (July 1976) to provide protective irrigation to larger areas by reducing the delta and to bring new areas into irrigation.

(*ii*) Action Plans for providing additional irrigation through branch canal systems (Action Palns IA, III and V) were finalised and approved in January-February 1977. However, although the remodelling of the entire length of MMC and increasing the head discharge to 7000 cusecs was administratively approved in February 1977, the type of lining to be provided had not been finally determined.

(*iii*) The approved estimates for remodelling of MMC sanctioned in February 1977 had provided for lining the main canal with flag stones, subject to vetting of detailed design of lining with cement concrete or flag stones by the State Government's Central Design Organisation (CDO). The use of flag stones for lining of the canal was not found suitable by the department as a result of examination conducted in January 1978 of the experimental flag stone lining done in 1977. A final decision of the lining to be provided was taken after consulting CWC and the CDO only in November 1978 and accordingly revised administrative approval providing pre-cast cement concrete lining was accorded in November 1978 for Rs. 23,35.00 lakhs.

(*iv*) Further work relating to the scheme was suspended for being included in the composite project (October 1978).

Due to the delay in taking decision on the type of lining to be provided to MMC, the other parametres of the canal viz., depth, slopes, etc., could not be determined. Consequently only 18 per cent of the earth work of remodelling of MMC was executed while the work of lining and remodelling of structures was not commenced at all (February 1983). The maximum discharge achieved was 4068 cusecs (October 1981) as against 7000 cusecs required for utilising the Ravishankar reservior potential. Thus, failure to consider all the technical

aspects of remodelling in a common estimate for head works and canal system as instructed by the Planning Commission, Government of India (November 1971) or at least immediately following the approval of the head works (January 1973) resulted in lack of utilisation of the irrigation potential created by Ravishankar reservoir at a cost of Rs. 32,13.87 lakhs. Expenditure of Rs. 15,06.83 lakhs incurred on Action Plans IA, III and V was also not fruitful.

3.3. *Abhanpur Lift Canal Scheme (Action Plan IA).*—This scheme envisaged lifting water from the 13th kilometre of the Mandhar Branch Canal of the MMC. In addition to the remodelling of the MMC approved under Action Plan IV, it was necessary to remodel the Mandhar Branch Canal to enable the latter to pass the additional water required for the lift scheme. Although an expenditure of Rs. 3,22.84 lakhs was incurred on Abhanpur Lift Canal Scheme upto March 1982, no provision was made in the Action Plans for remodelling the Mandhar Branch Canal. The remodelling of Mandhar Branch Canal upto 16th kilometre has now been programmed to be taken up in July 1983 and completed by December 1985. Consequently, the benefits of the scheme which were envisaged to be realised simultaneously with the commissioning of reservoir (July 1979) have not been derived (February 1983).

The progress reports of the construction of the canal system and the Pump House revealed that earth work (12 per cent), 159, out of 346 structures and the erection of pumps and motors remained to be completed (March 1982). The work of supply and erection of pumps and motors awarded (April 1978) to a contractor was stipulated to be completed by January 1979 (extended to November 1980). A sum of Rs. 29.16 lakhs was paid to the contractor upto November 1980 for the supplies. The installation of pumps and motors has not (February 1983), however, been made which was attributed by the department (April 1982) to defects in the layout and design furnished by the contractor for associated civil structures like intake wells, pump house, etc., and a legal dispute with the contractor following the action taken by the Executive Engineer, Phase II Works Division, Raipur to enforce the discharge of the bank guarantee furnished by the contractor for obtaining the balance payment for the pumps and motors supplied. The matter was reported by the department to be *sub-judice* (February 1983).

3.4. *Extensions and improvements to Lawan Branch Canal (Action Plan III).*—The Project Report (January 1977) for this scheme envisaged improvements to this branch canal, however, the report did not contain any provision for lining on account of the cost involved. The CWC informed (February 1978) the Government that the improvements envisaged without lining the canal were neither economical nor well conceived and desired reconsideration of the scheme. No action was taken on the observations of the CWC and the work on the scheme, which was commenced in January 1977, was continued till October 1978 when further works were suspended for being fitted in the IDA assisted Composite Project with changed design criteria for providing assured irrigation. Further works on this branch canal taking off from the tail of the MMC have been programmed under the Composite Project to be taken up only after 1986. This scheme which was envisaged to yield benefit simultaneously with the commissioning of the reservoir (July 1979) remained incomplete. Under the revised proposal the scheme is expected to yield benefit only after 1986. An expenditure of Rs. 1,31.55 lakhs was incurred on the scheme upto March 1982, out of which Rs. 62.68 lakhs were spent from 1st April 1978 after the receipt of advice of CWC for reconsideraition of the scheme.

3.5. *Remodelling and extension of Bhatapara Branch Canal (Action Plan V).*—The scheme approved (February 1977) for Rs. 5,55.00 lakhs envisaged to increase the existing length (28.8 kilometres) of the branch canal (to 105.6 kilometres) and to provide 24 additional distributaries. The work on the scheme, for which clearance had not been obtained (February 1983) from the CWC was commenced in February 1977. The instructions given

(February 1978) by the CWC on the technical aspects of planning regarding reassessment of water utilisation planning with reference to crop requirements as per guidelines issued by the Water Management Division of the Ministry of Agriculture, Government of India provision of a detailed drainage scheme for the command area and reassessment of the adequacy of the regulating structures, cross drainage works and water measuring devices, were also not complied with. Out of 16,909 thousand cubic metres (TCM) of earthwork required to be executed, only 8584 TCM (51 per cent) was carried out (March 1982). None of the 154 structures required to be constructed was completed. Consequently, though 1.40 lakh acres were envisaged to be additionally irrigated through this branch canal with the potential made available from the Ravishankar reservoir from July 1979, no additional irrigation could be achieved. The balance works on this scheme are programmed to be completed under the composite project by June 1986, up to which time the benefit of this scheme on which a sum of Rs. 10,52.44 lakhs was spent (March 1982) would not be available.

3.6. *Utilisation of Ravishankar reservoir potential*—Since the remodelling of the MMC (Action Plan IV) for increasing its carrying capacity was not completed and only two of the five other Action Plans were completed, the water impounded by the Ravisankar reservoir could not bring about the envisaged additional irrigation as indicated in the table given below:—

Name of Action Plan	Additional potential envisaged	Additional potential created	Actual area additonally irrigated by the action Plan 1979-80	1980-81	1981-82
(1)	(2)	(3)	(4)	(5)	(6)
			(*In lakh acres*)		
(*i*) Action Plan I	0.59	0.51	0.33	0.03	0.31
(*ii*) Action Plan I A	0.35	Nil	Nil	Nil	Nil
(*iii*) Action Plan II	0.35	0.35	0.35	0.28	0.32
(*iv*) Action Plan III	0.30	Nil	0.03(A)	0.04	0.06
(*v*) Action Plan V	1.40	Nil	Nil	Nil	Nil
Total	2.99	0.86	0.71	0.35	0.69

Out of 52,645, 40,888 and 44,383 mcft. of water diverted from the Ravishankar reservoir during 1979-80, 1980-81 and 1981-82 respectively 24,422, 25,766 and 24,421 mcft. of water was discharged into the river due to non-completion of remodelling works.

4. *Water supply to Bhilai Steel Plant.*—The Project Report (1969) had envisaged additional annual supply of 4,800 mcft. of water to BSP from 1975 to meet its increased requirement as intimated in 1964 for its expansion programme. Due, however, to delay in implementation of the expansion programme of BSP as per schedule and lesser demand of water, while no supply of water was made during 1979-80, only 1931 and 1878 cft. of water was supplied to the BSP from the Ravishankar reservoir during the years 1980-81 and 1981-82 (up to March 1982), respectively. The shortfall in drawal of water by the BSP resulted in loss of revenue of Rs. 1,73.42 lakhs.

Although the department was supplying water to the BSP from 1957 and the Project Report (1969) contemplated synchronisation of the completion of the head works and feeder canal with the projected additional demand by the BSP, no agreement had been entered into (November 1982) with the BSP for a definite commitment of water supply. The BSP authorities informed (October 1981) the Chief Engineer that the demand of water would increase to 9,600 mcft. by October 1984.

(A) Due to increased discharge from MMC head works.

5. *Other topics of interest:*

5.1. *Under-utilisation of Earthmoving equipments.*—Twenty scrapers, nine dozers and sixteen tractors (cost: Rs. 2,55.02 lakhs) were procured between July 1973 and October 1974 for the execution of the Ravishankar Dam (earthen section) and the work was executed between July 1973 and March 1978. The procurement was found to be in excess of requirement as revealed by the test-check of performance reports of the equipments, the results of which are detailed below:—

(*i*) Substantial gaps were observed between the available production hours and utilisation. The percentage of utilisation to available capacity was 52 for scrapers, 64 for tractors and 60 for dozers.

(*ii*) The guidelines issued (1974) by the CWC required that the work phasing should be made in such manner that the variation between peak load and average load is not substantial. The position of average monthly load and peak monthly load during the working seasons in each of the years 1973-74 to 1977-78 was as under :—

Working season*	Average monthly load (Cums)*	Peak monthly load (Cums)*	Variation percentage between Colums (3) and (2)
(1)	(2)	(3)	(4)
1973-74	4,713	18,420	291
1974-75	48,231	82,350	71
1975-76	98,733	1,21,840	23
1976-77	22,887	63,450	177
1977 78	3,676	9,070	147

Contrary to the guidelines of CWC the average monthly load varied from the monthly peak load by 23 per cent to 291 per cent.

The Chief Engineer admitted (December 1982) the under utilisation of equipments and attributed it to delay in commissioning, delayed availability of trained staff, shortage of spares and lack of co-ordination between agencies responsible for servicing the equipments.

5.2. *Incidental Power Generation.*—A proposal for generation of 10 megawatts(4 units of 2.5 megawatts each) of power from the water releases of the reservoir was approved by Government in May 1975 and a provision of Rs. 20 lakhs was made in the revised adminstrative approval for the Project. Although an expenditure of Rs 20.77 lakhs was incurred (March 1982) on erection of penstocks,trash rocks, service gates, etc., no decision had been taken(November 1982) as to whether the construction of the power house building and the work of procurement, installation and commissioning of power generation equipments would be done departmentally or by the Madhya Pradesh Electricity Board. The hoists required for operating the penstocks, service gates had not been procured and installed(November 1982).

5.3. *Micro Hydel Power Generation.*—The revised adminstrative approval(March 1977) of the RSP envisaged installation of two units of micro power generation of 0.1 megawatt each at the tail of the feeder canal by constructing a fall for the purpose. The work of manufacture (including design), supply,installation and commissioning of the sets was awarded to a contractor for Rs.12.89 lakhs in April 1978 and the contractor was required *inter alia,*

* During the working season November to May.

to make provision in the layout and design for two more units of identical capacity to be provided in further expansion. A sum of Rs 2.57 lakhs, representing 20 per cent of the value of the contract, was advanced to the contractor in April 1978 as per the terms of the contract. The commissioning was required to be completed by September 1980 (extended to December 1981), but, even the supply of the equipments had not been made so far (February 1983). The contractor furnished (November 1980) proposals to the Chief Engineer for providing four units of propeller type turbines (as against two units of pier type turbines envisaged in the contract) which was not accepted by the department. The design and layout furnished by the contractor on the assumption that the future units to be provided will be of tubular type were also not accepted by the Chief Engineer who directed (January 1982) the contractor to finalise the design after discussion with the departmental officers. The designs have not been finalised so far (March 1983). The construction of the fall required for providing the water to drive the turbines has also not been commenced by the department so far (March 1983).

5.4. In respect of works relating to remodelling of MMC it was found that as against the provision of Rs. 74.94 lakhs in the Project Report (1977) for buildings (Raipur : Rs. 20.00 lakhs; others : Rs. 54.94 lakhs), Rs. 32.93 lakhs was spent up to March 1982 out of which the expenditure on buildings at Raipur amounted to Rs. 30.33 lakhs. The number of E and F type quarters constructed at Raipur was 8 and 16 respectively, against the project provision of 2 E type and 8 F type quarters. The construction of residential quarters (103) for field staff was not taken up at all while only 6 non-residential buildings (godowns, sheds, etc.) were constructed against 70 buildings required to be constructed. The expenditure of Rs. 32.93 lakhs incurred on buildings up to March 1982 included Rs. 0.32 lakh spent on electrification of reservoir site of another dam (Dudhawa) with which the Action Plan was not connected.

Further, two sets of electric printing and plate embossing machines (cost : Rs. 1.80 lakhs) were purchased by the Superintending Engineer, Mahanadi Circle, Raipur in August 1979 and charged to Action Plan IV, though the machines were intended for the revenue functions of the department.

The Project provision of Rs. 86.38 lakhs for miscellaneous items of works included Rs. 64.59 lakhs (75 per cent) to be spent on items incidental to the execution of work which should have progressed more or less commensurate with the earthwork, lining, etc. Although only 12 per cent of the project provision for earthwork, lining, etc., was spent up to March 1982, the expenditure on miscellaneous items amounted to Rs. 37.59 lakhs, *i.e.* 43.5 per cent of the project provision.

5.5. *Overpayment due to application of incorrect rates.*—The item rate contract entered into with a contractor (February 1975) for the work of construction of Ravishankar feeder canal (kilometres 7 to 9) stipulated that in the case of items, the tendered rate of which exceeded the departmental estimated rate by more than 15 per cent, the quantities of such items executed in excess of 10 per cent of the tendered quantities would be paid at the estimated rates plus or minus the overall percentage by which the tendered value for the work was above or below the probable amount of contract. The payment for excavation in ordinary rock (tendered rate Rs. 60 per 10 cubic metres, estimated rate Rs. 35.30 per 10 cubic metres and overall tendered percentage 36.46) was not regulated in accordance with this provision and made at the tendered rate only which resulted in an overpayment of Rs. 0.17 lakh. The overpayment was accepted (January 1983) by the Chief Engineer. Recovery has not been made so far (March 1983).

5.6. Permeability testing.—The work of construction of masonry section of spill-way blocks was executed between June 1975 and June 1978 under six contracts. The Department was required to conduct permeability testing of finished masonry in each of the blocks in order to ensure that the water-loss by leakage did not exceed the limits prescribed for it. For this purpose, 136 test holes were required to be drilled and a like number of water-loss tests were to be conducted. No evidence of tests having been conducted was found in the records of the departmental officers.

6. Summing up.—(*i*) Although the Ravishankar Reservoir and the feeder canal were completed in July-August 1979 at a cost of Rs. 32,13.87 lakhs, 0.71 lakh acres only could be brought under additional irrigation with the reservoir potential as against 2.99 lakh acres envisaged. The under-utilisation was due to non-completion of 4 out of the 6 schemes approved for remodelling of the existing Mahanadi Canal System and a lift canal scheme. The schemes were approved 3 to 4 years after the approval of the head-works and clearance of the the Central Water Commission was not obtained.

(*ii*) Remodelling of the Mahanadi main canal which was necessary for passaging additional water for irrigating 2.64 lakh acres in the command to be served by its branch canals was neither planned nor executed so as to synchronise properly with the remodelling of the branch canals and distributaries. The expenditure of Rs. 15,06.83 lakhs incurred on the branch canals and distributaries was thus not fruitful.

(*iii*) The expenditure of Rs. 3,22.84 lakhs incurred on Abhanpur lift canal scheme was not fruitful because no action was taken for remodelling the Mandhar branch canal to enable it to passage the additional water required for the lift scheme. The improvements to the Lawan branch canal on which Rs. 1,31.55 lakhs were spent were considered by the CWC to be neither economical nor well conceived in the absence of lining.

(*iv*) Although the construction programme of RSP was framed so as to synchronise its completion with the demand of additional water by the BSP for its expansion programme liasion was not maintained with BSP to ascertain their requirment, the short-drawal of water by the BSP after the commissioning of the reservoir resulted in a loss of revenue of Rs. 1,73.42 lakhs upto March 1982.

(*v*) Though the project envisaged generation of 10 megawatts of power from the water releases of the dam and an expenditure of Rs. 20.77 lakhs was incurred (March 1982) on the erection of penstocks, trash rocks and service gates, the construction of power house building and installation of power generation equipments have not been commenced.

The matters were reported to the Government in September 1982; reply is awaited (March 1983).

4.2. Halali Project

1. Introductory.—The Halali dam is located at 45 kilometres down stream of the origin of the river Halali (a tributary of Betwa) and 38 kilometres upstream on the confluence of Halali and Betwa rivers. The project envisaged construction of earthen dam (unit I) across the river Halali, and a canal system total length 266.4 kilometrs (unit II) for providing an assured irrigation annually to 62,000 acres of culturable command area in Vidisha (52,000 acres) and Raisen (10,000 acres). The project also included installation of turbine pumps capable of lifting 15 cusecs of water for providing irrigation to 1,500 acres of high land (included in the total irrigation potential of 62,000 acres) which could otherwise not be catered for irrigation purposes. The envisaged benefits were increase in agrcultural production by 1.74 lakh tonnes annually with a return of Rs. 877.07 lakhs and flood control.

2. *Project estimates*.—On the basis of the preliminary survey by Central Water and Power Commission (now Central Water Commission—CWC) during 1955-59 an estimate of Rs. 4,04.27 lakhs was approved by the Government (April 1963) which provided for a masonry dam for irrigation purposes. The construction work of the main project could not be started during 1963 to 1970 due reportedly to non-finalisation of the design and alignment of the dam and financial stringency during Chinese aggression in 1962. The project was modified i 1971 as an "Irrigation-cum-Flood Protection Scheme" and the revised estimates stood at Rs. 409 lakhs. The estimates were further revised to Rs. 857 lakhs in 1976, Rs. 1275.70 lakhs in 1979 and Rs. 1306.07 lakhs in 1981.

While the estimated cost of the project increased, the proposed irrigation potential decreased together with an increase in the cost per acre of irrigation potential (1971: Estimated cost : Rs 409 lakhs; irrigation potential : 0.70 lakh acres; cost per acre : Rs. 531.17; 1976: Estimated cost: Rs. 857 lakhs; Irrigation potential : 0.62 lakh acres; cost per acre : Rs. 867.74; 1979 : Estimated cost : Rs. 1275.70 lakhs; Irrigation potential : 0.62 lakh acres; cost per acre : Rs. 1071 ; 1981 : Estimated cost : Rs. 1306.07 lakhs ; Irrigation potential : 0.62 lakh acres; cost per acre : Rs. 1404).

The increase in cost over the estimates (1971) was mainly due to taking up of new items of work not originally provided for (Rs. 185.19 lakhs), increase in the cost of land acquisition (Rs. 132.64 lakhs) and escalation of cost of labour and material (Rs. 104.21 lakhs). Further, the provision for construction of canals, which was originally made (Rs 253.80 lakhs) on lump sum basis at Rs. 250 per acre, was augmented (1976 and 1979) by Rs. 419.81 lakhs on the basis of detailed estimates.

3. *Progress in construction*.—Although the project was approved in 1963, the construction work on the main project was not started till 1970 except some pre-construction works and staff quarters. The work on the construction of earthen dam was completed in December 1976. The survey work of canals was taken up in 1974. While 98 per cent of the earth work of the main canal was completed in June 1978, one out of the six, proposed structures and remaining earth work was not complete till July 1982. The construction of Left Bank and Right Bank canals including distributaries and minors which were scheduled to be completed by March 1980 were in progress till July 1982. The work on High level canal has not been taken up so far (March 1983). The turbine pumping scheme scheduled to be completed by March 1977 had not been completed till February 1983. An amount of Rs. 11,71.12 lakhs was spent on the project against the last revised estimate of Rs. 13,06.07 lakhs (1981) for which administrative approval is still awaited (March 1983).

The delay in construction of canals was attributed by the Executive Engineer, Irrigation Division, Vidisha (hereafter referred to as Executive Engineer) and the Superintending Engineer (in progress reports) mainly to delay in survey of canals, non-finalisation of alignment of minors and distributaries, non-availability of local labour, shortage of cement and steel, insufficiency of regular staff, non-availability of agents (contractor) for micro-minor structures, costing Rs. 8 to 10 thousand, and water for construction during the summer and delay in acquisition of land.

4. *Earthen dam*.—In it's survey report, the CWC had observed that there would be no floods in the area as the river Betwa and its tributaries flow with steep beds, inside high banks. However, in view of the floods in Vidisha town and adjacent areas during 1965, the State Government framed (1971) estimates treating the Project as an "Irrigation-cum-flood control scheme" by raising the height and length of the dam to 29.56 metres and

945 metres respectively. The work was accordingly executed and the dam with an increased height of 2.11 metres was completed in December 1976. In 1976, the estimates were revised and, on the basis of the actuals, the Project Report was submitted to CWC for clearance. While observing (January 1978) that no useful purpose would be served in commenting on the capacity of the dam as it had already been constructed the CWC, *inter-alia*, observed that (a) the problem of flood in Vidisha town and adjacent areas in the year 1965 was due to the flood in Betwa river; flood control planning had not been done properly; no specifice flood storage was necessary to be provided and neither was the necessity of provision of flood storage in the reservoir established nor were the benefits for flood control economically justifiable; and (b) there was no surplusing arrangement between RL 1504 and RL 1518; since maximum floods occurred during the month of September the reservoir might raise dangerously and flushbar spillway provided by RL 1518 might not, therefore, be adequate.

Following observations were made in audit :— (*i*) An expenditure of Rs. 27.78 lakhs was incurred in raising the height of the dam by 2.11 metres, out of which, according to the Superintending Engineer (June 1982), 50 percent represented escalation in cost.

(*ii*) To overcome the difficulties of surplusing arrangements and protection of dam pointed out by CWC, a portion of dam in chainages 5 to 7 was dismantled and additional waste weir was constructed (November 1980) at RL 1508 at a cost of Rs. 19.85 lakhs. Consequently, construction of flushbar, approach and spill channel to flushbar at RL 1518 at a cost of Rs. 3.48 lakhs was rendered superfluous as due to provision of additional waste weir at RL 1508, there was no possibility of the operation of flushbar at a higher water level (RL 1518). Further, construction and dismantling of a portion of the dam in chainages 5 to 7 at cost of Rs. 0.97 lakh was also rendered infructuous.

On this being pointed out in audit, the Executive Engineer admitted (May 1982) the extra cost of Rs. 0.97 lakh on the construction and dismantling of dam in chainages 5 to 7. In regard to the remaining items of work, it was stated that in the revised flood routing studies the discharge capacity of sluice, byewash and additional waste weir was accounted for and the time taken for depletion was reduced. With the construction of additional waste weir at RL 1508, however, the chances of functioning of flushbar were remote especially, as obserbed by CWC, the water level would not rise upto RL 1518.

5. *Main canal.*— (*i*) The work of excavation of main canal, which in its initial reaches runs in hilly terrain and in deep cuts, was taken up in July 1974. As the work progressed, slip occurred on left bank of the canal between chainages 3 and 7 during April May 1975 and the canal bed already excavated was upheaved by about 14 feet. A lump sum provision of Rs. 2 lakhs was made in the estimates for 1976 for meeting the expenditure then incurred on the working of poclain excavators for removing the material of slip portion. Further slips occurred during 1976 and the blockade caused was removed departmentally; expenditure incurred on removal of slipped material could not be ascertained as no separate details of expenditure incurred thereon were kept.

For avoiding recurrence of slips, the work of widening the slopes with suitable berms and protective slopes awarded (February 1978) on contract was completed at a cost of Rs. 4.33 lakhs on 28th May 1978. A further slip occurred on the next day (29th May 1978) and the canal bed was again lifted up by 3 metres rendering the entire expenditure on restoration and widening of the slopes infructuous. A proposal for providing a RCC barrel in the affected portion of chainages 3 to 7 was then made (June 1978) by the Engineer-in-Chief and a provision of Rs. 15 lakhs was made in the project estimates (1979) for this purpose. No action was, however, taken by the department to start the work.

From the report (June 1978) submitted by the Executive Engineer it was noticed that contrary to the common practice of taking 10 bore holes in 1.6 kilometres for design calculations, only 3 bores had been taken for the proposed alignment and that excavation of the main canal was continued almost up to the designed bed level despite the change in the strata met with.

Thus, lack of adequate initial investigation of the strata in which the canal was to be excavated and failure on the part of the departmental authorities to take timely preventive measures, resulted in avoidable extra expenditure of Rs. 4.33 lakhs incurred on widening of slopes, etc., executed through contractor, expenditure incurred on work executed departmentally and also the proposed expenditure of Rs. 15 lakhs. Although a slip of high magnitude occured in May 1978 even after flattening of slopes, rendering the entire expenditure of Rs. 4.33 lakhs on restoration of slips infructuous; the reasons for this were not investigated.

(*ii*) The work of excavation of main canal chainages 0 to 108 divided into seven groups was awarded to contractors during 1974-75 on percentage basis on the Current Schedule of Rates (CSR) of the Irrigation Circle, Bhopal in force from November 1971. As the work progressed, a peculiar strata was found in Groups III, IV and V which was considered as hard rock cutting without blasting by the Sub-Divisional Officer. However, the Superintending Engineer sanctioned (April-May 1975) rate of Rs. 180 per 10 cubic metres treating the strata as vesicular basalt requiring blasting. Accordingly, payments aggregating Rs. 9.33 lakhs were made (February 1975 to October 1977) to two contractors for 0.53 lakh cubic metres of excavation in this strata.

Subsequently, the Superintending Engineer inspected (December 1975) the site and pointed out in his inspection note that the strata met with was copra, which is classified as soft rock.

The Chief Technical Examiner (Vigilance) examined (July 1976) the strata of main canal and stated that classification of excavation in vesicular basalt was not in order and that the vesicular basalt was merely a misnomer for the formation which was disintegerated, Jointed, fissured, weather basalt and was to be paid for, as soft rock only. Thus, the payment at higher rate for this item of work resulted in irregular payment of Rs. 4.10 lakhs (Rs. 9.43 lakhs minus Rs. 5.33 lakhs) to two contractors.

The department, however, pointed out (October 1978) that the strata encountered was similar to that found in Kerwan Project spill channel, whereupon the Chief Technical Examiner (Vigilance) asked the department (January 1979) to furnish a report from the Geologist. The matter was not, however, referred to the Geologist (October 1982).

(*iii*) According to the CSR, wet excavation in any type of rock excavation was not payable and, as such, the schedule of quantities appended to the agreements for excavation in main canal did not provide for wet excavation. On being reported by the contractor executing work in Groups III and V that excavation in wet soil had to be done for which extra rate was demanded, the Superintending Engineer sanctioned (May 1975) a rate of 33⅓ per cent extra over the rate payable for excavation in rock. Accordingly, the contractor was paid (June-November 1976) extra amount of Rs. 2.49 lakhs for 0.41 lakh cubic metres of excavation in wet rock.

On an objection by the Chief Technical Examiner (Vigilance), the Chief Engineer ordered (January 1977) recovery of excess payment to the contractor. On the request (February 1977) of the contractor for arbitration in the dispute, the Government appointed (February 1978) an Arbitrator. In his award (July 1980), the Arbitrator upheld the recovery as ordered by the Chief Engineer.

The contractot was reported by the department to have filed (August 1980) a petition in the Court of Law against the award of the Arbitrator. Further developments are awaited (March 1983).

6. *Head Regulator for Canal.*—The work of supply and erection of Head regulator gates on the basis of approved design was awarded (December 1975) by the Executive Engineer to a firm on the basis of item rate tender at a negotiated rate of Rs. 4.16 lakhs. The gates were supplied (September1976) by the contractor and erection was completed inFebruary 1977. Despite general instructions of the State Government, the Division did not arrange for the prescribed model studies by the Electrical and Mechanical formation, prior to the installation of gates nor carried out the tests required to be conducted after completion of work, as prescribed in the agreement. The Executive Engineer requested (January 1978) the Electrical and Mechanical formation to inspect the work so that the defects might be removed before finalisation of the contractor's claims. Due to defects in installation of gates, the leakage of water which was initially assessed at 3 cusecs in January 1978 was found to have increased to 20 cusecs in October 1978 and140 cusecs in July 1981.

Meanwhile, running payments aggregating Rs. 4.03 lakhs were made to the contractor upto November 1976 and an amount of Rs. 0.53 lakh representing payment on account of final bill, earnest money and security deposit was withheld.

The Chief Technical Examiner (Vigilance), in his inspection (April 1982), brought out the causes leading to the defects in the erection of gates and stated that the damage to sealing arrangements was caused by defects in the masonry wall, which required chipping 'by few inches' and that only one air vent was provided as against two in the drawing of sluice tower which indicated gross neglect on the part of the supervising staff resulting in damage to guide brackets and scale.

In order to facilitate repairs to the gates and to complete the balance works in main canal which had to be left incomplete in chainages 0 to 24, a programme for dewatering of main canal was drawn up (November 1977) by the Chief Engineer and dewatering operations were started in December 1977. The site was completely dewatered on 26th January 1978.

The pumps installed for dewatering continued to work till May 1978 to keep the site dewatered on account of the continued leakage against an expenditure of Rs. 1.55 lakhs. In spite of the dewatering, the work of removing the defects could not be taken up as it was stated (August 1982) that the contractor did not turn up to attend to the repairs of gates contending (July 1979) that the leakage of water was due to certain defects in the design of gates and the work of installation having been taken up, at the instance of the department, before completion of masonry and that the arrangements to dewater the sluices had not been made. Meanwhile, the Department approached the Electrical (E&M) Division to take up the repairs. After inspection (December 1980) the Electrical and Mechanical formation prepared an estimate of Rs. 1.92 lakhs for repair of gates and forwarded (March 1982) to the Chief Engineer for sanction, which is awaited (July 1982). The defects noticed in head regulator gates in January 1978, could not be rectified till July 1982.

7. *Turbine Lift Scheme.*—The work of supply and erection of turbine pumps was awarded to a firm in January 1977 at a total cost of Rs. 7.92 lakhs and advance payment of Rs. 1.82 lakhs (25 per cent of cost of material: Rs. 7.28 lakhs) was made (January 1977) as per one of the conditions of the contract.

According to the agreement, the first set of turbine pumps was to be supplied within 14 months' time and, thereafter, the remaining two pumps after one month's interval each. However, two pump units (with accessories for all the three pumps) were supplied in January 1982 and the third one in June 1982 and paymets aggregating Rs. 7.35 lakhs (including advance payment) were made up to August 1982. Rupees 1.82 lakhs given as advance to the firm, therefore, remained blocked for 5 years.

The department was required to complete the turbine house and all civil works appurtenant to the installation of pumps, to enable the firm to erect the pumps. The work of construction of turbine house (estimated cost: Rs.3.02 lakhs) was awarded (May 1978) on contract to be completed in three months. The site was dewatered, cleared and handed over to the contractor in May 1978. The contractor could work for one month only and had to stop the work as the department was unable to control the water due to rains. The leakage from head regulator gates also increased and the site was filled with water. Since then, the work could not be resumed till February 1983. The work on distribution chamber and high level canal could not be taken up (February 1983) as designs and drawings could not be finalised and approved and technical sanction to work was awaited. Thus, expenditure of Rs. 8.16 lakhs (supply of turbine pumps: Rs. 7.35 lakhs; construction of turbine house: Rs. 0.81 lakh) incurred on the scheme upto August 1982, proved to be unfruitful as the benefit of providing irrigation to 1,500 acres of agricultural land could not be made available.

On being pointed out by Audit, the Superintending Engineer stated (June 1982) that the department did not complete the civil works as the firm had delayed the supply of pumps and that completion of civil works for installation of pumps was not considered useful and it would have resulted in blocking of huge amounts without achieving targetted irrigation. No action was, however, initiated by the department against the firm for late supply of pumps. Moreover, due to constant leakage of water from head regulator gates, it was not possible to take up civil works till the water level in the reservoir was brought down to RL 1473 and the main canal dewatered in chainages 0 to 22.

8. *Development of Irrigation Potential and Realisation of Revenue.*—The Project Report (1976) had envisaged creation of the full irrigation potential of 0.62 lakh acres (annual irrigation: 0.93 lakh acres—rabi: 0.62 lakh acres; kharif: 0.31. lakh acres) by March 1980 but this is now expected only by June 1983 due to non-completion of the canal system. Meanwhile, the department had, after taking into account the availability of water, announced areas for irrigation. The irrigation potential actually created (annual irrigation), the area announced for irrigation and the area actually irrigated were as follows:—

Year	Potential created	Area announced for irrigation	Area actually irrigated	Shortfall over created potential	Percentage of area irrigated to potential created
(1)	(2)	(3)	(4)	(5)	(6)
	(*Acres*)	(*Acres*)	(*Acres*)	(*Acres*)	
1978-79	17,250	Not available	5,737	11,513	33.26
1979-80	37,195	19,804	14,522	22,673	39.04
1980-81	40,564	30,350	14,590	25,974	35.97
1981-82	51,564	35,150	15,015	36,549	29.12

The underutilisation of irrigation potential created was attributed (April 1982) by the Executive Engineer to lack of demand for water by cultivators due to timely rains, non-execution of the agreements by the cultivators eventhough the announcement for kharif and rabi crops were made every year, non-construction of field channels and water courses and non-adoption of the cropping pattern suiting to the irrigation; consequently, there was no demand for additional water.

Rupees 4.15 lakhs were outstanding for recovery towards arrears of water rates as on 31st March 1982. Demand collection and balance registers, showing cultivatorwise and yearwise details of arrears, were not maintained by the division. Further, the irrigation cess at the rate of Rs. 5 per acre, per annum, which was required to be recovered from all land holders of net service area whether the land holder took irrigation water or not, was levied and recovered, only from the cultivators to whom water was supplied.

9. *Summing up* :—(*i*) The project was started in 1973 with an outlay of Rs. 409 lakhs and the total expenditure upto February 1983 amounted to Rs. 11,71.12 lakhs. Against the envisaged irrigation potential of 0.62 lakh acres by 1979-80 the potential created upto 1981-82 was 0.51 lakh acres. Even the irrigation potential already created could not be fully utilised; utilisation was as low as 29.12 per cent during 1981-82.

(*ii*) For providing flood control benefits, the height of the dam was raisd by 2.11 metres (cost: Rs. 27.28 lakhs) which was not considered necessary by the CWC as flood benefits were incidental. Subsequently, an additional waste-weir was also provided by dismantling a portion of dam. Omission to provide an additional waste-weir at the time of original construction resulted in extra cost of Rs. 4.45 lakhs on construction and dismantling of portion of dam (Rs. 0.97 lakh) and flush bar, etc. (Rs. 3.48 lakhs), which was rendered unnecessary.

(*iii*) Improper and inadequate surveys and investigation of the alignment and failure to take timely and adequate preventive steps resulted in recurrent slips in chainages 3 to 7 of the main canal. Works executed to prevent slips at a cost of Rs. 4.33 lakhs could not prove to be effective and construction of a RCC barrel in the affected portion at a cost of Rs. 15 lakhs is proposed to be taken up.

(*iv*) Irregular payments of Rs. 6.59 lakhs were made to contractors on account of sanctioning of extra rates by the Superintending Engineer for excavation in a peculiar strata (Rs. 4.10 lakhs), which was categorised as vesicular basalt by the department but found to be soft rock by the Chief Technical Examiner (Vigilance), and wet excavation (Rs.2.49 lakhs).

(*v*) Head Regulator Gates (cost: Rs. 4.16 lakhs) installed, without conducting model studies, did not function properly resulting in heavy leakage of water. Expenditure of Rs. 1.55 lakhs already incurred on dewatering of main canal and proposed expenditure of Rs. 1.92 lakhs on repairs was avoidable.

The matters were reported to the Government in August 1982; reply is awaited (March 1983).

4.3. Extra cost due to improper negotiations of tender

As per departmental regulations, a properly detailed estimate must be prepared for every work for the sanction of the competent authority. The estimates for construction of left and right transition blocks (under Group M. I) for Sondur masonry dam (estimated cost : Rs 1,33.88 lakhs) provided, *inter alia*, (*i*) 'Excavation in all types of soil complete as per specification including all lifts and lead upto 100 metres and disposal as directed' and (*ii*) 'Dewatering and pumping of the working area including removal of all seepage and execution of work required for construction work'. In the technical sanction provision was made, *inter alia*, for the side slopes only.

Based on the estimates, item rate tenders were invited (4th September 1978) by the Chief Engineer, Mahanadi Bodhghat Project, Raipur. As per terms of the notice inviting tenders (NIT), if the quantity of a particular item of work exceeded the estimated quantity, as indicated in the tender schedule, by more than 10 per cent and the contract rate for that item was more than the estimated rate by 25 per cent or higher, the quantity in excess of 10 per cent was to be paid for at the estimated rate for that item plus or minus the overall percentage by which the total tendered value of the work as a whole differed from the estimated cost of the whole work, subject to a maximum of the tendered rate for that item.

In response, three tenders were received on 25th October 1978 from firms 'A', 'B' and 'C'. The lowest tender of firm 'A' contained a number of conditions having financial bearing and the next higher tender of firm 'B' was 0.22 per cent higher than that of the lowest tender. Government permitted (January 1979) the Chief Engineer to conduct negotiations, in Government interest, with all the tenderers, with a view to bringing down the rates and making contractors withdraw/modify their conditions.

As a result of negotiations, the provisions of clause 3.3.13 (B) (a) of the tender document regarding payment for variation in quantities were modified. According to the modified clause, the tendered rates would hold good for various items of work for quantities to the extent of 20 per cent (instead of 10 per cent as per original clause) over and above those indicated in the schedule of quantities and for exceess quantities beyond 20 percent, the rates would be mutually agreed upon, subject to the minimum of the tendered rates (instead of subject to the maximum of the tendered rates as per original clause).

On the basis of this negotiated condition, the tenderers were asked (January 1979) to offer the percentage reduction/rebate on the tendered rates. Only one tenderer, firm 'B' whose rates were next higher than those of the lowest tenderer offered a rebate of 2.7 per cent and, thus, his tender became the lowest and was accepted (March 1979) by the Government and work order was issued to him on 1st May 1979.

Following observations were made in audit :—

(*i*) The tendered rates of the successful tenderer were abnormally high for items of work relating to excavation (Rs. 200 per 10 cubic metres as against the estimated rate of Rs. 43.91 and Rs. 120 of the other tenderers) and dewatering (Rs. 3 per kilowatt hour as against the estimated rate of Rs. 1.70 and Rs. 2 of the other tenderers). However, negotiations were not conducted to secure reduction in the rates of these items.

(*ii*) There was an abnormal increase in quantities of these two items upto the 25th Running Account Bill paid (March 1982) to the contractor. Due to the applicaton of the negotiated clause 3.3.13 (B) (a) of the agreement which regulated payments for quantities in excess of 20 per cent of the scheduled quantities and payment at abnormally high tendered ratea, extra cost aggregating Rs. 8.47 lakhs was incurred as detailed below :—

Item of work	Estimated quantity	Actual quantity executed	Quantity in excess of estimated quantity plus 10 per cent thereof	Estimated rate	Rate paid (tendered rate)	Rates as per original clause 3.3.13 (B) (a)	Extra cost
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	(*In lakh cubic metres*)			(*Rupees per 10 cubic metres*)			(*Rupees in lakhs*)
Excavation in all types of soil complete as per specification inculding all lifts and lead upto 100 metres and disposal as directed	0.42	1.14	0.68	43.91	200.00	54.43	9.90
	(*In lakh kilowatt hours*)			(*Rupees per kilowatt hour*)			
Dewatering and pumping of the working area including removal of all seepage and execution of work required for construction work	0.29	2.34	2.02	1.70	3.00	2.10	1.82
						Total	11.72
Less rebate at the rate of 2.7 per cent allowed by the contractor upto 25th Running Account Bill							3.25
						Net extra cost	8.47

(*iii*) The abnormal increase in quantities of excavation was attributed by the Department (August 1982) to provision of midway berms and side slopes (end slopes) not originally provided for in the estimates and increase in the length of blocks by 26.75 metres due to change in lay out plan. The increase in quantity of dewatering was stated (August 1982) to be due to permeability nature of strata encountered during execution and increase in completion time of non-overflow portion because of change of design and delay in finalisation of spillway tender at Government level. Lack of proper survey and imperfect design thus resulted in increase in quantities.

The matter was reported to the Government in May and September 1981 ; reply is awaited (March 1983).

1.4. Jogia lift irrigation scheme

Jogia Lift Irrigation Scheme, administratively approved (January 1974) for Rs. 19.05 lakhs with an anticipated irrigation potential of 1,360 hectares, involved construction of weir, installation of pumps and construction of canals, etc.

The work of supply, erection and commissioning of four pumping sets was awarded (October 1978) by the Executive Engineer, Electrical and Mechanical Light Machinery Division, to a contractor of Indore, at a cost of Rs. 4.19 lakhs, inclusive of all taxes and charges. The agreement provided for 90 per cent payment of goods supplied against railway receipt and, in case of road transport, 90 per cent against delivery at site. In contravention of this condition, the Executive Engineer paid (16th February and 2nd March 1979), through bank, an amount of Rs. 3.45 lakhs as 90 per cent advance against two road transport receipts which indicated only the number of packages containing four electric motors and capacitors. Further, although payment towards the cost of four Vertical Turbine pumps was included in the road transport receipts, an amount of Rs. 1.13 lakhs was again

paid on 26th March 1979 to the firm against a railway receipt as 90 per cent payment for the same equipment. Thus, a total payment of Rs. 4.58 lakhs was made against the admissible advance payment of Rs. 3.77 lakhs.

Against the total advance payment of Rs.4.58 lakhs, equipment worth Rs. 2.52 lakhs only was reported (July 1982) to have been received by the department. After adjusting Rs. 0.63 lakh against dues of the contractor in March 1980, an amount of Rs. 1.43 lakhs remained to be recovered (February 1983) from the contractor. The Executive Engineer stated (August 1982) that the Collector, Indore had been requested (August 1981) to effect recovery from the firm as arrears of land revenue and that an estimate for Rs. 2.42 lakhs for completion of residual work was submitted (July 1982) to the Superintending Engineer for sanction. Further developments regarding recovery of excess amount paid to the contractor and action against him as per the provisions of agreement as well as erection and commissioning of pump sets are awaited (March 1983).

The civil works pertaining to the scheme and laying of power line, involving expenditure aggregating Rs. 14.67 lakhs, were completed by March 1980. Due, however, to non-installation of pumps, the scheme could not be commissioned and the intended benefit of providing irrigation to 1,360 hectares of land could not be achieved (February 1983).

The matter was reported to Govenment in March 1982 ; reply is awaited (March 1983).

4.5. Over payment due to incorrect application of rates for extra lifts on earth work

The Unified Schedule of Rates (USR) applicable with effect from 1st February 1977 provided, *inter alia*, payment of extra lifts on earth work at higher rates for various zones of heights per unit of 0.5 metre. The extra lift was to be determined after deducting the initial lift of 1.5 metres from the centre of gravity of the balance cross sectional area and this area was to be arrived at by excluding the area contained in the initial lift of 1.5 metres from the entire section. The USR prescribed separate rates for different ranges for payments for extra lift, and payments were to be regulated by progressive calculation.

The Executive Engineer, Irrigation Department, Rewa allowed payment for extra lift to the contractor, executing the earth work of dam of Jarmore tank(chainages 33 to 42),at the rate applicable to the highest payable lift for all extra lifts.This resulted in over payment (March 1981) of Rs. 1.92 lakhs on 0.60 cubic metres of earth work.On this being pointed out in audit, the Executive Engineer stated (December 1981) that as the work was taken up at a height of above 6 metres to complete the work left by the previous contractors engaged on the work,the progressive method of calculation of lift was not applicable. The reply is, however,not tenable as such a situation would only affect the number of lifts payable and not the mode of calculation of the rate payable. Further, according to the clarification given (March 1981) by the Engineer-in-Chief, the payment of extra lift would be on the balance quantity on the telescopic rates provided in the USR.

The matter was reported to the Government in June 1982; reply is awaited (March 1983).

4.6. Avoidable extra expenditure on transportation of cement

On the basis of tenders invited (May 1979)by the Executive Engineer, Irrigation Division Number I, Ambikapur, the work of carting of cement, diesel,hume pipes, tools and plants, machinery and store material from any place to the general stores of the division was awarded (June 1979)to a contractor at 0.017 per cent below the Unified Schedule of Rates (USR) for a period upto June 1980,which was subsequently extended upto 30th September 1980 after obtaining (July 1980) the willingness of the contractor. Against the estimated cost of the

contract of Rs. 0.80 lakh, the value of the work done by the contractor amounted to Rs. 6.51 lakhs; this included Rs. 6.48 lakhs for transportation of cement of which work of the value of Rs. 2.49 lakhs was done during the extended period.

The Executive Engineer stated (July 1981 and October 1982) that the estimated cost of tender was kept low as cement was expected to be delivered at and carted from Bishrampur railway station (distance of 28 kilometres) but, it had to be lifted by road from the factory premises (distance of 331 kilometres) due to shortage of railway wagons and this was done to avoid lapse of quota.

In this connection the following observations are made :—

(*i*) Although the work involved was primarily the transport of cement, omnibus tenders were invited, clubbing materials of widely different nature without indicating the quantum involved in each case, which rendered the scope of work indefinite.

(*ii*) Under the departmental regulations, tenders must be obtained for works unless the amount of contract is Rs. 5,000 or less. Fresh tenders were, however, not invited and inspite of the major change in the nature and scope of work, as a result of post tender decision to cart cement over a distance of 331 kilometres, against 28 kilometres as initially envisaged, fresh tenders for the work actually involved were not invited.

(*iii*) The rates for transportation of cement remained generally low in comparison to the rates for transportation of other store articles. Rate of the same contractor for transportation of cement accepted in January 1979 was 17 per cent below the USR while that of another contractor for other store materials accepted in May 1978 was 1/2 per cent below the USR. Further, a tender accepted (November 1980) for carting of all articles, including cement, was 16.77 per cent below the USR. Action of the division to club dissimilar items, keeping the estimated cost of the contract low, and to extend the period of contract and failure to invite fresh tenders or to ascertain the trend of rates for transport of cement over a much longer distance, resulted in avoidable extra expenditure of Rs. 1.19 lakhs (Rs. 0.42 lakh during extended period) on transportation of cement alone on the basis of rates received and accepted subsequently (November 1980).

The Executive Engineer stated (July 1981 and October 1982) that looking to the trend of tenders in another division (Baikunthpur), the rate of 0.017 per cent below USR allowed to the contractor was "cheaper and beneficial". However, this is not borne out from the fact that in the Ambikapur division itself rate of 16.77 per cent below the U S R was received and accepted in November 1980.

The matter was reported to the Government in July 1982; reply is awaited (March 1983).

4.7. Over payment for excess quantities due to non-observance of contract clause

The earth work and work of boulder pitching of Verwada and Gandhwal tanks was awarded (February 1979 and November 1978) by the Executive Engineer, Irrigation Division, Barwani to a contractor on item rate tender basis.

The estimated quantities of various items of the work were indicated in the schedule attached to the tender notice, which formed part of the contract. As per terms of the contract, if the quantity of a particular item actually executed exceeded the estimated quantity indicated in the tender schedule by more than 10 per cent and the contract rate for that item was more than the estimated rate by 25 per cent or higher, the quantity in excess of 10 per cent was to be paid for at the estimated rate for that item plus or minus the overall percentage by which the total tendered value of the work as a whole differed from the estimated cost of the whole work, subject to a maximum of the tendered rate for that item.

The quantities of work executed and rates paid in respect of the following items of Verwada and Gandhwal tanks exceeded the estimated quantities and estimated rates as shown below to the extent of percentage shown against each :—

Work	Particulars of item of work	Quantity estimated	Quantity executed	Percentage of increase	Estimated rate	Tendered rate	Percentage of increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		(*cubic metres*)			(*Rupees per 10 cum*)		
Verwada tank	(a) Excavation in all types of soil, moorum, etc.	10,308	20,520	99.07	55.60	90	61.87
	(b) Excavation in disintegrated or soft rock.	13,885	24,142	73.87	101.80	135	32.61
	(c) Puddle filling	679	4,650	584.83	113.30	160	41.22
					(*Rupees per cum*)		
Gandhwal tank	20 to 25 centimetres thick boulder pitching.	545	1,882	245.32	24.09	40	66.04

Accordingly, these items should, as per the contract terms, have been paid for at the estimated rate plus the overall percentage of excess of tender value over the estimated cost, *viz.*, 9.73 per cent and 9.01 per cent for Verwada and Gandhwal tanks respectively. However, the contractor was paid (November and September 1980), for the excess quantities, at the tendered rates which were higher, resulting in overpayment aggregating Rs. 0.79 lakh (Verwada tank : Rs. 0.61 lakh; Gandhwal tank: Rs. 0.18 lakh).

On the matter being pointed out by Audit, the Executive Engineer stated (May 1981) that the payment in case of Verwada tank was made after obtaining the sanction of the Superintending Engineer as quantities had increased and sub-clauses (*c*) and (*d*) of clause 4.3.13 of the agreement were attracted. However, sub-clauses (*c*) and (*d*) provided for determination of rates for extra items not included in the agreement. These sub-clauses were not applicable in these cases since rates for these items already existed in the agreement.

The matter was reported to the Government in January 1982; reply is awaited (March 1983).

4.8. Unauthorised benefit to a contractor

The work of construction of 88 units of Type-I quarters was awarded to a contractor (July 1979) at 21.90 per cent above the Unified Schedule of Rates (USR) by the Bargi Project Colony Division, Bargi nagar. The Schedule of items attached to the agreement povided for, amongst other items of works, 'Rolled steel joists channel tee or angle iron flat iron including fixing , etc.', at the rate of Rs.2.50 per Kilogram plus contractors' tendered percentage for complete item of work.

The agreement did not provide for departmental issue of material for the above item and the contractor was to arrange, on his own, the channels, etc., needed for its execution. The Division, however, issued 24,686 Kilograms of Mild Steel channels (M. S. Channels), free of cost and allowed labour rate(Re. 0.45 per Kilogram as per USR) plus tendered percentage to the contractor for this item of work. According to financial rules, material not provided for in the agreement could be issued to the contractor at the stock issue rates or market rate whichever is higher. Since the market rate for Mild Steel Channels was higher Rs. 5 per Kilogram (as per records of the division), supply of Mild Steel Channels free of cost and payment of labour rate (with tendered percentage thereon) resulted in unauthorised benefit of Rs. 0.62 lakh to the contractor.

On this being pointed out in audit (May 1981), the Executive Engineer stated (August 1982) that M. S. channels were issued free of cost to the contractor under the verbal orders of the Superintending Engineer to the Sub-Divisional Officer, Buildings Sub-Division, Bargi-nagar as the work was urgent and the material was not available in the market. This reply is, however, not acceptable as Superintending Engineer was not empowered to change the rates under the agreement and in case materal was required as per rules to be issued due to its non-availability in the market the cost of such material should have been recovered from the contractor at market rate which was higher than the issue rate.

The matter was reported to the Government in June 1982; reply is awaited (March 1983).

4.9. Avoidable extra cost on purchase of bamboos and ballies from open market

The Divisional Officers (Executive Engineers) of the Irrigation Department are empowered to purchase plant, special machinery, equipment and miscellaneous items upto Rs. 5,000, required urgently, on the basis of single or limited enquiry from recognised manufacturers after scrutiny of the same by the Divisional Store Purchase Committee. Such powers, have, however, not been delegated to Sub-Divisional Officers. During test-check (November 1979) of the accounts of Bhatapara Canal Construction Division, Raipur, it was observed that heavy purchases of materials (value : Rs. 5.66 lakhs) were made by the Sub-Divisional Officers from local suppliers during the period from April 1978 to July 1979 by splitting the requirements and without obtaining the approval of the Divisional Officer or the Divisional Store Purchase Committee; out of the total purchase of Rs. 5.66 lakhs thus made, the Sub-Divisional Officer III, Tilda alone made purchase of stores valuing Rs. 4.81 lakhs. According to the Chief Engineer, Mahanadi Godavari Basin, Raipur (December 1981), the Sub-Divisional Officer III, Tilda claimed that purchases were made with the knowledge of the Executive Engineer and on the presumption that the matter would be got regularised from the Divisional Office; the Executive Engineer, however, disputed this statement. Further action in the matter was awaited (February 1983).

It was observed in audit that ballies second class and bamboos were purchased locally by Sub-Divisional Officers, Bhatapara and Tilda during October 1978 to March 1979 without inviting tenders although these were available with Forest sales depots at sub-divisional headquarters at cheaper rates. Compared to the rates (including taxes) of the Forest Department, extra cost of Rs. 0.79 lakh was incurred in purchase of bamboos and ballies as detailed below :—

Description of material	Total number of supply orders	Number		Rates		Cost		Extra cost
		Purchased	Avialable with Forest sale depots	At which purchased	of Forest department	At which purchased	As per Forest department rates	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
				(*Rupees per piece*)		(*Rupees in lakhs*)		
Ballies Second class	17	2,493	2,493	34.00	10.55	0.85	0.26	0.59
Bamboos 18-20 feet long	13	16,760	13,980	3.00	1.60	0.42	0.22	0.20
				Total		1.27	0.48	0.79

The Government, to whom the matter was reported by Audit in March 1982, directed (June 1982) the Chief Engineer, Mahanadi Godavari Basin, Raipur to investigate the matter and submit a report. Further developments are awaited (March 1983).

4.10. Extra cost due to irregular fixation of piece work rates

According to the departmental orders, tenders must be obtained for all irrigation works costing more than Rs. 5,000 which are proposed to be given on contract. However, the Government authorised (February, December 1963) departmental officers to award works on piece work agreements at schedule of rates and below without inviting tenders, subject to the condition that the validity of rates in the schedule is checked from time to time by inviting bids for sufficiently large items or work covered by these rates. In the Irrgation Division, Rajnandgaon, works were awarded on piece work basis during 1977-78 (number of agreements : 1,396; amount: Rs. 167.14 lakhs) and 1978-79 (number of agreements : 419; amount: Rs. 48.93 lakhs) at the rates fixed by the Superintending Engineer, Shivanath Circle, Durg without properly ascertaining the market rates.

Test-check (February 1979 and August 1982) showed that in case of certain works which were initially taken up for execution through piece workers during February 1977 to June 1978, without inviting tenders, but were subsequently executed at lower rates obtained (November 1978 to April 1979) through open tenders as detailed below :—

Name of work	Number of piece work agreement	Total cost of work done as per USR	Piece work rates	Cost at piece work rates fixed by S.E.	Lowest rate received in open tender	Cost at the lowest tendered rate	Extra cost (Column (5) minus (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		(*Rupees in lakhs*)		(*Rupees in lakhs*)	(*Percentage below USR*)	(*Rupees in lakhs*)	
Nichekohda tank	17	1.09	At USR	1.09	8.04	1.00	0.09
Bhagwan Tola tank	18	1.33	,,	1.33	8.30	1.22	0.11
Edma Gandi tank	19	1.50	,,	1.50	8.10	1.38	0.12
Pour Jhola tank	57	3.98	,,	3.98	31.25	2.74	1.24
Audhi tank	185	29.83	,,	29.83	9.80	26.91	2.92
Manga Tola tank	39	3.34	,,	3.34	25.00	2.51	0.83
Uraidabri tank	34	2.88	20 percent below	2.30	29.00	2.04	0.26
Shivnath Diversion	39	6.09	,,	4.87	33.55	4.05	0.82
Jorahi tank	21	2.14	,,	1.71	29.91	1.50	0.21
Jora Tarai tank	4	0.34	,,	0.27	27.45	0.25	0.02
Total	433	52.52		50.22		43.60	6.62

(USR—Unified Schedule of Rates).

Thus, non-observance of rules regarding fixation of piece work rates resulted in extra cost of Rs. 6.62 lakhs.

The matter was reported to the Government in February 1980 and September 1982; reply is awaited (March 1983).

4.11. Irregular payment

According to the instructions contained in the Current Schedule of Rates of Tawa Project of 1971 (CSR), provision was to be made in the estimates of works costing above Rs. 2.00 lakhs for the difference in the cost of cement and steel between the issue rates and the rates provided for in the schedule to make the estimates realistic.

As per clause 2.1.28 of the Notice Inviting Tender (NIT) for the work of construction of Tourist's holiday home, Tawanagar (estimated cost : Rs. 3.38 lakhs) issued (August 1976) by the Executive Engineer, Tawa Project Division Number III, Itarsi, the main items of work to be executed were provided in the Schedule of quantities, *viz.* Annexure 'G' which, *inter alia*, included an item (number 48)—*viz.*, 'difference in cost of steel and cement between issue rate and the rate provided in the CSR'. The work was awarded (May 1977) to a contractor at 84 per cent above the CSR and the NIT (including Annexure 'G') formed part of the agreement with the contractor. It was observed in audit (May and August 1982) that Rs. 1.25 lakhs were paid (March 1982) to the contractor, in final bill in respect of item 48 *ibid, viz.*, the difference in cost of steel and cement (Rs. 0.68 lakh *plus* Rs. 0.57 lakh being the tendered percentage of the contractor thereon). Thus, wrong inclusion of the item, 'difference in the cost of steel and cement' in Annexure 'G'-Schedule of quantities to be executed by the contractor, which was not an item of work to be executed resulted in irregular payment of Rs. 1.25 lakhs to the contractor.

The matter was reported to the Government in July-August 1982; reply is awaited (March 1983).

HOUSING AND ENVIRONMENT DEPARTMENT

4.12. Irregular payment of octroi duty

Under clause 4(c) of the general conditions attached to the tender dated 16th July 1974 of a tenderer for supply, installation and commissioning of Sub-station equipment for a building constructed at Bhopal, sales-tax, local taxes and octroi duties were to be charged in addition to the quoted price. During the course of negotiations with the Superintending Engineer, Capital Project Circle, Bhopal, the tenderer agreed to withdraw the printed general conditions in the tender. On 31st October 1974, the Government approved the tender for Rs. 28.11 lakhs, inclusive of all taxes, on the basis of supplier's offer and as per modifications made at the time of negotiations held by the Superintending Engineer. Accordingly, an agreement omitting the printed general conditions in the tender, was executed by the Department with the supplier on 20th December 1974.

It was noticed in audit (November 1979) that, in contravention of the terms and conditions of the agreement, the Executive Engineer, Construction Division No. III, Capital Project Administration, Bhopal paid Rs. 0.57 lakh (during November 1975 to November 1976) to the supplier towards reimbursement of octroi duty paid by the supplier on the equipment. The irregular payment being pointed out (November 1979) by Audit, the Government agreed (January 1982) that payment of octroi duty should not have been made to supplier and action to recover the amount was being taken. Further developments are awaited (March 1983).

PUBLIC WORKS DEPARTMENT

4.13. Irregular payments to contractors

Under the departmental regulations, the Sub-Divisional Officer is responsible for all measurements recorded in his sub-division. Check of measurements should ordinarily be made before authorising payment to contractors through running account bills and, where this is not possible without undue delay in payment, it may be made subsequent to payment. It was, however, noticed in audit (March 1981) that in Champa Division, the required

checks were not exercised before authorising payments of running account bills in March 1979 in 17 cases by the Sub-Divisional Officer, Janjgir and, on actual measurements on 21st June 1979 and 2nd September 1979, overpayments totalling Rs 0.78 lakh were found to have been made to contractors in two works-collection of material for Khokbra-putpura and Aurid Dharashiv roads. The amount of overpayment fell under following categories :—

Nature	Number of bills	Amount
(1)	(2)	(3)
		(*Rupees in lakhs*)
Inflated measurements	12	0.49
Inflated measurement and payments at incorrect rate(s)	5	0.29
Total	17	0.78

Out of Rs. 0.78 lakh overpaid to the contractors, security deposit of Rs. 0.09 lakh was available with the department. The balance amount of Rs. 0.69 lakh remained (October 1982) recoverable from the contractor. On the matter being pointed out in Audit (March 1981) the Superintending Engineer admitted in his report (August 1981) to the Chief Engineer that the Sub-Divisional Officer incharge of the works did not check the measurements before payment of running bills. The Executive Engineer stated (October 1982) that—

(*i*) The concerned Sub-Engineer submitted running bill on 31st March 1979 alongwith Measurement Books at late hours, and, as such, there was no time to check the measurements and in order to avoid lapse of funds, payments were made without check of measurements.

(*ii*) Departmental enquiries had been initiated against the Sub-Engineer and the Sub-Divisional Officer concerned, and charge sheets against these officials had been framed and submitted to higher authorities.

The matter was reported to the Government in July 1981; reply is awaited (March 1983).

CHAPTER V

STORES AND STOCK

FOREST DEPARTMENT

5.1. Shortage in Stores not regularised

At the time of local Audit of the three Forest Divisions-Kanker (P); Balaghat(S) and Damoh (T) conducted in May 1981, September 1981 and November 1981, it was noticed that shortages of stores valued of Rs. 1.03 lakhs that occurred during October 1977 (Rs. 0.22 lakh), June 1979 (Rs. 0.38 lakh) and June/ August 1981 (Rs. 0.43 lakh) were yet (July 1982) to be investigated and regularised. Division-wise details are as under ;—

S.No.	Name of the Division	Kind of store	Value	Particulars	Remarks
(1)	(2)	(3)	(4) (*Rupees in lakhs*)	(5)	(6)
1.	Kanker(P)	Consumable stores	0.22	In October 1977 when there was a change of charge in Amabeda Range Stores were not given in charge to the successor.	The Divisional Forest Officer stated (April 1981) that the matter was under correspondence with the then Range Officer. Final reply is awaited (March 1983).
2.	Damoh (T)	Do.	0.38	In June 1979, when there was a change of charge in Sagoni Range, stores were not given in charge to the successor.	The Divisional Forest Officer stated (November 1981) that matter was under investigation and further reply will follow which is awaited (March 1983).
3.	Balaghat (Sales)	Sawai rope	0.43	Against the book balance of 418.96 quintals as on 1st June 1981, only 239.06 quintals were found as ground balance during physical verification (30th June 1981) at the time of handing over charge of depot officer, resulting in shortage of 179.90 quintals of Sawai rope, valuing Rs. 0.43 lakh.	The Divisional Forest Officer stated in September 1981 that the matter would be investigated and result will be intimated to Audit. Reply in the matter is awaited (March 1983).

The matter was reported to the Principal Chief Conservator of Forests during December 1981 to April 1982 and to the Government in April 1982; reply is awaited (March 1983).

PUBLIC HEALTH AND FAMILY WELFARE DEPARTMENT

5.2. Irregularities in purchase and supply of Medicines

1. *Supply of medicines to outdoor patients.*—According to the orders relating to management of stores of various categories issued (October 1977) by Government, consultants are authorised to issue 'Outdoor free medicines slips' to outdoor patients for supply of medicines/drugs from the hospitals' main store. In the event of non-availability of the prescribed medicine(s)/drug(s) in the store, the Superintendent of hospital makes emergent purchases of medicines from market (local purchase) as and when required. It was observed in audit (August 1981) that, in Hamidia Hospital, Bhopal (attached to Gandhi Medical College, Bhopal), 'free slips' were issued to patients for obtaining supply of medicine(s)/ drug(s) directly from the local supplier with whom the hospital had agreement for local purchase of medicines. Expenditure of Rs. 13.99 lakhs, Rs. 10.76 lakhs and Rs. 17.31 lakhs was incurred on local purchase of medicines which formed 19.88, 17.14 and 41.16 per cent of the total expenditure incurred under purchase of medicines during the years 1979-80, 1980-81 and 1981-82 (upto November 1981) respectively. The record of such 'free slips' issued by consultants was kept in a register maintained in the stores and the medicines were deemed to have been received and issued to the patients on the basis of acknowledgements (of 'free slips') given by patients.

Test-check of records relating to the local purchase of medicines during 1980-81 and 1981-82 (upto July 1981) revealed the following:—

(*i*) Since the medicine(s)/drug(s) were collected by the patients directly from the supplier, the hospital had no check on supplies actually made and quantities thereof and supplier's bills were passed without ensuring that quantities billed for were actually supplied, and rates charged were correct.

As the medicines indented for and obtained on 'free slips' were intended for supplies in smaller quantities for individual requirements and were not purchased in bulk and kept in store, the price advantage of bulk purchases was not availed of.

(*ii*) During the period August 1980 to June 1981, food articles (Threptin biscuits, proteins, protinules, Complan, etc.), and tonics costing Rs. 1.24 lakhs were supplied on 'free slips', out of which Threptin biscuits alone accounted for Rs. 0.82 lakh although the State Government's rules did not provide for the supply of food articles and tonics.

(*iii*) As quantities of supplies required to be made were not noted by the hospital authorities (in 'free slips') in all the cases (especially in case of food articles) the supplier charged for the biggest packs. The difference of cost between biggest and smallest packs of items supplied and charged from time to time as worked out by the Storekeeper was Rs. 0.40 lakh, out of which Rs. 0.10 lakh were reported (April 1982) to have been recovered from the supplier.

(*iv*) Besides entering into an agreement for local purchase of medicines on 'free slips', tendered rates of other suppliers for various items of medicines, etc., were also approved for supply to the hospital. Comparison of rate of one item, *viz*, Ampicillin Capsules 250mg., purchased on 'free slips', during September 1980 to May 1981, with the rate of Indian Drugs and Pharmaceuticals Limited (a Government of India undertaking) which was approved for hospital supply, revealed that extra expenditure of Rs. 0.31 lakh was incurred on the purchase of this drug alone. Further, additional expenditure of Rs. 0.28 lakh was incurred due to purchase of 11,764 Infusion (I—V) sets during August 1980 to June 1981 at higher rates on 'free slips' *vis-a-vis* the approved rates.

(*v*) An amount of Rs. 8.73 lakhs was drawn on 12th June 1981 on an abstract contingent bill, which was endorsed in favour of the supplier against his pending bills for the period from 27th March 1981 to 12th June 1981. The payment was made without exercising any check of bills and verification from stock entries. The detailed account of this amount, which was required to be rendered to Audit within three months has, however, not been rendered so far (March 1983).

The Director of Medical Services stated (April 1982) that the whole system of issue of medicines, etc., on 'free slips' needed to be reviewed and that a committee was being formed to study the existing procedure and suggest a 'fool proof' system. He further stated that instructions were being issued to ensure supply of smallest pack unless the quantity was specifically mentioned in prescriptions.

It was also observed in audit that in the bills for supplies made during November 1980 to May 1981, an amount of Rs. 0.52 lakh was claimed in excess by inflating the totals and incorrect computation of rates. On this being pointed out in audit, the overpayment was, recovered (December 1981) from the supplier. No action was, however, taken against the persons responsible for making overpayments and to avoid recurrence of such contingencies in future.

2. *Overpayment due to irregular purchase of medicines at higher rates.*—During 1980-81, local purchase of medicines was made from supplier 'A' on the basis of lowest tendered rate (wholesale rate *plus* 6 per cent and 1 per cent handling charges), fresh tenders were invited for supplies during 1981-82 and opened on 30th March 1981. Of the eight tenders received, the rates of 'B' (3.8 per cent above the wholesale trade rate) were lowest and that of 'A' (4.8 per cent above the wholesale trade rate) second lowest. However, it was decided by the Superintendent to re-invite tenders as six out of eight tenders received, were rejected on the ground of non-satisfaction of the conditions of tender. Consequently, tenders were re-invited on 4th May 1981 and opened the next day. Of the three tenders received, one tender was rejected and the rate of 'B' (2.95 per cent above wholesale trade rate) was again found to be the lowest and that of 'A' (5 per cent above the wholesale trade rate) the second lowest. However, no action was taken on the lowest tender immediately and it was only on the receipt of clarification from the Director of Medical Services, to whom the matter was referred to by the Superintendent, that an agreement for supply of medicines during 1981-82 was executed with 'B' on 11th June 1981. On 19th June 1981, the Superintendent cancelled the agreement consequent upon the receipt of a letter purporting to have been sent by a partner of firm 'B' expressing inability to make supply of medicine and placed an order with firm 'A' for supply of medicines during 1981-82. Subsequently, on receipt of a representation from the other partner of the firm 'B' on the ground that the partner who had earlier (19th June 1981) withdrawn the offer was not authorised to negotiate on behalf of the firm according to the partnership deed, the matter was investigated and on the advice of the Director of Medical Services, and with the approval of the Dean, Gandhi Medical College, Bhopal orders were issued to firm 'B' on 29th July 1981 for supply of medicines from that date. It was observed in audit (August 1981) that during the period April 1981 to 20th July 1981, local purchase of medicines (value; Rs. 14.02 lakhs) was made from firm 'A' at the rates applicable for supplies during 1980-81 and not even at the rates tendered by it for supplies during 1981-82, resulting in overpayment of Rs. 0.57 lakh. On being pointed out, the Director of Medical Services intimated (April 1982) that, consequent upon the receipt of consent, an amount of Rs. 0.31 lakh has been recovered from firm 'A'. Details of further recovery are awaited (March 1983).

The Director of Health Services, who was directed (June 1981) by the Government to conduct an enquiry in the matter, reported (October 1981), *inter alia* as follows:—

(*i*) Tenders for local purchase of medicines were not invited well before the close of the financial year 1980-81.

(*ii*) It was irregular to continue purchases during 1981-82 at the rates for 1980-81.

(*iii*) There was no justification for the Superintendent to cancel a valid tender and agreement, which was executed with supplier 'B' on the basis of technical advice given earlier by the Directorate, without referring the matter again for advice.

(*iv*) Since the Government had sustained considerable financial loss, it would be proper that a formal enquiry in the matter was conducted by the Dean, Gandhi Medical College Bhopal so that action could be taken to effect recoveries from and warn the persons responsible for the loss.

Further developments are awaited (March 1983).

The matters were reported to the Government in February 1982 and August 1982; reply is awaited (March 1983).

5.3. Purchase of X-Ray units

1. The Director of Health Services invited (November 1980) tenders, *inter alia*, for supply and installation of sixteen 50 M. A. X-Ray units at various hospitals and primary health centres in the State during 1980-81. In response, offers were received from three firms 'A', 'B' and 'C' in November 1980. While firms 'A' and 'B' quoted for 60 M. A. X-Ray units (for which no rquirement was indicated in the tender forms supplied to prospective tenderers) in addition to 50 M. A. units, firm 'C' quoted only for 50 M. A. units. Firm 'B also allowed in its offer a price discount on purchase of more than 10 units. A committee of experts (comprising Professors of Radiology of Medical Colleges, Bhopal, Jabalpur and Raipur) which examined the offers, observed (February 1981) that 50 M. A. units offered by firm 'A', whose rates were the lowest, would be suitable for routine radiography of extremities and chest and the 50 M. A. units offered by firm 'B' (second lowest offer) would be more suitable for routine and a little heavier work. The Committee of experts also took note of the additional advantage of the light beam diaphragm provided with the unit of firm 'B'. The Committee of experts accordingly recommended that purchase may be made depending upon the type of work and the needs of each hospital.

The Central Purchase Committee (Committee), which met on 7th March 1981 rejected the offer of firm 'A' on the ground that the units already supplied by it during the previous two years were not giving satisfactory service. The Committee, accordingly, restricted its consideration to the offers of only firm 'B' and firm 'C'. Keeping in view the requirement of 50 M. A. units (viz., 50) and the shortage of time, the Committee approved the rate of firm 'B' for 60 M. A. units (Rs. 78,348 per unit without taking into account the discount of Rs. 3,678 per unit offered) and that of firm 'C' for 50 M. A. units (Rs. 78,000 per unit). The Committee observed that the difference between the rates of both the units was not much and the unit of firm 'B' had 5 positions against 2 positions of unit of firm 'C'. Subsequently on 10th/11th March 1981 the firm 'C' agreed to reduce its rate for 50 M. A. units from Rs. 78,000 to Rs. 74,750 per unit if more than 12 units were purchased.

In all, 27 units (thirteen 60 M. A. units from firm 'B' and fourteen 50 M. A. units from firm 'C') were purchased (March 1981) at a total cost of Rs. 20.17 lakhs. In this connection the following observations are made :—

(*i*) Although the Committee of experts had recommended purchase of 50 M. A. units from firm 'B', the offer of firm 'B' for supply of 50 M. A. units was not considered by the Central Purchase Committee and no reasons were given for excluding this from consideration.

(*ii*) Firm 'B' had offered to supply 50 M. A. units at Rs. 71,408 per unit (Rs. 67,880 per unit with price discount). However, the offer of firm 'B' for supply of 60 M. A. units was compared by the Committee with the offer of firm 'C' for supply of 50 M. A. units.

(*iii*) For comparison of rates of firm 'B' for 60 M. A. unit and firm 'C' for 50M. A. unit, the price discount offered by firm 'B' was not taken into account by the Central Purchase Committee.

As a result of purchase of thirteen 60 M. A. units of firm 'B' (total cost: Rs. 9.71 lakhs) extra expenditure of Rs. 0.88 lakh was incurred with reference to the expenditure involved in the purchase of 50 M. A. units of the same firm. In addition, compared to the rate of firm 'B' for 50 M. A. unit the purchase of fourteen 50 M. A. units of firm 'C' (total cost: Rs. 10.46 lakhs) involved further extra expenditure of Rs. 0.96 lakh.

According to the information supplied by the department (May-June 1982) 17, out of 21 units (information in respect of the remaining 6 units was not furnished) had not commenced working upto June 1982 as stated below:—

(*a*) 12 units supplied by firm 'B' were not installed even though the guarantee period of one year from the date of delivery had already expired; due to non-construction/completion of rooms and electric fittings (10 units) and reasons not intimated (2 units).

(*b*) 5 units supplied by firm 'C' were installed but were not working as trial runs were not conducted by the supplier (2 units), full capacity was not tested for want of power supply of appropriate voltage (2 units) and reasons not specified (1 unit).

Thus, 17 units purchased at total cost of Rs. 12.70 lakhs were lying idle. The Director of Health Services intimated (October 1982) that detailed instructions were being issued to the concerned District Officers for taking immediate action for providing room and power line required for the installation and functioning of the X-Ray machines.

The matter was reported to the Government in July 1982; reply is awaited (March 1983).

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CHAPTER VI

FINANCIAL ASSISTANCE TO AUTHORITIES AND BODIES

6.1. During 1981-82, Rs. 134.75 crores were paid as grants (12 per cent of the total revenue expenditure) to educational institutions, local bodies, etc., as shown below :—

	(*Rupees in crores*)
Educational Institutions	25.41
Municipalities, Local Bodies, etc., on account of compensation for octroi duty abolished	30 02
Municipalities, Local Bodies, Panchayats, etc., for other purposes	12.11
Co-operative Societies	4.59
Khadi and Village Industries Board, Handicrafts Board, etc.,	4.33
Religious, charitable and public institutions and voluntary bodies	4.13
Town Improvement Trusts and Housing Board	0.62
Others	53.54
Total	134.75

6.2. Receipt of utilisation certificates

The financial rules require that, where grants are given for specific purposes, the administrative authorities should furnish within a reasonable time certificates to Audit to the effect that the grants were utilised for the purpose for which they were paid.

Out of 33,352 certificates (Rs. 1,07.52 crores) to be furnished in respect of grants paid upto March 1981, 6,692 certificates (Rs. 32.47 crores) were received, leaving 26,660 certificates (Rs. 75.05 crores) to be received from the following departments :—

Serial number	Department	Number of certificates awaited	Amount
(1)	(2)	(3)	(4)
			(*Rupees in crores*)
1.	Co-operation	891	16.75
2.	Tribal and Harijan Welfare	6,303	12.20
3.	Agriculture	302	10.92
4.	Panchayat and Community Development	11,954	9.17
5.	Commerce and Industry	183	8.25
6.	Public Health Engineering	927	3.65
7.	Public Health and Family Welfare	1,228	2.49
8.	Housing	126	2.29
9.	Local Government	361	1.93
10.	Animal Husbandry	890	1.68
11.	General Adminstration	897	1.33
12.	Education	492	1.18
13.	Other Departments	2,106	3.21
	Total	26,660	75.05

These certificates pertained to grants given in the following years :–

Year of payment of grant	Number of certificates awaited	Amount
(1)	(2)	(3)
		(*Rupees in crores*)
1976-77 and earlier years	7,278	6.36
1977-78	2,368	5.30
1978-79	4,494	8.85
1979-80	7,300	21.11
1980-81	9,220	33.43
Total	26,660	75.05

In the absence of these cartificates, it is not practicable for Audit to know even in a general way whether the recipients have spent the grants for the purpose (s) for which these were given.

SECTION I

According to the provisions of Section 14 of the Comptroller and Auditor Genral's (Duties, Powers and Conditions of Service) Act, 1971, receipts and expenditure of bodies and authorities substantially financed by grants and loans from the Consolidated Fund are to be audited by the Comptroller and Auditor General. Important points noticed during audit under Section 14 are given in the succeeding paragraphs.

EDUCATION DEPARTMENT

6.3. Madhya Pradesh Hindi Granth Academy

1. *Introduction.*—The Madhya Pradesh Hindi Granth Academy, a registered society, was established in the year 1969 for preparing and publishing text books and general books (original as well as translations) in Hindi. The Academy was substanitally financed by grants from the Central and State Governments (Rupees 106 lakhs upto March 1981); its own income was from sale of books, subscription of Journal and interest from bank deposits, etc. Upto 1976-77, the Academy received grants only from the Central Government for meeting its entire expenditure. From 1977-78 onwards, Central grants were intended to meet the expenditure on preparation and publication of books and the State Grants were given for meeting the adminstrative expenses of the Academy. The accounts of the Academy were audited by Chartered Accountant upto 1980-81.

Points noticed in test-check of records of the Academy for the periods 1969-70 to 1973-74 and 1974-75 to 1977-78 were mentioned in paragraphs 6.4 and 6.6 of the Audit Reports for the years 1974-75 and 1978-79 respectively. Further points noticed in scrutiny under Section 14 of the Comptroller and Auditor General's (Duties, Powers and conditions of Service) Act, 1971 of records for the period 1978-79 to 1980-81 are mentioned in the paragraphs which follow.

2. A summary of receipts and expenditure of the Academy from the Central and State Government grants is given below :—

Year	Opening balance	Central grant	Expenditure from Central grant	Balance	Opening balance	State grant	Expenditure from State grant	Excess over the grant
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Upto				(*Rupees in lakhs*)				
1977-78	..	81.00	74.17	6.83	..	0.95	3.47	2.52
1978-79	6.83	10.00	2.37	14.46	(—) 2.52	1.00	3.63	5.15
1979-80	14.46	6.00	1.60	18.86	(—) 5.15	1.05	3.54	7.64
1980-81	18.86	3.00	1.24	20.62	(—) 7.64	3.00	3.92	8.56
Total		100.00	79.38			6.00	14.56	

Against the total Central grant of Rs. 100.00 lakhs received by the Academy during the period 1969-70 to 1980-81, expenditure of Rs. 79.38 lakhs only was incurred leaving an unutilised balance of Rs. 20.62 lakhs. An expenditure of Rs. 8.56 lakhs on account of administrative expenses of the Academy has been incurred out of the balance of the Central grant which has not yet been regularised.

3. *Production of books.*—(*i*) Apart from 645 books (415 text books and 230 general books) allotted for preparation and publication to the Academy in 1971 by the Co-ordinating Committee appointed by the Government of India, 20 additional titles (16 text books and 4 general books) were selected by the Academy (10 each in 1979-80 and 1980-81)for publication. Out of the total 665 books, only 263 books (39.5 per cent) had been published during the period of 12 years ending March 1981, 29 were under print, 126 manuscripts had been received, and 55 had been assigned to authors and translators. The remaining 192 had not been taken up because of revision in production priority (50), writers backing out (111), non-availability of original books for transalation (20) and non-receipt of permission of authors (11). During the three years 1978-79 to 1980-81, 26 books were published ; 8 in 1978-79, 11 in 1979-80 and 7 in 1980-81.

Of the 126 manuscripts, 20 manuscripts sent for printing between October 1971 and October 1976 were recalled between November 1972 and July 1978. The Academy felt that there was no possibility of sale of these books. The expenditure incurred on the preparation of these 20 manuscripts was Rs. 0.71 lakh. Apart from these, 39 manuscripts received between 1974-75 and 1979-80 were also cancelled due as stated (April 1982) by the Academy to revised norms of publication. The expnditure incurred on preparation of these manuscripts was Rs. 1.17 lakhs. The total expenditure of Rs. 1.88 lakhs has thus been rendered infructuous.

Out of 55 books assigned to the authors/translators during the period 1969-70 to 1980-81 31 books related to the period 1969-70 to 1972-73. The time limit of 6-12 months initially fixed at the time of assignment was not adhered to despite reminders by the Academy from time to time.

(*ii*) *Non-sponsoring of books by universities.*—Of the 263 books published till March 1981, 58 books (cost: Rs. 9.82 lakhs) had not been recommended or prescribed by any University (May 1982). These included 25 books relating to engineering, medical and agricultural subjects which could not be intorduced as text books due to non-introduction of Hindi as medium of instruction in universities. The Director stated (May 1982) that efforts were being made to get the remaining 33 books sponsored by the universities. During the period 1978-79 to 1980-81, only two and thirteen of the books brought out saw a third and second edition respectively.

(*iii*) *Printing.*—Of the 29 books reported to be under print at the end of March 1981, only 14 books had been printed till the end of April 1982. One manuscript was called back from the Press as its printing was not considered necessary. The remaining 14 manuscripts were reported to be with the printers. Of these, 4 manuscripts were with the printers since 1973-74.

(*iv*) *Excess issue of paper.*—Paper worth Rs. 1.76 lakhs issued to 13 printers prior to 1978-79 in excess of requirement had not been returned (October 1982). Out of this, paper worth Rs. 0.97 lakh was returnable from a single printer out of total paper worth Rs. 1.15 lakhs at the then prevailing rates in 1972-73. No formal agreement had been entered into with the printer in 1972-73. The Academy stated (April 1982) that in the absence of any formal agreement with the printer no legal action could be taken and that agreement had been entered into with the printer in January 1979 to adjust the cost of paper from his future bills at the rate of 40 per cent of the amount of each bill. It was, however, noticed in audit that no printing work except a job of Rs. 0.10 lakh was pending with this printer.

In regard, to the remaining quantity of paper legal proceedings for recovery of cost of paper had been instituted in 2 cases (Rs. 0.47 lakh) and were proposed in 3 other cases (Rs. 0.06 lakh); action in other 7 cases (Rs. 0.26 lakh) was yet to be taken.

(*v*) *Sales and stock.*—In all, 5.31 lakh copies of 263 books (including 19 second edition and 2 third edition) were printed up to March 1981. Out of these, 2.74 lakh copies had been sold, 0.17 lakh copies were distributed free of cost and 2.40 lakh copies (marked value: Rs. 36.94 lakhs) were lying in stock as on 31st March 1981 as per the year-wise details given below:—

Year	Number of books	Marked value of books
(1)	(2)	(3)
	(*In lakhs*)	(*Rupees in lakhs*)
Up to 1977-78	2.15	32.06
1978-79	0.05	1.11
1979-80	0.10	1.98
1980-81	0.10	1.79
Total	2.40	36.94

The reasons for non-sale and large accumulation of books had not been investigated. During the last three years, physical verification was conducted in March 1981 only but no report showing results of verification was produced to Audit.

(*vi*) *Exchange of books.*—According to the decision of the Board of Directors, the academies should exchange books and clear their accounts by the year end. Books worth Rs. 11.88 lakhs were supplied on exchange basis to five Hindi Academies, Central Hindi Directorate and Banaras University during the period 1969-70 to 1980-81. Against these, books worth Rs. 7.73 lakhs only were reported to have been received by the Academy as detailed below :—

Year	Books supplied	Books received	Balance to be received
(1)	(2)	(3)	(4)
		(*Rupees in lakhs*)	
Up to 1977-78	5.67	3.51	2.16
1978-79	1.80	0.85	0.95
1979-80	2.10	1.66	0.44
1980 81	2.31	1.71	0.60
Total	11.88	7.73	4.15

On being pointed out by audit the **Director** stated (July 1982) that action was being initiated to obtain books worth Rs. 4.15 lakhs from other academies.

(*vii*) *Publication of Journal.*—The Academy started publication of quarterly Journal 'Lok Prashasan' in 1974. Upto March 1981, only 17 issues of the Journal were brought out by the Academy at a cost of Rs. 0.72 lakh at irregular intervals. Out of 8,975 copies printed, 3,625 copies were sold against advance subscription of Rs. 0.14 lakh received from subscribers. The remaining 5,340 copies were either distributed free (2,898-Value: Rs. 14,490) or were lying with the Academy (2,442-Value: Rs. 12,210).

4. *Revolving Fund.*—As envisaged in the guidelines of the working of the Academies, a revolving fund was created, into which the sale proceeds of books and subsidy received from the National Book Trust for selling books on science and technology at low price were to be credited. The fund was to enable further publication work to be undertaken on partial or complete withdrawal of assistance from Government. The table hereunder shows the position of the Fund from time to time:—

Year	Amount credited	Amount utilised for general expenses	Amount re-credited	Balance to be recouped (3—4)
(1)	(2)	(3)	(4)	(5)
		(*Rupees in lakhs*)		
Up to 1977-78	14.31	11.51	5.15	..
1978-79	1.50	..	2.00	..
1979-80	1.52	4.10	..	..
1980-81	2.38	..	6.36	..
Total	19.71	15.61	13.51	2.10

Rs 19.71 lakhs was held in balance in the revolving fund as on 31st March 1981. Contrary to the rules of the fund, an amount of Rs. 15.61 lakhs was utilised for general expenses out of which, only an amount of Rs. 13.51 lakhs was recouped to the fund leaving an unrecouped balance of Rs. 2.10 lakhs (April 1982). The Director stated (April 1982) that the balance amount would be recouped as and when the fixed deposit receipts in General Account matured

5. *Accounts.*—The Chartered Accountant in his reports observed —(*i*) Since the Academy had not maintained the Income and Expenditure Accounts and had not prepared the Balance Sheet, the position of various assets and liabilities of the Academy was not ascertainable; (*ii*) Proper records in respect of credit sales, sundry debtors and deductions of and contributions to the Provident Fund of the employees were not maintained; and (*iii*) Bank reconciliation statements were not prepared correctly as entries of time-barred cheques (issued but not encashed) and of cheques deposited prior to 1979 but not credited by the Bank were not reversed.

6. *Summing up*:

(*i*) The Academy received Rs. 100 lakhs from Central Government and Rs. 6 lakhs from the State Government. Rupees 79.38 lakhs was spent out of the Central Government grant. Out of the unutilised Central grant of Rs. 20.62 lakhs, the Academy had diverted Rs. 8.56 lakhs to meet its administrative expenses.

(*ii*) Against 665 books allotted to the Academy for preparation and publication, only 263 books had been brought out till the end of 1980-81.

(*iii*) 59 manuscripts, on which a total expenditure of Rs. 1.88 lakhs was incurred, were cancelled either due to revised norms of publication or there being no possibility of sale of these books.

(*iv*) Out of 263 books published, 58 books (cost: Rs. 9.82 lakhs) had not been recommended or prescribed by any university. Of the books published, 19 books had gone for second edition and 2 books saw a third edition.

(*v*) Paper worth Rs. 1.76 lakhs issued to 13 printers prior to 1978-79 in excess of requirements had not been returned.

(*vi*) Out of 5.31 lakh copies of 263books published, 2.40 lakh copies of books remained unsold.

(*vii*) Rs. 2.10 lakhs diverted from the Revolving Fund to meet general expenses during 1979-80 remained to be made good to the Fund.

The matters were reported to Government in August 1982; reply is awaited (March 1983).

HOUSING AND ENVIRONMENT DEPARTMENT

6.4. Ujjain Development Authority

1. The Town Improvement Trust, Ujjain formed under Town Improvement Trust Act, 1956, for formulating and implementing urban development scheme, was upgraded as Development Authority and renamed in February 1977 as Ujjain Vikas Pradhikaran under the Madhya Pradesh Nagar Tatha Gram Nivesh Adhiniyam, 1973.

The Director, Local Fund Accounts, Gwalior is the statutory auditor of the Authority.

The test audit of the accounts of the authority for the years 1972-73 to 1974-75, 1976-77 and 1978-79 was conducted during April-May 1979 and July-August 1981 respectively under Section 14 of the Comptroller and Auditor General's (D. P. & C. S.) Act, 1971 and the results are set out in the succeeding paragraphs.

2. The Authority received the following loans and grants during the above period:—

S. No.	Particulars	1972-73	1973-74	1974-75	1976-77	1978-79
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		(*Rupees in lakhs*)				
1	Unspent balances of loans, grants and subsidies from the Govt. carried forward from previous years	2.33	7.03	5.99	5.18	8.58
2	Loans from the Government	5.26	3.00	1.09	3.00	..
3	Grants and subsidies from the Government	1.66	0.85	0.56	0.62	95.26
4	Total funds	9.25	10.88	7.64	8.80	103.84

Note—(*i*) Provisions of Section 14 of Comptroller and Auditor General's (D.P. & C.S.) Act, 1971 were not attracted during 1975-76 and 1977-78.

(*ii*) Accounts of the Authority for the years 1979-80 and 1980-81 had been audited (April 1982) by the statutory auditor, but had not been made available to audit (February 1983). It could not, therefore, be ascertained whether provisions of Section 14 of the Comptroller and Auditor General's (D. P. & C. S.) Act, 1971 would be applicable.

3. The Authority had formulated the following 22 Land Acquisition and Development Schemes upto the end of March 1979 for which funds were made available in the form of grants, subsidy and loans :—

Name of scheme	No of Schemes	Year in which undertaken	Expenditure upto 1980-81	Whether completed or not
(1)	(2)	(3)	(4)	(5)
			(*Rupees in lakhs*)	
(a) Revolving fund and block loan Schemes	8	May 1968 to February 1973	24.89	In progress
(b) Slum Clearance Schemes	4	February 1969 t0 February 1973	7.73	In progress
(c) Land Acquisition and Development Schemes	3	June 1967 to October 1972	28.37	In progress
(d) Special Employment Programme Scheme	1	July 1975	5.41	In progress
(e) Others—				
(*i*) Housing and Urban Development Corporatioon (HUDCO) Loan Scheme	1	Janurary 1976	65.77	
(*ii*) Interegrated Urban Development Programme (IUDP) Scheme	1	February 1978	110.60	
(*iii*) Patni Bazar Scheme, etc.	4	Not available	10.25	
	22		253.02	

Of the 22 schemes 12 were in operation for more than 10 years and 3 for more than 5 years. Amounts of Rs. 22.35 lakhs and Rs. 6.41 lakhs respectively had been paid by the Government for these schemes

Seven schemes on which Rs. 43.68 lakhs had been spent upto March 1982 were still incomplete (March 1983). In addition, the Integrated Urban Development Programme Scheme envisaged development of land measuring 401.15 hectares at a cost of Rs. 613.51 lakhs but the authority had incurred an expenditure of Rs. 127.49 lakhs upto 31st March 1982 on the development of 36.44 hectares which was more than the proportionate estimated cost of Rs. 55.75 lakhs. Thus, on the achievement of 9.08% of physical target, 20.8% of the estimated cost had been incurred.

4. *Budhwaria Hat Slum Clearance Scheme.*—The scheme originally envisaged development of 53 plots and construction of 42 tenements at an estimated cost of Rs. 2.19 lakhs and was sanctioned in March 1962. In February 1973, the development of plots was given up for want of funds and increase in rates. Ultimately, 32 tenements were constructed (December 1978). The construction of remaining 10 tenements could not be taken up due to shortage of funds. The proportionate amount of loan and subsidy of Rs. 0.45 lakh received from Government in January 1976 (total amount: Rs. 2.40 lakhs) was not refunded to Government.

The tenements were meant for slum dwellers but were allotted to non-slum dwellers The authority stated (July 1982) that the slum dwellers were not coming forward to occupy the tenements although there were no records to support this contention.

The rent for each tenements was fixed in September 1976 at Rs. 70 per month instead of Rs. 89 as per the rules framed by the authority. An amount of Rs. 0.23 lakh for the period August 1971 to March 1979 was outstanding for recovery at the end of June 1982.

The basic records like measurement books, stock accounts, etc., were not made available by the authority and were stated to be missing. The detailed scrutiny of the expenditure incurred on the construction of these tenements was, therefore, not possible.

5. *Kshir Sagar 'D' Scheme.*—The scheme (forming part of Revolving Fund and Block Loan Schemes) was sanctioned in March 1972 to be completed at a cost of Rs. 3.52 lakhs and provided construction of link road direct to the scheme area, 20 shops along with road, a retaining wall, etc., in two hectares of land.

The scheme was abandoned (February 1977) after an amount of Rs. 2.49 lakhs had been spent and a new scheme for the development of site and construction of 27 shops at an estimated cost of Rs. 10.00 lakhs was formulated in February 1977. Due to revision of the scheme, a part of the link road constructed at a cost of Rs. 0.22 lakh had to be dismantled and was finally reconstructed at a cost of Rs. 0.32 lakh. The records did not indicate whether out of the expenditure of Rs. 2.49 lakhs incurred on the abandoned scheme, any material could be made use of in the new scheme.

A retaining wall was constructed at a cost of Rs. 0.33 lakh against the estimated cost of Rs. 0.50 lakh. The records revealed that there were cracks in the retaining wall but the action taken to repair the cracks and the action, if any, taken against the contractor or any employee, was not available.

Under the new scheme, 42 shops and 30 feet wide road had been constructed upto 31st March 1982 at a cost of Rs. 14.72 lakhs. Due to revision of the original scheme, the Authority was asked by the Government to refund (February 1978) the amount of Rs. 1.91 lakhs, but it was not refunded (April 1982). It was stated by the Authority (March 1983) that regular instalments were being paid.

6. *Hari Phatak Mahakal Road Scheme.*—The scheme drawn up (1972) for acquisition of 12.453 hectares of land for development of plots was modified (1973) to include construction of 150 tenements at an estimated cost of Rs. 11.84 lakhs. As there were disputes, only 9.987 hecatres of land could be acquired (April 1982). A part of the land (area not known to the authority) acquired was also disputed by Waqf Board and other religious bodies; the disputes had not been settled (April 1982). One hectare of land acquired was under encroachment which had not been vacated (April 1982) despite notices (August 1977) issued by the Authority. The Authority's efforts had reached an end as was evident from the Trust Resolution No. 5 dated 11-11-74 read with Resolution No. 1 dated 31-12-74 in which it was resolved that the area encroached was to be left out of the scheme.

The Authority did not maintain any reliable records showing the number of plots developed and disposed of and the number of tenements constructed and allotted on rent. Unauthenticated records available with the Authority indicated that out of 642 plots developed, 124 were used for construction of tenements and the balance (518) remained undisposed of due to lack of infrastructural facilities. As the total expenditure incurred on the schemes had not been worked out, the extent of money blocked in the plots developed but not disposed of, could not be ascertained.

The construction of tenements was undertaken without obtaining administrative approval and technical sanction. The work was split up and awarded to two different contractors. Contractor 'A' who was given the work order on 12th June 1973 and was required to complete it by 19th September 1973, actually completed it on 20th April 1974, no

Contractor 'B', to whom the work order was given on 16th March 1973 with stipulation to complete the work by 16th June 1973, completed it on 11th June 1974. No penalty was imposed for delays in completion of work.

The splitting up of work also proved to be uneconomical. While contractor 'B' constructed 20 tenements at a cost of Rs. 0.39 lakh, contractor 'A' constructed the same number for Rs. 0.50 lakh.

The Authority stated that out of 145 tenements completed till 1980, 139 were allotted (July 1982) and 6 tenements were under unauthorised occupation (May 1982). Delay in allotment of tenements ranged between 15 and 41 months resulting in loss of revenue of Rs. 0.91 lakh by way of rent. The records of the Authority did not indicate the reasons for delay in allotment.

7. *Dewas Sawer Road Scheme.*—7.1. The scheme had two distinct parts, namely, No. 1 and No. 2. Scheme No. 1 sanctioned in September 1972 to develop 33.20 hectares of land in plots for sale at a cost of Rs. 35.30 lakhs was changed (January 1976) to a housing scheme to be executed at a cost of Rs. 160.00 lakhs. A loan of Rs. 124.00 lakhs was taken from Housing and Urban Development Corporation, guaranteed by the State Government, for the construction of 1134 quarters in three phases. The construction of 383 quarters (estimated cost: Rs. 28.87 lakhs) was given to four contractors who had quoted varying tender percentages ranging from 33.23 % to 38.21% above Ujjain Circle Schedule of Rates resulting in an extra expenditure of Rs. 1.20 lakhs as compared to the rates of the lowest contractor. There were no reasons on record for splitting up the work.

Although the work had started in 1976, cement stock register was maintained only from September 1977. Against 39,621 bags of cement received as per register of advances and 2,356 bags received from Housing Board, *etc.*, (total 41,977 bags) the register showed a total receipt of 49,810 bags. During physical verification (November 1977) 7,839 bag were found substandard and in torn and damaged condition, the estimated loss on this was Rs.0.39 lakh. Action taken on this was not on record.

In the absence of property register, the total number of quarters constructed, number allotted with dates of allotment, the names of persons to whom allotted and whether allotment had been made as per prescribed rules, could not be ascertained.

7.2. *Scheme No.2.*—This scheme (estimated cost : Rs. 8.17 lakhs) was sanctioned in March 1973 envisaged development of 7.352 hectares of land into plots for sale, out of which 7.271 hectares were to be utilised for settlement of slum dwellers of Baghpura. An amount of Rs.2.75 lakhs was spent in the acquisition and development of this portion of land against which Rs.0.62 lakh were realised from the sale of plots, resulting in a loss of Rs.2.13 lakhs.The sale had been approved by the Authority on 30th June 1971.The cost of development of remaining land and its disposal/use, etc., was not available on record. There was also no authentic record showing the number of plots developed.

The land acquired (December 1979) by the Authority included 3.255 hectares of *Devasthan* Land directly acquired from the *Devasthan* Trust. When the title was disputed by the Commissioner, who was also the Chairman of the Authority, a compensation of Rs.0.57 lakh had to be paid to the Trust (May 1979).

8. *Non-maintenance of account records.*—In 14 schemes out of 22, the details and extent of work to be done finaly, were not available on record. In the remaining schemes, only financial targets had been fixed without any indication of physical targets. In 14 schemes, the achievements against the targets of construction of 20 shops, 182 tenements, development of 110 plots and 429.40 hectares of land into plots were not fully on record either in the Directorate of Housing and Environment or with the Authority.

The Authority had also not maintained the following important records prescribed in the Account Rules :—

(1) Land Acquisition Register
(2) Building and Land Register
(3) Property disposal Register
(4) Lease Register
(5) Measurement book Register
(6) Material-at-site Account, and
(7) Scheme completion certificates.

In the absence of the records it was not possible to check the correctness of expenditure incurred on the various schemes.

Summing up.—Out of 22 schemes of land acquisition and development formulated by the authority, 12 were in operation for more than 10 years and 3 for more than 5 years. Records like scheme completion certificate, building and allotment registers, property disposal register, lease register, etc., had not been maintained by the Authority.

Although a part of the Budhwaria Hat Slum Clearance Scheme was given up due to paucity of funds and increase in rates, the proportionate amount of subsidy received from Government was not refunded. The tenements constructed for slum dwellers were actually allotted to non-slum dwellers and at lower rent than that required under the Rules.

The original Kshir Sagar 'D' Scheme was abondoned after spending Rs. 2.49 lakhs and new scheme was formulated which resulted in the dismantlement of a part of the link road constructed at a cost of Rs.0.22 lakh. A refund of Rs.1.91 lakhs arising from revision of the scheme had not been made to Government. A retaining wall constructed at a cost of Rs.0.37 lakh developed cracks but the action taken against the contractor or any employee and for rectification of the cracks was not available on record.

In Hari Phatak Mahakal Road Scheme, acquisition of a part of the land was under dispute and some land was under encroachment. No reliable record had been maintained to show the number of plots developed and disposed of, number of tenements constructed and allotted. The construction of tenements was taken up without obtaining administrative approval and technical sanction and the work was split up between two contractors which proved uneconomical. Out of 145 tenements completed, 6 were under unauthorised occupation while there was delay of 15 to 41 months in the allotment of others.

In Dewas Sawer Road Scheme also the work was split up and awarded to different contractors resulting extra cost of Rs.1.20 lakhs for which no reasons were available on record. In the absence of property register, the number of quarters constructed, number allotted, to whom allotted, etc., could not be ascertained. A portion of land developed for slum dwellers was sold for a lower amount resulting in loss of Rs.2.13 lakhs while cost of development of the remaining land and its disposal was not available on record.

The matter was reported to Government in May 1982; reply is still awaited (March 1983).

PANCHAYAT AND RURAL DEVELOPMENT DEPARTMENT

6.5. District Rural Development Agency, Ambikapur

The scheme of Small Farmers Development Agency was introduced by the Government during the Fourth Five Year Plan and renamed as District Rural Development Agency from April 1981. Upto 1978-79 these agencies were wholly financed by the Central Government; from 1979-80 onwards the expenditure was shared by the Central and State Government on 50:50 basis.

The accounts of District Rural Development Agency, Ambikapur were test-checked (May 1981) under Section 14 of Comptroller and Auditor General's (D.P. & C.S.) Act,1971 and the important irregularities noticed are mentioned in the succeeding paragraphs.

(*i*) *Payment of advance subsidy.*—(*a*) As per guidelines issued by the Government of India, the Agency could give subsidy upto 25 per cent to small farmers and upto 33⅓ per cent to the marginal farmers and agricultural labourers, of the Capital investment in programmes of soil and water conservation measures, land levelling and shaping, minor irrigation works like dug-wells, tube-wells, pump sets, etc., purchase of improved implements, storage bins, bulloks and bullock-carts. The subsidy could be up to 50 per cent on community irrigation works, subject to the condition that the works were owned and maintained by a Co-operative, Panchayat or Corporation. It was, however, seen that an amount of Rs.1,05.24 lakhs was paid by the Agency to Madhya Pradesh Lift Irrigation Corporation as advance of subsidy for construction of 200 tube-wells in February 1979 (Rs.25.24 lakhs for 50 tube-wells) and March 1980 (Rs.80 lakhs for 150 tube-wells). The construction of tube-wells which was required to be completed within 3 months(as per terms of agreement)from the date of release of subsidy had not been started till October 1982.Although the Corporation had informed (March 1980) the Agency that the construction of tube-wells was feasible only if the Corporation got water rate subsidy from the Government and that it had no objection to receive the advance subsidy, as proposed by Agency, the scheme was not prepared and the second advance of Rs.80 lakhs was paid by the Agency (March 1980) to the Corporation when the construction of 50 tube-wells had not commenced. Government stated (December 1982) that due to the drilling machines of the Corporation having remained engaged in the drought affected areas in 1980 and non-approval of construction of tube-wells, the work could not be completed within the time stipulated in the agreement and that instructions were being issued to the Collector, who is also the Chairman of the Agency, to obtain the refund of the amount along with interest.

(*b*) Payments of subsidy in advance were also made to other agencies , during 1978-79 and 1979-80 as detailed below, which were not utilised/fully utilised for the purposes for which these were given:—

(*i*) Rs.1.44 lakhs (March 1980) to Agro-industries Development Corporation for supply of 240 bullock-carts within 3 months from the date of release of subsidies. Government stated (December 1982) that after adjusting the cost of 21 bullock-carts so far supplied by the Corporation, the remaining amount together with interest was being recovered by the Collector.

(*ii*) Rupees 1.00 lakh (July 1979 and March 1980) to Baikunthpur and Sitapur Mandi Committees for development of Mandis within 6 months from the date of release of subsidies. Government stated (December 1982) that since the construction had not been done, the Mandis were being directed through the Collector to refund the amount together with interest.

2. *Retention of subsidies by the Credit Institutions.*—According to guidelines issued by the Government of India, the identified participants in the programme (for minor irrigation, milch cattle and bullocks) were required to apply directly to financing institutions for grant of loans. The institutions, after satisfying themselves about the genuineness, viability, *etc.*, of the applicants, sanctioned loans of appropriate amounts after taking into account the subsidy admissible for the programme from the Agency. To encourage credit institutions, *viz.*, Central Co-operative Bank and nationalised Banks to advance loans to participants, subsidy admissible was paid in advance by the Agency to these financing institutions subject to adjustment while disbursing loans to beneficiaries within three months.

Amount retained by the institutions beyond that date was to be returned to the Agency with interest. It was seen that out of an advance of R.14.80 lakhs paid to the various banks during 1979-80, Rs.2.71 lakhs were still outstanding with two banks(November 1982). Government stated (December 1982)that action was being taken by the Collector to recover/ adjust the remaining amount.

SECTION II

Section 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act,1971, prescribes that, where any grant or loan is given for any specific purpose from the Consolidated Fund, the Comptroller and Auditor General shall scrutinize the procedure by which the sanctioning authority satisfied itself as to the fulfilment of the conditions subject to which such grants and loans are given. Important points noticed in the scrutiny of records of the sanctioning authorities under Section 15 together with related matters under Section 13 are given in the succeeding paragraphs.

GENERAL ADMINISTRATION DEPARTMENT

6.6. Non-utilisation of Grant-in-aid of Rs. 0.60 lakh by a grantee

Grant-in-aid of Rs.0.15 lakh per annum sanctioned and paid by the Government of Madhya Pradesh during the years 1975-76 to 1979-80 to the Indian Institute of Public Administration(M.P.Regional Branch),Bhopal was subject to the conditions that the amount of Grant should be utilised during the financial year concerned, any unspent amounts at the end of the financial year were to be refunded to Government, and the utilisation certificate for the grant as well as the statement of accounts audited by the Accountant General, Madhya Pradesh would be sent to the Government at the earliest.

(*i*) The submission of utilisation certificates for the years 1975-76 and 1976-77 by the institution was waived by the Government in January 1978 on the ground that the institution had to depend on the needs of the clients and could not follow any periodical pattern. The utilisation certificates for the subsequent years were also not submitted by the insitution. The institution, however, informed(March 1980) the Government that utilisation certificates could not be given by this type of an organisation where the flow of expenditure was not regular but depended upon the activities in the organisation.

(*ii*) At the end of 1978-79 the entire amount of grant (Rs.0.60 lakh) apart from Rs.0.43 lakh out of non-Grant income of Rs.0.48 lakh received during the years 1975-76 to 1978-79 remained unspent. Although there is no provision in the rules for non-refunding of unspent balance, the department stated that since it was a recurring grant, provisions of Madhya Pradesh Financial Code have not been followed.

All this notwithstanding,a further grant of Rs.0.15 lakh was released during 1979-80. No grant was, however, paid during 1980-81 and 1981-82 as the release of grants for these two years from the budget of 1982-83 was under the consideration of Government (July 1982).

(*iii*) The purpose for which the grants were released had not been specified in the sanctions. There were no rules or orders for release of grant for creating a corpus of funds for an instituition.

2. The institution did not produce to Audit (July 1982) the account of grant paid to it to date. No specific reasons could be given for this. The matter regarding non-production of account records was brought to the notice of Government in August 1977, May 1979, July 1979, October 1979 and February 1980.

These were again brought to the notice of Government in May 1982. Government in their reply have stated (July 1982) that the utilisation certificates for the years 1977-78, 1978-79 and 1979-80 were awaited from the Institution.

SECTION III

CO-OPERATION DEPARTMENT

6.7. Co-operative institutions

1. (*a*) *Investment in share capital.*—The position regarding total number of societies in the State registered under the Madhya Pradesh Co-operative Societies Act, 1960, as on 30th June 1980/1981/1982, their total paid-up capital, the number of societies in the share capital of which the Government had participated and the amount of investments is indicated below :—

As on June 30th	Societies registered		Societies with Government investments	
	Number	paid-up capital	Number	Amount
(1)	(2)	(3)	(4)	(5)
		(*Rupees in lakhs*)		(*Rupees in lakhs*)
1980	10,788	11494.57	8,589@	5343.36
1981	11,435	13181.00	8,836	6010.30
1982	12,088	Not available	9,189	7339.54

Out of the societies having Government investments, 4,935 societies were under liquidation as on 30th June 1981. Information regarding the amount of Government investment therein and number of defunct societies as on 30th June 1980, 1981 and 1982 and amount of investments therein was not available with the Registrar (February 1983).

(*b*) *Financial Assistance.*—The financial assistance granted to the institutions in various forms during the three years ending 30th June 1982 is indicated below :—

Year	Share capital		Assissance gtanted in the form of			
			Subsidy		Loan	
	Number of societies	Amount	Number of societies	Amount	Number of societies	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		(*Rupees in lakhs*)		(*Rupees in lakhs*)		(*Rupees in lakhs*)
1979-80	1,070	616.73	1,883	269.26	115	334.92
1980-81	6,295	666.94	893	675.58	429	1037.40
1981-82	597	1329.24	455	442.62	281	719.87

During 1979-80 and 1980-81, 2,039 and 1,755 societies having Govetnment investments incurred losses of Rs. 455.08 lakhs and Rs. 386.34 lakhs respectively. As on 30th June 1981, 4,935 societies were under liquidation.

@The number of societies with Government investments as on 30th June 1980 mentioned in the Audit Report (Civil) for the year 1980-81 was subsequently revised by the department after verification.

2. *Dividends.*—The table given below indicates the details of dividends received and percentage of return on total investment during the three years ending on 30th June 1982:—

Year	Amount of dividend received	Total investment at the end of the year	Percentage of return on investment
(1)	(2)	(3)	(4)
	(*Rupees in lakhs*)		
1979-80	4.85	5345.36	0.09
1980-81	5.03	6010.30	0.11
1981-82	9.60	7339.54	0.13

3. *Debentures.*—The Government has invested in the debentures of one co-operative institution viz.,the Madhya Pradesh State Co-operative Land Development Bank Limited and interest received during the three years ending on 30th June 1982 is indicated below:—

Year	Investment in debentures		Interest for the year	*Percentage of return
	Investment at the beginning of the year	Investment during the year		
(1)	(2)	(3)	(4)	(5)
	(*Rupees in lakhs*)			
1979-80	1714.94	122.78	46.23	2.6
1980-81	1837.72	112.36	32.90	1.7
1981-82	1950.08	55.27	78.55	4.0

4. *Guarantees.*—The Government has also guaranteed repayment of loans taken by 15 Co-operative societies to the extent of Rs. 589.58 crores upto June 1982, out of which Rs. 297.52 crores were, according to the information furnished by the Registrar, Co-operative Societies, outstanding as on 30th June 1982.

5. *Outstanding loans and interest.*—Out of loans totalling Rs. 4268.71 lakhs gtanted to co-opertative societies, a sum of Rs. 3342.64 lakhs was outstanding upto 31st March 1982, the overdue amounts towards principal and interest as on 31st March 1982 were Rs. 533.76 lakhs and Rs. 280.24 lakhs respectively.

The Registrar, Co-operative Societies stated (November 1982) that district officers had been instructed to recover the overdue amounts. Further developments were awaited (March 1983).

6. *Arrears in audit.*— As on 30th June 1982 audit of the accounts in respect of 3,073 societies was in arrears. The age-wise breakup of arrears in audit was as under :—

Period of arrears	Number of societies invoived
More than 3 years	433
2 to 3 years	538
1 to 2 years	695
Up to 1 year	1,407
Total	3,073

*This has been worked out on the investment at the beginning of the year plus 1/2 of the investment during the year.

HOUSING AND ENVIRONMENT DEPARTMENT

6.8. Construction of low income group houses

The Madhya Pradesh Housing Board (Board) constructed (1975-76) 70 low income group (small) houses at Dhanvantrinagar, Jabalpur at a cost of Rs. 10.50 lakhs for sale on hire purchase basis. Construction of the houses, commenced in January and July 1973, was completed in May 1975 (10) and July 1975 (60). During test-checks (August 1980 and July-August 1981) of the accounts of the Estate Manager of the Board at Jabalpur, it was noticed that only nine prospective buyers had registered themselves with the Board during April 1973 to May 1975, but, all of them either withdrew (January1976 to January 1977) their initial deposits or preferred other houses constructed by the Board in the same locality and 55 houses were allotted on rental basis during April 1976 to March 1982 on monthly rent of Rs. 77.

Out of 72 prospective buyers on hire purchase basis, who registered themselves after May 1975, only 36 accepted the allotments made by the Board during 1978-79 (4), 1979-80 (4), 1980-81 (11) and 1981-82 (17). These allotments included 21 houses which were initially (April 1976 to February 1982) let out on rental basis but were, subsequently (June 1978 to March 1982), converted into sale on hire purchase basis.

Of the remaining 34 houses which were allotted on rental basis, one was vacated in March 1979 and had not been reallotted upto March 1982 and one was allotted on hire purchase in June 1982. Between June 1975 and July 1981, the houses sold/let out had remained vacant for periods ranging from 8 to 71 months and the rental value for the period of the vacancy, at the rate of Rs. 77 per house per month, was Rs. 2.08 lakhs, which constituted 54.57 per cent of rent which could have been earned from these houses from the date they were ready for occupation till their final allotment or 31st March 1982, which ever was earlier.The Estate Manager stated (March 1981) that the delay in selling/letting out the houses was due to their location in a newly developed area far away from the city.

Thus, the Board was deprived of the rental income amounting to Rs. 2.08 lakhs due to construction of the houses at a location which did not attract buyers/tenants immediately after the construction.

The matter was reported to the Government in July 1981; reply is awaited (March 1983).

CHAPTER VII

COMMERCIAL ACTIVITIES

7.1. As on 31st March 1982, there were six State trading schemes, *viz.*, Grain Supply (Food Department) and Purchase and Sale of *tendu* leaves, Minor Forest Produce, timber, Bamboos and *Sal* seeds (Forest Department).

7.2. The *pro forma* accounts of the schemes were in arrears (February 1983) for the period shown against each :—

	Year from which *pro forma* accounts are awaited.	Remarks
(1)	(2)	(3)
Food Department—		
Grain Supply Scheme	1974-75	The *pro forma* accounts of the scheme for the year 1969-70 to 1973-74 received from the department could not be certified as the same were based on departmental figures which were not reconciled with those booked by the Accountant General.
Forest Department—		
Purchase and sale of *tendu* leaves	1965-66	A departmental Committee appointed (June 1976) for deciding the manner in which and the period from which the *pro forma* accounts should be prepared reportedly (June 1978) recommended preparation of *pro forma* accounts from 1979-80 as it was not possible to prepare *proforma* accounts for the past years. The Chief Conservator of Forests intimated (July 1980) that efforts were being made to obtain *pro forma* accounts for the year 1979-80 from the departmental officers and the same would be furnished after their receipt and consolidation. Further developments are awaited (March 1983).
Minor Forest produce	1969-70	
State trading in Timber	1970-71	
State trading in Bamboos	1973-74	
State trading in *Sal* seeds	1975-76	

Non-receipt of *pro forma* accounts in respect of the above mentioned schemes was repeatedly pointed out through Reports of the Comptroller and Auditor General of India (Civil) for earlier years.

7.3. The management of the Milk Supply Schemes at Bhopal and Indore was transferred to the Madhya Pradesh Dairy Development Corporation with effect from 1st January 1979. The *pro forma* accounts of the Bhopal scheme for the years 1970-71 to 1975-76 could not be certified due mainly to large differences in the trial balances. The recast accounts for these years and *pro forma* accounts for the years 1976-77 to 1978-79 are still awaited (March 1983).

The *pro forma* accounts of the Indore scheme for the year 1976-77 could not be certified due to large amount kept under suspense. The recast accounts for the year 1976-77 and *prof orma* accounts for the years 1977-78 and 1978-79 are under scrutiny (March 1983).

The management of the Milk Supply Schemes at Gwalior and Jabalpur was transferred to the Madhya Pradesh State Dairy Development Federation, Limited with effect from 9th February 1981. The *pro forma* accounts of these schemes for the year 1976-77 could not be certified due to large amounts kept under suspense. The recast accounts for the year 1976-77 and *pro forma* accounts for the years 1977-78 to 1979-80 in respect of Gwalior scheme and recast accounts for the year 1976-77 and *pro forma* accounts for the years 1977-78 and 1978-79 in respect of Jabalpur scheme are under scrutiny (February 1983). The *pro forma* accounts of the Gwalior scheme for the year 1980-81 and Jabalpur scheme for the years 1979-80 and 1980-81 are still awaited (March 1983).

7.4. In February 1982, the Government accorded approval to close the Sales Dispensary, Indore, a departmentally managed commercial undertaking. During the year, the *pro forma* accounts of the Dispensary for 1979-80, 1980-81 and 1981-82 were finalised. This unit had been incurring losses continuously since 1973-74 and the accumulated loss, up to 1981-82, amounted to Rs. 3.21 lakhs. The stock of medicines with the unit at the close of 1981-82 was Rs. 0.51 lakh, out of which obsolete stock (time-barred medicines) amounted to Rs. 0.34 lakh; the remaining stock of Rs. 0.17 lakh was reported to have been transferred (May-August 1982) to the M. Y. Hospital, Indore. Sanction to write off the value of obsolete stock of Rs. 0.34 lakh was not obtained (December 1982). The financial results of the unit for four years up to 1981-82 are given in Appendix VII-1.

Gwalior,
The 24 AUG 1983

(A. G. NARAYANASWAMI)
Accountant General-I, Madhya Pradesh

Countersigned

New Delhi,
The 26 SEP 1983

(GIAN PRAKASH)
Comptroller and Auditor General of India

APPENDICES

APPENDIX I.1

(*Reference* : *Paragraph* 1.4, *Page* 4)

PLAN AND NON-PLAN PROVISION AND EXPENDITURE ON REVENUE ACCOUNT

Sector of expenditure	Plan				Non-Plan			
	Budget estimates	Budget *plus* Supplementary	Actuals (*)	Variations	Budget estimates	Budget *plus* Supplementary	Actuals (*)	Variations
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			(*Rupees in crores*)			(*Rupees in crores*)		
A—General Services	4.49	4.52	1.56 (1.72)	—2.96	2,64.44	2,88.84	2,79.86 (2,31.97)	—8.98
B—Social and Community Services	1,08.84	1,14.03	1,14.30 (1,10.18)	+0.27	2,83.65	3,01.72	3,15.03 (2,61.53)	+13.31
C—Economic Services—								
(*i*) General Economic Services	9.56	9.61	5.96 (7.99)	—3.65	5.79	5.85	5.49 (4.67)	—0.36
(*ii*) Agriculture and Allied Services	1,29.03	1,30.47	1,09.62 (1,48.64)	—20.85	1,33.11	1,38.50	1,42.91 (1,27.36)	+4.41
(*iii*) Industry and Minerals	11.43	12.28	11.10 (8.59)	—1.18	2.77	2.77	2.59 (2.11)	—0.18
(*iv*) Water and Power Development	0.01	0.01	5.01 (—2.41)	+5.00	31.83	37.71	36.97 (40.59)	—0.74
(*v*) Transport and Communications	1.18	1.18	1.26 (1.23)	+0.08	39.92	39.95	51.82 (42.86)	+11.87
D—Grants-in-aid and Contributions	..	..	..	..	36.40	36.40	31.32 (29.13)	—5.08
Total	2,64.54	2,72.10	2,48.81 (2,75.94)	—23.29	7,97,91	8,51.74	8,65.99 (7,40.22)	+14.25

(*) The figures within brackets indicate the expenditure during 1980-81.

APPENDIX I.2

(*Reference*: *Paragraph* 1.5, *Page* 5)

PLAN AND NON-PLAN PROVISION AND EXPENDITURE ON CAPITAL ACCOUNT

Sector of expenditure	Plan				Non-Plan			
	Budget estimates	Budget *plus* Supplementary	Actuals (*)	Variations	Budget estimates	Budget *plus* Supplementary	Actuals (*)	Variations
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(*Rupees in crores*)				(*Rupees in crores*)		
CAPITAL EXPENDITURE ON—								
A—General Services	0.21	0.42	0.43 (0.55)	+0.01	4.05	4.16	1.39 (0.63)	—2.77
B—Social and Community Services	16.62	18.35	16.80 (10.93)	—1.55	2.90	5.14	2.44 (1.21)	—2.70
C—Economic Services—								
(*a*) General Economic Services	14.46	15.78	13.44 (5.40)	—2.34	..	..	.. (..)	..
(*b*) Agriculture and Allied Services	44.26	45.54	55.88 (69.61)	+10.34	0.06	1.84	—0.61 (1.80)	—2.45
(*c*) Industry and Minerals	3.62	3.75	2.88 (4.23)	—0.87	..	..	0.19 (0.14)	+0.19
(*d*) Water and Power Development	1,26.88	1,26.95	1,26.84 (1,05.22)	—0.11	..	..	.. (..)	..
(*e*) Transport and Communications	34.45	34.82	46.32 (61.01)	+11.50	0.01	0.01	0.01 (0.02)	..
Total	2,40.50	2,45.61	2,62.59 (2,56.95)	+16.98	7.02	11.15	3.42 (3.80)	—7.73

(*) The Figures within brackets indicate the expenditure during 1980-81.

APPENDIX I.3

(*Reference*: *Paragraph* 1.6, *Page* 6)

LOANS AND ADVANCES

Categories	1979-80			1980-81			1981-82			
	Outstanding balance on 1st April 1979	Loans disbursed	Loans recovered	Outstanding balance on 31st March/ 1st April 1980	Loans disbursed	Loans recovered	Outstanding balance on 31st March/ 1st April 1981	Loans disbursed	Loans recovered	Outstanding balance on 31st March 1982
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	(*Rupees in crores*)			(*Rupees in crores*)			(*Rupees in crores*)			
(*i*) Loans for Social and Community Services	67.68	10.70	3.45	74.93	9.65	2.45	82.13	5.02	1.05	86.10
(*ii*) Loans for Economic Services—										
(*a*) General Economic Services	35.76	14.14	12.98	36.92	27.55	8.51	55.96	19.62	10.99	64.59
(*b*) Agriculture and Allied Services	35.95	8.41	2.07	42.29	30.69	9.01	63.97	10.34	4.54	69.77
(*c*) Industry and Minerals	9.37	2.11	0.36	11.12	2.09	2.85	10.36	6.18	0.44	16.10
(*d*) Water and Power Development	4,89.29	1,23.99	..	6,13.28	1,44.12	1.39	7,56.01	1,71.38	..	9,27.39
(*e*) Transport and Communications	0.69	0.40	0.05	1.04	2.27	0.05	3.26	2.00	0.06	5.20
Total (*ii*)	5,71.06	1,49.05	15.46	7,04.65	2,06.72	21.81	8,89.56	2,09,52	16.03	10,83.05
(*iii*) Loans to Government Servants	7.40	9.95	8.75	8.60	10.89	8.60	10.89	14.60	11.33	14.16
(*iv*) Loans for Miscellaneous purposes	0.18	..	0.02	0.16	..	..	0.16	..	..	0.16
Total	6,46.32	1,69.70	27.68	7,88.34	2,27.26	32.86	9,82.74	2,29.14	28.41	11,83.47

APPENDIX II.1

(*Reference: Paragraph* 2.2, *page* 18)

GRANTS/APPROPRIATIONS WHERE EXCESS REQUIRES REGULARISATION OTHER THAN THOSE MENTIONED IN PARAGRAPH 2.1

(a) Grants—

Serial number	Number and name of grant	Total grant	Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
		Rs.	Rs.	Rs.
Revenue Section :				
1.	1—General Administration	5,62,24,100	5,77,35,891	15,11,791
		Excess was attributed to increase in the expenditure on salaries and wages on account of filling up of all vacant posts of staff in the secretariat.		
2.	6—Expenditure pertaining to Finance Department	22,32,91,000	24,23,50,787	1,90,59,787
		Excess was ascribed mainly to finalisation of more pension cases and receipt of more debits for pensions from other States than anticipated.		
3.	7—Expenditure pertaining to Separate Revenue and Registration Departments	13,40,67,100	14,26,25,421	85,58,321
		Excess occurred mainly on payment of cost of non—judicial stamps and purchase of liquor and spirit, reasons for which have not been intimated (March 1983).		
4.	8—Land Revenue and District Administration	32,16,41,100	32,72,92,684	56,51,584
		Excess occurred mainly under "229-Land Revenue-Land Records-District Charges", reasons for which have not been intimated (March 1983).		
5.	10—Forest	96,34,89,400	98,56,85,507	2,21,96,107
		Excess occurred mainly under 'State Trading' and 'Ford Foundation aided forestry scheme' for forest plantation, reasons for which have not been intimated (March 1983).		
6.	13—Agriculture	38,77,73,200	39,50,41,815	72,68,615
		Excess occurred mainly under 'Sugarcane Development Scheme' due to more payment of subsidy to cultivators than anticipated.		
7.	19—Medical, Public Health and Family Welfare	74,95,42,200	76,75,65,572	1,80,23,372
		Excess occurred mainly under 'dispensaries' and 'primary health centres', reasons for which have not been intimated (March 1983).		

APPENDIX II.1—*Contd.*

Serial number	Number and name of grant	Total grant	Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
		Rs.	Rs.	Rs.
8.	23—Irrigation Works	57,53,59,200	60,49,04,544	2,95,45,344
		Excess occurred mainly under suspense transactions relating to 'Irrigation Projects (non-Commercial)', reasons for which have not been intimated (March 1983).		
9.	27—Education	1,87,41,16,400	1,93,16,83,001	5,75,66,601
		Excess occurred mainly under 'Government Primary Schools', 'Assistance to non-Government Secondary Schools—Grant-in-aid' and 'Government colleges—Arts, Science and Commerce colleges', reasons for which have not been intimated (March 1983).		
10.	28—State Legislature and Elections	1,75,18,700	1,79,36,866	4,18,166
		Excess occurred mainly on expenditure relating to Vidhan Sabha Secretariat and Electoral officers, reasons for which have not been intimated (March 1983).		
11.	30—Expenditure pertaining to Panchayat and Rural Development Department	53,01,16,100	54,05,92,098	1,04,75,998
		Excess occurred mainly under centrally sponsored scheme of 'national rural employment programme' due to less provision proposed initially for wages.		
Capital Section :				
1.	10—Forest	90,16,100	95,28,295	5,12,195
		Excess occurred mainly under 'Construction of buildings and roads (Major head 513—Capital outlay on Forests)', reasons for which have not been intimated (March 1983).		
2.	13—Agriculture	22,81,02,500	24,19,41,774	1,38,39,274
		Excess occurred mainly under minor works relating to soil conservation and land development, reasons for which have not been intimated (March 1983).		

APPENDIX II.1—*concld.*

Serial number	Number and name of grant	Total grant	Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
		Rs.	Rs.	Rs.
3.	22—Expenditure pertaining to Local Government Department	21,50,000	21,90,771	40,771
		Excess occurred mainly under 'Other loans to municipalities for Urban Development', reasons for which have not been intimated (March 1983).		
4.	40—Irrigation Command Areas Development.	11,90,55,300	12,32,75,936	42,20,636
		Excess occurred mainly under '532-Capital Outlay on Multipurpose River Projects-Chambal Project-suspense' due to purchase of more materials for stock than anticipated.		
5.	41—Tribal Areas Sub-Plan	47,51,66,600	49,22,93,001	1,71,26,401
		Excess occurred mainly under '488-Capital Outlay on Social Security and Welfare-Construction of hostels' (Tribal and Harijan Welfare Department), reasons for which have not been intimated (March 1983).		
(*b*) *Charged Appropriations*—				
Revenue Section :				
1.	20—*Public Health Engineering*	*25,000*	*27,473*	*2,473*
		Excess occurred under '282-Public Health Sanitation and Water Supply-Sewerage and Water Supply-Direction and Administration-Direction.'		
2.	23—*Irrigation Works*	*30,000*	*70,607*	*40,607*
		Excess occurred mainly under 'Other minor irrigation works-maintenance'.		
3.	29—*Administration of Justice*	*98,79,100*	*1,01,88,936*	*3,09,836*
		Excess occurred mainly under 'High Court'.		
Capital Section :				
1.	11—*Expenditure pertaining to Commerce and Industry Department*	*10,00,000*	*11,71,268*	*1,71,268*
		Excess occurred under '521-Capital Outlay on Village and Small Industries-Industrial Estates-Basic Facilities to Industries-Land acquisition and development of land etc'.		
2.	13-*Agriculture*	*10,000*	*30,561*	*20,561*
		Excess occurred under '505-Capital Outlay on Agriculture-Seeds-Seed Multiplication and Distribution'.		
3.	21—*Expenditure pertaining to Housing and Environment Department*	*1,00,000*	*1,08,338*	*8,338*
		Excess occurred under '484-Capital Outlay on Urban Development-Bhopal Capital Project-Land'.		

APPENDIX II.2

(*Reference*: *Paragraph* 2.3, *page* 18)

UNNECESSARY, EXCESSIVE AND INADEQUATE SUPPLEMENTARY GRANTS OTHER THAN THOSE MENTIONED IN PARAGRAPH 2.1

I—Significant cases of unnecessary supplementary grants—

Serial number	Number and name of grant	Original grant	Supplementary grant	Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
			(*Rupees in lakhs*)		
1.	2—Other Expenditure pertaining to General Administration Department (Revenue—Voted)	77.69	19.93	70.78	26.84
		Shortfall occurred mainly under 'Pension to freedom fighters, their dependents, *etc.*,' reasons for which have not been intimated (March 1983).			
2.	11—Expenditure pertaining to Commerce and Industry Department (Revenue—Voted)	11,51.35	80.32	11.09.21	1,22.46
		Although a provision of Rs.2.50 crores was made for payment of grant-in-aid to the State Textile Corporation for production of Janta Saries and Dhotis, Rs. 0·65 crore remained unutilised mainly on ground of less requirement. On scheme of Harijan uplift out of provision of Rs. 51 lakhs only Rs. 5 lakhs could be spent.			
3.	12—Electricity (Capital—Voted)	1,79,50.00	3,85.00	1,71,37.38	11,97.62
		For payment of loans to the Madhya Pradesh Electricity Board the provision of Rs.1,79.50 crores proved to be excessive as loans of Rs.11.98 crores were not required to be paid mainly on the ground of increased resources of the Board.			

II—Significant cases of excessive supplementary grants—

1.	3—Police (Revenue—Voted)	75,10.86	7,52.76	77,44.73	5,18.89
		Shortfall was attributed mainly to posts remaining vacant, non-supply of machinery and equipment and vehicles and non-filling up of newly created posts.			

APPENDIX II. 2—*contd.*

Serial number (1)	Number and name of grant (2)	Original grant (3)	Supplementary grant (4)	Expenditure (5)	Saving (6)
			(*Rupees in lakhs*)		
2.	4—Other expenditure pertaining to Home Department (Revenue—Voted)	2,43.96	1,01.93	2,79.47	66.42
		Shortfall was attributed partly to posts remaining vacant, non-receipt of bills of weigh bridge and supply of forms and partly to less expenditure under 'Census', reasons for which have not been intimated (March 1983).			
3.	30—Expenditure pertaining to Panchayat and Rural Development Department (Capital—Voted)	20.00	1,29.25	81.80	67.45
		Shortfall occurred mainly under 'Construction of residential quarters for employees' for which the supplementary grant was obtained in September 1981. Reasons for the shortfall have not been intimated (March 1983).			
4.	33—Tribal and Harijan Welfare (Capital—Voted)	20.60	1,54.00	1,00.00	74.60
		Shortfall occurred mainly under 'Hostels for Adivasi Harijan Girls'. Out of the supplementary grant of Rs.154 lakhs obtained in September 1981 Rs.54 lakhs could not be spent, reasons for which were not intimated (March 1983).			

III—Significant cases of inadequate supplementary grants—

Revenue Section—

1.	6—Expenditure pertaining to Finance Department	21,43.95	88.96	24,23.51	1,90.60
2.	9—Other expenditure pertaining to Revenue and Land Reforms Departments	6,75.02	5,27.02	13,77.25	1,75.21
3.	10—Forest	91,03.49	5,31.40	98,56.85	2,21.96
4.	19—Medical, Public Health and Family Welfare	74,61.62	33.80	76,75.65	1,80.23
5.	20—Public Health Engineering	56,01.01	3,46.22	94,29.58	34,82.35
6.	24—Public Works	1,10,13.23	41.08	1,58,73.87	48,19.56
7.	27—Education	1,74,68.40	12,72.76	1,93,16.83	5,75.67
8.	30—Expenditure pertaining to Panchayat and Rural Development Department	52,87.16	14.00	54,05.92	1,04.76
9.	34—Social Welfare	11,00.65	7.66	12,38.20	1,29.89

APPENDIX II.2—*concld.*

Serial number	Number and name of grant	Original grant	Supplementary grant	Expenditure	Excess
(1)	(2)	(3)	(4)	(5)	(6)
			(*Rupees in lakhs*)		
Capital Section—					
1.	13—Agriculture	20,81.02	2,00.01	24,19.42	1,38.39
2.	21—Expenditure pertaining to Housing and Environment Department	5,34.46	71.00	8,01.77	1,96.31
3.	41—Tribal Areas Sub-Plan	45,89.37	1,62.30	49,22.93	1,71.26
4.	42—Public Works relating to Tribal Areas Sub-Plan	19,32.99	10.00	21,47.36	2,04.37

APPENDIX II.3

(*Reference: Paragraph* 2.4, *page* 18)

PROVISION AND EXPENDITURE DURING LAST THREE YEARS IN SOME SECTORS/SUB-SECTORS WHICH INDICATED PERSISTENT SHORTFALL

Sector/Sub-Sector of expenditure	Year	Provision	Expenditure	Saving
(1)	(2)	(3)	(4)	(5)
		(*Rupees in crores*)		
Economic Services—General Economic Services	1979-80	34.45	29.84	4.61
	1980-81	51.75	45.61	6.14
	1981-82	52.80	44.51	8.29
Agriculture(excluding Allied Services)	1979-80	53.71	40.02	13.69
	1980-81	65.72	56.74	8.98
	1981-82	43.99	41.09	2.90
Industry and Minerals	1979-80	17.41	13.35	4.06
	1980-81	19.58	17.16	2.42
	1981-82	23.34	22.94	0.40
Water and Power Development	1979-80	3,28.81	3,19.86	8.95
	1980-81	3,01.26	2,87.52	13.74
	1981-82	3,48.02	3,40.19	7.83

APPENDIX

(*Reference*: *paragraph*

STATEMENT SHOWING FINANCIAL OUTLAY, EXPENDITURE,

Sl. No.	Name of Scheme	FINANCIAL (*In lakhs of rupees*)					
		Upto IV Plan		V Plan and upto 1981-82		Total	
		Outlay	Expenditure	Outlay	Expenditure	Outlay	Expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Award of Post-Matric Scholarships (SC and ST)	NA	NA	302.93	379.54	302.93	379.54
2.	Construction of Girls' Hostels and Ashrams (SC and ST)	20.00 NA	13.92 NA	124.60 NA	78.65 NA	144.60 NA	92.57 NA
3.	Scholarships to children of those engaged in unclean occupation	Nil	Nil	2.62	2.24	2.62	2.24
4.	Coaching and Allied schemes						
	Pre	NA	NA	34.14	21.71	34.14	21.71
	IAS	Nil	Nil	9.66	3.62	9.66	3.62
5.	Book Bank	Nil	Nil	10.85	Nil	10.85	Nil
6.	Housing (State Scheme)	Nil	Nil	71.44	51.72	71.44	51.72
7.	Co-operation	143.38	175.01	100.00	..	243.38	175.01
8.	Financial Development Corporation for Scheduled Castes	Nil	Nil	93.00	111.00	93.00	111.00
9.	Improvement in living and working conditions of sweepers and scavengers	55.40	63.02	Nil	Nil	55.40	63.02

III.1

3.19.1, *page*, 62)

PHYSICAL TARGETS AND ACHIEVEMENTS

PHYSICAL (*In numbers*)					
Upto IV Plan		V Plan and upto 1981-82		Total	
Target	Achievement	Target	Achievement	Target	Achievement
(9)	(10)	(11)	(12)	(13)	(14)
Not fixed	65,004	Not fixed	1,24,735	Not fixed	1,89,739
54	19	25	Nil	79	19
Not fixed	NA	Not fixed	202	Not fixed	NA
Nil	Nil	330	99	330	99
250	207	450	388	700	595
Nil	Nil	600	48	600	48
Nil	Nil	440 sets of books	Nil	440 sets of books	Nil
Nil	Nil	1,767	759	1,767	759
Not fixed	NA	Not fixed	NA	Not fixed	NA
Nil	Nil	Not fixed	Not fixed	Not fixed	Not fixed
3,977 houses	3,179 houses	Nil	Nil	3,977 houses	3,179 houses

APPENDIX

Serial Number	Name of scheme	FINANCIAL (*In lakhs of rupees*)					
		Upto IV Plan		V Plan and upto 1981-82		Total	
		Outlay	Expenditure	Outlay	Expenditure	Outlay	Expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
10.	Machinery for protection of civil rights under the Act	Nil	Nil	13.00	6.49	13.00	6.49
11.	Aid to voluntary organisations (SC and ST) (State scheme)	NA	NA	NA	207.82	NA	207.82
12.	Legal aid (State scheme)	Nil	Nil	2.83	0.96	2.83	0.96
13.	Special central assistance for scheduled castes	..	..	632.00	66.33	632.00	66.33
14.	Research, Training and Special Projects	20.72	11.59	36.06	21.04	56.78	32.63
	Total	239.50	263.54	1433.13	951.12	1672.63	1214.66
	Other schemes	..	88,58.38	..	2,25,86.38	..	3,14,44.76
	Grand total	..	91,21.92	..	2,35,37.50	..	3,26,59.42

(NA : Not available)

III.1—*concld.*

PHYSICAL (*In numbers*)

Upto IV Plan		V Plan and upto 1981-82		Total	
Target	Achievement	Target	Achievement	Target	Achievement
(9)	(10)	(11)	(12)	(13)	(14)
Nil	Nil	Not fixed	1,143	Not fixed	1,143
NA	NA	Not fixed	100	Not fixed	100
Nil	Nil	NA	NA	NA	NA
..	..	..	..	..	..
1,600	573	1,400	49	3,000	622

APPENDIX III.2

(*Reference : Paragraph* 3.19.4 (*v*), *page* 74)

EXCESS RELEASE OF GRANTS-IN-AID

Serial No.	Name of the institution	Amount of grant sanctioned for 1979-80	Amount of excess release of 1978-79 adjusted	Net release of grant during 1979-70
(1)	(2)	(3)	(4)	(5)
		(*Rupees in lakhs*)		
1.	Bhil Sewa Sangh , Jhabua	4.36	0.15	4.21
2.	Adivasi Sangh Badi, Raisen	1.73	0.01	1.72
3.	Madhya Pradesh Sambhariya Sangh, Gwalior	2.11	0.24	1.87
4.	Rajinder Ashram Kathiwada, Jhabua	0.53	..	0.53
5.	Bharti Ashram Tablai, Dhar	0.37	0.01	0.36
6.	Banwasi Sewa Mandal, District Mandla	12.03	0.54	11.49
7.	Kasturba Gandhi Trust Kasturba, Indore	1.72	0.04	1.68
8.	Sarvodaya Samiti, Surguja	1.22	0.30	0.92
9.	Mata Rukhmani Sewa Sansthan, Digerpal, Bastar	1.68	0.99	0.69
10.	Kalyan Ashram Jashpurnagar, Raigarh	1.46	0.04	1.42
11.	Maharishi Dayanand Sewa Ashram, New Delhi, Jhabua	0.24	..	0.24
12.	Madhya Pradesh Banwasi Kalyan Parishad, Bhopal	0.63	0.11	0.52
13.	Madhya Pradesh Harijan Sewak Sangh, Indore	6.71	1.29	5.42
14.	Kasturba Mahila Sewa Sadan, Chandrawati Ganj, Indore	0.54	0.04	0.50
15.	Morted Harijan Hostel, Rewa	0.36	0.04	0.32
	Total	35.69	3.80	31.89

APPNDIX-III. 3

APPENDIX

(*Reference* : *Paragraph*

CASES OF MISAPPROPRIATION, LOSSES, ETC, REPORTED UPTO 31ST

S.No.	Department	Cases reported in 1976-77 and earlier years		Cases reported during 1977-78		Cases reported during 1978-79	
		Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Education	35	11.61	22	3.04	10	0.73
2.	Revenue	94	11.42	20	6.00	13	0.55
3.	Irrigation	17	1.15	2	0.04	2	0.43
4.	Stamps	6	3.32	1	0.01	..	..
5.	Tribal and Harijan Welfare	106	9.43	6	0.51	11	0.18
6.	Public Health	15	7.89	6	1.71	3	0.43
7.	Police	41	5.48	8	0.36	22	0.65
8.	Agriculture	53	4.50	5	0.24	4	2.22
9.	Public Works	19	4.39	2	0.27	..	..
10.	Forest	10	2.38	23	1.94	2	0.18
11.	Medical	14	3.31	7	1.78	..	..
12.	Finance	5	5.22 (*a*)	2	0.21 (*b*)	..	..
13.	Law	57	2.45	4	1.19	5	0.06
14.	Food	7	3.15	..	..	..	..
15.	Planning and Development	25	2.48	2	0.04	5	0.29
16.	Excise	6	1.79 (*c*)	..	..	..	..
17.	Industries	18	2.10	..	..	..	..
18.	Stationery and Printing	..	..	..	..	18	0.74
19.	Home(Transport)	..	..	..	..	..	..
20.	Dairy Development	10	0.71	..	..	..	..
21.	Rehabilitation	11	0.38	..	..	..	..
22.	Jails	1	0.52	..	..	..	..
23.	Veterinary	9	0.51	..	..	..	..
24.	Public Health Engineering	5	0.23	..	..	1	0.26
25.	Social Welfare and Panchayat	4	0.26	..	..	1	0.02
26.	Co-operation	1	0.01	..	..	..	..
27.	General Administration	..	..	..	..	..	..
28.	Labour and Employment	1	0.08	..	..	..	..
29.	Mines & Minerals	3	0.05	..	..	..	..
30.	Information and Publicity	..	..	..	..	1	0.02
	Total	573	84.82	110	17.34	98	6.76

(*a*) The increase is due to inclusion of one case which was excluded earlier.

(*b*) The department has revised the amount.

(*c*) The deparment has modified the amounts and number of cases.

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3.20, *page* 79)

MARCH 1982 BUT NOT FINALISED TILL 30TH SEPTEMBER 1982

(*All amounts Rupees in lakhs*)

Cases reported during 1979-80		Cases reported during 1980-81		Cases reported during 1981-82		Total	
Number of cases	Amount	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
10	7.09	1	0.99	5	1.51	83	24.97
17	2.03	15	1.32	10	0.88	169	22.20
2	0.27	7	1.24	11	11.53	41	14.66
2	10.32	..	..	2	0.20	11	13.85
3	1.00	8	1.25	3	1.37	137	13.74
4	0.94	5	0 52	4	0.79	37	12.28
24	0.79	12	0.58	13	0.80	120	8.66
..	..	2	0.42	..	..	64	7.38
4	2.62	..	..	..	..	25	7.28
4	0.30	7	0.64	3	0.30	49	5.74
5	0.30	4	0.13	..	..	30	5.52
1	0.02	..	..	..	..	8	5.45
7	0.31	10	0.11	3	0.46	86	4.58
..	..	1	0.15	..	..	8	3.30
..	..	1	0.04	1	0.03	34	2.88
1	0.34 (*c*)	1	0.10	3	0.42	11	2.65
1	0.03	..	..	..	..	19	2.13
3	0.44	1	0.01	2	0.25	24	1.44
6	1.28	..	..	..	..	6	1.28
2	0.19	..	..	2	0.28	14	1.18
..	..	11	0.40	..	..	22	0.78
..	..	2	0.03	1	0.11	4	0.66
..	..	..	..	..	..	9	0.51
..	..	..	..	..	..	6	0.49
..	..	2	0.05	..	..	7	0.33
1	0.01	2	0.24	..	..	4	0.26
1	0.23	..	..	..	..	1	0.23
..	..	..	..	1	0.01	2	0.09
..	..	..	..	..	..	3	0.05
2	..	2	0.01	..	..	5	0.03
100	28.51	94	8.23	64	18.94	1039	164.60

APPENDIX III. 4

(*Reference : paragraph* 3.21, *page* 79)

LOSSES, ETC., WRITTEN OFF DURING 1981-82

Serial number	Department	Written off losses, irrecoverable revenue, advances etc.	
		Number of cases	Amount
(1)	(2)	(3)	(4)
			Rs.
1.	Veterinary	228	4,33,696
2.	Forest	25	1,85,111
3.	Sales Tax	30	1,02,772@
4.	Natural Resources	17	67,319*
5.	Food	7	40,069
6.	Agriculture	2	9,500
7.	Medical	1	5,961
8.	Police	1	1,492
9.	Family Welfare	1	1,488
		312	8,47,408

@ Represents remission of revenue.

* Includes 3 items (Rs. 16,308) of waiver of recoveries.

APPENDIX III.5

(*Reference : Paragraph* 3.22, *page* 79)

NON-RECEIPT OF REPLIES TO THE DRAFT PARAGRAPHS/REVIEWS

S. No.	Name of department	No. of paragraphs/ reviews issued	Replies received	Replies not received
(1)	(2)	(3)	(4)	(5)
1.	Revenue	4	1	3
2.	Social Welfare	3	2	1
3.	Panchayat and Rural Development	2	2	..
4.	Home(Transport)	1	..	1
5.	Home (Jails)	2	2	..
6.	Forest	5	..	5
7.	Housing and Environment	3	1	2
8.	Tribal, Harijan and Backward Classes Welfare	7	..	7
9.	General Administration	2	2	..
10.	Information and Publicity	1	1	..
11.	Planning, Economics and Statistics	1	1	..
12.	Agriculture	6	..	6
13.	Agriculture (Veterinary)	2	1	1
14.	Commerce and Industry	2	1	1
15.	Education	1	..	1
16.	Public Health and Family Welfare	5	1	4
17.	Irrigation	14	..	14
18.	Public Works	2	1	1
	Total	63	16	47

APPENDIX VII.1

(*Reference: Paragraph* 7.4 *page* 125)

SUMMARISED FINANCIAL RESULTS OF THE GOVERNMENT COMMERCIAL AND QUASI-COMMERCIAL UNDERTAKING

Name of Undertaking — Sales Dispensary, Indore

Name of Administrative Department — Public Health and Family Welfare

(1)	Period of accounts 1978-79 (2)	1979-80 (3)	1980-81 (4)	1981-82 (5)
	(*Rupees in lakhs*)			
1. Government capital at the close of the year	2.39	2.62	2.90	3.31
2. Mean capital	1.54	0.91	0.72	0.35
3. Block assets(net)	0.03	0.03	0.03	0.02
4. Cumulative depreciation	0.11	0.11	0.11	0.12
5. Turnover	0.79	0.62	0.32	0.06
6. Net loss	0.66	0.45	0.71	0.47
7. Interest on capital	0.09	0.05	0.04	0.02
8. Total return	(—)0.57	(—)0.40	(—)0.67	(—)0.45

GRPG—100—AGMPIG—10-8-83—1,000