



सत्यमेव जयते

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

FOR THE YEAR ENDED 31 MARCH 2000

(CIVIL)

GOVERNMENT OF MAHARASHTRA



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P R E F A C E

- 1 This Report has been prepared for submission to the Governor under Article 151 of the Constitution
- 2 Chapters I and II of this Report respectively contain Audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts of the State Government for the Year ended 31 March 2000.
- 3 The remaining chapters deal with the findings of performance audit and audit of transactions in the various departments including the Public Works and Irrigation, audit of Stores and Stock, audit of Autonomous Bodies and departmentally run commercial undertakings.
- 4 The Report containing the observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing such observations on Revenue Receipts are presented separately.
- 5 The cases mentioned in the Report are among those which came to notice in the course of test-audit of accounts during the year 1999-2000 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 1999-2000 have also been included wherever necessary.

OVERVIEW

This Report includes two chapters on the Finance and Appropriation Accounts of the Government of Maharashtra for the year 1999-2000 and five other chapters, comprising 6 audit reviews and 49 paragraphs, based on the audit of certain selected schemes, programmes, activities and financial transactions of the Government. A synopsis of the important findings contained in the Report is presented in this Overview.

1 An overview of the Finances of the State Government

The Accounts of the Government for 1999-2000 show revenue receipts of Rs 25269.47 crore. The revenue receipts of the Government were Rs 16559.28 crore in 1995-96 and have shown an average annual growth of 10.95 *per cent*. Along with the increase in revenue receipts, the arrears of revenue collection also increased from Rs 3680.19 crore in 1995-96 to Rs 6511.54 crore in 1999-2000.

The revenue expenditure of the Government increased from Rs 17168.39 crore in 1995-96 to Rs 29538.22 crore in 1999-2000, showing an average annual increase of 14.87 *per cent*. During the last five years, the growth in revenue expenditure has taken place primarily in the non-plan component (85 *per cent*) as against the plan component (3 *per cent*). The faster growth of revenue expenditure compared to that of revenue receipts has led to increase of revenue deficit. The revenue deficit was Rs 609.11 crore during 1995-96 which was only 3.68 *per cent* of revenue receipts and this grew to Rs 4268.75 crore at the end of 1999-2000 which amounted to 16.89 *per cent* of revenue receipts.

The spurt in revenue expenditure from Rs 17168.39 crore in 1995-96 to Rs 29538.22 crore in 1999-2000 was mainly due to increase in expenditure on General Services and Social Services which registered increases of 87 *per cent* and 72 *per cent* respectively during this five year period. Another area showing marked increase in expenditure was interest payments which shot up by 138 *per cent* from Rs 2055.37 crore in 1995-96 to Rs 4883.59 crore in 1999-2000.

In general, the plan component of capital expenditure indicates creation of assets and can be viewed as enhancing the quality of Government expenditure. The plan expenditure of the State Government in the capital section went down from Rs 2705.76 crore in 1995-96 to Rs 2637.86 crore in 1999-2000. This reflects rather poorly on the financial management of the State Government over the years. The return on Government's capital investments in various Government Companies and Corporations was also quite meagre. On an investment (including loan) of Rs 6784.13 crore at the end of 1999-2000, the Government received dividend/interest of Rs 3.96 crore or 0.06

per cent. Out of 41 Government Companies, 40 having equity investment of Rs 513 crore, had accumulated losses at the end of 1999-2000 amounting to Rs 577.87 crore.

During 1999-2000, net borrowings of the Government amounted to Rs 9865.12 crore which was used along with part of the Government's cash balance and surplus in Contingency Fund to meet the fiscal deficit of Rs 11706.15 crore. Over the years, more and more borrowed funds have been applied to meet revenue expenditure including interest payments, underscoring the need for urgent control of revenue expenditure. The increasing dependence of the State Government on borrowing is also shown by the increasing negative balance from current revenues which was (-) Rs 423 crore in 1997-98 and went down to (-) Rs 2298 crore in 1999-2000.

The ratio of tax receipts as a percentage of the Gross State Domestic Product in the State has been varying between 6 per cent and 8 per cent during 1995-96 to 1999-2000 suggesting that while it was possible to raise more resources through better tax compliance, the State Government chose to go in for more borrowings to meet its increasing revenue and fiscal deficit.

The ratio of Assets/Liabilities is a very important indicator of the financial solvency of the State Government, a ratio of more than one indicating solvency while a ratio of less than one indicates otherwise. The ratio in the case of the State has been less than one since 1997-98 and has been showing a declining trend since, showing gradual deterioration in the financial health of the State Government.

(Paragraphs 1.1 to 1.11)

2 Appropriation Audit and Control over expenditure

The expenditure of the State Government during 1999-2000 exceeded the budget provision in 72 grants and 11 appropriations by Rs 1739.16 crore and Rs 98.74 crore respectively. The excess expenditure required regularisation by the State Legislature under Article 205 of the Constitution.

The Supplementary provision of Rs 11460.83 crore obtained during 1999-2000 constituted 23.68 per cent of the original provision of Rs 48388.63 crore. In 73 grants/appropriations, supplementary provision totalling Rs 3743.84 crore proved unnecessary. Supplementary grants and appropriations totalling Rs 6219.40 crore were obtained in 73 other grants/appropriations when the additional requirement of the fund was Rs 3081.26 crore only, the savings in each case being in excess of Rs 10 lakh.

Supplementary grants aggregating Rs 1259.42 crore in 43 grants/appropriations proved insufficient by more than Rs 10 lakh in each

grant/appropriation leaving an aggregate uncovered excess expenditure of Rs 1392.34 crore.

Persistent savings in excess of Rs 10 lakh in each grant/appropriation and also 20 per cent or more of the provisions occurred in 27 grants/appropriations during 1997-98 to 1999-2000.

Injudicious reappropriation of funds resulted in excess expenditure in 42 grants/appropriations and savings in 31 grants/appropriations.

Expenditure totalling Rs 829.18 crore was incurred during the year on items of 'New Service/New Instruments of Service' without obtaining the requisite approval of Legislature.

Savings of Rs 1 crore and above in each grant/appropriation aggregating Rs 7165.63 crore in 46 grants and appropriations were not surrendered before the close of the financial year by the concerned departments. In 83 grants/appropriations, though there was a total savings of Rs 2349.99 crore, no amount was surrendered. On the other hand, as against the savings of Rs 545.67 crore available for surrender in 36 grants/appropriations, an amount of Rs 652.05 crore was actually surrendered.

Corpus of the Contingency Fund was temporarily increased on four occasions between 21 May 1999 and 6 March 2000. Advances totalling Rs 17.29 crore made from the Fund were not recouped till the close of the year.

A review of the operation of the Contingency Fund disclosed that (i) sanctions for advances were issued when the money was not needed, (ii) more advances than necessary were sanctioned and (iii) advances were sanctioned even though provisions could have been made in the regular budget or through supplementary demands for grants.

(Paragraphs 2.1 to 2.15)

3 Employment Guarantee Scheme

The Government of Maharashtra started the Employment Guarantee Scheme in the year 1972 to alleviate poverty by providing gainful employment to the poorer sections of the community in rural areas and in 'C' Class Municipal Councils. The Employment Guarantee Scheme is funded from specific taxes and matching contribution from the State Government. Some of the significant audit findings of the review are given below :

- The expenditure under the Employment Guarantee Scheme during the period 1995-96 to 1998-1999 was less than the net proceeds of taxes every year.

- As many as 19,100 works taken up upto 1998-99 were incomplete as of 31 March 1999, including some incomplete for more than 5 years.
- The Zilla Parishads did not take over 1907 percolation tanks completed between 1978 and 1999 for maintenance due to inadequate funds.
- There were delays in payment of wages ranging from 25 to 478 days despite availability of funds.
- Cost norms were not followed by the Collectors of Ahmednagar and Nashik districts while sanctioning 233 afforestation works.

(Paragraph 3.1)

4 Implementation of Environmental Acts and Rules relating to water pollution

The Central Government in its endeavour to bring about environmental consciousness brought out a National Conservation Strategy and Policy statement on Environment and Development in June 1992 which emphasised the needs of attaining the goal of an environmentally wise society. Further, the Government of India in its Policy Statement for abatement of pollution laid down in March 1992 emphasized their commitment to solving the problem of environmental pollution with the co-operation of the State Governments, industry, local bodies and the public. Thus, there has been an increasing awareness on environment issues in public policy. A review was conducted to assess the steps taken for the control and prevention of water pollution in the State by the State Environment Department under the prescribed statutory framework and the Maharashtra Pollution Control Board. The review revealed that domestic effluents discharged by municipal/local bodies remained largely untreated due to absence or inadequacy of treatment facilities thereby polluting water bodies. The Pollution Control Board, as a regulatory body had neither taken action against the local bodies to restrain them from discharging the effluents nor taken adequate initiative to help the local bodies financially for treatment of the effluents. Thus, the water quality of the water bodies in the State has not improved and the sea water quality in Mumbai has deteriorated due to the effluents discharged from the Municipal Corporation areas. Further audit findings are given below :

- There was delay of twelve years in framing the Industrial Location Policy which resulted in setting up of industries on the banks of various rivers in the State.
- There is deterioration in the water quality of all the major rivers in the State with reference to the standards set for the water quality parameters.

- The Brihanmumbai Municipal Corporation was discharging 64 *per cent* of the domestic effluents generated without any treatment into the Arabian Sea resulting in the sea water being highly polluted and unfit for designated use.
- Twelve out of fourteen municipal corporations were discharging more than 50 *per cent* of the effluents into the river bodies/creeks without providing any treatment thereby polluting the environment and the water bodies.
- Despite Supreme Court directives, Maharashtra Pollution Control Board could not persuade local bodies to provide sewage water treatment plants.
- Out of 14 Common Effluent Treatment plants with capacity of 78700 cubic metres, only 6 with capacity of 25500 cubic metres were commissioned. 3 of the commissioned plants were not being utilised to their full capacity due to non-laying of pipelines for collection of effluents from member industries.
- The Krishna Godavari River Action Plan started in March 1994 had not made any progress.

(Paragraph 6.5)

5 Maharashtra Emergency Earthquake Rehabilitation Programme

A massive earthquake in September 1993 caused heavy losses of lives and properties in Latur and Osmanabad Districts. A comprehensive programme for rehabilitation and resettlement of affected people and villages was implemented during October 1993 to March 2000. By and large the physical targets of relocation of villages, construction of public amenities and other infrastructures, rectification of damaged bridges, roads etc. were achieved. There were, however, deficiencies in the formulation and implementation of various projects, cases of avoidable and infructuous expenditure and large scale under utilisation of infrastructures. A review of implementation of the programme disclosed the following :

- Houses constructed in relocated villages are still vulnerable to future earthquake.
- The construction of 989 houses not completed as of March 2000 resulted in blocking of Rs 3.75 crore, besides denial of benefits to beneficiaries for about two years.
- Ninety-nine houses constructed at a cost of Rs 97.93 lakh in village Sarni of Latur District remained unallotted till March 2000.

- Inordinate delay in construction of model houses at a cost of Rs 5.71 crore could not serve as role model to beneficiaries.
- The faulty survey and incorrect estimates of a water supply scheme resulted in infructuous expenditure of Rs 1.42 crore.
- Underutilisation of infrastructure created at a cost of Rs 2.04 crore for anganwadis, community centres for women, and home for handicapped was noticed.

(Paragraph 3.3)

6 National Family Welfare Programme

National Family Welfare Programme introduced in the first Five Year Plan was implemented in the State from 1957. Under the National Health Policy adopted in 1983, the major long term goal to be achieved was to bring down the Crude Birth Rate and the Crude Death Rate to 21 and 9 per thousand of the population respectively, Annual Natural Growth Rate to 1.2 per cent, Infant Mortality Rate to below 60 per thousand live birth and Effective Couple Protection Rate to 60 per cent by the year 2000 AD. Expenditure of Rs 658.19 crore was incurred on the programme during 1995-96 to 1999-2000. A review of implementation of the programme in the State revealed that the target of Crude Birth Rate, Annual Natural Growth Rate and Effective Couple Protection Rate was not achieved at the end of 1998-99; participation of men in sterilisation was negligible.

- The demographic goals of Crude Birth Rate, Annual Natural Growth Rate and Effective Couple Protection Rate were not achieved at the end of 1998 and the figures after 1998 were not compiled by the Government.
- The percentage of vasectomy to the total sterilisation declined from 1.57 per cent to 0.89 per cent during the period 1995-96 to 1998-99.
- Expected Level of Achievement for Intra Uterine Devices and Oral Pills was not achieved during 1996-97 to 1999-2000.
- Stock account of Contraceptives, Oral Pills and Intra Uterine Devices valued at Rs 1.50 crore was found short in three District Family Welfare Offices.
- Against sterilisation target of 75 per cent of delivery/abortion/Medical termination cases with two or more living issues, achievement ranged from 45.16 per cent in 1995-96 to 40.60 per cent in 1998-99.
- An amount of Rs 25.82 lakh was paid in excess to voluntary organisations and local bodies in sterilisation bed scheme during 1995-99 and an amount

of Rs 1.34 crore was released in excess of compensation payable to the acceptors.

(Paragraph 3.2)

7 Urban Employment Generation Programme

For alleviation of urban poverty, the Government of India introduced, from time to time, various schemes such as Nehru Rojgar Yojana, Prime Minister's Rojgar Yojana, Prime Minister's Integrated Urban Poverty Eradication Programme and Swarna Jayanti Shahari Rojgar Yojana.

The Swarna Jayanti Shahari Rojgar Yojana scheme, which commenced in December 1997, failed to make a perceptible impact, the reasons being delay in identification of the beneficiaries below poverty line and non-formation of the community organisations. The banks which were to play a crucial role under the scheme by providing finance to the self-employment ventures rejected a large number of cases due to their commercial non-viability. On the one hand there were 41.83 lakh educated unemployed in the State as of March 2000 while on the other hand there were unutilised funds amounting to Rs 42.83 crore with the State Urban Development Agency and Rs 34.22 crore with other implementing agencies reflecting on the poor management of the scheme. The special component for women beneficiaries, who were specifically targeted under the Swarna Jayanti Shahari Rojgar Yojana, was poorly implemented by the urban local bodies.

The Prime Minister's Integrated Urban Poverty Eradication Programme, which was introduced in November 1995 and envisaged preparation of multipronged long term strategy to address the problem of urban poverty, failed to make any perceptible impact as the scheme was terminated in November 1997 and replaced by Swarna Jayanti Shahari Rojgar Yojana.

Under the Prime Minister's Rojgar Yojana, which commenced in 1993-94, the sanction of loans by the banks for the self-employment ventures exceeded the targets in the initial years till 1996-97 and thereafter till March 2000 there were marginal shortfalls in achievement of targets. However, the actual number of loans disbursed with reference to those sanctioned declined from 70 per cent in 1994-95 to 49 per cent in 1998-99. The State Government has not evaluated the impact of the self-employment ventures under Prime Minister's Rojgar Yojana.

Some of the significant audit findings in the review are mentioned below :

- Instead of conducting household survey to identify the beneficiaries under Nehru Rojgar Yojana, the identification of beneficiaries was done on the basis of certificates of income furnished by them.

- The planning process of Swarna Jayanti Shahari Rojgar Yojana suffered from delay in identification of the below poverty line beneficiaries due to change in conditions by the State Government for a family to be counted as below poverty line. No community development societies were set-up by 5 major Municipal Corporations.
- Under Swarna Jayanti Shahari Rojgar Yojana the targets fixed were very moderate, even these low targets were not achieved for self-employment in 1998-99 and 1999-2000.
- The State Government maintained/compiled accounts only for releases made under Nehru Rojgar Yojana and Prime Minister's Integrated Urban Poverty Eradication Programme to urban local bodies and collectorates and did not maintain any account of the actual expenditure incurred by these bodies/ collectorates.
- The financial management of the schemes revealed short release of State Government's share to the tune of Rs 19.90 crore under Nehru Rojgar Yojana and Prime Minister's Integrated Urban Poverty Eradication Programme.
- Brihanmumbai Municipal Corporation, kept Rs 92 lakh received for implementation of Nehru Rojgar Yojana in fixed deposit for more than 5 years instead of utilising it on the scheme. Further, for implementation of Nehru Rojgar Yojana, the Brihanmumbai Municipal Corporation spent Rs 1.13 crore towards establishment charges, which was as high as 58.18 per cent of the amount spent on subsidy and training under the scheme.
- Under Swarna Jayanti Shahari Rojgar Yojana and Prime Minister's Rojgar Yojana the banks rejected a large number of loan applications for starting self-employment ventures mainly due to projects not being found commercially viable. Under Prime Minister's Rojgar Yojana there was progressive decline in number of cases where loans were disbursed during the period 1996-99.

(Paragraph 6.7)

8 Working of Rural Development Department

Rural Development Department is the administrative department for Zilla Parishads, Panchayat Samitis and District Rural Development Agencies which execute various development schemes in rural areas. The main objective of the department is to develop rural areas by providing funds from State and those received from the Central Government and monitor the various schemes executed by these implementing agencies.

A review of the working of the department for the period 1995-2000 revealed inefficiencies in the financial management system of the Department as well as lack of proper implementation and monitoring of several schemes. Some of the significant audit findings were as follows:

- In some Grants, huge funds were surrendered after obtaining supplementary grants while excess expenditure was incurred in some others. This indicated inaccurate estimation and inadequate control of expenditure. Besides, the Department was not regular in reconciling its expenditure with that accounted for by the Accountant General.
- The non-assessment of grants paid to the Zilla Parishads not only resulted in huge balances lying outside Government account but also rendered the entire budgetary control system futile.
- Huge balances were retained in the maintenance and repairs fund for Water Supply Schemes indicating lack of co-ordination in management.
- As much as Rs 5.62 crore were diverted by the Zilla Parishads to small saving schemes in order to achieve the small savings targets.
- There were a large number of misappropriation cases in Village Panchayats which occurred primarily due to non-maintenance of basic accounts records, non-monitoring of expenditure, delay in valuation of works, arrears in internal audit, etc.
- Irrigation works on which expenditure of Rs 70.37 lakh was incurred remained incomplete in Pune district thereby defeating the objective of the scheme.
- Due to improper implementation and monitoring of the Development of Women and Children in Rural Area Scheme under Integrated Rural Development Programme, financial assistance of Rs 3.39 crore was given to 1456 groups which were found to be defunct.

(Paragraph 6.6)

9 Koyana Hydroelectric Project Stage IV

Koyana Hydroelectric Project Stage IV located in Ratnagiri and Satara districts envisaged construction of an underground power house for generating 1000 Mega Watt electricity. Scrutiny of records relating to the Project revealed the following:

- Incorrect estimation of the quantities in the construction of lake intake to emergency valve tunnel and construction of pressure shaft and power house resulted in avoidable payment of Rs 29.58 crore.

- Omission to indicate the correct quantity for cement concreting in the International Competitive Bids tender resulted in extra expenditure of Rs 79.44 lakh.
- Incorrect interpretation of tender conditions resulted in excess payment of Rs 64.55 lakh.
- Failure of Chief Engineer to verify the correctness of indices of schedule III of tender resulted in avoidable payment of Rs 4.15 crore.

(Paragraph 4.1)

10 District Primary Education Programme

The District Primary Education Programme was launched in June 1994 in nine educationally backward districts of the State. The review of implementation of the programme disclosed that:

- There was a shortfall in enrolment of eligible children in Dhule and Jalna districts.
- In all nine districts percentage of dropouts was in excess of prescribed target of 10 per cent.
- There was a shortfall in construction of class rooms, school buildings, toilets and borewells.
- The works of 29 block resource centres were completely stopped since September 1997 and work of 3 block resource centres were not started so far despite advance payment of Rs 1.02 crore to the agencies.

(Paragraph 6.12)

11 Members of Parliament Local Area Development Scheme

A review of the Members of Parliament Local Area Development Scheme which is a scheme whereby works are executed on the recommendations of the Members of Parliament, was included in the Report of the Comptroller and Auditor General of India, Government of Maharashtra (Civil) for the year ended 31 March 1997. The scheme was reviewed again in audit during June 2000 to August 2000.

The current audit indicated that the earlier audit findings were not fully addressed and irregularities and deficiencies such as funds lying idle, mix up

of funds by implementing agencies, incomplete works, delays in sanction/completion of works, ineligible works being taken up etc. continued.

(Paragraph 3.13)

12 Avoidable expenditure

A dispute between MHADA and a firm regarding the rates for sacrificial cover/pre-cast pre-bored piles went for arbitration and resulted in an award totally in favour of the firm which MHADA considered arbitrary and unjust but decided against challenging it in High Court resulting in avoidable expenditure of Rs 1.94 crore.

(Paragraph 6.18)

13 Excess expenditure

(i) Failure of MHADA to restrict the rates for extra items to the contract conditions/codal provisions in respect of construction of tenements at Oshiwara under its Mass Housing Project II resulted in excess payment of Rs 1.10 crore to the contractors.

(Paragraph 6.21)

(ii) An amount of Rs 1.05 crore was paid extra to a contractor by the Executive Engineer, Raigad Irrigation Division No. II, Panvel by way of treating an item of work as extra item in contravention of the contractual terms.

(Paragraph 4.2)

(iii) The Maharashtra Jeevan Pradhikaran had incurred an extra expenditure of Rs 89.02 lakh on purchase of liquid chlorine during 1996-97 to 1998-99 due to restriction imposed by it for inviting competitive bidding only to the manufacturers of liquid chlorine within the State. The restriction was lifted in 1999-2000.

(Paragraph 6.24)

(iv) Payment in disregard to the contractual provision resulted in extra benefit of Rs 48.76 lakh to a contractor.

(Paragraph 4.5)

14 Idle outlay

(i) Idle investment of Rs 2.27 crore on milk scheme at Bhoom, Osmanabad district due to injudicious expansion programme besides wasteful expenditure of Rs 1.58 crore on transportation, pasteurisation and idle staff.

(Paragraph 7.4)

(ii) In Super Speciality Hospital, Nagpur computer hardwares procured at a cost Rs 62.72 lakh remained idle for over two years due to non-supply of computer software by a firm.

(Paragraph 3.9)

(iii) In Irrigation Division, Chandrapur, 29 steel gates injudiciously procured at a cost of Rs 57 lakh for replacement of existing gates remained idle for over 7 years.

(Paragraph 4.3)

15 Unproductive expenditure/Blocking of funds

(i) The share capital contribution of Rs 24.20 crore released by Commissioner of Sugar, Pune during March 1992 to August 1997 for setting up of 7 sugar factories remained unproductive since the sugar factories could not be set-up as the machinery required for production had not been procured nor the civil works completed.

(Paragraph 6.9)

(ii) The Mumbai Housing and Area Development Board did not execute the ancillary works relating to upgradation of water supply scheme in two of its housing colonies at Kannamwar Nagar and Tagore Nagar due to delay in approval of the plans and estimates by Maharashtra Housing and Area Development Authority. No advance agreements had been executed with the tenants who were required to bear the cost of the ancillary works. This resulted in blocking of funds of Rs 3.90 crore on laying of pipelines.

(Paragraph 6.20)

(iii) 1965 electric pumps installed in 5 Integrated Tribal Development Projects of Amravati region at a cost of Rs 3.59 crore were not commissioned for 1 to 7 years for want of electric connections.

(Paragraph 3.16)

16 Loss of revenue

(i) Failure of MHADA to recover service charges from the tenants in line with the increase effected by the supplying agencies from time to time resulted in accumulating arrears. The rate of service charges were revised only with effect from April 1998 resulting in arrears of Rs 7.97 crore for the years 1994-95 to 1996-97 remaining not recovered.

(Paragraph 6.17)

(ii) Maharashtra Housing and Area Development Authority charged lower rates for sale of additional Floor Space Index at D.G.Nagar, Malwani entailing a loss of revenue of Rs 1.06 crore.

(Paragraph 6.22)

17 Misappropriation/Fraud

(i) The State Government sanctioned in March 1999 Rs 1.44 crore as financial assistance to a co-operative housing society comprising mainly State Government employees of Finance Department in relaxation of the prescribed conditions for backward class housing society. Audit found that the society produced a fraudulent registration certificate and obtained the assistance of Rs 92 lakh in June 1999.

(Paragraph 6.15)

(ii) Failure of the Directorate of Social Welfare to monitor the construction of tenements with the financial assistance released by Government under the Backward Class Co-operative Housing Scheme by periodical visits/inspections and failure to verify the genuineness of valuation certificates facilitated disbursement of subsidy of Rs 49.50 lakh against altered/forged documents.

(Paragraph 6.13)

(iii) Non-maintenance of cash book by Gram Sevak of the Village Panchayat, Kem and lack of supervision/monitoring by the Block Development Officer, Karmala, District Solapur facilitated misappropriation of Rs 1.92 lakh by the Gram Sevak.

(Paragraph 6.10)

18 Misutilisation of Tenth Finance Commission grants

Maharashtra Housing and Area Development Authority irregularly diverted the Tenth Finance Commission Grants of Rs 31.50 crore provided for improvement of slum condition in Mumbai City to its self financing project at Mankhurd.

(Paragraph 6.16)

19 Unnecessary creation of a new company

Government decided in November 1998 to set up a new company named Anna Saheb Patil Arthik Magas Vikas Mahamandal for the welfare of the economically backward youth and sanctioned Rs 5 crore towards its share capital though four other corporations set up by the Government had already been functioning more or less with the same objectives. The company had not started functioning since its establishment in November 1998 and the capital invested remained idle besides incurring of revenue expenditure on the staff posted to the company.

(Paragraph 3.6)

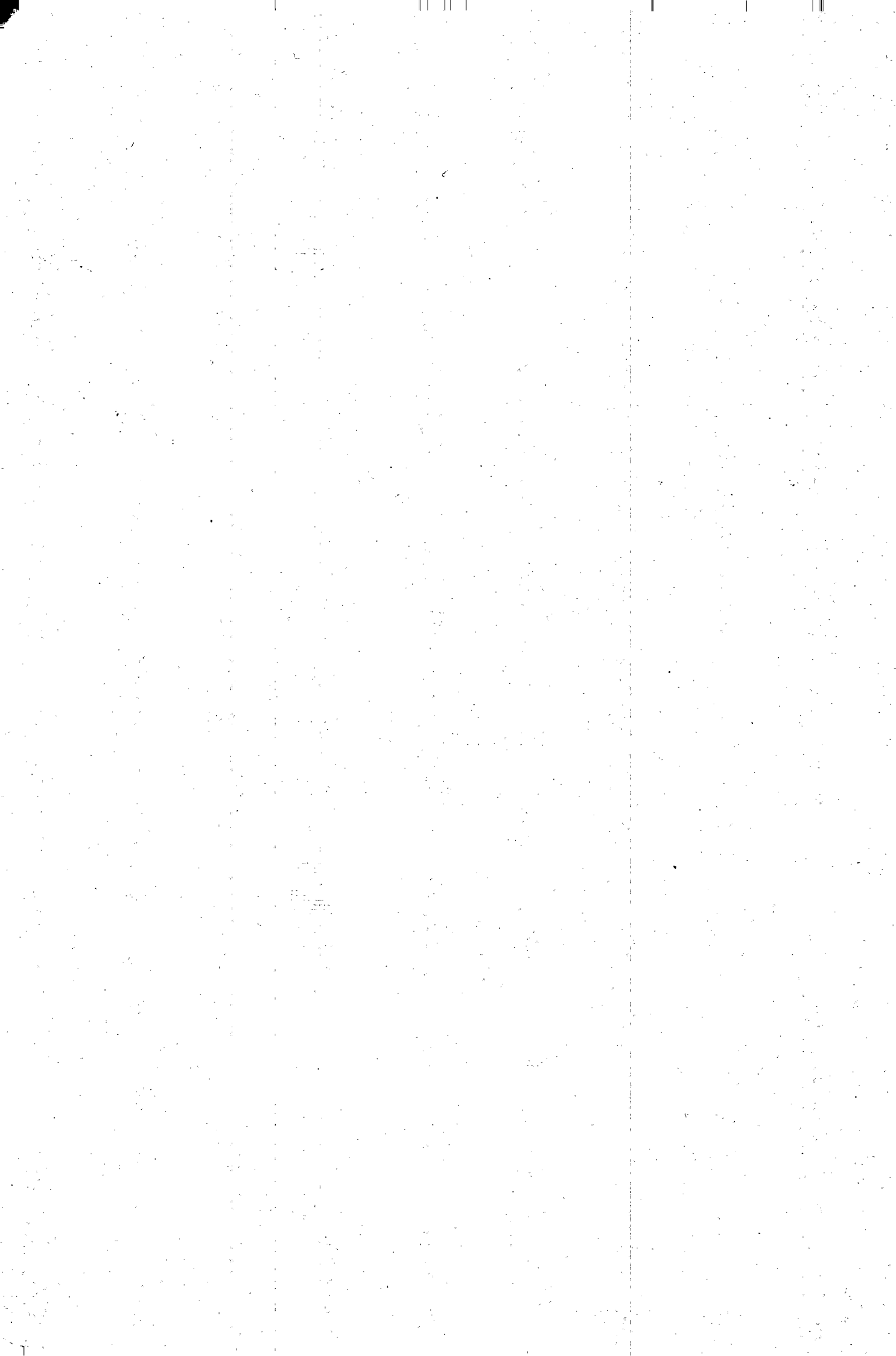
20 Computerisation in Public Works Department

Delay in computerisation within the stipulated period of Memorandum of Understanding resulted in additional expenditure of Rs 1.51 crore on payment to M/s C-DAC. Besides, Junior Programmers and Administrative Support Staff were paid at the rates higher than those admissible resulting in excess payment of Rs 56.59 lakh.

(Paragraph 4.12)

CHAPTER - I

AN OVERVIEW OF THE FINANCES OF THE STATE GOVERNMENT



CHAPTER I

An overview of the finances of the State Government

1.1 Introduction

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

1.2 Financial position of the State

In the Government accounting system, comprehensive accounting of the fixed assets like land and buildings etc. owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred by the Government. Exhibit I gives an abstract of such liabilities and the assets as on 31 March 2000, compared with the corresponding position on 31 March 1999. While the liabilities in this statement consist mainly of external and internal borrowings, loans and advances from the Government of India, receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital outlay, loans and advances given by the State Government and the cash balances. **It would be seen from Exhibit I that while the liabilities grew by 23.54 per cent, the assets grew by only 13.37 per cent during 1999-2000, leading to a very high (151.44 per cent) growth in the deficit on the Government account. This shows an overall deterioration in the financial condition of the Government.**

1.3 Sources and application of funds

1.3.1 Exhibit II gives the position of sources and application of funds during the current and the preceding year. The main sources of funds include the revenue receipts of the Government, recoveries of the loans and advances, public debt and the receipts in the Public Account. These are applied mainly on revenue and capital expenditure and the lending for developmental purposes. It would be seen that the revenue receipts constitute the most

significant source of fund for the State Government. However, their share went down from 71.32 per cent in 1998-99 to 69.97 per cent during 1999-2000 pointing to the unsatisfactory performance of State revenue receipts. The share of recoveries of loans and advances went down marginally from 0.89 per cent to 0.69 per cent. **The share of net receipts from the Public Account went up considerably from 9.41 per cent in 1998-99 to 13.28 per cent in 1999-2000. This was mainly due to increase in small savings and provident funds, deposits and advances and Reserve Funds. The share of net receipts from the public debt went down from 15.32 per cent to 13.96 per cent.**

1.3.2 The funds were mainly applied to revenue expenditure, and though its share in the total application of funds went down from 86.38 per cent in 1998-99 to 77.94 per cent in 1999-2000 but its share remained significantly higher than the share of the revenue receipts (69.97 per cent) as a component of the sources of funds of the State Government. This resulted in increase in Revenue Deficit. A notable change during the year was that the percentage of capital expenditure went down from 10.75 per cent to 9.92 per cent of the total application of funds and lendings for development purposes went up from 2.07 per cent to 10.36 per cent.

EXHIBIT-I
SUMMARISED FINANCIAL POSITION OF THE GOVERNMENT OF MAHARASHTRA
AS ON 31 MARCH 2000

(Rupees in crore)

As on 31.03.1999	LIABILITIES		As on 31.03.2000
--	External Debt		
4393.92	Internal Debt		5349.24
3732.59	Market Loans bearing interest	4432.74	
10.37	Market Loans not bearing interest	12.30	
18.70	Loans from LIC	17.76	
632.26	Loans from other Institutions	886.44	
--	Ways and Means Advances/ Overdrafts from Reserve Bank of India	--	
23062.22	Loans and Advances from Central Government		27147.85
719.31 ¹	Pre 1984-85 Loans	595.81	
14937.65	Non-Plan Loans	18717.83	
7278.16	Loans for State Plan Schemes	7703.55	
14.78	Loans for Central Plan Schemes	14.10	
112.32	Loans for Centrally Sponsored Plan Schemes	116.56	
77.06	Contingency Fund		832.71
3719.73	Small Savings, Provident funds etc.		5803.27
4025.06	Deposits		5550.31
7648.50	Reserve Funds		8105.76
37.08	Reserve Fund Investments		37.08
1348.47	Suspense and Miscellaneous Balances		1915.52
44312.04	TOTAL		54741.74
As on 31.03.1999	ASSETS		As on 31.03.2000
28992.20	Gross Capital Outlay on Fixed Assets		32753.52*
2274.68	Investments in shares of Companies, Corporations etc.	6784.13	
26717.52	Other Capital Outlay	25969.39	
8342.30	Loans and Advances		12018.38
4360.52	Loans for Power Projects	4607.94	
3979.29	Other Development Loans	4812.15	
2.49	Loans to Government servants and Miscellaneous loans	2598.29	
11.75	Advances		12.64
1003.13	Remittance Balances		838.48¹
2699.68	Cash		914.30
6.07	Cash in Treasuries	6.72	
(-)113.04 ²	Deposits with Reserve Bank	(-)160.09 ²	
(-)50.74	Local remittances	(-)60.04	
6.65	Departmental Cash Balance	8.41	
0.42	Permanent Advances	0.41	
2813.16	Cash Balance Investments	1081.73	
37.16	Investment of earmarked balances	37.16	
3262.98	Deficit on Government Accounts		8204.42
3925.93	(i) Revenue Deficit of the Current Year	4268.75	
(-)5.53	(ii) Proforma correction	--	
(-)933.76	(iii) Other adjustments	672.69	
276.34	Accumulated deficit upto 31 March 1999	3262.98	
44312.04	TOTAL		54741.74

¹ Lower rounding

* Higher rounding

² Minus balance is due to payments made by the agency bank being more than the receipts collected by them and late reporting of transactions through the Reserve Bank of India, Nagpur

EXHIBIT II
SOURCES AND APPLICATION OF FUNDS

(Rupees in crore)

1998-99		Sources	1999-2000
21737.09	1.	Revenue receipts	25269.47
269.76	2.	Recoveries of Loans and Advances	250.90*
4668.55	3.	Increase in Public debt other than overdraft	5040.95
	4.	Net receipts from Public account	
637.45		Increase in Small Savings and Provident Funds	2083.54
869.64		Increase in Deposits and Advances	1524.36
1606.16		Increase in Reserve funds	457.26
(-)323.50		Net effect of suspense and Miscellaneous transactions	567.05
79.72		Net effect of Remittance transactions	164.65
--	5.	Net effect of contingency fund transactions	755.65
933.76	6.	Adjustment closed to Government Accounts	--
--	7.	Decrease in closing cash balance	1785.38
30478.63		Total	37899.21
		Application	
25663.02	1.	Revenue expenditure	29538.22
613.70	2.	Lending for development and other purposes	3926.98
3192.51	3.	Capital expenditure	3761.32
241.50	4.	Net effect of contingency fund transactions	--
--	5.	Adjustment closed to Government Accounts	672.69
767.90	6.	Increase in closing cash balance	--
30478.63		Total	37899.21

Explanatory Notes for Exhibit I, II and III:

1. The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts
2. Government accounts being mainly on cash basis, the deficit on Government account, as shown in Exhibit I, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures etc., do not figure in the accounts.
3. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlement etc.
4. There was a difference of Rs 3278.65 lakh (debit) between the figures reflected in the accounts and that intimated by the RBI under "Deposit with Reserve Bank". The difference is under reconciliation (November 2000).

* Higher rounding

EXHIBIT-III
ABSTRACT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR 1999-2000

(Rupees in crore)

Receipts				Disbursements					
1998-99			1999-2000	1998-99		Non-Plan	Plan	Total	1999-2000
	Section-A:Revenue								
1737.09	Revenue receipts		25269.47	25663.02	Revenue expenditure-	26697.66	2840.56	29538.22	29538.22
4202.36	-Tax revenue	17264.95		10614.12	General services	12501.05	37.68	12538.73	
				9427.81	Social Services-	9619.13	1562.15	11181.28	
3572.70	-Non-tax revenue	3936.87		5314.01	-Education, Sports, Art and Culture	7004.27	272.48	7276.75 [#]	
				1159.92	-Health and Family Welfare	1087.88	266.89	1354.77	
2921.90	-State's share of Union Taxes	2608.67		1209.34	-Water Supply, Sanitation, Housing and Urban Development	513.75	722.56	1236.31	
				18.23	-Information and Broadcasting	23.47	0.02	23.49	
148.47	-Non-Plan grants	589.31		538.41	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	406.10	196.44	602.54	
				190.32	-Labour and labour Welfare	208.97	32.56	241.53	
422.81	-Grants for State Plan Scheme	377.27		979.31	-Social Welfare and Nutrition	348.96 [*]	69.32	418.28	
				18.27	-Others	25.73	1.88	27.61	
468.85	-Grants for Central and Centrally sponsored Plan Schemes	492.40		5445.29 [*]	Economic Services-	4021.55	1236.17	5257.72	
				2171.27	-Agriculture and Allied Activities	2088.59 [#]	469.72	2558.31	
				1105.85 [#]	-Rural Development	112.31	482.24	594.55	
				59.21	-Special Areas Programmes	0.25	67.21	67.46	
				1777.14	-Irrigation and Flood control	1660.41	121.26	1781.67	
				26.16	-Energy	22.18	11.78	33.96	
				100.92	-Industry and Minerals	37.15	55.12 [*]	92.27	
				137.96	-Transport	17.45 [*]	12.92	30.37	
				5.35	-Science, Technology And Environment	0.01	7.70	7.71	
				61.43	-General Economic Services	83.20	8.22	91.42	
				175.80	-Grants-in-aid and Contributions	555.93	4.56 [*]	560.49	
3925.93	Revenue deficit carried over to Section B		4268.75	--	Revenue Surplus carried over to Section B				
	Section-B								
1931.78	Opening Cash balance including Permanent Advances and Cash Balance Investment		2699.68	--	Opening Overdraft from RBI				
--	IV. Miscellaneous Capital receipts		--	3192.51	IV. Capital Outlay-	1123.46	2637.86	3761.32	3761.32
				74.71	General Services-	18.14	56.64	74.78	
				278.40	Social Services-	4.53	176.61 [#]	181.14	
				42.16	-Education, Sports, Art and Culture	--	26.27	26.27	
				25.57	-Health and Family Welfare	--	38.45	38.45	
				157.40	-Water Supply, Sanitation, Housing and Urban Development	5.72	37.04	42.76	
				31.44	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	--	61.32	61.32	
				0.72	-Social Welfare and Nutrition	(-)1.19	2.57 [#]	1.38	
				21.11	-Others	--	10.96	10.96	

* Lower rounding

Higher rounding

Receipts			Disbursements						
1998-99			1999-2000	1998-99		Non-Plan	Plan	Total	1999-20
				2839.40		1100.79	2404.61	3505.40	
				449.78		534.59	262.69	797.28	
				1198.73		559.06 [#]	1007.87	1566.93	
				291.02		--	197.72	197.72	
				24.41		--	22.14	22.14	
				873.51		7.08	909.47	916.55	
				1.87		0.06	4.59	4.65	
				0.08		--	0.13	0.13	
269.76	V.	Recoveries of Loans and Advances-	250.90 [#]	613.70	V.	Loans and Advances disbursed-			3926.
69.39		-From Power Projects	99.82	283.89		-For Power Projects		347.23	
34.66		-From Government Servants	44.53	79.74		-To Government Servants		106.76	
165.71		-From others	106.55	250.07		-To Others		3472.99	
--	VI.	Revenue surplus brought down	--	3925.93	VI	Revenue deficit brought down			4268.
5516.50	VII.	Public debt receipts -	6058.04	847.95	VII	Repayment of Public Debt-			1017.4
--		-External debt	--	--		-External debt		--	
799.94		-Internal debt other than ways and means Advances and Overdraft	1154.80	116.00		-Internal debt other than Ways and Means Advances and Overdraft		199.48 [*]	
0.01 ¹		-Net transactions under Ways and Means Advances including overdraft	-- ⁺	-- ¹		-Net transactions under Ways and Means Advances including overdraft		-- ⁺	
4716.55 ¹		-Loans and Advances from Central Government	4903.24 [#]	731.95		-Repayment of Loans and Advances to Central Government		817.61	
300.00	VIII.	Appropriation from Contingency Fund	1000.00	100.00	VIII	Appropriation to Contingency Fund			1700.0
131.44	IX.	Contingency Fund	1772.94	372.94	IX.	Contingency Fund			1017.2
30342.06	X.	Public Account receipts-	37749.44	26739.82	X.	Public Account disbursements-			32925.2
1129.46		-Small Savings and Provident funds	2775.86	492.01		-Small Savings and Provident Funds		692.32	
3791.21		-Reserve funds	2126.89	1452.25		-Reserve Funds		1642.30	
16360.54 [#]		-Suspense and Miscellaneous	22172.03	16684.05		-Suspense and Miscellaneous		21605.00 [*]	
5520.94		-Remittances	6114.09	5441.22		-Remittances		5949.44	
3539.91		-Deposits and Advances	4560.57	2670.29		-Deposits and Advances		3036.21	
--	XI.	Closing Overdraft from Reserve Bank of India	--	2699.68	XI.	Cash Balance at end-			914.3
				6.07		-Cash in Treasuries		6.72	
0.99	XII.	Inter State Settlement	--	(-)50.74 ^A		-Local Remittances		(-)60.04 ^A	
				(-)113.04 ^B		-Deposits with Reserve Bank		(-)160.09 ^B	
				6.65		-Departmental Cash Balance		8.41	
				0.42		-Permanent Advances		0.41	
				2813.16		-Cash Balance Investment		1081.73	
				37.16		-Investment of earmarked balances		37.16	
38492.53		Total	49531.00	38492.53		Total			49531.0

* Represent receipts:Rs 298.97 crore and disbursements : Rs 298.97 crore

¹ Represent receipts : Rs 0.01 crore and disbursements : Nil

[#] Lower rounding ^B Higher rounding ^A Minus balance is due to non-adjustment of remittances between treasuries and currency chests on 31 March 1999

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

EXHIBIT IV
TIME SERIES DATA ON STATE GOVERNMENT FINANCES

(Rupees in crore)

	1995-96	1996-97	1997-98	1998-99	1999-2000
A. Receipts					
Revenue Receipts	16559.28	19255.24	20316.57	21737.09	25269.47
Tax Revenue	10934.45(66)	11714.97(61)	13719.26(68)	14202.36(65)	17264.95(68)
Taxes on Agricultural Income	--	--	--	--	0.12(0)
Taxes on Sales, Trade, etc.	6844.32(63)	7290.00(62)	7825.48(57)	8066.61(57)	10509.02(61)
State Excise	1070.91(10)	1068.50(9)	1650.88(12)	1748.74(12)	1875.68(11)
Taxes on Vehicles	423.19(4)	613.74(5)	752.07(5)	636.95(5)	708.30(4)
Stamps and Registration fees	1235.98(11)	1274.57(11)	1690.35(12)	1607.87(11)	1939.83(11)
Land Revenue	120.52(1)	109.96(1)	92.09(1)	112.46(1)	177.87(1)
Other Taxes	1239.53(11)	1358.20(12)	1708.39(13)	2029.73(14)	2054.13(12)
Non tax Revenue	2775.39(17)	3754.88(19)	3640.89(18)	3572.70(16)	3936.87(16)
State's share of Union taxes and duties	1677.47(10)	2274.93(12)	1732.06(8)	2921.90(14)	2608.67(10)
Grants in aid from GOI	1171.97(7)	1510.46(8)	1224.36(6)	1040.13(5)	1458.98(6)
Fisc. Capital Receipts	--	--	--	--	--
Total revenue and Non debt capital receipts (1 + 2)	16559.28	19255.24	20316.57	21737.09	25269.47
Recoveries of Loans and Advances	161.44	209.19	193.43	269.76	250.90
Public Debt Receipts	2473.11	3652.95	4496.53	5516.50	6058.04
Internal Debt (excluding Ways and Means Advances and Overdrafts)	571.82	648.61	711.92	799.94	1154.80
Net transactions under Ways and Means Advances and Overdraft	--	--	--	0.01	--
Loans and Advances from Government of India ⁵	1901.29	3004.34	3784.61	4716.55	4903.24
Appropriation from Contingency Fund	650.00	500.00	--	300.00	1000.00
Inter State settlement	--	--	--	0.99	--
Total receipts in the Consolidated Fund (3+4+5+6+7)	19843.83	23617.38	25006.53	27824.34	32578.41
Contingency Fund Receipts	1112.58	114.86	208.34	131.44	1772.94
Public Accounts receipts	22348.51	24798.40	28375.02	30342.06	37749.44
Total receipts of the State (8+9+10)	43304.92	48530.64	53589.89	58297.84	72100.79
B. Expenditure/Disbursement					
Revenue expenditure (% of 15)	17168.39(82)	20845.80(85)	22896.51(85)	25663.02(87)	29538.22(79)
Plan	2770.59(16)	3998.11(19)	3276.54(14)	3397.75(13)	2840.56(10)
Non Plan	14397.80(84)	16847.69(81)	19619.97(86)	22265.27(87)	26697.66(90)
General Services (incl. Interests payments)	6698.47(39)	7863.50(38)	9136.91(40)	10614.12(41)	12538.73(42)
Social Services	6499.90(38)	7397.33(36)	8596.26(38)	9427.81(37)	11181.28(38)
Economic Services	3923.15(23)	5498.03(26)	5018.34(22)	5445.29(21)	5257.72(18)
Grants in aid and Contributions	46.87(0)	86.93(0)	145.00(0)	175.80(1)	560.49(2)
Capital Expenditure (% of 15)	2703.48(13)	2719.85(11)	3211.79(12)	3192.51(11)	3761.32(10)
Plan	2705.76(100)	2645.10(97)	3001.24(93)	2484.77(78)	2637.86(70)
Non Plan	(-).2.28*	74.75(3)	210.55(7)	707.74 ¹ (22)	1123.46(30)
General Services	35.47(1)	44.63(2)	50.51(2)	74.71(2)	74.78(2)
Social Services	127.00(5)	121.63(4)	137.53(4)	278.40(9)	181.14(5)
Economic Services	2541.01(94)	2553.59(94)	3023.75(94)	2839.40(89)	3505.40(93)
Disbursement of Loans and Advances (% of 15)	999.67(5)	852.49(4)	843.91(3)	613.70(2)	3926.98(11)
Total (12 + 13 + 14)	20871.54	24418.14	26952.21	29469.23	37226.52
Repayments of Public Debt	504.92	586.81	722.94	847.95	1017.09
Internal Debt (excluding Ways and Means Advances and Overdrafts)	43.67	44.42	75.00	116.00	199.48
Net transactions under Ways and Means Advances and Overdrafts	--	--	0.01	--	--
Loans and Advances from Government of India ⁵	461.25	542.39	647.93	731.95	817.61
Appropriation to Contingency Fund	1050.00	100.00	200.00	100.00	1700.00
Total disbursement out of Consolidated Fund (15+16+17)	22426.46	25104.95	27875.15	30417.18	39943.61
Contingency Fund disbursements	664.86	508.34	31.44	372.94	1017.29
Public Account disbursements	20021.96	23070.20	25438.33	26739.82	32925.27
Total disbursement by the state (18 + 19 + 20)	43113.28	48683.49	53344.92	57529.94	73886.17
C. Deficits					
Revenue Deficit (-)/Surplus (+) (1 - 12)	(-)609.11	(-)1590.56	(-)2579.94	(-)3925.93	(-)4268.75
Fiscal Deficit (3 + 4 - 15)	4150.82	4953.71	6442.21	7462.38	11706.15
Primary Deficit (23 - 25)	2095.45	2506.50	3538.62	3789.25	6822.56
D. Other data					
Interest Payments (included in revenue expenditure)	2055.37	2447.21	2903.59	3673.13	4883.59
Arrears of Revenue (Percentage of Tax and non-tax Revenue Receipts)	3680.19(27)	3553.87(23)	4264.87(25)	4563.52(26)	6511.54(31)
Financial Assistance to local bodies etc.	5410.25	6143.61	8763.62	7943.93	9471.59
Ways and Means Advances/Overdraft availed (days)	--	--	--	--	19
Interest on WMA/Overdraft	--	--	--	--	--
Gross State Domestic Product (GSDP)	146490	168944	182295	239721	240224
Outstanding Debt (year end)	15947.85	19013.99	22787.59	27456.14	32497.09
Outstanding guarantees (year end)	8127.28	7636.16	8417.77	11152.15	1079.79
Maximum amount guaranteed (year end)	19231.15	20640.57	24441.62	27423.01	29214.78
Number of incomplete projects	--	--	123	115	68
Capital blocked in incomplete projects	--	--	2681.77	3099.23	1705.95

Note : Figures in brackets represent percentages (rounded) to total of each subheading.

⁵ Includes Ways and Means Advances from GOI ¹ Higher rounding

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

1.4 Financial operations of the State Government

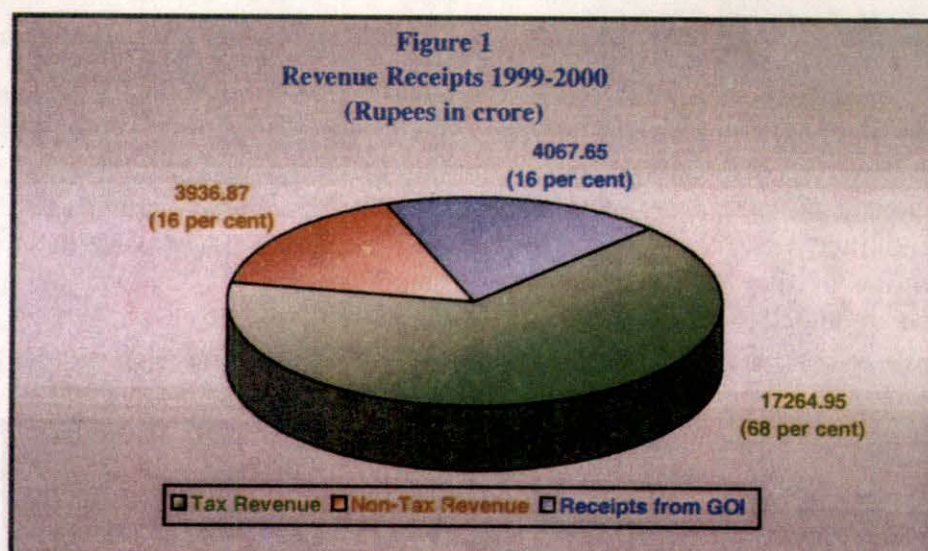
1.4.1 Exhibit III gives the details of the receipts and disbursements made by the State Government. The Revenue expenditure (Rs 29538.22 crore) during the year exceeded the revenue receipts (Rs 25269.47 crore) resulting in a revenue deficit of Rs 4268.75 crore. The revenue receipts comprised tax revenue (Rs 17264.95 crore), non-tax revenue (Rs 3936.87 crore), State's share of Union taxes and duties (Rs 2608.67 crore) and grants-in-aid from the Central Government (Rs 1458.98 crore). The main sources of tax revenue were sales tax (61 *per cent*), state excise (11 *per cent*) and stamps and registration fees (11 *per cent*). Non-tax revenue came mainly from interest receipts (44 *per cent*) and economic services (37 *per cent*).

1.4.2 The capital receipts comprised Rs 250.90 crore from recoveries of loans and advances and Rs 6357.01 crore from public debt. Against this, the expenditure was Rs 3761.32 crore on capital outlay, Rs 3926.98 crore on disbursement of loans and advances and Rs 1316.06 crore on repayment of public debt. The receipts in the Public Account amounted to Rs 37749.44 crore, against which the disbursements of Rs 32925.27 crore were made. The net effect of the transactions in the Consolidated Fund, Contingency Fund and Public Account was decrease in the cash balance from Rs 2699.68 crore at the beginning of the year to Rs 914.30 crore at the end of the year.

1.4.3 The financial operations of the State Government pertaining to its receipts and expenditure are discussed in the following paragraphs, with reference to the information contained in Exhibit III and the time series data for the five year period from 1995-96 to 1999-2000, presented in Exhibit IV.

1.5 Revenue receipts

1.5.1 The revenue receipts consist mainly of tax and non-tax revenue and receipts from Government of India (GOI). Their relative shares are shown in Figure 1. The revenue receipts grew at an average annual rate of 10.95 *per cent* during 1995-96 to 1999-2000.



1.5.2 Tax revenue

These constitute the major share of the revenue receipts. Their share increased from 65 per cent in 1998-99 to 68 per cent in 1999-2000 due to a sharp growth in the tax revenue (22 per cent) as compared to previous year. **This was mainly due to increase in the growth rate of sales tax from 3 per cent in 1998-99 to 30 per cent in 1999-2000 which occurred because of upward revision of rates of tax as also increase in prices of diesel and petrol.** Exhibit IV shows that the relative contribution of Sales Tax to Tax revenue has gone up from 57 per cent in 1997-98 to 61 per cent in 1999-2000. The shares of the other three major constituents of tax revenue viz. the excise duty, taxes on vehicles and stamp duty and registration fees have remained more or less the same. While taxes and duties on electricity contributed 5 per cent of the revenue receipts during 1998-99, during 1999-2000 it dropped to a mere 2 per cent mainly due to non-remittance of the taxes and duties by the State Electricity Board.

1.5.3 Non-tax revenue

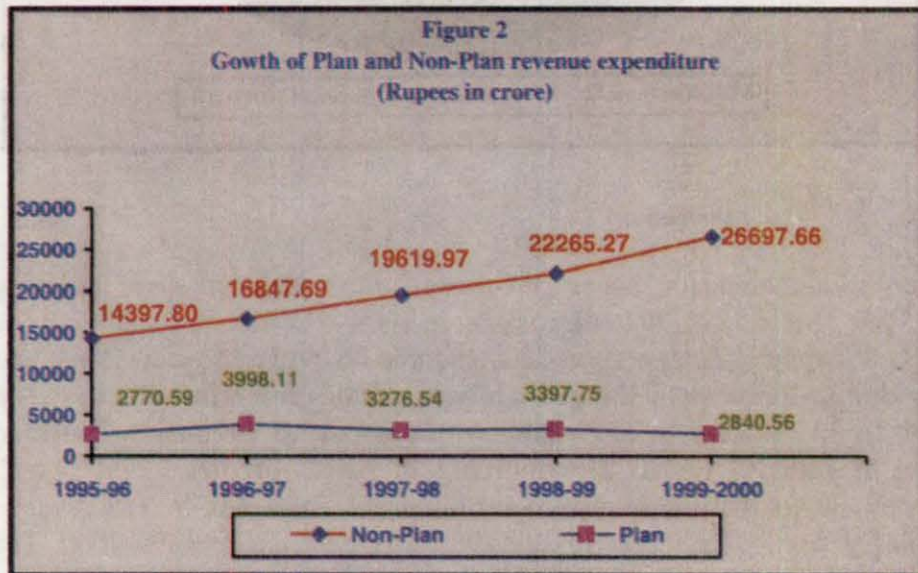
The share of non-tax revenue in the revenue receipts declined from 19 per cent in 1996-97 to 16 per cent in 1999-2000. There was decline in the annual growth rate of non-tax revenue during 1995-96 to 1999-2000 except in 1996-97 when it increased by 35 per cent and in 1999-2000 it increased to 10 per cent over 1998-99.

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

The State's share of Union taxes (excise duties and income and corporation taxes) decreased by 11 per cent during the year, while the grants-in-aid from the Central Government increased by 40 per cent. However, as a percentage of revenue receipts they (both taken together) declined from 20 per cent in 1996-97 to 16 per cent during 1999-2000 mainly due to a steep decline in the percentage share (from 8 per cent to 6 per cent) in grants-in-aid.

1.6 Revenue expenditure

The revenue expenditure accounted for most (79 per cent) of the expenditure of the State Government and increased by 15 per cent during 1999-2000. A comparison shows that the growth during the last five years in Non-Plan component (85 per cent) of revenue expenditure surpassed growth of Plan expenditure (3 per cent), as can be seen in Figure 2. A major constituent (47 per cent) of the Non-Plan revenue expenditure was the General Services which amounted to Rs 12501.05 crore during 1999-2000.



1.6.2 Sectorwise analysis shows that while the expenditure on General Services increased by 87 per cent, from Rs 6698.47 crore in 1995-96 to Rs 12538.73 crore in 1999-2000, the corresponding increases in expenditure on Social Services and Economic Services were 72 and 34 per cent respectively. As a proportion of total Revenue expenditure, the share of General Services increased from 39 per cent in 1995-96 to 42 per cent in 1999-2000. The increase in expenditure in General Services over previous year was 18 per cent. Increase in interest payments accounted for 63 per cent of this increase. The remaining increase in expenditure on General Services was mainly under Administrative Services and Pension and Miscellaneous General Services due to increase in rates of DA, payment of bonus, revision of pay scale and family pension. While the share of Social Services to total Revenue expenditure remained more or less the same, the share of Economic Services decreased from 23 per cent in 1995-96 to 18 per cent in 1999-2000. The Government did not pay the subsidy payable to Maharashtra State Electricity Board (MSEB) since 1997-98 (1997-98 – Rs 305.62 crore; 1998-99 – Rs 355.10 crore and 1999-2000 – Rs 2084.19 crore). The Revenue Expenditure and expenditure under Economic Services would have been more if the subsidy payable which were not paid since 1997-98 are also taken into account.

1.6.3 Interest payments

Interest payments increased by 138 per cent from Rs 2055.37 crore in 1995-96 to Rs 4883.59 crore in 1999-2000. Interest payments consumed 28 per cent of tax revenue of the Government during 1999-2000. While the revenue expenditure from the year 1995-96 to 1999-2000 grew by 72 per cent, the interest payments grew by 138 per cent over the same period. The increase in the interest payment (Rs 1210.46 crore) over the previous year accounted for 63 per cent of the increase in revenue expenditure on General Services (Rs 1924.61 crore) during the same period. This is further discussed in the section on financial indicators.

1.6.4 Financial assistance to local bodies and other institutions

The quantum of assistance (grants and loans) provided to different local bodies etc. during the period of five years ending 1999-2000 was as follows :

(Rupees in crore)

	1995-96	1996-97	1997-98	1998-99	1999-2000
Universities and Educational Institutions	551.05	314.39	2676.88	3372.82	2660.04
Municipal Corporations and Municipalities	875.24	1183.79	983.53	417.73	563.73
Zilla Parishads and Panchayati Raj Institutions	1760.37	1872.62	2486.84	2647.99	3220.94
Development agencies	366.82	598.20	27.47	81.91	1071.20
Hospitals and Other Charitable Institutions	14.45	--	9.93	0.49	38.35
Other Institutions	1842.32	2174.61	2578.97	1422.99	1917.33
Total	5410.25	6143.61	8763.62	7943.93	9471.59
Percentage of growth over previous year	54.77	13.55	42.65	(-)9.35	19.23
Assistance as a percentage of revenue expenditure	31.51	29.47	38.27	30.95	32.07

It would be seen that the financial assistance to Zilla Parishads and Panchayati Raj institutions has increased considerably during 1999-2000 and they account for the highest share of the financial assistance to local bodies etc. The financial assistance to development agencies (District Rural Development Agencies) has also increased during 1999-2000.

1.6.5 Loans and Advances by the State Government

The Government gives loans and advances to Government companies, corporations, local bodies, autonomous bodies, co-operatives, non-Government institutions, etc. for developmental and non-developmental activities. The position for the last five years depicted in the table below shows a declining trend of the amount advanced during the year as well as net addition from 1995-96 to 1998-99. However, both the amount advanced during the year as well as net addition shows a sharp increase in 1999-2000. This was because the ways and means advances given by the State Government to Zilla Parishads during the last quarter of the year amounting to Rs 3066.03 crore could not be adjusted against the final heads of account

during the year. The adjustment was carried out during the first quarter of 2000-2001.

(Rupees in crore)

	1995-96	1996-97	1997-98	1998-99	1999-2000
Opening Balance	5865.63	6704.58 ³	7347.88	7998.36	8342.30
Amount advanced during the year	999.67	852.49	843.91	613.70	3926.98
Amount repaid during the year	161.44	209.19	193.43	269.76	250.90 ⁴
Closing balance	6703.86	7347.88	7998.36	8342.30	12018.38
Net addition	838.23	643.30	650.48	343.94	3676.08
Interest received	193.61	689.92	424.18	261.69	244.56

1.7 Capital expenditure

Capital expenditure leads to asset creation. In addition, financial assets arise from money invested in institutions or undertakings outside Government *i.e.* public sector undertakings (PSUs), corporations, etc. and loans and advances. The capital expenditure has increased by 39 *per cent* from Rs 2703.48 crore in 1995-96 to Rs 3761.32 crore in 1999-2000, while its share in total expenditure has declined from 13 *per cent* in 1995-96 to 10 *per cent* in 1999-2000 indicating that despite increased borrowings, the funds were not applied for capital formation. The total expenditure has increased more rapidly than capital expenditure. Exhibit IV shows that most of the capital expenditure has been on Economic Service and on the plan side.

1.8 Quality of Expenditure

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

1.8.2 Wastage in public expenditure, diversion of funds and funds blocked in incomplete projects impinge negatively on the quality of expenditure. Similarly, funds transferred to Deposit heads in the Public Account, after booking them as expenditure, can also be considered as a negative factor in judging the quality of expenditure. As the expenditure was

³ The opening balance differs from the closing balance in the Finance Accounts 1997-98 owing to *pro forma* correction

⁴ Higher rounding

not actually incurred in the concerned year it should be excluded from the figures of expenditure for that year. Another possible indicator is the increase in the expenditure on General services, to the detriment of Economic and Social Services.

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

	1995-96	1996-97	1997-98	1998-99	1999-2000
1. Plan expenditure as a percentage of :					
- Revenue expenditure	16	19	14	13	10
- Capital expenditure	100	97	93	78	70
2. Capital expenditure(<i>per cent</i>)	13	11	12	11	10
3. Expenditure on General Services (<i>per cent</i>) :					
- Revenue	39	38	40	41	42
- Capital	1	2	2	2	2
(Rupees in crore)					
4. Amount of wastages and diversion of funds reported in audit reports	8.26	97.79	243.53	390.37	711.30
5. Non-remunerative expenditure on incomplete projects	*	*	2681.77	3099.23	1705.95

It would be seen that the share of both Plan and Capital expenditure has been declining. However, the decline in Plan expenditure is marked compared to 1995-96. The expenditure on General Services, at the same time, has been on the increase indicating a deterioration in the quality of expenditure. Huge amounts blocked in incomplete projects and the wastages and diversion of funds reported by Audit also impinge significantly on the quality of expenditure by the State Government.

1.9 Financial Management

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

* Not available

1.9.1 Investments and returns

Investments are made by the Government to promote developmental, manufacturing, marketing and social activities. The sectorwise details of investments made and the number of concerns involved were as under:

Sector	Number of concerns	Amount invested	
		as on 31 March 2000	during 1999-2000
(Rupees in crore)			
1. Statutory Corporations	5	1652.63	0.45
2. Government Companies	52	3604.24	1219.17
3. Joint Stock Companies	49	10.72	3.50
4. Co-operative Institutions	14	1515.26	121.00
5. Municipalities and Port Trusts	6	0.95	--
6. Concerns under liquidation	16	0.33	--
Total		6784.13	1344.12

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

Year	Investment at the end of the year	Return	Percentage of return	Rate of interest on Government borrowing (per cent)
(Rupees in crore)				
1995-96	1609.74	4.16	0.26	13.50 and 14
1996-97	1874.18	9.27	0.49	13.75 and 13.85
1997-98	2003.43	9.33	0.47	13.05
1998-99	5440.01 [#]	6.01	0.11	12.15 and 12.50
1999-2000	6784.13	3.96	0.06	11.85 and 12.25

Thus, while the Government was raising money at high cost from the market, its investments in Government companies etc. fetched insignificant returns. As on 31 March 2000, 41 Government companies in which Government had invested Rs 923.45 crore (Rs 517.92 crore by way of equity and Rs 405.53 crore by way of long term loans) were running in loss. The accumulated loss was Rs 577.87 crore in respect of 40 Government companies having equity investment of Rs 513 crore whereas one company had accumulated profit of Rs 0.40 crore upto March 2000. Although the Government was receiving meagre returns, they had further invested Rs 1344.12 crore in Companies/Corporations.

1.9.2 Financial results of irrigation works

The financial results of 18 major irrigation projects with a capital outlay of Rs 1541.06 crore at the end of March 2000 showed that revenue of Rs 33.08 crore was realised from these during 1999-2000 which was only 2.15 per cent of the capital outlay and which did not cover even the direct working expenses

[#] Differs from previous year due to rectification of misclassification during the year 1998-99.

(Rs 15.87 crore). After meeting the working and maintenance expenditure (Rs 16.03 crore) and interest charges (Rs 158.13 crore), the schemes suffered a net loss of Rs 141.08 crore.

1.9.3 Incomplete Projects

As of 31 March 2000, in 68 incomplete projects capital of Rs 1705.95 crore was blocked. There was decline in incomplete projects from 123 to 68 and capital blocked in these projects from Rs 2681.77 crore to Rs 1705.95 crore during March 1998 to March 2000. Of these, 7 projects remained incomplete for more than 5 years and 50 projects for less than 5 years involving capital of Rs 118.15 crore and Rs 1562.39 crore respectively. Details in respect of 11 projects involving capital of Rs 25.41 crore are not available. Urgent measures are necessary to speed up these projects for the State to reap the benefits of capital expenditure.

1.9.4 Arrears of revenue

The arrears of revenue pending collection increased by 43 *per cent* during the year. The outstanding arrears registered a secular increase during the preceding five years (Exhibit IV) and their percentage increased from 22 *per cent* of the revenue raised during 1995-96 to 26 *per cent* during 1999-2000. Of the arrears of Rs 6511.54 crore as of March 2000, Rs 1438.87 crore (22 *per cent*) were pending for more than five years and pertained mainly to Sales Tax (Rs 1433.66 crore). The overall deterioration in the position of arrears of revenue showed a slackening of the revenue collection efforts of the State Government.

1.9.5 Deficit

1.9.5.1 Deficits in Government account represent gaps between the receipts and expenditure. The nature of deficit is an important indicator of the prudent financial management of the Government. Further, the ways of financing the deficit and the application of the funds raised in this manner are important pointers to the fiscal prudence of the Government. The discussion in this section relates to three concepts of deficit *viz.* revenue deficit, fiscal deficit and primary deficit.

1.9.5.2 The revenue deficit is the excess of revenue expenditure over revenue receipts. The fiscal deficit may be defined as the excess of revenue and capital expenditure (including net loans given) over the revenue receipts (including grants-in-aid received). Primary deficit is fiscal deficit less interest payments. The following exhibit gives a break-up of the deficit in Government account.

(Rupees in crore)

CONSOLIDATED FUND				
Receipt	Amount		Disbursement	Amount
Revenue	25269.47	Revenue deficit : 4268.75	Revenue	29538.22
Misc. capital receipts	--		Capital	3761.32
Recovery of loans and advances	250.90		Loans and advances	3926.98
Sub Total	25520.37	Gross fiscal deficit : 11706.15	Subtotal	37226.52
Public debt	6058.04		Public debt repayment	1017.09
Inter state settlement	--			--
Appropriation from Contingency Fund	1000.00		Appropriation to Contingency Fund	1700.00
Total	32578.41	A: Deficit in CF : 7365.20	Total	39943.61
		Contingency Fund		
Receipt	1772.94		Disbursement	1017.29
		B: Surplus in Contingency fund : 755.65		
PUBLIC ACCOUNT				
Receipt	Amount		Disbursement	Amount
Small savings, PF etc.	2775.86		Small savings, PF etc.	692.32
Deposits and advances	4560.57		Deposits and advances	3036.21
Reserve funds	2126.89		Reserve funds	1642.30
Suspense and miscellaneous	22172.03		Suspense and miscellaneous	21605.00
Remittances	6114.09		Remittances	5949.44
Total	37749.44	C: Surplus in Public Account : 4824.17	Total	32925.27
		D: Deficit in CF financed by Contingency Fund and Public Account (B+C): 5579.82		
		Decrease in cash balance (A-D) : 1785.38		

The table shows that the revenue deficit of Rs 4268.75 crore was met by borrowings. The fiscal deficit of Rs 11706.15 crore was financed by net proceeds of the public debt (Rs 5040.95 crore), surplus from Public Account (Rs 4824.17 crore), cash balance (Rs 1785.38 crore) and partly by the surplus in Contingency Fund. Exhibit IV shows that both the deficits have shown an increasing trend over the last 5 years.

1.9.5.3 Application of the borrowed funds

During the year the net borrowings of the Government amounted to Rs 9865.12 crore (Rs 5040.95 crore net receipts from public debt and Rs 4824.17 crore as surplus from Public Account) while the fiscal deficit was Rs 11706.15 crore. This shows that Government borrowings and cash balance were used to bridge the fiscal deficit. The application of the borrowings has been shown in the following table :

Ratio	1995-96	1996-97	1997-98	1998-99	1999-2000
RD/NB*	0.14	0.33	0.38	0.48	0.43
CE/NB	0.63	0.57	0.48	0.39	0.38
Net loans/NB	0.19	0.13	0.10	0.04	0.37
Increase Cash balance/NB	0.04	(-)0.03	0.04	0.09	(-)0.18
Total	1.00	1.00	1.00	1.00	1.00

The table reveals that more and more of the borrowed funds have been applied over the years for meeting the revenue expenditure, to the detriment of capital expenditure. Therefore, if the revenue expenditure is not controlled not only capital formation is bound to suffer but also more and more borrowings will be applied for interest payment. The table also reveals, that during the years 1999-2000 more and more of the borrowed funds have been applied for disbursement of loans and advances.

1.9.6 Guarantees given by the State Government

Guarantees are given by the State Government for due discharge of certain liabilities like repayment of loans, share capital etc. raised by the statutory corporations, Government companies and co-operative institutions etc. and payment of interest and dividend by them. They constitute contingent liability of the State. No law under Article 293 of the Constitution had been passed by the State Legislature laying down the maximum limit within which Government may give guarantees on the security of the Consolidated Fund of the State. Exhibit IV lists the amounts of guarantees given by the Government and the amounts outstanding at the end of each year during 1996-2000. Though the amount of guarantees given by the Government has increased during the above period, the amount of outstanding guarantees as on March 2000 has decreased. Rs 113.37 crore were received as guarantee fees during 1999-2000. The amount of guarantee fees outstanding for recovery from Government companies as on 31 March 2000 was not available with Finance Department.

* NB – Net borrowings of Government i.e. Net Receipts from Public Debt plus Surplus from Public Account.

1.10 Public debt

1.10.1 The Constitution of India provides that a State may borrow within the territory of India, upon the security of Consolidated Fund of the State within such limits, if any, as may from time to time, be fixed by an Act of Legislature of the State. No law had been passed by the State Legislature laying down any such limit. The details of the total liabilities of the State Government as at the end of the last five years are given in the following table.

(Rupees in crore)

Year	Internal debt	Loans and advances from Central Government	Total Public debt	Other liabilities ⁴	Total liabilities	Ratio of total liabilities to GSDP
1995-96	2468.88	13478.97	15947.85	9172.45	25120.30	0.17
1996-97	3073.06	15940.93	19013.99	10965.84	29979.83	0.18
1997-98	3709.97	19077.62	22787.59	12315.03	35102.62	0.19
1998-99	4393.92	23062.22	27456.14	15430.37	42886.51	0.18
1999-2000	5349.24	27147.85	32497.09	19496.42	51993.51	0.22

During the five year period, the total liabilities of the Government had grown by 107 per cent. This was on account of 117 per cent growth in internal debt, 101 per cent growth in loans and advances from Government of India and 113 per cent growth in other liabilities. During 1999-2000, Government borrowed Rs 772.47 crore in the open market at interest rates of 11.85 and 12.25 per cent per annum.

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

(Rupees in crore)

	1995-96	1996-97	1997-98	1998-99	1999-2000
Internal Debt					
Receipt during the year	571.82	898.41	711.92	799.95	1453.77
Repayment (principal + interest)	286.49	668.04	518.70	654.61	1123.69
Net funds available (per cent)	285.33 (50)	230.37 (26)	193.22 (27)	145.34 (18)	330.08 (23)
Loans and advances from GOI					
Receipt during the year	1901.29	3004.34	3784.61	4716.55	4903.24
Repayment (principal + interest)	1862.73	2163.23	2624.30	3177.66	3853.15
Net funds available (per cent)	38.56 (2)	841.11 (28)	1160.31 (31)	1538.89 (33)	1050.09 (21)

⁴ Other liabilities include small savings, provident funds, reserve funds, deposits etc.

Rupees in crore)

	1995-96	1996-97	1997-98	1998-99	1999-2000
Other liabilities					
Receipt during the year	5074.61	6272.41	6724.13	8171.79	9133.22
Repayment (principal + interest)	3562.62	4384.95	5209.71	5012.48	6262.66
Net funds available (<i>per cent</i>)	1511.99 (30)	1887.46 (30)	1514.42 (23)	3159.31 (39)	2870.56 (31)

It would be seen that only 21 to 31 *per cent* of borrowings are available for investment and other expenditure after meeting the repayment obligations. Considering that the outstanding debt has been increasing year after year and was more than double (Rs 51993.51 crore) in 1999-2000 as compared to the outstanding debt during 1995-96 (Rs 25120.30 crore), the net availability of funds through public borrowings is going to reduce further in future.

1.11 Indicators of financial performance

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

(i) Sustainability

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

(ii) Flexibility

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

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

(iii) Vulnerability

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

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

1.11.2 Sustainability, Flexibility and Vulnerability can be expressed in terms of certain indices/ratios worked out from the Finance Accounts. The list of such indices/ratios is given in the Appendix-I. Exhibit V indicates the behaviour of these indices/ratios over the period from 1995-96 to 1999-2000. The implications of these indices/ratios for the state of the financial health of the State Government are discussed in the following paragraphs.

Exhibit V
Financial indicators for Government of Maharashtra

	1995-96	1996-97	1997-98	1998-99	1999-2000
(1)	(2)	(3)	(4)	(5)	(6)
Sustainability					
BCR (Rupees in crore)	1193	1036	(-)423	(-)1420	(-)2298
Primary Deficit (PD) (Rupees in crore)	2095	2506	3539	3789	6823
Interest Ratio	0.05	0.02	0.06	0.10	0.13
Capital outlay/Capital receipts	1.40	0.80	0.77	0.55	0.84
Total Tax receipts/GSDP	0.09	0.08	0.08	0.07	0.08
State Tax Receipts/GSDP	0.07	0.07	0.08	0.06	0.07
Return on Investment ratio	0.0026	0.0049	0.0047	0.0011	0.0006
Flexibility					
BCR (Rupees in crore)	1193	1036	(-)423	(-)1420	(-)2298
Capital repayments/ Capital borrowings	0.20	0.16	0.16	0.15	0.17
State tax receipts/GSDP	0.07	0.07	0.08	0.06	0.07
Debt/GSDP	0.17	0.18	0.19	0.18	0.22
Vulnerability					
Revenue Deficit(RD) (Rupees in crore)	609	1591	2580	3926	4269
Fiscal Deficit(FD) (Rupees in crore)	4151	4954	6442	7462	11706
Primary Deficit(PD) (Rupees in crore)	2095	2506	3539	3789	6823
PD/FD	0.50	0.51	0.55	0.51	0.58
RD/FD	0.15	0.32	0.40	0.53	0.36
Outstanding Guarantees/ revenue receipts	0.49	0.40	0.41	0.51	0.04
Assets/Liabilities	1.10	1.06	0.99	0.93	0.85

Note: 1. Fiscal deficit has been calculated as: Revenue expenditure + Capital expenditure + Net loans and advances – Revenue receipts – Non-loan capital receipts.

2. In the ratio Capital outlay vs. Capital receipts, the denominator has been taken as Internal loans + Loans and Advances from Government of India + Net receipts from small savings, PF etc., + Repayments received from loans advanced by the State Government – Loans advanced by State Government.

1.11.3 The behaviour of the indices/ratios is discussed below :

(i) **Balance from current revenues (BCR)**

BCR is defined as revenue receipts minus plan assistance grants minus non-plan revenue expenditure. A positive BCR shows that the State Government has surplus from its revenues for meeting plan expenditure. **The table shows that the State Government has had positive BCRs in initial two out of the five years, but from 1997-98 to 1999-2000 the BCR was negative. The increasing negative balances from Rs 423 crore in 1997-98 to Rs 2298 crore in 1999-2000 indicated heavy dependence on borrowings. This was mainly due to increase in non-plan revenue expenditure, as commented upon in paragraph 1.6.1.**

(ii) **Interest ratio**

The higher the ratio the lesser the ability of the Government to service any fresh debt and meet its revenue expenditure from its revenue receipts. In case of Maharashtra the ratio has increased from 0.05 in 1995-96 to 0.13 in 1999-2000. A rising interest ratio points to the rising interest burden which increased by 138 *per cent* during the period 1995-96 to 1999-2000 indicating adverse implications on the sustainability of Government's developmental programmes and also Government's vulnerability as regards its dependence on sources of funding outside its control.

(iii) **Capital outlay/Capital receipts**

This ratio would indicate to what extent the capital receipts are applied for capital formation. A ratio of less than one would not be sustainable in the long term in as much as it indicates that a part of the capital receipt is being diverted to unproductive revenue expenditure. On the contrary, a ratio of more than one would indicate that capital investments are being made from revenue surplus as well. The trend analysis of this ratio would throw light on the fiscal performance of the State Government. A rising trend would mean an improvement in the performance. **In the case of Maharashtra, the ratio was more than one during 1995-96 while it was less than one during 1996-2000 indicating that a substantial part of the capital receipts is not available for investment. The ratio increased from 0.55 in 1998-99 to 0.84 in 1999-2000 indicating improvement in the performance.**

(iv) **Tax receipts v/s Gross State Domestic Product (GSDP)**

Tax receipts consist of State taxes and State's share of central taxes. The latter can also be viewed as central taxes paid by people living in the State. Tax receipts suggest sustainability. But the ratio of tax receipts to GSDP would have implications for the flexibility as well. While a low ratio would imply that the Government can tax more, and hence its flexibility, a high ratio may not only point to the limits of this source of finance but also its inflexibility. Time series analysis shows that in case of Maharashtra this ratio has fallen from 9 *per cent* in 1995-96 to 8 *per cent* in 1999-2000. Similarly, the ratio of

State tax receipts compared to GSDP has been varying between 6 and 8 *per cent* during 1995-96 to 1999-2000. **The ratio suggests that while the State Government had the option to raise more resources through better tax compliance, it chose the easier option of borrowing to meet its increasing revenue and fiscal deficits.**

(v) Return on Investment (ROI)

The ROI is the ratio of the earnings to the capital employed. A high ROI suggests sustainability. The table (below para 1.9.1) presents the return on Government's investments in statutory corporations, Government companies, joint stock companies and co-operative institutions. **It shows that the ROI in case of Government of Maharashtra has been negligible and has moved in the narrow range of 0.06 *per cent* to 0.49 *per cent*.**

(vi) Capital repayments *v/s* Capital borrowings

This ratio would indicate the extent to which the capital borrowings are available for investment, after repayment of capital. The lower the ratio, the higher would be the availability of capital for investment. In case of Maharashtra Government this ratio has been in the range of 15 to 20 *per cent*.

(vii) Debt *v/s* Gross State Domestic Product (GSDP)

The GSDP is the total internal resource base of the State Government, which can be used to service debt. An increasing ratio of Debt/GSDP would signify a reduction in the Government's ability to meet its debt obligations and, therefore, **increasing risk for the lender. In the case of Maharashtra, this ratio has been varying between 17 and 22 *per cent*.**

(viii) Revenue deficit/Fiscal deficit

The revenue deficit is the excess of revenue expenditure over revenue receipts and represents the revenue expenditure financed by borrowings etc. Evidently, the higher the revenue deficit, the more vulnerable is the State. Since fiscal deficit represents the aggregate of all the borrowings the revenue deficit as a percentage of fiscal deficit would indicate the extent to which the borrowings of the Government are being used to finance non-productive revenue expenditure. Thus, higher the ratio the worse off the State because that would indicate that the debt burden is increasing without adding to the repayment capacity of the State. The ratio has been increasing continuously since 1995-96 to 1998-99. However, this adverse trend was reversed in 1999-2000 during which year the ratio fell from 0.53 at the end of 1998-99 to 0.36 at the end of 1999-2000.

(ix) Primary deficit *v/s* Fiscal deficit

Primary deficit is the fiscal deficit minus interest payments. Primary deficit represents the non-interest bearing borrowings of the State Government, which result directly from the current actions of the Government (interest payments are on account of past action of the Government). Primary deficit is

sustainable only when the rate of growth of the economy is more than the interest rate on Government borrowings. This not being the case, primary deficit is unsustainable. It would be seen that in case of Maharashtra, primary deficit has shown a large increasing trend and was Rs 6823 crore in 1999-2000 as against Rs 3789 crore in 1998-99. This means that the sustainability of the Government was adversely affected.

(x) Guarantees v/s Revenue receipts

Outstanding guarantees, including the letters of comfort issued by the Government, indicate the risk exposure of a State Government and should therefore, be compared with the ability of the Government to pay *viz.* its revenue receipts. Thus, the ratio of the total outstanding guarantees to total revenue receipts of the Government would indicate the degree of vulnerability of the State Government. In case of Maharashtra this ratio declined from 0.49 in 1995-96 to 0.04 in 1999-2000. This could be due to non-receipt of information of outstanding guarantees during the above period from all the Government institutions given by the Government.

(xi) Assets v/s Liabilities

This ratio indicates the solvency of the Government. A ratio of more than 1 would indicate that the State Government is solvent (assets are more than the liabilities) while a ratio of less than 1 would be a contra indicator. As already stated in Para 1.2, the assets and liabilities in Government account represent only the financial assets and liabilities. However, a trend analysis of even this ratio would throw up important signals about the financial management in the Government. In case of Maharashtra, this ratio has shown a declining trend and has come below 1 since 1997-98 which shows a deterioration in the financial management.

1.11.4 Transparency

(xii) Budget

Chapter II of this Report carries a detailed analysis of variations in the budget estimates and the actual expenditure. It also brings out cases of excessive/unnecessary reappropriation of funds, persistent savings and excesses etc. *vis-à-vis* the final modified grant.

(xiii) Accounts

There was no significant delay in the submission of accounts by the treasuries/departments during 1999-2000. However, the accounts from District Supply Officers and from District Dairy Development Officers were never received in time, though most of the accounts were included in the subsequent month.

1.11.5 Conclusion

The financial indicators point to a worsening sustainability as indicated by a falling (indicative) BCR, mounting interest burden, diminishing capital outlay and negligible returns on investment. The State's finances have shown widening imbalance with rising revenue and fiscal deficit. This has led to mounting debts and consequently galloping interest burden so much so that the increase in interest payments in 1999-2000 over 1998-99 alone amounted to more than 50 *per cent* of the increase in revenue expenditure under General Services. As the revenue collection failed to match the revenue expenditure, the Government was forced to resort to high cost borrowings.

In 1998-99 and 1999-2000, the State Government advanced a loan of Rs 617.36 crore to the Maharashtra State Electricity Board (MSEB) which included Rs 50 crore for investment in the equity share of the Dabhol Power Company (DPC) through a subsidiary of the MSEB and Rs 195.48 crore to enable MSEB to meet the interest liability on bonds raised by them for making investment in DPC through its subsidiary. These payments added to the financial difficulties of the State Government. That apart, the Government stopped payment of subsidy to the MSEB to cover their losses since 1997-98, which, if paid, would have adversely affected the Government's finances by Rs 2744.91 crore upto 1999-2000.

Unspent balance to the extent of Rs 4824.48 crore as on 31 March 2000 under the Employment Guarantee Fund was also used to bolster the State's finances.

The consistently negligible returns on its investment and a secular decline in its Asset-Liability ratio showed the poor financial management on the part of the Government.



CHAPTER II

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

2.1. Summary of appropriation accounts - 1999-2000

Appropriation Accounts - Government of Maharashtra

Total Number of grants and appropriations 1335-100, 1438

Total provisions - 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

CHAPTER - II

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

	1999-2000	2000-2001	2001-2002	2002-2003
Revenue	1,200.00	1,200.00	1,200.00	1,200.00
Capital	1,200.00	1,200.00	1,200.00	1,200.00
Contingency Fund	1,200.00	1,200.00	1,200.00	1,200.00
Writers	1,200.00	1,200.00	1,200.00	1,200.00
Appropriation in Contingency Fund	1,200.00	1,200.00	1,200.00	1,200.00
Total Gross	1,200.00	1,200.00	1,200.00	1,200.00
Recoveries in reduction of expenditure	1,200.00	1,200.00	1,200.00	1,200.00
Total Net	1,200.00	1,200.00	1,200.00	1,200.00

2.2. Introduction

The Government of Maharashtra is a state of India, which was formed after the reorganisation of States in 1956. The State Legislature is the Maharashtra Legislative Assembly, which is a unicameral body. The Government of Maharashtra is a cabinet government, which means that the executive power is vested in the Council of Ministers. The Government of Maharashtra is also a representative government, which means that the members of the Council of Ministers are elected by the people. The Government of Maharashtra is also a democratic government, which means that the people have the right to elect their representatives to the State Legislature. The Government of Maharashtra is also a constitutional government, which means that the Government is bound by the Constitution of India. The Government of Maharashtra is also a federal government, which means that the Government is part of a larger union of states. The Government of Maharashtra is also a sovereign government, which means that the Government is independent and self-governing. The Government of Maharashtra is also a responsible government, which means that the Government is accountable to the people. The Government of Maharashtra is also a transparent government, which means that the Government is open and honest in its dealings with the people. The Government of Maharashtra is also a fair government, which means that the Government treats all people equally. The Government of Maharashtra is also a just government, which means that the Government respects the rights of all people. The Government of Maharashtra is also a peaceful government, which means that the Government does not engage in war or violence. The Government of Maharashtra is also a progressive government, which means that the Government works to improve the lives of all people. The Government of Maharashtra is also a modern government, which means that the Government uses the latest technology and methods to govern. The Government of Maharashtra is also a dynamic government, which means that the Government is able to adapt to changing circumstances. The Government of Maharashtra is also a resilient government, which means that the Government is able to withstand challenges and setbacks. The Government of Maharashtra is also a strong government, which means that the Government is able to protect the interests of all people. The Government of Maharashtra is also a united government, which means that the Government works together to achieve its goals. The Government of Maharashtra is also a successful government, which means that the Government has achieved its goals and improved the lives of all people. The Government of Maharashtra is also a happy government, which means that the Government has made the people of Maharashtra happy and content. The Government of Maharashtra is also a proud government, which means that the Government is proud of its achievements and the people of Maharashtra. The Government of Maharashtra is also a respected government, which means that the Government is respected by all people. The Government of Maharashtra is also a loved government, which means that the Government is loved by all people. The Government of Maharashtra is also a trusted government, which means that the Government is trusted by all people. The Government of Maharashtra is also a admired government, which means that the Government is admired by all people. The Government of Maharashtra is also a revered government, which means that the Government is revered by all people. The Government of Maharashtra is also a worshipped government, which means that the Government is worshipped by all people. The Government of Maharashtra is also a feared government, which means that the Government is feared by all people. The Government of Maharashtra is also a respected government, which means that the Government is respected by all people. The Government of Maharashtra is also a loved government, which means that the Government is loved by all people. The Government of Maharashtra is also a trusted government, which means that the Government is trusted by all people. The Government of Maharashtra is also a admired government, which means that the Government is admired by all people. The Government of Maharashtra is also a revered government, which means that the Government is revered by all people. The Government of Maharashtra is also a worshipped government, which means that the Government is worshipped by all people. The Government of Maharashtra is also a feared government, which means that the Government is feared by all people.

The Appropriation Acts include the expenditure which has been voted by the Legislature on various grants in terms of Articles 204 and 205 of the Constitution of India and also the expenditure which is required to be charged on the Consolidated Fund of the State. The Appropriation Accounts are prepared every year indicating the details of amounts on various specified services actually spent by Government *vis-à-vis* those authorised by the Appropriation Acts.

The objective of appropriation audit is to ascertain whether the expenditure actually incurred under various grants is within the authorisation given under the Appropriation Acts and whether the expenditure required to be charged under the provisions of the Constitution is so charged. It also verifies if whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

2.3 Summary of Expenditure

The summarised position of actual expenditure during 1999-2000 against 438 grants/appropriations was as follows :

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving(-)/ Excess(+)
(Rupees in crore)						
Voted	I. Revenue	27107.67	6946.61	34054.28	24881.34	(-)9172.94
	II. Capital	4737.70	1182.73	5920.43	5684.59	(-)235.84
	III. Loans and Advances	4876.45	2898.32	7774.77	5068.39	(-)2706.38
Total (Voted)		36721.82	11027.66	47749.48	35634.32	(-)12115.16
Charged	IV. Revenue	8640.29	429.47	9069.76	7060.55	(-)2009.21
	V. Capital	1.54	0.25	1.79	0.28	(-)1.51
	VI. Public debt	3024.98	3.30	3028.28	1316.07	(-)1712.21
	VII. Loans and Advances	--	0.15	0.15	--	(-)0.15
Total (charged)		11666.81	433.17	12099.98	8376.90	(-)3723.08
Appropriation to Contingency Fund		1700.00	--	1700.00	1700.00*	--
Grand Total		50088.63	11460.83	61549.46	45711.22	(-)15838.24[#]

* Represents the amount appropriated from Consolidated Fund to the Contingency Fund. The corpus was temporarily increased on four occasions between 21 May 1999 and 6 March 2000 under the Maharashtra Contingency Fund (Amendment) Ordinances. Rs 17.29 crore drawn from the Maharashtra Contingency Fund during 1999-2000 remained unrecouped at the close of the year

Lower rounding

2.4 Results of Appropriation Audit

2.4.1 Excess expenditure requiring regularisation

The excess of Rs 1739.16 crore under 72 grants and Rs 98.74 crore under 11 appropriations required regularisation under Article 205 of the Constitution. Details of these are given in Appendix II. Besides, the excess expenditure amounting to Rs 2832.89 crore for the years 1994-95 to 1998-99 was also to be regularised, as shown below :

Year	Number of grants/ appropriations	Amount of excess (Rupees in crore)
1994-95	83	266.04
1995-96	83	297.12
1996-97	68	256.16
1997-98	69	895.47
1998-99	72	1118.10
Total	375	2832.89

2.4.2 The overall saving of Rs 15838.24 crore was the result of saving of Rs 17676.14[^] crore in 333 grants and appropriations, offset by excess of Rs 1837.90 crore in 83 grants/appropriations.

2.4.3 Supplementary provisions made during the year constituted 23.68 per cent of the original provision as against 13.23 per cent in the previous year.

2.4.4 Unnecessary/insufficient/excessive supplementary provisions

2.4.4.1 Supplementary provision of Rs 3743.84 crore made in 73 grants/appropriations during the year proved entirely unnecessary in view of aggregate saving of Rs 11476.85 crore as detailed in Appendix III. Of Rs 3743.84 crore obtained as supplementary grants, Rs 608.61 crore were obtained in the month of March 2000.

2.4.4.2 In 73 other grants/appropriations, against additional requirement of Rs 3081.26 crore, supplementary grants of Rs 6219.40 crore were obtained resulting in saving aggregating to Rs 3138.14 crore and also savings in each grant/appropriation exceeding Rs 10 lakh. Details of these grants/appropriations are given in Appendix IV.

2.4.4.3 In 43 grants/appropriations, supplementary provision of Rs 1259.42 crore proved insufficient by more than Rs 10 lakh each, leaving an aggregate uncovered excess expenditure of Rs 1392.34 crore as per details in Appendix V.

[^] Lower rounding

2.5 Savings

2.5.1 In 101 grants/appropriations, expenditure fell short by Rs 1 crore or more in each grant/appropriation and also by 10 *per cent* or more of the total provision as indicated in Appendix VI. In 7 such grants/appropriations (Sr.No. 34, 64, 69, 70, 81, 84 and 101) the entire provision totalling Rs 361.42 crore was not utilised.

2.5.2 In 27 grants/appropriations there were persistent savings in excess of Rs 10 lakh in each grant/appropriation and 20 *per cent* or more of the provision during last three years. Details are given in Appendix VII.

2.6 Excess expenditure

2.6.1 Persistent excess occurred in 12 grants/appropriations as detailed in Appendix VIII. In 7 of these cases the excess was significant during last three years. Persistent excess required investigation by the Government for remedial action.

2.6.2 In 18 grants/appropriations, expenditure exceeded the approved provisions by Rs 25 lakh or more and also by more than 10 *per cent* of the total provision. Details of these are given in Appendix IX.

2.7 Excessive/unnecessary reappropriation of funds

Reappropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Grants/appropriations where reappropriation of funds proved excessive or insufficient by over Rs 10 lakh are as given in Appendix X.

2.8 New Service/New Instrument of Service

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

In 112 grants/appropriations, expenditure totalling Rs 829.18 crore which should have been treated as 'New Service/New Instrument of Service' was met by reappropriation without obtaining the requisite approval of Legislature. Details of these grants/appropriations are given in Appendix XI.

2.9 Expenditure without provision

As envisaged in the Budget Manual, expenditure should not be incurred on any item without provision of funds. It was, however, noticed that expenditure of Rs 19.23 crore was incurred in 28 grants/appropriations, as detailed in Appendix XII, without any provision having been made in the original estimates/supplementary demands and no reappropriation orders were issued.

2.10 Anticipated savings not surrendered or surrendered in excess

2.10.1 According to rules framed by Government, the spending departments are required to surrender the savings in any grant/appropriation to the Finance Department as and when anticipated. However, at the close of the year 1999-2000 there were 83 grants/appropriations in which large savings occurred but no part of which had been surrendered by the department. The amount involved was Rs 2349.99 crore. In 46 other grants/appropriations, the amount of available savings of Rs 1 crore and above in each grant/appropriation not surrendered aggregated Rs 7165.63 crore. Details are given in Appendices XIII and XIV respectively.

2.10.2 Besides the above, in 87 grants/appropriations, Rs 1879.78 crore were surrendered on the last two days of March 2000 indicating inadequate financial control over expenditure. Details are given in Appendix XV.

2.10.3 In 36 grants/appropriations, the amount surrendered was in excess of actual savings, indicating inadequate budgetary control. As against the actual savings of Rs 545.67 crore, the amount surrendered was Rs 652.05 crore resulting in excess surrender of Rs 106.38 crore. Details are given in Appendix XVI.

The instances of budgetary irregularities as above are reported from year to year in Chapter II of the Audit Report. These would be minimised if the precautions envisaged in Appendix 10 (Para 179) of the Maharashtra Budget Manual are taken by all the departments.

2.11 Advances from Contingency Fund

The Contingency Fund of the State was established under the Bombay Contingency Fund Act, 1956, as per the provisions of Articles 267 (2) and 283 (2) of the Constitution of India. Advances from the Fund are to be made only for meeting expenditure of an unforeseen and emergent character, the postponement of which, till its authorisation by the Legislature would be undesirable.

The Fund is in the nature of an imprest and its corpus is Rs 150 crore. The corpus of the Fund was temporarily raised as follows :-

Ordinance Date	Amount of increase	
	From	To
21 May 1999	150 crores	350 crores
19 July 1999	350 crores	1150 crores
9 February 2000	150 crores	550 crores
6 March 2000	550 crores	850 crores

The ordinances ceased to operate after six weeks from the reassembly of the Legislature.

As on 1 April 1999, the balance in the Fund was Rs 77.06 crore. During 1999-2000, advance drawn but not recouped totalled Rs 17.29 crore. The balance of Rs 72.94 crore on account of advances drawn during 1998-99, but not recouped till 31 March 1999 were recouped during 1999-2000. During the year, Ordinances were issued and the corpus of the Fund was increased as shown in the foregoing table. However, the closing balance of the Fund as on 31 March 2000, after taking into account the increase in its corpus in March 2000, was Rs 832.71 crore.

According to the provisions in the Maharashtra Budget Manual, the Controlling Officers (COs) should submit to the Accountant General (A&E) every month details of expenditure incurred by them from the advances sanctioned from the Contingency Fund so that the same can be correctly classified. COs are also required to reconcile the expenditure booked by the Accountant General (A&E) with the accounts of the Contingency Fund maintained by them. However, the monthly statements of expenditure were not sent by the COs and reconciliation was not done with the Accountant General's books.

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

During the year 1999-2000, 155 sanctions were issued for withdrawal of Rs 1227.28 crore. A review of the operation of Contingency Fund disclosed that (i) sanctions for advances were issued when the money was not needed, (ii) more advance than necessary was sanctioned, and (iii) advances were sanctioned even though provisions could have been made in the regular budget or supplementary demand as discussed below :

(a) One sanction amounting to Rs 1.53 crore was not operated upon and was subsequently cancelled.

- (b) One sanction amounting to Rs 0.12 crore was subsequently reduced to Rs 0.04 crore.
- (c) The actual expenditure against 24 sanctions was less than 50 *per cent* of the amount sanctioned (Rs 51.12 crore).
- (d) Nineteen sanctions amounting to Rs 206.78 crore were subsequently increased to Rs 779.48 crore.
- (e) Sixty-four sanctions amounting to Rs 153.62 crore were neither operated nor cancelled.
- (f) The actual expenditure (Rs 310.66 crore) against 2 sanctions exceeded the amount of Rs 223.44 crore sanctioned by Rs 87.22 crore.

A few illustrative grants/appropriations detailed in Appendix XVII show that advances from Contingency Fund were obtained though the expenditure was not such as could not have been foreseen.

2.12 Trend of Recoveries and Credits

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

In 27 grants/appropriations the actual recoveries adjusted in reduction of expenditure (Rs 2433.86 crore) exceeded the estimated recoveries (Rs 1923.75 crore) by Rs 510.11 crore and in 41 grants/appropriations the actual recoveries (Rs 2955.85 crore) were less than the estimated recoveries (Rs 7142.57 crore) by Rs 4186.72 crore. More details are given in Appendix II of Appropriation Accounts.

2.13 Non-receipt of explanations for savings/excesses

For the year 1999-2000, explanations for savings/excesses were not received in respect of 757 heads of Account which form 63 *per cent* of the number of heads. The percentage was 46 for the year 1998-99.

2.14 Unreconciled Expenditure

Financial rules require that the Controlling Officers should reconcile periodically the departmental figures of expenditure with those booked by the Accountant General. In respect of 25 departments, expenditure of Rs 3699.40

crore pertaining to 1999-2000 remained unreconciled till April 2000. Details are given in Appendix XVIII.

2.15 Unspent balances on Detailed Contingent bills

As per rule 282(2) of MTR 1968, no money shall be drawn from the treasury unless it is required for immediate disbursement. It is not permissible to draw money from the treasury in anticipation of demands or to prevent lapse of budget grants.

Details of a case of withdrawal of funds during 1999-2000 in advance to avoid lapse of grants is shown in Appendix XIX.

2.16 Operation of Personal Ledger Accounts

In all 3278 PLAs were in operation in 1999-2000. The flow of funds in respect of these PLAs during 1995-96 to 1999-2000 was as shown below:

Opening Balance (as on 1 April 1999)	:	Rs 103.01 crore
Amount transferred to PLAs during the year	:	Rs 1648.25 crore
Amount disbursed from PLAs during the year	:	Rs 1478.21 crore
Closing balance as on 31 March 2000	:	Rs 273.05 crore

Records relating to 86 PLAs maintained by selected educational institutions, courts, Special Land Acquisition Officers, Central Prison and one Motor Accident Claim Office were reviewed in Audit between April 2000 and July 2000. The important points noticed are given in the table below :

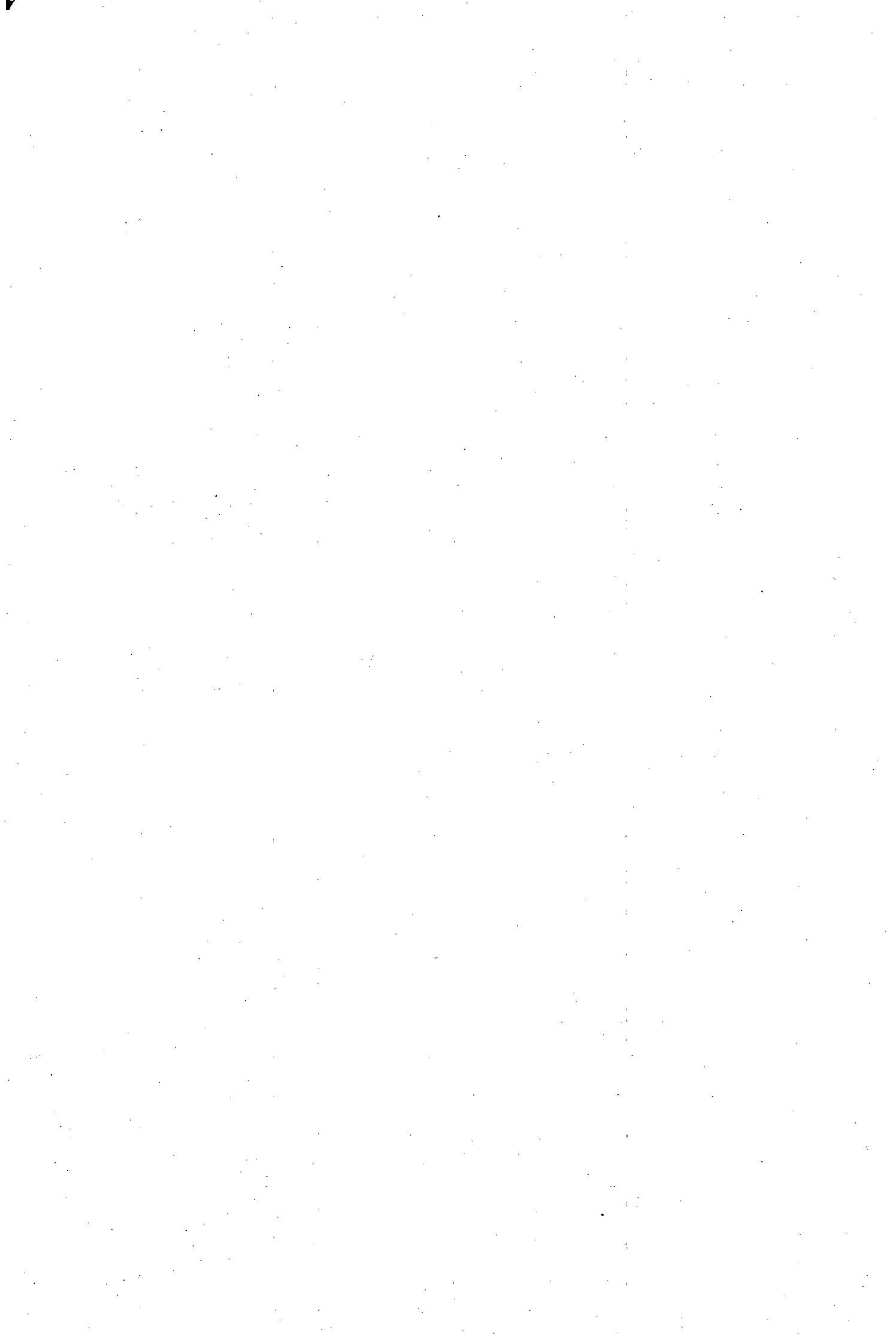
	Nature of irregularity	Amount (Rupees in crore)	Objection in brief
1)	Diversion of funds from PLA	17.59	Out of Rs 18.12 crore received between March 1998 and September 1999 for payment of compensation for land acquired, the Sub-divisional Officer, Satara deposited Rs 52.53 lakh only in PLA and the balance of Rs 17.59 crore was deposited in a private bank in Satara. The Sub-divisional Officer stated (June 2000) that the balance would be credited to PLA.

	Nature of irregularity	Amount (Rupees in crore)	Objection in brief
2)	Non-closure of PLA	33.47	In 18 out of 86 offices test-checked, the PLAs were not being closed at the end of each financial year and the accumulated balance of Rs 33.47 crore remained to be transferred to the Consolidated Fund of the State as of March 2000.
3)	Non-utilisation of PLA funds	1.11	The Principal, Sydenham Institute of Management Studies, Mumbai credited examination fees, sale proceeds of application forms etc. to PLA to meet the expenditure on examination etc. However, such expenditure was actually met from budgetary allocations. As a result, as on 31 March 2000, the PLA was left with an unutilised balance of Rs 1.11 crore which was not credited to Government.
4)	Reconciliation with treasury records	13.97	In respect of 50 PLAs there was an unreconciled difference of Rs 13.97 crore between cash book and treasury balance as on 31 March 2000.



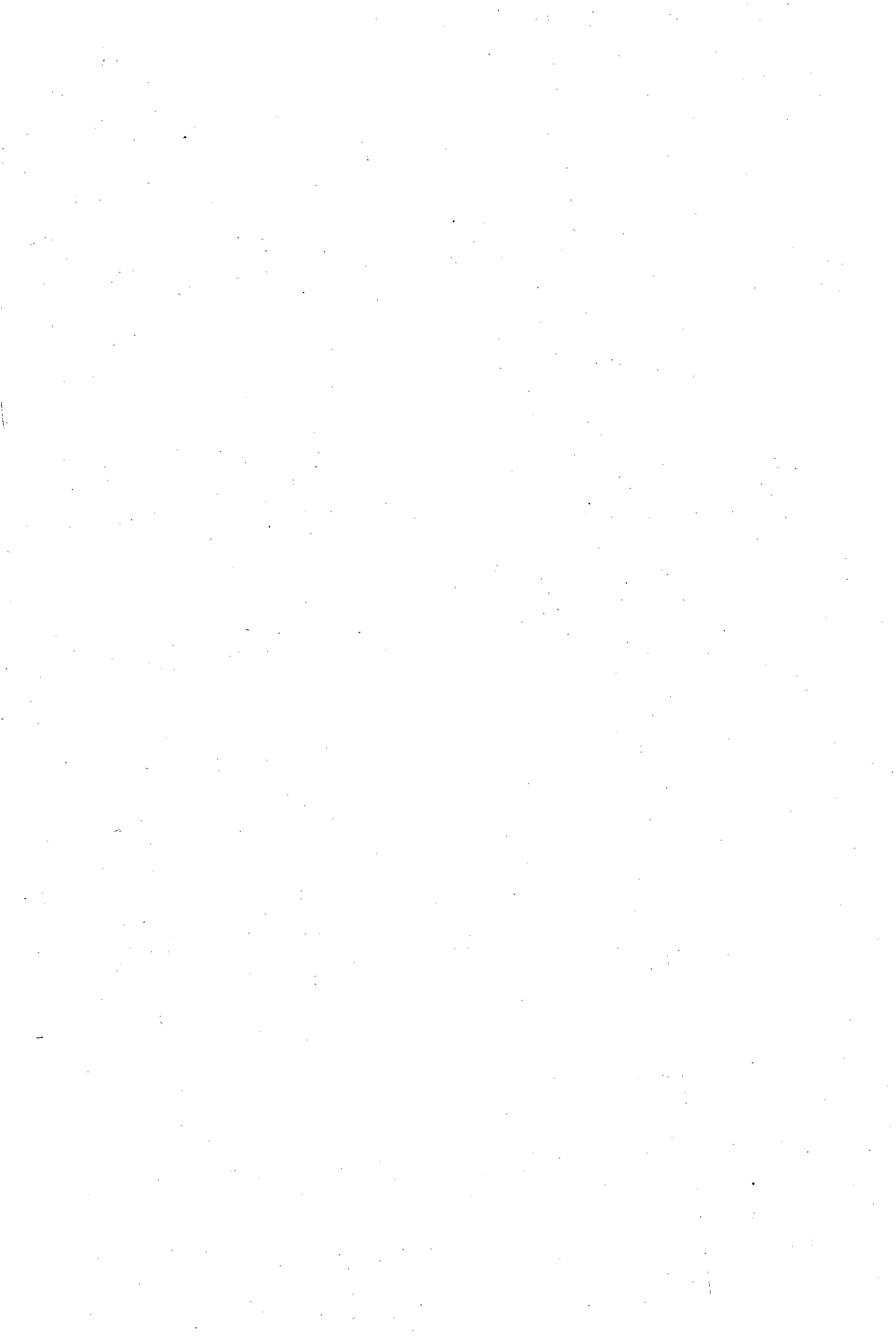
CHAPTER – III

CIVIL DEPARTMENTS



SECTION - A

REVIEWS



CHAPTER III

PLANNING DEPARTMENT

3.1 Employment Guarantee Scheme

3.1.1 Highlights

The Government of Maharashtra started the Employment Guarantee Scheme in the year 1972 to alleviate poverty by providing gainful employment to the poorer sections of the community in rural areas and in 'C' Class Municipal Councils. The Employment Guarantee Scheme is funded from specific taxes and matching contribution from the State Government. Some of the significant audit findings of the review are given below :

The expenditure under the Employment Guarantee Scheme during the period 1995-96 to 1998-1999 was less than the net proceeds of taxes every year.

(Paragraph 3.1.6.1)

As many as 19,100 works taken up upto 1998-99 were incomplete as of 31 March 1999, including some incomplete for more than 5 years. Thus an important objective of the scheme namely, the creation of durable community assets was not satisfactorily fulfilled.

(Paragraph 3.1.7.1)

The Zilla Parishads did not take over 1907 percolation tanks completed between 1978 and 1999 for maintenance due to inadequate funds. The cost of 338 tanks in two districts alone was Rs 24.05 crore which gives an idea of the capital expenditure which would be rendered wasteful if the assets are not maintained properly.

(Paragraph 3.1.7.4)

There were delays in payment of wages ranging from 25 days to 478 days despite availability of funds.

(Paragraph 3.1.7.5)

Cost norms were not followed by the Collectors of Ahmednagar and Nashik districts while sanctioning 233 afforestation works.

(Paragraph 3.1.8.2)

Of the total Jawahar Wells sanctioned, 45.29 per cent had not been completed as of March 1999. The expenditure incurred on 38,458 incomplete wells was not available with the State Government. However in six districts the expenditure reported to audit on the incomplete wells was Rs 5.69 crore. Out of this, the expenditure of Rs 3.26 crore on 1856 incomplete wells was rendered unfruitful as these wells could not be completed within the stipulated period of two years. As many as 428 beneficiaries had not even started the construction of wells after receiving advance payment of Rs 19.45 lakh.

(Paragraphs 3.1.9.1 and 3.1.9.1.2)

The Government and most of the district authorities did not have information on the survival rate of plantations under the Horticulture Programme though it was noticed in audit that the rate was very low in some areas. In Ahmednagar and Sangli Districts Rs 3.03 crore were recoverable from the beneficiaries on account of failure of plantations. In seven talukas, the survival rate of plantation done on 1124.53 hectares of land during 1996-97 and 1997-98 at a cost of Rs 69.83 lakh was zero per cent. Absence of information with the management meant that the rule regarding recovery of the subsidy in case of the failed plantations could not be implemented.

(Paragraphs 3.1.10.2 and 3.1.10.3)

In Nanded district, construction of an airstrip without technical approval of the Director General of Civil Aviation resulted in unfruitful expenditure of Rs 36.39 lakh.

(Paragraph 3.1.11.1)

The Agriculture Department used trap metal instead of loose boulders for constructing structures, which resulted in extra expenditure of Rs 14.07 lakh.

(Paragraph 3.1.11.2)

There were shortages in visits/inspections of the works by the officers responsible for monitoring of the scheme.

(Paragraph 3.1.12)

3.1.2 Introduction

The Employment Guarantee Scheme (EGS) was started in the State in the year 1972, with a view to alleviating poverty by providing gainful employment to the poorer section of the community in rural areas as well as in the areas of 'C' class municipal councils. The Maharashtra Employment Guarantee Act, 1977 which came into force from 26 January 1979 gave a statutory right to employment. The main objectives of EGS are to provide employment and creation of durable community assets.

Works like village roads, internal roads, percolation tanks, village tanks, terracing of lands, loose boulder structures, forest works and works relating to social forestry etc. which have unskilled wage component of more than 60 per cent of the total cost are permitted under the scheme. However, in canal works of major and medium projects involving rock cutting and for work of constructing Jawahar Wells, if the ratio between unskilled and skilled portion is 50:50 such works can be taken up under the scheme. The works are executed departmentally by engaging labourers on muster rolls.

3.1.2.1 Resources for the scheme

In order to raise resources for the implementation of the scheme, the State Government established a Fund called Employment Guarantee Fund (EGF). The fund comprises the net proceeds of tax on profession, trades, callings and employment, additional tax on motor vehicles, additional tax on sales tax (discontinued with effect from October 1995), special assessment of irrigated agriculture land, surcharge on land revenue and tax on non-residential urban lands and buildings under Maharashtra Education Cess Act. Besides the above, the State Government gives a matching contribution to the fund equal to the net collection of taxes.

3.1.3 Programme input

The State Government prepares an Annual Plan for the EGS based on the annual plans prepared by the Collectors in the districts. In addition, a shelf of works approved by the Collector is to be kept ready so that employment can be provided when necessary.

3.1.4 Organisational set-up and delegation of financial powers

The EGS is implemented through Government Departments like Irrigation, Public Works, Agriculture, Forest and the Zilla Parishads. Committees for Planning, Direction, Control and Co-ordination have been set-up at the State, District and Panchayat Samiti levels.

The EGS is being implemented under the overall supervision of the Principal Secretary, Planning Department, (EGS), with the Divisional Commissioners and Collectors involved at field level. Collectors are empowered to sanction works costing upto Rs 10 lakh (increased to Rs 50 lakh from 1999-2000) and Divisional Commissioner upto Rs 15 lakh (increased to Rs 75 lakh from 1999-2000). Works costing above Rs 15 lakh (above Rs 75 lakh from 1999-2000) are required to be approved by the State Government.

The State Planning Department makes the budget provisions and releases the quarterly credits/funds to the district Collectors for the implementation of the scheme at the field level. The Deputy Collector, EGS assists the Collector in this respect. Weekly and monthly progress reports under the EGS have been provided to be sent by the implementing agencies to the Collectors for onward transmission to the Planning Department.

3.1.5 Audit Coverage

The results of the review of EGS conducted earlier were included in Para 3.2 of the Report of the Comptroller and Auditor General of India for 1983-84, Government of Maharashtra (Civil). The review commented on irregularities in the implementation of scheme, non-preparation of manpower budget, incomplete works, irregularities in execution of road works, canals, percolation and minor irrigation tanks etc.

Audit further test-checked the implementation of the EGS for the period 1994-95 to 1999-2000 in nine districts of Ahmednagar, Aurangabad, Beed, Bhandara, Dhule, Gondia, Nanded, Nashik and Thane during November 1999 to May 2000. The results of the review of the EGS are contained in the succeeding paragraphs.

3.1.6 Resource allocation

The budget provision and expenditure incurred on the implementation of the EGS during the last six years were as follows:

Year	Budget estimates	Actual expenditure	Excess(+) Saving (-)
(Rupees in crore)			
1994-95	413.18	382.23	(-)30.95
1995-96	450.00	406.62	(-)43.38
1996-97	418.28	356.28	(-)62.00
1997-98	353.00	354.62	(+)1.62
1998-99	489.00	456.14	(-)32.86
1999-2000*	495.25	493.96	(-)1.29
Total	2618.71	2449.85	(-)168.86

State Government's reply regarding saving/excess was awaited (November 2000).

3.1.6.1 Balances under the Employment Guarantee fund

Rs 4824.48 crore from the Fund remained unutilised at the end of March 2000

The year-wise financial position of the EGF for the period 1995-96 to 1999-2000 was as under :

* The figures for 1999-2000 are unreconciled figures.

(Rupees in crore)

Year	Opening Balance	Net proceeds of all taxes	Government matching contribution	Total accumulation to the Fund	Expenditure during the year	Closing Balance
1995-96	1815.53	408.71	408.71	2632.95	406.62	2226.33
1996-97	2226.33	392.63	392.63	3011.59	356.28	2655.31
1997-98	2655.31	407.39	407.39	3470.09	354.62	3115.47
1998-99	3115.47	540.60	540.60	4196.67	456.14	3740.53
1999-2000	3740.53	788.85	788.85	5318.23	493.75	4824.48

The entire proceeds of the taxes mentioned earlier plus the matching contribution from Government constitute the EGF and the accumulations under it cannot be utilised for any other purposes. The annual expenditure under the EGS since 1995-96 has been less than even the proceeds of the specified taxes. The money is lying idle without even earning any interest as there is no provision for investment of the fund nor can it be diverted for any other purpose. This aspect needs urgent and serious consideration of the Government particularly in the context of substantial decline in labour attendance as brought out in the subsequent paragraph.

3.1.7 Programme output

3.1.7.1 Incomplete works

19,100
incomplete
EGS works
in the State

Works sanctioned under the EGS are required to be completed within two years. Government has also issued instructions that the labour potential has to be exhausted on incomplete EGS works/plan schemes works and only thereafter new works should be taken up.

Position of works taken up, completed and remaining incomplete at the end of each year from 1994-95 to 1998-99 in the entire state was as under :

Year	Works taken up	Completed works	Incomplete works at the end of year
Upto 1993-94			34054
1994-95	66031	33135	32896
1995-96	51452	24761	26691
1996-97	37641	19242	18399
1997-98	29649	5705	23944
1998-99	23845	4745	19100

3.1.7.1.1 Figures of works taken up indicate old works as well newly sanctioned works during the year. Break-up between new and carry forward works was not furnished by the Department. Agewise details of incomplete

* The closing balance differs from the Finance Accounts as the *pro forma* corrections will be carried out in the Finance Accounts 2000-2001.

works and expenditure incurred on them till March 1999 were also not available with the Government. This shows the inadequacy of monitoring of the scheme at the Government level. However, information received from 17* districts out of 33 in the State indicated that as on 31 July 1998 there were 1607 works lying incomplete for more than 5 years of which 623 works (39 per cent) were incomplete for more than 10 years. Two (Aurangabad and Nagpur) of the six divisions in the State had 61.62 per cent of the incomplete works. The main reasons for works lying incomplete as furnished by the district Collectors were non-availability of labourers (29 per cent), time taken to approve revised cost (13 per cent), land acquisition problem (30 per cent), pending enquiries (3 per cent) etc. Expenditure of Rs 69.32 crore incurred on the incomplete works was unfruitful since they were not converted to durable community assets. This also indicated that new works were sanctioned/taken up without completing works sanctioned earlier as should have been done.

3.1.7.2 Decline in labour attendance

Gradual decline in the average daily attendance of the labour employed on the scheme.

The minimum, maximum and average daily attendance of labour engaged on the EGS in the State during the last 6 years as furnished by the Department is given in the table# below :

Year	Minimum daily labour attendance	Maximum daily labour attendance	Daily average labour attendance
1994-95	104324	292587	189193
1995-96	88987	349517	189855
1996-97	48738	185817	102180
1997-98	52693	143390	95590
1998-99	42436	248470	119824
1999-2000	57116	196946	119197

The daily average labour attendance gradually declined from 1,89,193 in 1994-95 to 1,19,197 in 1999-2000 and was less than 500 in Akola, Sangli and Wardha districts during the years 1996-97 to 1998-99 and less than 100 in Pune, Sangli and Wardha districts during 1999-2000.

As the EGS intended to provide employment to the job seekers in the rural areas, consistent decline in the labour attendance indicated less demand of work under the EGS by the people. Thus, the Government needs to reexamine the scheme with a view to modify the scheme.

* Akola, Amravati, Aurangabad, Beed, Bhandara, Buldhana, Chandrapur, Gadchiroli, Gondia, Jalna, Latur, Nagpur, Nanded, Nashik, Osmanabad, Parbhani and Yavatmal

Figures in the table do not include labour employed under Jawahar Well and Horticulture Programme under EGS

3.1.7.3 *Incomplete internal road works*

6595 internal roads remained incomplete

The State Government in October, 1996 decided to construct at least one internal road in each village having a population of more than 500. In all, 8694 such roads were sanctioned under the EGS in the State during 1996-97 to 1998-99, out of which 6595 roads (75.86 per cent) were incomplete as of March 1999, despite the fact that the Government had relaxed the ratio of 60:40 between unskilled and skilled portion of labour to 51:49. Reasons for non-completion of road works were not given by the Government (June 2000).

3.1.7.4 *Completed percolation tanks not handed over*

1907 percolation tanks were not taken over by the ZPs due to shortage of funds for their maintenance

Government ordered that percolation and village tanks after completion be handed over to the Zilla Parishads (ZPs) for maintenance as no funds would be made available for this purpose under the EGS. Scrutiny of records in 5* districts revealed that 1907 tanks completed by the implementing agencies between 1978 and March 1999 were not taken over by the respective ZPs since they had no funds to maintain these assets. Refusal or inability of the ZPs to take over the completed works obviously leads to lack of maintenance/repairs of valuable assets which would be gradually wasted unless money is made available for their upkeep. It was seen that apart from routine repairs needed by all the tanks, twelve tanks in Beed, three in Dhule and two in Ahmednagar needed major repairs on account of breach due to rain, which could not be carried out as they had not been handed over to the ZPs. The fact that the cost of 338 tanks in only two districts (Nanded and Nashik) not taken over, was Rs 24.05 crore, gives an idea of the capital expenditure which would be rendered wasteful, if the assets are not maintained properly.

3.1.7.5 *Delay in payment of wages*

Payment of wages to the labourers was delayed from 25 days to 478 days in the six of the nine districts test-checked

According to Government orders issued in August 1986, labourers should receive wages for work within fifteen days. Delayed disbursement of wages (Rs 44.13 lakh) ranging from 25 days to 478 days were noticed in 210 muster rolls in six districts viz. Ahmednagar, Aurangabad, Beed, Bhandara, Dhule and Nanded in respect of works completed during the period November 1993 to December 1998.

The implementing agencies attributed these delays to the procedure for payment of wages. The procedure involved measurement of work done followed by preparation and passing of bills and withdrawal of funds from treasury. This is sometimes compounded by late release of funds by the Collector. Thus, despite the availability of funds, delays in disbursement of wages continued to occur.

* Ahmednagar, Beed, Dhule, Nanded and Nashik

3.1.8 *Financial Irregularities*

Four ZPs unauthorisedly retained unspent balances aggregating Rs 2.58 crore.

3.1.8.1 *Retention of huge unspent balances by the Zilla Parishads*

The funds received by the Collector for each quarter from the Government as per demand based on the potential demand for employment in the district are distributed among the implementing agencies as per their requirement and are to be used within that quarter. Unutilised balances lapse to Government at the end of the quarter. In case of local bodies like ZPs, unutilised balances are required to be credited to Government account within one month from the close of the financial year. It was observed that in contravention of these provisions, as on 31 March 2000, huge amounts had been retained by the ZPs, Nanded (Rs 82.94 lakh), Thane (Rs 50.01 lakh), Bhandara (Rs 97.33 lakh) and Nashik (Rs 27.72 lakh). While three ZPs Bhandara, Nashik and Thane attributed (January and April 2000) this to pending reconciliation work, the ZP, Nanded retained the amount on the ground that the amount receivable from the Government by them on account of other grants was more than what was refundable to Government.

On this being pointed out Government directed (June 2000) all the district Collectors to furnish the details of the unspent balances. This, incidentally, points to inadequacy in the monitoring of the finances of the scheme at the Government level.

233 afforestation works were sanctioned at a cost exceeding the prescribed norms

3.1.8.2 *Sanction of forest works beyond norms*

The State Government in May 1986 fixed the norms for afforestation work at Rs 7000 per hectare. Since then, the minimum wages had been revised three times raising it to Rs 37 in April 1998. In Nashik and Ahmednagar districts the Collectors, without seeking the revision of cost norms from the Government, accorded sanction (1994-99) to 233 afforestation works in 5512 hectares of forest land involving total expenditure of Rs 12.93 crore. The per hectare cost for these works was in the range of Rs 15,228 to Rs 37,733 during the period 1994-99.

3.1.9 *Jawahar Wells under Employment Guarantee Scheme*

The Jawahar Wells Scheme (JWS) started as a subcomponent under the EGS from September 1988. Under this programme, implemented by ZPs through Block Development Officers (BDOs), financial assistance at the prescribed rate based on the geophysical condition of the area is given to the small and marginal farmers for constructing wells. The selection of the beneficiaries is to be done by a District Selection Committee headed by the Guardian Minister of the district. The ratio between the unskilled and skilled portion of work in case of JWS has been fixed at 50:50. The labour for construction of the well is to be provided by the beneficiary. Payment is made to the beneficiaries on the basis of work done and measured and should not exceed the normative cost of wells fixed for that area. The JWS also envisages payment of 10 per cent advance.

Important parameters relating to the implementation of the JWS as furnished by the State Government are tabulated below :

Year	Target for selection of beneficiaries	Sanctioned wells	Completed wells	Incomplete wells as on 31 March 1999	Expenditure (Rupees in crore)	Mandays generated (in crore)
	(in numbers)					
Upto 1993-94	30071	23279	19331	6296	41.80	1.56
1994-95	20156	18116	7327	8384	17.08	0.58
1995-96	20000	19163	4315	11724	14.96	0.41
1996-97	2704	4395	719	3375	31.42	1.01
1997-98	27342	13338	1457	3371	43.75	1.17
1998-99	9727	6627	1041	5308	64.43	1.57
Total	110000	84918	34190	38458	213.44	6.30

3.1.9.1 The data in the table above contain several inconsistencies e.g. (i) the number of completed and incomplete wells relating to the period upto 1993-94 exceeded the number sanctioned, (ii) for other years, there was a gap between number of wells sanctioned and the total number of completed and incomplete wells and (iii) data on failed wells, cancelled wells and wells not commenced by the beneficiaries were not indicated. Clarification on these aspects was awaited from Government (June 2000). Expenditure incurred on the incomplete wells was not available separately with State Government (June 2000).

Analysis of information received from 36 talukas in six districts viz. Ahmednagar, Aurangabad, Beed, Bhandara, Dhule and Nanded for the years 1994-95 to 1998-99 revealed the following:

Year	Wells sanctioned	Wells completed	Expenditure on completed wells (Rupees in lakh)	Number of wells incomplete as on 31 March 1999	Expenditure on incomplete wells as on 31 March 1999 (Rupees in lakh)	Number of wells cancelled	Expenditure on cancelled wells (Rupees in lakh)
1994-95	2753	1860	468.94	746	110.21	147	0.19
1995-96	2703	1572	465.49	1033	202.72	98	0.19
1996-97*	84	7	3015.00	77	13.62	-	-
1997-98	2580	1134	368.53	1264	208.26	182	0.03
1998-99	539	43	19.23	342	34.35	154	-
Total	8659	4616	1352.34	3462	569.16	581	0.41

3.1.9.1.1 Of the total 8659 wells sanctioned, 4616 wells (53.30 per cent) had been completed by the beneficiaries and 3462 wells on which Rs 5.69 crore had been spent remained incomplete as of March 1999. Further analysis showed that out of the 3462 incomplete wells, 1512 wells (43.67 per cent) were incomplete in Beed and Nanded districts. Further, Rs 3.26 crore spent on

* Wells not sanctioned in Ahmednagar, Aurangabad, Bhandara and Dhule districts due to delay in selection of beneficiaries

Rs 3.26 crore on incomplete wells sanctioned till 1996-97, proved unfruitful

1856 incomplete works sanctioned upto 1996-97 proved unfruitful. Main reasons for the wells remaining incomplete as stated by the implementing agencies (between January 2000 and April 2000) were (a) the financial norms fixed for completing the wells allowed less than the actual cost of wells, (b) beneficiaries did the work as per their convenience, (c) poor economic condition of the beneficiaries and (d) difficult geographical strata etc.

428 beneficiaries had not started execution of wells even after receiving ten per cent advance of Rs 19.45 lakh

3.1.9.1.2 Further scrutiny revealed that 428 beneficiaries had not started the execution of wells by March 1999 even after receiving 10 per cent advance payment amounting to Rs 19.45 lakh during the period from 1991-92 to 1997-98 though they were required to start the work within two months from the date of receipt of advance payment. The JWS does not prescribe the procedure to be followed or any preventive action (levy of interest etc.) to be taken in such cases.

50 beneficiaries selected in Aurangabad without following proper procedure

3.1.9.1.3 In Aurangabad taluka, 50 beneficiaries who had not formally applied for benefits under the scheme were selected as beneficiaries by the District Selection Committee during the year 1997-98 on the recommendation of the Guardian Minister of the district.

ZP Bhandara revised the cost norm of the 871 wells to Rs 48,000 per well even after sanctioning the wells earlier at Rs 27,000 per well. This resulted in excess expenditure of Rs 1.83 crore

3.1.9.1.4 Government in May 1996 while extending the time limit for the selection of the beneficiaries for the year 1995-96 upto 30 September 1996 directed the Chief Executive Officers (CEOs) of the ZPs to issue work orders also at the time of according administrative approval to the wells for the year 1995-96 so that the beneficiaries were not required to obtain further permission from the Tahsildars/BDOs. In Bhandara district, administrative approval was accorded for 871 wells for the year 1995-96 at the rate Rs 27,000 per well on 30 August 1996 without issuing the work orders simultaneously. The financial norm was raised by the Government from Rs 27,000 to Rs 48,000 per well for Vidharbha region with effect from 28 October 1996, stating clearly that the revised norms were not applicable to those wells which had commenced prior to that date. The Government also clarified (October 1998) that the revised financial norms were applicable only to wells sanctioned after 28 October 1996. The CEO, ZP, Bhandara on 22 January 1997, however, accorded revised administrative approval to all the 871 wells sanctioned earlier, giving benefit of the revised financial norms on the ground that the work orders in respect of those wells had not been issued by then. Thus, irregular upward revision of cost norms in 871 cases resulted in excess expenditure of Rs 1.83 crore.

3.1.10 Horticulture Programme linked with Employment Guarantee Scheme

With effect from June 1990, Government sanctioned a horticulture programme (HP) linked with EGS with the salient features viz. (i) The HP was to be taken up on the land of any farmer irrespective of his caste and land holding, (ii) plantation was to be taken up on minimum land of 0.2 hectare and maximum 4 hectares (6 hectares with effect from 1997-98), (iii) the cost of plantation differed from plant to plant and included wages, cost of planting

material, fertiliser, watering charges, pesticides etc. payable to the beneficiaries in three instalments, (iv) the HP was executed at 100 per cent Government cost on the lands of Scheduled caste/Scheduled tribe/Nomadic tribe/small and marginal farmers. In case of other beneficiaries, the whole expenditure on unskilled portion of the work and 75 per cent on the skilled portion was borne by the Government, (v) the beneficiary was not eligible for any amount during the second year of operation if the survival of plantation done during the first year was found to be less than 75 per cent unless he undertook casualty replacement of the saplings at his own cost, (vi) at the end of the third year of plantation, if the survival of plants was found to be less than 75 per cent in respect of plantation done on dry land and 85 per cent on irrigated land, the entire subsidy paid to the beneficiaries would be recoverable with interest at the rate of 16 per cent and (vii) necessary entries would be made in the land records of the beneficiaries concerned and the beneficiary had to execute an agreement with Government accepting the terms and conditions of the HP. Further, the planting operation was to be done by the beneficiaries themselves.

Important data relating to HP are tabulated below :

Year	Area covered (in hectare)	Number of beneficiaries	Expenditure (Rupees in crore)	Mandays generated (in crore)
Upto 1993-94	412197	556803	215.36	8.13
1994-95	80038	104936	63.66	1.27
1995-96	102122	127287	88.70	1.77
1996-97	101447	127779	87.60	1.75
1997-98	82447	108534	68.64	1.37
1998-99	72068	94597	78.42	1.57
Total	850319	1119936	602.38	15.86

3.1.10.1 Since its inception in 1990, 11.20 lakh beneficiaries benefited from the HP by planting 19 types of fruit trees mainly mangoes, oranges, cashew nuts, chikoo, pomegranate, guava etc. in 8.50 lakh hectares of land at a total cost of Rs 602.38 crore. As a result, overall coverage of land under horticulture in the State increased from a meagre 2.42 lakh hectares in 1989-90 to 10.92 lakh hectares in 1998-99.

3.1.10.2 Though the farmers were reported to have started harvesting fruits from the plantations done during the period upto 1994-95, the details thereof and the rate of survival of these plantations was not available with the Government. However, information was received from two District Agriculture Officers viz. Ahmednagar and Sangli, revealed that plantation done during 1990-91 to 1998-99 on 23507.26 hectares by 33,527 beneficiaries (38 per cent) out of 87,767 beneficiaries had failed and Rs 3.03 crore were recoverable from the beneficiaries as of March 1999. Of this only Rs 0.08 lakh had been recovered from 4 beneficiaries (March 2000). In the rest of the districts test-checked, the implementing agencies had not undertaken the survey of the failed plantations. The Director of Agriculture had also not pursued the matter. Non-availability of information with the Government in

almost all districts shows total lack of efforts to monitor the scheme and to enforce the rule regarding recovery of subsidy in case of failed plantations.

Survival rate of plantation done at a cost of Rs 69.83 lakh by 1368 beneficiaries in 7 talukas of three test-checked districts was zero per cent

3.1.10.3 Scrutiny in 4 talukas (Aurangabad, Vaijapur, Gangapur and Kannad) of Aurangabad district, 2 talukas (Bhandara and Tumsar) of Bhandara district and one taluka (Hadgaon) of Nanded district revealed that survival was zero *per cent* in respect of plantations done during 1996-97 and 1997-98 on 1124.53 hectares of land belonging to 1368 beneficiaries on which the Government incurred an expenditure of Rs 69.83 lakh. Further, in respect of plantations done by 508 beneficiaries on 414.24 hectares of land at a cost of Rs 27.28 lakh during the same period survival was in the range of one to twenty *per cent*. The Taluka Agriculture Officer stated (January and March 2000) that saplings planted by the beneficiaries were suitable for the climatic conditions of the area but the failure of the plantation was mainly on account of disinterest shown by the beneficiaries and their poor economic condition.

Thus in the test-checked districts, the scheme was not found to be entirely successful.

Entries of plantation done not made in land records

3.1.10.4 The HP envisages that entries about the plantation done should be made by the revenue authorities in the land records of the beneficiaries concerned to facilitate the recovery of subsidy in the form of land revenue if the survival of plants was less than the prescribed percentage and also to prevent them from seeking double benefit under the HP. Audit scrutiny revealed that in eleven talukas viz. Aurangabad, Vaijapur, Gangapur, Jawahar, Shahapur, Ashti, Patoda, Gondia, Bhandara, Nanded and Akole spread in five districts of the State, the necessary entries in the land records of the beneficiaries had not been made by the revenue authorities as the relevant information had not been furnished to them by the implementing agencies. In the absence of these entries, effecting recoveries would be difficult. This again shows lack of coordination and deficiency in the management of the scheme.

3.1.11 *Other topics*

3.1.11.1 *Construction of Priyadarshini Airstrip at Rajgad under Employment Guarantee Scheme*

Construction of air strip without approval of Civil Aviation Authority. Expenditure to the tune of Rs 36.39 lakh remained blocked for six years

Construction of air strip at Rajgad, Taluka Kinwat, District Nanded, was sanctioned by the Commissioner, Aurangabad under EGS in March 1992 for Rs 24.87 lakh. The work was stopped in June 1994 after spending Rs 36.39 lakh. Though the Government had sanctioned the revised estimate of the project for Rs 45.17 lakh in July 1995, further execution of work was held in abeyance (February 2000) for want of technical approval to the project from the Director General of Civil Aviation, New Delhi. Execution of work without the approval of competent authority, therefore, led to unfruitful expenditure of Rs 36.39 lakh.

3.1.11.2***Excess expenditure on account of higher wages***

Rs 14.07 lakh paid as excess wages to the labourers for use of trap metal as against boulders in the Loose Boulder Structures

A component of soil and water conservation works is construction of loose boulder structures. The Director of Soil Conservation and Water Shed Management had ordered in September 1996, that loose boulders were to be used in these structures instead of trap metals made up of broken boulders. Scrutiny of records in two talukas viz. Ashti and Patoda in Beed district revealed that the implementing agencies had used trap metals instead of loose boulders in 1013 small and 3974 big structures constructed in 29 villages during 1994-95 and 1995-96. As the wage rate for constructing such structures with trap metals was higher, there was avoidable excess expenditure of Rs 14.07 lakh.

3.1.12***Monitoring***

In the test-checked district the inspection of site had not been done by the officers concerned to the desired extent

Inspection and vigilance duties relating to EGS are assigned to the Divisional Commissioner who is assisted by an Officer on Special Duty. In addition to this, the Collector of the district, the Deputy Collector (EGS) and the Executive Engineer (EGS Branch) are required to supervise and inspect the EGS works as per norms prescribed. In the 7 test-checked districts* shortfall in the inspection of works by the aforesaid officers to the extent of 43 to 100 per cent against the norms was observed for the period 1994-95 to 1998-99. This indicated that monitoring of EGS was not done to the extent prescribed.

3.1.13***Conclusion***

Constant decline in labour attendance over the years points to less demand for employment under the EGS from rural population. A large percentage of works which started under the scheme remained incomplete owing to non-availability of labourers. These facts indicate a substantial change in the agrarian profile of the State since the inception of the scheme in 1972. The requirement of funds to continue with the scheme also appears to be much less than the annual accumulation in the EGF. All these aspects taken together indicate the necessity for a review of the continuance as well as the format of the scheme.

The above points were referred to Government (July 2000); reply had not been received (December 2000).

* Ahmednagar, Aurangabad, Bhandara, Beed, Dhule, Nanded and Nashik.

PUBLIC HEALTH DEPARTMENT

3.2 National Family Welfare Programme

3.2.1 Highlights

National Health Policy approved by Parliament in 1983 laid down that an Annual Natural Growth Rate of 1.2 per cent be achieved by 2000 AD by bringing down the Crude Birth Rate and Crude Death Rate to 21 and 9 per thousand live birth respectively. Infant Mortality Rate to below 60 per thousand live birth and Effective Couple Protection Rate to 60 per cent. At the end of 1998 the target of Crude Birth Rate, Annual Natural Growth Rate and Effective Couple Protection Rate was not achieved. The percentage of vasectomy to the total sterilisation declined from 1.57 per cent to 0.89 per cent during the period 1995-96 to 1998-99 and participation by men in sterilisation was negligible. The Effective Couple Protection Rate declined from 56.30 per cent in 1991-92 to 51.08 per cent in 1998-99 though the number of eligible couples to be protected increased from 1.35 crore to 1.59 crore in the same period.

Rupees 15.22 crore paid as grants to 28 Zilla Parishads for implementation of the programme remained unutilised for a period ranging from 5 to 27 years.

(Paragraph 3.2.5.2)

At the end of 1998 the target of Crude Birth Rate, Annual Natural Growth Rate and Effective Couple Protection Rate was not achieved.

(Paragraph 3.2.6.1)

Inflated reporting of 734 cases of sterilisation and 438 cases of Intra-Uterine Devices were noticed in 44 Primary Health Centers in Aurangabad district during 1995-96.

(Paragraph 3.2.6.3)

In three District Family Welfare offices stock of conventional contraceptives, oral pills and Intra-Uterine Devices valued at Rs 1.50 crore was found short.

(Paragraph 3.2.6.5.2)

The percentage of Vasectomy to the total sterilisation declined from 1.57 per cent in 1995-96 to 0.89 per cent in 1998-99 and participation by men in sterilisation was negligible.

(Paragraph 3.2.6.7)

The Effective Couple Protection Rate declined from 56.30 *per cent* in 1991-92 to 51.08 *per cent* in 1998-99 though the number of eligible couples to be protected increased from 1.35 crore to 1.59 crore during 1991-92 to 1998-99.

(Paragraph 3.2.6.8)

Against sterilisation target of 75 *per cent* of delivery/abortion/Medical termination cases with two or more living issues achievement ranged from 45.16 *per cent* in 1995-96 to 40.60 *per cent* in 1998-99.

(Paragraph 3.2.8.1)

Grant of Rs 25.82 lakh was paid in excess of admissible amount to voluntary organisations and local bodies in Sterilisation Bed Scheme during 1995-96 to 1998-99.

(Paragraph 3.2.9)

Under the scheme of providing cash incentives to acceptors of sterilisation and Intra-Uterine devices, Rs 1.34 crore were released to Zilla Parishads in excess of admissible compensation payable to acceptors.

(Paragraph 3.2.10)

3.2.2 Introduction

The Family Welfare Programme (FWP) initially called as National Family Planning Programme was introduced in the State in the year 1957. The National Health Policy (NHP) approved by Parliament in 1983 envisaged attainment of twin goals of "Health for All" and a "Net Reproduction Rate of Unity" (NRR-1) by the year 2000 AD. The demographic goals laid down in NHP for 2000 AD and adopted by state government were: - (i) to bring down the Crude Birth Rate (CBR) and Crude Death Rate (CDR) to 21 and 9 per thousand of the population respectively, (ii) Annual Natural Growth Rate (ANGR) of 1.2 *per cent* (iii) Infant Mortality Rate (IMR) to below 60 per thousand of live births and (iv) to achieve Effective Couple Protection Rate (ECPR) of 60 *per cent*.

To achieve the above mentioned objectives, Public Health Department of the State adopted the programmes/schemes viz. (a) Minimum Needs Programme (Redesigned as BMS), (b) Sterilisation Bed Scheme, (c) Post Partum PAP Smear Test Facility Programme, (d) All India Hospital Post Partum Programme, (e) Population Research Centre Scheme and (f) Child Survival and Safe Motherhood (CSSM) (redesigned as Reproductive and Child Health Programme (RCH).

3.2.3 *Organisational set up*

At the State level, Secretary-cum-Commissioner of Family Welfare in the Public Health Department and the State Family Welfare Bureau (SFWB), Pune were responsible to monitor the programme through 7¹ Regional Deputy Directors of Health. At the district level, the Civil Surgeon (CS) of each district, 7² City Family Welfare Bureau (CFWB) and 29 District Family Welfare Bureau (DFWB) were responsible for co-ordination and implementation of the programme. At the field level, the programme was implemented by a network of 74 Urban Family Welfare Centres (UFWCs) and 280 Health Post (HP), 433 Rural Family Welfare Centres (RFWCs), 1695 Primary Health Centres (PHCs), 1997 Rural Family Sub-centres and 121 Post Partum Centres (PPCs) and 6 training institutions for imparting training to the medical officers and para medical staff.

3.2.4 *Audit coverage*

3.2.4.1 The results of review of the programme implemented during the period 1985-86 to 1992-93 were included in Paragraph 3.9 of the Report of the Comptroller and Auditor General of India (Civil) for the year ended 31 March 1993. A further review of implementation of the programme during 1995-96 to 1999-2000 was conducted by Audit during October 1999 to June 2000. Records in the office of the Additional Director of Health Services, IEC Bureau, Pune, 7³ DFWB, 3⁴ CFWBs, 15⁵ PPCs, 24⁶ RFWCs, and 5⁷ UFWCs were test-checked. The results are given in the succeeding paragraphs.

3.2.4.2 The services of the ORG Centre for Social Research, a division of ORG-MARG Research Limited was commissioned by the Comptroller and Auditor General of India with a view to obtain the beneficiary perception of the programme and related matters. The ORG-MARG carried out survey over a sample, determined on the basis of socio-cultural characteristics and development status. Findings of the survey on matter discussed in the report have been included in this review at appropriate place.

¹ Akola, Aurangabad, Kolhapur, Nagpur, Nashik, Pune and Thane

² Mumbai (4), Nagpur, Pune and Solapur

³ Akola, Aurangabad, Gadchiroli, Jalgaon, Kolhapur, Mumbai and Pune.

⁴ Mumbai (2) and Pune.

⁵ L.T. Hospital Sion, Nair Hospital Bombay Central, St. George's Hospital, Mumbai, Rajawadi Hospital, F South Hospital at Mumbai, Narayangaon, Saswad (Pune), CPR and Municipal Corporation Kolhapur, Sillod, Pachod, Government Hospital, Aurangabad, Women Hospital, Murtizapur (Akola), Pahur (Jalgaon) and Aheri (Gadchiroli)

⁶ Bhor, Velhe, Narayangaon, Saswad, Herli, Rashiwade, Kale, Dattawad, Panhala, Sillod, Pachod, Gangapur, Kannad, Pishore, Telhara, Murtizapur, Dhamangaon, Nashirabad, Pahur, Aheri, Armori, Wadsa, Dhanora and Gadchiroli

⁷ Municipal Hospital, Akola, Aurangabad, Civil Surgeon Aurangabad, Jalgaon and Kolhapur

3.2.5 Financial management

3.2.5.1 The FWP was wholly financed by the Government of India (GOI). The GOI also provided assistance in kind in the form of contraceptives, equipment, vaccines, medical kits etc. Details of the budget provisions made by the State Government, assistance received from the GOI in cash/kind and the expenditure incurred during 1995-96 to 1999-2000 are given below:

(Rupees in crore)

Year	Assistance by GOI			Budget provision	Expenditure	Excess(+) Saving (-)	Per cent
	Cash	Cost of aid material	Total				
1995-96	66.29	30.37	96.66	127.44	131.53	(+) 4.09	(+) 3.20
1996-97	83.53	33.52	117.05	127.30	126.56	(-) 0.74	(-) 0.60
1997-98	81.12	23.88	105.00	127.65	119.65	(-) 8.00	(-) 6.27
1998-99	98.77	31.56	130.33	134.35	135.79	(+) 1.44	(+) 1.07
1999-2000	117.95	35.03	152.98	166.86	144.66	(-)22.20	(-) 13.30
Total	447.66	154.36	602.02	683.60	658.19	(-)25.41	(-)3.71

Short fall in reimbursement of expenditure by GOI of Rs 56.17 crore.

During 1995-96 to 1999-2000, as against an expenditure of Rs 658.19 crore incurred by the State, GOI reimbursed only Rs 602.02 crore leaving a shortfall of Rs 56.17 crore. SFWB stated (September 2000) that Rs 16.41 crore was released by GOI after reconciliation. Reasons for the Government's failure to get the reimbursement were awaited (November 2000). Reasons for the excess expenditure in 1995-96 and 1998-99 have not been furnished by the Government (November 2000).

Delay of 5 to 27 years in recovery of Rs 15.22 crore from Z.Ps.

3.2.5.2 Rupees 15.22 crore paid as grants to 28 ZPs for implementation of the programme remained unutilised with the ZPs for a period from 5 to 27 years. The SFWB stated (October 1999) that they regularly reminded the Rural Development Department for effecting the recovery. The reply was not tenable, as it was the responsibility of the Additional Director, SFWB in the Department of Public Health to adjust the unutilised amount with ZPs while releasing in subsequent years grant to the ZPs. SFWB further stated (September 2000) that Rs 15.22 crore would be recovered during next six months.

3.2.6 Physical performance

3.2.6.1 The achievement⁸ at the end of 1998 against the demographic goals set by the State was as under:

Crude Birth Rate (per thousand)		Crude Death Rate (per thousand)		Annual natural Growth Rate (per cent)		Infant Mortality Rate (per thousand)		Effective Couple Protection Rate (per cent)	
T	A	T	A	T	A	T	A	T	A
21	22.5	9	7.7	1.2	1.48	60	49	60	52.13

T- Target, A-Achievement

Non-achievement of demographic goals of CBR, AGR and ECPR against the target

⁸ The figures of achievement was not compiled by the State Government after 1998.

It may be seen from the above table that CBR, AGR and ECPR were not achieved by the end of 1998. In respect of Total Fertility Rate (TFR) at the end of 1995, 1996 and 1997 against the demographic goal of 2.1, the State achieved TFR of 2.9, 2.8 and 2.7 respectively.

3.2.6.2 Since 1996-97, Government discontinued the practice of fixing physical targets for the various activities and instead resorted to a target free approach by prescribing the Expected Level of Achievement (ELA). The ELA prescribed for Sterilisation, Intra Uterine Device (IUD), Conventional Contraceptives (CC) and Oral Pills (OP) for the State as a whole and achievement there against during the period 1996-97 to 1999-2000 were as under:

(Number in lakh)

Year	Sterilisation		IUD		OP		CC	
	ELA	A	ELA	A	ELA	A	ELA	A
1996-97	6.16	5.19	6.15	4.48	6.16	3.76	NF	9.65
1997-98	5.56	5.71	6.15	4.19	4.10	3.75	NF	5.92
1998-99	5.60	5.33	4.20	4.02	4.00	3.59	NF	5.86
1999-2000	5.58	5.58	4.48	4.11	4.14	3.60	NF	5.11
Total	22.90	21.81	20.98	16.80	18.40	14.70		26.54

ELA – Expected Level of Achievement, A – Achievement, NF- Not Fixed

Inflated reporting of the performance by 734 cases of sterilisation and 438 cases of IUD

During the period 1996-2000, despite the fact that the ELA for sterilisation, IUD and OP were fixed generally at a low level with marginal variations from year to year the actual achievement was less in all years except for sterilisation during 1997-98. In case of CC, no ELA was fixed either. Thus, subsequent to introduction of target free approach there were practically no improvement in performance.

3.2.6.3 Against the actual performance of 10,097 cases of sterilisation and 7327 cases of IUD in 44 PHCs in Aurangabad district during 1995-96, the DFNB reported 10,831 cases of sterilisation and 7765 cases of IUDs, inflating the performance by 734 cases of sterilisation and 438 cases of IUDs.

3.2.6.4 The SFNB decided (April 1991) that sterilisation cases of couples having five or more children should not be included in the statistics of overall performance of sterilisation. However, it was noticed that 82,290 sterilisation of couples having five or more issues were performed in the State during 1995-96 to 1999-2000 which formed 3 per cent of the total 27.47 lakh sterilisations performed during the relevant period and shown in the statistics of overall performance of sterilisation.

3.2.6.5 Conventional Contraceptives and Oral Pills were supplied by the GOI to the State for free distribution among the eligible couples. A test-check of receipt of supply of these items revealed the following:

3.2.6.5.1 As per the scale prescribed by GOI, 72 pieces of Contraceptive per man and OP to cover 13 cycles of a woman are to be distributed. At this scale, about 25.24 crore CC should have been distributed to the 35.05 lakh

men who were reported to have availed the condom. But the actual number of CC supplied by GOI was 23.90 crore only. Similarly in case of OP, as against the requirement of 2.01 crore of cycles to be covered, only 1.74 crore of cycles were covered in respect of 15.44 lakh users reported to have availed the pills during 1995-1999 as shown in Appendix XX. The mismatch indicated that either the reported number of users were inflated by the implementing agencies to show higher achievement or the CC and OP were not distributed according to the prescribed scale. The SFWB stated (September 2000) that the beneficiaries purchased CCs/OPs from the market. The reply was not tenable as the persons to whom CCs/OPs were supplied free of cost from GOI can only be treated as beneficiaries. Inflated reporting was to the extent of 1.85 lakh of CC users and 2.06 lakh of OP users.

**OP, CC and IUD
valued at Rs 1.50
crore short accounted**

3.2.6.5.2 As against 17.45 lakh, 4.01 crore and 2.76 lakh of OP, CC and IUDs respectively shown as issued by SFWB during 1995-96 and 1998-99 to 3 District Family Welfare Offices the stock registers of these offices showed receipt of 15.10 lakh, 2.68 crore and 2.68 lakh OP, CC, IUDs respectively. Thus, there were deficiencies of 2.35 lakh CC, 133.22 lakh OP and 0.08 lakh IUDs valued at Rs 1.50 crore. SFWB stated (September 2000) that deficiencies in the stock book would be reconciled.

3.2.6.6 A test check of the sterilisations done at DFWB Mumbai, CFWB Pune, CS, Akola and Jalgaon during the years 1995-96 to 1999-2000 revealed that the sterilisations performed by Private Medical Practitioners (PMP) were included in the total sterilisations of the centres to the extent of 32 to 93 *per cent* of total sterilisations (Details in Appendix XXI). This indicated that the sterilisations performed was lower than the mandatory limit of 50 *per cent* required for its continuance as a centre. The CS, Akola attributed in February 2000 the lack of sanctioned bed strength for family welfare work in the hospital and existence of a separate women hospital in the city as the reason for its poor performance. The reasons for inclusion of the PMP performance by other centres were awaited (November 2000).

**Percentage of
Vasectomy declined
from 1.57 per cent to
0.89 per cent**

3.2.6.7 The ELA for sterilisation included the component of vasectomy. The percentage of vasectomy to total sterilisations declined from 1.57 *per cent* in 1995-96 to 0.89 *per cent* in 1998-99 in spite of the directives in the Ninth Five Year Plan to promote male participation in Planned Parenthood movement and increase the level of acceptance of vasectomy. Thus, the sterilisations were mostly female oriented and there was practically negligible participation by men. There were no efforts to popularise the scheme among men and involve them in large scale.

**Decline in ECPR
from 56.30 per cent to
51.08 per cent though
the number of
eligible couples
increased by 0.24
crore.**

3.2.6.8 The population of the State according to 1991 census was 7.89 crore. Of 1.35 crore couples to be protected only 0.76 crore were protected at the end of March 1992. Thus, the effective rate of couples protected worked out to 56.30 *per cent*. As on 31 March 1999, though the number of eligible couples increased to 1.59 crore the percentage of eligible couples protected declined to 51.08 *per cent*. Reasons for the reduction in percentage of couple

protection was awaited (October 2000). In 6⁹ out of 7 districts test-checked, the couple protection rate ranged from 36.09 *per cent* to 59.32 *per cent* during the years 1995-96 to 1998-99. Thus, even after four decades of adoption of FWP, the State could not achieve the target in ECPR and stabilise the population.

3.2.6.9 The State Government sought to achieve greater participation of couples having one to three children through sterilisation than those having three or four children. The targets and achievements were as under:

Number of living children	Target (<i>per cent</i>)	Achievement (<i>per cent</i>)				
		1995-96	1996-97	1997-98	1998-99	1999-2000
One	5	0.99	1.10	1.31	1.10	1.53
Two	35	27.83	32.37	34.39	33.86	36.48
Three	50	41.10	42.32	41.04	38.98	39.25
Four	10	30.05	24.20	23.25	26.04	22.72

During the period 1995-2000 as against a target of covering 5 *per cent* of the couples having one child, the achievement was around 2 *per cent* only. There were shortfall against target fixed in covering couples having two to three children. Similarly, as against the target to cover 10 *per cent* of the couples having four children, 23 to 30 *per cent* of such couples were sterilised. Thus, couples having 4 children were covered far in excess of the target defeating the very purpose of the scheme.

3.2.7 Irregular sanction of grants-in-aid to health posts

Family Welfare Services to the urban population were provided through the UFWC and Health Posts (HP) set up in the corporation areas. The continuation of HP was subject to fulfillment of more than 50 *per cent* achievement of the allotted target by the respective HP.

Audit scrutiny revealed that the performance of 14 out of the 56 HPs under the control of the DF WB, Parel, Mumbai was below 50 *per cent* during 1995-96 to 1998-1999. Though these centres were not entitled to get grants-in-aid, the SFWB released grants-in-aid of Rs 32.98 lakh to these posts during 1995-96 and 1998-99. The DF WB, Mumbai stated that Government was moved (December 1996) to continue these 14 HPs stating their performance was above 50 *per cent*. Audit, however, observed that the sanction for continuation of the HPs was not granted (January 2000) by the Government after 1992-93. Thus, the release of grants-in-aid of Rs 32.98 lakh to the poorly performing HPs was irregular.

⁹ Akola, Aurangabad, Jalgaon, Greater Mumbai, Kolhapur and Pune.

Non-achievement of sterilisation target of 75 per cent of delivery/ abortion /medical termination cases

3.2.8 *Performance of the Post Partum Programme*

3.2.8.1 Post Partum Programme is a maternity centre and hospital based approach to FWP aimed at motivating the women in the reproductive age group of 15-44 years and their husbands for adopting small family norms through education and motivation during the pre-natal, natal and post natal periods. GOI fixed target for direct acceptors viz. those accepting the sterilisation immediately after delivery/abortion/medical termination of pregnancy as 75 per cent of the delivery/abortion/medical termination cases having two or more living issues. The performance of the PPCs of the State relating to the direct acceptors during the period 1995-96 to 1998-99 is indicated in Appendix XXII. Audit scrutiny revealed that the number of direct acceptors of sterilisation fell short of the target and the performance declined from 45.16 per cent in 1995-96 to 40.60 per cent in 1998-99. The Additional Director of Health Services, Family Welfare, Pune stated (October 1999) that the shortfall was due to stringent target fixed for sterilisation of those having two or more living issues instead of those having three and more children.

3.2.8.2 *Establishment of referral linkage*

A Trained Female Health Worker is required to visit women referred by every week during the antenatal, natal and post natal period for follow-up and update their records and inform the concerned centre for advice and treatment. To ensure proper functioning of follow-up system, State Government was required to maintain cards in three different colours at the PHCs. However, in none of the test-checked districts the system was in operation. In reply the SFWB stated (September 2000) that the State was not aware of the scheme, hence it was not introduced in the State.

Excess payment of Rs 25.82 lakh in sterilisation bed scheme

3.2.9 *Sterilisation Bed Scheme*

With a view to provide immediate facilities for sterilisation operations in the hospitals run by Local Bodies (LB) and Voluntary Organisations (VO), a scheme of reservation of beds was introduced in 1964. A maintenance grant on the basis of the number of tubectomies performed per bed per annum was admissible to the LB/VO who provided the beds. Audit scrutiny revealed that as against Rs 40.35 lakh payable to VO/LB based on the number of tubectomies performed Rs 66.17 lakh was paid as grant. This resulted in excess payment of Rs 25.82 lakh to VO/LB. The Additional Director, Health Services, MCH and SH, Pune stated (May 2000) that the expenditure was booked on the basis of budget provision approved by the Government and the claims were submitted to the GOI for reimbursement. The reply was not tenable as payment was to be regulated as per number of tubectomies performed per bed.

3.2.10 Compensation to acceptors

Release of Rs 1.34 crore in excess of admissible compensation payable to acceptors

The scheme of providing cash incentives to the acceptors of sterilisation and IUD has been in existence in the State. Scrutiny of information provided by the SFWB revealed that the amount released to ZPs for payment to acceptors was in excess of the admissible expenditure by Rs 1.34 crore as shown in Appendix XXIII. Reasons for the excess payments were attributed by the SFWB (September 2000) to pending assessment of the grants paid to ZPs and stated that amount due would be recovered at the time of assessment.

It was observed by the ORG-MARG that only about half of the acceptors (52 per cent) reported the receipt of cash incentives and also a very small proportion (5 per cent) reported receipt of incentives in kind. The amount received appeared to be slightly lower (Rs 125) than the incentive money allocated by the Government (Rs 145).

3.2.11 Maternal and Child Health Services

During the Fourth Five Year Plan, MCH services were recognised as an integral part of the programme. As a Prophylactic measure, mothers having Nutritional Anaemia (PANA-M), acceptors of family planning and children in the age group of 1-5 years (PANA-C) were to be given Iron and Folic Acid (IFA) for a period of 100 days.

At the State level, the achievement of PANA-M and PANA-C during the year 1995-96 to 1998-99 was 69 per cent to 97 per cent. The SFWB attributed in September 2000 the low performance in the case of PANA-M to the non-supply of IFA tablets by GOI in the year 1996-97 and 1997-98. In 7 test-checked districts, the performance of coverage with reference to the target ranged from 41 to 117 per cent in case of PANA-M and 56 to 157 per cent in case of PANA-C which indicated that the distribution of the available stock was uneven.

3.2.12 Information, Education and Communication

The State Information, Education and Communication (IEC) Bureau set-up in July 1996 was responsible for monitoring IEC strategy focussed on Community Participation through Mahila Swasthya Sangh (MSS), Nehru Yuvak Kendra and different Mass Media Activities. Review of the performance of IEC disclosed the following:

3.2.12.1 As against a grant of Rs 345.93 lakh provided for media activities, an expenditure of only Rs 264.91 lakh was incurred during 1995-96 to 1998-99. SFWB stated (September 2000) that due to delay in sanctioning of annual action plan by GOI, it was not possible to utilise the entire grant provided.

3.2.12.2 An amount of Rs 20.95 lakh meant for training and procurement of software was utilised by the Bureau for publicity of Pulse

Polio Immunisation programme. The reason for using the amount for the purpose other than the intended purpose was awaited (June 2000).

3.2.12.3 In Pulse Polio Campaign (PPC), Jalgaon, one 16 mm projector alongwith screen and 15 films were not utilised for the last 7 to 8 years due to non-posting of a projectionist.

3.2.13 *Mahila Swasthya Sangh*

With a view to strengthen the position of the Auxiliary Nurse Midwives and to generate demand for health services based on the understanding and the awareness of different health programmes available it was decided to constitute MSS in all villages having more than 1000 population or 200 households in the poorly performing districts.

Each MSS is entitled to receive central assistance of Rs 1200 *per annum*. Audit scrutiny revealed that there was an unspent balance of Rs 80.70 lakh during the period 1995-96 to 1998-99. It was stated by SFWB in September 2000 that unspent balances remained with the respective ZP pending finalisation of the assessment. There were practically no increase in the number of MSS and there were savings every year, which indicated inadequate involvement of the rural groups in this programme (October 2000).

The matter was referred to Government (July 2000); reply had not been received (December 2000).

REVENUE AND FORESTS DEPARTMENT

3.3 Maharashtra Emergency Earthquake Rehabilitation Programme

3.3.1 Highlights

Maharashtra State suffered a massive earthquake on 30 September 1993, causing heavy losses of lives and property. The State Government implemented a comprehensive programme for rehabilitation and resettlement of affected people and villages. An amount of Rs 1216.04 crore was spent for this purpose during October 1993 to March 2000. By and large the physical targets like relocation of villages, construction of public amenities and other infrastructure, rectification of damaged bridges, roads etc. were achieved. There were however, deficiencies in the formulation and implementation, cases of avoidable infructuous expenditure and large scale under utilisation of infrastructure.

Houses constructed in relocated villages are still vulnerable to future earthquakes.

(Paragraph 3.3.7.1)

Delay of two years in construction of 989 houses in village Madaj resulted in blocking of Government money of Rs 3.75 crore and denial of benefits to beneficiaries.

(Paragraph 3.3.7.2)

Ninety-nine out of 208 houses constructed at a cost of Rs 97.93 lakh in village Sarni of Latur district remained unallotted till March 2000.

(Paragraph 3.3.7.3)

475 model houses built at a cost of Rs 5.71 crore could not serve as a role model to others because of inordinate delay in construction.

(Paragraph 3.3.7.4)

Construction of houses in villages Killari and Naichakur on the basis of provisional list of beneficiaries resulted reduction in scope of the work and extra payment of compensation of Rs 24.97 lakh.

(Paragraph 3.3.7.5)

Payment of compensation of Rs 20.60 lakh to the contractor on account of heavy rains lacked any justification.

(Paragraph 3.3.7.6)

Avoidable expenditure of Rs. 51.35 lakh was incurred on payment of compensation to the contractor due to award of work without site in possession.

(Paragraph 3.3.7.7)

Construction of 1297 houses with more built up area than prescribed by Government resulted in extra expenditure of Rs 1.28 crore.

(Paragraph 3.3.7.8)

The faulty survey and estimate for water supply scheme resulted in infructuous expenditure of Rs 1.42 crore.

(Paragraph 3.3.7.9)

Construction of entrance gates in relocated villages without any justification resulted in avoidable expenditure of Rs 76.07 lakh.

(Paragraph 3.3.7.10)

Twenty eight anganwadis constructed in Nilanga of Latur district were not put to use resulting in unfruitful expenditure of Rs 40.88 lakh. Infrastructure created at the cost of Rs 1.09 crore to rehabilitate the vulnerable group of widows and women were underutilised. The Home for Handicapped Persons constructed at the cost of Rs 53.70 lakh at village Sastur in Osmanabad district was not put to use for more than two years.

(Paragraphs 3.3.8.1, 3.3.8.2 and 3.3.8.4)

3.3.2 Introduction

On 30 September 1993, Maharashtra State suffered a massive earthquake causing heavy losses of lives and property in Latur, Osmanabad and other districts of the State. As a relief and rehabilitation measure, Government undertook the Maharashtra Emergency Earthquake Rehabilitation Programme (MEERP) from October 1993 with the primary objective of comprehensive and satisfactory settlement and rehabilitation of affected people and villages. To achieve this, Government *inter alia* undertook (i) rescue and relief operations in the aftermath of earthquake; (ii) relocation of the affected villages and construction of houses in the relocated villages; (iii) reconstruction *in situ* of the damaged houses; (iv) construction of model houses to demonstrate low cost earthquake resistant building techniques; (v) repair, reconstruction and strengthening of bridges, roads, irrigation structures, minor dams, public buildings, schools, historic monuments etc.,

- (vi) reconstruction and development of hostels, ashram schools, old people homes, houses for handicapped, community centres, anganwadis etc. and
- (vii) setting up of a disaster management system.

3.3.3 *Organisational set up*

At the State level, the Cabinet subcommittee under the Chairmanship of the Chief Minister framed the policy and provided guidance. A Central Implementation Group (CIG) under the Chairmanship of the Chief Secretary was set up for monitoring the progress. A Programme Management Unit (PMU) with overall responsibility for implementing the programme was headed by the Secretary and Special Commissioner, Earthquake Rehabilitation. The PMU was assisted by programme management consultants engaged from outside the Government. At District level, (i) District Committee under the Chairmanship of a Minister for programme guidance, (ii) Executive Committee under the Chairmanship of the District Collector to co-ordinate the various agencies and (iii) Field units of the PMU and at the village level, committees consisting of Sarpanch of the village panchayat, Talathi and the representative of women and backward classes were set up for implementation, monitoring and co-ordination.

3.3.4 *Audit coverage*

The programme implemented during October 1993 to September 1999 was reviewed between November 1999 and May 2000 by test-check of the records of Secretary and Special Commissioner, Earthquake Rehabilitation Cell in Mantralaya, Collector¹⁰, District Social Welfare Officers¹⁰, District Women and Child Welfare Officers¹⁰, Deputy Chief Executive Officers (Child Development), Zilla Parishad¹⁰ and Executive Engineer, Integrated (EQR), Unit-IV, Latur.

3.3.5 *Targets and achievements*

Physical targets fixed and achievements *vis-a-vis* various activities in all the affected districts as of September 1999 are shown in Appendix XXIV. By and large, though the various physical targets were achieved, there were deficiencies in the formulation and implementation of the various projects, cases of avoidable/infructuous expenditure and large scale underutilisation of infrastructure which are discussed in the succeeding paragraphs.

3.3.6 *Project finance and expenditure*

Sixty two *per cent* of the programme cost was funded by the World Bank in the form of loan, 27 *per cent* by the State Government and the rest by donors. As against a budget provision of Rs 1229.83 crore, an expenditure of Rs 1216.04 crore was incurred during 1993-94 to 1999-2000 leaving a small

¹⁰ Latur and Osmanabad

saving of Rs 13.79 crore. Major amount was spent towards construction of houses and development of infrastructures in the relocated villages.

3.3.7 *Housing and infrastructure development*

The housing component includes construction of model houses, amenity buildings¹¹ and houses with internal roads and drainage systems at the 52 relocated villages besides repairs and strengthening of the partially damaged houses. The housing and infrastructure activities estimated to cost Rs 766.70 crore in 1993-94 were revised to Rs 1071.70 crore in July 1998 and Rs 1090.70 crore in June 1999. As against this, the expenditure as of December 1999 was Rs 1096.60 crore. The reasons for escalation in the cost of the work are discussed in subsequent paragraphs.

3.3.7.1 *Vulnerability of the houses to subsequent earthquake*

Houses constructed in relocated villages are still vulnerable to future earthquakes

In the wake of earthquake of 6.4 magnitude on Richter Scale which occurred in Latur and Osmanabad districts on 30 September 1993, the Government in its policy paper of March 1994 laid down that all new constructions should incorporate earthquake safety measures appropriate to the seismic zones. Three consultants engaged to design the houses constructed in the relocated villages, in their final reports submitted to Government in December 1998, January 1999 and March 1999 assured that the houses and other structures constructed under the scheme were designed to withstand earthquake of 7.5 magnitude on Richter Scale. However, Commissioner, Aurangabad division reported (June 2000) to the Government that an earthquake of 4.8 Richter scale occurred on 19 June 2000 caused damages/cracks to the houses constructed in relocated villages of the above two districts. The damages to the houses were also highlighted by the Press. Even in an earlier minor earthquake structural cracks to new houses were noticed. However, Government did not furnish the details of actually damaged/cracked houses (November 2000). Thus, the houses though constructed to withstand earthquake of magnitude 7.5 on Richter scale were not able to withstand an earthquake of lower intensity of 4.8 on the Richter scale and are still vulnerable to future earthquakes.

Government (November 2000) stated that no building can be constructed as earthquake proof and there were only minor cracks to the houses. The reply was not tenable since according to the Manual of Earthquake Resistant Construction and Seismic Strengthening published by Government in 1998, a building designed according to the seismic standard should be able to resist minor level of earthquake ground motion without any damage to the houses.

3.3.7.2 *Delay in construction of houses*

In Madaj village of Osmanabad district, the construction of 989 houses entrusted to M/s Unique Services Trust, Latur in May 1998 at an estimated

¹¹ Comprises offices, school buildings, health centres etc.

cost of Rs 6.72 crore was scheduled to be completed by November 1998. However, the work was not completed till March 2000. An amount of Rs 3.75 crore had been paid to the contractor till March 2000. The Collector, Osmanabad referred (February 2000) the issue to the Government for permission to withdraw the work from the contractor which was still awaited. On this being pointed out, the Government replied (November 2000) that due to passage of time, the cost of construction had increased and new contractor would not agree to carry out the work at old rate. The work had therefore not been withdrawn. Thus, due to delay in taking decision by the Government, the work was still incomplete and 989 beneficiaries had been denied of the benefits for nearly 2 years.

3.3.7.3 *Non-handing over of houses*

Government stipulated that construction of houses should be taken up after ensuring the participation and concurrence of the community and beneficiaries. The selection of site, layout and design of houses etc. were to be made in consultation with the Village Level Committee (VLC). In the village Sarni of Latur district, 99 out of the 208 houses remained unallotted till March 2000, as the beneficiaries refused to accept the relocated site on the ground that the relocated site was far away from their agricultural land. To an audit enquiry, the Collector, Latur stated in October 1999 that the site was selected in consultation with the beneficiaries. He, however, did not produce any record confirming the approval of selection of the site of the relocated village by the VLC. An expenditure of Rs 97.93 lakh on construction of these unoccupied houses had thus become blocked besides denial of the facilities to the beneficiaries. The Government (November 2000) stated that the site was initially approved by the beneficiaries, however, they refused to accept the site later on and the houses constructed therefore remained unoccupied.

3.3.7.4 *Delay in construction of model houses*

Inordinate delay in construction of model houses at a cost of Rs 5.71 crore deprived the benefit of utilising the seismic proof techniques by 1.23 lakh beneficiaries

The rehabilitation programme envisaged construction of 475 model houses using cost efficient building techniques with local material and earthquake resistant features at an estimated cost of Rs 5 crore. The model houses after completion were planned to be used for offices and other public purposes under the project. The construction of model houses was to be completed by May 1995. However, the construction was not completed within the stipulated period due to delay in the finalisation of the plan and was completed at a cost of Rs 5.71 crore in June 1997. As a result, 1.23 lakh out of 1.99 lakh beneficiaries who constructed/repared their houses before June 1997 could not take advantage of the construction techniques adopted in the model houses. The Government in its reply (November 2000) stated that construction of model houses was basically designed to demonstrate earthquake resistant technology to villagers so that they can adopt the technology utilised in model houses for future construction and does not relate to the then ongoing repairs and strengthening of damaged houses under MEERP. The reply was not tenable since the consultant appointed by the Government (December 1998) and by the World Bank (January 1999) have reported that the delay in the construction of model houses affected the purpose for which they were

constructed. Thus, expenditure of Rs 5.71 crore incurred on construction of model houses has not served the intended purpose.

3.3.7.5 *Extra expenditure due to reduction in scope of work.*

The construction of 550 and 1128 houses at villages Killari in Latur district and Naichakur in Osmanabad district respectively was awarded to three contractors in July 1994 and December 1995. Owing to revision of the list of beneficiaries by the Collectors of Latur and Osmanabad (April 1995 and March 1996), the number of houses to be constructed was reduced to 336 and 753 houses respectively. As a result, the contractors claimed a compensation of Rs 1.67 crore on account of idle labour, machinery etc. against which Rs 24.97 lakh were paid during 1998-99 to 1999-2000. The Government stated (November 2000) that the list of beneficiaries was not ready at the time of commencement of the work and only provisional figures were considered, as it was not possible to wait for identification of beneficiaries on the basis of census records, grampanchayats register, ration cards, property cards etc. Thus, due to finalisation of the contracts only on the basis of provisional figures, the Department had to incur an extra expenditure of Rs 24.97 lakh.

3.3.7.6 *Unjustified payment of compensation*

During December 1997 to October 1998, five contractors claimed a compensation of Rs 175.83 lakh on the ground that there were heavy unseasonal rains from April to November 1996. Against this claim, the Consultant and the Executive Engineers¹² recommended a compensation of Rs 23.11 lakh to the Superintending Engineer (SE), Earthquake Circle, Latur. While forwarding the claim to the Government, the SE did not find any justification and stated that the contract covered periods of seasonal, unseasonal or unprecedented rains. In spite of this, the Government sanctioned (December 1998) a compensation of Rs 20.60 lakh which was paid to contractors between December 1998 and October 1999. Government stated (November 2000) that the compensation was sanctioned on the ground that the sites were located in black cotton soil areas and there were heavy rains in the month of September 1996. The reply was not tenable as the contractors had quoted their rates after getting fully acquainted with the site conditions and the rainfall during April to November 1996 ranged from 6.80 mm to 20.36 mm only. This indicated that there was no abnormal rains during the above period. No such claim from other contractors on this account had been received and entertained by other divisions. Thus, the payment of compensation was not justified.

Finalisation of contracts on the basis of provisional figures of beneficiaries resulted in extra expenditure of Rs 24.97 lakh

Acceptance of claim by Government, not recommended by SE resulted in unjustified payment of Rs 20.60 lakh to contractors

¹² Executive Engineer, Integrated Unit (EQR), Osmanabad (I), Nilanga (III), Omarga (III)

3.3.7.7 Avoidable payment of compensation

The hasty action in awarding the additional/incremental works to contractors before completion of original works by donors has resulted in avoidable expenditure of Rs 51.35 lakh

The Incremental work¹³ of construction of houses and amenity buildings at village Haregaon in Latur district was entrusted to a contractor at the tendered cost of Rs 2.02 crore. Though the work was awarded in February 1995, the site could not be handed over to the contractor as the donor had not completed the work. The site was handed over to the contractor after a delay of 82 days. The contractor, therefore, demanded a compensation of Rs 2.51 crore in April 1998 as idle charges under the provision of agreement, against which an amount of Rs 22.19 lakh was paid in August 1998. Similarly, the construction of houses at village Malkondji in Latur district was entrusted in February 1995 to another contractor at a tendered cost of Rs 2.16 crore. Due to delay in handing over of the site by the donor, the commencement of work was delayed by 32 weeks. As a result, the Department paid (March 1998) a compensation of Rs 29.16 lakh as idle charges. Thus, hasty action on the part of the Chief Engineer (CE) to award the work before completion of work by donors resulted in avoidable expenditure of Rs 51.35 lakh.

3.3.7.8 Avoidable expenditure

Arbitrary construction of houses by the NGO more than the prescribed area has resulted into avoidable expenditure of Rs 1.28 crore alongwith discrimination amongst the beneficiaries

Construction of 574 houses of different built up areas in Killari village was awarded to Unique Service Trust, Latur, a Non-Government Organisation (NGO) between November 1997 and September 1998. According to the Memorandum of Understanding (MoU), 289 A type houses with built up area of 299 sq. feet, 238 B type houses of 446 sq. feet and 47 C type houses of 858 sq. feet were to be constructed by the NGO and payment was to be made at the rate of Rs 240 per sq. foot. The NGO, however, constructed 572 houses with built up area more than those mentioned in the MoU without obtaining Government permission. Instead of restricting the payment to built up area as mentioned in the MoU, the Government approved (March 1999) *post facto* payment for the actual area (A type house 312.79 sq. feet, B type house 537.51 sq. feet and C type house 921.48 sq. feet) constructed by NGO. This resulted in extra cost of Rs 68.55 lakh, out of which Rs 56.74 lakh had already been paid between March 1999 and March 2000. Similarly, construction of 723 B type houses in six¹⁴ other relocated villages was entrusted to two¹⁵ NGOs. As per the MoU made with the NGOs, construction was to be limited to built up area of 446 sq. feet per house. It was, however, noticed that the houses were constructed with built up area ranging from 491.70 to 557.58 sq. feet. The Government approved (August 1999) *post facto* payment restricting payment to built up area of 480 sq. feet per house. This resulted in extra cost of Rs 58.99 lakh. In case of houses constructed in Killari village, Government stated (November 2000) that the houses were constructed with increased area based on the existing houses of Killari already constructed by contractors with consultant's design and the B type houses in other six villages were constructed with increased area was due to technical requirement. The reply

¹³ Incremental house (work) is the house with 400/750 sq. ft. carpet area built by the Government beyond 250 sq. ft. built by donor.

¹⁴ Kaldev Nimbala, Kawtha, Makni, Narangwadi (Wadi), Salegaon and Tavshigad.

¹⁵ Unique Service Trust and Lions Club, Latur

was not tenable, since the extra expenditure was due to non-enforcement of MoU provisions by the Government.

3.3.7.9 *Infructuous expenditure*

Incorrect survey and estimate for laying the pipelines in 52 villages resulted in infructuous expenditure of Rs 1.42 crore

Water supply scheme for the 52 relocated villages and five other villages in Latur and Osmanabad districts at an estimated cost of Rs 39.06 crore was approved by the Government in September 1994. On completion, the schemes were to be maintained by the Zilla Parishads (ZPs). The works were completed in June 1998 at a cost of Rs 44.27 crore including the cost of Rs 1.42 crore for providing and laying of Asbestos Cement (AC) pipes. The ZPs, however, expressed their reluctance to take over the scheme for maintenance due to frequent failure of the distribution system. Audit scrutiny revealed that the scheme could not be commissioned due to provision of AC pipes which was not ideal for use in black cotton soil, non-provision of bedding and boxing to the AC pipe lines, poor quality of pipes, incorrect sequencing of the pipe lines and incorrect alignment, etc. The Chief Engineer, Maharashtra Jeevan Pradikaran, Aurangabad in October 1998 proposed replacement of the AC pipes by ductile iron pipes in 26.25 kilometres which was completed by spending Rs 4.44 crore (April 2000). On the avoidable expenditure on replacement of AC pipes being pointed out, the Executive Engineer, Maharashtra Jeevan Pradikaran, Latur stated (May 2000) that due to faulty survey and estimates, the AC pipe lines were provided which were subsequently required to be changed. Thus, failure to prepare correct estimates resulted in infructuous expenditure of Rs 1.42 crore.

3.3.7.10 *Avoidable expenditure on construction of entrance gates*

Construction of entrance gates in relocated villages without any provision in policy of Government has resulted in avoidable expenditure of Rs 76.07 lakh

As per the policy paper published by the Government in March 1994, every resettlement site/ village must have basic infrastructure viz access road, internal roads, water supply, storm water drainage, power distribution and streetlights. Though there was no provision for entrance gates in Government policy paper, the Department erected 42 village gates at a cost of Rs 76.07 lakh during 1997 to 2000. The proposal for the work initially rejected by the Government in December 1997 was later on ratified in August 1998. The Government (November 2000) while accepting audit observation stated that as the donors had constructed the entrance gate in some of their adopted villages, the demand of other villagers had also been fulfilled on same footing. The reply was not tenable since donors constructed gates for their own publicity. Incurring of huge expenditure on the erection of gates by Government did not serve any useful purpose and was therefore not justifiable.

3.3.7.11 *Extra cost on providing Shahabad stone flooring*

Non-provision of Shahabad stone flooring in original estimate for houses in Killari village resulted in extra cost of Rs 15.20 lakh

As per the estimates, the relocated villages were to have murum flooring. A test-check in audit revealed (February 2000), that in the houses constructed as package IV at Killari village, 21466 sq. metre Shahabad stone flooring was provided and paid at Rs 30.56 lakh as an extra item. Had the item been provided in the original estimate as a regular item of work, the work could have been completed at a cost of Rs 22.62 lakh. This resulted in extra cost of

Rs 6.09 lakh excluding cost of escalation. Similarly, 32433 sq.metre flooring in remaining three packages at Killari were subsequently provided with Shahabad stone flooring which involved extra cost of Rs 9.11 lakh.

Government in November 2000 stated that provision for Shahabad stone flooring was only made in 1995 after World Bank approval on the demand of the villagers as donors had provided Shahabad flooring to the houses built by them. By that time the work had already started, hence the item was included as an extra item. Government, further, stated that to restrict the cost norm within ceiling limit, murum flooring was included in the original estimate. The reply was not tenable in view of the fact that even temporary sheds constructed as transit shelters for affected persons were provided with Shahabad flooring. Thus, the non-provision of Shahabad flooring to permanent houses in original estimate was inappropriate. Failure to anticipate the requirement and to make provision in the original estimate resulted in extra cost of Rs 15.20 lakh.

3.3.8 *Social rehabilitation*

3.3.8.1 *Non-utilisation of the anganwadis*

As a part of social rehabilitation of the affected persons, 1140 anganwadis constructed through the PMU were handed over to the Department of Women and Child Welfare (WCD) between October 1997 and April 1998 for their utilisation. However, it was noticed (February 2000) in audit that in Nilanga taluka of Latur district, 28 anganwadis were not put to any use due to construction of 5 anganwadis in excess of sanctioned number of anganwadis in 4 villages and 23 anganwadis were constructed at places far away from villages. Further, the WCD was not consulted before taking up construction of the anganwadis. Non-co-ordination between the two Government agencies viz. PMU and WCD resulted in unfruitful expenditure of Rs 40.88 lakh on construction of these unused anganwadis. Reply from Government had not been received (December 2000).

3.3.8.2 *Underperformance of the community centres for women*

With a view to rehabilitate the vulnerable groups of widows and women, special infrastructure such as community centres for women (Centres) had been created in each of the 52 relocated villages of Latur (27) and Osmanabad (25) District at a total cost of Rs 1.09 crore. In August 1998 the WCD handed over these Centres to the NGOs. The NGOs were provided with non-recurring grant of Rs 6400 and recurring grant of Rs 3700 per month per centre. Audit scrutiny disclosed that the Government did not fix any parameters to assess the performance of the NGO. Out of the 52 Centres, 10 Centres in Osmanabad district were closed down (March 2000) as they were not functioning and the Government withdrew the Centres from the NGOs. In Latur district, 7 Centres were not functioning and the WCD had called for explanation of the NGOs. When audit inspected seven out of remaining Centres in Latur district in January 2000 along with the concerned WCD Officer, it was found that four Centres remained closed, in one Centre only the employee of the NGO was

present and in the remaining two Centres only tailoring activities were being performed by 1 to 3 beneficiaries. During inspection of 9 Centres in Osmanabad district, it was found (March 2000) that in 6 Centres no activity was carried out and in 3 Centres only tailoring activities were being carried out by engaging 1 to 3 sewing machines. Thus, the absence of parameters to assess the performance of the Centres, non-maintenance of details of the activities carried out by the Centres and poor monitoring etc. indicated the defective formulation of the scheme which ultimately resulted in large scale underutilisation of the facility created at the cost of Rs 1.09 crore and unfruitful expenditure incurred on the grants disbursed to these centres. Reply from Government had not been received (December 2000).

3.3.8.3 *Underperformance of old age home*

To give shelter to old age people of the affected area, the Government sanctioned (March 1995) an old age home at Killari in Latur district. The old age home constructed at a cost of Rs 14.20 lakh was handed over to a NGO in October 1998. The functioning of this home was supervised by the District Social Welfare Officer (DSWO), Latur. Scrutiny of the record and physical inspection of the home by audit in January 2000 revealed that, the old age home was formally handed over to the NGO in October 1998 without executing any agreement. No inhouse facilities like medical treatment, cots and almirahts etc. were provided to the inmates. As per six inspections carried out by the DSWO during November 1996 to January 2000, the number of inmates admitted to the centre ranged from 4 to 22. During physical inspection carried out by audit in January 2000, only 4 inmates were present against the available capacity of 50. On the reasons for poor performance of the old age home being enquired, the DSWO, Latur stated (January 2000) that out of 11 sanctioned old age homes in the Latur district, 4 homes had already been closed down and that the concept of admitting the old people in the old age home was not acceptable to the rural people. The reply and poor utilisation of the old age home at Killari indicated the casual approach in planning and ineffective monitoring of functioning of the home. Reply from Government had not been received (December 2000).

3.3.8.4 *Idle investment on the home for handicapped*

Home for handicapped persons at Sastur, District Osmanabad sanctioned in March 1995 and constructed at a cost of Rs 53.70 lakh was handed over to the DSWO, Osmanabad in June 1998. The scrutiny of record of the DSWO, Osmanabad revealed that the premises was not handed over to any NGO till March 2000 for the establishment of the home for want of Government approval. Simultaneously, the Social Welfare Department had sanctioned (March 2000) rent of Rs 0.73 lakh for 9 months (July 1998 to March 1999) to an NGO for running a Centre for handicapped persons in hired accommodation. On the non-utilisation of the home for handicapped being pointed out, the Government stated (June 2000) that the matter was pending with the CIG. Thus, non utilisation of the premises resulted in idle investment of Rs 53.70 lakh for over 2 years, besides the recurring expenditure of Rs 0.98 lakh per year being spent on hiring of alternate accommodation.

3.3.9 Disaster management plan

Preparation of a Disaster Management Plan (DMP) was one of the objectives of the MEERP. The DMP included activities like (i) setting up of a Communication Network, (ii) setting up of Emergency Operation Centre (EOC) in Mantralaya and District Control Rooms (DCRs) at the Headquarters of all the Districts and (iii) creation of a Disaster Management Information System (DMIS). As against a provision of Rs 34.25 crore earmarked for this purpose, Rs 31.12 crore was spent by January 2000 and the facilities had been created.

A scrutiny of records in the offices of the Collector, Latur and Osmanabad and in Earthquake Rehabilitation Cell, Revenue and Forest Department, Mantralaya, Mumbai to ascertain implementation of the DMP revealed the following:

3.3.9.1 One of the normal time activity of the DCR working in the offices of the District Collectors is to ensure that all warnings, communication systems and equipment are in working condition. However, it was observed that no trials or tests were being conducted to ensure functioning of these facilities. Therefore, the risk of failure of these facilities at the time of a disaster could not be ruled out. Government stated (November 2000) that the system was under warranty till March 2001 and failure if any, would be the responsibility of the supplier firm and that the Government was analysing the modalities of annual maintenance contract after the warranty period. The reply was not tenable even the supplier firm was not conducting any regular trials and tests to ensure functioning of the equipment at all times.

3.3.9.2 A Geographical Information System based DMIS had been developed with the intention of using it for risk analysis and vulnerability assessment from the existing information on past disasters etc. and also for organising response operations in the event of future disasters. A test-check of the system in Latur and Osmanabad districts revealed that : (a) the data already compiled as of March 2000 was incomplete. In reply, Government stated (November 2000) that the updating of the data was a chronological aspect that involved a huge task and the compilation of the data was going on from time to time with interaction from nodal officers, (b) to ensure correctness of the database, the data entered in the system was not validated by the department at any stage. On this being pointed out, the Collector, Latur stated (April 2000) that the data would be validated. Government stated (November 2000) that the software installed in the control room was capable of updating and storing the attribute data. The reply was, however, not acceptable as the correctness of data was not ensured at any stage and (c) the department was not following the practice of taking backup of the system and the data. In reply, Government stated (November 2000) that one set of backup was already stored in the media. The reply was not tenable as the backup of the data was not available with Collector, Osmanabad and there was no provision for regeneration of data in times of urgency.

The above points indicated that in times of emergency the DMIS may prove to be deficient on account of data invalidation and incompleteness and system unreliability.

3.3.9.3 It was observed that the system lacked adequate security, physical as well as logical. There were no staff vetting procedures and password procedures for using the system. No directive guidelines on security procedures to be followed were issued or included in any of the manuals/documents. In the absence of such controls, the system was prone to the risks of theft, fire, hacking, viruses, misuse etc. On this being pointed out, the Collectors admitted the facts. Government stated (November 2000) that the control room was manned in shifts by officials posted in rotation and hence password was not used for convenience of the officers. It was further stated that the passwords would be used when the system was fully in practice. The reply was not tenable as the Information Technology security standards to be followed were neither defined by Government nor documented and circulated amongst staff members.

SECTION - B

PARAGRAPHS

SECTION-B

PARAGRAPHS

**AGRICULTURE, ANIMAL HUSBANDRY, DAIRY
DEVELOPMENT AND FISHERIES DEPARTMENT**

3.4 Unproductive expenditure on prawn seed production hatchery

Inordinate delay in taking action on modernisation proposals for the prawn seed production hatchery resulted in establishment expenditure of Rs 68.65 lakh incurred during 1994-95 to 1998-99, largely unproductive.

Mention was made in para 3.1.9.2 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1992, No. 1 (Civil) regarding the unsatisfactory functioning of the prawn seed production hatchery (hatchery) at Bada Pokhran, District Thane, rendering the capital investment of Rs 60.91 lakh largely unproductive. The Estimates Committee in its Report for the year 1992-93 had also recommended that urgent improvement measures be taken to increase production in the hatchery. No serious efforts were, however, made at Government level to increase the efficiency of the hatchery as revealed during audit scrutiny. The details are as under :

The low yield of prawn seeds was attributed to certain technical problems viz. non-availability of adequate spawners, required clear sea water, and adequate fresh water, salinity of sea water etc. In order to tackle these problems and increase the efficiency of the hatchery, the Commissioner of Fisheries, Mumbai, submitted three proposals to the Government between April 1993 and June 1993 for purchase of filtration unit, modernisation of hatchery and running the hatchery with private participation etc. In turn, Government appointed (August 1993) a consultant to scrutinise these proposals. The consultant submitted his preliminary report (November 1993) recommending several short term and long term measures to improve the production of prawn seeds at the hatchery. The final report had not been submitted so far (August 2000).

The Commissionerate took up the issue of revival of the hatchery with Government in June 1994; Government, however, did not take any action thereon.

In January 1999, the Commissionerate, alerting the Government about the deteriorating condition of the hatchery, once again proposed several measures to increase production at the hatchery. As an alternative, the Commissionerate suggested permitting private sector to run the hatchery or close it down

temporarily to avoid recurring annual expenditure of Rs 12 lakh. Government has not taken any action in the matter so far (January 2000).

Meanwhile, the hatchery incurred an expenditure of Rs 68.65 lakh on establishment for production of prawn seeds during five years from 1994-95 to 1998-99; the returns during the corresponding period were only Rs 3.35 lakh.

Considering the huge capital investment on the hatchery, which was largely unproductive, the viability of the project without initiating immediate steps to improve the production of prawn seeds, remains uncertain; Government's continued inaction would only result in further losses being incurred.

The Government stated (February 2000) that the matter could not be decided due to the complex nature of the case involving various inter-linked components and high cost factor. They further added that the various proposals including those of the consultant were under the active consideration of the Government but they could not arrive at a definite decision in the matter yet because of the complex nature of the case.

3.5 Unproductive expenditure on idle boats

Delays at the Fisheries Training Centres in submitting proposals for write-off/repairs of the fishing boats and delays by the Commissioner to act on these proposals rendered expenditure of Rs 26.30 lakh on the maintenance, repairs and watch and ward of the boats unproductive.

In order to impart training in fishing to young fishermen, six Fisheries Training Centres (FTCs) were established in the State between 1955 and 1983 and provided with a boat each.

Scrutiny of records of the Commissionerate of Fisheries in October 1999 revealed that the boats at four FTCs were out of order and were lying idle for periods ranging from three to eight years as per the following details :

Fisheries Training Centres at	Vasai, Thane	Ratnagiri	Versova, Mumbai	Malwan, Sindhudurg
Cost of the boat (Rupees in lakh)	2.15	2.00	1.84	12.20
Month/ Year of purchase	January 1981	1981	October 1981	May 1993
Date from which the boat is out of order/ lying idle	29 April 1993	23 December 1993	21 April 1997	1 May 1994

Fisheries Training Centres at	Vasai, Thane	Ratnagiri	Versova, Mumbai	Malwan, Sindhudurg
Expenditure on repairs, maintenance/ insurance after the boat became idle (Rupees in lakh)	4.07/ 0.49	0.80	0.08/ 0.44	0.32
Expenditure on idle staff (Rupees in lakh)	6.42	5.66	4.09	3.93

The above table shows that a sum of Rs 20.10 lakh was incurred by the four FTCs on watch and ward of the idle boats as pay and allowances of the loftman-cum-watchman and shore attendant and Rs 6.20 lakh on repairs, maintenance and insurance upto March 2000. The records further revealed that:

- (i) The FTC, Vasai incurred expenditure of Rs 2.44 lakh during 1994-95 on major repairs of the boat; but the boat could not be used thereafter. A proposal for write-off of the boat was submitted belatedly after five years in December 1998, but sanction had not been accorded as of March 2000.
- (ii) Though the defects of the boat at Malwan were noticed within one year of its purchase, no action other than forfeiture of the security deposit from the supplier was taken by the Fisheries Training Officer.
- (iii) The boat at Ratnagiri was proposed for write-off in February 2000. Proposals for major repairs for the boats at Versova and Malwan were awaiting sanction.

Thus, delays at the FTCs in submitting proposals for repairs/write-off, and delays by the Commissioner in taking action on the proposals submitted by the four FTCs rendered expenditure of Rs 6.20 lakh on their maintenance and repairs and Rs 20.10 lakh on watch and ward unproductive besides defeating the objective of setting up of the FTCs. The expenditure of Rs 12.20 lakh on purchase of the boat for the FTC, Malwan was also largely unproductive as the boat could be used only for a period of one year. It was observed that in addition to theoretical training, the FTCs were imparting practical training to the fishermen through private fishing vessels free of cost.

The matter was referred to the Government (May 2000); reply had not been received (December 2000).

Employment and Self-employment Department

3.6 Unnecessary creation of a new company

Government invested Rs 5 crore as share capital in a new company for upliftment of economically backward class youth despite having a number of other corporations with the same objective. The new company failed to start operation, rendering the investment idle.

In August 1998, following a public announcement by the Chief Minister, the Government decided to set-up a company for the welfare of the economically backward youth and named it the Anna Saheb Patil Arthik Magas Vikas Mahamandal. The Government Resolution in this regard was issued in November 1998. Though four corporations set-up by the State Government were already functioning more or less with the same objectives, the Government considered their efforts to address the specific problems of the educated youth belonging to economically backward classes to be inadequate and set-up the new company.

The company was to provide financial assistance to the enterprising educated unemployed youth to help them find self employment through the following schemes viz. (i) Individual Loan Scheme subject to a maximum of Rs 25,000, (ii) Seed Fund Loan Scheme subject to a maximum of Rs 2 lakh and (iii) Joint Venture Scheme consisting of a minimum of 11 members subject to a maximum loan of Rs 25 lakh. The detailed instructions for implementing these schemes were, however, issued only in March 2000. Even before finalising the schemes to be implemented by the company, Government sanctioned (January 1999) Rs 5 crore as share capital contribution to the company against the authorised capital of Rs 50 crore. The State Government had also decided (August 1998) that the staff required for the company was to be drawn from the staff rendered surplus in the loss making corporations/ companies and the State Government offices.

However, the schemes entrusted to the company were not taken up as of November 2000 for implementation since no operational staff had been appointed. Meanwhile, Government incurred an expenditure of Rs 30 lakh on establishment of the company (stamp duty, registration fee, purchase of vehicle etc.) till March 2000. Though the staff required for the company was not to be recruited afresh and was to be appointed from the surplus staff available from the loss making corporations/companies and the State Government offices, the Department of Employment and Self Employment permitted (June and July 1999) the Chairman to recruit a personal assistant, peon and driver.

The newly established company was yet another addition to the already existing corporations which had been established for the welfare of the backward class communities and which have been rendered unviable due to huge losses as detailed below and these have not succeeded in their objectives as brought out in separate Audit Reports :

Sr. No.	Name of the Corporation	Targeted beneficiaries	Year of incorporation	Year upto which accounts finalised	Paid up share Capital	Accumulated Loss (-)/ Profit (+)
1	Lokshahir Annabhau Sathe Development Corporation Ltd.	Matang community	1985	1987-88	45.00	(-) 21.98
2	Mahatma Phule Backward Class Development Corporation Ltd.	Backward classes	1978	1986-87	699.88	(-) 260.52
3	Vasandrao Naik Vimukta Jatis and Nomadic Tribes Development Corporation Ltd	Scheduled Tribes	1984	1991-92	310.83	(-) 105.14
4	Maharashtra Rajya Itar Magas Vargiya Vitta Ani Vikas Mahamandal Ltd.	Backward classes	1999	Not yet finalised	--	--
Total					1055.71	(-) 387.64

Therefore, establishment of yet another company was superfluous as the objectives of the Annasaheb Patil Arthik Magas Vikas Mahamandal could have been achieved through any of the existing corporations. Besides, the State is also implementing several Centrally Sponsored Schemes for the benefit of unemployed rural/urban youth viz. Scheme for self employment for the Educated Unemployed Youth, Prime Ministers Rojgar Yojana and Training of Rural Youth in Self Employment (TRYSEM) etc. In any case, though detailed instructions were issued (March 2000) to the company to implement the schemes it had not started functioning since its establishment in November 1998 and consequently the staff posted (numbering 5) continued to be idle.

Thus, the Government's decision to set-up yet another company was basically flawed and resulted in unnecessary diversion of funds of Rs 5 crore towards its share capital. The revenue expenditure incurred on the staff and for other purposes would also be totally infructuous so long as the company does not start functioning.

The matter was referred to the Government (August 2000); reply had not been received (December 2000).

HOME DEPARTMENT

3.7 Injudicious procurement of articles

Hasty procurement of uniforms and articles without ascertaining establishment of a police force resulted in blocking of Government money of Rs 14.15 lakh for 1 to 6 years.

With a view to curb naxalite activities in Gadchiroli and Chandrapur districts, Government sanctioned (January 1989) establishment of 10 companies of State Reserve Police Force (SRPF Group XIII) at Gadchiroli by transferring one company each from the existing groups of SRPF stationed at various places in Maharashtra. However, due to non-availability of land and other infrastructure at Gadchiroli, the SRPF Group XIII was ordered to be temporarily accommodated (February 1993) in the premises of the SRPF Group IV at Nagpur. Out of the 10 companies, only 2 companies were moved and attached to the Group XIII at Nagpur with effect from April 1996 and the remaining companies were not moved to Nagpur due to lack of accommodation.

Audit scrutiny of records of the Commandant, SRPF Group XIII, Nagpur (August 1999) disclosed that uniforms and other articles (water bags, kit box, tiffin carriers etc.) costing Rs 20.09 lakh were received by the SRPF Group XIII from the Director General of Police, Mumbai during 1993-94 to 1998-99 and steel structures for erection of barracks costing Rs 6.28 lakh were procured from a local firm in March 1993. Uniforms and articles costing Rs 5.94 lakh only could be utilised by two companies established and uniforms and other articles and steel structures costing Rs 20.43 lakh were lying idle for a period ranging from 1 to 6 years. However, the steel structures costing Rs 6.28 lakh were transferred to another Group in March 2000.

On this being pointed out in audit (August 1999 and June 2000), the Commandant, SRPF Group XIII, Nagpur stated that the uniforms and other articles were procured on the presumption that all the 10 companies would join the Group but only 2 companies joined the Group at Nagpur. A proposal initiated in 1993 for acquisition of land for housing the Group at Nagpur had not materialised so far (June 2000) and hence there was no immediate possibility of transferring the remaining companies to Nagpur and utilisation of the idle materials.

Thus, hasty procurement of the uniforms and other articles without ensuring the availability of land and movement of the entire Group XIII to Nagpur resulted in idle investment of Rs 14.15 lakh for the period ranging from 1 to 6 years.

The matter was referred to Government (July 2000); reply had not been received (December 2000).

INDUSTRIES, ENERGY AND LABOUR DEPARTMENT

3.8 Irregular grant of incentives to an industrial unit

Grant of incentives without ensuring the recovery of incentive paid under earlier schemes, resulted in irregular grant of incentives to an industrial unit.

In order to attract setting up of industries in underdeveloped and developing areas of the State, Government has been giving incentives to industrial units since 1964 under the Package Scheme of Incentives (Scheme). The Scheme last amended in 1993 *inter alia* provides for incentives to industrial units in the form of grants, exemption from sales tax, refund of octroi etc. in case of take over and transfer by Financial Institutions in realisation of their dues. Further, the benefits are also available to new industrial units, in case operations of existing units are closed during operative period¹⁶/currency of eligibility certificate and ownership is transferred provided incentives availed under earlier schemes are repaid.

Scrutiny of records of General Manager, District Industries Centre, Parbhani (June 1999) revealed that special capital incentives of Rs 11.04 lakh in the form of grant and sales tax incentive of Rs 47.84 lakh in the form of exemption for 130 months under 1993 scheme was sanctioned (November 1998) to firm "A" on the basis of Director of Industries, Mumbai's approval (August 1997) treating the case as take over and transfer by Financial Institutions. It was further revealed that the new industrial unit was established by mere change in ownership of the existing units and old units were closed during their operative period/currency of eligibility certificate without assets being taken over by Financial Institutions. Moreover, the incentives of Rs 9.78 lakh granted to old units under earlier scheme was also not recovered. Thus, the grant of incentives without ensuring recovery of incentives granted to old units was irregular.

On this being pointed out by audit (June 1999), the Director of Industries, Mumbai (September 2000) stated that matter was under investigation and action for recovery of incentives from old units had been initiated in January 2000. The recovery had not been effected (December 2000).

The matter was referred to Government (April 2000); reply had not been received (December 2000).

¹⁶ Period allowed for manufacture of products from the date of commencement of production.

MEDICAL EDUCATION AND DRUGS DEPARTMENT

3.9 Idle investment due to non-supply of computer softwares

Non-supply of computer softwares by a firm due to faulty agreement resulted in idle investment of Rs 62.72 lakh on procurement of computer hardwares for two years.

In order to computerise the medical history and reports of the patients in the Super Speciality Hospital (SSH), Nagpur, Government approved (March 1997) procurement of computer hardwares (Rs 69.68 lakh), customised application softwares (Rs 10.00 lakh) and licensed softwares (Rs 5.70 lakh) from M/s HCL Infosystem Limited, Calcutta.

Scrutiny of records in the office of Officer on Special Duty (OSD), SSH, Nagpur (March 1999) revealed that HCL supplied the hardwares between March 1998 and April 1998 based on supply order placed in May 1997 and payment of Rs 62.72 lakh representing 90 per cent of the cost was made to the company in May 1998. The agreement executed between HCL and the OSD, SSH, Nagpur (April 1998) *inter alia* provided for payment of 90 per cent of the cost on delivery and inspection of the hardwares and did not provide for imposing any penalty for the delay or non-supply of hardwares / softwares. Installation and trial run of the software was to be completed within a period of 3 months from April 1998. The local firm appointed by the Company (October 1998) for supplying the application softwares did not supply the softwares on the ground of non-receipt of payments due to them from HCL. Though the softwares were to be supplied by July 1998, the OSD did not take any measures to get the softwares after expiry of scheduled date of supply. He issued formal notice to HCL only in March 2000.

On this being pointed out, Government stated (October 2000) that the firm had not installed the hardware completely and security deposit of Rs 2.55 lakh was being forfeited by the Department. Action regarding blacklisting of the supplier and recovery of interest and penalty due to non-fulfillment of supplies was being taken through consumer's forum.

Though the Government had stated to have taken action, the fact remains that due to absence of penalty clause in the agreement against delay or non-delivery of the softwares and inaction on the part of the OSD to get the softwares, the computer hardware received in April 1998 remained idle for over two years.

3.10 Idle investment on construction of a nurses' training centre

Due to failure to utilise a building constructed for nurses training, the building constructed at a cost of Rs 24.86 lakh remained unutilised for over 9 years.

Government in February 1985 gave approval for construction of a civil hospital at Jalna at an estimated cost of Rs 2.40 crore. As a part of the hospital complex, the Nurses Training Centre (NTC) with hostel facility was completed in 1990-91 at a cost of Rs 24.86 lakh. The NTC was constructed for the purpose of imparting training to Auxiliary Nurses Midwives. The Civil Surgeon (CS), Jalna took possession of the building in 1991-92.

Audit scrutiny of records of the CS, Jalna (November 1999/May 2000) revealed that the NTC was not put to use from the date of taking possession for want of staff and equipment. As a result, the NTC with hostel facilities constructed at a cost of Rs 24.86 lakh remained unutilised for over 9 years.

On this being pointed out (May 2000), the CS, Jalna stated that training to the nurses was being imparted through the NTCs at Parbhani and Nashik and the proposal for sanction of staff and equipment submitted to Government in 1992 was still pending. He also added that there was no document available suggesting that any evaluation was made before submission of proposal of NTC to Government. In June 2000, Government stated that revised and latest information on the waiting list of nurses to be trained, availability of funds and likely expenditure were being collected and the matter would be considered on receipt of the information.

Thus, failure on the part of the Government in evaluating the need of NTC and to put the building to alternate use, the Centre constructed at a cost of Rs 24.86 lakh remained idle for over 9 years.

3.11 Non-recovery of *pro rata* electricity charges

Failure to install separate electric meters at residential quarters and non-recovery of the electricity charges at the rates commensurate with the payments made to the Electricity Board resulted in short recovery of electricity charges of Rs 18.66 lakh from the occupants of the quarters.

Rule 149 A (2) of the Maharashtra Contingent Expenditure Rules 1965 provides that electricity charges of government buildings used for residential purpose should be recovered on *pro rata* basis, if separate electric meters are not installed in the residential quarters.

Scrutiny of records (April 1999) of the Dean, Government Medical College Hospital (GMCH), Nagpur revealed that separate electric meters were not installed in 278 residential quarters. Therefore, payment of electric charges to the Maharashtra State Electricity Board (MSEB) was initially made by the Dean, GMCH and subsequently recovered at fixed flat rates from the monthly salary bills of occupants of the quarters from 1994-95 onwards. Though the Dean raised the flat rate in August 1999, the amount of recovery was far lower than the amount of electricity charges being paid to the MSEB. This resulted in short recovery of electricity charges of Rs 18.66 lakh from the occupants during March 1994 to March 2000.

On this being pointed out, the Dean stated (July 1999 / February 2000) that the electric charges were already recovered from the occupants at increased flat rates since August 1999 and no short recovery was outstanding against the occupants. The reply of the Dean was not tenable as recovery at the increased rate effected from August 1999 was not commensurate with the payments made by the Dean to the MSEB and there was an unabridged gap of Rs 18.66 lakh during March 1994 to March 2000.

Thus, failure of the Dean, GMCH either to install meters at every quarter or to collect the charges at appropriate rate resulted in short realisation of electricity charges to the extent of Rs 18.66 lakh from the occupants of the above quarters.

The matter was referred to the Government (July 2000); reply had not been received (December 2000).

3.12 Idling of an equipment

Failure to take action as per terms and conditions of contract resulted in idling of an imported equipment costing Rs 15.83 lakh for over 2 years.

The Government accorded (January 1994) sanction for purchase of an imported "Argon Laser Photocoagulation unit", for ophthalmic diagnosis and operations in the Government Medical College Hospital (GMCH), Nanded. Order for procurement of the equipment costing Rs 15.83 lakh was placed (March 1994) by the Dean, GMCH, Nanded with a Mumbai based firm on the basis of a tender accepted by another Government Medical College. As per the terms and conditions of the tender, (i) the equipment was guaranteed for two years from the date of its satisfactory trial and period of guarantee was to be automatically extended by the period by which the equipment was out of order, (ii) failure to repair the equipment during the guarantee period, down time penalty at the rate of one *per cent* per week of the cost of the equipment for the period of non-functioning of equipment was to be recovered and

(iii) the guarantee period included one year warranty for free repairs and supply of spare parts on minor defects.

Scrutiny of records of the Dean, GMCH, Nanded (March 1999) revealed that the equipment installed in August 1995 and commissioned in November 1995 went out of order in February 1996. The equipment was repaired in September 1996 and it again went out of order and remained so since September 1997.

On the idling of the equipment being pointed out by Audit (May 2000), the Dean, GMCH, Nanded stated that the firm had not responded inspite of being asked from time to time to repair the equipment. The reply was not tenable as the Officer on Special Duty, Medical Education and Research Mumbai had directed the Dean, GMCH, Nanded as early as in October 1998 to submit a report on negligence/failure in taking action against the firm as per the terms and conditions mentioned above. However, the Dean did not take any action against the firm on the plea that copy of the contract containing the terms and conditions for supply of the equipment was not available with him.

Thus, due to the failure of the Dean to initiate action as per the terms and conditions of the contract, the imported equipment costing Rs 15.83 lakh remained non-functional for over 2 years denying the facility to the patients.

The matter was referred to the Government (July 2000); reply had not been received (December 2000).

PLANNING DEPARTMENT

3.13 Members of Parliament Local Area Development Scheme

3.13.1 Introduction

A review of the Members of Parliament Local Area Development Scheme (MPLADS) which is a scheme in which works are executed on the recommendations of the Members of Parliament (MPs), was included in the Report of the Comptroller and Auditor General of India, Government of Maharashtra (Civil) for the year ended 31 March 1997. The scheme was reviewed again in audit during June 2000 to August 2000 in 13¹ districts (16 Lok Sabha and 14 Rajyasabha constituencies) covering the period from

¹ Akola, Beed, Dhule, Jalgaon, Jalna. Mumbai City, Mumbai Suburban, Nagpur, Nashik, Pune, Raigad, Satara and Thane

1997-98 to 1999-2000. The funds are directly released by Government of India (GOI) to the Collectors for implementation of the scheme.

The current audit indicated that the audit findings included in the above Report of the Comptroller and Auditor General of India were not fully addressed and irregularities and deficiencies such as funds lying idle, mix up of funds by implementing agencies, incomplete works, delay in sanctions/completion of works, ineligible works being taken up, overlapping of works with those of other schemes and assets created under the scheme lying unutilised were observed. The present review indicated the following deficiencies in the implementation of the scheme.

Total amount of funds released and spent on implementation of the scheme during the period covered in audit were Rs 214.32 crore and Rs 73.12 crore respectively. Amount of expenditure covered in the current audit was Rs 41.49 crore.

3.13.2 Financial Performance

(a) Funds released remaining unutilised resulting in denial of desired benefits

Sixtysix per cent of funds remained unutilised

Out of Rs 214.32 crore released by the GOI for implementation of the scheme during the years 1997-98 to 1999-2000 only Rs 73.12 crore (34.12 per cent) were spent resulting in denial of full benefits envisaged under the scheme. The heavy shortfall in utilisation of the central assistance was attributed (June-August 2000) by District Collectors to want of recommendations from the MPs, delay in sanction/execution of the works and late receipt of funds from GOI in 1999-2000. The unutilised balance as on March 2000 under the scheme lying with the Collectors and implementing agencies since the inception of the scheme in 1993-94 amounted to Rs 192.60 crore (including interest earned of Rs 17.12 crore).

(b) Funds lying idle for want of recommendations from MPs

Funds to the tune of Rs 3.81 crore released by the GOI during 1997-98, 1998-99 and 1999-2000 in respect of 3 Rajyasabha members (Mumbai and Raigad) and 3 Loksabha members (2 former and 1 sitting member) (Raigad, Dhule and Jalna) were lying unutilised as on March 2000 with the respective District Collectors, for want of recommendations from the concerned MPs.

The following cases of mismanagement of funds allotted by GOI to Collectors, Zilla Parishads and implementing agencies were noticed during the test-check of the accounts relating to the scheme.

Sr. No.	Year(s)	Amount (Rupees in crore)	Nature of irregularity/ deficiency	Brief description of irregularities	Remarks/reply
1	1997-98 to 1999-2000		Mix up of scheme funds	<p>Funds released to Zilla Parishads had been kept in current accounts of Co-operative Banks along with other funds received by them from State Government for other schemes. Thus, there was mix up of funds of the MPLADS, which was contrary to the scheme guidelines. Further, no interest had been earned on the funds as they were lying in current accounts.</p> <p>The Brihanmumbai Municipal Corporation (BMC) had kept the MPLADS funds in a Municipal General Fund Current Account with the State Bank of India, which also had the BMC's own funds. It was further seen that till 1998-99, the BMC had not maintained MP wise record of receipts and expenditure of funds and had diverted funds of one MP for works of another MP as was observed in the case of one Rajyasabha member, involving Rs 37.45 lakh.</p>	The omissions were due to the fact that the instruction to keep the funds in separate bank accounts, as spelt out in the scheme guidelines, was not passed on to the implementing agencies by the District Collectors or the State Government.
2	1999-2000	5.76	MPLADS funds invested in small saving schemes	District Collectors in Beed, Pune and Satara, invested Rs 5.76 crore of MPLADS funds in small saving schemes during 1999-2000 to fulfil their targets of small savings which was irregular.	
3	1996-97	0.08	Excess funds with implementing agency not demanded back by the Collector	Due to typographical error, the Collector released to Public Works Division, Dhule in 1996-97, Rs 9.94 lakh as against estimated cost of Rs 1.94 lakh of the work. Even though more than 3 years elapsed, the excess release of Rs 8 lakh was neither refunded by the implementing agency nor demanded by the Collector, Dhule as of June 2000.	Collector stated in July 2000 that the implementing agency had been asked to refund the funds.
4	1995-96	0.20	Non-execution of works by implementing agency	On the recommendation of MP, Rajyasabha, District Collector, Thane sanctioned three works to be implemented by the Thane Municipal Corporation (TMC) in April 1995 and released Rs 19.53 lakh in 1995-96. The TMC did not execute these works but the amount was not refunded by the TMC nor was it demanded by the Collector, as of June 2000.	The Collector, Thane stated in July 2000 that the TMC would be asked to refund the amount.
5	1994-95 to 1997-98	0.10	Funds released but works not executed	Rs 9.55 lakh being cost of 6 works sanctioned between 1994-95 and 1997-98 were released by the Collectors, Dhule and Thane to the Zilla Parishad, Dhule and Ulhasnagar Municipal Corporation respectively. 5 works out of the above were executed from the funds of other ongoing schemes and one work was not taken up for want of site. For non-execution of the works from MPLADS funds, though funds have been released by the Collector, the agency had not furnished any reasons.	The agency requested the Collector, Dhule in June 2000 to cancel the 5 works sanctioned under MPLADS and as regards the remaining one work, the Collector, Thane stated (July 2000) that the Ulhasnagar Municipal Corporation had not refunded Rs 1.99 lakh despite repeated reminders and that the matter would be taken up with the higher authorities for getting the refund.

6	Till September 1999	1.31	Interest on MPLADS funds not refunded by Municipal Council and interest on MPLADS funds not given by banks	Interest of Rs 3.22 lakh received on MPLADS funds by the Chief Officer, Shirpur, Warwade Municipal Council till September 1999 was neither refunded by the Council nor demanded by the Collector, Dhule. It was further noticed that the Council had kept Rs 1.28 crore received under the scheme in savings bank account with Dena Bank, Shirpur Branch. However, the Bank did not allow any interest on this account stating that opening of savings bank account in the name of Government Bodies/Organisations was prohibited by the Reserve Bank of India.	The reply was not tenable as the bank having allowed the opening of the savings bank account, was obliged to pay the interest as per normal banking regulations. The implementing agency stated in August 2000 that they would take up the matter with the Bank.
7		9.08	Non-furnishing of utilisation certificates	The implementing agencies were required to submit utilisation certificates to the nodal agencies i.e. District Collectors for onward submission to GOI. Test-check of records of the Collectors of Akola, Dhule and Jalna districts revealed that utilisation certificates for Rs 9.08 crore pertaining to 389 works had not been received from the implementing agencies.	
8	1998-99	0.21	Savings on works utilised by Municipal Corporation without approval of Collector	In Pune district, the savings of Rs 20.60 lakh in respect of 22 works (21 road works and one laying of pipelines for water supply) sanctioned during 1998-99 and 1999-2000 were utilised either on additional portion of the roads or extra items of the same work not included earlier in the estimate. This was done by the Pune Municipal Corporation (PMC) without the approval of the Collector, Pune.	
9			Non-furnishing of expenditure statements by Collectors	As envisaged in the scheme each District Collector is required to submit expenditure statement to the State Accountant General by 31 May of the following year. However, none of the 13 District Collectors test-checked had submitted any expenditure statement for the entire period of the scheme to the Accountant General.	
10	1999-2000	0.10	Irregular release of funds	As per amended guidelines of May 2000, MPs can also recommend works outside their constituencies/State for an amount not exceeding Rs 10 lakh <i>per annum</i> for construction of assets that are permissible in the guidelines for rehabilitation measures in the event of a natural calamity of rare severity in any part of the country. It was noticed that an amount of Rs 10 lakh was released by the Collector, Raigad in February 2000 to Orissa Utkal Bipanna Sahayata Samiti on the recommendation (24 January 2000) of Shri Ved Prakash Goel, Rajyasabha MP. The action of the Collector, Raigad to release funds to the Samiti was irregular, since the funds were required to be released to the Collector of the concerned district of the Orissa State on recommendation of works by the MP as per the guidelines. Moreover, the funds were released before the issue of amendment to the GOI guidelines. Details regarding utilisation of funds were also not available on record.	

3.13.3 Physical performance


(a) Works recommended by MPs not sanctioned/completed

Forty six per cent of recommended works not sanctioned

For the period 1997-98 to 1999-2000, out of the 13605 works recommended by the MPs, 7353 works (54 per cent) were sanctioned by the Collectors and 2951 works (40 per cent) were completed. The Collectors of the test-checked districts stated (June 2000) that the works could not be sanctioned as they were not permissible as per the guidelines or the MPs had recommended the works beyond the financial limit per MP.

The following cases of delays in sanctioning/execution of works, inadmissible works, abandoned works and other irregularities were noticed during the test-check of records relating to the scheme.

Sr. No.	Year(s)	Amount (Rupees in crore)	Nature of irregularity/ deficiency	Brief description of irregularity	Remarks/reply
	1993-94 to 1997-98		Delays in execution of work	Though the works under MPLADS are required to be completed within one or two working seasons, a review of the physical progress of the works revealed that of the 11580 works sanctioned during 1993-94 to 1997-98, the number of works completed, not taken up and in progress till March 2000 was 9648, 631 and 1301 respectively. The works were behind schedule by 24 months to 48 months.	
			Delays in sanctioning of works	As per guidelines, all sanctions for works should be accorded within 45 days from the date of receipt of proposal from the concerned MP. It was, however, noticed in 3 test-checked districts (Dhule, Mumbai city and Thane) alone that there were delays ranging from 45 to 365 days in 32 cases in according sanction to the works. Though the scheme guidelines provide that full powers should be delegated to the district technical and administrative functionaries, this had not been done. The Chief Executive Officers of the Zilla Parishads were empowered to accept tenders for works upto Rs 1 lakh only. Thus, non-delegation of financial powers is also one of the reasons for the delays in sanction of works.	The respective District Collectors attributed (June 2000) the delay to the time taken by the implementing agencies in preparation of the work estimates including ensuring availability of land, shortage of staff at the implementing agencies and more number of works recommended by the MPs and priorities suggested by them.
		0.37	Execution of cancelled works by BMC	Twelve works (construction of new road, drainage and footpath) costing Rs 37.45 lakh sanctioned by the Collector, Mumbai City on 6 March 1996 on the recommendation of a Rajyasabha member, were cancelled on the day of sanction. The Collector, Mumbai City, did not release funds for execution of these cancelled works. However, the BMC executed these works by diverting the funds of other works of other MPs available with them under the scheme on the ground that the cancellation order of March 1996 was received by the concerned Ward Officer ('C' ward) on 26 June 1996 whereas the works were completed before 16 June 1996.	The diversion of funds by the BMC was not in order as the works were to be taken up only after obtaining the consent for starting the work from the Collector and on receipt of funds for the work. In these cases, the Collector, Mumbai also did not ensure the receipt of the cancellation order by the BMC and failed to verify whether the works were actually cancelled or not.

4	1994-95 to 1998-99	0.98 0.25	Execution of inadmissible works 	As per guidelines, repairs and maintenance works of any type were not permissible under the scheme. It was, however, noticed that 67 works costing Rs 98 lakh relating to footpath repairs, providing piped water connection to the residents of private housing societies, providing and laying rough Shahabad stone in the premises of the Mumbai Municipal Corporation staff colonies, construction of footpath at different unidentified places, repairs to boundaries of the gymkhana owned by a Trust in Mumbai etc. were approved by the District Collector, Mumbai City and the Collector, Thane. Similarly, the Collector, Satara sanctioned 18 works for office buildings of Gram Panchayats during 1994-95 to 1998-99 on which the total expenditure incurred was Rs 24.55 lakh. The construction of these office buildings was contrary to the guidelines.	The Collector stated in August 2000 that buildings for local bodies could be taken up. The reply was not tenable as buildings for recognised district or State sports associations and for cultural and sports activities or for hospitals can only be taken up.
5		0.18	Overlapping of works	The State also implements the MLA funds scheme. As there were no instructions which bar taking up similar works under the scheme, works costing Rs 18 lakh were taken up under MPLADS for constructing community centres in 5 places in Beed district, though community centres, constructed under MLA funds scheme, already existed.	
6	Upto March 2000	0.13	Construction of sports complex on private land- Non-transferring of land	As per guidelines, execution of work under the scheme on private land was permissible provided that the surrendered/transferred land is relinquished under the local land relinquishment laws or a legally valid "No Objection Certificate" is obtained and the assets created on the land shall be available for public use. It was, however, noticed that construction of sports complex at Dindori, district Nashik, costing Rs 14.77 lakh on land owned by a co-operative sugar factory was sanctioned in December 1997 against which expenditure of Rs 12.69 lakh was incurred upto March 2000. However, the land was neither surrendered nor was any legally valid "No Objection Certificate" obtained from the owner of land till the date of audit.	It was stated by the Collector in June 2000 that the matter regarding possession of land was under correspondence. The sanction for the work without transfer/ relinquishment of land was not in conformity with the MPLADS guidelines.
7	1996-97	0.04	Wasteful expenditure on study and balwadi room	A study and balwadi room constructed at a cost of Rs 4.20 lakh in Mumbai Suburban district in August 1996 on the recommendation of Shri Gurudas Kamat, Loksabha MP, was lying unutilised till date. The name of the registered organisation/institution, to whom the work was to be handed over after completion was not suggested by the MP. The doors and windows of the room had been stolen and the building was reportedly being used for dumping garbage and also by antisocial elements.	
8	1998-99	0.35	Incomplete lift irrigation scheme	Construction of a lift irrigation scheme approved by the Collector, Nagpur in June 1998 for which the entire funds of Rs 35.23 lakh were released to the concerned co-operative society remained incomplete till May 2000 as the rising main pipeline for providing water to the farmers could not be laid since it involved crossing over a railway line, thus rendering the expenditure unproductive.	

9	1995-96 to 1999-2000	0.15	Computer remaining idle	The scheme permits the supply of computers to schools/ colleges on the recommendation of the MPs. Computers worth Rs 9.81 lakh supplied in March 1996 to a school in Beed district on recommendation of a Rajyasabha MP were lying unused since December 1999 for want of trained teachers and repairs. Similarly, two computers supplied to another school in the same district in March 1996 were taken back by the Collector as they were not being put to use and since then they were lying with the National Informatics Centre, Beed till February 1999. In another case, the Collector incurred expenditure of Rs 5 lakh out of MPLADS funds on training teachers for the computer supplied to the school, which was contrary to the guidelines. It was seen that despite instructions, progress reports on the utilisation of the computers were not being received by the Collectors and therefore their utilisation was not verifiable.	
10			Non-verification of assets created	A number of assets have been created/purchased under the MPLADS such as library buildings, community centres, balwadis, computers etc. Neither the Collectors nor the implementing agencies at present check whether the assets are in proper condition or are being utilised for the purpose for which they were created.	

3.13.4 Monitoring

The implementation of the scheme was to be monitored by the State level Committee under the Chairmanship of the Principal Secretary, Planning Department, involving the heads of district and MPs to assess the progress of work under the scheme at least once in a year. However, only one such meeting of the State Level Committee was conducted between 1997-98 and 1999-2000. At the district level, the scheme was monitored by the District Planning and Development Council in the monthly meetings under the chairmanship of the Collector. The Collectors were to visit and inspect at least 10 *per cent* of the works under the scheme. However, the information received in respect of 13 districts test-checked revealed that the prescribed inspections were either not conducted by the Collectors or there was shortfall or the inspections were carried out by the District Planning Officer (DPO) on behalf of the Collector. No records regarding inspection carried by Collectors/ DPOs were produced to audit.

Schedule of inspections prescribing the minimum number of field visits for the Collectors and the supervisory level functionaries of the implementing agencies was to be drawn up by the State Planning Department. They had also not prescribed any such schedule nor issued any instructions.

The above points were referred to the Government (September 2000); reply had not been received (December 2000).

PUBLIC HEALTH DEPARTMENT

3.14 Nugatory expenditure due to retention of excess staff

Failure to scale down the staff strength despite substantial reduction in the number of family units required to be attended by an ESIS dispensary resulted in nugatory expenditure of Rs 19.59 lakh.

The Medical Manual of Employees State Insurance Scheme (ESIS) prescribed the scale of staff required for the State Insurance Dispensaries on the basis of the family units attached to the dispensaries. According to this scale, 27 staff members are required for a dispensary dealing with 5000 family units.

Audit scrutiny of records of the Medical Officer (MO), ESIS Dispensary Number 1, Akola (July 1999) revealed that due to closure of major industrial establishments, the number of family units attached to the dispensary was ranging from 748 to 1267 during 1994-95 to 1999-2000. The Government, however, continued 27 posts sanctioned in March 1990 for the dispensary on the basis of 5000 family units originally attached to the dispensary. There were 20 to 22 men in position against the requirement of 10 to 15 during the period 1994-95 to 1999-2000. Thus, deployment of staff in excess of the requirement resulted in nugatory expenditure of Rs 19.59 lakh on the pay and allowances of the excess staff during the said period.

On this being pointed out, the MO stated (December 1999/April 2000) that the number of family units attached to the dispensary was regularly communicated to the Director, ESIS since May 1994 along with the proposal for transfer of the excess staff to other needy dispensaries. The Commissioner, ESIS also took up the matter with the Government (January 1994) for absorption of the excess staff by opening new dispensaries. When audit asked the Government to state its decision (May/June 2000), the Government did not reply.

Thus, failure of the Government to take decision on redeployment of the excess staff in other dispensaries resulted in nugatory expenditure of Rs 19.59 lakh during the period 1994-95 to 1999-2000.

The matter was referred to Government (July 2000); reply had not been received (December 2000).

REVENUE AND FORESTS DEPARTMENT

3.15 Infertuous expenditure on plantation

Abrupt discontinuation of watch and ward resulted in total failure of the plantations raised at a cost of Rs 11.77 lakh.

The scheme of raising mixed plantations under the compensatory afforestation *inter alia* provided for protection of the plants by engagement of watchmen. According to the norms laid down in the Evaluation Code of the Forest Department, if the survival of plants raised in poor forest areas falls below 20 *per cent*, the plantation is adjudged as failure.

Audit scrutiny of records of the Deputy Conservator of Forest (DCF), Mewasi Division, Taloda (September 1999) revealed that the Division raised mixed plantation of 2.20 lakh plants in 88 hectares in Bharadi-padar and Nimbapati area during the year 1992-93. The Division had incurred an expenditure of Rs 11.77 lakh upto 1996-97 on various activities like pre-plantation operations, planting of seedlings, casualty replacement and deployment of watchmen to protect the plants etc. At the end of fifth year (1996-97), the survival percentage ranged from 50 to 52 *per cent*. In April 1997, the DCF discontinued the protection activities by dispensing with the engagement of watchmen though required to be deployed till the tenth year of the plantation as per the Scheme. As a result, due to grazing by animals, illicit cutting and encroachment of the plantation area by nearby villagers, the survival percentage of the plants declined to 5 to 11 *per cent* during the year 1997-98 and 1998-99. Thus, due to discontinuation of the protection activities, the objectives of the Scheme was not realised despite an expenditure of Rs 11.77 lakh.

On this being pointed out (June 2000), the DCF, Taloda stated that the Division was not aware of the provision that the plants were to be protected upto tenth year of plantation. The reply of the DCF was not tenable, as he failed to follow the provisions of the Scheme leading to infertuous expenditure of Rs 11.77 lakh.

The matter was referred to Government (July 2000); reply had not been received (December 2000).

TRIBAL DEVELOPMENT DEPARTMENT

3.16 Unproductive expenditure on uncommissioned electric pumps

1965 electric pumps installed at a cost of Rs 3.59 crore remained non-functional for 1 to 7 years for want of electric connections.

A scheme of providing electric pumps to tribal agriculturists was being implemented by the Government since 1973. In July 1992, the Government modified the guidelines of the scheme to bring maximum number of eligible tribals within the purview of the scheme. As per the guidelines, the Tribal Development Corporation (TDC) was entrusted with the responsibility of installation of the pumps and arranging supply of electricity through the Maharashtra State Electricity Board (MSEB). While selecting the beneficiaries, the Project Officers (POs) of the Integrated Tribal Development Project (ITDP) were to ensure completeness of the applications submitted by the beneficiaries including A-I forms¹⁷ and feasibility certificates given by the MSEB. A Committee under the chairmanship of the Additional Commissioner, Tribal Development Department (TDD) was to scrutinise the applications before sanctioning the release of the pumps to TDC.

Audit scrutiny of records of the Additional Commissioner, TDD, Amravati (February/December 1999 and June 2000) revealed that out of 4970 electric pumps installed in five ITDPs during 1992-93 to 1998-99, 1965 electric pumps costing Rs 3.59 crore were not commissioned as electric connections were not provided by MSEB. The MSEB did not provide connections for want of A-1 forms from the POs. As a result, an investment of Rs 3.59 crore on pumps which were not commissioned remained unproductive.

On this being pointed out, the Additional Commissioner, Amravati stated (June 2000) that the reasons for non-submission of A-1 forms to the MSEB would be ascertained from the POs. The reply was not tenable as the A-1 forms required to be obtained while selecting the beneficiaries was not ensured by the POs and the Additional Commissioner. Failure of the POs and Additional Commissioner to ensure submission of the A-1 forms by the beneficiaries and release of funds without satisfying completeness of the applications resulted in unproductive investment of Rs 3.59 crore.

The matter was referred to Government (July 2000); reply had not been received (December 2000).

¹⁷ Application forms prescribed by MSEB for applying for electricity connections.

GENERAL

3.17 Functioning of Treasuries

Annual Inspections of the Treasuries are carried out by Accountant General (Accounts and Entitlement). The major irregularities noticed during inspection of 14 treasuries by the Accountant General (Accounts and Entitlement) and by inspection of Pay and Accounts Office, Mumbai by Audit during 1999-2000 are mentioned in the succeeding paragraphs.

3.17.1 Overpayment of pensionary benefits

Overpayment of pensionary benefits of Rs 10 lakh was made to 65 pensioners/ family pensioners during the period 1999-2000. Of this Rs 1.36 lakh was due to incorrect fixation of pension as on 1 January 1986 in respect of 9 pensioners and Rs 8.64 lakh on account of incorrect calculation of dearness relief, non-reduction of family pension from the specified dates etc. in respect of 56 pensioners.

3.17.2 Withdrawal in excess of sanctioned grants

Tahsildar Mulshi, Pune drew (May and June 1998) Rs 16.01 lakh against sanctioned allotment of Rs 15 lakh under M.H. 2015-Election, resulting in excess drawal of Rs 1.01 lakh.

3.17.3 Reconciliation of Deposit balance

According to Rule 528 of Maharashtra Treasury Rules, 1968, Treasury Officers are required to reconcile the balances of deposit transactions with the balance appearing in the books of Accountant General (A&E). However, it was observed that the Treasury Officers of Dhule, Pune, Nashik, Satara and Nandurbar did not reconcile the balances for one to three years (from 1996-97 to 1998-99). In respect of Civil Court deposit, the Treasury Officer, Dhule did not reconcile the balances for the last 5 years (from 1994-95 to 1998-99).

3.18 Follow-up on Audit Reports

Serious irregularities noticed by Audit were included in the Reports of the Comptroller and Auditor General (Audit Reports) which were presented to the State Legislature. According to instructions issued by the Finance Department in March 1981, Administrative Departments were required to furnish

Explanatory Memoranda (EMs) duly verified by Audit to the Maharashtra Legislative Secretariat in respect of paragraphs included in the Audit Reports within one month of presenting of the Audit Reports to the State Legislature. The Administrative Departments were, however, not complying with these instructions.

The position of outstanding EMs from 1994-95 to 1997-98 is depicted below :

Audit Report	Date of tabling the Report	Number of Paras/Reviews	Number of EMs received	Balance
1994-95	12 July 1996	58/5	54/5	4/-
1995-96	22 July 1997	55/6	50/3	5/3
1996-97	7 August 1998	64/9	42/6	22/3
1997-98	20 December 1999	59/10	15/-	44/10
Total		236/30	161/14	75/16

In addition to the above, EMs in respect of 60 paras relating to the period prior to 1994-95 were also outstanding. Departmentwise details are given in Appendix XXV.

Even in case of paras selected for discussion by the Public Accounts Committee (PAC), EMs were sent to Audit for vetting only after the selected paras were communicated to the Administrative Departments and in many cases, only a few days before the meeting of the PAC.

3.19 Action Taken Notes

The Maharashtra Legislature Secretariat (MLS) Rules stipulate that the Action taken Notes (ATN) indicating action taken on the recommendations of the Public Accounts Committee on those paragraphs in the Audit Reports that are discussed are required to be forwarded to MLS duly verified in Audit. Likewise, ATNs indicating remedial/corrective action taken on the paras that are not discussed are also required to be forwarded to the PAC duly vetted by Audit. It was observed that the Administrative Departments were not observing these instructions. There were inordinate delays and persistent failures on the part of a large number of departments in forwarding ATNs on audit paragraphs. Reports of the PAC on Audit Reports upto 1993-94 have been received in Audit (November 2000) and a review of the position regarding receipt of ATNs on the paras included in the Audit Reports upto 1993-94 revealed that ATNs in respect of 86 paras discussed and 505 paras not discussed in the PAC were awaited. Yearwise details of such paragraphs are indicated as follows :

Audit Report	Number of paras discussed	Number of paras not discussed	Total number of paras in Audit Report
1985-86 to 1988-89	36	261	297
1989-90	11	46	57
1990-91	7	46	53
1991-92	7	55	62
1992-93	5	48	53
1993-94	20	49	69
Total	86	505	591

3.20 Outstanding Inspection Reports

Failure of senior officials to enforce accountability and protect the interest of Government.

Accountant General (Audit) (AG) arranges to conduct periodical inspection of the Government Departments to test-check the transactions and verify the maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed up with Inspection Reports (IRs) which are issued to the concerned Heads of Offices with a copy to the next higher authorities. Government circular of July 1967 provides for prompt response by the executive to the IRs issued by the AG to ensure rectificatory action in compliance of the prescribed rules and procedures. The Heads of Offices and next higher authorities are required to comply with the observations contained in the IRs and rectify the defects and omissions promptly and report their compliances to the AG. Serious irregularities are also brought to the notice of the Heads of the Department by the AG. A half yearly report of pending IRs is sent to the Secretary of the Department concerned to facilitate monitoring of the action taken on audit observations in these IRs.

Inspection reports issued up to December 1999 pertaining to 26 Departments disclosed that 22784 paragraphs relating to 9755 IRs were outstanding at the end of June 2000. Of these, 1306 IRs containing 2225 paragraphs had not been replied to/settled for more than 10 years. Yearwise position of the outstanding IRs and paragraphs are detailed in the Appendix XXVI. As a result, the following irregularities commented upon in these IRs had not been settled as of 30 June 2000.

Sr. No.	Nature of irregularities	Number of paragraphs	Amount (Rupees in lakh)
1	Miscellaneous irregularities	8415	71653.73
2	Procedural irregularities	2066	18092.90
3	Excess/Irregular expenditure	1808	8863.96
4	Outstanding loans and advances	1509	37952.87
5	Blocking of Government money on idle equipment/incomplete works	861	9942.41
6	Irregularities in payment of grant-in-aid	607	7907.88
7	Non-maintenance/Improper maintenance of Cash Book/PLA account	454	1546.86
8	Losses, theft, misappropriation of government money	415	1934.33
9	Heavy balances lying unutilised	326	2360.80
10	Drawal of funds at the fag end of the year to avoid lapse of grant	264	2239.67
11	Irregularities in acceptance of tender/contract	262	1733.33
12	Diversion of funds	67	2840.62
	Total	17054	167069.36

A review of the IRs which were pending due to non-receipt of replies in respect of Public Health Department revealed that the Heads of Offices, whose records were inspected by the AG did not discharge due responsibility as they did not send any reply to a large number of IRs/Paragraphs indicating their failure to initiate action in regard to the defects, omissions and irregularities pointed out in the IRs by the AG. The Secretary, Public Health Department who was informed of the position through half yearly reports, also failed to ensure that the concerned officers of the Department take timely action nor was any action initiated against the defaulting officers, thereby facilitating the continuation of serious financial irregularities and loss to the Government.

It is recommended that Government should address this issue seriously and ensure that an effective procedure is put in place for (a) action against the officials who fail to send replies to IRs/Paragraphs as per the prescribed time schedule and (b) action to recover loss/outstanding advances/overpayments in a time bound manner.

3.21 Departmental Audit Committee Meetings

In order to expedite the settlement of outstanding audit observations contained in the Inspection Reports, Departmental Audit Committees have been

constituted by the Government. These Committees are chaired by Joint Secretary/Deputy Secretary of the concerned Administrative Department and attended among others by the concerned Drawing and Disbursing Officers and the Officers from the Office of the Principal Accountant General/Accountant General.

In order to expedite the clearance of the outstanding audit observations, it is necessary that the Audit Committees meet regularly and ensure that final action is taken on all audit observations outstanding for more than a year, leading to their settlement. During 1999-2000, only 12 out of 28 Departments convened 25 meetings of Audit Committee and 1606 Paras were settled. This indicated that most Departments were not taking initiative in using the machinery created for settlement of outstanding audit observations.

3.22 Misappropriation of Government monies

Mention was made in paragraph 3.17 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1999 No.3 (Civil) that final action was pending on 483 cases of misappropriation of Government monies upto September 1999. The position in regard to fresh cases reported during 1999-2000 and disposal of pending cases upto September 2000 is as follows :

	Number	Amount (Rupees in lakh)
Cases pending on 30 September 1999 out of cases reported upto March 1999	483	547.71
Add : Fresh cases reported during 1999-2000	6	2.39
Less : Cases finalised during October 1999 to September 2000	23	2.97
Cases pending on 30 September 2000	466	547.13

The departmentwise analysis of the outstanding cases is given in Appendix XXVII. Out of 466 pending cases, 454 cases (Rs 389.28 lakh) were pending for more than 4 years.

Out of the 454 cases, in 246 cases orders of recovery/write-off, were awaited, 124 cases were pending in court of law, 16 cases were awaiting investigation, in respect of 57 cases departmental action had not been concluded and 11 cases were pending due to other reasons.

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

According to information received by Audit, sanctions for write-off of Rs 808.06 lakh in 3448 cases were issued by Government/Departments during 1999-2000 as indicated below. There was no case of waiver of recoveries during the year.

Sr.No.	Department	Losses, irrecoverable revenue, advances, etc. written-off	
		Number of cases	Amount (Rupees in lakh)
1	Agriculture, Animal Husbandry, Dairy Development and Fisheries	32	732.77
2	Food, Civil Supplies and Consumer Protection	3222	50.13
3	Finance	3	2.66
4	Higher and Technical Education	7	2.35
5	Industries, Energy and Labour	10	1.89
6	Irrigation	1	0.91
7	Public Health	3	0.27
8	Revenue and Forests	3	2.82
9	Trade and Commerce	165	14.21
10	Urban Development	2	0.05
	Total	3448	808.06

CHAPTER – IV

WORKS EXPENDITURE

THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT

SECTION - B

PARAGRAPHS

SECTION-B

PARAGRAPHS

CHAPTER IV

IRRIGATION DEPARTMENT

4.1 Koyna Hydroelectric Project Stage IV

The Koyna Hydroelectric Project Stage IV (Stage IV) located in Satara and Ratnagiri districts envisaged construction of an underground power house for generating 750 Mega Watt (MW) of electricity using the water of Koyna reservoir at an estimated cost of Rs 273.16 crore (July 1985) which was enhanced (August 1988) to 1000 MW at a cost of Rs 378.98 crore. Even though the project was commenced and preliminary works were taken up in July 1985, major works of the project were started in March 1992. All the four generators scheduled to be commissioned by February 1998 were finally commissioned in May 2000 at a cost of Rs 1172.44 crore (March 2000). Test-check of the records relating to construction of Stage IV revealed (January to March 2000) the following points:

4.1.1 *Execution of work in excess of the estimate*

Construction of 'lake intake to emergency valve tunnel' and construction of the 'Pressure shafts and Power house' were entrusted to two contractors in March 1992 at a cost of Rs 49.23 crore and Rs 68.25 crore respectively. The payments excluding the escalation and arbitration award made to the contractors aggregated Rs 118.27 crore and Rs 102.64 crore respectively. It was noticed that the payments were made far in excess of the contracted amount mainly due to revision of rates for excess quantities as discussed below :

4.1.1.1 As per provisions of the contract for items executed in excess of 125 *per cent* of the tendered quantities, payments were to be made at the mutually agreed rate instead of the tendered rate. In 18 subworks relating to construction of rock bolts, anchor bar and steel reinforcement of the above works, the actual quantities executed exceeded the tendered quantities by 118 to 3458 *per cent* resulting in excess expenditure of Rs 29.58 crore. On this being pointed out, the Executive Engineer, Koyna Construction Division No.I, Koyna stated (February 2000) that most of the excavation was carried out in braccia zone necessitating excess work whereas the designs, drawings and estimates were prepared on the basis of geological conditions. Further, it was stated in December 1999 and July 2000 by the Superintending Engineer, Koyna Construction Circle, Satara (SE) that the provisions made in the tender were on tentative basis and were suitable for electrical components which

**Incorrect estimation
of quantity resulted
in avoidable payment
of Rs 29.58 crore**

were used in earlier stages whereas increase in quantity of rock bolt, anchor, shotcretes was as per strata met with. The contention of the SE was not tenable as the Department was aware as early as in August 1988, that the generators proposed to be installed in Stage IV were of 250 MW capacity each whereas the generators used in Stages I, II and III were of 65 MW, 75 MW and 80 MW capacity respectively. Thus, the requirement of rock bolt, anchor, shotcretes etc. should have been estimated accordingly. Further, the Department was aware of the existence of red volcanic braccia and the same was mentioned in the tender condition. The large variation in quantities of braccia shows inadequate and faulty survey. Thus, incorrect estimation of the quantity resulted in avoidable payment of Rs 29.58 crore.

Incorrect interpretation of tender condition resulted in excess payment of Rs 64.55 lakh

4.1.1.2 As per Clause 52.2 of the agreement, revision of the tendered rate in respect of the items executed in excess of the tendered quantities of the work was admissible only when the executed quantity exceeded the tendered quantity by 125 per cent and the value of work done exceeded Rs 10 lakh. It was noticed that in the above works, payment at the higher revised rates was made for the quantity executed in excess of 125 per cent of the tendered quantity but without considering the limit of Rs 10 lakh. This resulted in excess payment of Rs 64.55 lakh.

Had the original quantity of 14048 Cu.m. mentioned in LCB tender been considered for ICB tender, an extra expenditure of Rs 79.44 lakh could have been avoided

4.1.1.3 As per agreement with the World Bank, till finalisation of the International Competitive Bids (ICBs) (March 1992), certain preliminary works were undertaken departmentally on Local Competitive Bids (LCBs). Thus, construction of tail race tunnel was awarded to a contractor in 1991-92 on LCB which included an item of "Providing and laying *in situ* cement concrete in different grades in the excavated portion." Consequent to finalisation of the ICB, the work with the local contractor was withdrawn (March 1992) before he could execute the work of cement concrete and it was entrusted (March 1992) to the contractor on ICB. The Department, however, understated the quantity of cement concreting required as 8906 Cu.m. against 14048 Cu.m. required in the ICB tender. The actual quantity of cement concrete executed by the ICB contractor was 18014 Cu.m. Due to execution of excess quantity, the ICB contractor demanded revision of the rates for the quantities in excess of 125 per cent of the tendered quantities. Had the original quantity of 14048 Cu.m. mentioned in the LCB tender been retained in the ICB tender, an extra expenditure of Rs 79.44 lakh could have been avoided. The SE in his compliance sent to the Chief Engineer, Koyna Project, Pune (CE) stated that while arriving at the quantity of ICB contract, joint measurements of the quantity executed under LCB were taken as per stipulation. Accordingly, excavation quantity was corrected and finalised for ICB. In line with this, it was necessary to finalise the quantities of concrete also but inadvertently this correction was not carried out. Thus, lapse on part of department resulted in avoidable expenditure of Rs 79.44 lakh.

4.1.2 Injudicious selection of site for lake tapping

The gross storage of Koyna reservoir is 98.78 Thousand Million cubic feet (TMC) (2797.45 mm³). As per the restriction laid down by Krishna Water Dispute Tribunal (KWDT), only 67.5 TMC of water was to be diverted westward for power generation and rest of the storage was to be utilised for

irrigation on eastward side. The lake tapping¹⁸ for Stage IV was taken from the reservoir at 618 m floor level of the dam corresponding to the Minimum Draw Down Level (MDDL)¹⁹ of 630.174 m. It was seen from the records that the observed level of water in the Koyna reservoir ranged from 615.47 m in June 1992 to 636.44 m in June 1999, when none of the generators of Stage IV were commissioned and eastward diversion of water for irrigation was between 16.29 TMC and 20.73 TMC during 1994-95 to 1998-99 as against 31.28 TMC stipulated.

During the commissioning of Stage IV, the department proposed in January 2000 to take up another lake tap at a lower MDDL of 618 m. at a cost of Rs 346 crore so that power generation would not be affected even if water level falls below MDDL of 630.174 m and the same was approved by the Government in February 2000. It was, thus, apparent that the lake tap taken at the MDDL of 630.174 m was at a wrong site and hence corrective steps had been contemplated. Thus, when the new lake tapping at the MDDL level of 618 m become operational, the expenditure of Rs 5.82 crore incurred on the lake tapping at MDDL of 630.174 m would become infructuous. This indicated the defective planning in selection of the site for the original lake tapping. Reply of the CE was awaited (December 2000).

4.1.3 *Avoidable payment due to arbitration cases*

The agreements with the contractors provided that any disputes or differences arising out of the contracts would be referred to a panel of three arbitrators at the initiative of either party to the contract and that decision of majority of the arbitrators would be final and binding on both the parties.

Clause 69 of the draft tender papers for the work of construction of "civil works of pressure shaft and power house complex" stipulated that the contractor would be entitled for escalation in the prices of labour, material etc. with reference to the basic average index prevailing during the quarter preceding the stipulated last date for receipt of tender. As the last date of acceptance of tender was 15 October 1991, the index for this purpose was 222 and 207.46 for labour and material respectively for August 1991. The contractor was, however, to furnish details regarding index ruling 30 days prior to date of bid closing or the latest available index in Schedule III of the tender. At the time of receipt of the bid, the selected contractor had not filled the Schedule III. The contractor, however, was allowed by the CE to fill this schedule after opening of the bid, which was irregular. Scrutiny in audit revealed that contractor had quoted indices of 210 and 193.5 for labour and material prevailing in May 1991 instead of 225 and 210.40 for September 1991 in Schedule III.

Failure of CE to verify the correctness of indices of Schedule III resulted in avoidable payment of Rs 4.15 crore

¹⁸ Lake tapping is the drawal of water from reservoir to the generators through tunnel.

¹⁹ MDDL is the minimum level of the lake upto which water can be drawn for the intended purpose.

Initially escalation payment was made in accordance with Clause 69. The contractor accepted this payment but later on (April 1995) claimed escalation with reference to the index stated in Schedule III. The Division did not agree with the above claim and therefore, the contractor sought for arbitration. The arbitrator awarded payment of Rs 4.15 crore, including interest by allowing escalation with reference to the index mentioned in the Schedule III.

On this being pointed out, the CE stated (May 2000) that it was not considered necessary to verify the indices mentioned in Schedule III. The reply was not tenable because the CE in the first place should not have allowed the contractor to fill up the Schedule III after opening of the bid. After allowing him to do so, the correctness of the indices should have been ensured. Thus, negligence on the part of CE in not verifying correctness of Schedule III resulted in avoidable payment of Rs 4.15 crore.

4.1.4 *Avoidable expenditure on retransportation*

The work of supply, installation and commissioning of 13 numbers of 420 kv class transformers was awarded to Bharat Heavy Electrical Limited (BHEL), Bhopal at Rs 17.10 crore in February 1996 for completion by March 1998.

The stipulated period of delivery was October 1996 to October 1997 which was extended upto June 1998 at the request of BHEL. The BHEL transported (April 1997 to March 1998) the transformers from its factory to the site where they were to be installed, but owing to non-completion of the civil work for installation of the transformer, the BHEL had to transport them to a storing place and again retransport them during July 1998 to July 1999 to the site on completion of the civil work. For this retransportation, the BHEL was paid an additional amount of Rs 1.16 crore.

**Non co-ordination
between Electrical
and Civil Wings of
Stage IV resulted in
avoidable
expenditure of
Rs 1.16 crore**

On this being pointed out, the Executive Engineer (EE), Koyna Construction Division No.II, Alore stated (March 2000) that the non-completion of the civil works was not communicated to the electrical wing. The EE, Construction Division (Extension and Maintenance) (E and M) Number I, Alore stated that as the site was not ready for installing the transformers, they were kept outside. The reply was not tenable as the BHEL was transporting the transformers in phases and the EE (E and M) Division No.I should have requested the BHEL to delay the transportation in consultation with EE, Construction Division No. II at the time of granting extension and thus the extra payment could have been avoided. Thus, non-co-ordination between the two Divisions (Civil and E and M) resulted in avoidable expenditure of Rs 1.16 crore.

4.1.5 *Outstanding electricity charges due from Maharashtra State Electricity Board*

Even though all the four generators of Stage IV have been commissioned (May 2000), the project had not been handed over to the Maharashtra State Electricity Board (MSEB). During trial period from June 1999 onwards, 553.424 million units of power costing Rs 180.75 crore was generated upto October 2000 and supplied to MSEB. The EE, Construction Division (E and

M) No.II, Alore stated that though demand for recovery of Rs 180.75 crore was made, no response was received from MSEB. It was noticed during audit that no agreement between Government and MSEB in this regard was executed so far.

The above points were referred to Government (August 2000); reply had not been received (December 2000).

4.2 Extra contractual payment

An amount of Rs 1.05 crore was paid extra to a contractor by way of treating an item of work as extra item in contravention of the contractual terms.

Construction of a minor irrigation tank at Pali Bhutavali in Raigad district was entrusted to a contractor in April 1994 at 33.66 *per cent* below the estimated cost of Rs 4.80 crore for completion by April 1999. As per the agreed tender condition, the contractor should assess the quality and quantity of material available in the quarries specified in the tender and quote the rates accordingly. It was categorically mentioned in the tender that no extra claim whatsoever would be entertained on this account. In other words, the contract did not provide for any extra payment in case of special efforts, if any, undertaken by the contractor to mobilise the materials from the quarries.

Scrutiny of records (February 1997) of the Executive Engineer (EE), Raigad Irrigation Division No.2, Panvel revealed that the contract provided for quarrying of 597488 cubic meter (cu.m.) of casing material required for embankment work at the rate of Rs 35.70 per cu.m. However, for 230283 cu.m. of casing material extracted from the quarries, the EE paid an amount of Rs 1.05 crore (between March 1995 and December 1997) to the contractor at the rate of Rs 44.40 and Rs 48.30 per cu.m. in addition to payment made under tender item, treating the extraction as extra item on the ground that the nature of the material actually met with during excavation was harder than hard murum and it involved extra efforts. The payment of Rs 1.05 crore made on the grounds of extra efforts / item was not admissible as per the contractual term referred to above.

On this irregular payment being pointed out (February 1997) in audit, the EE stated (March 1998) that the contractor might have quoted his rates on the basis of general aspects of the site but in reality the material in the quarries was harder than the hard murum and the contractor had to put extra efforts for extracting the material. The reply was not tenable as the contractor while quoting the rate should have taken into account the quantity and quality of material available in the quarries. Further, the contract also did not provide for any extra payment for such extra efforts of the contractor. Moreover, acceptance of a contract at a rate far below the estimate and incurring of huge

expenditure on an extra item (22 *per cent* of the estimate) not covered in contract was not justifiable and needs investigation by the Government.

The matter was referred to Government (June 2000); reply had not been received (December 2000).

4.3 Idle investment on procurement of steel gates for canal work

Injudicious procurement of 29 steel gates required for canal work resulted in idle investment of Rs 57 lakh for over 7 years.

Based on an assessment made by the Executive Engineer (EE), Irrigation Division, Chandrapur for 38 fixed wheel leak proof steel gates required for installation in the distributory canals of five tanks²⁰, the Store Purchase Unit (SPU) of the Irrigation Department, Nagpur placed an order on a firm in June 1989 for supply and erection of 32 gates. The supply and erection scheduled for completion by June 1990 was extended upto December 1992.

Scrutiny of records (January 2000) of the EE revealed that after procurement of 12 gates, the EE intimated (September 1990) to the Superintending Engineer (SE), Chandrapur Irrigation Circle that the SPU should not grant further extension to the firm for supply of balance gates as the funds for erection of gates were not available during 1990-1992. Accordingly, SE also intimated the SPU that no further extension should be granted to the firm beyond June 1990. However, the SPU granted further extension upto June 1991 (in January 1991), March 1992 (in January 1992) and December 1992 (in August 1992). Thirty gates were procured up to October 1992 and EE made payment of Rs 57.60 lakh representing 90 *per cent* cost of 30 gates including escalation to the firm between January 1990 and October 1992. The expenditure of Rs 9.61 lakh was met from the grant of Rs 9.66 lakh provided during the year 1990-1992 and balance expenditure was charged to Public Work stock. Out of 30 gates, one gate (Shegaon Khurd tank) was erected in June 1993, 26 gates (Asolamendha, Ghodazari and Naleshawar tank) could not be erected for want of funds and remained idle for over 7 years after being declared as surplus in October 1993 and 3 gates (Labhansarad tank) transferred to EE, Medium Project Division, Chandrapur could not be erected as they were not of the specified size. This resulted in idle investment of Rs 57 lakh on 29 gates for over 7 years.

On the idle investment being pointed out in audit (January 2000), the SE, stated (May and July 2000) that the gates were not erected due to paucity of funds. He further stated that 25 gates were mainly purchased for Asolamendha and Ghodazari Canal and the entire work of these tanks was transferred during 1992-93 to the Gosikhurd Project Circle, Nagpur.

²⁰ Asolamendha, Ghodazari, Naleshwar, Labhansarad and Shegaon Khurd tank.

Widening of Asolamendha and Ghodazari canal and erection of gates in the canal could not be initiated as the Ghosikhurd project, which was expected to discharge water into the said canals, had not been completed and the gates remained idle.

The above reply appears to be an after thought as the EE while estimating the requirement of gates (June 1989) had indicated that 38 gates were non-working and needed replacement. Further, the EE/SE did not take action to ascertain the requirement of the gates elsewhere and transfer them to others.

The matter was referred to Government (June 2000); reply had not been received (December 2000).

4.4 Extra expenditure due to defective estimates

Failure to adopt the prescribed specification for drilling holes for anchoring rods in the estimates resulted in excess expenditure of Rs 32.74 lakh.

As per Indian Standard (IS) Code specification the hole for anchoring the rods in water storage and water conducting structures should not be less than 25 millimetre (mm) around each side of the rod. In other words, the hole for anchoring a rod of 25 mm diameter should not be less than 75 mm diameter. Due to not following the above specification, avoidable expenditure was incurred in the following two works.

The work of construction of a masonry dam of Narangi Medium Project was entrusted to a contractor by the Executive Engineer (EE), Nandur Madhmeshwar Canal Division, Vaijapur in April 1993 at 10.40 *per cent* below the estimated cost of Rs 366.09 lakh. The contract provided for anchoring of 4473 running metre (rmt) of 25 mm diameter rods fixed in 38 mm diameter holes and 972 rmt of similar rods fixed in 75 mm diameter holes drilled in rock masonry surface at Rs 640.26 per rmt. However, faced with practical difficulties for anchoring the rods in 38 mm diameter holes during execution, 5273 rmt of the rods were fixed in 75 mm diameter holes. Out of this 4058 rmt (i.e. in excess of 125 *per cent* of estimated quantity) was paid at a rate of Rs 1064 per rmt (for 3155 rmt) and Rs 1119.64 (for 903 rmt). Thus, as against the minimum requirement of 75 mm diameter holes the EE arbitrarily made a provision of 38 mm diameter holes in the original estimate and subsequently, faced with practical difficulties in anchoring the rods in 38 mm diameter holes, the EE switched over to 75 mm diameter holes resulting in extra expenditure of Rs 20.39 lakh.

The work of construction of a masonry dam, spillway and head regulator of a Kar river project was entrusted to a contractor by the EE, Medium Project Division, Nagpur at 28 *per cent* above the estimated cost of Rs 924.65 lakh.

The contract provided for drilling of 9669 rmt of 50 mm diameter holes inclusive of 4644 rmt holes for anchoring 25 mm diameter rods and 1507.40 rmt of 75 mm diameter holes for drainage. However, during execution of the work, 6497.10 rmt holes of 75 mm diameter were drilled. Thus, the division had to drill 4989.70 rmt of the holes of 75 mm diameter in excess of the estimated quantity as per the detailed design received from Central Design Organisation (CDO), Nashik in August 1994, i.e. subsequent to the finalisation of the contract. Out of this, 3914.40 rmt (i.e. in excess of 150 per cent of the estimated quantity) was used for anchoring the 25 mm diameter rods and was paid at a rate of Rs 477.75 per rmt as against the tender rate of Rs 126.85 per rmt. Thus, as against the minimum requirement of 75 mm diameter holes the EE arbitrarily made a provision of 50 mm diameter holes in the original estimate which on the recommendation of CDO, Nashik was subsequently revised to 75 mm diameter (August 1994) resulting in extra expenditure of Rs 12.35 lakh.

On this being pointed out (March and April 1999) in audit the EEs stated (October 1999 and February 2000) that with a view to ensure practicability and economy, provision of 38 mm / 50 mm diameter holes for anchoring the 25 mm diameter rods was made in the original estimates. The reply was not tenable as the adoption of an arbitrary hole size as against the prescribed IS Code specification was a flawed decision. The matter calls for fixing responsibility for defective estimation against the specifications.

The matter was referred to Government (April 2000); reply had not been received (December 2000).

4.5 Extra contractual payment to a contractor

Payment against over cuts beyond the pay line disregarding the contractual provisions resulted in extra benefit of Rs 48.76 lakh to a contractor.

The work of construction of earthwork lining and structures in km 72 to 87 of the Majalgaon Right Bank Canal was entrusted to a contractor in January 1990 at a cost of Rs 746.47 lakh. The work scheduled for completion in January 1993 was extended up to December 1999. Technical specification of the contract provided that no excavation beyond the prescribed limit (pay line) of 10 centimetre (cm) outside the minimum excavation line shall be permitted and no payments will be made if there was any excess excavation. In case of over cuts beyond this limit, the extra work of back filling by concrete was to be carried out by the contractor or he had an option for back filling the excavated portion with chip masonry in cement mortar at the ratio of 1:10 to a minimum thickness of 20 cm but was to be paid for average thickness of 10 cm.

Scrutiny of records (September 1998 and May 2000) of the Executive Engineer (EE), Majalgaon Canal Division No.7, Gangakhed disclosed that contrary to contract conditions EE paid Rs 15.80 lakh towards excavation of 8508.12 cubic meter (cu.m.) beyond the pay line. Similarly, payment of Rs 37.80 lakh was made for 8371.12 cu.m. on account of refilling of over cuts as against the permissible quantity of 1074.28 cu.m. costing Rs 4.84 lakh. Thus, on account of payment against over cuts beyond the pay line and back filling the over cuts, there was extra contractual benefit of Rs 48.76 lakh to the contractor.

On this being pointed out (September 1998 and May 2000), the EE stated that the contractor was not entitled to any payment for excavation beyond the pay line. However, the over cuts occurred due to existence of jointed Manjara rock and on that ground the extra payment was approved by the Superintending Engineer. The reply was not tenable as payments were not governed by the agreed contractual provision.

The matter was referred to Government (June 2000); reply had not been received (December 2000).

4.6 Unproductive investment on minor irrigation tank

The expenditure of Rs 39.23 lakh incurred on a minor irrigation tank completed in June 1991 remained unproductive for over a period of 8 years due to non-completion of the canal system.

Audit scrutiny of records of the Executive Engineer (EE), Minor Irrigation Division, Parbhani revealed that the construction of a minor irrigation tank at Pedgaon in Parbhani District estimated to cost Rs 27.29 lakh for irrigating 206 hectares of land was taken up during the year 1985-86. The work of gorge filling, waste weir, irrigation sluice and tail channel were completed in June 1991 incurring an expenditure of Rs 39.23 lakh. However, as of September 2000 two canals of 1.20 kms and 5 kms respectively could not be completed for want of consents from the land owners for acquisition of the land measuring 5.73 hectares required for laying the canals. The action for acquisition of private land was actually initiated in August 1993 and the award was declared by the Special Land Acquisition Officer in September 1998. Thus, there was a delay of over 7 years in initiating the proposal for land acquisition and 5 years delay in declaring the award. As a result, the irrigation potential created had not been utilised and expenditure of Rs 39.23 lakh remained unproductive for over 8 years since completion of the dam.

On this being pointed out (May 1999) in audit, the EE stated (January and September 2000) that as per Government decision (October 1993) the work was planned for transfer to the EE, Minor Irrigation (Local Sector) Division, Parbhani. Accordingly, the transfer of work was under process during

1993-94 to 1995-96. He further stated that due to proposed transfer of work further process for acquisition of land was not geared up and the work was practically stopped from 1993-94 onwards. In February 1995, it was finally decided by the Government not to transfer the work. EE also stated that since the award for the acquisition of private land had been declared (September 1998), the proposal for allotment of funds was in progress (September 2000).

The reply of the EE was not tenable as the EE failed to ensure possession of land in advance of starting the work. The delay in taking final decision regarding transfer of the work to the EE, Minor Irrigation Division (Local Sector), Parbhani and delay over two years in obtaining funds for the work after declaring award of land acquisition (September 1998) indicative of inefficiency of departmental officers. Due to these lapses investment of Rs 39.23 lakh remained unproductive for over 8 years besides exposing the balance work to cost escalation.

The matter was referred to Government (April 2000); reply had not been received (December 2000).

4.7 Idle investment on minor irrigation tank

A minor irrigation tank completed in June 1986 remained unproductive for over 13 years due to defective alignment of canal.

Audit scrutiny of records (February 1999) of the Executive Engineer (EE), Minor Irrigation Division, Nanded, disclosed that though the construction of a minor irrigation tank at Sawargaon in Nanded district was completed at a cost of Rs 37.87 lakh in June 1986, the irrigation potential created could not be utilised for over 13 years as construction of the canal remained incomplete due to defective alignment of the canal. The facts of the case revealed the following :

The alignment of the 5 Kilometre (km) long canal, approved by the EE in November 1984 on the basis of rough survey data, passed through dense forests and steep hills. There was no irrigable command in the first 2 km stretch and in the remaining 3 km, the command area had a very steep gradient due to which there was rapid run off of water. Due to this defective canal alignment, the canal work was not completed. No area could be irrigated despite availability of sufficient water during 1986 to 1999. The expenditure of Rs 2.81 lakh incurred on the incomplete canal work including the cost of land became wasteful. On noticing the defective canal alignment and impracticability of irrigating the command area by the canal, the Superintending Engineer, who inspected the site in October 1991, suggested construction of 2 or 3 Kolhapur type weirs on the down stream of the main nalla so as to utilise the water. The proposals for construction of 2 weirs were sent (May and June 1993) to the Zilla Parishad, Nanded and had not yet been

approved. As a result, the minor irrigation tank completed at a cost of Rs 37.87 lakh as early as in June 1986 largely remained unutilised.

On this being pointed out by Audit in February 1999, the EE stated (April 2000) that the non-feasibility of the canal work was noticed after starting the dam work. This indicates the lack of planning while taking up the work. Further, the EE did not show due diligence while approving the alignment which was evident from the fact that the alignment was not finalised after detailed survey and no action was taken to investigate the matter and fix responsibility.

The matter was referred to Government (May 2000); reply had not been received (December 2000).

4.8 Avoidable extra cost on construction of waste weir

Injudicious decision to reduce the length of a waste weir from 66 metres to 34 metres and its subsequent increase to 73 metres resulted in avoidable extra cost of Rs 1.23 crore.

Minor Irrigation Manual provides that the waste weir should be designed taking into account the discharge of water estimated by the application of modified *Inglis* formula. The flood absorption capacity of the tank should not be considered for designing the size of the waste weir.

Scrutiny of records (June 1999) of the Executive Engineer (EE), Minor Irrigation Division, Bhandara, disclosed that the work of construction of Umarzari Medium Project was taken up in April 1978. The Project Report envisaged construction of a waste weir of 66 metres to allow flood discharge of 435.468 cubic metres per second (cumsec.) as calculated by adopting the *Inglis* formula. However, during actual execution, the length of the waste weir was reduced to 34 metres (May 1979) on the basis of an estimated flood discharge of 173.18 cumsec. as calculated by application of Garret formula. This modification was done on the basis of the Chief Engineer's remarks in the case of another project viz. Kalimatitola medium project which had not yet been constructed (June 2000). The construction of 34 metres long waste weir was completed in 1981-82.

Further scrutiny revealed that when maximum flood discharge of 421 cumsec. was actually observed in 1994 the waste weir of 34 metres length originally constructed for allowing discharge of 173.18 cumsec. of water proved inadequate. As a result, the EE had to subsequently extend the length of the waste weir by 39 metres alongwith the approach and spill channel at a cost of Rs 1.38 crore in 1995-96 as against Rs 15.25 lakh that would have been spent in 1978-79. Thus, the decision to reduce the length of the waste weir on the

basis of Garret formula proved to be injudicious which resulted in avoidable extra cost of Rs 1.23 crore.

On this being pointed out, the EE and the Superintending Engineer, Irrigation Circle, Nagpur stated (June/October 1999, April 2000 and June 2000) that increase in cost was inevitable due to stoppage of the work between 1981-82 and 1994-95 on account of implementation of the Forest Conservation Act, 1980.

The reply was not tenable, as the length of the waste weir originally designed with reference to the *Inglis* formula was unnecessarily reduced in May 1979 on the basis of Garret formula, the applicability of which was not proved in 1994. Thus, non-observance of Manual Provision for construction of waste weir resulted in avoidable extra cost of Rs 1.23 crore.

The matter was referred to Government (July 2000); reply had not been received (December 2000).

4.9 Extra expenditure on cleaning of pipes

Failure to consider the circumstances necessitated blast cleaning of the mild steel pipes used in Irrigation Schemes resulted in extra expenditure of Rs 21.84 lakh.

The work of laying and jointing of 6940 metres of 1524 mm diameter mild steel pipes for the rising main of the Janai Lift Irrigation Scheme (LIS) in Pune district was entrusted to a contractor in January 1995 at an estimated cost of Rs 2.94 crore. Similar work covering 7130 metres of pipes for the rising main of the Sirsai LIS was entrusted to another contractor in February 1995 at 13.09 *per cent* below the estimated cost of Rs 2.66 crore. These works were to be completed within 24 months from the date of issue of work order. As per the prescribed specifications, the pipes were to be painted after removal of the oil, grease and dust etc. from the surface by petroleum solution or by sand blasting.

Scrutiny of records (February 1998) of the Executive Engineer (EE), Chaskaman Project Division, Pune disclosed that the estimates for the above works were technically sanctioned in December 1994 and the pipes required for the work were procured and brought to site in October 1994. The estimates envisaged manual cleaning by steel wire brushes on the grounds that the pipes were newly procured. During actual execution, cleaning by the steel wire brushes was found inadequate to remove the rust, scales and dust gathered on the pipes during monsoon. Therefore, 66689.53 square metres (Sq.m.) of external surface and 68505.95 Sq.m. of internal surface of the pipes were cleaned by sand blasting during July 1995 to October 1996 at the extra item rate of Rs 58.80 and Rs 45.15 per Sq.m. respectively at the rates

applicable in 1995-96. Had the cleaning of the pipes by sand blasting been provided in the original estimates, the rates payable for cleaning of external and internal surface would be only Rs 43.05, Rs 37.42 and Rs 33.60, Rs 29.20 per Sq.m. respectively. Thus, due to the deviation from the specification and differential rates, the division had to incur an extra expenditure of Rs 21.84 lakh.

On this being pointed out (February 1998), the EE stated that as the mild steel pipes were fresh and could be cleaned by wire brush, the sand blasting was not considered while preparing the original estimates. However, at the time of execution, manual cleaning was found to be inadequate to remove the rust etc. and blast cleaning was resorted to due to necessity and its superiority.

The reply was not tenable as the EE's initial decision to opt for manual cleaning was flawed one as while recommending the item of sand blasting for approval of Chief Engineer, the Superintending Engineer stated (May 1995) that the pipes were brought at site in October 1994 and the work of jointing/laying the pipes may take another 2-3 months. Thus, taking into account the ensuing rainy season there was possibility of rusting of the pipes. He further added that necessity of sand blasting was certainly more where pipes are to be painted. This indicates that the above aspect should have been anticipated at the time of estimation itself especially as the pipes had been brought to site in October 1994. Thus, failure of EE to incorporate blast cleaning at the time of estimation resulted in extra expenditure of Rs 21.84 lakh.

The matter was referred to Government (July 2000); reply had not been received (December 2000).

4.10 Unfruitful expenditure on construction of minor irrigation tank

Commencement of a minor irrigation tank without formal acquisition of the land required for the purpose resulted in expenditure of Rs 17.48 lakh remaining unfruitful for over five years.

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

The Government approved construction of a minor irrigation tank at Umri in Washim district at an estimated cost of Rs 1.01 crore in February 1994 to irrigate 295 hectares of land. The Executive Engineer (EE), Minor Irrigation Division, Washim entrusted (November 1994) the earthwork of the tank and tail channel to a contractor at 24.94 per cent above the estimated cost of Rs 40.01 lakh. The work was scheduled for completion in 13 months.

Audit scrutiny of records (February 1999) of the EE revealed that the work was stopped in March 1995 after incurring an expenditure of Rs 17.48 lakh due to non-acquisition of the land required for construction of the tank. When the work was tendered in September 1994, the EE gave a certificate that the land required for the work had already been acquired. He also stated that 33.46 hectares out of 74.16 hectares of land required for the project was taken in possession (October/November 1994) through private negotiations with the landowners. The EE sent the proposals for acquisition of the remaining land to the Revenue authorities in December 1994 and September 1995 but the land had not been acquired so far (May 2000). As a result, the expenditure of Rs 17.48 lakh incurred on partly completed tank remained unfruitful for over 5 years, besides likely cost overrun.

On this being pointed out (February 1999) in audit, the EE stated (May 1999) that at the time of tendering the work, the land owners had given their consent but subsequently some of them opposed the work on various grounds and approached (January 1995) the Court of Law. The work was stopped as per the stay order (May 1998) of the court.

The reply was not tenable as in contravention of the manual provision, the EE proceeded with commencement of the work without ensuring formal acquisition of the land required for the work. When the matter was referred to Government (May 2000), the Government stated (September 2000) that in fact only 11.05 hectares of land and not 33.46 hectares of land as intimated to audit by the EE was in possession of the Division. The Government admitted that a stay had been obtained by the affected land owners.

4.11 Non-utilisation of Management Information System

The Management Information System developed at a cost of Rs 69.83 lakh was not utilised for over three years for want of hardware and software.

In March 1995, Government appointed M/s Computer Maintenance Corporation (CMC) Limited, Pune as a consultant to review and assess the scope of the work, recommend purchase of suitable hardware/equipment and develop the Management Information System (MIS) modules for monitoring the progress of six²¹ major irrigation projects.

Scrutiny of records (September 1997 and December 1999) of the Superintending Engineer, Special Analysis and Evaluation Cell, Pune revealed that the firm had developed the MIS consisting of 23 modules at a cost of Rs 69.83 lakh and suggested (September 1995) necessary hardware and

²¹ Bhima, Jayakwadi, Krishna, Kukadi, Majalgaon and Upper Penganga.

software configurations. As the three²² Projects were transferred (April 1996) to Maharashtra Krishna Valley Development Corporation, who had developed separate MIS for these projects, the Government in February 1998 decided to install the MIS in the Upper Penganga Project (UPP). Accordingly, an estimate for Rs 64 lakh for procurement of hardware and software required for UPP was finalised in March 1998. However, hardware and operating system had not been procured (August 2000). Thus, due to non-procurement of hardware and operating system, the MIS developed at a cost of Rs 69.83 lakh remained unutilised for over three years.

On this being pointed out, Government stated (August 2000) that as the configuration of hardware suggested by the firm had become obsolete, the firm was again to be consulted for the latest configuration and a revised estimate for Rs 63 lakh had been prepared (May 2000). Government further added that the delay was due to lengthy/peculiar procedure required to be followed while purchasing the hardware in the scenario of fast changes in computers.

The reply was not tenable since the delay in procurement of hardware and operating system led to obsolescence of configuration which could have been avoided.

PUBLIC WORKS DEPARTMENT

4.12 Computerisation in Public Works Department

In order to increase efficiency and speed in administration by proper utilisation of Information Technology (IT) and to gear up the process of computerisation, Government established a Directorate of Information Technology (DIT) with effect from 1 March 1998 for framing of overall information strategy and its implementation. Public Works Department (PWD) started the work of computerisation in July 1997 by appointing M/s C-DAC, Pune. A Memorandum of Understanding (MoU) for two years from July 1997 to June 1999 was entered into with M/s C-DAC, Pune in July 1997. An Information Strategy Plan (ISP) was to be prepared by M/s C-DAC within a period of six months from July 1997 for implementation in PWD within a period of further one and a half year. The payment to M/s C-DAC was to be made on a man-month basis by PWD. A High Power Steering Committee (HPSC) was appointed (February 1998) by the Department to monitor the

²² Bhima, Krishna and Kukadi.

implementation of ISP. Computerisation in PWD was planned to take place in three phases.

	Period	Budget	Expenditure	Activities
		(Rupees in crore)		
Phase I	Prior to July 1997.	Not available	1.80	Word processing, spreadsheet and pay rolls
Phase II	July 1997 to June 1999 (Extended upto March 2000)	10.43	10.43	Computerisation upto Division level
Phase III	July 1999 to June 2001.	84.78	2.91 (upto March 2000)	Web enabling/work flow automation, Wide area network etc.

Department initially identified 30 pilot offices for total computerisation which were subsequently increased to 39.

Records relating to development of information system in Mantralaya, 8 pilot offices²³ and Information Technology Co-ordination Centre (ITCC), Pune were scrutinised by audit during November 1999 to January 2000. As the system was under development, attention was focused on seeing whether the development has been taking place in a control conscious environment besides assessment of general controls and procurement systems.

The following points were noticed:

4.12.1 Delay in completion

According to the ISP, computerisation upto Division level was to be completed by June 1999. The period of MoU (July 1997 to June 1999), which was initially extended upto December 1999, was further extended upto March 2000.

Messrs C-DAC developed 21 softwares²⁴ for deployment in the pilot offices. As the data entry work was in progress in pilot offices, the benefits/outputs from the applications had not fully accrued to the Department as of March 2000 even after two extensions besides an additional expenditure of Rs 1.51 crore towards payment to M/s C-DAC for the extended period.

The Secretary, PWD, Mantralaya, Mumbai (Secretary) stated (December 2000) that the delay was due to inadequacy of funds, being a pioneering work

An additional expenditure of Rs 1.51 crore was incurred on payment to M/s C-DAC due to delay in computerisation

²³ CE, PW Region, Aurangabad, Mumbai and Pune, SE, PW Circle, Aurangabad and Mumbai, EE, PW Division, Aurangabad, Presidency Division Mumbai and Road Project Division, Pune.

²⁴ Employee Information System, Works Management System, Budget preparation system, Pay bill general system, Mechanical, Electrical Inspection, Electricity Duty, Stores, Accounts, LAQ/LCQ Answering system, Inventory of Roads, Inventory of Buildings, Inventory of Bridges and CD works, Rest House, Land Acquisition, NOC, Vigilance and Quality Control, Accommodation and Rent Recovery, Registration of Contractors, Registry and File Trekking and Dynamic Report Generation System.

the exact time required and quantum of work could not be accurately assessed and change in the scope of work. The reply was not tenable, as all these contingencies could have been foreseen either at the time of preparation of the project or when the period was extended upto March 2000.

4.12.2 Procurement of hardware, software and services

4.12.2.1 The HPSC in its meeting held on 13 November 1998 recommended posting of 10 Junior Programmers (JPs) in pilot offices from 15 November 1998. However, it was observed from the bills paid to the firm that the charges for man-month for the period from 1 July 1998 to 15 November 1998 amounting to Rs 14.85 lakh were also paid by the department.

In reply the Secretary stated (December 2000) that site preparation, equipment layout, Local Area Network (LAN) arrangements, creating awareness amongst prospective users also needed technical input. The reply was not tenable, as the department did not clarify the reasons for making payment to additional JPs before their actual posting.

4.12.2.2 General Administration Department (GAD) prescribed rates on the basis of man-months, which should be adopted for making payment to M/s C-DAC. The rates were to be increased by 10 *per cent* every year starting from 1 April 1999. However, the payment to Programmers and Administrative Support Staff was made at the rates in excess of the rates proposed by M/s C-DAC and higher than the rates prescribed by GAD. Thus, payment was made by the department at higher rates resulting in excess payment of Rs 41.74 lakh. DIT also stated (November 1999) that payment to Administrative Support Staff was not admissible as the same was included in the man-month charges payable to other staff. As such, the payment of Rs 19.14 lakh made by the department upto January 2000 on account of deployment of Administrative Support Staff was irregular.

The Secretary stated (December 2000) that the amount of Rs 41.74 lakh was now recovered from the bills paid to M/s C-DAC in February and March 2000.

4.12.2.3 GAD issued guidelines for payment of consultancy charges to M/s C-DAC at the rate of two *per cent* of the cost of hardware procured by the Department. However, the Executive Engineer, Presidency Division, Mumbai made the payment in September 1998 at five *per cent* of the cost of hardware resulting in excess payment of Rs 12.66 lakh.

The Secretary stated (December 2000) that the amount had been recovered in October 2000.

The matter needs investigation by Government in respect of the above mentioned excess payments to avoid recurrence of such cases in future.

Junior programmers and administrative support staff were paid at rates higher than those admissible resulting in excess payment of Rs 41.74 lakh

Consultancy charges were paid to M/s C-DAC at five *per cent* instead of two *per cent* resulting in excess payment of Rs 12.66 lakh

4.12.3 Security policy

The department did not have a clearly stated and documented IT Security Policy leaving the IT system open to various threats

Considering the vulnerability of IT Systems to various threats, it was necessary for the Department to (i) identify the risks involved in the new system, (ii) identify critical data which would need enhanced security, (iii) define a security policy which would ensure confidentiality, reliability and availability of data and (iv) document the security policy. No such security policy had been framed and documented by the PWD. Absence of any clearly stated top level security policy would result in a weak or non-existent Physical and Logical Access Controls, non-allocation of responsibilities and procedures to be followed in case of any breaches or deviations from procedures. This might also lead to increase in risks of corruption of data or hacking.

The Secretary stated (December 2000) that the necessary security policy was being formulated based on the suggestions made by Audit. The reply was, however, not acceptable as the data entry work was in progress and it was necessary to safeguard the hardware and data at this stage itself. Fitting IT security to a live system could further be time consuming, expensive and inefficient.

4.12.4 Training and deployment of trained staff

The MoU between PWD and M/s C-DAC also provided for training support from M/s C-DAC. In order to ensure that trained manpower is available in all offices for implementation of applications developed by C-DAC, it was necessary for the Department to have a clearly stated training policy.

The department did not have a documented training policy which resulted in selection of persons for training whose duties do not warrant use of computers

It was noticed (November 1999) that the Department did not have a documented training policy. There were no set norms prescribed for selection of personnel for training, which resulted into selection of improper persons²⁵. The Department also did not have an officewise list of trained personnel (especially application based) and the ITCC did not have even the details of application based courses conducted prior to July 1999. In the absence of any such database of trained manpower, the Department did not have a mechanism to ensure that the trained manpower was properly deployed. Thus, audit could not ensure efficacy of training in implementation of the ISP.

In reply the Secretary stated (December 2000) that on the suggestion of audit the training policy has been prepared, documented and was under finalisation and acceptance by the Department. Further progress in the matter was awaited (December 2000).

4.12.5 Documentation policy

It is essential to establish policies and procedures for effective preparation, distribution, control and maintenance of documentation²⁶ which will be

²⁵ Labourers (17), Peons including Chowkidars (4), Painters (3) and Mukadam (1) from PW Circle Mumbai.

²⁶ Documentation such as : IT Strategy, IT Operations, IT Plans, Personal policy, Training policy, Software life cycle, Programmes in use, Change control procedures, File structures, Programmer's manual, User's manual, Test plans and reports.

helpful in reuse, conversion, correction and enhancement to the present IT system. The ISP also provided for adherence to Institute of Electrical and Electronic Engineers (IEEE) standards. These standards categorically advocated preparation of the aforementioned documentation, which were neither followed by M/s C-DAC nor insisted upon by the Department. It was observed that the only documentation available with the Department was the ISP and the user manuals for applications on Employee Information System, Paybill, Stores, Works Management System.

The Secretary stated (December 2000) that most of the documents were included in the updated ISP which was updated on a regular basis. Other policy documents and user manuals were also prepared and were under approval and finalisation of the department. A task group, which would study the IEEE standards, was formed to formulate the policy. The reply was not tenable as these documents should have been prepared in the initial stages itself as envisaged in MoU and ISP.

The department did not have policies and procedures for effective preparation, distribution, control and maintenance of IT documentation

4.12.6 Software shortcomings

Test-check of the Applications, which were being utilised by Pilot Offices, further revealed points shown in Appendix XXVIII which depicted lack of input, process and output controls. The points also indicated that the packages were not being effectively used and the benefits anticipated from these packages have not reached the Department.

4.12.7 Monitoring and evaluation

As the work of computerisation was being executed through Turnkey Solution Provider, it was necessary for the Department to monitor these activities and evaluate the work done by them. PWD was to do this monitoring through the HPSC. In none of the meetings of the HPSC, however, the issue regarding observance or otherwise of standard software engineering practices was discussed. Similarly, training activity is very important at the development stage and hence should be closely monitored. Audit scrutiny, however, revealed absence of such monitoring right from selection of personnel for training to their effective deployment.

In the absence of any monitoring and evaluation on the part of the department there was no way for the department to ensure that the development was taking place (a) in a control conscious environment, (b) according to the requirement specification and (c) which were meeting the desired outputs. The Secretary stated (December 2000) that the suggestions would be considered for inclusion in the terms of reference of HPSC/Core committees for future evaluation.

4.13 Extra cost due to abnormal delay

Failure to take timely decision led to increase in cost of a bridge besides time overrun of 8 years.

Government approved (May 1984) construction of a bridge alongwith approaches across Panchganga River near Rui on Pattankadoli-Kabnoor-Ichalkaranji-Yedrav-Shirol-Arjunwad major district road in Kolhapur district at an estimated cost of Rs 53.86 lakh. The work of bridge was entrusted to a contractor in March 1988 at 14.08 *per cent* above the estimated cost of Rs 43.35 lakh for completion by September 1990.

In June 1989, the Executive Engineer (EE), Public Works Division, Kolhapur withdrew the work from the contractor due to slow progress. The balance work was awarded to another contractor in January 1990 at 44.59 *per cent* above the estimated cost of Rs 40.52 lakh for completion by January 1992. The contractor could execute work worth Rs 19.01 lakh till the stipulated date of completion due to delay of the Division in taking joint measurement of pier No. 1 to 5, delay in supplying the designs of the bridge to contractor and change in grade of concrete in respect of various components of bridge. Therefore, the contractor demanded (January 1992) payment at the rates prevailing in 1992 which worked out to Rs 52.57 lakh instead of the tender rates for completion of the balance work.

The Executive Engineer, Superintending Engineer and Chief Engineer were negotiating with the contractor during 1992 to 1995 without taking any concrete steps to cancel the contract or to arrive at a negotiated settlement. Meanwhile, the contractor revised his offer in January 1995 to Rs 64.05 lakh, in August 1996 to Rs 68.01 lakh and in June 1997 to Rs 76.74 lakh to complete the balance work. The Chief Engineer in December 1995, approached the Government for consideration of the contractor's request and the Government finally accepted the contractor's offer for Rs 76.74 lakh in November 1997 after a delay of nearly 2 years for which there was no recorded justification. The work to be completed by November 1999 was still in progress (August 2000). Thus, failure to take timely decision on contractor's initial offer of Rs 52.57 lakh and subsequent delay in taking decision to accept or reject the contractor's proposals resulted in extra liability of Rs 24.17 lakh to the department and delay in completion of the bridge for over 8 years.

On this being pointed out (August 1998 and December 1999), the EE stated that the offer of contractor in January 1992 and January 1995 was under evaluation for its financial implications and final decision could be taken only in November 1997 after approval of the proposal by a Standing Committee.

The reply was not tenable because the delay over 5 years in taking a decision on the contractor's request was not justified which led to increase in cost of the bridge by Rs 24.17 lakh.

The matter was referred to Government (June 2000); reply had not been received (December 2000).

4.14 Avoidable expenditure

The Executive Engineer, Public Works Division No. III, Nagpur did not consider the rate structure of the Social Forestry Department while preparing the estimates for roadside plantation and executed the work at abnormally high rate resulting in avoidable expenditure of Rs 23.60 lakh.

The Executive Engineer (EE), Public Works Division No. III, Nagpur entrusted the work of planting of 9000 plants on four roadsides in Nagpur district to four agencies at a cost of Rs 53.82 lakh. The work commenced between September 1997 and March 1998 was to be completed by the end of third year from the date of commencement of the plantation and the contractors were required to ensure 80 *per cent* survival of the plants after the third year of planting. As of March 1998, the agencies had planted 7469 plants at a cost of Rs 44.65 lakh.

Scrutiny of records (February 1998) of the EE disclosed that the contracts were awarded at the rate of Rs 598 per plant (including the cost of tree guard) as against the departmentally worked out rate of Rs 600 per plant. The departmental rate prepared by the EE and approved (September 1997) by the Superintending Engineer, Public Works Circle, Nagpur was based on the schedule of rates applicable to Parks and Garden and the rates ascertained from the local shopkeepers, even though the Social Forestry Department had prescribed the rate of Rs 282 per plant (including cost of tree guard). While arriving at the departmental rate, the EE had neither ascertained the rate from the Social Forestry Department nor considered it prudent to entrust the work to that department. Thus, the EE had to incur avoidable extra expenditure of Rs 23.60 lakh. Further, it was observed in audit that similar work of roadside plantations had been done by the Public Works Division, Osmanabad through the Social Forestry Division, Osmanabad at the rate of Rs 120.42 per plant with 70 *per cent* survival rate of the plants.

On the abnormally high rate accepted by the EE as compared to the rate of Social Forestry Department being pointed out in audit, the EE stated (January 1999) that the Social Forestry Division, Nagpur expressed their inability to undertake the roadside plantations, when contacted verbally.

The reply was not factually correct as the EE consulted the Deputy Director, Social Forestry only in September 1998 and not before preparation of the estimates or awarding the work to the agencies. Thus, due to his failure to take into account the rates being adopted by the Social Forestry Department or use their services, the Public Works Department had to pay at abnormally high rates to the contractors leading to avoidable expenditure of Rs 23.60 lakh.

The matter was referred to Government (June 2000); reply had not been received (December 2000).

4.15 Irregular payment to a contractor

Excess payment of Rs 21.76 lakh was made to a contractor over and above the agreed cost.

In February 1989, Government approved construction of a bridge across the river Dudhana on Parbhani – Jintur Road at an estimated cost of Rs 56.89 lakh with a condition that detailed designs and drawings should be approved by the Superintending Engineer (SE) (BR) Public Works Design Circle, Navi Mumbai. The work was awarded to a contractor in January 1997 at a lump sum cost of Rs 1.26 crore for completion by July 1999. The contract stipulated that the work should be executed as per the designs and drawings approved by the SE.

Scrutiny of records (November 1998) of the Executive Engineer (EE), Public Works Division, Parbhani revealed that the initial design submitted in April 1996 by the contractor on the basis of maximum water velocity of 5.85 metre per second was rejected (July 1996) by the SE. The contractor was asked to revise the design adopting the maximum mean velocity of 5.85 metre per second. Accordingly, the contractor revised the design and agreed (October 1996) to execute the work as per the revised drawings at the same cost. The EE paid an excess amount of Rs 21.76 lakh to the contractor on the ground that the actual work executed as per the revised design was more than the quantity envisaged as per the original drawings.

On the excess payment made to the contractor being pointed out (November 1998) in audit, the EE stated (March 2000) that considering the sincerity of the contractor and on humanitarian ground the payment was made. The reply was not tenable since the contractor had agreed (October 1996) to execute the work as per revised design at the same cost as per the provisions of the contract. Thus, the overpayment of Rs 21.76 lakh was recoverable from the contractor and the action of the EE was liable for investigation for causing loss to the Government.

The matter was referred to Government (June 2000); reply had not been received (December 2000).

**RURAL DEVELOPMENT AND WATER CONSERVATION
DEPARTMENT**

4.16 Avoidable expenditure due to defective estimates

Non-provision of protective measures caused erosion to the river banks of three Kolhapur Type weirs resulting in extra cost of Rs 12.63 lakh on refilling the eroded portion.

According to Manual of Minor Irrigation Works for preventing the danger of out flanking, the weir should be keyed into solid rock. If the rock is not available within the reasonable length it is desirable to provide flank wall for protecting the nalla or river banks.

It was noticed (July 1999) in audit that the left banks of rivers on which three²⁷ K. T. weirs were constructed between October 1997 and October 1998 at a cost of Rs 137.66 lakh by Executive Engineer (EE), Minor Irrigation Division (Local Sector), Aurangabad were eroded due to out flanking during the flood in November 1997 and July/August 1998. The erosion to the river banks were caused mainly due to existence of erodable strata like black and impervious soil on the banks. Refilling of these eroded portions of the banks was completed by June 1999 at a cost of Rs 12.63 lakh. The EE had prepared (March 1998, July 1998 and May 1999) estimate for the provision of protective walls at the cost of Rs 33.68 lakh. Had the protective work been included in the original estimate, it would have cost the Division Rs 12.44 lakh only.

Thus, non-provision of protective measures for preventing the danger of out flanking in the original estimate as envisaged in the manual resulted in infructuous expenditure of Rs 12.63 lakh on refilling of the damaged banks besides additional liability of Rs 21.67 lakh on account of cost escalation of protective works.

On this being pointed out (July 1999) in audit, the EE admitted the facts and stated (January 2000) that provisions for protective measures had been made in the revised estimate.

The matter was referred to Government (April 2000); reply had not been received (December 2000).

²⁷ Borgaon Bazar and Didgaon (Purna river), Vairagarh (Shivana river)

4.17 Wasteful expenditure on construction of a minor irrigation tank

Non-acquisition of land required for a project before commencement of work resulted in stoppage of work and wasteful expenditure of Rs 11.49 lakh.

Maharashtra Public Works Manual provides that no work should be commenced on a land which has not been duly made over by the Land Acquisition Officer.

Scrutiny of records of the Executive Engineer (EE), Minor Irrigation (Local Sector) Division, Dhule (March 1999) revealed that the construction of a minor irrigation tank at Moramba in Dhule district was approved by the Government in May 1982 at an estimated cost of Rs 20.66 lakh. The work was not taken up till December 1993 due to non-clearance of 8.85 hectares of forest land required for the project. The earth work and preliminary works between chainage 253 to 360 metres and 450 to 560 metres estimated to cost Rs 28.32 lakh were entrusted to four agencies between December 1994 and April 1995 for completion by September 1996. However, after incurring an expenditure of Rs 16.20 lakh (including the cost of forest land and sluice gates), the work was stopped in January 1996 due to non-acquisition of land required for the project. It was also revealed that out of 10 hectares of private land required for the project, 8.36 hectares of land was taken into possession by the EE in January 1995 through private negotiations. The EE submitted the proposal for land acquisition to the Collector, Dhule only in March 1996 and the latter rejected it in June 1997 on the ground that consents of the landowners were not furnished by the EE. The EE finally withdrew the proposal in May 1998 on the ground that consents of the landowners could not be obtained in the past, nor could it be obtained in future. Thus, commencement of the work by the EE without ensuring availability of the land resulted in abandoning of the work. The expenditure of Rs 11.49 lakh excluding the cost of forest land and sluice gates spent on the project became wasteful.

On this being pointed out (March 1999 and May 2000), the EE accepted the facts and stated (May 2000) that the construction of the tank was not feasible without acquisition of the land and there was no other alternate proposal for completion of the project.

The matter was referred to Government (June 2000); reply had not been received (December 2000).

CHAPTER – V

STORES AND STOCK

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STORES AND STOCK

GENERAL ADMINISTRATION DEPARTMENT

5.1 Review of certain important aspects of stores and stock purchase, maintenance and disposal in Government Transport Service

5.1.1 *Introduction*

The Government Transport Service (GTS), set up by Government in April 1944, provides transport to Ministers, visiting Very Important Persons (VIPs) and high dignitaries as well as to other Government officers. It also undertakes maintenance and repairs of Distinguished Visitors' cars, Government vehicles and cars allotted to Ministers.

The GTS has a fleet of 122 vehicles as of March 2000 and has its own workshop and a store. The activities of the GTS are looked after by the Transport Commissioner.

The GTS does not have any prescribed regulations governing purchases, receipt, issue, custody, condemnation, sale and stock-taking of stores. Purchase of stores and its stocking are based on the average consumption during the previous year and depend upon the number of vehicles. No maximum or minimum stock limit for the stores has also been prescribed.

A review of the stores maintained by the GTS during June 2000 revealed the following :

5.1.2 *Excess stocking of stores*

The stores maintained by the GTS mainly comprised spare parts such as clutch plates, engine valve sets, tyres, cylindrical caliper assembly etc.

A committee appointed by the Government in August 1981 to examine the existing procedure and practices relating to the purchase and stocking of spare parts and stores had made several suggestions for efficient maintenance and management of stores. Some of the suggestions were :

- (i) Adopting scientific inventory management techniques, fixing minimum stock and reorder level.
-

- (ii) Identification, segregation and disposal of obsolete stock.
- (iii) Keeping the inventory down.

Government admitted (December 2000) the difficulty in implementing the recommendations of the Committee. As a result, the organisation continued to hold huge stock of spare parts year after year as detailed below :

Year	Number of vehicles available during the year	Opening balance of spare parts	Purchases during the year	Consumption of spare parts	Balance of spare parts lying in stores at the year end	Percentage of balance to annual consumption of spares
		(Rupees in lakh)				
1995-96	203	19.82	26.35	26.33	19.84	75
1996-97	191	19.84	29.63	25.39	24.08	95
1997-98	184	24.08	38.04	34.01	28.11	83
1998-99	163	28.11	34.43	34.60	27.94	81
1999-2000	122	27.94	38.94	36.90	29.98	81

The table above reveals that :

- (i) the closing stock during the period 1995-96 to 1999-2000 accounted for about 75 to 95 per cent of the annual consumption indicating that the purchases were much more than the actual requirement. Further, the reduction of vehicles from 203 to 122 during the same period had little effect on the annual purchases. As of June 2000 the GTS had a stock of spare parts worth Rs 30 lakh for its 94 operational vehicles. This indicated that the assessment of annual requirement was not done properly. When the matter was referred to Government (October 2000), Government stated (December 2000) that the purchases of spares worth Rs 19.84 lakh shown as opening balance for the year 1995-96 was the accumulated cost of spares purchased during the period 1980 to 1995 for Ambassador cars then in use and necessary action to dispose of these spare parts was in progress as the spare parts had become obsolete in view of the fact that the GTS currently has only fleet of vehicles of recent make and models.
- (ii) The stocking of stores resulted in blocking of funds of Rs 26 lakh on an average every year. Government stated (December 2000) that the spares were stocked in order to provide immediate repairs to vehicles used by Ministers, VVIPs and VIPs. The reply was not tenable as GTS had admitted that repairs to vehicles were being carried out from outside in emergency due to non-filling of supervisory post.
- (iii) Further, excess stocking of stores continued with accompanying high inventory carrying cost. Scrutiny of the records of the balance of a few spares in stock at the end of March 1999 revealed that the actual reorder level was even more than the annual consumption. A few instances are given as follows:

Sr. No.	Item	Cost per item (Rupees)	Annual actual consumption for 1999-2000 (per item)	Monthly consumption factor	Reorder level recommended by the committee (two months consumption)	Actual reorder level
1	Piston with ring (Amb-Mat)	2970	6	0.5	1	7
2	Tyre 155 SR 13 (118 NE)	1688	11	1	2	15
3	Differential pinion bearing (Contessa)	372	8	0.67	2	9
4	Differential pinion bearing (118 NE)	279	6	0.5	1	7

Government (December 2000) justified the excess stock of tyres stating that there were occasions when all the tyres of a vehicle had to be replaced at a time and as such it was not possible to limit the purchase to the reorder level recommended by the committee. However, the reply is not tenable since tyres can be procured from the local market at short notice.

5.1.3 Outside repairs

5.1.3.1 Owing to the fact that the work relating to certain items of maintenance/repairs are not handled by GTS and sometimes owing to urgency also, work of maintenance/repairs is entrusted to outside workshops. This happens mainly in the case of Ministerial fleet and the expenditure on outside repairs of this fleet has steadily gone up from Rs 2.18 lakh in 1995-96 to Rs 14.99 lakh in 1999-2000.

5.1.3.2 Audit scrutiny revealed that of the expenditure incurred on outside repairs, on an average 47 per cent every year was on replacement of spare parts which were available with GTS ex-stock. Non-utilisation of spares with GTS ex-stock compounds the undesirable practice of overstocking. Resorting to such outside repairs indicates the inability of GTS to fulfil its mandate of providing vehicles in an absolutely serviceable condition whenever required and without any delay.

5.1.3.3 The GTS justified outside repairs on grounds of emergency and non-filling of supervisory posts in GTS for 3 to 7 years. The reply is not tenable since as many as 39 technical posts had been identified as excess by GTS itself, establishing that resorting to outside repairs cannot be attributed to non-filling of posts.

5.1.4 *Obsolete stock*

One of the reasons for excess balance in stock was due to the work of repairs/ replacements of vehicles being entrusted to other agencies whereby the spare parts procured by the GTS remained unutilised running the risk of becoming obsolete. The exact quantity of loss due to obsolete stores could not be ascertained as the GTS had not completed identification of such stock (September 2000).

5.1.5 *Idle Stock*

A breakdown van for heavy vehicles to attend to any breakdown of GTS vehicle on road which was purchased in August 1985 at a cost of Rs 4.95 lakh was lying unused since September 1996 onwards due to retirement of the driver-cum-operator and non-filling of the post afterwards. Though the Director General of Police, Maharashtra State, Mumbai informed GTS about his willingness to take over the van in May 1999, the same is yet to be transferred for want of sanction from General Administration Department.

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CHAPTER – VI

FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

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FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

6.1 Extent of Assistance

Autonomous bodies and authorities receive substantial financial assistance from Government. Government also provides substantial financial assistance to other institutions such as those registered under the Maharashtra Co-operative Societies Act, 1960, Companies Act, 1956 etc. to implement certain programmes of the State Government. The grants were intended essentially for maintenance of educational institutions, hospitals, charitable institutions, construction and maintenance of schools and other similar facilities under municipalities and local bodies.

During 1999-2000, financial assistance of Rs 5651.37 crore as grants and Rs 3820.22 crore as loans were paid to various autonomous bodies and others, broadly grouped as under :

Sr. No.	Name of Institutions	Amount of grants	Amount of loans
		(Rupees in crore)	
1.	Universities and Educational Institutions	2660.04	--
2.	Municipal Corporations and Municipalities	506.90	56.83
3.	Zilla Parishads and Panchayati Raj Institutions	674.96	2545.98
4.	Development Agencies	1071.20	--
5.	Hospitals and Dispensaries	38.35	--
6.	Other Institutions	699.92	1217.41
	Total	5651.37	3820.22

6.2 Delay in furnishing utilisation certificates

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

Of the 53478 UCs due in respect of grants and loans aggregating Rs 5041.28 crore paid upto 1999-2000, only 428 UCs for Rs 101.03 crore had been furnished during 1999-2000 and 53050 UCs for an aggregate amount of Rs 4940.25 crore were in arrears. In respect of UCs for grants, the Department of Social Welfare, Cultural Affairs and Sports was the worst defaulter with 24674 UCs pending for Rs 602.90 crore followed by Department of Planning (9190 UCs for Rs 809.52 crore), and Department of Agriculture, Animal Husbandry, Dairy Development and Fisheries (5910 UCs for Rs 209.65 crore). As regards UCs for loans, the worst defaulter was the Department of Industries, Energy and Labour which had 1817 UCs outstanding for Rs 31.46 crore. Details of departmentwise break-up of outstanding UCs are given in Appendix XXIX.

6.3 Delay in submission of accounts

6.3.1 In order to identify the institutions which attract audit under Section 14/15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, Government is required to furnish to Audit every year detailed information about the financial assistance given to various institutions, the purpose for which assistance was sanctioned and the total expenditure of the institutions. Information for the year 1999-2000 called for in March 2000 was awaited as of 31 August 2000 from 21 departments of Government. The following departments had not furnished the information for the years as indicated below :

Year(s) for which information was awaited	Name of Department
1998-99 to 1999-2000	Agriculture, Animal Husbandry, Dairy Development and Fisheries
1998-99	Co-operation and Textiles
1993-94 to 1995-96 and 1997-98 to 1998-99	Environment
1999-2000	Finance
1995-96 and 1998-99 to 1999-2000	Food, Civil Supplies and Consumer Protection
1995-96 to 1997-98	Higher and Technical Education
1993-94 to 1999-2000	Home
1999-2000	Housing and Special Assistance
1999-2000	Industries, Energy and Labour
1998-99 to 1999-2000	Irrigation
1999-2000	Law and Judiciary
1999-2000	Legislature Secretariat
1997-98	Planning
1995-96 and 1997-98 to 1999-2000	Public Health
1993-94 to 1995-96 and 1997-98 to 1999-2000	Public Works
1996-97	Revenue and Forests

Year(s) for which information was awaited	Name of Department
1991-92 to 1995-96 and 1998-99 to 1999-2000	Rural Development and Water Conservation
1996-97 to 1999-2000	School Education
1998-99	Social Welfare, Cultural Affairs and Sports
1991-92 to 1995-96 and 1999-2000	Tribal Development
1993-94 and 1997-98 to 1999-2000	Women and Child Welfare

6.3.2 The audit of accounts of the following bodies has been entrusted to the Comptroller and Auditor General of India for a period of 5 years (as follows):

Sr. No.	Name of body	Period of entrustment	Date of entrustment
1	Maharashtra Housing and Area Development Authority, Mumbai	1.4.1998 to 31.3.2003	16.10.1998
2	Maharashtra State Khadi and Village Industries Board, Mumbai	1.4.1997 to 31.3.2002	31.12.1996
3	Maharashtra Jeevan Pradhikaran, Mumbai	1.4.1997 to 31.3.2002	26.02.1998
4	Mumbai Metropolitan Region Development Authority, Mumbai	1.4.1999 to 31.3.2004	09.02.1999
5	Maharashtra State Commission for Women, Mumbai	1.4.1998 to 31.3.2003	07.07.1999
6	Maharashtra Maritime Board, Mumbai	1.4.1996 to 31.3.2001	25.02.1999

6.4 Audit arrangements

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

6.4.2 Of the 325 bodies/authorities whose accounts for 1998-99 were received in the audit office, 315 bodies/authorities attracted audit. Of these 286 bodies/authorities were audited.

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



SECTION - A

REVIEWS

SECTION-A

REVIEWS

ENVIRONMENT DEPARTMENT

6.5 Implementation of Environmental Acts and Rules relating to water pollution

6.5.1 Highlights

There has been an increasing awareness on environment issues in public policy. A review was conducted to assess the steps taken for the control and prevention of water pollution in the State by the State Environment Department under the prescribed statutory framework and the Maharashtra Pollution Control Board, which is the sole regulatory body entrusted with the function. The review revealed that domestic effluents discharged by municipal/local bodies remained largely untreated due to absence or inadequacy of treatment facilities thereby polluting water bodies. The Pollution Control Board, as a regulatory body had neither taken action against the local bodies to restrain them from discharging the effluents nor taken adequate initiative to help the local bodies financially for treatment of the effluents. Thus, the water quality of the water bodies in the State has not improved and the sea water quality in Mumbai has deteriorated due to the effluents discharged from the Municipal Corporation areas.

There was delay of twelve years in framing the Industrial Location Policy which resulted in setting up of industries on the banks of various rivers in the State.

(Paragraph 6.5.5)

There is deterioration in the water quality of all the major rivers in the State with reference to the standards set for the water quality parameters.

(Paragraph 6.5.6)

The Brihanmumbai Municipal Corporation was discharging 64 per cent of the domestic effluents generated without any treatment into the Arabian Sea resulting in the sea water being highly polluted and unfit for designated use.

(Paragraph 6.5.8.1)

Twelve out of fourteen municipal corporations were discharging more than 50 per cent of the effluents into the river bodies/creeks without providing any treatment thereby polluting the environment and the water bodies.

(Paragraph 6.5.8.2)

The Municipal Councils were discharging almost the entire effluents generated without any treatment into the various rivers in the respective regions.

(Paragraph 6.5.8.3)

Thirteen out of fifteen Municipal Corporations and 218 out of 219 Municipal Councils did not hold valid consents as of March 2000 to discharge effluents/pollutants into water resources or land.

(Paragraph 6.5.8.4)

Despite Supreme Court directives, Maharashtra Pollution Control Board could not persuade local bodies to provide sewage water treatment plants.

(Paragraph 6.5.8.5)

Out of 14 Common Effluent Treatment plants with capacity of 78700 cubic metres, only 6 with capacity of 25500 cubic metres were commissioned. Three of the commissioned plants were not being utilised to their full capacity due to non-laying of pipelines for collection of effluents from member industries.

(Paragraph 6.5.9.3)

The Krishna Godavari River Action Plan conceived in March 1994 had not made any progress.

(Paragraph 6.5.10.1)

Analysis of samples by the Maharashtra Pollution Control Board revealed that sea water quality in Mumbai was less than the prescribed standard, making the water unfit for designated use.

(Paragraph 6.5.11)

6.5.2 Introduction

The Central Government in its endeavour to bring about environmental consciousness brought out a National Conservation Strategy and Policy statement on Environment and Development in June 1992 which emphasised the needs of attaining the goal of an environmentally wise society. Further, the Government of India (GOI) in its Policy Statement for abatement of pollution laid down in March 1992 emphasised their commitment to solving the problem of environmental pollution with the co-operation of the State Governments, industry, local bodies and the public. Thus, there has been an increasing awareness on environment issues in public policy.

State's profile on water, air and waste pollution

Air Pollution

Maharashtra State has been declared an Air Pollution Control Area in November 1995. Air pollution is mainly caused due to vehicular exhaust, industrial emissions, stone crushers, asphalt plants, fly ash emissions from thermal power plants, process emissions from chemical industries and the sugar industries using bagasse as fuel. In Mumbai City and suburban areas the ambient air quality is regularly monitored by the Brihanmumbai Municipal Corporation (BMC) at 22 monitoring stations. The Maharashtra Pollution Control Board (MPCB) has reported that 60 *per cent* industries have either partial or full system for control of air pollution and regular vigilance and monitoring are carried out to observe the quality of ambient air.

In the cities of the State, emission from automobiles is a prime source of pollution. The analysis of emission load worked out by the BMC showed that vehicles contribute over 63 *per cent* emission. Various steps have been taken for control of vehicular pollution in Mumbai.

Waste pollution

Hazardous waste

Generally hazardous waste generating industries are located in the chemical industries zones. Total quantity of hazardous waste generated by 3953 units was 20.08 lakh tonnes *per annum* (tpa) out of which 8.47 lakh tpa is recyclable and 1.16 lakh tpa is disposable. The rest is incinerable. The State has declared Maharashtra Industrial Development Corporation (MIDC) as the agency for identifying suitable sites for disposing hazardous waste.

Solid waste

Management of solid waste in urban areas is a major problem faced by the local bodies. Out of the 253 local bodies in Maharashtra only 23 have some partial treatment facility and the rest do not have any treatment facility at all. In Mumbai city 500 tonnes solid waste is generated per day out of which 40.45 *per cent* are bio-degradable; only 10 *per cent* of solid waste generated is treated and disposed.

Water pollution

In Maharashtra 21 river basins covering the entire State have been identified by the MPCB for control of water pollution. Water pollution is mainly due to the discharge of inadequately treated domestic and industrial effluents into the water bodies. Three fourths of waste water generated by volume are on account of domestic effluents. Out of the 5503 million litres per day (mld) of domestic effluents generated in the State, only 1309 mld are adequately treated and 4194 mld remain untreated, as of March 2000.

6.5.3 Organizational set-up

The State Environment Department headed by a Secretary, formulates the policies and programmes for meeting the statutory requirements of pollution aspects and also oversees the working of the main regulatory body, the MPCB.

The MPCB is an autonomous body set up in 1970 headed by a Chairman. The Member Secretary of the MPCB executes the decisions taken by the Board. It has 11 regional offices each headed by a regional officer and a central laboratory at Navi Mumbai, seven regional laboratories are attached to the regional offices.

6.5.4 Audit coverage

A review was conducted to assess the extent to which water pollution is being prevented/controlled in the State. For this purpose, effectiveness of the measures taken for the protection of environment, control and abatement of water pollution and improvement in the quality of water sources was examined. As the MPCB is the sole regulatory body entrusted with the functions of prevention and control of Water Pollution, the working of the Board in relation to Water (Prevention and Control of Pollution) Act 1974, was reviewed for the period 1994-95 to 1998-99 by a test-check of records at the Headquarters of the Board. Out of the 11 regional offices of the Board the records at 7 offices located at Mumbai, Navi Mumbai, Raigad, Thane, Kalyan, Nashik and Pune were also test-checked. The findings are mentioned in the succeeding paragraphs.

6.5.5 Strategy for water quality management

All 21 river basins of the State have been identified by the Board for control and prevention of water pollution. To curb river water pollution to the extent possible, the Board has prescribed a regulatory regime in October 1996 for the future industrial development along the banks of the rivers with reference to the classification of the water, based on the best designated uses as indicated below.

Class of water	Stretch of the river	Best designated use	Minimum distance for location of industries- No development zone
A-I	Point from where the river originates upto first designated/notified dam/weir	Drinking water source without conventional treatment but after disinfection	3 Kms. on either side of river
A-II	River stretch below first designated/notified dam/weir upto AIII/AIV class of water	Drinking water source with conventional treatment followed by disinfection	1 Km. on either side of the river
A-III	-	Fish and wild life propagation	Upto ½ Km. on either side
A-IV	-	Agriculture, industrial cooling and process	Upto ½ Km. on either side

Delay in framing Industry Location Policy

It was observed that the Industrial Location Policy proposal was submitted by the Board to the State Government in September 1997, though the Ministry of

Environment, GOI had laid down these guidelines way back in August 1985. As a result, during the period 1985-1997, the State Industries Department and the MIDC (which is the State Government Corporation responsible for developing industrial infrastructure), had given permission to the setting up of small scale industries and industrial estates, at locations in Patalganga, Roha and Mahad (District Raigad) which are in close proximity of river bodies. Similarly, a large number of polluting industrial units like sugar, chemicals and distilleries were also set up along the stretches of the rivers of the State without following the criteria of safe distance.

Therefore, due to inordinate delay in framing the policy on the part of the State Environment Department and the MPCB, the GOI guidelines on setting up of industries could not be enforced for as long as 15 years. Incidentally it was observed that a policy of restricting setting up of industries on the banks of river Bhatsa in Thane district which supplies water to the Mumbai City was implemented by the State Environment Department since December 1987 much before the policy was laid down for the State as a whole.

When the reasons for delay in approval of the policy submitted by the Board in 1997 were called for (February 2000), the Board stated that the policy was formally approved by the Government only in July 2000. However, pending the approval the Board was by and large implementing the policy since September 1997 when the industries were applying to it for giving consent to establish the unit. The State Government did not respond to the audit query.

6.5.6 *Water quality*

Deterioration of water quality of all major rivers

One of the main functions of the MPCB is to protect, maintain and improve the quality of rivers/streams in the State for the purposes of supply of water for domestic, commercial, industrial, recreational and agricultural uses. The State has 21 river basins and maximum water is extracted from these rivers for domestic purpose. River water quality of most of the important rivers in the State is monitored by the Board through 33 monitoring stations under two projects namely the Monitoring of Indian National Aquatic Resources (MINARS) project funded by the Central Pollution Control Board (covering 13 river basins and 3 creeks) and the Global Environmental Monitoring System (GEMS) Project funded by the World Health Organisation (covering 4 river basins). Besides, river water quality is also monitored through various monitoring stations established by the MPCB.

The status of water pollution on the basis of a scrutiny of the analysis reports of the samples at selected monitoring stations of some of the important rivers that supply water to the important cities of the State, during the period 1994-95 to 1998-99, revealed the following (Appendix XXX):

6.5.6.1 Biochemical Oxygen Demand (BOD) exceeded the limit in almost all the samples from the rivers Bhatsa, Ulhas, Wainganga, Krishna, Patalganga, Mutha, Pavana and Godavari supplying water to the cities of Mumbai, Kalyan, Nagpur, Satara, Navi Mumbai, Pune, Pimpri-Chinchwad and Nashik respectively. Dissolved oxygen (DO) was below the required level in Patalganga, Godavari, Wainganga and Mutha rivers. Bacterial coliform was noticed at Dhom Dam and Krishna river and faecal coliform was observed in Gangapur Dam in Godavari river beyond the prescribed limit during 1994-95 to 1998-99.

No improvement was noticed in the water quality during the past 3-5 years in the rivers mainly on account of the lack of additional investments required to be made for the prevention of water quality deteriorations as brought out in paragraphs 6.5.8.1 to 6.5.8.6.

6.5.7 *Regulatory functions of the Maharashtra Pollution Control Board*

Important regulatory functions of the Board include issuing of consents to industries to establish and to operate, issuing consents to the local bodies to discharge domestic effluents (sewage water) into the water resources, monitoring/watching compliance to the consent conditions and taking control measures whenever deviations/deteriorations are observed in the discharged effluents and water bodies.

6.5.8 *Inadequate treatment of domestic effluents*

6.5.8.1 *Status of Brihanmumbai Municipal Corporation*

Collection, treatment and disposal of domestic waste water is the primary responsibility of the local bodies.

BMC discharges 64 per cent of domestic effluents without treatment into the Arabian Sea

The domestic effluents generated in Mumbai was 2562 mld out of which 929 mld (36 per cent) was adequately treated and 1633 (64 per cent) remained untreated as of March 2000. Municipal waste water inadequately treated as well as untreated mixed with industrial effluents was discharged through 7 outlets out of which 1595 mld (62 per cent) was directly discharged into the Arabian Sea and 973 mld (38 per cent) was discharged into various creeks which finally merge with sea water. Sea water in Mumbai region was highly polluted and unfit for the designated uses of bathing, water sports and commercial fishing as discussed under paragraph 6.5.11.

A World Bank Aided Project (Mumbai Sewage Disposal Project) to overcome the problems caused by increased pollution level was undertaken by BMC in 1979 and is expected to be completed by 2002. Pending its completion the Board has given consent to the BMC to discharge the effluents into water bodies upto December 2004.

6.5.8.2 Status of other municipal corporations

The status of 14 municipal corporations as of March 2000 including Pune, Thane, Nashik, Kolhapur etc. are indicated in Appendix XXXI. For Sangli/Miraj, Nashik and Nanded cities sewage treatment plants were to be constructed under the National River Action Plan which were at various stages of approval as on March 2000.

Twelve Municipal Corporations discharge more than 50 per cent of effluents without treatment into rivers/creeks

The data also reveal that the position of the untreated effluents in all the Municipal Corporations was very alarming. 12 Municipal Corporations out of 14 were discharging more than 50 per cent of the effluents into the river bodies/creeks without providing any treatment thereby polluting the water bodies.

6.5.8.3 Pollution status of Municipal Councils

The Board did not maintain data on the effluents discharged by the 231 Municipal Councils in the State. Data obtained from 10 of the 11 Regional Offices of the Board (the office at Kolhapur did not respond) indicated that the aggregate domestic effluents discharged by 219 Municipal Councils was 1050 mld (as on March 2000) out of which 14 mld was adequately treated and remaining 1036 mld was discharged untreated (99 per cent). The waste water was being discharged into various rivers/nallas in the respective regions. Only the Municipal Councils of Lonavala, Ahmednagar and Pandharpur were providing some treatment before discharging the effluents.

Municipal Councils discharge untreated domestic effluents into rivers/ nallas

Government in reply (November 2000) accepted that almost all the local bodies have failed to provide necessary collection system for the sewage or to set up sewage treatment plants.

6.5.8.4 Status of consents of local bodies

The dismal picture projected in the two preceding paragraphs is further compounded by the fact that even the first step towards compliance with environmental legislation has not been taken by an overwhelming majority of the Municipal Corporations and Councils in the State nor have the State Government and MPCB enforced such compliance. The municipal bodies are required to obtain consent from MPCB before discharging polluting sewage into any water body.

Municipal Corporations and Municipal Councils did not hold valid consent for discharging effluents/pollutants into water resources or land

Out of 15 Municipal Corporations and 219 Municipal Councils for which the Board made information available, 13 Municipal Corporations and 218 Municipal Councils did not hold a valid consent as of March 2000. 10 out of 15 Municipal Corporations have not even applied for the consent. The Board had not maintained any data on the Municipal Councils who have applied for consents. Besides issuing notices against the Municipal bodies, the Board had not taken any further action in the matter.

6.5.8.5 Non-compliance of Supreme Court orders regarding inadequate treatment of sewage

MPCB could not persuade local bodies to provide sewage water treatment plants

The Supreme Court took a serious view of inadequate treatment of sewage by local authorities in a writ petition (filed by Shri Almitra H. Patel v/s GOI and others) and directed all Pollution Control Boards to ensure that the municipal bodies under their jurisdiction seek consent and comply with the consent conditions. Accordingly MPCB issued directions to 205 local bodies and interim direction to a corporation and legal action was initiated against 3 local bodies during 1997-98. The Board did not receive any response from the above local bodies and the corporation. It was, therefore, decided in the Board's 121st meeting held on 7 October 1998 to initiate legal action against the local bodies for non-compliance of directions issued by them. However, the matter was not pursued further.

6.5.8.6 Discouragement of public sector unit from operating sewage water reclamation project

It was seen that a public sector unit, Hindustan Petroleum Corporation Ltd. (HPCL) had planned in 1988 for a Sewage Water Reclamation Project for using sewage water, after suitable treatment, for its refinery operations. The BMC had given a commitment of giving the sewer water at a token rate of Re 1 *per annum*. The HPCL's project, estimated to cost Rs 15.15 crore was to start by March 1993, but could not take off because the BMC backtracked from its commitment of supplying the sewage water at a token rate of Re 1 *per annum*. Instead, the charge was increased to Rs 6 per 10 cubic meter and later to Rs 27.50 per 10 cubic meter, in order to earn some revenue. This unilateral decision of the BMC put an additional financial liability of over Rs 50 lakh on HPCL, thereby forcing the Company to abandon the project. The matter remained unresolved (August 2000). Thus, the BMC also lost the opportunity of treatment of a portion of its sewage water before disposal, free of cost.

6.5.9 Status of industry

6.5.9.1 Compliance of conditions of consent

Industrial effluents contribute over half of the total water pollution load in Maharashtra. Status of compliance of conditions of consent by industrial units as on March 2000 as seen in the regional and subregional offices of MPCB, is as follows :

Classifi- cation of industry	Consents issued	Fully complied	Partially complied	Not complied at all
Large	1170	1050 (89.74)	91(7.78)	29(2.48)
Medium	1309	1144 (87.39)	134 (10.24)	31(2.37)
Small scale	35021	30096 (85.94)	2977 (8.50)	1948 (5.56)

(Figures in brackets indicate percentage of consents issued)

In terms of the Water (Prevention and Control of Pollution) Cess Act, 1977, an industry which installs a plant for treatment of sewage or trade effluents and also complies with the consent conditions, is entitled to receive a rebate of 25 per cent of the cess payable. Interestingly, while the above table, prepared on the basis of the data collected from the regional offices of MPCB shows that more than 80 per cent of the industries have complied with the consent conditions, none of them, except one, has been granted rebate in water cess during the last five years, as stated by the Board (March 2000). The discrepancy was pointed out to the Board and Government (December 2000); reply is awaited.

6.5.9.2 Central action plan

All the red category industries had not provided treatment facility

Based on pollution potential, industries are classified as red, orange and green, red having the highest pollution potential. As per the Board, in Maharashtra out of 475 red category industries identified (March 1999) 355 had satisfactory treatment facility, 84 had partial treatment facility, 25 units were closed down and 11 did not have any treatment facility. Therefore, efforts to ensure that all the red category industries achieve the prescribed standards by providing adequate treatment facilities were not completely successful in the State even after more than 7 years of the issue of orders by GOI.

6.5.9.3 Common effluent treatment plant

The idea of Common effluent treatment plant (CETP) evolved in small scale clusters and industrial estates as small scale industries were unable to afford individual pollution control devices due to technological, financial and manpower constraints. Installation of CETP has been planned by MPCB mainly in industrial areas with subsidy to be given by the Central and State Governments and part contribution from the member industries. The scheme began in 1991 and the State Pollution Control Board was to monitor the scheme.

Six out of 14 CETPs only commissioned and 3 commissioned CETPs not utilised

Out of 14 CETPs with an aggregate capacity of 78,700 cubic metre/day planned in Maharashtra, 6 plants with 25500 cubic metre/day only were commissioned as on March 1999 (Tarapur, Thane-Belapur, Jaysingpur in Kolhapur District, Ambarnath Chemical Zone, Dombivili Chemical Zone and Taloja). However, 3 plants (Ambarnath, Dombivili and Tarapur) were not being utilised to the fullest capacity due to non-laying of pipeline for collection of effluents from member industries. Rest of the plants could not be commissioned due to insufficient quantity of effluents and non-contribution of their share by member industries.

The GOI's share of subsidy to CETP was to come from a World Bank assisted scheme and was available till March 1999. Under the scheme only two CETPs could avail of the benefit, but none of the three CETPs (Badlapur, Ambarnath and Mahad) could complete the formalities in time to get the

approval from Ministry of Environment and Forest and thus lost the central subsidy.

6.5.9.4 *Submission of environment statement by the industries*

GOI issued notification in March 1992 amending the Environment (Protection) Act, 1986, under which all industries with consent from the MPCB are required to submit an environmental statement for the financial year in the prescribed form to the respective State Pollution Control Board from the year 1993. A very small percentage of consent holders, however, actually submit the statements.

The number of consents issued and environment statements received are as under:

Year	Number of consents issued	Number of environment statements received	Percentage
1994-95	17886	974	5.45
1995-96	17308	905	5.23
1996-97	27405	867	3.16
1997-98	30953	900	2.91

The Government stated (November 2000) that the MPCB had issued notices to the defaulters.

6.5.10 *Krishna Godavari River Action Plan*

6.5.10.1 *Delay in implementation of the scheme*

**Krishna
Godavari action
plan had not
made any
progress**

Krishna and Godavari are the two large rivers flowing through the State. Water from these rivers is used for drinking purpose by the inhabitants of nearby towns and villages situated on the banks of the rivers. The quality of water of these rivers was being monitored through stations set up under the GEMS, MINARS Projects and those set up by the Board. The major sources of pollution of these rivers were discharge of untreated sewage effluents from Municipal Corporations/ Councils and inadequately treated industrial effluents from industries.

To overcome the problem of pollution of the major rivers in the country, GOI decided to implement the 'National River Action Plan', a 100 per cent centrally sponsored scheme. Nashik and Nanded towns for Godavari and Sangli and Karad towns for Krishna were selected (March 1994) for river pollution abatement. Environment Department of the State and the Maharashtra Jeevan Pradhikaran (MJP) were the nodal department and the implementing agency of the scheme respectively. In the selected towns, 51 monitoring points were identified. The components under the plan include

(1) River front development (2) Crematoria development (3) Sanitation (4) Afforestation (5) Interception and diversion of the sewage (6) Sewage treatment plant and (7) Land acquisition.

The progress of work in the selected towns till March 2000 is indicated in the following table and shows that except in Nashik there was no progress of work in the other selected towns.

Name of the town	Number of components approved		National River Conservation Directorate approved cost (Rupees in crore)	Funds released by Government of India (Rupees in crore)	Actual expenditure incurred as on March 2000	Physical progress (in percentage)
	Admin-istratively	For Detailed Project Report				
Nashik	7	4	2.74	2.74	2.4	74 to 100 per cent
Nanded	2	2	14.92	4.37	NIL	NIL
Sangli	2	NIL	NIL	NIL	NIL	NIL
Karad	2	NIL	NIL	NIL	NIL	NIL

6.5.10.2 *Non-inclusion of highly polluted upstream of river in action plan*

Godavari river originates from Trimbak at Nashik. As there was no sewage collection facility in the Trimbak Municipal Council, the water in the upstream stretches of Godavari was highly polluted. This pollution was observed till Gangapur Dam which is the source of drinking water supply to the city of Nashik. It was observed that in the Godavari action plan this upstream stretch is not included whereas the area covered under the Nashik Municipal Corporation only is considered. Non-selection of the most polluted upstream of the river for clean up action would not fetch the desired result. On this being pointed out by audit, Government stated that in the second phase of the action plan, the matter would be considered.

6.5.11 *Sea water quality*

In a coastal segment, marine water is subjected to several types of uses and activities. Depending on the types of uses and activities, saline water is classified into various classes and certain quality criteria have been specified to determine suitability of water for a particular purpose. The sea water in Mumbai at all the 11 Monitoring stations fall under SW II class (designated uses – bathing, water sports and commercial fishing). During the period 1994-95 to 1998-99, analysis report of all the samples drawn from all the monitoring stations showed BOD to be in excess of the prescribed limit. DO level was less than the prescribed standards in 45 per cent of the samples at 8 monitoring stations, making the water unfit for its designated use and dangerous to aquatic life. In reply to the audit observations the MPCB stated in June 2000 that in Mumbai, there were many slums and unauthorised hutments where the

Quality of sea water in Mumbai was less than the prescribed standard

sewerage facilities could not be provided and most of the sullage and sewage finds its way to either creek or sea thereby polluting the same.

6.5.12 Working of laboratory

Delay in analysing water quality of water bodies

Water quality of the water bodies is judged from the analysis reports of the samples collected from various monitoring stations fixed under the GEMS and the MINARS projects. The analysis of these samples is made at Central Laboratory at Navi Mumbai. In addition, environmental samples and industrial effluents from some of the nearby regions are also analyzed at the Central Laboratory. To get authentic results from the water samples collected, the MPCB prescribed in May 1998 the maximum storage time of samples with or without preservation. Thus, the parameters such as Biochemical Oxygen Demand, Chemical Oxygen Demand etc. are required to be analysed within the specified time limit. Prescribed time limit for analysis and the delay noticed in analysis in respect of certain important parameters (DO, BOD, pH factor, Nitrate and Phosphate) in the test-checked samples were as detailed below :

Parameters	Maximum storage prescribed without/with preservation	Delay noticed	Number of samples
Dissolved Oxygen	½ to 1 hour after acidification 8 hours	3 - 29 days	13
pH	2 hours	1 -13 days	10
Biochemical Oxygen Demand	6 hours/48 hours (after preservation)	5-26 days	12
Nitrate	48 hours	3-23 days	6
Phosphate	48 hours	5-25 days	8

While accepting the audit observation, Department stated that due to lack of refrigeration facility the samples were kept at room temperature for days together. At times due to sudden dumping of huge number of samples, the laboratory found it difficult to analyse the samples within the stipulated time. The authenticity and reliability of the analysis report are thus doubtful in many cases.

6.5.13 Water cess

Utilisation of water cess fund for prevention and control of pollution was meagre

Under the provisions of Water (Prevention and Control of Pollution) Cess Act, 1977, the MPCB is empowered to levy a cess on consumption of water by specified industries and the local authorities who are entrusted with the duty of supplying water under the Act. The cess collected is deposited with GOI, out of which 80 per cent is given back to MPCB. 75 per cent of the cess amount so received is required to be utilised on the programmes and activities directly related to the prevention and control of pollution. Expenditure on office operation and establishment of the MPCB should not exceed 25 per cent of the amount so received. Ministry of Environment and Forest in December 1998 emphatically reiterated the above criteria of the utilisation of the cess amount by the State Boards.

During the years 1994-95 to 1999-2000, the MPCB received Rs 38.65 crore as cess. An amount of Rs 94.60 lakh (2.45 per cent) only was spent on prevention and control of pollution (all categories of pollution). The MPCB had invested the unspent amount of Rs 38.57 crore in short term deposits (March 1997). On an audit enquiry about the activities/programmes finalised/undertaken by MPCB with the cess amount, the MPCB stated in March 2000 that no activities/programmes had been finalised by the MPCB so far. It was, however, noticed in audit that in November 1995 MPCB decided to give a token financial assistance to the municipal bodies for sewage treatment and disposal arrangement from the cess funds to the extent of 10 per cent of the cost of the scheme subject to a maximum limit of Rs 20 lakh per scheme. The MPCB was ready to finance 5 such schemes *per annum*. The remaining cost was required to be borne by the concerned Council and the Urban Development Department. However, so far (March 2000) none of the Municipal Councils have submitted any proposal. MPCB admitted (July 2000) that the scheme was a failure due to lack of initiative from the municipal bodies and the State Urban Development Department.

6.5.14 Delay in finalisation of Annual Reports

The MPCB publishes its Annual Report, which summarises the activities and important decisions taken during the year. The Report is required to be forwarded to the State Government, for being placed before the State Legislature within a period of 6 months of receipt of the same. It was observed that for the past three years i.e. 1997-98, 1998-99 and 1999-2000, the MPCB had not published its Annual Report. The Annual Accounts of the MPCB have not been finalised since 1997-98.

The above points were referred to Government (September 2000); reply had not been received (December 2000).

RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT

6.6 Working of Rural Development Department

6.6.1 Highlights

Rural Development Department is the administrative department for Zilla Parishads, Panchayat Samitis and District Rural Development Agencies which execute various development schemes in rural areas. The main objective of the department is to develop rural areas by providing funds from State and those received from the Central Government and monitor the various schemes executed by these implementing agencies.

A review of the working of the department for the period 1995-2000 was carried out to assess its effectiveness in poverty alleviation in rural areas, functioning of the Zilla Parishads and the District Rural Development Agencies, weaknesses in the internal control system and manpower management. The review revealed inefficiencies in the financial management system of the Department as well as lack of proper implementation and monitoring of several schemes. Some of the significant audit findings were as follows:

The review of the financial management in the Department revealed that in some grants, huge funds were surrendered after obtaining supplementary grants while excess expenditure was incurred in some others indicating inaccurate estimation and inadequate control of expenditure. Besides, the Department was not regular in reconciling its expenditure with that accounted for by Accountant General (Accounts and Entitlement) and advances taken through Abstract Contingent bills were not adjusted for very long periods.

(Paragraphs 6.6.6.2, 6.6.6.6 and 6.6.6.7)

The non-assessment of grants paid to the Zilla Parishads not only resulted in huge balances lying outside Government account but also rendered the entire budgetary control system futile. In 8 Zilla Parishads alone the unspent balances were Rs 60.99 crore as of 31 March 1999.

(Paragraph 6.6.6.3)

Huge balances were retained in the maintenance and repairs fund for Water Supply Schemes indicating lack of co-ordination in management.

(Paragraph 6.6.6.4)

As much as Rs 5.62 crore were diverted by the Zilla Parishads to small saving schemes in order to achieve the small savings targets.

(Paragraph 6.6.6.5)

There were a large number of misappropriation cases in Village Panchayats which occurred primarily due to non-maintenance of basic accounts records, non-monitoring of expenditure, delay in valuation of works, arrears in internal audit, etc. Under the Jawahar Rojgar Yojana, funds amounting to Rs 6.93 crore were misappropriated, recovery of which had not been effected so far.

(Paragraph 6.6.6.8)

There were irregularities in the supply of uniforms to primary schools by the agencies fixed by the Rural Development Department. Penalties of Rs 19.87 lakh levied had not been recovered. Advance payment of Rs 27.04 lakh was made by Zilla Parishad, Kolhapur in March 1999 to one such agency, which had already been blacklisted by the Government which they are still trying to recover (May 2000).

(Paragraph 6.6.7.2)

Irrigation works on which expenditure of Rs 70.37 lakh was incurred remained incomplete in Pune district thereby defeating the objective of the scheme.

(Paragraph 6.6.7.3)

Under the Drought Prone Area Development Programme, test-check of records of Satara, Sangli, Dhule and Pune revealed blocking of funds of Rs 3.57 crore on incomplete water sheds since 1995-96. An unspent balance of Rs 37 lakh had not been recovered from 8 Non-Government Organisations (June 2000) due to lack of proper supervision and monitoring of the works by the District Rural Development Authorities.

(Paragraph 6.6.8.1)

Due to improper implementation and monitoring of the Development of Women and Children in Rural Area Scheme under Integrated Rural Development Programme, financial assistance of Rs 3.39 crore were given to 1456 groups which were found to be defunct.

(Paragraph 6.6.8.2)

Setting up mini Industrial Training Institutes in talukas where training facilities were already available or planned by State Government was in contravention of Government of India instructions and resulted in duplication of efforts and improper utilisation of resources amounting to Rs 2.27 crore.

(Paragraph 6.6.8.3)

Investment of Rs 23.10 lakh on the construction of exhibition-cum-sales centres for trainees remained unfruitful.

(Paragraph 6.6.8.4)

6.6.2 Introduction

The Rural Development Department (RDD) is the administrative Department for the Zilla Parishads (ZPs), Panchayat Samitis (PSs), Village Panchayats (VPs), District Rural Development Agencies (DRDAs).

With the coming into force of the Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961, ZPs and PSs were established at the district and taluka levels respectively. Most of the Government developmental work has either been transferred to ZPs or entrusted to them for implementation on agency basis under the provisions of Sections 100 and 123 respectively of the Zilla Parishads Act, for which the Government provides funds to the ZPs. Accordingly various schemes pertaining to Animal Husbandry, Public Health, Family Welfare, Minor Irrigation, Social Welfare, Women and Child Welfare, Agriculture, Water Supply and Sanitation and School Education have been transferred to the ZPs. The ZPs are also entitled to receive certain proportion of revenues collected by the State such as land revenue and stamp duty. The Chief Executive Officer (CEO) of the ZP is responsible for implementation of all the schemes undertaken.

The DRDAs were formed in July 1981 in all districts under the Registration of Societies Act, 1860 and are overall incharge of the planning, implementation, monitoring and evaluation of various Rural Development Programmes in the district such as Integrated Rural Development Programme (IRDP), Jawahar Rojgar Yojana (JRY), Employment Assurance Scheme (EAS) etc.

6.6.3 Organisational set-up

At Government level, the Secretary, RDD is responsible for planning, controlling and monitoring of the implementation of various schemes through ZPs and DRDAs. In the districts, the CEO is in overall charge of the ZP, assisted by the Head of Department. The CEO of ZP is also the chairman of the DRDA in the district and assisted by a Project Director who is in overall charge of DRDA.

6.6.4 Audit objectives

An integrated audit of the RDD was conducted with the objective of assessing the effectiveness with which it had discharged its various functions and achieved the objective of poverty alleviation in the rural areas. For this purpose the working of the ZPs and the DRDAs was also reviewed to see the implementation of the various programmes and schemes. An assessment of the

internal controls and systems prevailing in the department for optimum utilisation of the public monies was also conducted by audit.

6.6.5 Audit coverage

A review of the activities of RDD at Mantralaya, ZPs and DRDAs, for the period 1995-96 to 1999-2000 was carried out by audit during the period from January to June 2000. Out of the 31 districts, seven[#] ZPs and seven[#] DRDAs were covered in the review. Results of the review are discussed in the succeeding paragraphs for the ZPs and the DRDAs separately.

6.6.6 Financial Management

6.6.6.1 Utilisation of resources

In case of ZPs, the funds for the establishment charges and execution of various schemes are released by the RDD through ways and means advance for each month. In case of DRDAs, the share of Government of India (GOI) for each scheme is directly released to the DRDA by GOI and the State's share is released through RDD in two instalments.

6.6.6.1.1 The Budget provision and expenditure incurred by RDD during 1995-96 to 1999-2000 were as under:

Year	Total Grant or Appropriation	Expenditure	Expenditure compared with total Grant or Appropriation	
			Excess(+)	Savings(-)
1995-96	4106.95	3689.50	74.37	491.82
1996-97	4268.35	3242.15	66.59	1092.79
1997-98	4821.40	4405.21	169.01	585.19
1998-99	4965.84	4173.35	84.58	877.07
1999-2000	7940.09	4652.58	0.10	3287.61
Total	26102.63	20162.79	394.65	6324.48

Scrutiny revealed that against the total appropriation of Rs 26,102.63 crore during 1995-96 to 1999-2000, excess expenditure of Rs 394.65 crore was incurred in some Grants and saving of Rs 6324.48 crore occurred in others.

6.6.6.1.2 The details of Central and State share released to DRDAs for Centrally Sponsored Schemes viz. IRDP, JRY, Drought Prone Area Programme (DPAP), Employment Assurance Scheme (EAS) and Swaranajayanti Gram Swarozgar Yojana (SGSY) as reported by State Government to GOI as on 31 March 1999 are given below alongwith the expenditure incurred by the DRDAs on these schemes.

[#] Dhule, Kolhapur, Pune, Sangali, Satara, Solapur and Thane

(Rupees in crores)

Name of scheme	Year	Opening balance	Total funds released Central and State	Total funds available [^]	Expenditure during the year	Closing balance
JRY	1998-99	21.57	204.06	240.37	124.26	116.11
IRDP	1998-99	6.82	107.49	122.84	103.02	19.82
DPAP	1998-99	39.86	5.52	45.48	20.46	25.02
EAS	1998-99	41.46	102.49	150.47	109.79	40.68
SGSY	1999-2000	40.18	118.69	163.70	102.04	61.66

6.6.6.2 Budgetary procedure and expenditure control

The provisions of the State Budget Manual require that the departmental controlling officers formulate estimates as accurately as possible to exercise proper control over expenditure and to guard against unnecessary or excessive supplementary Grants or unspent and uncovered appropriation etc. The Grant wise scrutiny in respect of 16 important Grants selected out of 26 Grants relating to RDD revealed that the budgetary system suffered from a number of deficiencies; some instances are cited below:

Excess expenditure over grants

6.6.6.2.1 Excess expenditure of Rs 277.23 crore was incurred during 1995-96 to 1998-99 over the Grants of Rs 275.48 crore which required regularisation by the Legislature under Article 205 of the Constitution of India as per details given below:

(i) During the period 1995-96 to 1998-99, in two Grants pertaining to Soil and Water Conservation there was excess expenditure over appropriations of Rs 51.23 crore, Rs 61.45 crore, Rs 67.85 and Rs 75.66 crore respectively. The percentage of excess expenditure over the grants ranged from 156.66 to 219.68 during the period.

(ii) During the year 1997-98, there was excess expenditure of Rs 5.97 crore in the Forestry and Wild Life grants and Rs 15.07 crore in the Minor Irrigation grant, which had not been regularised by the Legislature as of May 2000.

The concerned Deputy Secretary in the Department stated in May 2000 that the excess expenditure in respect of Soil and Water Conservation Grants for 1995-96 and 1996-97 was due to increased establishment expenditure. The reply indicated defective budgetary estimation since establishment expenditure ought to be accurately estimated. Reply in respect of other cases had not been furnished.

[^] inclusive of interest earned and miscellaneous receipts

6.6.6.2 Supplementary provision of Rs 63.15 crore made in 17 Grants during 1995-96 to 1998-99 proved entirely unnecessary in view of the large savings in the Grants, as shown in the following table which only includes the cases where the savings were Rs 5 crore or more in each Grant.

(Rupees in crore)

Year	Grant Number	Name of Grant	Total Appropriation (Original + Supplementary)	Supplementary provisions	Actual expenditure	Saving
1995-96	L-19	Removal of Regional Imbalance	39.23	3.09	32.13	7.10
	L-20	Capital Outlay on Soil and Water Conservation	177.86	10.60	156.24	21.62
1996-97	L-06	Forestry and Wild life	46.65	6.14	40.13	6.52
	L-20	Capital Outlay on Minor Irrigation	31.05	1.80	18.61	12.44
	L-21	Revenue expenditure on Removal of Regional Imbalance	41.75	7.28	33.56	8.19
1997-98	L-18	Capital Outlay on Soil and Water Conservation	117.78	5.80	59.38	58.40
	L-21	Capital Outlay on Removal of Regional Imbalance	69.03	5.74	57.94	11.09
1998-99	L-08	Special Programme for Rural Development	72.02	13.54	57.41	14.61

The Government stated that reasons for making supplementary provisions were awaited from the Controlling Officers (August 2000).

6.6.6.2.3 *New service/New instrument of service*

Article 205 of the Constitution provides that expenditure on a new service not contemplated in the Annual Financial Statement (Budget) can be incurred only after its specific authorisation by the Legislature. Government has issued orders based on the recommendation of the Public Accounts Committee laying down various criteria for determining items of new service/new instrument of service.

As shown in the table below, in seven cases expenditure aggregating Rs 28.16 crore was incurred by reappropriation whereas each case was one of new service/new instrument of service and required prior legislative approval before any expenditure could be incurred.

Year	Grant Number	Name of Grant	Amount (Rupees in crore)
1995-96	L-10	Special Programme for Rural Development	1.42
	L-11	Rural Employment	11.50
	L-19	Revenue Expenditure on Removal of Regional Imbalance	3.09
1996-97	L-06	Forestry and Wild Life	1.25
	L-09	Rural Employment	6.73
	L-09	Rural Employment	1.86
1997-98	L-06	Forestry and Wild Life	2.31
Total			28.16

Government's reply was awaited (August 2000).

The above mentioned instances of excess expenditure, supplementary provision proving unnecessary, unauthorised expenditure on new service etc. indicate poor budgetary control measures.

6.6.6.3 Assessment of Grants paid to Zilla Parishads

The concerned Administrative Departments of the Government are required to release plan (including tribal subplan) establishment grants and specific purpose grants to ZPs at 100 per cent of the actual expenditure. As the grant releasing authorities take time for releasing grants to ZPs, Ways and Means advances are released initially by the RDD to ensure a regular flow of funds to the ZPs for execution of the schemes/activities and particularly for payment of pay and allowances to the staff. Government in December 1979 prescribed the procedure for payment of grants and its adjustments through Ways and Means advances. As regards the grants released by the RDD the assessment is required to be done by the Divisional Commissioners whereas the respective Administrative Departments are required to do the assessment for the budget heads controlled by them (Government instructions of November 1975).

Audit scrutiny in this regard revealed the following:

(a) The work of assessment of grants payable to ZPs was in arrears in each Administrative Department. In case of Higher Education, the assessment was in arrears ever since grants were being released to the ZPs. In case of Social Welfare Department the assessment was not done since 1992-93 for all ZPs and in other Departments for the last two years. The Women and Child Welfare Department had not done its regular assessment for the grants paid to the ZPs since 1994-95 and no assessment was done for the last 15 years for the Integrated Child Development Services since its creation in 1985-86.

(b) As per Government instructions of October 1991 the unspent balances with ZPs after closure of annual accounts were required to be credited to

Non-assessment of grants resulting in huge amounts remaining outside Government account

Government account without waiting for assessment of grants each year. However, these instructions were not followed and an unspent balance of Rs 60.99 crore was lying with 8 ZPs as on 31 March 1999.

(c) As per assessment reports submitted by 7 Administrative Departments/ Divisional Commissioners, an amount of Rs 98.88 crore was recoverable by the Government from the ZPs against an amount of Rs 19.15 crore payable to them by the Government as on 31 March 1999. The amount due to Government was on account of unspent balances, excess grants released and amount payable to the ZPs was on account of excess expenditure incurred by the ZPs over grants released, revenue payable to the ZPs on account of taxes etc.

Thus, non-assessment of grants, not only led to the unspent balances remaining outside Government account for long periods but also rendered the entire budgetary control system futile.

Government stated that they were seized of the matter and action was being taken (January 2000).

6.6.6.4 Maintenance and repairs fund

The Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961 and the Bombay Gram Panchayat Act 1958 provided that the maintenance of Water Supply Schemes should be carried out by the respective Gram Panchayats/ ZPs. To overcome the financial constraints faced by ZPs, an operation and maintenance fund called Maintenance and Repairs Funds (Fund) was created (November 1986) at district level. Every ZP is required to credit 20 per cent of its own resources to the Fund every year. In addition 10 per cent of the plan outlay under Minimum Needs Programme under Rural Water Supply provided by the State Government to ZP is credited to this Fund. The surplus in the Fund, not required for immediate use was to be invested in fixed deposits in Nationalised Banks/District Co-operative Banks etc as per Government instructions dated 11 May 1992.

Funds were not utilised for the purpose meant and surplus funds were not invested resulting in loss of interest of Rs 84.57 lakh

Audit scrutiny in Dhule, Kolhapur, Sangli and Solapur ZPs revealed that huge unutilised balances ranging between Rs 30 lakh and Rs 1 crore were held in the Fund during 1995-96 to 1999-2000. Retention of such huge surpluses in current account was not justifiable as the funds were not necessary for immediate disbursement and resulted in loss of interest of Rs 84.57 lakh during 1995-96 to 1999-2000.

Audit has observed that a large number of completed rural water supply schemes were not taken over for maintenance by the ZPs/Village Panchayats (VPs) for want of funds where as very large amounts of unspent balances were lying with ZPs. This highlights the lack of co-ordination in management.

Therefore, Government was requested to clarify the reasons for the unspent balances under the Fund to which their reply is awaited (July 2000).

6.6.6.5 Diversion of funds to Small Saving Schemes

Diversion of surplus funds for Small Saving Schemes

Audit scrutiny in Dhule, Nashik, Pune and Solapur districts revealed that surplus funds of Rs 5.62 crore were diverted to small saving schemes/postal saving accounts during the period 1993-94 to 1999-2000 in order to achieve the small saving targets.

6.6.6.6 Arrears in reconciliation of receipts and expenditure

Arrears in reconciliation of receipts and expenditure

As per the provisions of the Maharashtra Budget Manual, reconciliation of receipt and expenditure is required to be done at regular intervals (quarterly) by the Controlling Officers with the Accountant General (Accounts and Entitlement), Maharashtra, so that accounts display the correct position.

The yearwise position of pending reconciliation in respect of RDD was as under:

Year	Expenditure not reconciled (Rupees in crore)	Months for which expenditure was not reconciled
1996-97	73.51	April 1996 to March 1997(1 grant)
1997-98	1088.29	April 1997 to March 1998(9 grants)
1998-99	1526.51	April 1998 to March 1999(11 grants)
Total	2688.31	

Lack of reconciliation of such a large amount deserves to be noted seriously by the Government and immediate action is called for.

6.6.6.7 Pending Detailed Contingent bills

Pending Detailed Contingent bills

As per Rule 303 of the Maharashtra Treasury Rules, the detailed contingent bills (DC bills) for the amounts drawn against Abstract Contingent bills (AC bills) have to be submitted by the drawing and disbursing officer within three months from the date of drawal of amounts. The rule further provides that for the subsequent drawal of amount on AC bills, certificates stating that no DC bills are pending for the amounts drawn earlier are to be furnished.

As per information received by RDD from eight ZPs, 635 DC bills amounting to Rs 5.30 crore pertaining to the period from 1984-85 onwards were pending (January 2000). In case of ZP Solapur, 193 DC bills for 1980-81 to 1991-92 were pending for which the amount involved was not available with the RDD

and the ZP. In case of ZP Dhule, 32 DC bills involving Rs 2.32 crore for May 1988 to September 1990 were pending on account of a suspected misappropriation case. After 1991-92 the ZPs were not permitted to draw advances on AC bills. Government stated that action is being taken to submit the pending DC bills. (May 2000)

6.6.6.8 *Non-maintenance of basic accounts records and misappropriation*

Test-check of records of ZPs and DRDAs revealed many cases of misappropriation of Government funds. In nine[^] ZPs Rs 6.76 crore were misappropriated between 1961-62 and 1999-2000 by Gram Sevaks in the VPs. Out of the amount misappropriated, only Rs 40.75 lakh could be recovered by 31 March 2000. In Panchayat Samiti, Baramati, District Pune, funds of the JRY amounting to Rs 58.43 lakh were misappropriated by the Accounts Officer during the period 1989 to 1995. The case was *sub judice*.

It was observed that the large number of misappropriation cases as well as other irregularities could be attributed to non-maintenance of primary records such as Cash Book at the Gram Panchayat. The system of monitoring of expenditure at the block level was also far from satisfactory. There were arrears of audit of 65,583 VP accounts and 106757 JRY accounts as of October 2000. The Chief Auditor, Local Fund Audit is responsible for these audits. Even the detected misappropriation cases were not followed up properly and some cases were pending for more than ten years. In DRDAs also, it was noticed during audit that the accounts were not maintained properly, there was delay in preparation and finalisation of accounts and their audit. Several other irregularities like bank reconciliation being in arrears etc. were also observed. It is worth mentioning in particular that the money advanced to blocks and other agencies by the DRDAs is shown as final expenditure. The fact that as of March 1999, DRDAs in the State had unspent balance of Rs 42.04 crore with them under IRDP shows the tardy progress of the schemes being implemented by DRDAs. This shows not only incorrect reporting of expenditure but also laxity in monitoring thereof.

In May 1989, Government directed all Gram Panchayats to render annual accounts promptly and in July 1999 Government instructions were issued to the DRDAs to take remedial action regarding the infirmities in maintenance of the accounts.

[^] Aurangabad, Dhule, Kolhapur, Pune, Sangli, Satara, Solapur, Thane and Washim

6.6.7 Programme Management

6.6.7.1 Non-utilisation of contingent grants

Idle
Government
funds of
Rs 75.65 lakh

For improving the quality of primary education and effective control over primary schools, Government sanctioned in November 1994 revised scales for payment of contingent grant to primary schools and decided to establish a Central Primary School for every group of ten primary schools in November 1994. Government also issued instructions detailing the mode of payment of grants and utilisation thereof by the primary schools.

Audit scrutiny (February 1999) revealed that Rs 91.46 lakh though released by the Government (Director of Primary Education) between September and November 1995 were released by six Block Development Officers to the primary schools towards the fag end of the financial year. As a result, funds to the tune of Rs 75.65 lakh remained unutilised at the end of the year. The funds could not be used for the subsequent financial years without the permission of Government, which was not given by the Director of Primary Education (August 2000). Thus huge funds remained unutilised and were lying in Government account (in the District Co-operative Bank), defeating the purpose of improvement of primary education for which they were released. No action had been taken by the RDD as well as the ZP against the concerned Block Development Officers.

6.6.7.2 Distribution of school uniforms

A scheme to supply uniforms and slates to Scheduled Tribe (ST) students in certain limited areas had been in existence since June 1979. It was extended in September 1996 to all students belonging to Scheduled Castes (SC), Scheduled Tribes (ST), Nomadic Tribes and Vimukta Jatis in the State studying in ZPs where the literacy rate and enrolment in school were not adequate.

The tenders for fixing the agencies for the State for supply of uniforms were finalised by the RDD each year. The scrutiny of the tenders for 1997-98 and 1998-99 revealed the following:

Irregularities in
purchase of
school uniforms
and pending
recoveries from
suppliers

(i) During 1997-98, 5 agencies did not supply the uniforms as per specification, for which penalty of Rs 85.20 lakh was ordered by Government in August 1999. Out of the penalty ordered, Rs 65.33 lakh was recovered. Government stated in April 2000 that the recovery of the balance was under process.

(ii) During 1998-99, the order for supply of uniforms was placed in February 1999 by Government. In May 1999, the order on one agency which was to supply uniforms to four districts was cancelled by Government on the ground that the uniforms supplied by the same agency during 1997-98 were

not as per specification. The cancellation order issued by Government was challenged in the court and the matter was still pending (April 2000). In the meantime, ZP Kolhapur made advance payment of Rs 27.04 lakh in March 1999 to that supplier whereas Government had blacklisted the agency and given the work of supply of uniforms to another agency. Lack of co-ordination between the RDD and the ZPs led to such irregular payment which the ZP Kolhapur is still struggling to recover (May 2000).

6.6.7.3 *Infructuous expenditure of funds on incomplete lift irrigation schemes*

Non-completion of lift irrigation schemes resulted in blocking of Rs 70.37 lakh

With a view to extending the benefit of lift irrigation in tribal areas as per Government instructions, ten lift irrigation schemes estimated to cost Rs 1.46 crore were taken up in Ambegaon Taluka, by ZP Pune in March 1994 with completion period of one year.

Audit scrutiny in January 2000 revealed that out of 10 schemes, 6 schemes though completed at the cost of Rs 58.54 lakh, were not handed over to the Gram Panchayats. The remaining four schemes, on which an expenditure of Rs 70.37 lakh had been incurred as of May 2000, were incomplete on account of incomplete distribution chamber, non-obtaining of electric connections and dispute on digging work for pressure pump etc.

Thus, ineffective monitoring of the schemes by the ZP had resulted in non-completion of the four lift irrigation schemes and thereby an infructuous expenditure of Rs 70.37 lakh besides depriving the farmers of the benefits of lift irrigation since March 1995.

6.6.8 *Performance of schemes implemented by District Rural Development Authority*

6.6.8.1 *Drought Prone Area Programme*

Incomplete work of watersheds

Diversion of funds under DPAP

Implementation of the watershed development programme under DPAP through Non-Government Organisations (NGOs), having experience of carrying works in rural areas, particularly in water conservation, was approved by GOI in 1994. Accordingly, the DRDAs paid grants to NGOs for implementation of such works. The following audit points indicate lack of proper supervision and monitoring of the work of the NGOs by the DRDAs which led to considerable financial loss.

Irregularities, expenditure incurred not in accordance with Central Government guidelines, unsatisfactory work etc.

6.6.8.1.1 In four[&] districts, contracts with fifteen NGOs were terminated after incurring expenditure of Rs 3.57 crore during 1995-96 to 1999-2000 due

[&] Dhule, Pune, Satara and Sangli

to poor progress of work, malpractices such as financial irregularities, expenditure incurred not being in accordance with Central Government guidelines etc. After termination, the works remained incomplete (March 2000) resulting in blocking of funds of Rs 3.57 crore. The unspent balance of Rs 37.04 lakh remaining with eight NGOs (Dhule, Pune and Satara) had not been recovered (March 2000). Recovery of inadmissible expenditure of Rs 9.56 lakh from three NGOs was pending.

6.6.8.2 *Development of Women and Children in Rural Area*

Infructuous
expenditure of
Rs 3.39 crore on
non-functional
DWCRA groups

With a view to providing opportunities of self-employment on sustained basis to the women of rural families below poverty line, the Central Government introduced (1982-83) a scheme of Development of Women and Children in Rural Areas (DWCRA), as a subscheme of IRDP. The scheme envisaged forming of groups of 10 to 15 women for taking up economic activities suited to their skill, aptitude and local conditions keeping in view the availability of raw materials and market facilities and payment of financial assistance on matching basis upto Rs 15,000 (raised to Rs 25000 from 1997-98) as revolving fund for purchase of raw materials and marketing etc. The scheme funding was in the ratio of 50:50 between the Centre and the State.

The DRDAs were responsible for monitoring, supervision, technical assistance and training of women groups by appointing Gram Sevikas at block level and Assistant Project Officers (Women) at district level.

The scrutiny of records of 11¹ DRDAs revealed that out of the total of 5528 groups formed during the period from 1993-94 to 1998-99, 1456 groups to whom Rs 3.08 crore had been given as financial assistance, had either not started functioning or closed down within a very short spell. Further, in Nashik district 127 women groups to whom assistance of Rs 30.32 lakh was given were either closed or not functioning.

The non-functioning of these groups was due to dispute between group members, non-availability of market facilities and raw materials locally and lack of training facilities. Besides, the financial assistance was released without ensuring matching contribution by these women groups. Technical training could not be imparted to the women. Personnel like Gram Sevika and Assistant Project Officer (Women) had also not been appointed and therefore, the problems of the groups could not be tackled by the DRDA authorities.

Improper implementation and monitoring of the scheme resulted in defeating the very purpose of providing opportunities of self-employment on sustainable basis apart from infructuous expenditure of Rs 3.39 crore. The Government

¹ Ahmednagar, Dhule, Jalgaon, Kolhapur, Pune, Raigad, Satara, Saangli, Sholapur, Sindhudurg and Thane

had not taken any steps to reactivate these groups or recover the subsidy disbursed (May 2000).

6.6.8.3 *Establishment of mini ITIs under TRYSEM Scheme*

Shortfall in achievement of objectives under TRYSEM

Under Central Government aided scheme of Training Rural Youth for Self-Employment (TRYSEM) the Government decided (November 1996) to set up 30 mini Industrial Training Institutes (ITIs) in the State. According to the guidelines, mini ITIs were to be set up in those blocks where no organised training facilities were available or planned. GOI sanctioned Rs 6 crore and Rs 1.16 crore in March 1996 and March 1999 respectively, as its share of the expenditure. The State Government sanctioned an amount of Rs 3.90 crore between 1996-97 and 1998-99, out of which expenditure of Rs 2.27 crore was incurred upto June 1997, the balance of Rs 1.63 crore having been merged with SGSY. The unspent funds of Rs 3.26 crores received from GOI are lying with the State Government. It was also observed that in 1995-96, the State Government did not release its matching share of Rs 6 crore under the scheme.

Audit scrutiny of the setting up of mini ITIs in the State revealed the following:

Duplication of resources of Rs 2.27 crore in setting of mini ITIs

(i) Out of 30 mini ITIs set up in the State, in 22 talukas, Government ITIs already existed and in three talukas, Government ITIs were to be started by August 1999. The setting of mini ITIs at places where training facilities were available or planned was in contravention of GOI's instruction. This signified improper utilisation of resources of Rs 2.27 crore and defeated the objective of the scheme.

(ii) With the introduction of SGSY by GOI, which replaces the existing schemes with different norms, all the mini ITIs were closed with effect from 1 July 1999. The State Government decided in February 2000 to run these mini ITIs from State and ZP funds. However, these institutes had not started functioning (May 2000). Thus the Government funds of Rs 2.27 crore remained blocked for more than a year.

6.6.8.4 *Idle investment on construction of Exhibition-cum-Sales Centres*

Non-utilisation of Exhibition-cum-sales Centres resulted in idle investment of Rs 23.10 lakh

With a view to providing market facilities for the products manufactured by the rural youth who had completed training under TRYSEM and started manufacturing activities in rural areas, the Chief Executive Officer-cum-Chairman, DRDA, Satara, accorded administrative approval in March 1994 for the construction of exhibition-cum-sales centres in eleven blocks in the district as per approved type design and also released funds of Rs 23.10 lakh to the eleven Block Development Officers (at the rate of Rs 2.10 lakh each) with the instructions that the constructions should be completed within six months. Guidelines were also issued for forming of co-operative societies of

TRYSEM trainees and making available the sales centres to them in rotation on rental basis. All centres were completed by March 1995.

The scrutiny of records of DRDA, Satara (February 2000) revealed that there was no response from the TRYSEM trainees for the centres on account of poor response for the products manufactured by them and poor sale in rural areas. Thus, all 11 centres constructed remained unutilised since March 1995. Due to non-utilisation of those centres, a proposal to change the object of the scheme and permission for its use by DW CRA group was submitted to Government in June 1999. Government's decision was awaited (March 2000).

Thus, non-utilisation of the centres resulted in idle investment of Rs 23.10 lakh since March 1995.

6.6.8.5 *Unfruitful expenditure on deep freezers supplied to co-operative societies*

Unfruitful expenditure of Rs 9.22 lakh due to non-utilisation of deep freezers

Mention was made in Paragraph 6.13 of the Report of the Comptroller and Auditor General of India, for the year ended 31 March 1994 regarding excess payment of infrastructure subsidy by DRDA, Ratnagiri during 1991-92 to 1992-93. DRDA, Ratnagiri released the subsidy of Rs 9.22 lakh through VPs to 40 dairy co-operative societies towards 100 per cent of cost of deep freezers.

The scrutiny of the utilisation of deep freezers supplied to dairy co-operative societies (February 2000) revealed that out of 40 deep freezers 14 were not in use on account of weak financial condition of the dairy co-operative societies, 15 were under repairs and the remaining 11 were in use. Of the 11 deep freezers in use the actual milk collection ranged between 25 and 50 litres per day against capacity of 200/300 litres per freezer. Thus, the object of giving infrastructure subsidy was totally defeated due to defective conceptualisation and planning of the scheme thereby rendering the expenditure of Rs 9.22 lakh largely unfruitful.

6.6.9 *Personnel management*

Staff Position in Zilla Parishads

Non-filling up of posts of gram sevaks and Primary teachers affected proper implementation of schemes at village level

The staffing pattern for ZPs and PSs was fixed by Government in March 1975 as per provisions of section 239 of the Zilla Parishads and Panchayat Samitis Act, 1961.

The position of vacant posts in VPs and primary schools in ZPs in the State was as follows :

Category	Posts Sanctioned	Men in position	Vacant posts	Percentage of posts vacant
Gram Sevaks in village panchayats (January 2000)	14033	12621	1412	10.06
Teachers in primary schools (April 2000)	226886	207901	18985	8.37

Most of the Central schemes are executed at VP level where the Gram Sevak is responsible for proper implementation of such schemes. However, due to non-filling up of the vacant posts, additional charge of one or two VPs was given to one Gram Sevak. This affected the proper implementation of schemes at village level.

6.6.10 Monitoring

Inadequate monitoring of various schemes under DRDA

6.6.10.1 The meeting of State Level Co-ordination Committee (SLCC) set up for review of performance of IRDP and allied programmes, was to be held for each quarter as envisaged in the programme. However, only eight meetings were held during 1992-93 to 1998-99 against 28 meetings envisaged in the programme.

6.6.10.2 An Internal Audit Cell (IAC) had been established at State Headquarters of RDD for the purpose of making periodical visits to DRDAs for checking the implementation of various schemes. Government has fixed no targets/norms for IAC for their periodical checking.

However, the IAC visited only 2 to 4 DRDAs each year during the period 1992-93 to 1999-2000. Considering that there were 30 DRDAs in the State, the coverage by the IAC is clearly inadequate.

The above points were referred to the Government (September 2000); reply had not been received (December 2000).

URBAN DEVELOPMENT DEPARTMENT

6.7 Urban Employment Generation Programme

6.7.1 Highlights

For alleviation of urban poverty, the Government of India had introduced, from time to time, various schemes such as Nehru Rojgar Yojana, Prime Minister's Rojgar Yojana, Prime Minister's Integrated Urban Poverty Eradication Programme and Swarna Jayanti Shahari Rojgar Yojana.

The Swarna Jayanti Shahari Rojgar Yojana scheme, which commenced in December 1997, failed to make a perceptible impact, due to delay in identification of the beneficiaries below poverty line and non-formation of the community organisation which were envisaged to play an important role in identification of beneficiaries etc. On the one hand there were 41.83 lakh unemployed in the State as of March 2000 while on the other hand there were unutilised funds amounting to Rs 42.83 crore with the State Urban Development Agency and Rs 34.22 crore with other implementing agencies reflecting on the poor management of the scheme.

The Prime Minister's Integrated Urban Poverty Eradication Programme, which was introduced in November 1995 and envisaged preparation of multipronged longterm strategy to address the problem of urban poverty failed to make any perceptible impact as the scheme was terminated in November 1997 and replaced by Swarna Jayanti Shahari Rojgar Yojana.

Under the Prime Minister's Rojgar Yojana, which commenced in 1993-94, the sanction of loans by the banks for the self-employment ventures exceeded the targets in the initial years till 1996-97 and thereafter till March 2000 there were marginal shortfalls in achievement of targets. However, the actual number of loans disbursed with reference to those sanctioned declined from 70 per cent in 1994-95 to 49 per cent in 1998-99.

Instead of conducting household survey to identify the beneficiaries under Nehru Rojgar Yojana, the identification of beneficiaries was done on the basis of certificates of income furnished by them.

(Paragraph 6.7.5.1)

The planning process of Swarna Jayanti Shahari Rojgar Yojana suffered due to delay in completing the survey to identify the Below Poverty Line

beneficiaries as the State Government had changed the conditions for identification of Below Poverty Line beneficiaries. It was found in Audit that no community development societies were put in place by 5 major Municipal Corporations thereby affecting the proper implementation of the scheme.

(Paragraphs 6.7.5.2 and 6.7.5.3)

Under Swarna Jayanti Shahari Rojgar Yojana the targets fixed were very moderate considering a population of 7.46 lakh below poverty line families in the State as of March 2000 but even these low targets were not achieved for self employment in 1998-99 and 1999-2000.

(Paragraph 6.7.6.3.1)

The State Government maintained/compiled accounts only for releases made under Nehru Rojgar Yojana and Prime Minister's Integrated Urban Poverty Eradication Programme to urban local bodies and collectorates and did not maintain any account of the actual expenditure incurred by these bodies/ collectorates.

The financial management of the schemes revealed short release of State Government's share of Rs 19.90 crore under Nehru Rojgar Yojana and Prime Minister's Integrated Urban Poverty Eradication Programme and these were released only on the termination of the schemes for transfer to the new scheme viz. Swarna Jayanti Shahari Rojgar Yojana.

(Paragraphs 6.7.7.1 and 6.7.7.2)

There was a huge unspent balance of Rs 42.83 crore with the State Urban Development Agency as of March 2000 under Swarna Jayanti Shahari Rojgar Yojana. In addition, it was found in audit that Rs 34.22 crore were lying unutilised in 10 District Urban Development Agencies and 82 urban local bodies at the end of 1999-2000. Considering the large number of urban educated unemployed in the State, such huge unspent balances reflect very poorly on the financial management of the scheme.

(Paragraph 6.7.7.3)

Brihanmumbai Municipal Corporation kept Rs 92 lakh received for implementation of Nehru Rojgar Yojana in fixed deposit for more than 5 years. Further, for implementation of Nehru Rojgar Yojana, the Brihanmumbai Municipal Corporation spent Rs 1.13 crore towards establishment charges, which was as high as 58.18 per cent of the amount spent on subsidy and training under the scheme.

(Paragraphs 6.7.8.2.1 and 6.7.8.3.1)

Audit scrutiny of the schemes further revealed unspent balances of Rs 61.96 lakh deposited into treasury was reported as expenditure by the Collector, Pune. Diversion of funds, overreporting of expenditure,

advances pending adjustment etc. were also noticed in other test-checked councils.

(Paragraphs 6.7.8.3.2, 6.7.8.4.1, 6.7.8.4.2 and 6.7.8.6)

Under Swarna Jayanti Shahari Rojgar Yojana and Prime Minister's Rojgar Yojana the banks rejected a large number of loan applications for starting self-employment ventures mainly due to projects not being found commercially viable.

(Paragraphs 6.7.9.1 and 6.7.11.1)

6.7.2 Introduction and Objectives

Government of India (GOI) has from time to time launched various Urban Poverty Alleviation Programmes (UPA) as indicated below :

6.7.2.1 Nehru Rojgar Yojana (NRY) was launched as a Centrally Sponsored scheme in October 1989 for providing employment to urban unemployed/ underemployed poor through setting up of self-employment ventures (Scheme of Urban Micro Enterprises-SUME) and Wage Employment (Scheme of Urban Wage Employment-SUWE) through creation of socially and economically useful assets and shelter upgradation to the households with annual income of less than Rs 11,850 at 1991-92 price level.

6.7.2.2 Prime Minister's Rojgar Yojana (PMRY) was launched in October 1993 as a Central Sector scheme to provide employment to educated unemployed youth with family income upto Rs 24,000 *per annum* by setting up micro enterprises in industries, service and business sectors. The scheme which was in operation in urban areas since 1993-94, was extended to rural areas also from 1994-95.

6.7.2.3 Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP) was launched in November 1995 as a Centrally Sponsored scheme in Class II towns having population of 50,000 to 1,00,000 (28 towns in Maharashtra were taken up) as per 1991 census for generation of employment and shelter upgradation, environmental improvement, effective achievement of social goals and improvement of hygiene and sanitation.

6.7.2.4 Swarna Jayanti Shahari Rojgar Yojana (SJSRY) was launched in December 1997 as replacement of the programmes NRY, PMIUPEP and Urban Basic Services for Poor (UBSP), as a Centrally Sponsored scheme in urban areas having population below 5 lakh. The objective was to provide gainful self-employment or wage-employment to the urban unemployed and underemployed poor. This programme also seeks creation of suitable community structures and delivery of inputs through the medium of urban local bodies and community structures.

6.7.3 Organisational set-up

At State level, the Secretary, Urban Development Department (UDD) was responsible for co-ordination, implementation and monitoring of NRY and PMIUPEP. At district level, district NRY committee in Collector's office was responsible for formulating programme for municipal councils and for co-ordination in implementation.

At State level, the State Urban Development Agency (SUDA) which is a society registered under the Societies Registration Act 1960 and headed by the Chief Secretary is responsible for implementation, supervision and monitoring of the SJSRY. At district level, the District Urban Development Agency (DUDA), under the chairmanship of the Commissioner/Collector is responsible for monitoring and supervising the programme and also according sanctions to the proposals submitted by local bodies for wage employment works. The scheme is actually implemented by the urban local bodies (ULBs).

At State level, the Director of Industries is responsible for monitoring the PMRY. At district level, District Industries Centre (DIC) is responsible for implementing the programme and giving training to the beneficiaries.

6.7.4 Audit Coverage

The implementation of NRY during 1995-96 to 1997-98 and that of SJSRY during December 1997 to March 2000 were test-checked through records of UDD and SUDA. Records of 55 ULBs in 11 districts were also test-checked. In respect of PMIUPEP, 8 out of 28 ULBs implementing the scheme were test-checked for the period 1995-96 to 1997-98. The districts covered were Aurangabad, Beed, Chandrapur, Dhule, Kolhapur, Mumbai, Nagpur, Nandurbar, Nashik, Pune and Thane. The review was conducted between January 2000 and May 2000. In respect of PMRY, 9 districts namely Aurangabad, Beed, Chandrapur, Dhule, Kolhapur, Nagpur, Nashik, Pune and Thane were covered.

6.7.5 Planning

6.7.5.1 Identification of the beneficiaries through survey was the key to the implementation of the self-employment and training components of NRY. The required survey was not conducted for NRY in the test-checked municipal bodies. Identification of beneficiaries was done on the basis of income certificates produced by the beneficiaries showing income below Rs 11850 *per annum*.

6.7.5.2 On the basis of instructions issued by GOI (October 1997), the State Government directed the ULBs to identify the Below Poverty Line (BPL) beneficiaries through a survey adopting *per capita* income of Rs 419.98 and by excluding families having *pucca* house, refrigerator, colour television,

No survey was conducted for identification of beneficiaries under NRY

There was delay in conducting BPL survey for SJSRY

telephone and Liquefied Petroleum Gas (LPG) connection. As the number of BPL families were low in the survey conducted in 1998, the State Government allowed families with LPG connections (August 1998), *pucca* houses (September 1998) and colour television (January 1999) to be treated as BPL families. The revision in the norms considerably delayed the implementation of SJSRY. Despite instructions of the State Government (December 1997) to implement SJSRY during the intervening period on the basis of income certificates (issued by the tahsildars), the Brihanmumbai Municipal Corporation (BMC) chose to identify the beneficiaries during 1998-99 on the basis of affidavits produced by them and the number of such beneficiaries during 1998-99 was 379.

SJSRY was implemented without formation of CDS in 5 municipal corporations

6.7.5.3 The foundation of SJSRY being community empowerment, bodies like neighbourhood committees and Community Development Societies (CDS) were to be set up in the targeted areas. The CDS is to be the focal point for purpose of identification of beneficiaries, preparation of applications, monitoring of recoveries etc.

It was noticed that BMC, Thane Municipal Corporation (TMC), Kalyan and Dombivili Municipal Corporation (KDMC), Pune Municipal Corporation (PMC) and Pimpri-Chinchwad Municipal Corporation (PCMC) implemented SJSRY without forming the CDS. BMC and TMC attributed (April 2000) the non-formation of community based structures to a low percentage of beneficiaries (1 *per cent*) who were living in a scattered manner. PMC and PCMC stated (January 2000) that the work of formation of community structures was in progress. KDMC stated (January 2000) that pending registration of CDS, the proposals of self-employment and training were submitted through the Corporation.

6.7.5.4 The CDS were required to survey and identify the basic minimum services to be taken up as works under wage employment component. 29 test-checked municipal councils did not prepare or identify the list of works to be taken up. In the absence of planning, mostly works of water bound *macadam* roads and gutters were executed in the municipal councils.

6.7.6 Targets and achievements

6.7.6.1 NRY

The GOI had intimated the componentwise physical targets to be achieved from the funds allocated during the years upto 1994-95 and in 1997-98, though not for 1995-96 and 1996-97. But the State Government never communicated any targets to the implementing agencies except during 1996-97. The funds were allocated to the implementing agencies on the basis of the population of the local bodies as per 1991 census.

6.7.6.2 PMIUPEP

The PMIUPEP, which was introduced in November 1995, envisaged preparation of multipronged long term strategy to address the problem of urban poverty. Accordingly, a plan of action for a period of 5 years and a rapid survey for identification of beneficiaries were conducted. The District Collectors approved the plans of actions in the test-checked five* districts covering 8 municipal councils during July-August 1996. The schemes/projects were implemented approximately for a period of one year and were closed in November 1997 to be succeeded by SJSRY. Shelter upgradation, which formed an objective of the scheme, was not implemented at all in the test-checked districts.

6.7.6.3 SJSRY

The GOI did not communicate any targets to the State Government. However, the State Government fixed the targets from 1998-99 for the municipal councils/corporations. Actual achievements for the period 1997-98 to 1999-2000 were as under :

Year	Target			Achievement		
	Self employment (Number of beneficiaries)	Training (Number of beneficiaries)	Wage employment Mandays (in lakh)	Self employment (Number of beneficiaries)	Training (Number of beneficiaries)	Wage employment Mandays (in lakh)
1997-98	Nil	Nil	Nil	1147	1168	0.19
1998-99	20000	3000	12	7454	4441	4.83
1999-2000	21000	8000	9	11904	7121	10.55

6.7.6.3.1 There were major shortfalls in achieving the targets under the Urban Self-Employment Programme (USEP) in 1998-99 and 1999-2000, though the targets were very moderate, considering that the State Government had identified 7.46 lakh BPL families in the State as of 31 March 2000. The reasons for the shortfall were awaited from Government (December 2000).

6.7.6.3.2 From the replies received from the Kolhapur Municipal Corporation (April 2000), the TMC (February 2000), the Nashik Municipal Corporation and the Malegaon Municipal Council, District Nashik (May 2000), it was seen that the delay in conducting the BPL survey as well as failure of banks to sanction the requisite loans for self-employment ventures resulted in shortfall in achieving the targets during the period 1997-98 to 1999-2000.

* Beed, Chandrapur, Nashik, Nandurbar and Thane

6.7.6.4 Non-adherence of ratio of benefits to special targeted group

Women beneficiaries were less than the required percentage

Under the self-employment component of SJSRY the proportion of women beneficiaries was not to be less than 30 *per cent*. However, in 27 out of 55 ULBs test-checked, the percentage of women beneficiaries who were sanctioned loans ranged between 7.69 and 27.07 only. No reasons for the shortfall were given by any ULB.

6.7.7 Financial outlays

6.7.7.1 NRY

The actual expenditure incurred on the scheme by the ULBs was not compiled. In NRY, the cost sharing ratio between the Central and the State Governments was 60:40, except during 1989-90 and 1990-91 when the training component was funded fully by GOI. The details of GOI share released, State's share to be released, funds actually released and closing balance under NRY from 1989-90 to 1997-98 were as follows :

(Rupees in crore)

1	GOI share released	56.89
2	Proportionate State share to be released	31.97
	Total	88.86
3	Releases to ULBs by State Government	
	Central share released	42.01
	State share released	22.03
	Total	64.04
4	Balance with State Government	
	Central share	14.88
	State share	9.94
	Total	24.82

6.7.7.1.1 Amounts released by State Government (Central and State share) to ULBs were reported as expenditure.

6.7.7.1.2 Scrutiny of the financial management of the scheme indicated that the GOI was not taking into account the balances lying with the State Government before release of further funds. For example, despite the balance of Rs 6 crore at the end of 1995-96 with the State Government, GOI released funds of Rs 6.08 crore and Rs 3.12 crore in 1996-97 and 1997-98 respectively. However, during 1996-98, the State Government released Rs 1.02 crore to the Collectors to cover only the administrative and office expenses of the staff and no funds were released for scheme implementation considering the large balance lying unspent with the ULBs.

6.7.7.1.3 Against the tentative allocation of Rs 2.28 crore and Rs 2.17 crore made by GOI under the SUME and the SUWE component of NRY in 1994-95 and 1995-96 respectively, the GOI released Rs 1.14 crore and Rs 1.09 crore during the above years respectively due to unsatisfactory performance of the State Government. Thus the State Government lost 50 *per cent* of the eligible Central funds amounting to Rs 2.22 crore due to tardy implementation of the scheme.

State Government lost central funds of Rs 2.22 crore due to tardy implementation of NRY

6.7.7.1.4 As there were short releases both by GOI and the State Government funds under the scheme, on the closure of the scheme the State Government transferred an amount of Rs 22.83 crore to SUDA for implementation of SJSRY in March 1998 and March 1999. A balance of Rs 1.99 crore is with the State Government which, as per the Government, would be transferred to SJSRY on completion of reconciliation work.

6.7.7.2 *PMIUPEP*

Under PMIUPEP which was a centrally sponsored scheme out of grants of Rs 18.22 crore received during 1995-96 to 1997-98, only Rs 9.49 crore were disbursed by the State Government to ULBs (March 1996). As against the State share of Rs 16.96 crore to be provided during 1995-96 to 1997-98, Rs 7 crore were only provided to ULBs (March 1997). The unutilised balance of Rs 18.69 crore, which was 53.12 per cent of the total funds available (Rs 35.18 crore) with the State Government was transferred to SUDA in March 1998, on termination of the scheme and its merger with SJSRY. The State Government had shown the release to the ULBs as expenditure under the scheme; no records were available with the State Government of the actual expenditure which was incurred by the ULBs. This showed failure on the part of the State Government to monitor the implementation of the scheme.

6.7.7.3 *SJSRY*

SJSRY is a Centrally Sponsored scheme with a cost sharing ratio of 75:25 between the Centre and the State. The scheme commenced in December 1997 and the unspent balances under NRY, PMIUPEP and UBSP were transferred to SJSRY after their closure. The GOI funds are received directly by SUDA. The details of yearwise grants received from GOI and the State Government's share and their utilisation are mentioned below :

(Rupees in crore)

Year	Opening balance	GOI share received	State share released	Total (2+3+4)	Expenditure	Closing balance
1	2	3	4	5	6	7
1997-98	41.30 ^s + 21.55	14.02	NIL	76.87	22.18	54.69
1998-99	54.69	20.43	18.25	93.37	46.51	46.86
1999-2000	46.86	7.15*	2.39	56.40	13.57	42.83
Total		41.60	20.64		82.26	

(i) Besides, the unspent balance of Rs 42.83 crore lying at the State level (SUDA) as mentioned above, Rs 10.96 crore and Rs 23.26 crore were lying with 10 DUDAs and 82 ULBs respectively as of 31 March 2000.

^s The opening balance includes Rs 41.30 crore which was transferred to SUDA by the State Government in March 1998 and Rs 21.55 crore which was lying with ULBs. The latter amount was transferred to DUDAs during 1997-98 and shown as expenditure under the Scheme during that year.

* The amount includes demand draft for Rs 469.82 lakh dated 15th October 1999 which was not received by State Government. The matter is under correspondence with the Government of India.

(ii) The State's share provided in 1998-99 includes unpaid share for 1997-98 as well as unspent balances of earlier UPA schemes of Rs 6.76 crore.

6.7.8 *Financial Management of Urban Employment Generation Programmes*

6.7.8.1 *Unspent balances with SUDA under SJSRY kept in fixed deposit*

Unspent balance of Rs 40.10 crore kept in fixed deposits with banks

On termination of NRY, PMIUPEP and UBSP, the closing balances as on 30 November 1997 were to be transferred to SJSRY as opening balance. But the problem of huge unspent balances continued even with the new scheme SJSRY. As of March 2000, SUDA had unspent balance of Rs 42.83 crore out of which Rs 40.10 crore were invested in the fixed deposits. Further, the release of funds from GOI as well as the State was not linked with the actual expenditure incurred thereby resulting in accumulation of huge unspent balances. The State had 41.83 lakh unemployed persons in December 1999 of which 32.31 lakh had completed education upto SSC and above. 21.77 lakh unemployed were in urban areas. Huge unspent balances under SJSRY and large number of educated unemployed do not reflect well on the management of the programme.

6.7.8.2 *Unspent balances with ULBs*

Huge unspent balances retained in fixed deposit, whereas unemployment figures continued to rise

6.7.8.2.1 An amount of Rs 92 lakh out of Rs 2.52 crore received by the BMC as grants under SUME of NRY was kept in fixed deposits for more than 5 years. No separate cash book was maintained by the BMC for recording the NRY transactions and only bank pass books were maintained. The non-utilisation of funds was attributed (March 2000) by the Ward Officer (Planning) BMC to lack of administrative machinery for implementation. This argument is not quite tenable, as 9 officials worked in BMC for NRY alone. Moreover, the BMC has ward offices spread all over Mumbai where the NRY beneficiaries were requested to submit their applications for self-employment, training etc.

6.7.8.2.2 Under SJSRY also, the BMC had unspent balances of Rs 9 crore lying in bank accounts, as of March 2000. The main reason for accumulation of arrears is release of excess funds by the State Government to the BMC based on entire population of Mumbai city whereas the BPL survey had revealed a much smaller target group of just over 26,000 BPL families as of March 2000.

6.7.8.2.3 A total amount of Rs 2.30 crore was released in advance of requirements to 8* local bodies test-checked and the local bodies invested the

* Parli (Beed), Ballarpur (Chandrapur), Nandurbar, Shirpur (Dhule), Igatpuri (Nashik), Nallasopara, Vasai, Virar (Thane)

amounts in fixed deposits for periods from one month to 25 months since the amounts were not immediately required.

6.7.8.3 Diversion of funds

6.7.8.3.1 As against the grant of Rs 57.20 lakh released from 1989-90 to 1997-98 for administrative and office expenses under NRY, BMC incurred an expenditure of Rs 1.13 crore by diverting the amount from other components of the scheme. Thus, for delivering benefit of Rs 1.94 crore (subsidy and training), the expenditure on establishment was Rs 1.13 crore which was as high as 58.18 per cent of the quantum of benefit.

6.7.8.3.2 Chief Officer, Municipal Council, Ichalkaranji, district Kolhapur diverted Rs 65 lakh and Rs 50 lakh from SJSRY to Municipal Fund in November 1999 and March 2000 to meet the expenditure on bonus to the employees and for payment of contractors' bills respectively.

6.7.8.4 Overreporting of expenditure

Rs 61.96 lakh deposited in treasury reported as expenditure under NRY

6.7.8.4.1 The PMC and the Alandi Municipal Council, district Pune, deposited NRY funds of Rs 60 lakh and Rs 1.96 lakh into treasury in October 1995 and December 1995 respectively, but the amounts were reported as expenditure under NRY by Collector Pune, on closure of the scheme in November 1997. Consequently funds of Rs 61.96 lakh were short transferred to SJSRY account on closure of NRY.

6.7.8.4.2 Audit scrutiny of the cash book revealed that against the actual expenditure of Rs 62.50 lakh, the Nashik Municipal Corporation reported an expenditure of Rs 70.60 lakh under NRY from 1990-91 to 1997-98 resulting in overreporting of expenditure by Rs 8.10 lakh.

6.7.8.5 Subsidy under the Scheme of Housing and Shelter Upgradation Component of NRY retained by Municipal Councils

Unspent balance of Rs 49.26 lakh of subsidy under SHASU of NRY retained by councils instead of transferring to SJSRY

The Malegaon Municipal Council, district Nashik, the Kopergaon Municipal Council, district Ahmednagar and the TMC received funds under NRY for disbursement of subsidy to beneficiaries as and when loans are sanctioned by the Housing and Urban Development Corporation under the Scheme of Housing and Shelter Upgradation (SHASU) under NRY. The unutilised amount of subsidy was required to be transferred to the DUDA on termination of the scheme in November 1997 but this was not done and funds to the extent of Rs 49.26 lakh were retained by the Municipal Councils (October 2000).

6.7.8.6 Advances pending adjustment

Advances to suppliers and employees amounting to Rs 15.88 lakh⁵ for payments toward supplies and wages in four councils were not adjusted (May 2000) and were treated as final expenditure under the scheme.

6.7.9 Programme implementation

6.7.9.1 Large scale rejections of loan applications by banks

Under USEP component of SJSRY, the ULBs have to forward applications of selected beneficiaries to the banks for sanction of loans. It was observed in the test-checked ULBs that the banks had sanctioned loans to only 20 to 52 *per cent* of the cases forwarded to them. The ULBs in reply stated that the banks rejected the applications on commercial grounds. The ULBs further stated that the beneficiaries became disinterested due to delay by banks in sanctioning the loans.

6.7.9.2 Poor implementation of special component for women

Development of Women and Children in Urban Areas (DWCUA) is a scheme under SJSRY to extend special incentives to the urban poor women to set up self-employment in groups as opposed to individual efforts. Such groups consisting of atleast 10 urban poor women, are entitled to a subsidy of Rs 1.25 lakh or 50 *per cent* of project cost whichever is less. The ULBs were to provide infrastructure support to the groups in the form of setting up of community *seva kendras*, which would be used as work place/marketing centres etc. for beneficiaries under the programme and land for such *seva kendras* should be provided free of cost by the local body. In reply to an Audit questionnaire 27 of the 31 municipal councils reported that DWCUA groups were not formed, no community *seva kendras* were set up and no land was provided by the ULBs.

It was observed for the State as a whole that 210 DWCUA groups consisting of 2115 members were formed during December 1997 to March 2000. In the test-checked councils except four groups, none of the other 23 groups started any activities under the self-employment ventures. As a result, subsidy of only Rs 2.79 lakh was released to these four groups.

6.7.9.3 Training

Under the SJSRY scheme, training is to be imparted to BPL persons identified through survey for improving skills in various trades like carpentry, tailoring, plumbing, computer operations etc. This training is for a minimum of 300

Irregularities in
training
expenses

⁵ Lonavala -Rs 3.13 lakh, Manmad -Rs 9.25 lakh, Narkhed- Rs 1.50 lakh, Paithan-Rs 2.00 lakh

hours and trainees are to be paid stipend during training. A test-check of vouchers pertaining to training expenditure revealed the following :

- (i) In two ULBs (Sillod, district Aurangabad and BMC) the training imparted was for less than 300 hours.
- (ii) Stipend was not paid to the trainees in the PMC.
- (iii) The Nashik Municipal Corporation and BMC did not indicate BPL identification number and, therefore, it was not verifiable whether the selected beneficiaries were BPL.
- (iv) Stipend was paid by three ULBs (Sillod, Gangapur and Aurangabad district Aurangabad) without obtaining any acquittance of the beneficiaries from the institutes imparting training and training fees were paid by the Municipal Council, Nallasopara, district Thane, to a training institute without imparting training to the beneficiaries.

6.7.9.4 Works executed through contractor

Wage employment works under SJSRY executed through contractor

6.7.9.4.1 As per guidelines for the SJSRY, the works of construction of socially and economically useful public assets must be done departmentally so as to provide wage employment to the BPL beneficiaries. In Beed Municipal Council, a Samaj Vikas Kendra (Community hall) was constructed in January 2000 at a cost of Rs 10.31 lakh through a contractor. This led to an estimated loss of 4582 mandays. Moreover, no administrative approval of DUDA was obtained for the said work.

6.7.9.4.2 The Municipal Council, Beed executed 22 works during 1998-99 involving digging, breaking and collection of rubble through a contractor. This resulted in an estimated loss of 16,374 mandays under the scheme.

6.7.10 Irregularities in payment of wages under SJSRY / NRY and other points of interest

6.7.10.1 Delay in payment of wages

8 Municipal Councils delayed payment of wages to labourers by 2 to 36 weeks

Despite availability of funds, payment of wages aggregating Rs 36.94 lakh was delayed during 1995-96 under NRY by 2 Municipal Councils. Similar delay occurred during 1998-99 to 1999-2000 under SJSRY by 6 Municipal Councils. The period of delay was between 2 and 36 weeks. The Chief Officer, Municipal Council, Gadhinglaj, district Kolhapur attributed (April 2000) the delay to heavy workload of the Junior Engineer, while the Municipal Council Chandrapur, attributed (April 2000) the delay to office procedure. The reply was not tenable as workers engaged on muster rolls must be paid their wages within a fortnight. No reply was received from the other 6 Municipal Councils.

6.7.10.2 *Payment of wages to male and female workers at differential rates*

Women labourers were paid at a lesser wage rate than male labourers in 6 Municipal Councils

SJSRY guidelines provide that wages to labourers should be paid as per the Minimum Wages Act under which wages are the same for male and female labour. Test-check of muster rolls however revealed that the rate of daily wages paid to female workers was lower than that paid to male workers in six Municipal Councils during 1997-98 to 1999-2000 (Ballarpur (district Chandrapur), Katol, Kamptee, Saoner Umred (district Nagpur), Shirpur (district Dhule) and Wadgaon (district Kolhapur)). The wages paid ranged from Rs 25 to Rs 35 for females and Rs 35 to Rs 50 for males. The Chief Officer, Municipal Council, Umred stated in February 2000 that the differential rates were paid as per existing practice in the locality.

6.7.10.3 *BPL numbers not mentioned in muster rolls*

The labourers employed on wage employment works should be from the BPL survey list conducted under SJSRY. Every BPL family is given a unique identification number at the time of SJSRY survey. Test-check revealed that the BPL numbers were not noted in the muster rolls maintained by 12 municipal councils (Ballarpur, Chandrapur, Gangapur, Gadhinglaj, Kamptee, Kultabad, Narkhad, Saoner, Trimbak, Umred, Wadgaon and Yeola) during 1998-99 to 1999-2000. Indicating BPL numbers is a very fundamental requirement and its violation makes it impossible to verify if the beneficiaries belong to the BPL group for whom the scheme is intended. Such irregularities leaves wide open scope for manipulation in giving employment.

6.7.10.4 *Non-payment of wages*

The Municipal Council, Chandrapur did not pay wages aggregating Rs 10.10 lakh to labourers for the works executed departmentally between April 1999 and October 1999. The Chief Officer of the Municipal Council stated in February 2000 that this was due to shortage of funds under the Wage Employment component of the SJSRY. The reply is not tenable, as the works should not have been started in first place if there was no adequate fund. Similarly Municipal Council, Dhule had not paid wages for work done in March 2000 even by May 2000.

6.7.10.5 *Non-assessment of income generated by beneficiaries under SJSRY*

During 1997-98 to 1999-2000, expenditure of Rs 5.27 crore was incurred towards payment of subsidy to 20,505 beneficiaries of SJSRY who were covered under self-employment ventures. Similarly, during this period, Rs 1.77 crore were spent in giving training to 12,730 persons for securing employment/self-employment. It was noticed that the test-checked Councils did not have any details regarding income generated by the beneficiaries out of self-employment ventures and gainful employment of trained persons. Thus,

though the scheme provided funds to BPL persons there was no mechanism envisaged in the scheme guidelines which would enable the ULBs to monitor whether any income was generated by the ventures and whether the beneficiaries have really crossed the poverty line.

6.7.10.6 Vacant posts of Chief Officers of Municipal Councils

Out of 229 Municipal Councils in the State only 155 Municipal Councils were headed by Chief Officers, 17 posts were vacant and in the rest of the councils, the Revenue Naib-Tahsildars were holding additional charge as Chief Officers. As the schemes of NRY, PMIUPEP and SJSRY were being implemented by the Municipal Councils, the absence of executive heads of ULBs had an adverse impact on the implementation which is evident not only from the huge balances lying with the State Government as mentioned in Para 6.7.7.3 but also from the fact that in 9 ULBs test-checked where the posts of Chief Officer were vacant or was held by an officer as additional charge, the unspent balance was Rs 99.52 lakh which was 65.41 per cent of the funds allotted to these ULBs.

6.7.11 Prime Minister's Rojgar Yojana

6.7.11.1 The following table depicts the yearwise picture of actual disbursement made by various banks in the State.

Year	Target	Number of applications forwarded by DICs	Number of loans sanctioned by banks	Disbursements made by banks	Percentage of cases of disbursement to number of cases targeted/sanctioned	
					Targeted	Sanctioned
1993-94	4630	12202	4850	679	15	14
1994-95	20500	51955	26551	18674	91	70
1995-96	35900	74075	40392	25485	71	63
1996-97	35900	71033	39174	26375	73	67
1997-98	42600	78099	42502	24836	58	58
1998-99	42500	70203	40344	19677	46	49
1999-2000	43600	76601	38478	18139*	42*	47
Total	225630	434168	232291	133865		

Though the number of loans sanctioned every year by banks ranged from 38,478 to 42,502 between 1995-96 and 1999-2000, the disbursements were less than the cases sanctioned and declined progressively every year after 1996-97. The percentage of cases of disbursement of loan to number of cases sanctioned declined progressively from 70 per cent in 1994-95 to 49 per cent in 1998-99. This indicates that the banks sanctioned loans so as to conform to targets but were becoming progressively more stringent at the time of disbursement. This was attributed by DIC in their quarterly progress reports to

* As banks can make disbursements within 10 months from date of sanction, these figures could increase.

self-employment ventures not being found commercially viable or lack of capacity of beneficiaries to sustain their business etc.

6.7.11.2 Funds for training lying unutilised

Scrutiny revealed that more than Rs 1 crore of Central funds for training were lying unutilised with the State Government at the end of each year since 1994-95 and the closing balance as of 31 March 2000 was Rs 1.76 crore. While funds were lying unutilised, even those beneficiaries who were given loans were not given the mandatory training as mentioned below.

6.7.11.3 Sanction of loan/subsidy to beneficiaries without mandatory training

Loans/subsidy were released without mandatory training

Under PMRY, training for entrepreneur development (industries, business and services) is required to be given to the beneficiaries to whom loans have been sanctioned. Only after training, loan is to be disbursed by the banks.

The table below depicts the yearwise picture of training imparted and the loans sanctioned/disbursed :

Year	Number of cases of loan sanctioned by bank	Number of cases where training imparted	Number of cases in which loans disbursed
1993-94	4850	1618	679
1994-95	26551	6318	18674
1995-96	40392	10835	25485
1996-97	39174	18642	26375
1997-98	42502	18431	24836
1998-99	40344	21899	19677
1999-2000	38478	20231	18139
Total	232291	97974	133865

The above table indicates that during 1994-95 to 1997-98, the number of beneficiaries who were imparted training was less than the number of cases in which loans were disbursed and during this period at least 40205 beneficiaries might have received loans and subsidy without undergoing the necessary training. Assuming an average subsidy of Rs 5000 (against a maximum limit of Rs 7500) paid to each beneficiary, an amount of more than Rs 20 crore would have been disbursed as subsidy without mandatory training. This defeated one of the important objectives of the scheme and was all the more unjustified as requisite funds for training were lying with the State Government as mentioned in the preceding paragraph.

6.7.11.4 *Non-reconciliation and non-furnishing of utilisation certificates by the State Government*

The State lost Central assistance of Rs 72.35 lakh due to non-submission of utilisation certificates

Under PMRY, funds for contingency expenditure are released by the GOI to the State Government for administration and supervision of the scheme at DIC level on the basis of number of cases in which loans for self-employment ventures were sanctioned by the banks. The GOI provided Rs 2.06 crore during 1994-95 to 1997-98; however, State Government did not furnish utilisation certificates for the grants received from GOI and also failed to carry out reconciliation for the assistance received. This resulted in less receipt of GOI funds to the extent of Rs 72.35 lakh. Even then, funds to the tune of Rs 1.33 crore and Rs 1.15 crore were lying unutilised with the State Government as of March 1999 and March 2000 respectively.

6.7.11.5 *Sanction of loan to ineligible beneficiaries*

6.7.11.5.1 A son of a bank manager was disbursed a loan of Rs 1 lakh for trade in electronics under PMRY in April 1997 by State Bank of India, Thane, on the strength of an affidavit showing income of Rs 22000 for himself and family. The affidavit was not factually correct because the definition of family includes parent's income and his father was serving as a manager in Mumbai in the same bank. In reply the bank stated (January 2000) that the beneficiary was living with his grandfather and not with his father.

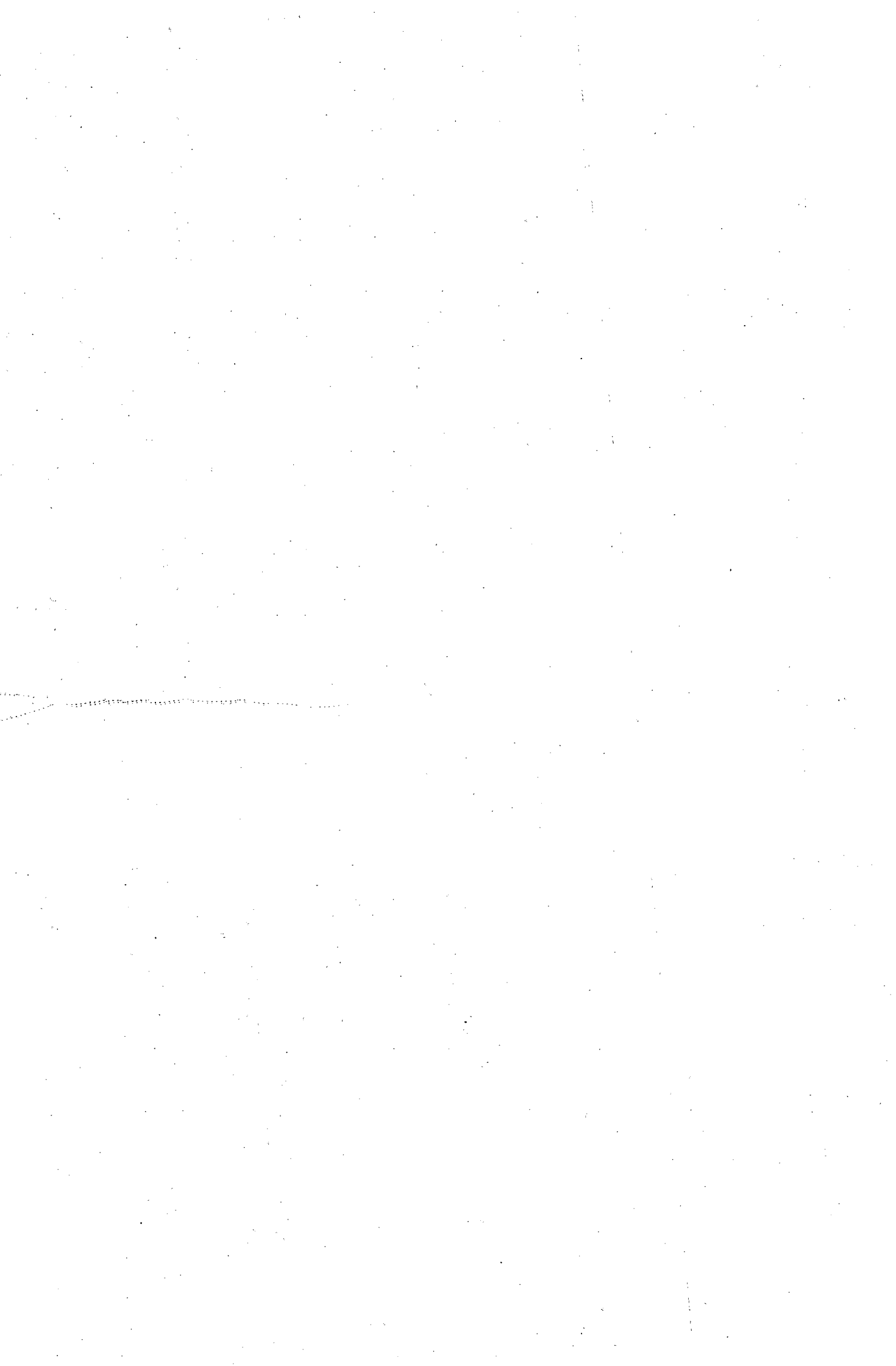
6.7.11.5.2 A lady was granted a loan of Rs 1 lakh in May 1997 by State Bank of India, Thane for starting a beauty parlour under PMRY on the strength of an affidavit furnished by her indicating income below Rs 24000 though she already owned another beauty parlour in Thane and possessed a certificate of training from England. The amount and interest was fully repaid by the beneficiary in April 1999, i.e. within 2 years.

The above points were referred to Government (September 2000); reply had not been received (December 2000).



SECTION - B

PARAGRAPHS



CO-OPERATION AND TEXTILES DEPARTMENT

6.8 Financial assistance to Co-operative Societies

6.8.1 Details of the loans and share capital contribution to co-operative societies in the State as well as the assistance given to them as grants and subsidies during the three year period from 1997-98 to 1999-2000, compiled on the basis of information furnished by the Department, are indicated in the following table :

	1997-98		1998-99		1999-2000	
	Number of societies	Amount (Rupees in crore)	Number of societies	Amount (Rupees in crore)	Number of societies	Amount (Rupees in crore)
1. Grant and subsidies	6385	4.67	6351	9.84	13296	45.29
2. Loans	240	3.57	361	40.11	274	11.22
3. Share Capital	17841	727.33*	17921*	748.07*	17976*	795.12*

6.8.2 Investment by the State Government in the share capital of co-operative societies at the end of March 2000 amounted to Rs 795.12 crore and the dividend earned during the year was Rs 0.61 crore only, representing a meagre return of 0.08 *per cent*. Out of 17,976 societies in which Government had invested Rs 795.12 crore as of March 2000, only 7,109 societies earned profit and only 237 societies declared dividend. The following table indicates the details of the investments and dividends received during the three year period from 1997-98 to 1999-2000.

Year	Investments		Dividends	
	Number of societies	Total investment (Rupees in crore)	Number of societies	Dividends received (Rupees in crore)
1997-98	17841	727.33	256	0.36
1998-99	17921	748.07	218	0.48 [@]
1999-2000	17976	795.12	237	0.61

* Represents the progressive figures of investments by way of share capital at the close of the years. Differs from figures in Statement 14 of Finance Accounts. The difference has not been reconciled by the Department.

[@] Exclusive of dividend of Rs 0.05 crore declared by 2 societies but not credited to Government up to 31 March 1999.

6.8.3 The recoveries of loans and receipt of interest from societies were tardy resulting in large accumulation of overdue amounts as follows :

Year ending 31 March	Number of societies	Overdue amount (Rupees in crore)	
		Principal	Interest
1998	3488	28.39	16.31 ^{\$}
1999	2807	24.31	14.01 [^]
2000	1712	30.43	17.35 [*]

6.8.4 Government had also guaranteed repayment of loans raised by several co-operative societies. As of 31 March 2000, Rs 621.31 crore was guaranteed by Government in respect of loans taken by 101 societies, of which Rs 467.75 crore was outstanding and Rs 60.35 crore was paid by Government on account of invocation of guarantees in respect of loans raised by 58 defaulting societies.

Upto the end of the year 1999-2000, Government paid grants and subsidies amounting to Rs 153.13 crore to 90,294 societies. The utilisation certificates in respect of Rs 105.67 crore were awaited from 73,282 societies. The department stated that the District Deputy Registrars of Co-operative Societies had been asked to obtain the wanting utilisation certificates early.

6.8.5 The position regarding performance of 19,665 societies in respect of Government assistance as at the end of the financial year 2000 compiled on the basis of information made available by the Department is summarised in the following table :

Category	Financial assistance by Government (Rupees in crore)			
	Number of societies	Share Capital	Loans	Subsidy/Grant
1. Societies which earned profit	7109	131.09	27.44	16.73
2. Societies which incurred loss	10024	219.18	36.98	20.93
3. Societies under liquidation	1630	2.02	11.27	1.55
4. Societies not functioning	611	37.23	3.65	0.62
5. Societies in initial stage of working	125	25.34	12.76	0.59
6. Societies whose accounts were awaiting finalisation	162	0.24	0.02	0.04
7. Societies whose working results had not been received by the Registrar of co-operative societies	4	0.07	--	--
Total	19665	415.17	92.12	40.46

^{\$} Penal interest of Rs 16.31 crore.

[^] Inclusive of penal interest of Rs 1.71 crore.

^{*} Inclusive of penal interest of Rs 2.09 crore

6.8.6 Number of co-operative societies which earned profits/ incurred losses during the three year period ending March 2000 was as follows:

Year ending	Number of societies	Profit (Rupees in crore)	Number of societies	Loss (Rupees in crore)
March 1998	5797	41.33	6942	97.45
March 1999	6187	39.56	6945	95.76
March 2000	7109	51.72	10024	130.65

6.8.7 At the end of March 2000, cases of misappropriation and shortages involving a total sum of Rs 26.90 crore in 6519 societies had been reported by the Department. The details were as follows :

	Sum involved in			
	Number of societies	Misappropriation	Shortages	Total
	(Rupees in crore)			
Cases pending up to 31 March 1999	6499	22.91	0.27	23.18
Less : Cases finalised during 1999-2000	52	0.35	--	0.35
Add : Fresh cases reported during 1999-2000	72	4.07	--	4.07
Cases pending as on 31 March 2000	6519	26.63	0.27	26.90

In accordance with the provisions of the Co-operative Societies Act, 1960 the accounts of co-operative societies which receive financial assistance from Government are required to be audited annually either by the Registrar of Co-operative Societies or by a person authorised by him. As on 31 March 2000, the accounts of 27116 Government-aided societies remained unaudited which included 4885 societies unaudited for five years and more.

The arrears in audit were attributed by the Department to shortage of staff, non-availability of records, records being either incomplete or retained by the police and courts.

The Department has to assess and recover audit fees from the co-operative societies. Recovery of audit fees totalling Rs 10.78 crore was in arrears for five years and more.

6.9 Unproductive investment in sugar factories

Though Government released Rs 24.20 crore from March 1992 onwards as its share for setting up of seven co-operative sugar factories, none of them have started production.

The State Government has been investing in equity of co-operatives set-up for establishing new sugar factories. The approved pattern of financing these factories was (a) 10 per cent equity from members of the co-operative, (b) 30 per cent equity from Government, and (c) 60 per cent as debt from financial institutions, co-operative banks etc. In August 1997 the ratio of equity participation between members of the co-operative and the State Government was changed from 1:3 to 1:5 in respect of factories located in industrially backward areas. The Government's share of equity is in the form of preference shares, half of which is redeemable at the end of 10 years and the balance within 15 years. The co-operatives are required to bring in their share within six months of receipt of Government share of equity.

The sanction for the release of funds for equity participation is issued by the Government and released by the Commissioner of Sugar, Pune. It was stipulated by Government that Commissioner of Sugar is responsible for implementing the terms and conditions of the sanction. Scrutiny of records of the latter (October 1999 and March 2000) revealed that share capital contribution of Rs 24.20 crore for setting up 7 sugar factories during March 1992 to August 1997 remained unproductive as the machinery required for production were not procured nor were civil works completed as detailed in the table.

Sr. No.	Name of Sugar Factory	Month of sanction of Share capital contribution	Amount sanctioned and drawn (Rupees in lakh)	Remarks
1	Indira Sahakari Sakhar Karkhana, Pusegaon, Hingoli	March 1992	85.00	Advance of Rs 82 lakh was paid for supply of machinery in March 1996 but the supplier failed to supply machines. An amount of Rs 42 lakh had been recovered (December 2000).
2	Ghrushneshwar Sahakari Sakhar Kharkhana, Khultabad, Aurangabad	March 1996	500.00	Rs 3 crore paid for supply of machinery, which has not been supplied and the supplier has since been black listed. The amount was not yet recovered.
3	Priyadarshini Sahakari Sakhar Kharkhana, Udgir, Latur	March 1997	50.00	Institutional finance is arranged and order for machinery was placed (December 2000).

Sr. No.	Name of Sugar Factory	Month of sanction of Share capital contribution	Amount sanctioned and drawn (Rupees in lakh)	Remarks
4	Vidarbha Shetkari Sahakari Sakhar Kharkhana, Buti Bori, Nagpur	March 1992	85.00	Amount lying unutilised in joint account. Machinery not ordered as the required quantity of sugarcane was not available. Commissioner has brought to the notice of the Government the unsatisfactory progress of work.
5	Sangola Taluka Sahakari Sakhar Kharkhana, Sangola, Solapur	March 1992 January 1997	85.00 425.15	Rs 3.98 crore was paid between June and November 1997 for supply of machinery, supply is under progress. Tie-up for finance arranged.
6	Jamner Sahakari Sakhar Kharkhana, Jamner, Jalgaon	March 1996 March 1996	567.00 365.55	Order for machinery was placed and institutional finances arranged.
7	Dr V.V.Patil Sahakari Sakhar Kharkhana, Kaij, Beed	March 1992 August 1997	85.00 172.00	Commissioner of Sugar stated (March 2000) that institutional finance had recently been tied up, but share from members was to be mobilised; civil works is reportedly in progress.
Total			2419.70	

The amounts were sanctioned by Government in anticipation of above seven sugar factories raising their own capital from their members. The amounts were kept in the joint accounts in Co-operative banks in the name of the Commissioner of Sugar and the concerned factories. The money was to be released by the Commissioner in proportion to the amount of their own capital actually raised by the factories. The above factories, however, could not raise their own capital in full due to local problems like drought, heavy rainfall etc. but it was observed that in the case of two of the seven factories mentioned above, Government Share Capital was released without the corresponding amounts being raised by the factories themselves. Non-raising of their own capital by the factories led to other difficulties, in that 60 per cent of the project cost to be borrowed from Financial Institutions could not be tied up since the latter were reluctant to sanction such loans till sugar factories raised their own capital. The final picture is that out of Rs 24.20 crore sanctioned by the Government and kept in the bank, Rs 22.28 crore have been withdrawn and spent but the civil works as well as supply and installation of machinery remained incomplete. The money spent was, thus, unproductive.

The matter was referred to Government (July 2000); reply had not been received (December 2000).

**RURAL DEVELOPMENT AND WATER CONSERVATION
DEPARTMENT**

6.10 Misappropriation of funds by Gram Sevak

Non-maintenance of cash book and laxity of the Block Development Officer facilitated misappropriation of Rs 1.92 lakh by a Gram Sevak.

Mention was made in paragraph 6.16 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1997 regarding suspected fraudulent transaction in two Village Panchayats of Block Development Officer (BDO), Karmala, District Solapur. Audit of another Village Panchayat (VP) at Kem in the course of audit of this BDO in December 1998 revealed the following irregularities in the maintenance of accounts :

- (i) The cash book and other basic records like receipts and vouchers were not maintained by the Gram Sevak for the period March 1995 and June 1996.
- (ii) On 9 June 1996, on his transfer to another VP, the Gram Sevak handed over Rs 199 as cash balance on account of Jawahar Rojgar Yojana (JRY), Indira Aawas Yojana (IAY) and Employment Assurance Scheme (EAS) to the VP but did not hand over the cash book and vouchers. These were handed over by him in November 1998, after a period of more than two years. Even then the cash book recorded entries only upto 28 February 1995 with closing balance on this date of Rs 23,681.50.
- (iii) The entire amount of Rs 7.99 lakh released to the VPs, Kem under JRY, IAY and EAS during 1 March 1995 to 9 June 1996 and other receipts such as interest etc. were not recorded in the cash book and neither was its expenditure accounted for though the amount was spent on various programmes under the respective schemes.
- (iv) The BDO failed to terminate the joint bank account operated by the Sarpanch and the Gram Sevak on the transfer of the latter. He further released (30 June 1996 and 4 August 1996) Rs 50,000 as grants to complete the pending works even after the Gram Sevak's transfer. Thus the Gram Sevak continued to operate the joint account even after his transfer and withdrew an amount of Rs 50,000 from the account. This amount withdrawn by the Gram Sevak was spent to complete the ongoing work but neither the cash withdrawn nor the expenditure

incurred were recorded in the cash book submitted by him in November 1998.

- (v) The BDO, who was responsible for monitoring the activities of the Gram Sevak failed to notice these irregularities and initiate appropriate action despite similar audit observations (March 1995) against two other VPs of his Block.

On the basis of audit finding (December 1998), the Chief Executive Officer, Zilla Parishad, Solapur ordered a detailed enquiry (September 1999) which revealed that the Gram Sevak had completed most of the works after his transfer and accounts of it were submitted by him only during April 1999 to August 1999. It was not clear as to how the transferred Gram Sevak could supervise the ongoing works of the old VP and make payment for the same from the funds which he had embezzled temporarily from his old posting. It is clear that the officer responsible for the operation of the due procedure viz. BDO himself turned a partner in this alliance with the previous Gram Sevak as seen from the facts above. The Gram Sevak had temporarily misappropriated funds of Rs 8.23 lakh (inclusive of opening balance) till the completion of the works under the various schemes. Thereafter the final valuation of the works completed out of the grants released from September 1993 was done by the Zilla Parishad which revealed a shortfall of Rs 1,23,540 i.e. the expenditure incurred on the works was less by this amount, and hence the Zilla Parishad concluded that there was a permanent misappropriation of funds to the tune of Rs 1.24 lakh. An advance of Rs 68,000 given contrary to the provisions of JRY to Sarpanch of the VP out of these funds was yet to be recouped. Thus, the final misappropriation of funds was to the tune of Rs 1.92 lakh.

Further audit investigations in November 1999 revealed that the earlier Gram Sevak who held the charge of VP, Kem from 10 April 1992 to 22 June 1993 also did not hand over cash book, vouchers and other records and the same was not submitted by him till November 1999. No action other than withholding of no due certificate at the time of his retirement had been taken by the BDO. This highlights the lack of supervision/monitoring by the BDO regarding maintenance of cash books etc.

On the basis of the above, an independent enquiry was ordered against the Gram Sevak for non-maintenance of accounts and temporary misappropriation of Government money. Another departmental enquiry was also proposed (November 1999) by the Zilla Parishad against the BDO for his lapses. Further progress in this regard was awaited (December 2000).

The matter was referred to Government (April 2000); reply had not been received (December 2000).

6.11 Unfruitful expenditure on construction of Kolhapur Type Weirs

Non-completion of construction of nine K.T. Weirs rendered expenditure of Rs 27.61 lakh thereon unfruitful, besides denying the intended benefits to the farmers.

Work on nine Kolhapur Type Weirs (K.T.Weirs) awarded by Zilla Parishad, Nashik during January 1991 – December 1996 to 9 contractors at an aggregate estimated cost of Rs 37.79 lakh was abandoned by the contractors after an expenditure of Rs 27.61 lakh had been incurred as per details indicated below :

Sr. No.	Name of K.T.Weirs	Month of commencement of work	Month of stopping the work by contractor	Month of terminating the work by department	Estimated cost	Expenditure incurred till stoppage	Reason for stoppage and present status
					(Rupees in lakh)		
1	Mohmukh, Kalvan	January 1991	March 1993	July 1998	4.78	2.32	Contractor has stopped the work. Work is not yet completed (August 2000)
2	Chinchola, Surgana	March 1992	August 1993	February 1999	3.23	2.43	-do-
3	Murumhatti, Peint	March 1991	March 1993	July 1997	3.47	2.65	-do-
4	Songir, Sinner	January 1994	November 1995	January 1998	1.23	0.56	-do-
5	Mokhpada, Surgana	March 1992	March 1994	February 1999	6.10	5.08	-do-
6	Mhaishkhadak, Surgana	January 1994	December 1997	February 1999	6.14	5.68	-do-
7	Shenit, Igatpuri	January 1993	August 1995	Action for termination in progress	4.27	3.14	-do-
8	Waghdeopada Dindori	December 1996	July 1997	May 2000	4.25	2.58	-do-
9	Nampur, Satana	January 1994	September 1994	Action for termination in progress	4.32	3.17	-do-
Total					37.79	27.61	

Though the work had been stopped by the contractors, the Department had terminated the contracts only after a period of 1 to 5 years in case of 7 K.T.Weirs (Sr.1 to 6 and 8). The Executive Engineer stated (August 2000) that the work of the K.T. Weir at Shenit, Igatpuri would be got completed by the

contractor since 70 *per cent* of the work had already been completed. It was also clarified by the Executive Engineer that the work at Nampur, Satana was not terminated because of a dispute between the contractor and Zilla Parishad, Nashik regarding installation of needles in the K.T. Weir.

Total lack of any prompt action on the part of the Zilla Parishad to terminate the contracts and to get the works completed early rendered unproductive the expenditure of Rs 27.61 lakh on the K.T. Weirs which have remained incomplete for the last seven years since the date of termination of contracts. Besides, the targeted beneficiaries continued to be denied the intended benefits.

The matter was referred to the Government (August 2000); reply had not been received (December 2000).

SCHOOL EDUCATION DEPARTMENT

6.12 District Primary Education Programme

6.12.1 Introduction

The Centrally sponsored "District Primary Education Programme" (DPEP) was launched in June 1994 to cater to the need of primary education in nine educationally backward districts of the State. During Phase-I, the programme was implemented in five districts viz. Aurangabad, Latur, Nanded, Osmanabad and Parbhani. The Phase-II covered the other four educationally backward districts of Beed, Dhule, Gadchiroli and Jalna. The Phase-I and the Phase-II were taken up in 1994-95 and 1996-97 and scheduled to be completed by September 2001 and December 2002 respectively. The objectives of the programme were to (i) reduce the differences in enrolment, dropout and learning achievement among the gender and social groups to less than five *per cent*; (ii) reduce the overall primary dropout rate to less than ten *per cent*; (iii) raise the average achievement levels by atleast twenty five *per cent* over the measured baseline levels and ensuring achievement of basic literacy and numeracy competencies and a minimum of forty *per cent* achievement levels in other competencies by all primary school children and (iv) provide access to all the children to primary schooling (I-Vth classes) or its equivalent non-formal education. The ultimate aim of the programme was to ensure free and compulsory education of satisfactory quality to the children upto fourteen years of age. The Secondary School Education Department, Mantralaya and the Maharashtra Prathamik Shikshan Parishad (MPSP), a registered autonomous society established at Mumbai in March 1994 were responsible for the implementation of the programme. The executive

responsibility vested with the State Project Director (SPD) who was assisted at the district level by the District Project Co-ordinators and District Project Officers (DPO).

6.12.2 Audit coverage

6.12.2.1 A review of implementation of the programme was conducted by test-check of the records in the offices of the MPSP, School Education Department, Mantralaya, Mumbai, 4²⁸ DPOs, 8²⁹ Block Development Officers (BDOs)/Block Resource Centres (BRCs) and 167 schools during September 1999 and April 2000. The objectives of the review were to ascertain whether the programme had achieved the intended purposes and implemented efficiently and economically. The audit findings are given in the succeeding paragraphs.

6.12.2.2 The services of ORG centre for social research, a division of ORG-MARG Limited was commissioned by the Comptroller and Auditor General of India with a view to obtaining the beneficiary perception of the programme and related matters. The ORG-MARG carried out survey over a sample (Aurangabad, Dhule, Gadchiroli and Nanded districts), determined on the basis of District Development Profile on Primary Education, Socio-economic compositions, incidence of school dropouts etc. Findings of the survey on matters discussed in the report have been included in this review at appropriate places.

6.12.3 Financial performance

The programme was financed by the Government of India (GOI) and the State Government at the ratio of 85:15.

6.12.3.1 As against an outlay of Rs 275.23 crore approved by Expenditure Finance Committee (EFC) for Phase I and II, the amount released was Rs 172.92 crore (released by GOI Rs 145.61 crore, State Government Rs 27.31 crore) leaving a deficit of Rs 102.31 crore (37.17 per cent). The State Government stated (May 2000) that adequate budget provision was not made to release the fund required.

6.12.3.2 During Phase-I and II, GOI released grant belatedly by 8 to 11 months to the extent of 30 to 100 per cent grant in respective financial years (1994-95 to 1999-2000) and the State released entire funds belatedly by 8 to 11 months. MPSP further delayed release of grants by 4 to 8 months to DPOs in 1995-96 and 1997-98 except in Parbhani district. The Government stated (November 2000) that delay in release of the State share was due to delay in approval by the Planning and Finance Departments and delay in release of grants to the DPOs due to late approval of work plan and late receipt of sanction. Short release and delay in release of funds had affected the borewell

Abnormal
delay of 8 to 11
months in
release of
grant by GOI
and the State

²⁸ Aurangabad, Gadchiroli, Nanded and Parbhani

²⁹ Kannad, Vaijapur (Aurangabad), Armori, Chamorshi (Gadchiroli), Hadgaon, Nanded (Nanded), Basmath and Pathri (Parbhani).

works in Beed and Gadchiroli districts during 1998-99 and 1999-2000 respectively.

6.12.3.3 In both Phase-I and II, the expenditure (Rs 169.73 crore) was short of the fund released (Rs 172.92 crore) only by 2 per cent though it was 61.67 per cent of the fund requirement (Rs 275.23 crore) upto the period 1999-2000.

Excess of expenditure over ceiling by Rs 1.14 crore on procurement of books

6.12.3.4 Against a ceiling of Rs 1.50 crore for procurement of books, an expenditure of Rs 2.64 crore was incurred from DPEP fund till August 1999 resulting in excess expenditure of Rs 1.14 crore. The Government stated (November 2000) that *post facto* sanction of the GOI would be obtained.

Interest of Rs 4.86 crore earned by MPSP remained unutilised for want of orders from GOI

6.12.3.5 During 1994-95 to 1999-2000, the MPSP had earned an interest of Rs 4.86 crore on the programme funds deposited with banks. The interest earned, however, remained unutilised for want of the GOI's orders for utilising in the programme. Government stated (November 2000) that the utilisation of interest will be planned after receiving decision from GOI.

6.12.4 Physical performance

6.12.4.1 Enrolment

Universal access to schooling, enrolment and retention of the children was the core objective of DPEP, a number of measures like opening of new schools, upgradation of the existing schools etc. were undertaken. The position of enrolment of students *vis-a-vis* the population of children and the difference in enrolment between the boys and girls at the beginning of each Phase and in 1999-2000 are shown in Appendix XXXII.

Scheduling of the programme was defective

Amongst the nine districts, five districts viz. Aurangabad, Latur, Nanded, Osmanabad and Beed had 100 or more than 100 per cent enrolment of the children at the beginning of the programme itself. Only Parbhani, Dhule, Gadchiroli and Jalna had enrolment ranging from 74 (Jalna) to 86 (Gadchiroli) per cent of the total children in the age group of 6-11 years at the beginning of the programme. It was observed that Dhule, Gadchiroli and Jalna districts having low percentage of enrolment at the beginning of the programme were taken up later in Phase-II and the districts already having 100 per cent enrolment (except Parbhani) at the beginning of the programme were taken up earlier in Phase-I. Thus, the scheduling of the programme was defective. At the close of 1999-2000, in Jalna and Dhule districts, enrolment increased from 74 and 79 to 88 and 90 per cent respectively. However, the enrolment in these districts did not reach 100 per cent. At the end of 1999-2000 in Latur, Prabhani, Gadchiroli and Jalna districts difference in gender group was more than 5 per cent. Government stated (November 2000) that in first year of the programme in both Phase I and II, the focus was in bringing all the children in the school in a campaign mode. As a result, the number of underaged and overaged children were also enrolled to a large extent. Therefore, the enrolment apparently seem to have swelled in the first year. In the subsequent years, however, number of underaged and overaged children have decreased and enrolment figure stabilised.

Enrolment target not achieved in Jalna and Dhule districts

6.12.4.2 Dropouts

One of the objectives of the programme was to reduce the overall primary dropout rate of the students to less than ten *per cent* and reduce the difference in dropout among the gender (boys and girls) and the social groups (SC, ST and others) to less than five *per cent*. Dropout percentage genderwise and social groupwise is shown in Appendix XXXIII.

Audit analysis revealed the following:

Percentage of dropout was in excess of targeted 10 *per cent* in all 9 districts

(a) In all the districts, though the dropout rates were on the reducing trend, they were still in excess of the targeted 10 *per cent*. (b) In Parbhani, Dhule and Jalna districts, the dropout rates of girls exceeded that of boys by more than 5 *per cent* in all the years. The differences ranged from 5.31 to 8.19 *per cent*. (c) In all the districts, except Jalna, the dropout percentage of other students (backward and general category students) exceeded the dropout percentage of scheduled caste students by more than 5 *per cent* in some years. In Dhule district, the dropout percentage of scheduled tribes was more than the scheduled castes and others.

It was observed by ORG-MARG that 14 *per cent* of the students enrolled in primary classes continued to dropout during 1999-2000. As regards, the variation in dropouts among gender and social groups, it was one *per cent* among boys and girls during 1995-96. This gap increased to six *per cent* during 1999-2000. Castewise, the dropout rate among SC and ST students was to the tune of 15-17 against 16-19 *per cent* of total enrolment respectively.

Thus, the objectives of reducing the overall dropout to less than 10 *per cent* and limiting the differences in dropout among the gender groups to less than 5 *per cent* were not achieved. The State Council of Education Research and Training attributed that the dropout rate could not be reduced mainly due to non-interest of children, difficulty in studies, poor economic condition and children required to assist in household affairs.

6.12.5 Non-formal education (Prerna centre)

The Non-Formal Education (NFE) component was included as a part of DPEP in the year 1996-97 to provide alternative schooling to children in the age group of 9 to 14 years who were never enrolled in the formal schools or dropped out from the schools. The Prerna centres were to be established with a strength of minimum twenty students.

Shortfall of 59 *per cent* in enrolment of students under NFE

In 9 districts, where DPEP was under implementation, 3235 NFE centres involving 1,70,515 students were targeted during the years 1996-97 to 1998-99. Against these targets, as of March 1999, 70120 students (41 *per cent*) were enrolled in 2868 centres (89 *per cent*). Government stated (November 2000) that posts of NFE instructors were vacant and required number of children were not available to operate the centres to their full capacity.

It was observed by ORG-MARG that NFE centres were found to be extremely low. Only 26 *per cent* households were aware of these centres which reflected the negligible enrolment of children.

6.12.6 Civil works

In order to achieve the objectives of easy access to schooling, retention and learning improvement and capacity of building, civil works such as construction of new primary schools each with two rooms, upgradation of the existing schools by providing one more room for the Vth Standard, provision of toilets and water facilities within the school premises, construction of Block Resource Centre (BRC) at block levels etc. were taken up. The position of the civil work and other infrastructural activities as of January 2000 is shown in Appendix XXXIV. ORG-MARG visited 100 schools (Rural-80 and Urban-20) for verification of Civil Works. The findings of Audit and ORG-MARG relating to civil works are given below :

(i) Construction of Block Resource Centres (BRC)

The BRCs are expected to function as nodal centres for imparting training to Primary School Teachers and other Primary Education Sector functionaries. MPSP decided (October 1996) to construct 34 buildings for BRC, one each in 34 blocks of the five districts (Phase I) adopting low cost technology. The work was entrusted (November 1996) to an agency viz. Centre of Science for Village (CSV), Wardha at an estimated cost of Rs 2.64 crore. In February 1997, the agency and the concerned BDOs of the blocks entered into separate agreement for each BRC. The work was scheduled to be completed within 10 months from the date of agreement i.e. by December 1997. The first instalment of advance of Rs 65.92 lakh (25 *per cent* of the cost) due on signing of the agreement and the second instalment of Rs 36.23 lakh due on procurement of material were paid to the agency in February and April 1997 respectively. However, as of January 2000, work in respect of two BRCs (Aurangabad, Osmanabad) were completed, three BRCs (Kannad, Omarga and Udgir) were not at all started for want of land, encroachment and want of clearance for demolishing the existing building in the site and 29 BRCs were completely stopped by the agency since September 1997. Government stated (November 2000) that contracts with the agency have been terminated and the advances paid have been adjusted against value of work executed and material at site. However, Government had not stated, how they propose to execute the balance work.

(ii) Construction of toilets

In order to improve the hygienic conditions, construction of toilets in the school premises was taken up under the DPEP. The works were to be executed through the Village Education Committee (VEC). The BRC released the funds to the VEC as advance and after receipt of utilisation certificate, the advances were to be adjusted.

Out of 34 BRCs the work of 29 BRCs were completely stopped since September 1997 and work of 3 BRCs were not started so far despite advance payment of Rs.1.02 crore made to agency

Out of 1985 toilets planned for construction 442 toilets not taken up for construction

(a) In four districts test-checked by audit, it was found that out of the 1985 toilets planned for construction during Phase-I and II (Phase-I- 1485 and Phase-II-500) at an estimated cost of Rs 1.37 crore, construction of 1308 toilets were completed, 235 were in progress and the remaining 442 had not been started as of January 2000. In Aurangabad district, construction of 150 advanced ferrocement technology type toilets at the unit cost of Rs 10,000/- per toilet was entrusted to a private agency in November 1996 as the VECs were unable to execute the works as technology and equipment were not available with them. The agency was paid an advance of Rs 3.75 lakh in two instalments (January/March 1997). The work was to be completed by March 1997. However, the agency could complete only 9 toilets by May 1997. Government stated (November 2000) that action to terminate the contract and to recover the advance was in progress. It was also proposed to entrust the balance work to VEC.

(b) ORG-MARG observed that toilet facilities and separate toilets for girls were not available in 49 and 16 *per cent* of the sample schools respectively. The percentage of schools which did not provide for separate toilets for girls was higher in rural area (70 *per cent*) than urban area (50 *per cent*).

(iii) *Water facility*

Out of 1747 borewells taken up for drilling, 1354 completed, 353 in progress and 40 not started

The programme envisaged drilling of bore wells in the school premises to improve/provide water facility to the school children. A specialised government agency, viz. "Ground Water Survey and Development Agency" (GSDA) was assigned the task of drilling bore wells and installation of pumps on payment of the full cost in advance. Out of the 1847 borewells targeted in 9 districts, 1747 wells were due to be completed by June 1998. However, as of January 2000, only 1354 wells were completed and 353 wells were in progress and the remaining 40 wells had not started. The DPO Gadchiroli/Government stated (March/November 2000) that due to rains, non-availability of approach roads, shortage of funds etc. the work was not started.

Out of 1354 borewells completed, 207 failed

(a) Out of the 1354 wells completed by January 2000, 1147 were successful and 207 (15 *per cent*) wells constructed at a cost of Rs 30.87 lakh were declared failed. In cases of failed wells, no alternative arrangement for water supply to the schools was made. Government stated (November 2000) that the failure of the wells was due to geological factors.

(b) ORG-MARG observed that the drinking water facilities were not available in 35 *per cent* sample schools. The percentage of schools where no drinking water facilities was available in rural and urban areas was 42 and 11 *per cent* respectively.

(iv) Construction of one additional room to the existing school buildings

Out of 748 works of one additional room to school building, 687 works completed, 60 in progress and one had not started

The programme envisaged construction of one additional room to the existing school buildings at the cost of Rs 1.45 lakh each. In three (Aurangabad, Nanded and Parbhani) out of the four districts test-checked, it was noticed that against the target of construction of 754 one additional room in schools, agreements for 748 works were entered into with the Grampanchayats. Remaining six works in Aurangabad district were executed departmentally. Of these, 687 works were completed and 60 were in progress and one had not started (January 2000). However, due to slow progress by the local agencies and poor monitoring by MPSP, there were delays in completion of the work by 12 months in 58 works and 36 months in 25 works.

(v) Construction of new school buildings with two rooms

The programme envisaged construction of schools each having two rooms within a distance of 1 to 1.5 kms in the villages having a population of 200 or 100 persons in the tribal and inaccessible areas. These works were entrusted to the Grampanchayats.

Out of 419 two rooms school buildings, 253 buildings completed, 112 in progress and 54 had not started

In four districts test-checked, 419 two room school buildings at a total cost of Rs 12.15 crore were planned for construction. Of these, 253 schools were completed, 112 were in progress and the balance 54 had not started as of January 2000. Though, the schools were to be completed within 6 months time from the date of entering into agreements, there were delays of 5 to 24 months. The Government stated (November 2000) that the agencies could not adhere to the time schedule for want of approach roads, transfer of Gramsevaks and involvement in other activities.

(vi) Substandard work

In Parbhani district, construction of 306 one additional room to the existing school buildings and 58 new school buildings with two rooms were commenced between October 1996 and January 1997. In July 1997, the District Work Committee which gave administrative approval for the works rejected seven buildings constructed by Grampanchayats in six blocks against an advance payment of Rs 9.51 lakh as the quality was poor. Similarly, in Bhokar block of Nanded district, an additional room to the existing school building taken up in 1996-97 and executed up to slab level was stopped in January 1999 and ordered to be dismantled due to substandard work for which an advance of Rs 1.20 lakh had been paid (March 1997) to the Grampanchayat. Government stated (November 2000) that in Parbhani district, the concerned village panchayats had rectified the substandard work. In Bhokar block the concerned Grampanchayat had been ordered to rectify the defects and further progress was awaited.

6.12.7 Vacancies of teachers

In Gadchiroli district, as against 186 teachers required in 93 schools, only 159 teachers were in position during the year 1998-2000 and 27 posts were still

vacant. The Government stated (November 2000) that the appointment process was in progress. It was observed by ORG-MARG that in 27 per cent sample schools, sanctioned posts were not filled in.

6.12.8 *Monitoring and supervision*

(i) *Shortfall in inspection of the schools*

The District Project Officer (DPO) and the Deputy Project Officer (Dy.PO) were to conduct inspection of ten and twenty schools respectively per month for ten months in a year for monitoring implementation of the programme. The actual inspection carried out by them during the period 1994-95 to 1998-99 was less as shown in Appendix XXXV. In Phase I and II, the shortfall in inspection by the DPO and Dy.PO was ranging between 26.80 and 65.66 and between 41.70 and 74.33 per cent respectively. The Government stated (November 2000) that due to over load and urgent nature of work, the required number of inspections could not be carried out. The reply was not tenable since had the targeted inspections of schools been carried out, the monitoring of all the aspects of the programme could have been more effective.

(ii) *Shortfall of meetings*

The Governing Council headed by the Chief Minister of the State was to meet twice in a year. During 1994-95 to 1999-2000, however, only two meetings were held (July 1994 and August 1998). Four Executive Committee Meetings (quarterly) at State and district level were to be held every year. Number of meetings held in three districts (Aurangabad, Nanded and Parbhani) were between 9 and 14 as against 24 in each district during the period 1994-95 to 1999-2000.

Social Welfare, Cultural Affairs and Sports Department

6.13 Disbursal of subsidy against fraudulent claims

Omission to conduct prescribed visits and surprise inspections facilitated disbursal of subsidy against fraudulent claims.

Under the Backward Class Co-operative Housing Scheme implemented in the State from February 1974, the backward class co-operative societies were eligible for interest free loan upto 50 *per cent* and construction subsidy upto 30 *per cent* of the ceiling limit fixed for construction, besides financial aid towards cost of land. The balance of 20 *per cent* of the cost of construction was to be contributed by the Societies in the form of labour or cash.

Audit scrutiny of the records of the District Social Welfare Officer (DSWO), Sangli, in November 1999 revealed that Rs 1.04 crore was sanctioned by way of construction subsidy to the Indira Nagar Backward Class Housing Society in Sangli District by the Director of Social Welfare, Pune. Out of this, Rs 49.50 lakh was disbursed to the Society in three instalments between March 1997 and August 1998 as construction subsidy for 206 tenements on the basis of the valuation reports (showing 20 *per cent* of cost of construction had been incurred) of the Executive Engineer, Public Works Division (PWD), Sangli forwarded by the Society. It was subsequently noticed that the PWD authorities had issued only two valuation reports certifying valuation of work done for Rs 10.79 lakh (June 1997) and Rs 14.77 lakh (September 1997). However, the Society had altered these valuation reports to Rs 14.07 lakh and Rs 24.77 lakh respectively; besides, it also submitted a third forged valuation report (March 1998) for Rs 27.88 lakh, purported to have been issued by the Executive Engineer (PWD), for enhancing the amount of construction subsidy. Accordingly, the DSWO filed a police complaint in November 1998 against the Society and the police investigation was under progress (April 2000).

In order to enforce effective control over the scheme, the Director of Social Welfare prescribed in November 1979 that Housing Inspectors/Social Welfare Officers etc. should visit the sites (5 to 10 per month) and also make surprise inspection (1 to 5 per month) of the works. Absence of such visits or inspections by the officials and independent verification of genuineness of valuation reports facilitated the payment against the forged valuation reports.

Government, while admitting (August 2000) that periodic visits and inspections were not carried out by the DSWO, Sangli and Divisional Social Welfare Officer, Pune, stated that disciplinary action had been initiated against the officials found responsible. Government also issued instructions (April 2000) to the field officers emphasising the need to verify the authenticity of

valuation certificates and physical verification of the works before releasing instalments of construction subsidies.

6.14 Lack of monitoring of financial assistance released to Non-Government Organisation

Lack of monitoring resulted in misutilisation of financial assistance of Rs 16.70 lakh provided to a Non-Government Organisation and deprived backward class students of the intended benefits.

During the audit of District Social Welfare Office (DSWO), Ratnagiri (February 2000), it was revealed that Government sanctioned (March 1993) Rs 17.67 lakh to an NGO for construction of an annexe in two stories to an existing hostel building for backward class students (Gurukul Vidhyarthi Vastigraha), at Kolambe, taluka Sangameshwar, district Ratnagiri under the Centrally Sponsored Scheme. As per the conditions stipulated in the sanction, the annexe should be constructed within a period of two years from the date of release of first instalment. The first instalment of Rs 8.83 lakh was paid in October 1993 by the DSWO, Ratnagiri. The second instalment of Rs 7.87 lakh was paid in November 1996 for the construction of the second storey of the annexe. The NGO did not complete the construction (February 2000). The Village Panchayat, Kolambe had also cancelled (October 1997) its earlier permission to construct the building in two stories as it would be dangerous to construct the second storey on the already constructed single storey building and asked the NGO to submit a revised plan to complete the building by utilising the area around the already constructed structure.

In March 1998, the DSWO noticed that the already constructed structure was being used as a Junior College by the NGO. Though a show cause notice to the NGO was issued in March 1998, it did not elicit a reply. The Directorate also did not take any action against the NGO. The DSWO deputed one of his officials (October 1999) for physical verification and inspection of records and it was seen that only one storeyed RCC structure existed. The records regarding utilisation of the second instalment were not furnished by the NGO on the plea that their President who was looking after the construction of the hostel had expired and no records were available with them. The DSWO issued another notice in January 2000 for details of utilisation of the amounts released. Again, no reply was received and no action was taken against the NGO by the DSWO (February 2000). The DSWO then requested the Chief Executive Officer, Zilla Parishad, Ratnagiri (July 2000) to recover the grants. However, the recovery has not been made (September 2000).

Thus, the NGO had neither utilised the building for the purpose for which financial assistance was given nor had refunded the unutilised balance of

Rs 7.87 lakh. Besides, the intended benefits had not accrued to the backward class students as of December 2000 .

The matter was referred to the Government (July 2000); reply had not been received (December 2000).

TRIBAL DEVELOPMENT DEPARTMENT

6.15 Financial assistance to a fraudulent society

Fraudulent drawal of Rs 92 lakh as financial assistance on forged documents by a proposed backward class Co-operative Housing Society.

Financial assistance is extended to backward class housing societies for construction of houses under the Backward Class Co-operative Housing Scheme. This scheme is implemented by Social Welfare Department and Tribal Development Department.

A co-operative society with 41 members in Nerul, Navi Mumbai comprising mainly State Government employees of Finance Department, Mantralaya, applied in March 1999 for financial assistance for purchase of 16,000 sq.ft. of land. The financial assistance was not recommended by the Additional Commissioner, Tribal Development, Thane on the grounds that :

- (i) The society was not registered as a backward class housing society.
- (ii) The plot area was in excess of the prescribed ceiling of 4200 to 4300 sq.ft.
- (iii) 13 of its members did not give the income certificates. The members who furnished the income certificates also might not be eligible as they were Government employees and their salary after implementation of the Vth Pay Commission might cross Rs 95,000 (the ceiling limit prescribed under the scheme) *per annum*.
- (iv) Caste certificates for 9 members were not furnished along with the applications.
- (v) The valuation of land proposed to be purchased had not been done by the Town Planning department.

The Government received the Additional Commissioner's observations on 30 March 1999, but instead of insisting upon their compliance by the Society, the Government sanctioned the entire cost of land of Rs 1.44 crore as assistance to the society on the very next day. The Government asked the Additional Commissioner to draw an amount of Rs 92 lakh as the first instalment from the savings under Tribal Sub Plan, since regular budget grant was not available for the scheme. The Additional Commissioner drew a cheque for this amount on 31 March 1999 but informed the Government that he would hand over the cheque only after compliance with all the provisions of the scheme by the Society.

Based on the orders of the Minister, Tribal Development, for the release of the cheque for Rs 92 lakh, after obtaining an undertaking from the Society that it would expel four of its non-tribal members, the cheque was released to the Society in June 1999.

During audit of the Additional Commissioner, Tribal Development, Thane in February 2000, it was noticed that the registration certificate produced by the proposed Society (SITI Tower Co-operative Society Limited) contained suspicious overwritings. On further examination in the Office of the Joint Registrar of Co-operative Societies it emerged that the Society which had applied for financial assistance was only a proposed society and they used the registration certificate of another society with a similar name (CITI Tower Co-operative Housing Society Limited) and altered the date of registration in the copy of the registration certificate submitted alongwith the application.

When the production of fraudulent registration certificate was pointed out in audit, the Additional Commissioner ordered (April 2000) an inquiry and a police complaint was filed against the Society for forgery and misappropriation of Government funds. The second instalment of funds was not released to the Society. The Principal Secretary, Tribal Development department cancelled its sanction of Rs 1.44 crore to the Society in May 2000 and instructed the Additional Commissioner to recover the first instalment released alongwith interest at market rates. Accordingly, notices for recovery were issued to all the members of the Society in June 2000. Further progress in this regard was awaited (October 2000).

The matter was referred to Government (September 2000); reply had not been received (December 2000).

HOUSING AND SPECIAL ASSISTANCE DEPARTMENT

**MAHARASHTRA HOUSING AND AREA DEVELOPMENT
AUTHORITY**

6.16 Misutilisation of Tenth Finance Commission Grants

Central Assistance of Rs 31.50 crore granted to MHADA for improvement of slum conditions was misutilised for reduction of loss on a self-financing project which sustained a net loss of Rs 26 crore even after adjustment of the Central Assistance.

Considering the special problems arising out of high degree of urbanisation in Maharashtra, the Tenth Finance Commission (TFC) recommended a provision of Rs 50 crore for the improvement of slum conditions in Mumbai. The projects to be taken up with full Central Assistance were to be approved at the state level by a State Level Empowered Committee (SLEC) and at Central level by an Inter Ministerial Empowered Committee (IMEC). In May 1996, SLEC decided to allot Rs 30 crore to Maharashtra Housing and Area Development Authority (MHADA) and Rs 20 crore to the Brihanmumbai Municipal Corporation (BMC) for construction of transit tenements and development of off-site infrastructure like water supply, drainage etc. respectively in slum areas.

The site at Turbhe Mandale initially proposed by MHADA was found to be unavailable as it fell under the Coastal Regulation Zone (CRZ) and MHADA came up with (August 1997) an alternative proposal for utilising the central grant for the construction of transit tenements at Mankhurd, a project which had earlier been approved by the State Government under its Slum Rehabilitation Scheme. The proposal was approved by SLEC in May 1998. A report was submitted to Government of India (GOI) (June 1998) approval for which was awaited (July 2000).

Even before the Mankhurd project was approved by SLEC for part financing through the TFC grant, the project, comprising 2546 tenements had actually been taken up from December 1997 for execution with State Government approval as a self-financing project. The project comprised a slum rehabilitation component and a free sale component (to be sold to public). The free sale component (1039 tenements) was expected to recover the entire cost of the project while the slum rehabilitation component (1507 tenements) was

to be handed over to the Slum Rehabilitation Authority free of cost for distribution to previously identified slum dwellers. However, the project report submitted to the GOI did not mention the fact that the scheme includes a self-financing component also.

MHADA actually received Rs 31.50 crore upto March 2000 from the State Government for the project. After the completion of construction, MHADA initially (October 1998) offered the free sale tenements to the public at Rs 1500 per sq.ft. but demand was received only for 314 against the available 1039 tenements. In view of the poor demand, MHADA reduced (June 1999) the rate to Rs 1350 per sq.ft but even this reduction did not generate any additional demand. Meanwhile, MHADA had received requests from various project authorities including Mumbai Metropolitan Region Development Authority (MMRDA) to provide tenements for rehabilitation of project affected persons[#]. MHADA decided in March 2000 to allot 2232 tenements including 1507 tenements constructed for slum rehabilitation to MMRDA at Rs 1.25 lakh per tenement. No payment has actually been received from MMRDA but MHADA handed over possession of the tenements in March 2000 to the project affected persons as per list given by MMRDA to be used as transit accommodation on a monthly rent of Rs 600 and deposit of Rs 5000.

To sum up, the grant given by the Government of India in terms of the recommendations of the TFC was utilised for reduction of the losses incurred by MHADA in a scheme which was taken up as a self-financing project but did not succeed. While seeking grant from the Central Government, the fact that the project was meant to be self-financing through sale of tenements to the public was not disclosed. Finally, even with the receipt of Rs 31.50 crore including Rs 30 crore from the GOI, the project has already incurred an estimated loss of Rs 26 crore, but has not achieved its objective of rehabilitation of slum dwellers since all the tenements have been utilised either for free sale or for project affected people.

The matter was referred to Government (July 2000); reply had not been received (December 2000).

6.17 Extra expenditure on service charges

Government's directives of May 1998 to recover service charges at enhanced rates only from 1 April 1998 resulted in non-recovery of extra expenditure of Rs 7.97 crore incurred during 1994-95 to 1996-97.

The Mumbai Housing and Area Development Board (Board) recovers service charges from its tenants in various housing colonies for services such as

[#] Persons affected by Mumbai Urban Transport Project undertaken by MMRDA with World Bank assistance.

supply of water, electricity etc. for common purposes. The Board, in turn, is billed for such services by the supplying authorities.

Though the supplying authorities raised their charges several times between 1993 and 1998, the Board did not effect any hike in the service charges recoverable from the tenants and continued to assess them at the rates fixed in 1993-94. As a result, between 1994-95 and 1997-98 the Board incurred a loss of Rs 18.70 crore in providing such services to the tenants. This aspect was briefly mentioned in paragraph 6.24.8 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1998 (Civil), Government of Maharashtra.

In order to bring service charges on par with the actual expenditure from 1997-98 onwards and to partially set off the losses sustained during the previous years, a proposal was placed before the Board (May 1998) for raising the existing rates of service charges by 325 *per cent* from 1998-99 onwards.

However, as some of the Board members felt that it would not be fair to load the losses of the previous years on the current year's recovery, the Board (May 1998) finally passed the following resolution.

- (a) Service charges for 1998-99 would be assessed on the basis of the actual amount paid by the Board to the supplying authorities for 1997-98 plus 15 *per cent* thereof to cover establishment cost.
- (b) In the subsequent years, the service charges for a particular year would be assessed by adding the loss, if any, incurred in the previous year to the assessment for that particular year and so on.

Thereafter, on a representation from the tenants and the people's representatives, Government directed MHADA (December 1998) to stay the implementation of the revised rate for service charges for three months and ordered the constitution of a study group to decide the quantum and extent of increase in the service charges.

The study group recommended that the recovery should start immediately at the old rates, recovery of the charges at the enhanced rates from 1 April 1998 as proposed by the Board after ascertaining whether the increase proposed by the Board corresponds to the actual increase effected by the concerned authorities and the loss sustained by the Board in the previous years (1994-95 to 1996-97) should be adjusted against the proceeds on sale of additional Floor Space Index (FSI) and Transferable Development Rights (TDR) to the co-operative societies of the allottees and to utilise the balance for construction of independent water tanks, septic tanks etc.

Government directed (March 2000) the Board to take action as per the recommendations of the study group and also lifted the stay.

While the Government's decision to recover service charges from 1 April 1998 at enhanced rates settles the question of recovery of actual charges for

the future use of these services, for the arrears of such charges, several comments arise.

(i) the supply of water, electricity etc. at the existing rates to the tenants for the years 1994-95 to 1997-98 was clearly an act of grave omission. Government should fix responsibility for such serious omission on concerned officers.

(ii) the decision to adjust the losses sustained during the previous years against the sale proceeds of additional FSI and TDR is hardly any solution since those are the normal sources of revenue to the Board as per rules. Therefore, the decision implies payment of a hidden subsidy to the tenants.

(iii) As of November 2000, the Board was yet to take any action on the Government directives of March 2000. In this situation, losses continue to mount on the Board.

The matter was referred to the Government (August 2000); reply had not been received (December 2000).

6.18 Avoidable expenditure due to execution of contract without finalising the rates

Award of contracts without finalising rates for sacrificial cover for cast *in situ* piles and rates for pre-bored pre-cast piles resulted in avoidable expenditure of Rs 1.94 crore.

Mention was made in paragraph 6.30 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1998 (Civil) – Government of Maharashtra regarding award of contracts by Maharashtra Housing and Area Development Authority (MHADA) for construction of transit tenements (Phase I) at Mankhurd, Sion and Wadala to a firm without inviting competitive tenders which resulted in extra expenditure of Rs 21.58 crore.

The Cabinet sub-committee, which negotiated with the firm, fixed the rate at Rs 750 per sq.ft. of built up area. The agreements, which were executed between December 1997 and March 1998, specified the use of cast *in situ* piles for the foundation. Though given the soil conditions, a liner was initially considered desirable, a committee of Chief Engineers, appointed for considering the issue of liner¹ for cast *in situ* piles decided (2 December 1997) that instead of a liner, a sacrificial concrete cover² of 50 mm thickness would

¹ A liner is a casting provided around the pile with a particular material

² A sacrificial concrete cover is an additional layer of concrete cover over the regular pile to prevent the effect of sulphate and chloride present in the soil on the green concrete of the piles

be sufficient to protect the cast *in situ* piles. The agreements concluded for the Mankhurd and Sion projects on 11 and 16 December 1997 respectively provided that the extra cost on account of the sacrificial cover would be paid for separately.

Almost immediately after the finalisation of the above two agreements for Mankhurd and Sion, the firm submitted (18 December 1997) its rates for the sacrificial cover. There was a wide variation in the rates demanded by the firm and the rates worked out by MHADA and no settlement could be reached between the two parties. Meanwhile the contractor was going ahead with the work of providing sacrificial cover.

In case of the contract for the scheme at Wadala (2 March 1998), the cast *in situ* piles provided for in the contract were not found suitable as per soil investigation reports of January 1998 which was available with both the contractor and MHADA. MHADA agreed to provide pre-cast pre-bored piles, suggested by the firm (16 March 1998), but without any extra payment. The firm however, insisted upon extra payment at the rate of Rs 14,055 per tenement for the pre-cast piles. MHADA refused this demand as the basic rate of Rs 750 per sq.ft. included the cost of piles and although the contractor was aware of the need for pre-cast piles while executing the agreement, he did not quote for pre-cast piles. As the disagreement could not be sorted out, the matter was referred to an Arbitrator in June 1998.

The award of the Arbitrator (November 1998) granted a payment of Rs 3.70 crore to the contractor which included Rs 3.10 crore as extra payment for sacrificial cover, Rs 30.97 lakh as extra payment for pre-cast pre-bored piles and interest as well as cost of arbitration. The amount awarded was payable within a period of 45 days from the date of award, failing which interest at 18 *per cent per annum* was also payable.

The Arbitrator, however, did not make available to the Department the details of rate analysis, based on which the rates were fixed. On detailed scrutiny of the award, the Department felt that the award was arbitrary, unjust and discriminatory and deserved to be challenged. However, in order to avoid the liability on interest payment, it made the payments "under protest" between January 1999 and January 2000 pending filing of appeal in the High Court.

No appeal challenging the award was however, filed in the High Court as decided (April 1999) in the meeting of President, Vice-President, MHADA and Secretary (Housing). The minutes of meeting did not, however, record any justification for not challenging the award in the High Court.

Despite considerable negotiation while finalising the basic rates of Rs 750 per sq.ft. for the works, the agreements were executed and the work commenced without finalising all the terms clearly and precisely. This was improper as it strengthened the bargaining position of the contractor. Again, despite unanimous opinion including legal opinion at all levels about the need to appeal against the award, the President, MHADA and Vice President, MHADA and Secretary (Housing) decided not to exercise the further option of challenging the award.

Thus, non-finalisation of the rates for all the items of work before execution of the agreement and the decision against the appeal in High Court resulted in additional expenditure of Rs 1.94 crore (Appendix XXXVI).

The matter was referred to the Government in July 2000; reply had not been received (December 2000).

6.19 Loss of revenue due to allotment of tenements constructed for sale as service quarters

Allotment of newly constructed residential tenements as service quarters even though other vacant tenements were available deprived MHADA of revenue of Rs 1.41 crore and commercial tenements remaining unsold for more than four years resulted in loss of interest of Rs 32.21 lakh on blocked capital.

The Mumbai Housing and Area Development Board (Board) a unit of Maharashtra Housing and Area Development Authority (MHADA) constructed (June 1996) a building comprising 20 High Income Group residential and 10 commercial tenements (total area : 17787 sq.ft.) at a cost of Rs 2.49[®] crore at D.N. Nagar, Andheri, Mumbai. The sale price of the residential tenements was fixed in January 1996 at Rs 2500 per sq.ft. This implied that the sale of residential area of 12783 sq.ft. would have fetched a revenue of Rs 3.20 crore. The Board, however, did not advertise for sale of the tenements.

Meanwhile, in a separate development, 21 tenements in a building reconstructed by the Board and which it had allotted to its officials as service quarters were to be vacated, as per court directives of October 1995. In terms of Maharashtra Housing and Area Development Act, 1976 and the Regulations made thereunder, surplus tenements in the buildings reconstructed by MHADA are to be allotted to the dishoused tenants who are waitlisted for allotment of regular accommodation. Therefore, the allotment of these surplus tenements to its officials as service quarters violated the codal provision. After the court directive, while proposals for allotting vacant service quarters and other tenements lying vacant for want of public response in another project to the affected officials were under consideration of MHADA, the Board with the approval of the Chief Executive Officer, MHADA allotted the residential tenements in the newly constructed building at D.N.Nagar, as service quarters to these officials (June-December 1996). Except for the fact that MHADA, in an affidavit to the court had undertaken the responsibility to provide alternative accommodation to the employees who had to vacate the tenements in the reconstructed buildings, there were no recorded justifications for

[®] Rupees 2.49 crore includes capitalisation of interest and establishment charges

allotting the newly constructed building to the officials instead of accommodating them in other vacant tenements available with the Board. The approval of MHADA to the allotment was obtained *post facto* in May 1999.

Considering the fact that over 1000 tenements of the Board in its various colonies and under the Mass Housing Project were lying vacant for want of demand, the decision to allot the newly constructed building even without assessing public demand for it was financially imprudent and resulted in MHADA depriving itself of a net revenue of Rs 1.41 crore. Though the Board fixed a sale price of Rs 5000 per sq.ft. of built up area for the commercial tenements in May 1999, their sale had not been advertised as of September 2000. Consequently, the anticipated revenue of Rs 2.50 crore on their sale remained unrealised. The loss of interest on the blocked up capital at the rate of 16.5 per cent per annum, worked out to Rs 32.21 lakh (Appendix XXXVII) till March 2000.

The matter was referred to the Government (August 2000); reply had not been received (December 2000).

6.20 Infertuous expenditure due to non-execution of works

The Mumbai Housing and Area Development Board has not executed the works relating to upgradation of water supply schemes in two of its housing colonies though pipelines for this purpose had been laid at a cost of Rs 3.90 crore by March 1994

Maharashtra Housing and Area Development Authority (MHADA) allotted Rs 10.09 crore to Mumbai Housing and Area Development Board (Board) for the scheme "Improvement of infrastructure in the MHADA colonies" to carry out works for improving common infrastructure facilities in the Housing Colonies constructed by MHADA.

The Board took up (November 1989) the scheme of upgradation of water supply system in its housing colonies at Kannamwar Nagar and Tagore Nagar, Vikhroli. The work was entrusted as a deposit work to the Brihanmumbai Municipal Corporation (BMC) which on completion would maintain the scheme. On the basis of estimated cost of the two schemes the Board paid Rs 3.90 crore to BMC upto March 1994.

The scheme of upgradation of water supply at Kannamwar Nagar envisaged conversion of the existing pump supply system to down take system from over head tank of individual buildings. After completing the work of laying of new pipelines the BMC asked the Board in September 1994 to execute the ancillary works consisting of underground tanks for individual buildings, pump houses, suction tanks etc. which were part of upgradation and were necessary for commissioning the scheme. The Board submitted plans and estimates (January 1995) for Rs 1.62 crore for the ancillary work at Kannamwar Nagar, approval

for which had not been accorded by MHADA (December 2000). The reasons for the delay in approval of estimates by MHADA were not on record. It was, therefore, not clear whether this delay had anything to do with the fact that the expenditure incurred on all items for individual buildings or for internal networking of the supply system would have to be borne by the tenants/Co-operative Societies. There were no records to show that the Board had approached the tenants for any agreement towards making payment for the internal works.

For the colony at Tagore Nagar, the BMC laid new water supply pipelines during 1992-94. The Board considered provision of a water connection for each group of two 'chawls' (total : 350 'chawls') for which laying of GI pipes to connect the pipelines laid by BMC, installation of individual water meters etc. were necessary. The Board estimated (March 1996) the cost of providing GI pipes at Rs 42.39 lakh; besides this, Rs 11.10 lakh for installation of water meters and incidentals was to be borne by the tenants. The estimates were approved by MHADA (June 1996 and July 1996) and draft tender papers were prepared and approved in January 1997. The tenants, however, refused to make payments though they had earlier agreed to do so. The work was stalled, as a result.

Thus, due to failure of the Board to seek and obtain prior agreements from the tenants to pay for the relevant portions of the works, the works could not be completed and the completed part executed by BMC has not been put to use for over six years rendering the expenditure of Rs 3.90 crore infructuous. Further, as the services could not be handed over to the BMC, the Board continued to bear the cost of the maintenance of the services.

The matter was referred to the Government (June 2000); reply had not been received (December 2000).

6.21 Excess expenditure due to payment at excessive rates

Acceptance of rates for extra items beyond the contractual provisions resulted in excess payment of Rs 1.10 crore to the contractors.

The Mumbai Housing and Area Development Board (Board), a unit of Maharashtra Housing and Area Development Authority (MHADA) took up construction of 1472 tenements under High Income Group at Oshiwara under its Mass Housing Project II. The entire work was divided into seven groups and awarded on turn key basis to four contractors during March and April 1994 at an aggregate tendered cost of Rs 61.10 crore.

The tenders for the work provided for specifications of a general nature only. Subsequently, on the ground that improved specifications would enable sale of tenements at a higher price, the Board modified (March 1995) specifications

for the eight original items (concealed wiring/plumbing etc.) and sanctioned them as extra items and allowed rates as sought by the contractors on the following basis :

(i) At the District Schedule of Rates (DSR) of Public Works Department for 1993-94 plus 20 *per cent* overhead; and

(ii) At market rate plus 30 *per cent* overheads for items not covered under DSR.

The basis for determination of rates approved by MHADA was excessive because the contracts provided that the rate of additional or altered works covered under DSR would be as per the Current Schedule of Rates (CSR) of the division or at the rates mutually agreed upon between the Engineer-in-charge and the contractor, whichever were less. For extra items not covered in the DSR, the provision of the Public Works Manual were applicable according to which 10 *per cent* overheads in addition to the market rate were to be levied. MHADA neither restricted the rates for extra items to the CSR nor made an analysis for items not covered in the DSR as per the market rate. Consequently, the Board made excess payments of Rs 1.10 crore for six items of work out of eight test-checked.

The matter was referred to the Government (August 2000); reply had not been received (December 2000).

6.22 Loss of revenue due to adoption of lower rates

Adoption of lower rates resulted in loss of revenue of Rs 1.06 crore to MHADA.

Government decided in May 1987 to transfer the rental tenements in the ground floor structures constructed during 1968-70 by the Maharashtra Housing and Area Development Authority (MHADA) under the Slum Clearance Scheme (SCS) to the tenants on ownership basis alongwith the additional Floor Space Index (FSI) available. About 2500 tenements constructed under the SCS by the Mumbai Board (Board) – a unit of MHADA, at Dada Saheb Gaikwad Nagar, Malwani were included under the ownership Scheme.

As per the terms and conditions laid down by the Government in May 1987 the sale price of the tenements payable by the tenement holders would be cost of tenement with a rebate of 20 *per cent* and the cost of additional FSI would be 50 *per cent* of the prevailing market rate. Further, arrears of rent and service charges, if any, were also recoverable from the tenement holders before effecting the sale. These amounts were required to be paid by the tenement holders in instalments spread over two years. The Board, accordingly issued offer letters to the tenement holders in 1987 and 1992. The

offer, however, did not evoke adequate response from the tenement holders. Consequently, the Board in July 1997, decided to include the colony in its Slum Redevelopment Scheme and to develop it with the help of the Maharashtra Police Co-operative Housing Federation (Ltd), Mumbai (Federation).

Endorsing the decision of MHADA, the Government in March 1998, declared the colony as slum and allotted the land to the Federation for development. In December 1998, Government excluded the colony from the ownership scheme and handed over possession of the land to the Federation in May 1999.

The High Court, acting on a plea of the tenement holders directed MHADA (August 1999) to notify the tenement holders the amount payable under the ownership scheme and permitted payment to be made by October 1999 (later extended upto January 2000). Consequently, the Board issued offer letters (August 1999) to 1840 tenement holders (the remaining 660 tenements having been allotted to the Repair Board, Police Department, Municipal Corporations etc.). The cost of additional FSI of 26.33 square metres (sq.mt.) per tenement specified in the offer letter was Rs 10,682[#] worked out at the rate of Rs 400 per sq.mt. which was 50 *per cent* of the market rate of Rs 800 per sq.mt. prevailing in 1987. Additionally, Rs 7420 on the amount at the rate of 6 *per cent per annum* for the period from 1 January 1988 to 31 August 1999 was also charged to update the rate of 1987.

However, in a similar case at Anand Nagar colony, Santacruz, MHADA had updated the 1987 rate at the rate of 12 *per cent per annum* under the same scheme for sale of additional FSI during 1992 in respect of 270 tenements. Thus, MHADA had adopted two different rates in respect of the same scheme at two different places which was irregular. Had MHADA updated the rate at 12 *per cent per annum* for Dada Saheb Gaikwad Nagar, Malwani, it would have fetched over the 1987 rate Rs 14,840 per tenement against Rs 7420 actually fetched for the period 1 January 1988 to 31 August 1999. Of the 1840 tenement holders to whom offer letters were issued, 1429 tenement holders paid the amount upto January 2000. Thus, charging of lower rates of Rs 7420 per tenement resulted in loss of revenue of Rs 1.06 crore on 1429 tenements.

The matter was referred to the Government (May 2000); reply had not been received (December 2000).

[#] (10,532 + 150)

WATER SUPPLY AND SANITATION DEPARTMENT

MAHARASHTRA JEEVAN PRADHIKARAN

6.23 Cost overrun due to delay in commencement of work

Delay in commencement of sewerage scheme and subsequent delay in its execution resulted in cost overrun despite reduction in its scope to one third of the original capacity.

The Malegaon Sewerage Scheme was approved by Government in January 1983 at a cost of Rs 7.71 crore for Malegaon town (district Nashik). Its capacity was fixed at 45 million litres per day (MLD) on the basis of the expected flow of sewage on completion of Phase I of the "Augmentation of Malegaon Water Supply Scheme". The scheme was to be completed by 1990 and cover a population of 4 lakh.

Technical sanction for Stage I of the scheme for Rs 5.81 crore was accorded by the Chief Engineer, Maharashtra Jeevan Pradhikaran (MJP) in February 1984 and to the whole scheme in February 1989 for Rs 7.71 crore. However, the work of Stage I started only in 1988 after spending 4 years on preliminary works such as detailed estimates, computerised design, tender formalities, land acquisition proceedings etc.

This delay increased the cost of the scheme and the estimates were revised in March 1992 to Rs 41.83 crore. Therefore, it was decided to take up only the essential works in hand so as to put to use the already completed components by reducing the capacity of the scheme from 45 MLD to 15 MLD.

MJP spent Rs 3.18 crore upto 1989-90 for completion of sewer lines, Rs 1.82 crore between 1990-91 and 1993-94 for rising main, pumping station and miscellaneous works, Rs 2.87 crore in 1995-96 and 1996-97 for sewage treatment plant and pumping machinery. No major works were carried out after 1996-97 except incurring expenditure of Rs 19.35 lakh on work charged establishment and Rs 5.88 lakh on miscellaneous works.

As the total expenditure (Rs 7.94 crore by the end of March 1998) exceeded the original approved estimates, revised administrative approval for 15 MLD capacity amounting to Rs 9.01 crore was submitted by MJP in October 1998

and was approved by Government in December 1999. As of June 2000 nearly 80 per cent of the work had been completed.

Thus, the delay in commencement of the work and slow progress thereafter resulted in escalation in cost by Rs 1.30 crore for the scheme with a substantially reduced capacity.

The MJP attributed (September 2000) the delay in start of work to (i) time taken by them for preparing work estimates, (ii) prevailing site conditions rendering the computerised design unworkable and consequent fresh preparation of design manually and (iii) time taken for finalisation of tenders. The delay in execution of work was attributed to (i) major changes in the scope of the work and specifications, (ii) the site of work being thickly populated with congested roads, deep excavation in narrow ranges was impracticable as it might cause damages to the houses in close proximity to the road and (iii) increase in cost due to late start of work etc. It was further stated that the revised Malegaon Water Supply Scheme was approved only in March 1998 and was not likely to be completed in the near future and if the original sewage scheme of 45 MLD capacity had been executed, it would have been a dead investment.

The reply indicated the failure to factor into the estimates known factors such as thick population and congested roads. Delay in the preparation of work estimates and tardy finalisation of tenders was also an avoidable reason. These factors led to the scheme not being completed even after a lapse of seventeen years though its scope was reduced to one-third with higher financial outlay. Further, on completion of the revised Water Supply Scheme, the sewerage scheme of 15 MLD is likely to prove inadequate, requiring further investments in the future.

The matter was referred to Government (May 2000); reply had not been received (December 2000).

6.24 Extra expenditure due to restriction of offers

Restriction of purchase of liquid Chlorine from manufacturers in Maharashtra/their authorised agents led to purchase at higher rates resulting in extra expenditure of Rs 89.02 lakh.

The Maharashtra Jeevan Pradhikaran (MJP), an autonomous body under the Department of Water Supply and Sanitation procured liquid chlorine centrally upto 1996-97 for chlorination of water supplied from its schemes. The powers for purchase of liquid chlorine were delegated to the Regional Chief Engineers from 1997-98 and model tender papers were supplied to them. These tender papers restricted competitive bidding only to manufacturers within the State or their authorised agents.

Scrutiny of purchase records of three* of the six regions of MJP revealed that invitation of tenders during 1996-97 and 1997-98 elicited response from only two firms. Despite the limited response, orders were placed at rates ranging between Rs 11398 and Rs 18393 per Metric Tonne (MT) for 900 kg containers and Rs 35000 and Rs 47500 per MT for 100 kg cylinders.

While auditing one unit of the MJP in October 1998, it was observed that the aforementioned restrictive condition was not being imposed by other agencies like Nagpur Municipal Corporation which also purchases liquid chlorine. As a result, the Nagpur Municipal Corporation purchased liquid chlorine for only Rs 7300 per MT in 900 kg containers during 1997-98. On this being pointed out in Audit, MJP decided (March 1999) that the restriction be withdrawn. Consequently, in response to the tenders invited for 1999-2000, when five offers including one from earlier firms were received, the accepted lowest rates in the three regions ranged between Rs 5415 and Rs 9976 per MT for 900 kg containers and Rs 9586 and Rs 33000 per MT for 100 kg cylinders which were far lower than the rates accepted during 1996-97 and 1997-98 as detailed below :

(Rupees per MT)

Regions	Rate accepted during the period 1996-97 to 1998-99 (inclusive of transportation cost)		Offer accepted during the year 1999-2000 (inclusive of transportation cost)	
	900 Kg	100Kg	900Kg	100Kg
Amravati	11,714 to 17,073	35,000 to 45,000	5,415	9,786
Nashik	11,398 to 14,227	38,000 to 47,500	8,001	33,000
Aurangabad	12,877 to 18,393	43,000	9,976	15,500

Thus, inclusion of a restrictive clause in the tenders and its continuance without considering its adverse financial implications led to purchase at higher rates. The extra expenditure on this account during 1996-97 to 1998-99 with reference to the rates which were accepted during 1999-2000 worked out to Rs 89.02 lakh.

Government stated (August 2000) that the restrictive clause was included in view of the proximity of the dealers within the State which would ensure a continuous supply of liquid chlorine and quick service in case of leakages. Nevertheless, the change in policy in line with that followed by other agencies procuring chlorine and as pointed out in Audit, enabled MJP to procure liquid chlorine at much cheaper rates in 1999-2000.

* Amravati, Aurangabad and Nashik

Scrutiny of purchase records of firms in the three regions by MIP revealed that inclusion of lenders during 1996-97 and 1997-98 affected response from only two firms. Despite the limited response, orders were placed at rates ranging between Rs 11300 and Rs 18323 per Metric Tonne (MT) for 900 kg containers and Rs 25000 and Rs 17500 per MT for 100 kg cylinders.

While running one unit of the MIP in October 1998, it was observed that the aforementioned restrictive condition was not being imposed by other agencies like Nagpur Municipal Corporation which also purchases liquid chlorine. As a result, the Nagpur Municipal Corporation purchased liquid chlorine for only Rs 7500 per MT for 900 kg containers during 1997-98. On the basis pointed out in Audit, MIP decided (March 1999) that the restriction be withdrawn. Consequently, in response to the tender, orders for 100 kg cylinders, which were offered including one from carrier firms were received, the accepted lowest rates in the three regions ranged between Rs 5412 and Rs 6770 per MT for 900 kg containers and Rs 7500 and Rs 10000 per MT for 100 kg cylinders which was far lower than the rates accepted during 1996-97 and 1997-98 as detailed below.

(Rates per MT)

Region	Rate accepted during the period 1996-97 to 1998-99		Rate accepted during the period 1997-98 onwards	
	900 kg containers	100 kg cylinders	900 kg containers	100 kg cylinders
Andhra	17,714.00	32,000.00	5,412.00	7,750.00
Madhya	11,788.00	32,000.00	5,412.00	7,750.00
Assam	11,577.00	45,000.00	5,412.00	7,750.00

Thus, inclusion of a restrictive clause in the tender and its consequences without considering its adverse financial implications led to increase in prices. The extra expenditure on the account during 1996-97 to 1997-98 with reference to the rates which were accepted during 1997-98 worked out to Rs 80.05 lakh.

Government stated (August 2000) that the restrictive clause was included in view of the proximity of the location within the State which would ensure a continuous supply of liquid chlorine and quick response in case of leakage. Nevertheless, the clause in policy in line with it followed by other agencies producing chlorine and is pointed out in Audit, captioned MIP to procure liquid chlorine at much lower rates in 1999-00.

CHAPTER – VII

COMMERCIAL ACTIVITIES



CHAPTER VII

Commercial Activities

7.1 General

Lack of accountability for the use of Public funds in departmental commercial undertakings

Activities of *quasi*-commercial nature are performed by departmental undertakings of certain Government departments. The undertakings prepare *pro forma* accounts in the prescribed format annually showing the results of financial operation so that Government can assess the results of their working. The Heads of Departments in Government are to ensure that the undertakings, which are funded by budgetary release, prepare the accounts timely and submit the same to Accountant General for audit. As of March 2000 there are 49 such undertakings in the State. However out of total 49, one undertaking for more than 14 years, one undertaking for more than 7 years, 4 undertakings for more than one year but less than 5 years and 14 undertakings for one year did not prepare their accounts. Of the total 49 Commercial and *quasi*-commercial undertakings only 29 undertakings (Government Milk Scheme) had finalised their *pro forma* accounts for 1999-2000 by October 2000. The loss incurred by them aggregated to Rs 119.55 crore.

The Comptroller and Auditor General of India repeatedly commented in the Audit Reports of the State about the arrears in the preparation of accounts. Accountant General (Commercial Audit) reminded Principal Secretary (Finance) and the Secretary of the concerned departments regularly in this matter. The department wise position of arrears in preparation of *pro forma* accounts and investments made by the Government are given in Appendix XXXVIII A and B. The summarised financial statement of these undertakings is given in Appendix XXXIX.

Agriculture, Animal Husbandry, Dairy Development and Fisheries Department

Some important irregularities noticed in the Audit of *Pro forma* Accounts for 1999-2000 are as follows:

7.1.1 Government Milk Schemes

7.1.1.1 Interest on mean capital

Due to erroneous calculation of mean capital and interest there on, loss was understated by Rs 1.43 lakh (19 schemes) and overstated by Rs 31.02 lakh (7 schemes).

7.1.1.2 Undischarged liabilities

As on 31 March 2000 Capital in respect of 18 milk schemes was understated by Rs 60.93 lakh due to inclusion of accumulated credit balance of audit fee which was not required to be paid.

7.1.1.3 Sundry debtors

This includes Rs 1.32 crore towards the amount reimbursable by Government for the cost of Milk supplied for School Feeding Programme up to October 1993 by Government Milk Scheme, Chalisgaon. Though the amount was received by the Dairy Development Department this was not adjusted resulting in overstatement of debtors to that extent.

7.1.1.4 Income

This was understated by Rs 43.67 lakh due to non-inclusion of sale value (Rs 28.78 lakh) of milk and furnace oil supplied to Dairy Science Institute by Aarey Milk Scheme, Goregaon and water charges recoverable (Rs 15.49 lakh) from stall holders and Government Officers at Water Supply Scheme, Aarey Milk Colony during 1998-99.

**7.1.2 Land Development by Bulldozer Scheme, Aurangabad
(Account for 1997-98)**

7.1.2.1 Stock in hand

This includes spares valued at Rs 10.58 lakh while the actual cost of stock was only Rs 3.24 lakh. This has resulted in overstatement of value of stock by Rs 7.34 lakh.

Food, Civil Supplies and Consumer Protection Department

Some important irregularities noticed in the course of Audit of *Pro forma* Accounts for the year 1998-99 are as follows :

**7.1.3 Procurement, Distribution and Price Control Scheme,
Mumbai and Thane Rationing Area**

7.1.3.1 Closing Stock

7.1.3.1.1 This includes Rs 1.98 crore being the value of stock of stale oil (lying since 16 years) which should have been written off. Inclusion of stale oil stock in accounts resulted in overstatement of stock to that extent. The stock have not been physically verified.

7.1.3.1.2 This includes stock of Jawar valued at Rs 40 lakh which remained non-moving since 1994-95 and not physically verified by Management.

7.1.3.2 *Creditors for purchases*

This includes Rs 13.55 crore payable to Collector, Akola and Buldhana for Hybrid Jowar for 1989-90 without any supporting details and corresponding amount was not exhibited as receivable in the books of Mofussil Accounts.

7.1.3.3 *Advances for purchases*

This includes Rs 3.32 crore towards advances made for purchases and Rs 2.80 crore for others which are pending adjustment since 1980 without any details.

7.1.3.4 *General*

An amount of Rs 3.53 crore towards differential cost of levy sugar is pending adjustment for 20 years, for which no records are available. Thus, authenticity and correctness could not be verified.

7.1.4 *Procurement, Distribution and Price control scheme, Mofussil*

7.1.4.1 *Closing stock*

7.1.4.1.1 This includes the value (Rs 14.37 lakh) of food grains which was already transferred to units. This had resulted in overstatement of closing stock by Rs 14.37 lakh.

7.1.4.1.2 This includes an amount of Rs 4.30 crore towards the value of food grains, while the actual value of food grains available as per stock register was only Rs 3.20 crore. The discrepancy had not been reconciled by conducting physical verification of the stock.

7.1.4.1.3 This includes value of stock of oil tins, bajra gunnies (Rs 1.37 crore) which were discontinued from issue since 1986. In respect of this stock, no record was available and this stock was not physically verified.

7.1.4.2 *Charges recoverable*

Against Rs 1.77 crore recoverable from Food Corporation of India (FCI) towards transport charges, an amount of Rs 1.28 crore was accounted as recoverable, resulting in understatement of amount recoverable and income for the year by Rs 49 lakh.

7.1.4.3 *General*

There was a difference of Rs 18.51 lakh between stores account and stock account, which was to be reconciled.



SECTION - B
PARAGRAPHS

1900

1901

1902

**AGRICULTURE, ANIMAL HUSBANDRY, DAIRY
DEVELOPMENT AND FISHERIES DEPARTMENT****7.2 Non-execution of agreement with milk transporters****Failure to issue the acceptance of tenders in time and non-execution of agreement resulted in avoidable expenditure of Rs 11.65 lakh.**

The Regional Dairy Development Officer (RDDO), Pune invited tenders for transportation of milk from Phaltan to Mumbai for the period of four years (1 April 1996 to 31 March 2000). Tenders were opened on 15 February 1996. Two contractors offered the same rate of Rs 2520 per trip, which was the first lowest (M/s. V. V. Roadlines and M/s. Sandeep Roadways). The proposal was submitted to Dairy Development Commissioner (DDC) for approval on 12 March 1996. Pending approval from DDC, the RDDO telegraphically informed both the parties (30 March 1996) to take up the work from 1 April 1996 as per the terms and conditions of tender.

DDC communicated (17 April 1996) approval for three years (up to 31 March 1999) and RDDO communicated the Acceptance of Tenders (AT) to the Dairy Manager, Government Milk Scheme (GMS), Satara on 23 May 1996, which were in turn issued by GMS, Satara to contractors on 1 June 1996.

In the meanwhile, the contractors intimated (1 May 1996) DDC, Mumbai and Dairy Manager, Satara that they would be transporting milk up to 31 May 1996 only, as neither was the AT received nor was any agreement signed. However, no action was taken by the GMS, Satara to enter into agreement with the contractors. The contractors discontinued the transportation of milk from 1 June 1996 onward.

The work was subsequently awarded to M/s. Pune District Motor Transport Co-operative Society Limited (PDMT), Pune, being the second lowest at the rate of Rs 2539 per trip from 1 June 1996 to 31 July 1997. Fresh tenders for transportation were invited (May 1997) and M/s PDMT being the lowest the work was awarded with effect from 1 August 1997 to 31 July 1998 at the rate of Rs 3233 per trip. Tenders were again invited in February 1998 and the transportation contract was awarded to M/s. Harshwardhan Patil Sahakari Motor Transport Limited at the rate of Rs 2,950 per trip for the period 1 August 1998 to 31 March 2001.

RDDO stated (August 1999) that the issue of AT was kept pending as the work of both the contractors was not satisfactory and it was not certain whether the contractors would successfully carry the work till the end of the period of AT. Non-issue of AT merely on the basis of performance for a month and on the assumption that the party would not carry out the work till

the end of the period of AT, was not justified as contracts were not concluded to make the parties legally liable for the work. In any case, this view did not hold good, because tenders were accepted by DDC on 17 April 1996, but AT which should have been issued promptly and agreement executed whereby action against the contractor could have been taken for breach of tender conditions was delayed. The acceptance of the tender was issued to the contractors only on 1 June 1996, by which time the transporters had discontinued the transportation of milk.

Thus, the failure of the department to finalise, issue of AT in time and non-execution of agreements resulted in avoidable expenditure of Rs 11.65 lakh for the period 1 June 1996 to 31 March 1999.

The matter was referred to Government (June 2000); reply had not been received (December 2000).

7.3 Idle outlay on construction of Effluent Treatment Plants

Pending decision on the operation and maintenance of Effluent Treatment Plant resulted in idle investment of Rs 17.11 lakh.

Under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, discharge of effluents from the factories is required to be treated properly to comply with the statutory requirement, Effluent Treatment Plants (ETP) were constructed at various milk schemes to clear the effluents arising in the handling of milk and milk products.

An ETP was constructed at Government Milk Scheme, Ratnagiri (October 1990) at a cost of Rs 10.66 lakh. The responsibility for construction and maintenance was with the Agricultural Construction Division, a division within the Dairy Development Department. The Agricultural Construction Division was merged in July 1993 with the Public Works Department (PWD) and the staff deployed by Agricultural Construction Division for maintenance of the ETPs was withdrawn by PWD from July 1993. Ever since the ETP at Ratnagiri had not been operational for want of staff.

Similarly, at Government Milk Scheme, Khopoli an ETP constructed (February 1991) at a cost of Rs 6.45 lakh remained unutilised for want of staff after the merger of Agricultural Construction Division with PWD in July 1993.

However, no staff was recruited by the Department, and the Dairy Development Commissioner (DDC) was pursuing the matter with Government for entrusting the operation and maintenance of ETP to PWD. The final decision was still awaited (November 2000).

Due to non-functioning of the ETPs, Maharashtra Pollution Control Board objected in September 1998 and March 1999 for discharging the untreated effluents causing pollution in the surrounding area.

Thus, the non-operation of ETP, pending decision on their operation and maintenance, resulted in idle investment of Rs 17.11 lakh and non-compliance of statutory requirement.

The matter was referred to Government (June 2000); reply had not been received (December 2000).

7.4 Idle Outlay

Idle investment of Rs 2.27 crore on the Milk Scheme due to injudicious expansion programme besides wasteful expenditure of Rs 1.58 crore on transportation, pasteurisation and idle staff.

Government Milk Scheme (Scheme) was established in August 1978 at Bhoom in Osmanabad district. The milk processing capacity was augmented in September 1983 to 50,000 litres per day with capacity of 7000 litres per hour. The Scheme also had two Chilling Centres at Paranda and Osmanabad with milk handling capacity of 10000 litres per day for each Chilling Centre. The Chilling Centres received milk from nearby areas and sent the chilled milk to the Scheme for pasteurisation and further processing.

The Regional Dairy Development Officer (RDDO), Aurangabad proposed (July 1992) the expansion of capacity from 50,000 litres to 1,00,000 litres per day to Dairy Development Commissioner (DDC), Mumbai on the basis of projected daily average procurement of 65,000 to 1,00,000 litres for the years 1992-93 to 1996-97. Though the daily average procurement declined to 47,381 litres in 1992-93, Government accepted the proposal of expansion and accorded (April 1993) administrative approval for acquisition of land and construction of civil and electrical works for Rs 1.97 crore. The District Dairy Development Officer (DDDO), Osmanabad requested (May 1993) RDDO and DDC to reconsider the expansion programme since Bhoom Taluka Co-operative Milk Growers and Suppliers Federation (Taluka Federation) was to

establish ice factory and Chilling Centre at Bhoom with capacity of 30,000 litres of milk per day which would adversely affect the supply of milk to the Scheme. In response DDC, Mumbai directed RDDO (June 1993) to examine the facts reported by DDDO. The report from RDDO to DDC was not on record. However, the Government accorded in June 1993 administrative approval of Rs 1.96 crore for purchase and installation of dairy equipment without taking into cognizance reduced availability of milk for the Scheme.

A Chilling Centre with 20000 litres per day capacity at Paranda by the Osmanabad District Co-operative Milk Growers and Suppliers Federation Limited (District Federation) was established in January 1998. As a result the milk hitherto being supplied to the Scheme's Chilling Centre was diverted to the Chilling Centre of District Federation leading to the closure of Chilling Centre of the Scheme for want of milk from January 1998.

Despite the above developments, DDC, Mumbai placed order (March 1996) with four firms for supply, installation and commissioning of dairy machinery equipment at a cost of Rs 1.74 crore. The Public Works Department also commenced executing the civil, electrical works from 1994-95. The RDDO, Aurangabad requested (March 1997) DDC, Mumbai to halt the expansion of milk Scheme at Bhoom due to sudden fall in milk procurement (22626 litres per day) from January 1997 owing to establishment of the Chilling Centre in December 1996 at Bhoom.

After the receipt of machinery worth Rs 1.22 crore DDC, Mumbai directed (April 1997) the firms not to supply the balance machinery. In spite of direction of the Dairy Manager to stop execution of civil works in June 1997, the Public Works Department incurred an expenditure of Rs 59.23 lakh and Rs 6.83 lakh during 1997-98 and 1998-99 respectively in addition to works valuing Rs 55.96 lakh completed up to March 1997.

Of the machinery worth Rs 1.22 crore received at Bhoom, machinery valuing Rs 68.36 lakh only was transferred to Government Milk Schemes (GMS), Chandrapur, Beed and Worli between January 1999 and November 1999 by incurring an expenditure of Rs 4.25 lakh on transportation. The remaining machinery was lying unutilised at Bhoom (May 2000).

In this connection Audit observed the following points:

- (a) Due to delay and non-review of the requirement of the expansion of the existing plant in view of continuous decline in the procurement of milk, equipment worth Rs 54 lakh was lying idle in the Scheme apart from avoidable expenditure of Rs 4.25 lakh incurred on retransportation of machinery to other Schemes. Machinery worth Rs 51.09 lakh transferred to GMS, Chandrapur was also lying idle (December 1999). Moreover, an amount of Rs 1.22 crore was also blocked in civil works. The loss of interest on the amount blocked on the purchase of machinery including the machinery still lying idle at Chandrapur and civil works computed at the rate of interest applicable on Government capital invested in milk Schemes worked out to Rs 82.99 lakh for the period 1997-98 to 1999-2000.

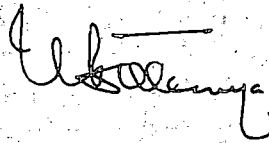
(b) The Scheme was receiving milk from Government Chilling Centre at Osmanabad which after pasteurisation was despatched to sister Schemes including GMS, Udgir, wherein the milk was again pasteurized and processed. The distance between Government Chilling Centre at Osmanabad and Udgir Milk Scheme was 130 km. while the distance between Osmanabad Chilling Centre and Udgir via Bhoom Scheme was 278 kms. The Scheme instead of collecting the milk at Bhoom could have despatched chilled milk directly from Osmanabad to GMS, Udgir and avoided extra expenditure of Rs 16.87 lakh on transportation during the period 1994-95 to 1999-2000. Besides, the expenditure of Rs 1.35 crore incurred during 1994-95 to 1999-2000 on pasteurisation of milk despatched from the Scheme to GMS, Udgir since the milk had to be pasteurized again at GMS, Udgir.

(c) The percentage of utilisation of plant capacity which was 125 during 1994-95 had decreased to 13 in 1998-99 due to sharp fall in procurement of milk. As a result the overhead cost per litre of milk increased from Rs 1.44 in 1996-97 to as high as Rs 3.11 and Rs 5.96 during 1997-98 and 1998-99 respectively. Considering the high cost, RDDO, Aurangabad sent a proposal (January 1998) to DDC, Mumbai to close down the Scheme by diverting the milk to newly established GMS, Latur and existing GMS, Beed. A comparison of employees presently working at the Scheme *vis-à-vis* staff required for running of a milk Scheme up to 20,000 litres capacity in view of low procurement, revealed that there was an excess staff of 16 and 14 as of April 1998 and January 2000 respectively and expenditure incurred on the excess staff worked out to Rs 11.98 lakh. Further, though the Paranda Chilling Centre was closed from January 1998, the Dairy Chemist continued till July 1998 and the Dairy Manager posted to the Centre in July 1998 continued up to March 1999. The expenditure on idle staff worked out to Rs 1.23 lakh. RDDO, Aurangabad stated (May 2000) that the Dairy Manager and Class IV employees were posted for watch and ward of the machinery. The reply was not tenable as the work of watch and ward could have been done by the Class IV employees. Though the tanker was shifted in July 1998 to GMS, Beed, its driver was not transferred. The idle wages paid to the driver worked out to Rs 1.15 lakh. Thus, the total expenditure on idle staff worked out to Rs 2.38 lakh.

(d) Although the equipment viz. inline filter, mechanical can scrubber, pump set, tank and pipes/fittings were lying in the GMS, Bhoom unutilised, DDC purchased in June 1998 these items valuing Rs 8.58 lakh for Chandrapur dairy.

Failure of the department to make proper assessment of the situation before finalisation of the expansion programme involving heavy expenditure resulted in idle investment of Rs 2.27 crore and consequent loss of interest by Rs 82.99 lakh for the period 1997-98 to 1999-2000. Besides, the scheme incurred wasteful expenditure of Rs 1.58 crore on transportation, pasteurisation and idle staff.

The matter was referred to Government (July 2000); reply had not been received (December 2000).

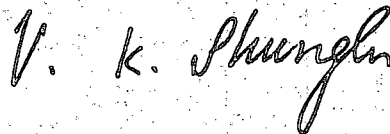


(UTPAL BHATTACHARYA)

Pri. Accountant General (Audit)-I, Maharashtra

Mumbai,
The

Countersigned



(V.K.SHUNGLU)

Comptroller and Auditor General of India

New Delhi,
The

APPENDICES

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APPENDIX I

Statement showing definitions of terms used in Chapter I

(Reference: Paragraph 1.1, Page 1)

I. Structure: The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

Part I: Consolidated Fund

All receipts of the State Government from revenues, loans and recoveries of loans go into the Consolidated Fund of the State, constituted under Article 266(1) of the Constitution of India. All expenditure of the Government is incurred from this Fund from which no amount can be withdrawn without authorization from the State Legislature. This part consists of two main divisions, namely, Revenue Account (Revenue Receipts and Revenue Expenditure) and Capital Account (Capital Receipts, Capital Expenditure, Public Debt and Loans, etc.).

Part II. Contingency Fund

The Contingency Fund created under Article 267(2) of the Constitution of India is in the nature of an imprest placed at the disposal of the Governor of the State to meet urgent unforeseen expenditure pending authorization from the State Legislature. Approval of the State Legislature is subsequently obtained for such expenditure and for transfer of equivalent amount from the Consolidated Fund to Contingency Fund. The corpus of this Fund authorized by the Legislature was temporarily increased from Rs 150 crore to Rs 850 crore during 1999-2000.

Part III. Public Account

Receipts and disbursements in respect of small savings, provident funds, deposits, reserve funds, suspense, remittances, etc. which do not form part of the Consolidated Fund, are accounted for in Public Account and are not subject to vote by the State Legislature.

II. Form of Annual Accounts

The accounts of the State Government are prepared in two volumes *viz.* the Finance Accounts and the Appropriation Accounts. The Finance Accounts present the details of all transactions pertaining to both receipts and expenditure under appropriate classification in the Government accounts. The Appropriation Accounts, present the details of expenditure by the State Government *vis-a-vis* the amounts authorized by the State Legislature in the budget grants. Any expenditure in excess of the grants requires regularization by the Legislature.

APPENDIX I (concl'd.)

Part B : List of Indices/ratios and basis for their calculation (Referred to in paragraph 1.11.2, Page 20)		
Indices/ratios	Basis for calculation	
Sustainability		
-Balance from current revenue	BCR	Revenue Receipts minus all Plan grants (under Major Head 1601- 02, 03, 04) and Non-Plan revenue expenditure
Primary Deficit		
Interest Ratio		
Capital Outlay Vs Capital receipts	Capital Outlay	Capital expenditure as per Statement No.13 of the Finance Accounts
	Capital receipts	Internal Loans (net of ways and means advance from Government of India) + Loans and advances from Central Government + Net receipts from small savings, PF etc. + Repayment received of loans advanced by the State Government – Loans advanced by the State Government
Total tax receipts Vs GSDP	Total Tax Receipts	State Tax receipts plus State's share of Union Taxes
State tax receipts Vs GSDP	State Tax Receipts	Statement II of Finance Accounts
Flexibility		
-Balance from current revenue		As above
-Capital repayments Vs Capital Borrowings	Capital Repayments	Disbursements under Major Heads 6003 and 6004 minus repayments on account of Ways and Means Advances/ Overdraft under both the major heads.
	Capital Borrowings	Addition under Major Heads 6003 and 6004 minus addition on accounts of Ways and Means advances/overdraft under both the major heads.
Incomplete Projects		
Total Tax Receipts Vs GSDP		
-Debt Vs GSDP	Debt	Borrowings and other obligations at the end of the year (Statement No.4 of the Finance Accounts)
Vulnerability		
-Revenue Deficit		Paragraph No.1.9.6 of the Audit Report
-Fiscal Deficit		-- do --
-Primary Deficit Vs Fiscal Deficit	Primary Deficit	Fiscal Deficit minus interest payments
-Total outstanding guarantees including letters of comfort Vs Total revenue receipts of the Government	Outstanding guarantees	Exhibit IV
	Revenue Receipts	Exhibit III
-Assets Vs Liabilities	Assets and Liabilities	Exhibit I

APPENDIX II

(Reference : Paragraph 2.4.1; Page 29)

Statement showing details of excess in various grants/ appropriations requiring regularisation

Sr. No. (1)	Number and name of grant/ appropriation (2)	Total grant/ appropriation (3) (Rupees)	Actual Expenditure (4) (Rupees)	Excess (5) (Rupees)
I GRANTS				
(i) Revenue Section				
GENERAL ADMINISTRATION DEPARTMENT				
1.	A-10-Housing	16,00,000	16,49,920	49,920
HOME DEPARTMENT				
2.	B-02-State Excise	29,47,60,000	31,00,03,630	1,52,43,630
3.	B-04-Other Taxes and Duties on Commodities and Services	3,59,63,000	3,80,44,632	20,81,632
4.	B-06-Police	18,24,91,53,000	18,84,15,92,039	59,24,39,039
5.	B-08-Other Administrative Services	32,86,10,000	34,57,44,459	1,71,34,459
6.	B-13-Indian Railways-Policy Formulation Direction, Research and Other Miscellaneous Organisations	24,44,000	24,67,578	23,578
REVENUE AND FORESTS DEPARTMENT				
7.	C-02-Stamps and Registration	34,62,34,000	37,86,04,193	3,23,70,193
8.	C-03-Other Taxes and Duties on Commodities and Services	5,90,45,000	6,01,93,640	11,48,640
9.	C-06-District Administration	2,90,76,33,000	2,97,62,73,896	6,86,40,896
10.	C-08-Other Administrative Services	1,81,000	6,54,726	4,73,726
11.	C-13-Social Security and Welfare	7,55,29,000	8,53,44,854	98,15,854

APPENDIX II (contd.)

Sr. No. (1)	Number and name of grant/ appropriation (2)	Total grant/ appropriation (3) (Rupees)	Actual Expenditure (4) (Rupees)	Excess (5) (Rupees)
12.	C-16-Forestry and Wild Life	3,53,05,74,000	3,63,51,00,185	10,45,26,185
13.	C-19-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	50,000	86,000	36,000
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT				
14.	D-02A-Relief on account of natural calamities.	7,01,40,000	23,77,72,015	16,76,32,015
15.	D-04-Soil and Water Conservation	48,25,80,000	1,80,75,58,386	1,32,49,78,386
16.	D-09-Minor Irrigation	2,37,26,000	10,81,04,069	8,43,78,069
URBAN DEVELOPMENT DEPARTMENT				
17.	F-02-Other Administrative Services	35,19,000	35,29,080	10,080
18.	F-06-Secretariat-Social Services	3,34,13,000	3,51,47,174	17,34,174
PUBLIC WORKS DEPARTMENT				
19.	H-01-Other Administrative Services	19,25,000	19,31,213	6,213
20.	H-04-Forestry and Wild Life	4,03,03,000	4,19,13,651	16,10,651
21.	H-06-Civil Aviation	1,12,00,000	1,36,09,288	24,09,288
IRRIGATION DEPARTMENT				
22.	I-02-Soil and Water Conservation	12,64,84,000	12,65,42,843	58,843
23.	I-03-Major and Medium Irrigation	6,39,48,61,000	16,44,69,87,221	10,05,21,26,221
24.	I-06-Flood Control and Drainage	8,53,34,000	8,87,56,973	34,22,973
25.	I-07-Power	26,06,18,000	26,96,78,543	90,60,543

APPENDIX II (contd.)

Sr. No. (1)	Number and name of grant/ appropriation (2)	Total grant/ appropriation (3) (Rupees)	Actual Expenditure (4) (Rupees)	Excess (5) (Rupees)
26	I-09-Secretariat-Economic Services	5,73,28,000	6,12,95,390	39,67,390
LAW AND JUDICIARY DEPARTMENT				
27	J-01-Administration of Justice	2,09,91,03,000	2,17,54,37,978	7,63,34,978
28	J-03-Other Administrative Services	6,32,40,000	8,20,85,600	1,88,45,600
29	J-06-Other General Economic Services	91,99,000	95,28,152	3,29,152
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT				
30	K-01-Other Taxes and Duties on Commodities and Services	15,81,38,000	16,99,79,976	1,18,41,976
31	K-02-Supplies and Disposals	82,04,000	83,43,432	1,39,432
32	K-05-Social Security and Welfare	6,99,000	7,10,892	11,892
33	K-10-Secretariat-Economic Services	4,50,45,000	4,51,87,832	1,42,832
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT				
34	L-10-Hill Areas	16,95,000	24,81,584	7,86,584
FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT				
35	M-04-Secretariat-Economic Services	3,11,87,000	3,49,08,767	37,21,767
36	M-05-Other General Economic Services	10,97,55,000	11,09,23,519	11,68,519
SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT				
37	N-08-Social Security and Welfare	64,17,29,000	68,51,32,768	4,34,03,768
HOUSING AND SPECIAL ASSISTANCE DEPARTMENT				
38	Q-05-Urban Development	17,88,000	20,23,666	2,35,666

APPENDIX II (contd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Total grant/appropriation (3) (Rupees)	Actual Expenditure (4) (Rupees)	Excess (5) (Rupees)
39	Q-06-Social Security and Welfare	1,14,40,11,000	1,14,55,92,802	15,81,802
PUBLIC HEALTH DEPARTMENT				
40	R-04-Social Security and Welfare	90,00,000	90,21,479	21,479
41	R-05-Secretariat-Social Services	2,21,60,000	2,65,95,097	44,35,097
MEDICAL EDUCATION AND DRUGS DEPARTMENT				
42	S-01-Medical and Public Health	4,01,37,91,000	4,18,58,58,143	17,20,67,143
43	S-03-Secretariat-Social Services	2,33,00,000	2,33,98,643	98,643
TRIBAL DEVELOPMENT DEPARTMENT				
44	T-01-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2,24,25,85,000	2,29,07,54,086	4,81,69,086
45	T-04-Co-operation	12,06,00,000	12,59,42,073	53,42,073
ENVIRONMENT DEPARTMENT				
46	U-03-Secretariat-Social Services	76,40,000	76,44,496	4,496
HIGHER AND TECHNICAL EDUCATION DEPARTMENT				
47	W-04-Art and Culture	42,03,93,000	42,15,79,295	11,86,295
48	W-05-Labour and Employment	1,53,79,31,000	1,54,86,41,680	1,07,10,680
49	W-07-Secretariat-Social Services	5,97,88,000	5,99,25,095	1,37,095
WOMAN AND CHILD DEVELOPMENT DEPARTMENT				
50	X-05-Aid Materials and Equipments	27,50,000	2,05,29,000	1,77,79,000

APPENDIX II (contd.)

Sr. No. (1)	Number and name of grant/ appropriation (2)	Total grant/ appropriation (3) (Rupees)	Actual Expenditure (4) (Rupees)	Excess (5) (Rupees)
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WATER SUPPLY AND SANITATION DEPARTMENT

51	Y-04-Minor Irrigation	12,86,70,000	13,61,44,616	74,74,616
52	Y-05-Secretariat-Economic Services	2,08,80,000	2,18,41,632	9,61,632

MAHARASHTRA LEGISLATURE SECRETARIAT

53	ZB-02-Social Security and Welfare	30,000	44,090	14,090
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(ii) Capital Section

REVENUE AND FORESTS DEPARTMENT

54	C-20-Capital Outlay on Other Administrative Services	7,15,00,000	7,19,62,000	4,62,000
55	C-24-Capital Outlay on Major and Medium Irrigation	6,65,00,000	10,44,04,457	3,79,04,457

URBAN DEVELOPMENT DEPARTMENT

56	F-10-Capital Outlay on Urban Development	50,27,000	5,00,56,512	4,50,29,512
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PUBLIC WORKS DEPARTMENT

57	H-10-Capital Outlay on Housing	33,47,97,000	34,78,98,873	1,31,01,873
58	H-14-Capital Outlay on Removal of Regional Imbalance	2,66,12,48,000	2,90,93,94,095	24,81,46,095

IRRIGATION DEPARTMENT

59	I-11-Capital Outlay on Major and Medium Irrigation	9,87,58,03,000	10,10,24,98,577	22,66,95,577
60	I-12-Capital Outlay on Minor Irrigation	33,11,32,000	67,92,88,479	34,81,56,479

APPENDIX II (contd.)

Sr. No.	Number and name of grant/ appropriation	Total grant/ appropriation	Actual Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
		(Rupees)	(Rupees)	(Rupees)

INDUSTRIES, ENERGY AND LABOUR DEPARTMENT

61	KNIL-Capital Outlay on Roads and Bridges	0	3,79,757	3,79,757
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FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT

62	M-06-Capital Outlay on Food Storage and Warehousing	19,47,11,41,000	22,87,06,45,530	3,39,95,04,530
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TRIBAL DEVELOPMENT DEPARTMENT

63	T-07-Capital Outlay on Tribal Area Development Sub-Plan	1,76,86,34,000	1,87,33,00,156	10,46,66,156
64	T-08-Capital Outlay on Removal of Regional Imbalance	53,58,43,000	56,63,39,773	3,04,96,773

(iii) Loans and Advances Section

AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

65	D-20-Loans to Government Servants, etc.	15,23,85,000	15,26,70,032	2,85,032
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SCHOOL EDUCATION DEPARTMENT

66	E-09-Loans to Government Servants, etc.	1,44,50,000	1,45,74,025	1,24,025
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FINANCE DEPARTMENT

67	G-16-Loans to Government Servants, etc.	6,67,07,000	6,69,25,482	2,18,482
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RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT

68	L-21-Loans for Housing	21,00,000	22,71,218	1,71,218
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APPENDIX II (contd.)

Sr. No.	Number and name of grant/ appropriation	Total grant/ appropriation	Actual Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
		(Rupees)	(Rupees)	(Rupees)
SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT				
69	N-12-Loans to Government Servants, etc.	1,53,32,000	2,73,63,689	1,20,31,689
TRIBAL DEVELOPMENT DEPARTMENT				
70	T-09-Loans to Government Servants, etc.	59,35,000	59,65,128	30,128
WOMAN AND CHILD DEVELOPMENT DEPARTMENT				
71	X-08-Loans to Government Servants, etc.	41,80,000	46,15,170	4,35,170
TRADE, COMMERCE AND MINING DEPARTMENT				
72	Z-08-A-Other Loans to Industries and Minerals	0	14,61,000	14,61,000
	Total	81,72,92,32,000	99,12,08,55,944	17,39,16,23,944
II APPROPRIATIONS				
Revenue Section				
HOME DEPARTMENT				
1	B-06-Police	40,00,000	40,68,539	68,539
REVENUE AND FORESTS DEPARTMENT				
2	C-08-Other Administrative Services	11,000	60,12,780	60,01,780
3	C-13-Social Security and Welfare	10,000	59,602	49,602
FINANCE DEPARTMENT				
4	G-05-Interest Payments	42,87,72,44,000	43,78,87,86,976	91,15,42,976

APPENDIX II (concl'd.)

Sr. No.	Number and name of grant/ appropriation	Total grant/ appropriation	Actual Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
		(Rupees)	(Rupees)	(Rupees)
PUBLIC WORKS DEPARTMENT				
5	H-09-Public Works and Administrative and Functional Buildings	1,68,25,000	2,24,93,297	56,68,297
LAW AND JUDICIARY DEPARTMENT				
6	J-01-Administration of Justice	35,28,62,000	36,61,02,480	1,32,40,480
7	J-04-Social Security and Welfare	1,53,000	7,34,498	5,81,498
CO-OPERATION AND TEXTILES DEPARTMENT				
8	V-01-Interest Payments	44,58,18,000	46,33,68,894	1,75,50,894
HIGHER AND TECHNICAL EDUCATION DEPARTMENT				
9	W-03-Technical Education	2,40,000	49,48,519	47,08,519
WATER SUPPLY AND SANITATION DEPARTMENT				
10	Y-01-Interest Payments	12,29,25,000	15,07,12,513	2,77,87,513
11	Y-02-Water Supply and Sanitation	0	1,87,655	1,87,655
	Total	43,82,00,88,000	44,80,74,75,753	98,73,87,753
	Grand Total	1,25,54,93,20,000	1,43,92,83,31,697	18,37,90,11,697

APPENDIX III

(Reference : Paragraph 2.4.4.1; Page 29)

Statement of various grants/appropriations where supplementary provisions proved unnecessary

Sr. No.	Number and name of grant/appropriation	Total grant/appropriation	Supplementary provision obtained in March	Actual Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
		(Rupees	in	lakh)
I GRANTS					
GENERAL ADMINISTRATION DEPARTMENT					
1	A-04-Public Service Commission				
	Original	361.48			
	Supplementary	1.01	362.49	1.01	340.18
2	A-05-Secretariat-General Services				
	Original	6891.94			
	Supplementary	582.23	7474.17	415.79	6401.92
3	A-14-Secretariat-Social Services				
	Original	152.88			
	Supplementary	3.32	156.20	3.32	99.21
HOME DEPARTMENT					
4	B-01-Administration of Justice				
	Original	1268.90			
	Supplementary	17.11	1286.01	17.11	1085.72
5	B-03-Taxes on Vehicles				
	Original	4998.17			
	Supplementary	851.39	5849.56	723.36	4819.42
6	B-16-Inland Water Transport				
	Original	43.46			
	Supplementary	147.69	191.15	0.00	41.42
7	B-17-Tourism				
	Original	1208.80			
	Supplementary	12.00	1220.80	0.00	557.88

APPENDIX III (contd.)

Sr. No.	Number and name of grant/appropriation	Total grant/ appropriation	Supplementary provision obtained in March	Actual Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
		Rupees	in	lakh)

REVENUE AND FORESTS DEPARTMENT

8	C-14-Relief on Account of Natural Calamities				
	Original	18028.00			
	Supplementary	0.03	18028.03	0.01	11753.76
					6274.27
9	C-22-Capital Outlay on Forestry and Wild Life				
	Original	1587.34			
	Supplementary	64.69	1652.03	0.00	1489.44
					162.59

AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

10	D-03-Crop Husbandry				
	Original	35419.01			
	Supplementary	8479.18	43898.19	4304.10	34049.87
					9848.32
11	D-05-Animal Husbandry				
	Original	16393.20			
	Supplementary	3747.38	20140.58	3301.38	15810.57
					4330.01
12	D-13-Capital Outlay on Dairy Development				
	Original	539.27			
	Supplementary	39.01	578.28	0.00	393.09
					185.19

URBAN DEVELOPMENT DEPARTMENT

13	F-03-Urban Development				
	Original	30897.35			
	Supplementary	12061.66	42959.01	2591.63	30386.73
					12572.28
14	F-07-Roads and Bridges				
	Original	5268.49			
	Supplementary	403.10	5671.59	403.10	2875.24
					2796.35
15	F-12-Loans for Urban Development				
	Original	2161.75			
	Supplementary	140.74	2302.49	140.74	964.79
					1337.70

APPENDIX III (contd.)

Sr. No.	Number and name of grant/appropriation	Total grant/ appropriation	Supplementary provision obtained in March	Actual Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
	(	Rupees	in	lakh)
16	F-13-Loans to Government Servants, etc.				
	Original	70.80			
	Supplementary	16.10	86.90	16.10	55.84
					31.06
FINANCE DEPARTMENT					
17	G-08-Other Administrative Services				
	Original	314860.37			
	Supplementary	85.58	314945.95	0.00	369.37
					314576.58
18	G-09-Pension and other Retirement Benefits				
	Original	266545.00			
	Supplementary	0.02	266545.02	0.00	159278.69
					107266.33
PUBLIC WORKS DEPARTMENT					
19	H-07-Roads and Bridges				
	Original	97039.97			
	Supplementary	5000.00	102039.97	0.00	80188.68
					21851.29
IRRIGATION DEPARTMENT					
20	I-13-Capital Outlay on Flood Control Project				
	Original	499.00			
	Supplementary	85.00	584.00	0.00	305.91
					278.09
21	I-16-Capital Outlay on removal of Regional Imbalance				
	Original	53240.49			
	Supplementary	67.40	53307.89	67.39	49582.46
					3725.43
LAW AND JUDICIARY DEPARTMENT					
22	J-04-Social Security and Welfare				
	Original	7.00			
	Supplementary	1.45	8.45	1.45	2.39
					6.06

APPENDIX III (contd.)

Sr. No.	Number and name of grant/appropriation	Total grant/ appropriation	Supplementary provision obtained in March	Actual Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
		(Rupees	in	lakh)
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT					
23	K-09-Industries				
	Original	6479.43			
	Supplementary	54.95	6534.38	54.95	5023.99
					1510.39
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT					
24	L-02-District Administration				
	Original	27623.25			
	Supplementary	13123.60	40746.85	8443.80	13787.40
					26959.45
25	L-06-Agricultural Research and Education				
	Original	409.87			
	Supplementary	21.83	431.70	0.00	397.97
					33.73
26	L-07-Special Programme for Rural Development				
	Original	11291.86			
	Supplementary	0.01	11291.87	0.00	4564.87
					6727.00
27	L-08-Rural Employment				
	Original	20160.51			
	Supplementary	0.02	20160.53	0.01	11888.23
					8272.30
28	L-09-Other Rural Development Programmes				
	Original	9051.52			
	Supplementary	1859.03	10910.55	0.00	5198.71
					5711.84
29	L-11-Minor Irrigation				
	Original	10564.66			
	Supplementary	3217.79	13782.45	2214.70	8463.98
					5318.47
30	L-15-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions				
	Original	9703.64			
	Supplementary	8653.62	18357.26	0.00	9644.06
					8713.20

APPENDIX III (contd.)

Sr. No.	Number and name of grant/appropriation	Total grant/ appropriation	Supplementary provision obtained in March	Actual Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
	(	Rupees	in	lakh)
31	L-16-Revenue Expenditure on removal of Regional Imbalance				
	Original	4820.00			
	Supplementary	218.74	5038.74	218.74	2161.33
					2877.41
32	L-17-Capital Outlay on Soil and Water Conservation				
	Original	8952.38			
	Supplementary	145.01	9097.39	0.01	5613.62
					3483.77
33	L-20-Capital Outlay on removal of Regional Imbalance				
	Original	8119.00			
	Supplementary	193.91	8312.91	193.90	6187.08
					2125.83
34	L-25-Miscellaneous Loans				
	Original	413494.83			
	Supplementary	201780.01	615274.84	0.00	368738.17
					246536.67
FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT					
35	M-03-Food, Storage and Warehousing				
	Original	61809.70			
	Supplementary	10101.13	71910.83	0.00	49245.43
					22665.40
SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT					
36	N-03-Sports and Youth Services				
	Original	3999.16			
	Supplementary	24.39	4023.55	24.38	3275.45
					748.10
37	N-07-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes				
	Original	31568.71			
	Supplementary	3704.74	35273.45	3704.74	29532.39
					5741.06

APPENDIX III (contd.)

Sr. No.	Number and name of grant/appropriation	Total grant/appropriation	Supplementary provision obtained in March	Actual Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
	(	Rupees	in	lakh)

38	N-10-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes				
	Original	6350.00			
	Supplementary	350.00	6700.00	0.00	3839.57
					2860.43

HOUSING AND SPECIAL ASSISTANCE DEPARTMENT

39	Q-03-Other Administrative Services				
	Original	15.09			
	Supplementary	1.35	16.44	1.35	14.92
					1.52
40	Q-04-Housing				
	Original	13751.30			
	Supplementary	5560.15	19311.45	847.15	10009.68
					9301.77
41	Q-08A-Capital Outlay on Housing				
	Original	0.00			
	Supplementary	31000.00	31000.00	0.00	0.00
					31000.00

PUBLIC HEALTH DEPARTMENT

42	R-02-Medical and Public Health				
	Original	84355.59			
	Supplementary	6269.16	90624.75	4279.58	79816.81
					10807.94
43	R-03-Family Welfare				
	Original	16686.45			
	Supplementary	265.00	16951.45	0.00	10646.97
					6304.48
44	R-07-Capital Outlay on Medical and Public Health				
	Original	85.00			
	Supplementary	3731.19	3816.19	0.00	0.00
					3816.19

TRIBAL DEVELOPMENT DEPARTMENT

45	T-05-Revenue Expenditure on Tribal Area Development Sub-plan				
	Original	58204.88			
	Supplementary	3937.28	62142.16	0.00	24249.25
					37892.91

APPENDIX III (contd.)

Sr. No.	Number and name of grant/appropriation	Total grant/ appropriation	Supplementary provision obtained in March	Actual Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
		(Rupees	in	lakh)
ENVIRONMENT DEPARTMENT					
46	U-05-Loans to Government Servants, etc.				
	Original	4.15			
	Supplementary	0.35	4.50	0.35	2.86
					1.64
CO-OPERATION AND TEXTILES DEPARTMENT					
47	V-05-Village and Small Industries				
	Original	1309.68			
	Supplementary	63.83	1373.51	38.83	1011.82
					361.69
48	V-10-Capital Outlay on Village and Small Industries				
	Original	1426.96			
	Supplementary	267.35	1694.31	0.00	1305.87
					388.44
WOMAN AND CHILD DEVELOPMENT DEPARTMENT					
49	X-01-Social Security and Welfare				
	Original	4159.36			
	Supplementary	453.18	4612.54	173.18	4072.95
					539.59
50	X-02-Nutrition				
	Original	32740.82			
	Supplementary	1403.63	34144.45	0.01	6176.14
					27968.31
WATER SUPPLY AND SANITATION DEPARTMENT					
51	Y-02-Water Supply and Sanitation				
	Original	80032.29			
	Supplementary	17370.14	97402.43	0.01	69005.18
					28397.25
52	Y-06-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions				
	Original	871.00			
	Supplementary	54.00	925.00	54.00	45.73
					879.27

APPENDIX III (contd.)

Sr. No.	Number and name of grant/appropriation	Total grant/ appropriation	Supplementary provision obtained in March	Actual Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
		(Rupees	in	lakh)

53	Y-09-Loans for Water Supply and Sanitation				
	Original	19045.00			
	Supplementary	45.75	19090.75	0.00	5002.74
					14088.01

TRADE, COMMERCE AND MINING DEPARTMENT

54	Z-09-Loans to Government Servants, etc.				
	Original	4.00			
	Supplementary	0.70	4.70	0.70	2.49
					2.21
TOTAL GRANT		2150250.69	32236.88	1139778.24	1010472.45

II APPROPRIATION

HOME DEPARTMENT

1	B-07-Jails				
	Original	0.00			
	Supplementary	8.75	8.75	5.25	0.00
					8.75
2	B-08-Other Administrative Services				
	Original	0.00			
	Supplementary	1.98	1.98	0.82	0.00
					1.98

REVENUE AND FORESTS DEPARTMENT

3	C-02-Stamps and Registration				
	Original	0.06			
	Supplementary	31.61	31.67	0.00	0.00
					31.67
4	C-03-Other Taxes and Duties on Commodities and Services				
	Original	10814.53			
	Supplementary	6.78	10821.31	0.00	10725.67
					95.64

APPENDIX III (contd.)

Sr. No.	Number and name of grant/appropriation	Total grant/appropriation	Supplementary provision obtained in March	Actual Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
		(Rupees	in	lakh)
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT					
5	D-03-Crop Husbandry				
	Original	1.75			
	Supplementary	90.69	92.44	90.69	1.54
					90.90
6	D-04-Soil and Water Conservation				
	Original	0.00			
	Supplementary	2.25	2.25	0.00	0.00
					2.25
7	D-05-Animal Husbandry				
	Original	1.00			
	Supplementary	0.19	1.19	0.19	0.51
					0.68
8	D-06-Dairy Development				
	Original	25.00			
	Supplementary	0.01	25.01	0.00	0.73
					24.28
9	D-08-Agricultural Research and Education				
	Original	0.00			
	Supplementary	18.05	18.05	0.00	0.00
					18.05
FINANCE DEPARTMENT					
10	G-01- Collection of Taxes on Income and Expenditure				
	Original	61105.26			
	Supplementary	14247.66	75352.92	14247.66	6946.57
					68406.35
IRRIGATION DEPARTMENT					
11	I-03-Major and Medium Irrigation				
	Original	0.00			
	Supplementary	0.47	0.47	0.17	0.00
					0.47

APPENDIX III (contd.)

Sr. No.	Number and name of grant/appropriation	Total grant/ appropriation	Supplementary provision obtained in March	Actual Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
	(	Rupees	in	lakh)
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT					
12	L-03-Social Security Welfare				
	Original	0.00			
	Supplementary	1.33	1.33	0.00	1.33
PLANNING DEPARTMENT					
13	O-02-Rural Development				
	Original	64710.77			
	Supplementary	14270.20	78980.97	14270.20	68502.99
14	O-07-Census, Surveys and Statistics				
	Original	0.10			
	Supplementary	0.43	0.53	0.00	0.53
PUBLIC HEALTH DEPARTMENT					
15	R-03-Family Welfare				
	Original	0.00			
	Supplementary	1.51	1.51	0.00	1.51
MEDICAL EDUCATION AND DRUGS DEPARTMENT					
16	S-01-Medical and Public Health				
	Original	1.00			
	Supplementary	8.33	9.33	8.33	9.33
CO-OPERATION AND TEXTILES DEPARTMENT					
17	V-04-Co-operation				
	Original	0.03			
	Supplementary	0.82	0.85	0.82	0.85

[^] Rs 349 only

APPENDIX III (concl.)

Sr. No.	Number and name of grant/appropriation	Total grant/ appropriation	Supplementary provision obtained in March	Actual Expenditure	Saving
(1)	(2)	(3)	(4)	(5)	(6)
	(	Rupees	in	lakh)

HIGHER AND TECHNICAL EDUCATION DEPARTMENT

18	W-02-General Education				
	Original	0.40			
	Supplementary	0.03	0.43	0.00	0.43

TRADE, COMMERCE AND MINING DEPARTMENT

19	Z-8A-Other Loans to Industries and Minerals				
	Original	0.00			
	Supplementary	14.61	14.61	0.00	14.61

Total		165365.60	28624.13	28153.00	137212.60
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Grand Total		2315616.29	60861.01	1167931.24	1147685.05
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TOTAL SUPPLEMENTARY			374383.63		
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APPENDIX IV

(Reference: Paragraph 2.4.4.2; Page 29)

Statement of cases where supplementary provision resulted in savings exceeding Rs 10 lakh in each case

Sr. No. (1)	Number and name of grant/appropriation (2)	Total grant/appropriation (3)	Actual expenditure (4)	Saving (5)
		(Rupees	in lakh)

I GRANTS

GENERAL ADMINISTRATION DEPARTMENT

1	A-02-Council of Ministers			
	Original	816.43		
	Supplementary	85.50	901.93	876.79
				25.14
2	A-03-Elections			
	Original	420.27		
	Supplementary	16296.76	16717.03	13221.08
				3495.95
3	A-06-Public Works			
	Original	20.60		
	Supplementary	90.00	110.60	48.58
				62.02
4	A-07-Other Administrative Services			
	Original	1244.87		
	Supplementary	173.33	1418.20	1332.92
				85.28
5	A-08-Miscellaneous General Services			
	Original	440.79		
	Supplementary	168.23	609.02	588.64
				20.38
6	A-11-Information and Publicity			
	Original	1887.18		
	Supplementary	518.94	2406.12	2328.19
				77.93
7	A-12-Social Security and Welfare			
	Original	5874.60		
	Supplementary	351.00	6225.60	5976.22
				249.38
8	A-17-Loans to Government Servants, etc.			
	Original	111.00		
	Supplementary	100.00	211.00	198.58
				12.42

APPENDIX IV (contd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Total grant/ appropriation (3)	Actual expenditure (4)	Saving (5)
		(Rupees	in lakh)
HOME DEPARTMENT				
9	B-05-Secretariat-General Services			
	Original	611.56		
	Supplementary	250.30	818.36	43.50
10	B-07-Jails			
	Original	5023.84		
	Supplementary	496.93	5496.68	24.09
11	B-14-Ports and Light Houses			
	Original	813.16		
	Supplementary	24.74	818.95	18.95
12	B-19-Capital Outlay on Other Administrative Services			
	Original	525.00		
	Supplementary	650.00	850.00	325.00
REVENUE AND FORESTS DEPARTMENT				
13	C-01-Land Revenue			
	Original	8946.22		
	Supplementary	3744.42	11267.89	1422.75
14	C-31-Loans for Crop Husbandry			
	Original	30.13		
	Supplementary	1119.96	1005.50	144.59
15	C-33-Loans to Government Servants, etc.			
	Original	1159.00		
	Supplementary	136.85	1267.23	28.62
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT				
16	D-06-Dairy Development			
	Original	96449.94		
	Supplementary	4037.51	96579.60	3907.85

APPENDIX IV (contd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Total grant/ appropriation (3)	Actual expenditure (4)	Saving (5)
		(Rupees	in lakh)
17	D-07-Fisheries			
	Original	2327.44		
	Supplementary	450.18	2777.62	2499.31
				278.31
18	D-08-Agricultural Research and Education			
	Original	14328.03		
	Supplementary	4486.34	18814.37	18258.72
				555.65
19	D-10-Secretariat-Economic Services			
	Original	387.55		
	Supplementary	140.16	527.71	514.27
				13.44
20	D-14-Capital Outlay on Fisheries			
	Original	896.75		
	Supplementary	621.32	1518.07	1308.35
				209.72
21	D-19-Loans for Fisheries			
	Original	1250.82		
	Supplementary	334.27	1585.09	1531.25
				53.84
SCHOOL EDUCATION DEPARTMENT				
22	E-02-General Education			
	Original	512065.61		
	Supplementary	320984.85	833050.46	627898.92
				205151.54
23	E-06-Social Security and Welfare			
	Original	156.05		
	Supplementary	40.56	196.61	176.27
				20.34
URBAN DEVELOPMENT DEPARTMENT				
24	F-09-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions			
	Original	2135.58		
	Supplementary	41313.37	43448.95	42774.63
				674.32

APPENDIX IV (contd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Total grant/ appropriation (3)	Actual expenditure (4)	Saving (5)
		(Rupees	in lakh)
FINANCE DEPARTMENT				
25	G-01-Collection of Taxes on Income and Expenditure			
	Original	836.87		
	Supplementary	352.34	1189.21	78.70
26	G-02-Taxes on Sales, Trade, etc.			
	Original	11829.00		
	Supplementary	1921.42	13750.42	321.69
27	G-03-Other Fiscal Services			
	Original	2868.29		
	Supplementary	1443.81	4312.10	174.19
28	G-06-Secretariat-General Services			
	Original	623.53		
	Supplementary	223.96	847.49	17.73
29	G-07-Treasury and Accounts Administration			
	Original	5666.57		
	Supplementary	1353.10	7019.67	67.55
30	G-12-Social Security and Welfare			
	Original	1075.00		
	Supplementary	695.05	1770.05	232.38
PUBLIC WORKS DEPARTMENT				
31	H-02-Housing			
	Original	10473.34		
	Supplementary	476.85	10950.19	78.29
32	H-08-Secretariat-Economic Services			
	Original	981.35		
	Supplementary	164.00	1145.35	56.82
33	H-09-Public Works and Administrative and Functional Buildings			
	Original	71690.59		
	Supplementary	11952.25	83642.84	1261.83

APPENDIX IV (contd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Total grant/ appropriation (3)	Actual expenditure (4)	Saving (5)
		(Rupees	in lakh)
34	H-12-Capital Outlay on Roads and Bridges			
	Original	33372.50		
	Supplementary	21971.95	50058.30	5286.15
35	H-13-Capital Outlay on Public Works and Administrative and Functional Buildings			
	Original	10964.62		
	Supplementary	1451.74	12005.40	410.96
36	H-15-Loans to Government Servants, etc.			
	Original	634.76		
	Supplementary	186.75	703.55	117.96
IRRIGATION DEPARTMENT				
37	I-05-Command Area Development			
	Original	1471.42		
	Supplementary	500.00	1927.68	43.74
38	I-18-Loans to Government Servants, etc.			
	Original	912.00		
	Supplementary	200.00	1050.95	61.05
LAW AND JUDICIARY DEPARTMENT				
39	J-02-Secretariat-General Services			
	Original	445.72		
	Supplementary	301.70	735.09	12.33
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT				
40	K-03-Stationery and Printing			
	Original	7642.82		
	Supplementary	483.77	8034.99	91.60
41	K-04-Labour and Employment			
	Original	3456.01		
	Supplementary	892.69	4198.24	150.46

APPENDIX IV (contd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Total grant/ appropriation (3)	Actual expenditure (4)	Saving (5)
		(Rupees	in lakh)
42	K-08-Village and Small Industries			
	Original	1762.08		
	Supplementary	396.17	2158.25	1956.74
43	K-16-Loans for Power Projects			
	Original	17103.91		
	Supplementary	15110.00	32213.91	31836.41
44	K-18-Other Loans to Industries and Minerals			
	Original	100.00		
	Supplementary	1511.95	1611.95	1239.89
RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT				
45	L-05-Forestry and Wild Life			
	Original	4042.21		
	Supplementary	800.47	4842.68	4417.81
46	L-13-Secretariat-Economic Services			
	Original	577.07		
	Supplementary	158.82	735.89	710.55
47	L-18-Capital Outlay on Forestry and Wild Life			
	Original	166.24		
	Supplementary	28.94	195.18	181.75
48	L-19-Capital Outlay on Minor Irrigation			
	Original	3277.30		
	Supplementary	164.90	3442.20	3401.88
49	L-24-Loans to Government Servants, etc.			
	Original	170.30		
	Supplementary	51.06	221.36	188.79
SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT				
50	N-04-Art and Culture			
	Original	1616.10		
	Supplementary	1470.86	3086.96	2959.45

APPENDIX IV (contd.)

Sr. No.	Number and name of grant/appropriation	Total grant/ appropriation	Actual expenditure	Saving
(1)	(2)	(3)	(4)	(5)
		(Rupees	in	lakh
51	N-09-Secretariat-Social Services			
	Original	200.45		
	Supplementary	81.71	271.12	11.04
52	N-11-Loans for Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes			
	Original	3537.00		
	Supplementary	3300.00	4039.88	2797.12
PLANNING DEPARTMENT				
53	O-02-Rural Employment			
	Original	47002.01		
	Supplementary	2525.75	49375.49	152.27
54	O-03-Other Rural Development Programmes			
	Original	22575.00		
	Supplementary	1450.00	22670.25	1354.75
55	O-04-Hill Areas			
	Original	5716.78		
	Supplementary	186.00	5763.65	139.13
56	O-06-Secretariat-Economic Services			
	Original	1060.00		
	Supplementary	243.57	1211.33	92.24
HOUSING AND SPECIAL ASSISTANCE DEPARTMENT				
57	Q-02-District Administration			
	Original	2015.38		
	Supplementary	794.49	2639.28	170.59
58	Q-07-Secretariat-Economic Services			
	Original	202.38		
	Supplementary	62.03	244.23	20.18

APPENDIX IV (contd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Total grant/ appropriation (3)	Actual expenditure (4)	Saving (5)
		(Rupees	in lakh)
PUBLIC HEALTH DEPARTMENT				
59	R-09-Loans to Government Servants, etc.			
	Original	843.05		
	Supplementary	119.25	923.42	38.88
MEDICAL EDUCATION AND DRUGS DEPARTMENT				
60	S-04-Loans to Government Servants, etc.			
	Original	359.75		
	Supplementary	44.42	392.96	11.21
TRIBAL DEVELOPMENT DEPARTMENT				
61	T-10-Loans for Tribal Area Development Sub-Plan			
	Original	3022.65		
	Supplementary	49.15	3046.80	25.00
CO-OPERATION AND TEXTILES DEPARTMENT				
62	V-04-Co-operation			
	Original	11224.93		
	Supplementary	79654.96	15970.40	74909.49
63	V-06-Secretariat-Economic Services			
	Original	285.80		
	Supplementary	198.22	451.03	32.99
64	V-09-Capital Outlay on Co-operation			
	Original	7776.92		
	Supplementary	2741.78	9293.29	1225.41
65	V-15-Loans for Co-operation			
	Original	2735.26		
	Supplementary	58547.13	60245.46	1036.93
HIGHER AND TECHNICAL EDUCATION DEPARTMENT				
66	W-02-General Education			
	Original	64883.97		
	Supplementary	4983.27	66628.64	3238.60

APPENDIX IV (contd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Total grant/ appropriation (3) (Rupees	Actual expenditure (4) in lakh	Saving (5))
67	W-03-Technical Education			
	Original	22220.73		
	Supplementary	3997.72	26218.45	25552.84
				665.61
68	W-08-Revenue Expenditure on Removal of Regional Imbalance			
	Original	250.00		
	Supplementary	533.90	783.90	449.07
				334.83
WATER SUPPLY AND SANITATION DEPARTMENT				
69	Y-08-Capital Outlay on Soil and Water Conservation			
	Original	1958.53		
	Supplementary	191.27	2149.80	2106.36
				43.44
TRADE, COMMERCE AND MINING DEPARTMENT				
70	Z-05-Non-Ferrous Mining and Metallurgical Industries			
	Original	913.93		
	Supplementary	279.47	1193.40	1137.18
				56.22
EMPLOYMENT AND SELF-EMPLOYMENT DEPARTMENT				
71	ZA-01-Labour and Employment			
	Original	3721.05		
	Supplementary	175.45	3896.50	3731.94
				164.56
MAHARASHTRA LEGISLATURE SECRETARIAT				
72	ZB-01-Parliament/Union Territory Legislatures			
	Original	2351.38		
	Supplementary	597.58	2948.96	2810.27
				138.69
	Total	1678176.16	1364537.43	313638.73

APPENDIX IV (concl.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Total grant/appropriation (3) (Rupees	Actual expenditure (4) in lakh	Saving (5))
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II. APPROPRIATION

CO-OPERATION AND TEXTILES DEPARTMENT

1	V-13-Internal Debt of the State Government			
	Original	4116.50		
	Supplementary	303.12	4419.62	4244.35
				175.27
	Total	4419.62		4244.35
				175.27
	Total of (i) Supplementary grants/appropriations		Rs 621940.31	
	Total of (ii) Savings		Rs 313814.00	
	(iii) Actual requirements (i) - (ii) =	Rs 308126.31		

APPENDIX V

(Reference : Paragraph 2.4.4.3; Page 29)

Statement of cases where supplementary provision proved insufficient by more than Rs 10 lakh each in various grants/appropriations

Sr. No.	Number and name of grant/ appropriation	Total grant/ appropriation	Actual Expenditure	Excess	
(1)	(2) (Rupees)	(3) (Rupees)	(4) (Rupees)	(5) (Rupees)	
I GRANTS					
HOME DEPARTMENT					
1.	B-02-State Excise				
	Original	25,75,03,000			
	Supplementary	3,72,57,000	29,47,60,000	31,00,03,630	1,52,43,630
2.	B-04-Other Taxes and Duties on Commodities and Services				
	Original	3,05,04,000			
	Supplementary	54,59,000	3,59,63,000	3,80,44,632	20,81,632
3.	B-06-Police				
	Original	14,62,57,95,000			
	Supplementary	3,62,33,58,000	18,24,91,53,000	18,84,15,92,039	59,24,39,039
4.	B-08-Other Administrative Services				
	Original	30,88,43,000			
	Supplementary	1,97,67,000	32,86,10,000	34,57,44,459	1,71,34,459
REVENUE AND FORESTS DEPARTMENT					
5.	C-02- Stamps and Registration				
	Original	32,31,80,000			
	Supplementary	2,30,54,000	34,62,34,000	37,86,04,193	3,23,70,193
6.	C-03-Other Taxes and Duties on Commodities and Services				
	Original	5,12,40,000			
	Supplementary	78,05,000	5,90,45,000	6,01,93,640	11,48,640
7.	C-06-District Administration				
	Original	2,70,19,52,000			
	Supplementary	20,56,81,000	2,90,76,33,000	2,97,62,73,896	6,86,40,896

APPENDIX V (contd.)

Sr. No. (1)	Number and name of grant/ appropriation (2) (Rupees)	Total grant/ appropriation (3) (Rupees)	Actual Expenditure (4) (Rupees)	Excess (5) (Rupees)
8.	C-13-Social Security and Welfare Original 7,42,54,000 Supplementary 12,75,000	7,55,29,000	8,53,44,854	98,15,854
9.	C-16-Forestry and Wild Life Original 3,36,86,40,000 Supplementary 16,19,34,000	3,53,05,74,000	3,63,51,00,185	10,45,26,185
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT				
10.	D-02A-Relief on account of Natural Calamities Original 0 Supplementary 7,01,40,000	7,01,40,000	23,77,72,015	16,76,32,015
11.	D-04- Soil and Water Conservation Original 45,80,98,000 Supplementary 2,44,82,000	48,25,80,000	1,80,75,58,386	1,32,49,78,386
12.	D-09-Minor Irrigation Original 2,22,23,000 Supplementary 15,03,000	2,37,26,000	10,81,04,069	8,43,78,069
URBAN DEVELOPMENT DEPARTMENT				
13.	F-06-Secretariat-Social Services Original 2,29,39,000 Supplementary 1,04,74,000	3,34,13,000	3,51,47,174	17,34,174
PUBLIC WORKS DEPARTMENT				
14.	H-04-Forestry and Wild Life Original 3,48,22,000 Supplementary 54,81,000	4,03,03,000	4,19,13,651	16,10,651
15.	H-10-Capital Outlay on Housing Original 29,86,30,000 Supplementary 3,61,67,000	33,47,97,000	34,78,98,873	1,31,01,873

APPENDIX V (contd.)

Sr. No. (1)	Number and name of grant/ appropriation (2) (Rupees)	Total grant/ appropriation (3) (Rupees)	Actual Expenditure (4) (Rupees)	Excess (5) (Rupees)
16.	H-14-Capital Outlay on Removal of Regional Imbalance			
	Original 2,49,34,56,000			
	Supplementary 16,77,92,000	2,66,12,48,000	2,90,93,94,095	24,81,46,095
IRRIGATION DEPARTMENT				
17.	I-03-Major and Medium Irrigation			
	Original 6,17,91,65,000			
	Supplementary 21,56,96,000	6,39,48,61,000	16,44,69,87,221	10,05,21,26,221
18.	I-06-Flood Control and Drainage			
	Original 5,47,08,000			
	Supplementary 3,06,26,000	8,53,34,000	8,87,56,973	34,22,973
19.	I-07-Power			
	Original 21,54,06,000			
	Supplementary 4,52,12,000	26,06,18,000	26,96,78,543	90,60,543
20.	I-09-Secretariat-Economic Services			
	Original 4,36,80,000			
	Supplementary 1,36,48,000	5,73,28,000	6,12,95,390	39,67,390
21.	I-11-Capital Outlay on Major and Medium Irrigation			
	Original 5,62,37,84,000			
	Supplementary 4,25,20,19,000	9,87,58,03,000	10,10,24,98,577	22,66,95,577
22.	I-12-Capital Outlay on Minor Irrigation			
	Original 33,11,31,000			
	Supplementary 1,000	33,11,32,000	67,92,88,479	34,81,56,479
LAW AND JUDICIARY DEPARTMENT				
23.	J-01-Administration of Justice			
	Original 1,63,27,61,000			
	Supplementary 46,63,42,000	2,09,91,03,000	2,17,54,37,978	7,63,34,978

APPENDIX V (contd.)

Sr. No. (1)	Number and name of grant/ appropriation (2) (Rupees)	Total grant/ appropriation (3) (Rupees)	Actual Expenditure (4) (Rupees)	Excess (5) (Rupees)
24.	J-03-Other Administrative Services			
	Original	5,60,57,000		
	Supplementary	71,83,000	6,32,40,000	8,20,85,600
				1,88,45,600
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT				
25.	K-01-Other Taxes and Duties on Commodities and Services			
	Original	12,76,11,000		
	Supplementary	3,05,27,000	15,81,38,000	16,99,79,976
				1,18,41,976
FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT				
26.	M-04-Secretariat-Economic Services			
	Original	2,19,67,000		
	Supplementary	92,20,000	3,11,87,000	3,49,08,767
				37,21,767
27.	M-05-Other General Economic Services			
	Original	7,72,11,000		
	Supplementary	3,25,44,000	10,97,55,000	11,09,23,519
				11,68,519
SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT				
28.	N-08-Social Security and Welfare			
	Original	55,77,25,000		
	Supplementary	8,40,04,000	64,17,29,000	68,51,32,768
				4,34,03,768
29.	N-12-Loans to Government Servants, etc.			
	Original	1,25,05,000		
	Supplementary	28,27,000	1,53,32,000	2,73,63,689
				1,20,31,689
HOUSING AND SPECIAL ASSISTANCE DEPARTMENT				
30.	Q-06-Social Security and Welfare			
	Original	89,02,50,000		
	Supplementary	25,37,61,000	1,14,40,11,000	1,14,55,92,802
				15,81,802

APPENDIX V (contd.)

Sr. No.	Number and name of grant/ appropriation	Total grant/ appropriation	Actual Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
	(Rupees)	(Rupees)	(Rupees)	(Rupees)

PUBLIC HEALTH DEPARTMENT

31.	R-05-Secretariat-Social Services				
	Original	1,85,30,000			
	Supplementary	36,30,000	2,21,60,000	2,65,95,097	44,35,097

MEDICAL EDUCATION AND DRUGS DEPARTMENT

32.	S-01-Medical and Public Health				
	Original	3,09,82,13,000			
	Supplementary	91,55,78,000	4,01,37,91,000	4,18,58,58,143	17,20,67,143

TRIBAL DEVELOPMENT DEPARTMENT

33.	T-01-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes				
	Original	1,94,35,94,000			
	Supplementary	29,89,91,000	2,24,25,85,000	2,29,07,54,086	4,81,69,086
34.	T-04-Co-operation				
	Original	10,88,80,000			
	Supplementary	1,17,20,000	12,06,00,000	12,59,42,073	53,42,073
35.	T-07-Capital Outlay on Tribal Area Development Sub-Plan				
	Original	1,19,47,97,000			
	Supplementary	57,38,37,000	1,76,86,34,000	1,87,33,00,156	10,46,66,156
36.	T-08-Capital Outlay on Removal of Regional Imbalance				
	Original	25,85,89,000			
	Supplementary	27,72,54,000	53,58,43,000	56,63,39,773	3,04,96,773

HIGHER AND TECHNICAL EDUCATION DEPARTMENT

37.	W-04-Art and Culture				
	Original	36,41,32,000			
	Supplementary	5,62,61,000	42,03,93,000	42,15,79,295	11,86,295
38.	W-05-Labour and Employment				
	Original	1,05,40,71,000			
	Supplementary	48,38,60,000	1,53,79,31,000	1,54,86,41,680	1,07,10,680

APPENDIX V (concl'd.)

Sr. No. (1)	Number and name of grant/ appropriation (2)	Total grant/ appropriation (3)	Actual Expenditure (4)	Excess (5)
	(Rupees)	(Rupees)	(Rupees)	(Rupees)

WATER SUPPLY AND SANITATION DEPARTMENT

39.	Y-04-Minor Irrigation			
	Original	9,63,79,000		
	Supplementary	3,22,91,000	12,86,70,000	13,61,44,616
				74,74,616
	Total	61,53,18,86,000	75,41,37,74,992	13,88,18,88,992

II APPROPRIATION

REVENUE AND FORESTS DEPARTMENT

1.	C-08-Other Administrative Services			
	Original	10,000		
	Supplementary	1,000	11,000	60,12,780
				60,01,780

LAW AND JUDICIARY DEPARTMENT

2.	J-01-Administration of Justice			
	Original	26,29,40,000		
	Supplementary	8,99,22,000	35,28,62,000	36,61,02,480
				1,32,40,480

CO-OPERATION AND TEXTILES DEPARTMENT

3.	V-01-Interest Payments			
	Original	44,04,18,000		
	Supplementary	54,00,000	44,58,18,000	46,33,68,894
				1,75,50,894

HIGHER AND TECHNICAL EDUCATION DEPARTMENT

4.	W-03-Technical Education			
	Original	20,000		
	Supplementary	2,20,000	2,40,000	49,48,519
				47,08,519
	Total	79,89,31,000	84,04,32,673	4,15,01,673

Grand Total 62,33,08,17,000 76,25,42,07,665 13,92,33,90,665

Total Supplementary provision : 12,59,42,04,000

APPENDIX VI

(Reference : Paragraph 2.5.1, Page 30)

Statement of various grants/appropriations where expenditure fell short by Rs 1 crore or more in each case and also by 10 per cent or more of the total provision

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)

GENERAL ADMINISTRATION DEPARTMENT

1	A-03-Elections (Revenue-Voted)	34.96 (21)	Mainly due to less expenditure than anticipated and stoppage of work relating to issue of Identity cards on account of elections to Lok Sabha and State Legislature.
2	A-05-Secretariat-General Services (Revenue-Voted)	10.72 (14)	Reasons are awaited (September 2000).

HOME DEPARTMENT

3	B-01-Administration Of Justice (Revenue-Voted)	2.00 (16)	Reasons are awaited (September 2000).
4	B-03-Taxes On Vehicles (Revenue-Voted)	10.30 (17)	Reasons are awaited (September 2000).
5	B-04-Other Taxes and Duties on Commodities and Services (Revenue-Charged)	4.50 (13)	Reasons are awaited (September 2000).
6	B-16-Inland Water Transport (Revenue-Voted)	1.50 (79)	Reasons are awaited (September 2000).
7	B-17-Tourism (Revenue-Voted)	6.63 (54)	Reasons are awaited (September 2000).
8	B-19-Capital Outlay on Other Administrative Services (Capital-Voted)	3.25 (28)	Reasons are awaited (September 2000).

APPENDIX VI (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
REVENUE AND FORESTS DEPARTMENT			
9	C-01-Land Revenue (Revenue-Voted)	14.23 (11)	Mainly due to (i) incurring of expenditure on computerisation from the grant of Tribal Development Department and (ii) delay in finalisation of exhaustive programme for data entry for L.R.I.S
10	C-07-Public Works (Revenue-Voted)	120.91 (73)	Mainly due to non-payment of the expected land compensation award cases after declaration.
11	C-07-Public Works (Revenue-Charged)	35.93 (97)	Mainly due to less expenditure than anticipated.
12	C-14-Relief on Account of Natural Calamities (Revenue-Voted)	62.74 (35)	Mainly due to non-release of grant-in-aid to Calamity Relief Fund by Central Government.
13	C-21-Capital Outlay on Social Security And Welfare (Capital-Voted)	3.97 (98)	Reasons are awaited (September 2000).
14	C-22-Capital Outlay on Forestry and Wild Life (Voted-Capital)	1.63 (10)	Reasons are awaited (September 2000).
15	C-26-Capital Outlay on Power Projects (Capital-Voted)	2.62 (74)	Mainly due to non-receipt of administrative approval to the irrigation schemes and self-employment schemes.
16	C-29-Loans for Social Security and Welfare (Loans and Advances-Voted)	1.83 (46)	Mainly due to surrender of funds as there was no demand for loans for construction of houses from project affected persons.
17	C-30-Loans for Relief on Account of Natural Calamities (Loans and Advances-Voted)	1.78 (71)	Mainly due to surrender of funds as there was less demand for loan from affected persons.

APPENDIX VI (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
18	C-31-Loans for Crop Husbandry (Loans and Advances-Voted)	1.45 (13)	Mainly due to surrender of funds as the 4 th instalment of interest on short term loans to Maharashtra State Farming Corporation Limited, Pune was due in the financial year 2000-2001 only.

AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

19	D-01-Interest Payments (Revenue-Charged)	12.37 (41)	Reasons are awaited (September 2000).
20	D-03-Crop Husbandry (Revenue-Voted)	98.48 (22)	Reasons are awaited (September 2000).
21	D-05-Animal Husbandry (Revenue-Voted)	43.30 (21)	Reasons are awaited(September 2000).
22	D-07-Fisheries (Revenue-Voted)	2.78 (10)	Reasons are awaited(September 2000).
23	D-12-Capital Outlay on Animal Husbandry (Capital-Voted)	1.54 (76)	Mainly due to surrender of funds in proportion to less release of funds by Central Government under 50 per cent sponsored scheme.
24	D-13-Capital Outlay on Dairy Development (Capital-Voted)	1.85 (32)	Reasons are awaited. (September 2000).
25	D-14-Capital Outlay on Fisheries (Capital-Voted)	2.10 (14)	Reasons are awaited. (September 2000).

SCHOOL EDUCATION DEPARTMENT

26	E-01-Interest Payments (Revenue-Charged)	125.87 (36)	Mainly due to less requirement of funds for payment of interest for Aided Non-Government Secondary and Special School Staff.
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APPENDIX VI (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
27	E-02-General Education (Revenue-Voted)	2051.52 (25)	Reasons are awaited (September 2000).
28	E-03-Sports and Youth Services (Revenue-Voted)	16.63 (24)	Mainly due to revision of the scheme 'Maharashtra Cadet Corps'.
29	E-08-Revenue Expenditure on Removal of Regional Imbalance (Revenue-Voted)	3.23 (50)	Mainly due to the fact that there was no demand from the districts for additional divisions under the scheme.

URBAN DEVELOPMENT DEPARTMENT

30	F-03-Urban Development (Revenue-Voted)	125.72 (29)	Mainly due to (i) non-submission of utilisation certificates by some Municipal Corporations resulting in non-receipt of Central Assistance, (ii) non-receipt of Central Assistance resulting in surrender of funds and (iii) cut imposed by Finance Department.
31	F-04-Labour and Employment (Revenue-Voted)	7.48 (75)	Mainly due to release of less grants by Central Government.
32	F-07-Roads and Bridges (Revenue-Voted)	27.96 (49)	Mainly due to non-grant of permission for the distribution by Finance Department.
33	F-08-Ecology and Environment (Revenue-Voted)	4.00 (67)	Reasons are awaited (September 2000).
34	F-10-Capital Outlay on Urban Development (Capital-Charged)	1.00 (100)	Reasons are awaited (September 2000).

APPENDIX VI (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
35	F-12-Loans for Urban Development (Loans and Advances-Voted)	13.38 (58)	Mainly due to transfer of the scheme 'Loans for National Slum Area Development Programme' to Housing and Special Assistance Department.

FINANCE DEPARTMENT

36	G-01-Collection of Taxes on Income and Expenditure (Revenue-Charged)	684.06 (91)	Reasons are awaited (September 2000).
37	G-02-Taxes on Sales, Trade etc. (Revenue-Charged)	394.51 (26)	Due to surrender of funds based on actual requirement.
38	G-08-Other Administrative Services (Revenue-Voted)	3145.77 (99)	Due to surrender of provision made for pay and allowances on the ground that the expenditure was debitible to the respective heads of account to which pay and allowances are debitible.
39	G-09-Pension and Other Retirement Benefits (Revenue-Voted)	1072.66 (40)	Mainly due to receipt of less number of pension cases than anticipated.
40	G-09-Pension and Other Retirement Benefits (Revenue-Charged)	4.50 (99)	Due to non-receipt of annual adjustment from Accountant General, Andhra Pradesh under State Reorganisation Act, 1956.
41	G-10-Miscellaneous General Services (Revenue-Voted)	266.50 (91)	Mainly due to surrender of funds based on actual requirement.
42	G-12-Social Security and Welfare (Revenue-Voted)	2.32 (13)	Due to (i) fluctuating nature of business under Insurance Schemes and (ii) less claims payable to policy holders due to incomplete submission of documents.

APPENDIX VI (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
43	G-14-Internal Debt of the State Government (Loans and Advances-Charged)	1704.20 (79)	Due to surrender of funds based on actual requirements (Rs 500.00 crores). Reasons for the remaining savings are awaited (September 2000).

PUBLIC WORKS DEPARTMENT

44	H-07-Roads and Bridges (Revenue-Voted)	218.51 (21)	Reasons are awaited (September 2000).
45	H-12-Capital outlay on Roads and Bridges (Capital-Voted)	52.86 (10)	Reasons are awaited (September 2000).
46	H-15-Loans to Government Servants, etc (Loans and Advances-Voted)	1.18 (14)	Reasons are awaited (September 2000).

IRRIGATION DEPARTMENT

47	I-10-Capital Outlay on Soil And Water Conservation (Capital-Voted)	12.26 (93)	Due to non-commencement of work in respect of E.E.C Phase II.
48	I-13-Capital Outlay on Flood Control Project (Capital-Voted)	2.78 (48)	Reasons are awaited (September 2000).
49	I-14-Capital Outlay on Power Project (Capital-Voted)	97.40 (32)	Due to non-commencement of work as per plan and non-finalisation of contract for purchase of machinery.
50	I-17-Loans for Soil and Water Conservation (Loans and Advances-Voted)	1.30 (69)	Reasons are awaited (September 2000).

APPENDIX VI (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)

LAW AND JUDICIARY DEPARTMENT

51	J-07-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions (Revenue-Voted)	1.87 (87)	Reasons are awaited (September 2000).
52	J-08-Loans to Government Servants, etc. (Loans and Advances-Voted)	1.53 (27)	Mainly due to receipt of less applications than anticipated.

INDUSTRIES, ENERGY AND LABOUR DEPARTMENT

53	K-09-Industries (Revenue-Voted)	15.10 (23)	Reasons are awaited (September 2000).
54	K-11-Capital Outlay on Stationery and Printing (Capital-Voted)	1.69 (91)	Due to non-sanction of proposals by Government for purchase of machinery.
55	K-14-Other Capital Outlay on Industries and Minerals (Capital-Voted)	2.80 (27)	Due to non-sanction of funds from Central Government.
56	K-15-Loans for Other Social Services (Loans and Advances-Voted)	5.34 (32)	Due to (i) reduction of funds as per the District Planning and Development Board's reappropriation proposals and (ii) Non-availability of sufficient number of beneficiaries.
57	K-18-Other Loans to Industries and Minerals (Loans and Advances-Voted)	3.72 (23)	Reasons are awaited (September 2000).

RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT

58	L-01-Interest Payments (Revenue-Charged)	103.02 (39)	Reasons are awaited (September 2000).
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APPENDIX VI (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
59	L-02-District Administration (Revenue-Voted)	269.59 (66)	Reasons are awaited (September 2000).
60	L-07-Special Programme for Rural Development (Revenue-Voted)	67.27 (60)	Due to non-release of funds by the Central Government (Rs 17.00 crore). Reasons for the remaining savings are awaited. (September 2000).
61	L-08-Rural Employment (Revenue-Voted)	82.72 (41)	Mainly due to release of less Central Share and also refusal to release the funds by Finance Department.
62	L-09-Other Rural Development Programmes (Revenue-Voted)	57.12 (52)	Reasons are awaited (September 2000).
63	L-11-Minor Irrigation (Revenue-Voted)	53.18 (39)	Reasons are awaited (September 2000).
64	L-12-Non-conventional Sources of Energy (Revenue-Voted)	6.00 (100)	Reasons are awaited (September 2000).
65	L-15-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions (Revenue-Voted)	87.13 (47)	Reasons are awaited (September 2000).
66	L-16-Revenue Expenditure on Removal of Regional Imbalance (Revenue-Voted)	28.77 (57)	Reasons are awaited (September 2000).
67	L-17-Capital Outlay on Soil and Water Conservation (Capital-Voted)	34.84 (38)	Mainly due to surrender of funds based on actual requirement and also due to non-receipt of funds from Government.
68	L-20-Capital Outlay on Removal of Regional Imbalance (Capital-Voted)	21.26 (26)	Due to refusal to release the funds by Finance Department (Rs 12.37 crore). Reasons for the remaining savings are awaited (September 2000).

APPENDIX VI (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
69	L-22-Loans for other Rural Development Programmes (Loans and Advances-Voted)	2.50 (100)	Reasons are awaited (September 2000).
70	L-23-Loans for Minor Irrigation (Loans and Advances-Voted)	2.76 (100)	Mainly due to refusal of Finance Department to disburse the funds.
71	L-25-Miscellaneous Loans (Loans and Advances-Voted)	2465.37 (40)	Due to surrender of funds as per directions of Finance Department (Rs 1253.99 crore). Reasons for remaining savings are awaited (September 2000).

FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT

72	M-03-Food, Storage and Warehousing (Revenue-Voted)	226.65 (32)	Mainly due to non-submission of proposals for the scheme of stabilisation of rates of five essential commodities to Finance Department.
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SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT

73	N-03-Sports and Youth Services (Revenue-Voted)	7.48 (19)	Due to (i) receipt of less proposals from the institutes under Special Component Plan Schemes, (ii) non-receipt of administrative sanction to proposals for construction of tanks at Sports Complexes and (iii) non-payment of bills.
74	N-05-Housing (Revenue-Voted)	4.98 (60)	Due to deficiencies in the proposals for acquisition of lands and change of system for sanction of grant for housing.

APPENDIX VI (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
75	N-07-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (Revenue-Voted)	57.41 (16)	Reasons are awaited (September 2000).
76	N-10-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (Capital-Voted)	28.60 (43)	Reasons are awaited (September 2000).
77	N-11-Loans for Welfare of Scheduled Castes, Scheduled tribes and Other Backward classes (Loans and Advances-Voted)	27.97 (41)	Due to non-fulfillment of conditions for the sanction of loans by the Co-operative Spinning Mills (Rs 8.45 crores). Reasons for the remaining savings are awaited (September 2000).

PLANNING DEPARTMENT

78	O-02-Rural Development (Revenue-Charged)	685.03 (87)	Reasons are awaited (September 2000).
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HOUSING AND SPECIAL ASSISTANCE DEPARTMENT

79	Q-01-Interest Payment (Revenue-Charged)	7.28 (51)	Reasons are awaited (September 2000).
80	Q-04-Housing (Revenue-Voted)	93.02 (48)	Reasons are awaited (September 2000).
81	Q-8A-Capital Outlay on Housing (Capital-Voted)	310.00 (100)	Due to non-grant of permission by Finance Department for release of funds.

PUBLIC HEALTH DEPARTMENT

82	R-02-Medical and Public Health (Revenue-Voted)	108.08 (12)	Reasons are awaited (September 2000).
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APPENDIX VI (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
83	R-03-Family Welfare (Revenue-Voted)	63.04 (37)	Reasons are awaited (September 2000).
84	R-07-Capital Outlay on Medical and Public Health (Capital-Voted)	38.16 (100)	Reasons are awaited (September 2000).
TRIBAL DEVELOPMENT DEPARTMENT			
85	T-05-Revenue Expenditure on Tribal Area Development Sub-plan (Revenue-Voted)	378.93 (61)	Reasons are awaited (September 2000).
86	T-06-Revenue Expenditure on Removal of Regional Imbalance (Revenue-Voted)	2.20 (81)	Reasons are awaited (September 2000).
ENVIRONMENT DEPARTMENT			
87	U-01-Interest Payments (Revenue-Charged)	1.35 (61)	Due to non-implementation of Fifth Pay Commission (Rs 0.59 crore). Reasons for the remaining savings are awaited (September 2000).
88	U-04-Ecology and Environment (Revenue-Voted)	12.95 (81)	Due to non-receipt of funds during the year from Central Government which was 100 per cent Centrally Sponsored Scheme.
CO-OPERATION AND TEXTILES DEPARTMENT			
89	V-04-Co-operation (Revenue-Voted)	749.09 (82)	Reasons are awaited (September 2000).
90	V-05-Village and Small Industries (Revenue-Voted)	3.62 (26)	Reasons are awaited (September 2000).

APPENDIX VI (contd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
91	V-09-Capital Outlay on Co-operation (Capital-Voted)	12.25 (12)	Reasons are awaited (September 2000).
92	V-10-Capital Outlay on Village and Small Industries (Capital-Voted)	3.88 (23)	Due to less demands and non-sanction of proposals.
93	V-16-Loans for Village and Small Industries (Loans and Advances-Voted)	15.00 (55)	Due to non-sanction to proposal by the National Co-operative Development Corporation.

HIGHER AND TECHNICAL EDUCATION DEPARTMENT

94	W-01-Interest Payments (Revenue-Charged)	45.15 (58)	Reasons are awaited (September 2000).
95	W-08-Revenue Expenditure on Removal of Regional Imbalance (Revenue-Voted)	3.35 (43)	Reasons are awaited (September 2000).

WOMAN AND CHILD DEVELOPMENT DEPARTMENT

96	X-01-Social Security and Welfare (Revenue-Voted)	5.40 (12)	Reasons are awaited (September 2000).
97	X-02-Nutrition (Revenue-Voted)	279.68 (82)	Mainly due to (i) cut imposed by Finance Department and (ii) less expenditure due to non-implementation of urban and rural projects.

WATER SUPPLY AND SANITATION DEPARTMENT

98	Y-02-Water Supply and Sanitation (Revenue-Voted)	283.97 (29)	Reasons are awaited (September 2000).
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APPENDIX VI (concl'd.)

Sr. No.	Description of grant/appropriation	Amount of saving (Rupees in crore) (Percentage of provision within bracket)	Main reasons for saving
(1)	(2)	(3)	(4)
99	Y-06-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions (Revenue-Voted)	8.79 (95)	Reasons are awaited (September 2000).
100	Y-09-Loans for Water Supply and Sanitation (Loans and Advances-Voted)	140.88 (74)	Reasons are awaited (September 2000).
101	Z-A4-Capital Outlay on Other Social Services (Capital-Voted)	1.00 (100)	Reasons are awaited (September 2000).

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APPENDIX VII

(Reference : Paragraph 2.5.2, Page 30)

Statement of various grants/appropriations where there was persistent savings in excess of Rs 10 lakh each and 20 per cent or more of the provision

Sr. No.	Number and name of grant/ appropriation	Percentage of saving		
		1997-98	1998-99	1999-2000
(1)	(2)	(3)	(4)	(5)

HOME DEPARTMENT

1	B-17 - Tourism (Voted)	56	60	54
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REVENUE AND FORESTS DEPARTMENT

2	C-14-Relief on account of Natural Calamities (Charged)	100	100	100
3	C-18 - Other General Economic Services (Voted)	100	100	100
4	C-21-Capital Outlay on Social Security and Welfare (Voted)	60	97	98
5	C-21-Capital Outlay on Social Security and Welfare (Charged)	100	100	100
6	C-23-Capital Outlay on Agricultural Research and Education (Voted)	49	27	25
7	C 26 Capital Outlay on Power Projects (Voted)	39	47	73
8	C-29 Loans for Social Security and Welfare (Voted)	27	46	46
9	C-30 Loans for Relief on account of Natural Calamities (Voted)	57	26	71

AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT

10	D-06-Dairy Development (Charged)	100	100	97
11	D-13 Capital Outlay on Dairy Development (Voted)	63	38	32

APPENDIX VII (contd.)

Sr. No.	Number and name of grant/ appropriation	Percentage of saving		
		1997-98	1998-99	1999-2000
(1)	(2)	(3)	(4)	(5)

SCHOOL EDUCATION DEPARTMENT

12	E-8-Revenue Expenditure on Removal of Regional Imbalance (Voted)	42	48	50
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URBAN DEVELOPMENT DEPARTMENT

13	F-10-Capital Outlay on Urban Development (Charged)	100	100	100
14	F-12-Loans for Urban Development (Voted)	80	73	58
15	F-13-Loans to Government Servants, etc. (Voted)	65	61	36

FINANCE DEPARTMENT

16	G-8-Other Administrative Services (Voted)	100	100	100
17	G-14-Internal Debt of the State Government (Charged)	98	97	79

LAW AND JUDICIARY DEPARTMENT

18	J-8-Loans to Government Servants, etc. (Voted)	50	42	27
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INDUSTRIES, ENERGY AND LABOUR DEPARTMENT

19	K-11-Capital Outlay on Stationery and Printing (Voted)	65	31	91
20	K-13-Capital Outlay on Co-operation (Voted)	39	39	27
21	K-15-Loans for Other Social Services (Voted)	21	30	32

APPENDIX VII (concl.)

Sr. No.	Number and name of grant/ appropriation	Percentage of saving		
		1997 -98	1998-99	1999-2000
(1)	(2)	(3)	(4)	(5)

**RURAL, DEVELOPMENT AND WATER CONSERVATION
DEPARTMENT**

22	L-17-Capital Outlay on Soil and Water Conservation (Voted)	50	47	38
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**FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION
DEPARTMENT**

23	M -7-Internal Debt of State Government (Charged)	100	100	100
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**SOCIAL WELFARE , CULTURAL AFFAIRS AND SPORTS
DEPARTMENT**

24	N-5-Housing (Voted)	31	30	60
25	N-10-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (Voted)	75	85	43

ENVIRONMENT DEPARTMENT

26	U-4-Ecology and Environment Department (Voted)	87	94	81
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CO-OPERATION AND TEXTILES DEPARTMENT

27	V-16-Loans for Village and Small Industries (Voted)	63	20	55
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APPENDIX VIII

(Reference : Paragraph 2.6.1; Page 30)

Cases of significant excess persistently noticed

Sr. No.	Number and name of grant/ appropriation	Amount of excess		
		1997-98 (3) (Rupees	1998-99 (4) in	1999-2000 (5) lakh)
1	B-02-State Excise	83.54	60.74	152.44
2	B-08-Other Administrative Services	137.83	127.36	171.34
3	D-09-Minor Irrigation	3.85	4.83	843.78
4	H-14-Capital Outlay on Removal of Regional Imbalance	450.44	2382.39	2481.46
5	I-03-Major and Medium Irrigation	32402.48	41362.00	100521.26
6	I-12-Capital Outlay on Minor Irrigation	72.51	449.76	3481.56
7	L-21-Loans for Housing	0.97	3.90	1.71
8	M-04-Secretariat-Economic Services	5.96	10.81	37.22
9	M-05-Other General Economic Services	7.39	1.08	11.69
10	S-01-Medical and Public Health	1427.77	1875.90	1720.67
11	T-07-Capital Outlay on Tribal Area Development Sub-Plan	1621.41	77.71	1046.66
12	W-04-Art and Culture	112.17	25.44	11.86

APPENDIX IX

(Reference: Paragraph 2.6.2, Page 30)

Statement of various grants/appropriations where expenditure exceeded the approved provision by Rs 25 lakh or more and also by more than 10 per cent of the total provision

Sr. No	Number and name of grant/appropriation	Amount of excess (Rupees in crore) (percentage to provision within bracket)	Reasons for excess
(1)	(2)	(3)	(4)
1	C-08-Other Administrative Services (Revenue-Charged)	0.60 (54562)	Reasons are awaited (September 2000).
2	C-13-Social Security and Welfare (Revenue-Voted)	0.98 (13)	Reasons are awaited (September 2000).
3	C-24-Capital Outlay on Major and Medium Irrigation (Capital-Voted)	3.79 (57)	Reasons are awaited (September 2000).
4	D-02A-Relief on account of Natural Calamities (Revenue-Voted)	16.76 (239)	Reasons are awaited (September 2000).
5	D-04-Soil and Water Conservation (Revenue-Voted)	132.50 (275)	Reasons are awaited (September 2000).
6	D-09-Minor Irrigation (Revenue-Voted)	8.44 (356)	Reasons are awaited (September 2000).
7	F-10-Capital Outlay on Urban Development (Capital-Voted)	4.50 (896)	Reasons are awaited (September 2000).
8	H-09-Public Works and Administrative and Functional Buildings (Revenue-Charged)	0.57 (34)	Reasons are awaited (September 2000).
9	I-03-Major and Medium Irrigation (Revenue-Voted)	1005.21 (157)	Reasons are awaited (September 2000).
10	I-12-Capital Outlay on Minor Irrigation (Capital-Voted)	34.82 (105)	Reasons are awaited (September 2000).

APPENDIX IX (concl'd.)

Sr. No.	Number and name of grant/appropriation	Amount of excess (Rupees in crore) (percentage to provision within bracket)	Reasons for excess
(1)	(2)	(3)	(4)
11	J-03-Other Administrative Services (Revenue-Voted)	1.88 (30)	Reasons are awaited (September 2000).
12	M-04-Secretariat-Economic Services (Revenue-Voted)	0.37 (12)	Reasons are awaited (September 2000).
13	M-06-Capital Outlay on Food Storage and Warehousing (Capital-Voted)	339.95 (17)	Reasons are awaited (September 2000).
14	N-12-Loans to Government Servants etc. (Loans and Advances-Voted)	1.20 (78)	Reasons are awaited (September 2000).
15	R-05-Secretariat-Social Services (Revenue-Voted)	0.44 (20)	Reasons are awaited (September 2000).
16	W-03-Technical Education (Revenue-Charged)	0.47 (1962)	Reasons are awaited (September 2000).
17	X-05-Aid Materials and Equipments (Revenue-Voted)	1.78 (646)	Reasons are awaited (September 2000).
18	Y-01-Interest Payments (Revenue-Charged)	2.78 (23)	Reasons are awaited (September 2000).

APPENDIX X

(Reference : Paragraph 2.7; Page 30)

Cases where injudicious reappropriation of funds proved excessive or insufficient

Sr. No.	Grant Number and title of Grant/ Appropriation	Head of Account	Reappropriation	Excess (+)/ Saving(-)
(1)	(2)	(3)	(4) (Rupees	(5) in lakh)
1	A-06-Public Works	2059.80.102.(i).21.MW	(-)15.88	(+)43.86
2	B-06-Police	2055.108.(i).CPGM	(+)11778.89	(-)11621.99
3	C-01-Land Revenue	2029.001.(i).LAE	(-)325.92	(+)141.43
4	C-02-Stamps and Registration	2030.01.102.ESS	(-)15.78	(+)32.18
5	C-02-Stamps and Registration	2030.001(ii).MGPRO.Pune	(-)15.12	(+)41.23
6	C-02-Stamps and Registration	2030.01(iii).IGRCS	(+)15.78	(-)31.72
7	C-06-District Administration	2053.094(ii).COCI	(+)131.84	(-)43.08
8	C-07-Public Works	2059.80.800.20.PAAL	(-)310.70	(+)665.41
9	C-13-Social Security and Welfare	2235.01.202.(iii)(ii)(i)to (ii)(7).RPAP	(-)24.61	(+)139.58
10	C-16-Forestry and Wild Life	2406.105.(i).EGA.(c).T	(-)86.98	(+)99.02
11	C-16-Forestry and Wild Life	2406.01.101.(iii)(ii).AR	(+)59.55	(-)255.64
12	C-16-Forestry and Wild Life	2406.01.101.(ix).CA	(+)44.66	(-)63.65
13	C-16-Forestry and Wild Life	2406.01.101.(xix).RADBD	(-)654.01	(+)330.01
14	C-16-Forestry and Wild Life	2406.105.(i).EGA.(a).T	(-)133.91	(+)39.74

APPENDIX X(contd.)				
Sr. No.	Grant Number and title of Grant/ Appropriation	Head of Account	Reappropriation	Excess (+)/ Saving(-)
(1)	(2)	(3)	(4)	(5)
			(Rupees	in lakh)
15	C-16-Forestry and Wild Life	2406.105.(i).EGA.(e).B	(-)45.95	(+)30.57
16	C-22-Capital Outlay on Forestry and Wild Life	4406.102(ii)(viii).WBAMFP	(-)135.64	(+)49.36
17	D-03-Crop Husbandry	2401.108.001(i)(f).EZP	(+)813.18	(-)3288.09
18	D-03-Crop Husbandry	2401.800(ii).(ii)(I).ISSCP	(+)134.42	(-)3188.48
19	D-03-Crop Husbandry	2401.119.(iii)(b)(i).EHN	(+)56.14	(-)127.05
20	D-03-Crop Husbandry	2401.800(i)(a).SCP-IS	(+)27.33	(-)532.95
21	D-03-Crop Husbandry	2401.800(ii)(ii).ACS	(-)400.00	(+)131.39
22	D-03-Crop Husbandry	2401.113.(ii)(iv).SIFIA	(-)22.40	(+)67.38
23	D-03-Crop Husbandry	2401.119.(iii)(b)(vi).SCP	(-)10.00	(+)41.41
24	D-03-Crop Husbandry	2401.003.(ii).(i).EVNKVS	(-)30.95	(+)81.13
25	D-04-Soil and Water Conservation	2402.001.(i).SCCMD	(-)19.45	(+)35.88
26	D-07-Fisheries	2405.001.(i)(a).HORO	(+)176.53	(-)124.13
27	D-07-Fisheries	2405.101.(i)(a).(ii)(a).FSF	(+)113.52	(-)81.40
28	E-02-General Education	2202.02.191(iii)(a).(iii)(b).GIAOLBSE	(+)1906.00	(-)2745.13
29	G-05-Interest Payments	2049.03.104.ISPF	(-)8340.87	(+)19600.71
30	G-09-Pension and Other Retirement Benefits	2071.105.FP	(+)6567.56	(-)14516.70

APPENDIX X(contd.)				
Sr. No.	Grant Number and title of Grant/ Appropriation	Head of Account	Reappropriation	Excess (+)/ Saving(-)
(1)	(2)	(3)	(4) (Rupees	(5) in lakh)
31	G-09-Pension and Retirement Benefits	2071.111.PL	(+)350.82	(-)339.90
32	G-10-Miscellaneous	2075.103.SLDLML	(-)899.06	(+)349.47
33	H-02-Housing	2216.80.001.DAIAT	(+)448.27	(-)905.21
34	H-07-Roads and Bridges	3054.04.DORSCP	(+)682.41	(-)4956.31
35	H-07-Roads and Bridges	3054.04.800.(iii).EGZP	(+)344.06	(-)1141.16
36	H-07-Roads and Bridges	3054.04.010.(i).O(SRF)	(-)173.07	(+)1297.75
37	H-09-Public Works	2059.80.001.(viii).EGZP	(+)1115.15	(-)3896.13
38	H-09-Public Works	2059.01.053.(iii).RB	(-)300.00	(+)1280.91
39	H-09-Public Works	2059.052.(ii).PGZP	(-)121.11	(+)217.53
40	H-12-Capital Outlay on Roads and Bridges	5054.04.010.MNP	(-)238.09	(+)183.78
41	H-14-Capital Outlay on Roads and Bridges	5054.03.DOR	(-)1179.32	(+)2697.93
42	I-02-Soil and Water Conservation	2402.102.(a).RKKL	(-)30.00	(+)117.93
43	I-03-Major and Medium Irrigation	2701.80.001.(2).(ii).(a).(b).CS	(-)265.08	(+)611.49
44	I-03-Major and Medium Irrigation	2701.80.002.(iv).MW	(-)73.00	(+)225.22
45	I-03-Major and Medium Irrigation	2701.80.004.(vi).W	(-)10.58	(+)149.96

APPENDIX X(contd.)

Sr. No.	Grant Number and title of Grant/ Appropriation	Head of Account	Reappropriation	Excess (+)/ Saving(-)
(1)	(2)	(3)	(4) (Rupees	(5) in lakh)
46	I-11-Capital Outlay on Major and Medium Irrigation	4701.01.79.S(CADA)	(-)19.80	(+)67.23
47	I-12-Capital Outlay on Minor Irrigation	4702.190.(iv)SCCGMIDC	(-)367.90	(+)1050.00
48	I-12-Capital Outlay on Minor Irrigation	4702.800.(i).(i).NMIS	(-)107.28	(+)188.87
49	I-12-Capital Outlay on Minor Irrigation	4702.2.(i).NMIS	(-)299.84	(+)35.62
50	L-11-Minor Irrigation	2702.80.001.(v).(a).GP	(-)14.32	(+)456.70
51	L-20-Capital Outlay on Minor Irrigation	4702.800.(i).MIW	(+)216.68	(-)1099.49
52	M-03-Food, Storage and Warehousing	2408.01.101.(iii).(b).M	(-)252.51	(+)192.28
53	M-03-Food, Storage and Warehousing	2408.01.101.(iv).(a).MC	(+)32.87	(-)101.99
54	M-06-Capital Outlay on Food, Storage and Warehousing	4408.01.(i).(a).MCCP	(-)23722.83	(+)40135.81
55	N-07-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2225.01.001.(i)(d).EGZP	(+)55.05	(-)278.02
56	N-07-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2225.01.277.(4).(i)(a).GIAZP	(+)25.73	(-)2563.69

APPENDIX X(contd.)

Sr. No.	Grant Number and title of Grant/ Appropriation	Head of Account	Reappropriation	Excess (+)/ Saving(-)
(1)	(2)	(3)	(4) (Rupees	(5) in lakh)
57	N-07-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2225.01.277.(4).(ii)(i).GIAZP	(+)28.82	(-)779.56
58	N-08-Social Security and Welfare	2235.02.101.(4).(i)(a).GIAIMD	(-)47.52	(+)77.59
59	Q-02-District Administration	2053.093.(i).GE	(-)139.82	(+)543.81
60	Q-02-District Administration	2053.094.(ii).SBWSSY	(-)20.72	(+)167.39
61	Q-04-Housing	2216.80.103.(xi).NSDP	(+)1769.05	(-)3334.20
62	Q-04-Housing	2216.01.(3).(i).TLFCSDSIF	(-)355.00	(+)411.83
63	Q-06-Social Security and Welfare	2235.02.104.(2).FAIOL	(-)692.00	(+)1914.76
64	R-02-Medical and Public Health	2210.01.102.(I).ESISGMMA	(-)189.62	(+)1892.25
65	T-05-General Education	2202	(+)327.35	(-)1681.87
66	T-05-Nutrition	2236	(+)241.16	(-)5717.93
67	T-05-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2225	(+)436.55	(-)913.21
68	T-05-Minor Irrigation	2702	(+)177.56	(-)700.39
69	T-05-Roads and Bridges	3054	(+)23.63	(-)218.75

APPENDIX X(concl'd.)

Sr. No.	Grant Number and title of Grant/ Appropriation	Head of Account	Reappropriation	Excess (+)/ Saving(-)
(1)	(2)	(3)	(4) (Rupees	(5) in lakh)
70	T-07-Capital Outlay on Roads and Bridges	5054	(-)231.18	(+)1757.27
71	V-09-Capital Outlay on Co-operation	4425.108.(iv)(ii)(i).SCCSM	(-)180.55	(+)1252.24
72	X-01-Social Security and Welfare	2235.02.102.II(a).GIAVA	(+)48.12	(-)148.92
73	X-01-Social Security and Welfare	2235.02.103.(III).(15)(b). GZP	(+)40.41	(-)431.64

APPENDIX XI
(Reference: Paragraph 2.8; Page 30)

Statement of cases where expenditure on New Service/New Instrument of Service was met by reappropriation without obtaining the requisite approval of Legislature

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
1.	A-17	7610-Loans to Government Servants, etc. 201-House Building Advances (ii)-For other Officers/Employees	43.90
2.	B-04	2045-Other Taxes and Duties on Commodities and Services 104-Collection charges- Taxes on goods and passengers.	54.59
3.	B-05	2052-Secretariat- General Services 090-Secretariat (i) (i) Home Department	250.29
4.	B-06	2055-Police 105-Border Security Force	78.05
5.	B-06	2055-Police 108-State Head Quarters police (i) Commissionerate of Police, Greater Mumbai	11778.89
6.	C-14	2245-Relief on Account of Natural Calamities 02-Flood, cyclones etc 001-Direction and Administration World Bank Aided Maharashtra Emergency Earthquake Rehabilitation Project Scheme in the Five Years Plan 001(i)-Mantralaya Establishment	38.94
7.	C-14	2245-Relief on Account of Natural Calamities 800-Other Expenditure (i)(a)-Expenditure on Collector Establishment	42.12

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
8.	C-14	2245-Relief on Account of Natural Calamities 800-Other Expenditure 800(iii)(c)-Public Building	58.04
9.	C-14	2245-Relief on account of Natural calamities 800-Other expenditure (ii)(f)-Rural Water Supply	285.99
10.	C-14	2245-Relief on Account of Natural calamities 800-Other Expenditure (v)(c)-Technical Assistance	142.61
11.	C-16	2406-Forestry and Wild Life 101-Forest Conservation and Development (iii)-Reafforestation of degraded Forest	24.22
12.	C-16	2406-Forestry and Wild Life 101-Forest Conservation and Development 101(iv)Fire and Forest protection	201.41
13.	C-16	2245-Forestry and Wild Life 105-Forest produce (ii)-Maintenance of Depots	56.26
14.	C-16	2245-Forestry and Wild Life 105-Forest produce (iv)-Exploitation by forest labourers' Co-operative Societies-Supervision	100.41
15.	C-16	2245-Forestry and Wild Life 105-Forest produce (vi)-Marking of Coupes	38.01
16.	C-16	2245-Forestry and Wild Life 800-Other Expenditure (iv)-Forest parks	20.04
17.	C-16	2245-Forestry and Wild Life 101-Forestry Conservation and Development 101(xii)-Village Eco-Development and Tribal Development	149.64

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
18.	C-16	2245-Forestry and Wild Life 01-Forestry 101-Forest Conservation and Development Schemes in Five Year Plan World Bank Aided Maharashtra Forestry Project. (x)-Maharashtra Forestry Project Co-ordination unit	377.90
19.	C-16	2245-Forestry and Wild Life 01-Forestry 101-Forest Conservation and Development (ix)-The compensatory afforestation in replacement of the the forest land proposed to be used for non-forest use	44.66
20.	C-24	4701-Capital Outlay on Major and Medium Irrigation 37-Major works World Bank Aided Major Irrigation Project (2)-Krishna project	76.14
21.	C-24	4701-Capital Outlay on Major and Medium Irrigation 37-Major works World Bank Aided Major Irrigation Project (5)-Upper Painganga	34.00
22.	C-24	4701-Capital Outlay on Major and Medium Irrigation 37-Major Works (2)-Tillari project	49.00
23.	C-24	4701-Capital Outlay on Major and Medium Irrigation 37-Major works World Bank Aided Major Irrigation Project (3)-Bhima Ujjani	93.43

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
24.	D-03	2401-Crop Husbandry 800-Other Expenditure 800(ii)-Schemes in the Five Year Plan State plan Scheme-Special Component plan (ii)(i)Input subsidy under Special Component Plan	134.42
25.	D-03	2401-Crop Husbandry 119-Horticulture and vegetable crops 119(iii)(b)(i)-Establishment of Horticulture Nurseries	56.14
26.	D-05	2403-Animal Husbandry 101-Veterinary Services and Animal Health (viii)(vi)(b)-Plan grants to Zilla Parishads	59.96
27.	D-05	2403-Animal Husbandry 102-Cattles and Buffalo Development 102(ix)(ix)(b)-Subsidy for supply of milch animals under self-employment creation programme	86.70
28.	D-07	2405-Fisheries 001-Direction and Administration (i)(a)-Head Office and Regional office	176.53
29.	D-07	2405-Fisheries 101-Inland fisheries (i)(a)-and 101(ii)(a)-Fish seed farms	113.52
30.	E-01	2049-Interest Payments 104-Interest on provident funds (ii)-Contributory (c)-Interest on provident funds of private primary schools of staff-Interest	1702.54
31.	E-02	2202-General Education 107-Teacher's training 107(II)(a)-Assistance to non-government junior colleges of Education 107(II)(a)(4)-Assistance to Local Bodies for Teacher's Training	51.55

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
32.	E-02	2202-General Education. 80-General 800-Other expenditure. 800(x)(b)(iii)-Free Education to the students studying up to the Xth Standard	37.60
33	E-02	2202-General Education 80 General 800(XIV)(a)-(b)(i) -Free Education to the children of teachers and non-teaching staff of Secondary Higher Secondary Schools and D.Ed course	54.82
34.	E-02	2202-General Education 80-General 800(XVII)(a)-Ahilyabai Holkar's scheme-Free S.T travelling for school going girls.	152.48
35.	E-03	2204-Sports and Youth Services 102-Youth Welfare Programmes for Students (I)-National Cadet Corps	107.36
36.	G-05	2049-Interest payments 305-Management of Debt	44.80
37.	G-05	2049-Interest payments 104-Interest on Loans for Non-plan schemes (ii)-Share of small saving collections	6813.44
38	G-09	2071-Pension and other retirement benefits 105-Family pension	6567.56
39	G-09	2071-Pension and other retirement benefits 109-Pensions to Employees of State Aided Educational Institutions	1110.54
40	H-07	3054-Roads and Bridges 04-District and Other Roads Special Component Plan (State Road Fund)	682.41

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
41	H-07	3054-Roads and Bridges 04-District and Other Roads 800-Other Expenditure-Maintenance and Repairs (iii)-Establishment-Grants to Zilla Parishads for work-charged daily rated staff brought on regular establishment	344.06
42	H-07	3054-Roads and Bridges 03-State Highways 101-Bridges (ii)-Central Road Fund (Allocation)-Major Works	40.49
43	H-07	3054-Roads and Bridges 80-General 001-Direction and Administration (Inter Account Transfer-Establishment charges <i>pro rata</i> from 2059-Public works)	76.58
44	H-09	2059-Public works 80-General 001-Direction and Administration (iv)-Supervision	305.93
45	H-12	5054-Capital Outlay on Roads and Bridges 03-State Highways 101-Bridges Major works, Establishment charges Tools and Plant charges	1643.35
46	H-12	5054-Capital Outlay on Roads and Bridges 04-District and Other Roads 800-Other expenditure (vi)-Special programme for construction of Sakavs in Hill Areas	234.22
47	H-12	5054-Capital Outlay on Roads and Bridges 80-General 001-Direction and Administration Schemes in Five Year Plan Special establishment for Mumbai Road Development Plan-S.E Special Project circle, New Mumbai (iv)-Supervision	23.35

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
48	H-13	4225-Capital Outlay on welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 277-Education – Major works-Establishment charges-Tools and plant charges	59.39
49	H-13	4250-Capital Outlay on Other Social Services 201-Labour-Craftsman training schemes in the Five Year Plan-Building-Major works Establishment charges-Tools and plant Charges	66.20
50	I-03	2701-Major and Medium Irrigation 80-General 003-Training (ii)-Grant-in-aid Grant-in-aid-Payment to WALMI	77.00
51	I-03	2701-Major and Medium Irrigation 80-General 002-Data collection (iii)-Suspense (Debit)	51.65
52	I-03	2701-Major and Medium Irrigation 01-Major Irrigation-Commercial Major projects Maintenance and Repairs (30)-Nalganga project (S.E.A.I.C., Akola)	22.16
53	I-03	2701-Major and Medium Irrigation 80-General 001-Direction and Administration (1)-Technical Control and Supervision (i)(a)-Establishment	23.70
54	I-07	2801-Power 80-General Schemes in the Five Year Plan 004(ii)-Survey and Investigation-Establishment	31.49
55	I-11	4701-Capital Outlay on Major and Medium Irrigation 01-Major project-Commercial- Non-Command Area Development- Major Projects- (1)-Surya (T.I.C.Thane)	182.29

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
56	I-11	4701-Capital Outlay on Major and Medium Irrigation 01-Major projects-Commercial Non command Area Development- Major Projects- (3)-Tillari (R.I.C., Ratnagiri)	700.00
57	I-11	4701-Capital Outlay on Major and Medium Irrigation 01-Major Projects-Commercial Non-command Area Development- Major Projects- (62)-Pench (Non C.A.D.A Works) (C.A.D.A Nagpur)	83.00
58	I-11	4701-Capital Outlay on Major and Medium Irrigation 01-Major Projects-Commercial- Non command Area Development- Major projects 103-Pench (Administrator-C.A.D.A) (Bagh Itiadoh, Nagpur)	35.03
59	I-12	4702-Capital Outlay on Minor Irrigation 190-Investment in public sector and other undertakings (i) Share capital contribution to Maharashtra Krishna Valley Development Corporation	470.71
60	I-14	4801-Capital Outlay on power projects 01-Hydel generation 001-Direction and Administration (i)(a)-Establishment	1021.71
61	I-14	4801-Capital Outlay on power projects 01-Hydel Generation 001-Direction and Administration (ii)-Hydro Electric Schemes 26-Warna Hydro Electric project	116.07
62	I-14	4801-Capital Outlay on power projects 01-Hydel Generation 001-Direction and Administration (iii)-Hydro electric Schemes 20-Dudhganga Hydro electric project	165.89

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
63	I-16	4701-Capital Outlay on Major and Medium Irrigation 190-Investment in public sector and other undertakings Share capital contribution to Maharashtra Krishna Valley Development Corporation	9922.00
64	I-16	4702-Capital Outlay on Minor Irrigation 800-Other Expenditure 190(ii)-Share Capital to Vidarbha Irrigation Development Corporation	1210.24
65	I-16	4702-Capital Outlay on Minor Irrigation 190-Investment in Public Sector (i)-Share Capital Contribution to Maharashtra Krishna Valley Development Corporation	5396.29
66	I-16	4702-Capital Outlay on Minor Irrigation 190-Investment in Public Sector and other undertakings (iv)-Share capital contribution to 'Vidharbha Irrigation Development Corporation'	1210.24
67	K-14	4885-Other Capital Outlay on Industries and Minerals 800-Other expenditure 800(11)-Expenditure by Government of India Industrial Growth Centre	300.00
68	L-02	2053-District Administration 101(i)-Commissioner's Inspection Units for Panchayat Raj Institution (staff for the work in connection with reconciliation of expenditure on loan granted under Community Development Programme)	33.12
69	L-05	2406-Forestry and Wild Life 01-Forestry 001-Direction and Administration Schemes in the five year plan State plan schemes (i)-Director of social forestry and conservator of forest	55.75

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
70	L-05	2406-Forestry and Wild Life 102-Social and farm forestry Work charged daily rated staff on Regular Establishment under Social Forestry.	174.04
71	L-09	2515-Other Rural Development Programmes 101-Panchayati Raj (e)-Grant-in-aid to Panchayati Raj Institutions for various development schemes as per recommendation of 10th Finance Commission	1735.00
72	L-11	2702-Minor Irrigation 191-Assistance to Local Bodies Local Sector - Plan grants to Zilla Parishad under Section 187 of Maharashtra Zilla Parishad and Panchayat Samiti Act, 1961 (ii)-Kolhapur type weirs (b)-Special Component Plan	27.00
73	L-17	4402-Capital Outlay on Soil and Water Conservation 102-Soil Conservation 102(ii)(vi)-Ideal Village Development	283.33
74	L-25	7615-Miscellaneous Loans 200-Miscellaneous loans (ii)-Schemes handed over to the Zilla Parishads under Section 123 of the Maharashtra Zilla Parishad and Panchayat Samitis Act, 1961	1000.47
75	M-03	2408-Food, Storage and Warehousing 01-Food 101-Procurement and Supply (iv)-Establishment of State Council, State Commission and District Forum under the Consumer Protection Act(1986) (a)-Mumbai city	32.87
76	M-03	2408-Food, Storage and Warehousing 01-Food 101-Procurement and Supply (ii)-Rationing (a)-Mumbai Rationing Area	966.43

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
77	M-03	2408-Food, Storage and Warehousing 01-Food 101-Procurement and Supply (iv)-Establishment of State Council-State Commission and District forum under the Consumers Protection Act(1986) (b) Mofussil	72.98
78	M-06	4408-Capital Outlay on Food, Storage and Warehousing 01-Food (i) Procurement, Distribution and Price Control (b)-Mofussil Cost of Purchase	18605.83
79	N-03	2204-Sports and Youth Services 104-Sports and games (i)(m) and (ii)(ii) Grant-in-aid to Gymnasia	22.67
80	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 001-Direction and Administration (i)(d)-Establishment Grants to Zilla Parishads under Section 182 of the Maharashtra Zilla Parishad and Panchayat Samiti Act, 1961	55.05
81	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 277-Education 4-Grant-in-aid to Zilla Parishads (i)(a)-Grant-in-aid to Zilla parishads under Section 182 of the Zilla Panchayat Samitis Act, 1961	25.73
82	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 277-Education 4-Grant-in-aid to Zilla Parishads (ii)(i)-Plan grants to Zilla Parishads under Section 187 of Maharashtra Zilla Parishad and Panchayat Samiti Act, 1961.	28.82

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
83	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 001-Direction and Administration (i)(a)-Directorate of Social Welfare (B.C wing)	393.24
84	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 277-Education (i)-Hostels (i)(a)-Maintenance of Government Hostels for Scheduled Castes Boys and Girls	197.95
85	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 03-Welfare of Backward Classes 277-Education (II)-Welfare of Backward Classes (1)-Hostels (i)(a)-Opening and maintenance of Government Hostels for Economically Backward Class Girls/Boys	76.46
86	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 277-Education (2)-Scholarships and stipends (i)(d) and (ii)(ii) Payment of Tuition fees and Examination fees.	99.61
87	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 277-Education (2)-Scholarships and stipends (i)(f) and (ii)(ii)(v) Prematric scholarships for children of those engaged in unclean occupations	32.37

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
88.	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 277-Education (2)-Scholarships and stipends (ii)(viii) Government of India Post-Matric Scholarships	518.31
89.	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 800-Other expenditure (i)(a) and (ii)(ii) Scheme of monetary relief to the members of families in Scheduled Castes and Scheduled Tribes becoming victims of atrocities.	89.75
90.	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 800-Other Expenditure (Centrally Sponsored Scheme) (i)(a)and (ii)(ii)Scheme for monetary Relief to the members of families in Scheduled Castes and Scheduled Tribes becoming victims of atrocities	94.47
91	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 01-Welfare of Scheduled Castes 800-Other expenditure (ii)(iv)Improvement of Dalit Bastis	200.00
92	N-07	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 03-Welfare of Backward Classes 277-Education (2)- Scholarships/stipends (i)(a) and (ii)(i) State Government Post-Matric scholarships	278.64

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
93	N-08	2235-Social Security and Welfare 02-Social Welfare 101-Welfare of Handicapped (3)-Education and welfare of orthopaedically handicapped (i)(a) Maintenance of Government institutions	28.38
94	N-08	2235-Social Security and Welfare 02-Social Welfare 101-Welfare of handicapped (3)-Education and welfare of orthopaedically handicapped (i)(c)-Mixed Group complex for physically handicapped	53.63
95	N-08	2235-Social Security and Welfare 02-Social Welfare 101-Welfare of handicapped (5)-Other scheme for physically handicapped (i)(e)-Establishment of Legal centers for giving guidance to physically handicapped	25.67
96	Q-04	2216-Housing 01-Government Residential Buildings (3)-Slum Improvement Fund (b)- Additional collector (Encroachment)	129.00
97	Q-04	2216-Housing 01-Government Residential Buildings (3)-Slum Improvement Fund (iii)-Staff for management of slums (d)-Unauthorised structures-Greater Mumbai	39.28
98	T-05	2702-Minor Irrigation	177.56
99	T-05	2405-Fisheries	23.09
100	T-05	2406-Forestry and Wild Life	87.13
101	T-07	4059-Capital Outlay on Public works	57.45

APPENDIX XI (contd.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
102	T-07	4202-Capital Outlay on Education, Sports, Art and Culture	73.46
103	T-07	4406-Capital Outlay on Forestry and Wild Life	98.73
104	V-04	2425-Co-operation 001(i)(j) Staff for Co-operative courts	50.32
105	V-05	2851-Village and Small Industries 110-Composite Village and Small Industries and Co-operatives (i)(d)-Block Level Village Artisans (Balutedars) Multipurpose Societies Grant-in-aid to Khadi and Village Industries Board	29.56
106	V-09	4425-Capital Outlay on Co-operation 108(iii)(ii)(ii)-Share capital contribution to sugar factories (NCDC)	184.47
107	V-09	4425-Capital outlay on Co-operation 108(iii)(ii)(i)-Share capital contribution to Co-operative sugar factories	720.00
108	V-10	4851-Capital outlay on Village and Small Industries 109(ii)(vii)-Share capital contribution to the powerloom Co-operative societies	31.04
109	V-12	5475-Capital Outlay on other General Economic Services 102-Civil Supplies (i)(ii)(vi)-Share capital contribution to the urban Co-operative consumer societies	32.10
110	X-01	2235-Social Security and Welfare 02-Social welfare 102-Child welfare II(a)-Grant-in-aid to Voluntary Agencies running by fit persons Institution-Remand Homes.	48.12

APPENDIX XI (concl.)

Sr. No. (1)	Grant No. (2)	Major Head (3)	Amount (Rupees in lakh) (4)
111	X-01	2235-Social Security and Welfare 02-Social Welfare 103-Women's welfare (III)-Other schemes (15)(b)-Grant to Zilla Parishads under section 187 of the Maharashtra Zilla Parishad and Panchayat Samities Act, 1961	40.41
112	X-01	2235-Social Security and Welfare 02-Social Welfare 102-Child Welfare (v)(a)and (b)-Non-Institutional service for destitute children.	84.99
Total			82918.23

APPENDIX - XII

(Reference : Paragraph 2.9; Page 31)

Statement of cases where expenditure was incurred without any provision of funds

Sr. No. (1)	Grant No. (2)	Head of Account (3)	Expenditure (Rupees in lakh) (4)
HOME DEPARTMENT			
1.	B-06	2055 - Police 102 - Central Reserve Police Force	62.12
REVENUE AND FORESTS DEPARTMENT			
2.	C-14	2245 - Relief on account of Natural Calamities. 02 - Floods and cyclones 41 - Grant-in-aid 102 - Drinking Water Supply	144.30
3.	C-24	4701-Capital Outlay on Major and Medium Irrigation 01-Major Irrigation- Commercial Schemes in the Five Year Plan-State Plan Scheme 37-Major Works (14) - Dimba - (Kukdi) Project.	9.20
4.	C-24	4701-Capital Outlay on Major and Medium Irrigation 01-Major Irrigation-Commercial Schemes in the Five Year Plan-State Plan Scheme 37-Major Works (24) - Warna Project.	14.97
5.	C-24	4701-Capital Outlay on Major and Medium Irrigation 01-Major Irrigation-Commercial Schemes in the Five Year Plan-State Plan Scheme 37-Major Works (36) - Hatnur Project .	5.68

APPENDIX – XII(contd.)

Sr. No. (1)	Grant No. (2)	Head of Account (3)	Expenditure (Rupees in lakh) (4)
6.	C-24	4701-Capital Outlay on Major and Medium Irrigation 01-Major Irrigation-Commercial Schemes in the Five Year Plan-State Plan Scheme 37-Major Works (37) – Waghur Project .	5.68
7.	C-24	4701-Capital Outlay on Major and Medium Irrigation 01-Major Irrigation-Commercial Schemes in the Five Year Plan-State Plan Scheme 37-Major Works (40) – Nandure - Madhmeshwar.	3.54
8.	C-24	4701-Capital Outlay on Major and Medium Irrigation 01-Major Irrigation-Commercial Schemes in the Five Year Plan-State Plan Scheme 37-Major Works (55) – Dimbhe.	16.10
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT			
9.	D-03	2401-Crop Husbandry 109-Extension and Training (i)(b)(x)-Central Assistance to the Matru Mandir Voluntary Institute Deorukh-Centrally Sponsored	16.02
10.	D-04	2402-Soil and Water Conservation 102(ii)(ii)-Establishment of the Sub-divisions for Soil and Water Conservation Works in the catchment areas under Sardar Sarovar Project.	35.21
11.	D-05	2403-Animal Husbandry 104- Sheep and Wool Development (vi)(i) (c) Sheep Breeding farms schemes for locating buck for breeding Centrally Sponsored Schemes	80.00

APPENDIX – XII(contd.)

Sr. No.	Grant No.	Head of Account	Expenditure (Rupees in lakh)
(1)	(2)	(3)	(4)
12.	D-13	4404-Capital Outlay on Dairy Development 192- Government milk scheme 215- Government milk scheme Kankavali, Sindhudurg.	55.15
13.	D-13	4404-Capital Outlay on Dairy Development 192- Government milk scheme 224- Government milk scheme Parbhani.	5.68
14.	D-13	4404-Capital Outlay on Dairy Development 192- Government milk scheme 232- Government milk scheme Chandrapur.	30.38
PUBLIC WORKS DEPARTMENT			
15.	H-07	3054- Roads and Bridges 04- District and other Roads 800- Other Expenditure Local sector Central Road Fund (Allocation)	1.26
16.	H-09	2210- Medical and Public Health Urban Health Services-Allopathy Hospitals and Dispensaries (i)Medical Relief Scheme in Five Year Plan Building-Minor works financed from Discretionary Grants.	0.58
IRRIGATION DEPARTMENT			
17.	I-05	2705- Command Area Development 001(iii)(I) Chief Administrator Command Area Development Agency Aurangabad (Centrally Sponsored 24 per cent) (b) Computer Services.	0.73
18.	I-05	2705-Command Area Development (1)(a) Administrators Establishment.	2.44
19.	I-05	2705-Command Area Development (7) C.A.D.A. Beed (a) Land Development Works.	2.60

APPENDIX – XII(contd.)

Sr. No.	Grant No.	Head of Account	Expenditure (Rupees in lakh)
(1)	(2)	(3)	(4)

INDUSTRIES, ENERGY AND LABOUR DEPARTMENT

20.	K-Nil	5054-Capital Outlay on Road and Bridges 04- District and Other Roads-Schemes in the Five Year Plan State plan Schemes. 800- Other Expenditure (i)- Infrastructure facilities to joint undertakings 37-Major works	3.80
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RURAL DEVELOPMENT AND WATER CONSERVATION DEPARTMENT

21.	L-11	2702- Minor Irrigation 01- Surface Water 104- Ayacut Development (ii)- Schemes in the Five Year Plan-State Plan Schemes (i)- Land Development work under Ayacut Development	1302.10
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SOCIAL WELFARE, CULTURAL AFFAIRS AND SPORTS DEPARTMENT

22.	N-05	2216-Housing 03- Rural Housing 104- Housing Co-operatives (ii)- Schemes in Five Year Plan-Financial Assistance to the Co-operative Housing Societies of (iv) Vimukta Jati and Nomadic Tribes.	0.19
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PUBLIC HEALTH DEPARTMENT

23.	R-02	2210-Medical and Public Health 01-Urban Health Services-Allopathy 110-Hospitals and Dispensaries 110-7 (8) National Aids Control Programme	33.42
24.	R-02	2210-Medical and Public Health 06-Public Health 101-Prevention and Control of Diseases (xiii) Grant-in-Aid Contribution, Donation, etc. to non-teaching Medical Institutes	30.27

APPENDIX – XII(concl.)

Sr. No. (1)	Grant No. (2)	Head of Account (3)	Expenditure (Rupees in lakh) (4)
25.	R-03	2211-Family Welfare 003- Training 103-Maternity and Child Health (5)Child Survival and Safe Motherhood Programme	17.98
TRIBAL DEVELOPMENT DEPARTMENT			
26.	T-08	4202- Capital Outlay on Education Sports, Art and Culture	14.03
CO-OPERATION AND TEXTILES DEPARTMENT			
27.	V-05	2851-Village and Small Industries 110- Composite Village and Small Industries and Co-operatives (ii)(vi)- Subsidy to Khadi and Village Industries Board towards Block Level Village Artisans (Balutedars) Multipurpose Societies	3.62
WATER SUPPLY AND SANITATION DEPARTMENT			
28.	Y-02	2215-Water Supply and Sanitation 01- Water Supply 102- Rural Water Supply Programme (B)- World Bank Assistance Project (iii)(b)- Project monitoring unit (District Level)	26.29
			Total: 1923.34

APPENDIX XIII

(Reference : Paragraph 2.10.1; Page 31)

Details of cases where no part of savings was surrendered

Sr. No. (1)	Number and name of grant/appropriation (2)	Savings (Rupees in crore) (3)
1	A-05-Secretariat-General Services(Charged)	0.01
2	B-01-Administration of Justice	2.00
3	B-03-Taxes on Vehicles	10.30
4	B-03-Taxes on Vehicles	0.01
5	B-04-Other Taxes and Duties on Commodities and Services(Charged)	4.50
6	B-05-Secretariat-General Services	0.44
7	B-07-Jails	0.24
8	B-07-Jails(Charged)	0.09
9	B-08-Other Administrative Services(Charged)	0.02
10	B-09-Miscellaneous General Services	0.01
11	B-10-Urban Development	0.06
12	B-11-Social Security and Welfare	0.09
13	B-14-Ports and Light Houses	0.19
14	B-15-Road Transport	0.26
15	B-16-Inland Water Transport	1.50
16	B-17-Tourism	6.63
17	B-19-Capital Outlay on other Administrative Services	3.25
18	B-21-Loans for Housing	1.80
19	B-22-Loans to Government Servants, etc.	0.31

APPENDIX XIII (contd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Savings (Rupees in crore) (3)
20	C-01-Land Revenue(Charged)	0.03
21	C-03-Other Taxes and Duties on Commodities and Services(Charged)	0.96
22	C-05-Secretariat-General Services	0.01
23	C-14-Relief on account of Natural Calamities	62.74
24	D-03-Crop Husbandry(Charged)	0.91
25	D-04-Soil and Water Conservation(Charged)	0.02
26	D-07-Fisheries	2.78
27	D-08-Agricultural Research and Education	5.56
28	D-08-Agricultural Research and Education(Charged)	0.18
29	D-11-Capital Outlay on Crop Husbandry	0.10
30	D-19-Loans for Fisheries	0.54
31	E-06-Social Security and Welfare	0.20
32	F-08-Ecology and Environment	4.01
33	F-09-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	6.74
34	F-10-Capital Outlay on Urban Development(Charged)	1.00
35	F-13-Loans to Government Servants, etc.	0.31
36	G-01-Collection of Taxes on Income and Expenditure	684.06
37	H-02-Housing	0.78
38	H-03-Social Security and Welfare	0.02
39	H-13-Capital Outlay on Public Works and Administrative and Functional Buildings(Charged)	0.14

APPENDIX XIII (contd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Savings (Rupees in crore) (3)
40	H-15-Loans to Government Servants, etc.	1.18
41	I-01-Social Security and Welfare	0.02
42	I-11-Capital Outlay on Major and Medium Irrigation (Charged)	0.06
43	I-14-Capital Outlay on Power Projects(Charged)	0.02
44	I-18-Loans to Government Servants, etc.	0.61
45	K-13-Capital Outlay on Co-operation	0.18
46	K-16-Loans for Power Projects	3.78
47	K-18-Other Loans to Industries and Minerals	3.72
48	K-19-Loans to Government Servants, etc.	0.06
49	L-01-Interest Payments	103.02
50	L-03-Social Security and Welfare(Charged)	0.01
51	L-12-Non-conventional Sources of Energy	6.00
52	L-15-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	87.13
53	L-16-Revenue Expenditure on Removal of Regional Imbalance	28.77
54	L-19-Capital Outlay on Minor Irrigation	0.40
55	L-22-Loans for Other Rural Development Programmes	2.50
56	N-02-General Education	0.25
57	N-04-Art and Culture	1.28
58	O-02-Rural Development(Charged)	685.03
59	Q-01-Interest Payment	7.28

APPENDIX XIII (contd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Savings (Rupees in crore) (3)
60	Q-04-Housing	93.02
61	Q-09-Capital Outlay on other General Economic Services	0.02
62	Q-11-Loans for Housing	0.02
63	R-02-Medical and Public Health(Charged)	0.03
64	R-03-Family Welfare(Charged)	0.02
65	R-07-Capital Outlay on Medical and Public Health	38.16
66	R-09-Loans to Government Servants, etc.	0.39
67	S-01-Medical and Public Health	0.09
68	V-05-Village and Small Industries	3.62
69	V-13-Internal Debt of the State Government	1.75
70	W-01-Interest Payments(Charged)	45.15
71	X-01-Social Security and Welfare	5.40
72	Y-02-Water Supply and Sanitation	283.97
73	Y-03-Social Security and Welfare	0.01
74	Y-08-Capital Outlay on Soil and Water Conservation	0.43
75	Y-08-Capital outlay on Soil and Water Conservation (Charged)	0.02
76	Y-09-Loans for Water Supply and Sanitation	140.88
77	Y-10-Loans to Government Servants, etc.	0.03
78	Z-08-Capital Outlay on Non-ferrous Mining and Metallurgical Industries	0.30
79	Z-08A-Other Loans to Industries and Minerals(Charged)	0.15

APPENDIX XIII (concl'd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Savings (Rupees in crore) (3)
80	Z-09-Loans to Government Servants, etc.	0.02
81	ZA-02-Social Security and Welfare	0.02
82	ZA-04-Capital Outlay on Other Social Services	1.00
83	ZB-01-Parliament/Union Territory Legislatures	1.39
Total		2349.99

APPENDIX XIV

(Reference : Paragraph 2.10.1; Page 31)

Details of savings of Rs 1 crore and above not surrendered

Sr. No.	Number and name of grant/appropriation	Saving	Surrender	Saving which remained to be surrendered
		(Rupees)	in	crore)
(1)	(2)	(3)	(4)	(5)
1	A-03-Elections	34.96	27.61	7.35
2	A-05-Secretariat-General Services	10.72	0.42	10.30
3	C-07-Public Works	120.91	11.41	109.50
4	C-07-Public Works	35.93	11.96	23.97
5	D-01-Interest Payments	12.37	2.78	9.59
6	D-03-Crop Husbandry	98.48	1.80	96.68
7	D-05-Animal Husbandry	43.30	1.80	41.50
8	D-06-Dairy Development	39.08	0.27	38.81
9	D-14-Capital Outlay on Fisheries	2.10	1.08	1.02
10	E-01-Interest Payments	125.87	123.32	2.55
11	E-02-General Education	2051.52	28.54	2022.98
12	F-04-Labour and Employment	7.48	2.30	5.18
13	F-12-Loans for Urban Development	13.38	3.46	9.92
14	G-02-Taxes on Sales, Trade, etc.	3.22	0.61	2.61
15	G-09-Pension and Other Retirement Benefits	1072.66	674.47	398.19
16	G-09-Pension and Other Retirement Benefits	4.50	0.03	4.47
17	G-14-Internal Debt of the State Government	1704.20	500.00	1204.20

APPENDIX XIV (contd.)

Sr. No.	Number and name of grant/appropriation	Saving (Rupees) (3)	Surrender in (4)	Saving which remained to be surrendered crore) (5)
(1)	(2)	(3)	(4)	(5)
18	H-07-Roads and Bridges	218.51	134.24	84.27
19	I-14-Capital Outlay on Power Project	97.40	92.89	4.51
20	I-16-Capital Outlay on Removal of Regional Imbalance	37.25	0.97	36.28
21	J-07-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	1.87	0.32	1.55
22	K-04-Labour and Employment	1.50	0.50	1.00
23	K-09-Industries	15.10	0.07	15.03
24	K-14-Other Capital Outlay on Industries	2.80	0.20	2.60
25	L-02-District Administration	269.59	1.38	268.21
26	L-05-Forestry and Wild Life	4.25	3.16	1.09
27	L-07-Special Programme for Rural Development	67.27	17.00	50.27
28	L-08-Rural Employment	82.72	74.76	7.96
29	L-09-Other Rural Development Programmes	57.12	0.00 ^s	57.12
30	L-11-Minor Irrigation	53.18	1.77	51.41
31	L-20-Capital Outlay on Removal of Regional Imbalance	21.26	10.21	11.05
32	L-25-Miscellaneous Loans	2465.37	1253.99	1211.38
33	N-07-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	57.41	12.16	45.25

^s Rupees 7000 only

APPENDIX XIV (concl.)

Sr. No.	Number and name of grant/appropriation	Saving	Surrender	Saving which remained to be surrendered
		(Rupees)	in	crore)
(1)	(2)	(3)	(4)	(5)
34	N-10-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	28.60	3.60	25.00
35	N-11-Loans for Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	27.97	8.45	19.52
36	O-03-Other Rural Development Programmes	13.55	12.23	1.32
37	R-02-Medical and Public Health	108.08	6.42	101.66
38	R-03-Family Welfare	63.04	0.14	62.90
39	T-05-Revenue Expenditure on Tribal Area Development Sub-Plan	378.93	190.67	188.26
40	T-06-Revenue Expenditure on Removal of Regional Imbalance	2.20	0.44	1.76
41	V-04-Co-operation	749.09	0.28	748.81
42	W-02-General Education	32.39	21.82	10.57
43	W-03-Technical Education	6.66	1.28	5.38
44	W-08-Revenue Expenditure on Removal of Regional Imbalance	3.35	0.75	2.60
45	X-02-Nutrition	279.68	127.76	151.92
46	Y-06-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	8.79	0.66	8.13
	Total	10535.61	3369.98	7165.63

APPENDIX XV

(Reference : Paragraph 2.10.2; Page 31)

Cases of surrender of funds on 30 and 31 March 2000

Sr. No.	Department	Grant No.	Major Head	Name of the grant	Amount of Surrender (Rupees in Crore)
(1)	(2)	(3)	(4)	(5)	(6)
1	General Administration	A-01	2012	President/Vice-President/Governor/ Administrator of Union Territories	0.04
2	"	A-02	2013	Council of Ministers	0.63
3	"	A-03	2015	Elections	27.43
4	"	A-04	2051	Public Service Commission.	0.21
5	"	A-05	2052	Secretariat-General Services	0.36
6	"	A-07	2070	Other Administrative Services	0.55
7	"	A-08	2075	Miscellaneous General Services	0.14
8	"	A-09	2205	Art and Culture	0.08
9	"	A-11	2220	Information and Publicity	1.06
10	"	A-12	2235	Social Security and Welfare	6.40
11	"	A-12	2235	Social Security and Welfare	0.05
12	"	A-14	2251	Secretariat-Social Services	0.57
13	"	A-17	7610	Loans to Government Servants, etc.	0.10
14	Revenue and Forests	C-01	2029	Land Revenue	18.66
15	"	C-02	2030	Stamps and Registration	0.25
16	"	C-06	2053	District Administration	0.03
17	"	C-13	2235	Social Security and Welfare	0.72
18	"	C-14	2245	Relief on account of Natural Calamities	0.57

APPENDIX XV(contd.)

Sr. No.	Department	Grant No.	Major Head	Name of the grant	Amount of Surrender (Rupees in Crore)
(1)	(2)	(3)	(4)	(5)	(6)
19	Revenue and Forests	C-33	7610	Loans to Government Servants, etc.	0.20
20	Agriculture, Animal Husbandry, Dairy Development and Fisheries	D-03	2401	Crop Husbandry	1.80
21	"	D-04	2402	Soil and Water Conservation	0.12
22	"	D-05	2403	Animal Husbandry	1.80
23	"	D-06	2404	Dairy Development	0.27
24	"	D-10	3451	Secretariat-Economic Services.	0.12
25	"	D-13	4404	Capital Outlay on Dairy Development	1.13
26	"	D-20	7610	Loans to Government Servants, etc.	0.01
27	Urban Development	F-03	2217	Urban Development	127.64
28	"	F-12	6217	Loans for Urban Development	3.46
29	Finance	G-01	2020	Collection of Taxes on Income and Expenditure	1.13
30	"	G-02	2040	Taxes on Sales, Trade, etc.	0.61
31	"	G-06	2052	Secretariat-General Services	0.03
32	"	G-07	2054	Treasury and Accounts Administration	0.68
33	"	G-07	2054	Treasury and Accounts Administration	0.01
34	"	G-12	2235	Social Security and Welfare	2.26
35	Public Works	H-08	3451	Secretariat-Economic Services	0.73
36	Irrigation	I-17	6402	Loans for Soil and Water Conservation	1.30
37	Law And Judiciary	J-05	2250	Other Social Services	0.02
38	"	J-08	7610	Loans to Government Servants, etc.	1.42

APPENDIX XV(contd.)

Sr. No.	Department	Grant No.	Major Head	Name of the grant	Amount of Surrender (Rupees in Crore)
(1)	(2)	(3)	(4)	(5)	(6)
39	Industries, Energy and Labour	K-03	2058	Stationery and Printing	0.06
40	"	K-04	2230	Labour and Employment	0.50
41	"	K-08	2851	Village and Small Industries	1.88
42	"	K-11	4058	Capital Outlay on Stationery and Printing	1.69
43	"	K-12	4250	Capital Outlay on Other Social Services	0.50
44	Rural Development and Water Conservation	L-02	2053	District Administration	1.33
45	"	L-04	2402	Soil and Water conservation	0.08
46	"	L-08	2505	Rural Employment	63.80
47	"	L-13	3451	Secretariat-Economic Services	0.27
48	"	L-17	4402	Capital Outlay on Soil and Water Conservation	12.18
49	"	L-20	4402	Capital Outlay on Soil and Water Conservation	10.21
50	"	L-23	6702	Loans for Minor Irrigation	1.87
51	"	L-24	7610	Loans to Government Servants, etc.	0.06
52	"	L-25	7615	Miscellaneous Loans	1232.07
53	Food, Civil Supplies and Consumer Protection	M-01	2049	Interest Payments	0.08
54	"	M-03	2408	Food, Storage and Warehousing	226.15
55	"	M-06	4408	Capital Outlay on Food Storage and Warehousing	51.25
56	"	M-07	6003	Internal Debt of the State Government	0.50

APPENDIX XV(contd.)

Sr. No.	Department	Grant No.	Major Head	Name of the grant	Amount of Surrender (Rupees in Crore)
(1)	(2)	(3)	(4)	(5)	(6)
57	Planning	O-02	2505	Rural Employment	1.29
58	"	O-03	2515	Other Rural Development Programmes	12.22
59	"	O-04	2551	Hill Areas	1.21
60	"	O-06	3451	Secretariat-Economic Services	0.92
61	"	O-06	3451	Secretariat-Economic Services	0.21
62	"	O-07	3454	Census, Survey and Statistics	0.11
63	"	O-09	7610	Loans to Government Servants, etc.	0.01
64	Parliamentary Affairs	P-01	2052	Secretariat - General Services	0.01
65	"	P-03	7610	Loans to Government Servants, etc.	0.02
66	Housing and Special Assistance	Q-02	2053	District Administration	1.51
67	"	Q-12	6250	Loans for Other Social Services	0.20
68	Medical Education and Drugs	S-01	2210	Medical and Public Health	3.23
69	"	S-04	7610	Loans to Government Servants etc.	0.03
70	Tribal Development	T-03	2251	Secretariat-Social Services	0.05
71	Environment	U-04	3435	Ecology and Environment	1.95
72	"	U-05	7610	Loans to Government Servants, etc.	0.01
73	Co-operation and Textiles	V-04	2425	Co-operation	0.28
74	"	V-07	3456	Civil Supplies	0.02
75	"	V-09	4425	Capital Outlay on Co-operation	11.50
76	"	V-10	4851	Capital Outlay on Village and Small Industries	5.85

APPENDIX XV(concl.)

Sr. No.	Department	Grant No.	Major Head	Name of the grant	Amount of Surrender (Rupees in Crore)
(1)	(2)	(3)	(4)	(5)	(6)
77	Co-operation	V-14	6216 -	Loans for Housing	0.01
78	and	V-15	6425 -	Loans for Co-operation	16.71
79	Textiles	V-16	6851 -	Loans for Village and Small Industries	13.16
80	Higher and Technical Education	W-10	7610 -	Loans to Government servants, etc.	0.06
81	Woman and Child	X -03	2251 -	Secretariat-Social Services	0.02
82	"	X-04	2515 -	Other Rural Development Programmes	0.04
83	"	X-06	4235 -	Capital Outlay on Social Security and Welfare	0.10
84	Water Supply and Sanitation	Y-06	3604 -	Compensation and Assignments to local Bodies and Panchayati Raj Institutions	0.66
85	Trade, Commerce and Mining	Z-01	2205 -	Art and Culture	0.02
86	"	Z-03	2851 -	Village and Small Industries	0.45
87	"	Z-04	2852 -	Industries	0.85
				Total :	1879.78

APPENDIX XVI

(Reference : Paragraph 2.10.3; Page 31)

Details of surrender in excess of actual savings in the grants/appropriations involving substantial amounts

Sr. No. (1)	Number and name of grant/appropriation (2)	Amount surrendered (3) (Rupees in crore)	Actual saving (4)
1	A-02-Council of Ministers	0.63	0.25
2	A-04-Public Service Commission	0.11	0.003
3	A-11-Information and Publicity	1.06	0.78
4	A-12-Social Security and Welfare	6.40	2.49
5	C-01-Land Revenue	19.58	14.23
6	C-17-Agricultural Research and Education	0.09	0.04
7	C-28-Internal Debt of the State Government	0.09	0.03
8	D-10-Secretariat-Economic Services	0.18	0.13
9	E-07-Secretariat-Social Services	0.03	0.004
10	F-03-Urban Development	128.15	125.72
11	G-01-Collection of Taxes on Income and Expenditure	1.22	0.79
12	G-10-Miscellaneous General Services	269.99	266.50
13	G-13-Other General Economic Services	0.03	0.02
14	H-08-Secretariat-Economic Services	0.73	0.57
15	H-09-Public Works and Administrative and Functional Buildings	48.49	12.62
16	H-12 - Capital Outlay on Roads and Bridges	83.88	52.86
17	H-13-Capital Outlay on Public Works and Administrative and Functional Buildings	15.64	4.11
18	I-05-Command Area Development	0.45	0.44

APPENDIX XVI (concl'd.)

Sr. No. (1)	Number and name of grant/appropriation (2)	Amount surrendered (3) (Rupees in crore)	Actual saving (4)
19	I-13-Capital Outlay on Flood Control Project	2.79	2.78
20	J-08-Loans to Government Servants, etc.	1.70	1.53
21	L-13-Secretariat-Economic Services	0.27	0.25
22	L-17-Capital Outlay on Soil and Water Conservation	35.56	34.84
23	N-01-Other Administrative Services	0.01	0.003
24	N-03-Sports and Youth Services	8.05	7.48
25	N-09-Secretariat-Social Services	0.17	0.11
26	O-06-Secretariat-Economic Services	1.14	0.92
27	O-07-Census, Surveys and Statistics	0.11	0.07
28	P-01-Secretariat-General Services	0.03	0.01
29	T-03-Secretariat-Social Services	0.08	0.05
30	V-07-Civil Supplies	0.02	0.01
31	V-10-Capital Outlay on Village and Small Industries	5.94	3.88
32	V-15-Loans for Co-operation	16.71	10.37
33	V-19-Loans to Government Servants, etc.	0.07	0.06
34	X-03-Secretariat-Social Services	0.04	0.02
35	Z-06-Secretariat-Economic Services	0.07	0.05
36	ZA-01-Labour and Employment	2.54	1.65
	Total	652.05	545.67

APPENDIX XVII

(Reference : Paragraph 2.11; Page 33)

Cases of drawal from Contingency Fund where the expenditure was not such as could not have been foreseen

Sr. No. (1)	Sanction No. and Date (2)	Department (3)	Purpose for which drawn (4)	Amount Sanctioned (5) (Rupees)
1	CNF-1199/14/ Bud-13, dated 10.5.1999	General Administration	To purchase New Mercedes Benz Car-E-Series 250-D for use of Governor of Maharashtra	25,40,450
2	CNF-1199/11/ Bud-5, dated 29.4.1999	Women and Child Development	Insurance scheme Jijamata mahila	2,80,00,000
3	CNF-1199/12/ Bud-10, dated 16.10.1999	Law and Judiciary	Establishment of Upper District and Sessions courts at Niphad, District Nashik	8,40,400
4	CNF-1199/8/ Bud-15, dated 10.9.1999	Town Planning	Compensation to Municipal Councils for abolition of Octroi Tax	2,21,48,16,000
5	CNF-1199/15/ Bud-9, dated 15.5.1999	Irrigation	Taking up new minor Irrigation schemes for execution during 1999-2000 in Sindhudurg	10,00,000
6	CNF-1199/16/ Bud-9, dated 5.10.1999	Revenue and Forests	Advance for refund of loan taken by Maharashtra State Farming Corporation from S.B.I.	7,76,49,000
7	CNF-1199/19/ Bud-4, dated 1.6.1999	-do-	Creation of posts of Additional Collectors alongwith ancillary staff for newly created district in the State	33,84,000
8	CNF-1199/20/ Bud-6, dated 5.6.1999	School Education	Creation of post for newly created Washim and Nandurbar District	6,37,000

APPENDIX XVII (contd.)

Sr. No. (1)	Sanction No. and Date (2)	Department (3)	Purpose for which drawn (4)	Amount Sanctioned (5) (Rupees)
9	CNF-1199/25/ Bud-16, dated 14.6.1999	Rural Development and Water Conservation	Creation of class 3 and class 4 posts for newly established districts Gondia, Hingoli, Nandurbar and Washim	20,00,000
10	CNF-1199/34/ Bud-5, dated 23.6.1999	Vimukata Jati and Nomadic tribes, OBC and Spl.B.C. Welfare	Share capital contribution to Maharashtra State other Backward classes Development Corporation	1,50,00,000
11	CNF-1199/40/ Bud-4, dated Nil	Agriculture, Animal Husbandry, Dairy Development and Fisheries	Establishment of Agricultural Engineering and Technical College under Konkan Krishi Vidyapeeth, Dapoli	16,79,000
12	CNF-1199/44/ Bud-4, dated 5.7.1999	Revenue and Forests	Creation of new Talukas by reorganising some Talukas in the State	1,74,17,000
13	CNF-1199/45/ Bud-17, dated 15.10.1999	Tribal Development	To start Jr. Colleges in 31 Government post Basic Ashram school	1,00,23,000
14	CNF-1199/78/ Bud-10, dated 1.10.1999	Law and Judiciary	Establishment of District and Sessions Court and Civil Courts and Islampur, District Sangli	6,57,000
15	CNF-1199/100/ Bud-8, dated 22.11.1999	Public Health	Implementation of Integrated population and Development. Project 90 per cent centrally sponsored	65,00,000

APPENDIX XVII (contd.)

Sr. No. (1)	Sanction No. and Date (2)	Department (3)	Purpose for which drawn (4)	Amount Sanctioned (5) (Rupees)
16	CNF-1199/104/ Bud-12, dated 2.12.1999	Agriculture, Animal Husbandry, Dairy Development and Fisheries	Implementation of National Agricultural Insurance Scheme in Maharashtra State from Rabi 99 Section	1,00,00,000
17	CNF-11.00/126/ Bud-6, dated 21.2.2000	Housing and special	Increase of grants to benefi- ciaries under Sanjay Gandhi destitute grant scheme from Rs 100 per month to Rs 250 per month	17,21,00,000
18	CNF-11.00/143/ Bud-12, dated 29.3.2000	Co-operation and Textile	Share capital contribution to Industrial Co-operative Societies	25,00,000
19	CNF-11.00/139/ Bud-12, dated 15.3.2000	-do-	For advancing interest free loan to the Maharashtra State Co-operative Marketing Federation Ltd. Mumbai for onion market Intervention scheme	5,00,00,000
20	CNF-11.99/146/ Bud-12, dated 31.3.2000	-do-	Loans to Maharashtra State Textile Co-operation, Mumbai	5,00,00,000
21	CNF-11.00/140/ Bud-12, dated 16.3.2000	Co-operation and Textiles	Loans to Maharashtra State Textile Co-operation, Mumbai	5,00,00,000
22	CNF-11.00/152 Bud-4, dated 31.3.2000	Revenue and Forests	Purchase of vehicles for Sanjay Gandhi National park and Forestry Training project aided by World Bank	48,00,000

APPENDIX XVII (contd.)

Sr. No. (1)	Sanction No. and Date (2)	Department (3)	Purpose for which drawn (4)	Amount Sanctioned (5) (Rupees)
23	CNF-11.00/151/ Bud-8, dated 31.3.2000	Public Health	Payment of Bills for life saving drugs and equipments purchased by Commissioner ESIS, Mumbai	8,31,00,000
24	CNF-1199/39/ Bud-5, dated 2.7.1999	Social Welfare Cultural Affairs and Sports	Publication of Maharaj Tukaram's work at cheaper rates	25,00,000
25	CNF-1199/42/ Bud-17, dated 3.7.1999	Tribal Development	Establishment of Rural Hospitals in tribal area	11,83,745
26	CNF-1199/41/ Bud-8, dated 3.7.1999	Public Health	Establishment of 33 Rural Hospitals, 53 Primary Health Centres	1,27,39,000
27	CNF-1199/51/ Bud-13, dated 17.7.1999	General Administration	Payment for the programmes arranged to celebrate the tricentenary of Khalsa Panth on 1.4.1999 to 2000	5,00,000
28	CNF-1199/33/ Bud-7, dated 22.9.1999	Finance	Formation of Second Finance Commission	39,58,000
29	CNF-1199/29/ Bud-12, dated 18.6.1999	Agriculture, Animal Husbandry, Dairy Development and Fisheries	Creation of posts for Agricultural department for newly created Washim and Nandurbar Districts	5,42,508
30	CNF-1199/70/ Bud-16, dated 21.9.1999	Rural Development and Water Conservation	Compensation to Village Panchayats for loss due to abolition of Octroi duty	1,95,49,000
31	CNF-1199/75/ Bud-13, dated 30.9.1999	Industries, Energy and Labour	Provision to the Maharashtra Electric Regulatory Commission to start up its office	33,94,000

APPENDIX XVII (contd.)

Sr. No. (1)	Sanction No. and Date (2)	Department (3)	Purpose for which drawn (4)	Amount Sanctioned (5) (Rupees)
32	CNF-1199/74/ Bud-13, dated 30.9.1999	General Administration	Purchase of cars for distinguished visitors who would visit the newly created Nandurbar, Washim, Hingoli and Gondia District	35,00,000
33	CNF-1199/88/ Bud-20, dated 16.10.1999	Trade, Commerce and Mining	Loan to Maharashtra State Corporation Limited, Nagpur for payment of arrears of salary and allowances to the Officers	14,61,000
34	CNF-1199/93/ Bud-13, dated 3.11.1999	Co-operation and Textiles	Short term loan given to Maharashtra State Co-operation Cotton Manufacturers Association	1,73,40,00,000
35	CNF-1199/97/ Bud-13, dated 30.12.1999	Industry, Energy and Labour	Payment of pay and other allowances to Marathwada Development Corporation	2,04,87,000
36	CNF-1199/110/ Bud-13, dated 30.12.1999	General Administration	Construction of Memorial of late Shri Vasantdada Patil at Sangli	35,00,000
37	CNF-1100/118/ Bud-13, dated 3.2.2000	Industry, Energy and Labour	Purchase of helicopter for Government of Maharashtra by payment of 30 <i>per cent</i> of the total cost as advance	6,94,65,000
38	CNF-1100/122/ Bud-5, dated 11.2.2000	Women and Child Development	Distribution of Diwali Gifts (Bhaubeej) to the Volunteer females at Anganwadi	2,02,56,500
39	CNF-1100/125/ Bud-16, dated 17.2.2000	Rural Development and Water Conservation	Honorarium and sitting fees paid to Sarpanch and other members to attend meetings	1,57,00,000

APPENDIX XVII (concl'd.)

Sr. No. (1)	Sanction No. and Date (2)	Department (3)	Purpose for which drawn (4)	Amount Sanctioned (5) (Rupees)
40	CNF-1100/114/ Bud-12, dated 7.3.2000	Co-operation and Textiles	Short term loan to be given to Maharashtra State Co-operative Cotton Manufacturing Association	3,69,00,00,000
Total				8,40,73,78,603

APPENDIX XVIII

(Reference : Paragraph 2.14; Page 34)

Statement showing unreconciled expenditure

Sr. No.	Department	Expenditure for 1999-2000 not reconciled (Rupees in crore)	Month for which expenditure was not reconciled (Grant/Major Head within bracket)
(1)	(2)	(3)	(4)
1.	General Administration	9.78	April 1999 to March 2000 (A.2-2013 Council of Ministers)
2.	- do -	0.71	April 1999 to March 2000 (A.5-2052 Secretariat-General Services)
3.	- do -	5.47	October-1999 to March 2000 (A.7-2070 Other Administrative Services)
4.	- do -	0.03	December 1999 to March 2000 (A.9-2205 Art and Culture)
5.	- do -	1.09	April 1999 to March 2000 (A.13-2250 Other Social Services)
6.	- do -	1.98	April 1999 to March 2000 (A.17-7610 Loans to Government Servants, etc.)
7.	Home	0.41	April 1999 to March 2000 (B.1-2014 Administration of Justice)
8.	- do -	31.00	April 1999 to March 2000 (B.2-2039 State Excise)
9.	- do -	8.82	April 1999 to March 2000 (B.2-2039 State Excise)
10.	- do -	228.49	January 2000 to March 2000 (B.4-2045 Other Taxes and Duties on Commodities and Services)
11.	-do-	1.87	January 2000 to March 2000 (B.8-2070 Other Administrative Services)

APPENDIX XVIII(contd.)

Sr. No.	Department	Expenditure for 1999-2000 not reconciled (Rupees in crore)	Month for which expenditure was not reconciled (Grant/Major Head within bracket)
(1)	(2)	(3)	(4)
12.	Home	1.00	April 1999 to March 2000 (B.12-2250 Other Social Services)
13.	- do -	0.25	April 1999 to March 2000 (B.13-3001 Indian Railways and Policy Formulation, Direction, Research and Other Miscellaneous Organisations)
14.	- do -	3.89	April 1999 to March 2000 (B.15-3055 Road Transport)
15.	- do -	0.60	April 1999 to March 2000 (B.20-5452 Capital Outlay on Tourism)
16.	- do -	11.11	April 1999 to March 2000 (B.22-7610 Loans to Government Servants, etc.)
17.	- do -	501.37	April 1999 to March 2000 (B.6-2055 Police)
18.	Revenue and Forests	0.68	January 2000 to March 2000 (C.1-2029 Land Revenue)
19.	- do -	0.12	April 1999 to March 2000 (C.5-2052 Secretariat-General Services)
	- do -	73.03	April 1999 to March 2000 (C.6-2053 District Administration)
	- do -	0.53	April 1999 to March 2000 (C.19-3604 Compensation and Assignments to Local Bodies and Panchayati Raj Institutions)
		0.56	July 1999 to March 2000 (C.29-6235 Loans for Social Security and Welfare)

APPENDIX XVIII(contd.)

Sr. No.	Department	Expenditure for 1999-2000 not reconciled (Rupees in crore)	Month for which expenditure was not reconciled (Grant/ Major Head within bracket)
(1)	(2)	(3)	(4)
23	Revenue and Forests	0.05	April 1999 to March 2000 (C.30- 6245 Loans for Relief on account of Natural Calamities)
24.	Agriculture, Animal Husbandry, Dairy Development and Fisheries	153.82	January 2000 to March 2000 (D.3-2401 Crop Husbandry)
25.	- do -	31.74	January 2000 to March 2000 (D.4-2402 Soil and Water Conservation)
26.	- do -	168.23	April 1999 to March 2000 (D.8-2415 Agricultural Research and Education)
27.	- do -	5.03	April 1999 to March 2000 (D.11-4401 Capital outlay on Crop Husbandry)
28.	- do -	0.06	March 2000 (D.16-6216 Loans for Housing)
29.	- do -	14.56	April 1999 to March 2000 (D.20-7610 Loans to Government Servants, etc.)
30.	- do -	3.10	October 1999 to March 2000 (D.7-2405 Fisheries)
31.	- do -	5.14	April 1999 to March 2000 (D.10-3451 Secretariat - Economic Services)
32.	School Education	1.14	April 1999 to March 2000 (E.9-7610 Loans to Government Servants, etc.)

APPENDIX XVIII(contd.)

Sr. No.	Department	Expenditure for 1999-2000 not reconciled (Rupees in crore)	Month for which expenditure was not reconciled (Grant/ Major Head within bracket)
(1)	(2)	(3)	(4)
33.	Urban Development	427.79	April 1999 to March 2000 (F.9-3604 Compensation and Assignments to Local Bodies and Panchayati Raj Institutions)
34.	- do -	0.56	April 1999 to March 2000 (F.13-7610 Loans to Government Servants, etc.)
35.	Finance	18.46	April 1999 to March 2000 (G.3-2047 Other Fiscal Services)
36.	- do -	110.08	April 1999 to March 2000 (G.5-2049 Interest Payments)
37.	- do -	6.68	April 1999 to March 2000 (G.16-7610 Loans to Government Servants, etc.)
38.	Public Works	10.87	April 1999 to March 2000 (H.8-3451 Secretariat - Economic Services)
39.	- do -	11.77	April 1999 to March 2000 (H.9-2059 Public Works)
40.	- do -	6.16	April 1999 to March 2000 (H.15-7610 Loans to Government Servants, etc.)
41.	Irrigation	0.58	April 1999 to March 2000 (I.3-2701 Major and Medium Irrigation)
42.	-do-	0.15	February 2000 to March 2000 (I.5-2705 Command Area Development)
43.	- do -	6.13	April 1999 to March 2000 (I.9-3451 Secretariat - Economic Services)

APPENDIX XVIII(contd.)

Sr. No.	Department	Expenditure for 1999-2000 not reconciled (Rupees in crore)	Month for which expenditure was not reconciled (Grant/ Major Head within bracket)
(1)	(2)	(3)	(4)
44.	Irrigation	8.33	April 1999 to March 2000 (I.18-7610 Loans to Government Servants, etc.)
45.	Law and Judiciary	6.49	April 1999 to March 2000 (J.1-2014 Administration of Justice)
46.	- do -	0.21	April 1999 to March 2000 (J.5-2250 Other Social Services)
47.	Industries, Energy and Labour	4.00	July 1999 to March 2000 (K.7-2810 Non-Conventional Sources of Energy)
48.	- do -	15.21	October 1999 to March 2000 (K.9-2852 Industries)
49.	- do -	4.49	April 1999 to March 2000 (K.10-3451 Secretariat - Economic Services)
50.	- do -	0.16	October 1999 to March 2000 (K.11-4058 Capital Outlay on Stationery and Printing)
51.	- do -	1.21	November 1999 to March 2000 (K.15-6250 Loans for Other Social Services)
52.	- do -	3.61	April 1999 to March 2000 (K.19-7610 Loans to Government Servants, etc.)
53.	Rural Development and Water Conservation	3.21	April 1999 to March 2000 (L.2-2053 District Administration)
54.	- do -	3.98	April 1999 to March 2000 (L.6-2415 Agricultural Research and Education)

APPENDIX XVIII(contd.)

Sr. No.	Department	Expenditure for 1999-2000 not reconciled (Rupees in crore)	Month for which expenditure was not reconciled (Grant/ Major Head within bracket)
(1)	(2)	(3)	(4)
55.	Rural Development and Water Conservation	51.99	April 1999 to March 2000 (L.9-2515 Other Rural Development Programmes)
56.	- do -	7.10	April 1999 to March 2000 (L.13-3451 Secretariat - Economic Services)
57.	- do -	131.53	April 1999 to March 2000 (L.15-3604 Compensation and Assignments to Local Bodies and Panchayati Raj Institutions)
58.	- do -	116.26	April 1999 to March 2000 (L.17 and 20-4402 Capital Outlay on Soil and Water Conservation)
59.	- do -	1.66	April 1999 to March 2000 (L.24 -7610 Loans to Government Servants, etc.)
60.	- do -	527.80	April 1999 to March 2000 (L.25 - 7615 Miscellaneous Loans)
61.	Food, Civil Supplies and Consumer Protection	3.48	April 1999 to March 2000 (M.4 -3451 Secretariat - Economic Services)
62.	Social Welfare, Cultural Affairs and Sports	1.56	April 1999 to March 2000 (N.12-7610 Loans to Government Servants, etc.)
63.	Planning	493.75	April 1999 to March 2000 (O.2-2505 Rural Employment)
64.	- do -	226.70	April 1999 to March 2000 (O.3-2515 Other Rural Development Programmes)
65.	- do -	2.62	April 1999 to March 2000 (O.5-3425 Other Scientific Research)

APPENDIX XVIII(contd.)

Sr. No.	Department	Expenditure for 1999-2000 not reconciled (Rupees in crore)	Month for which expenditure was not reconciled (Grant/ Major Head within bracket)
(1)	(2)	(3)	(4)
66.	Planning	5.32	April 1999 to March 2000 (O.6-3451 Secretariat-Economic Services)
67.	Parliamentary Affairs	0.01	April 1999 to March 2000 (P.3-7610 Loans to Government Servants etc.)
68.	Housing and Special Assistance	7.49	April 1999 to March 2000 (Q.2-2053 District Administration)
69.	-do-	2.25	April 1999 to March 2000 (Q.7-3451 Economic-Secretariat Services)
70.	-do-	0.67	June 1999 to March 2000 (Q.12-6250 Loans for Other Social Services)
71.	-do-	0.24	April 1999 to March 2000 (Q.13-7610 Loans to Government Servants etc.)
72.	Public Health	58.92	October 1999 to March 2000 (R.2-2210 Medical and Public Health)
73.	-do-	46.03	February 1999 to March 2000 (R.2-2210 Medical and Public Health)
74.	-do-	0.33	January 2000 to March 2000 (R.3-2211 Family Welfare)
75.	- do -	8.96	June 1999 to March 2000 (R.9-7610 Loans to Government Servants etc.)
76.	Tribal Development	13.65	April 1999 to March 2000 (T.5-2515 Other Rural Development Programmes)

APPENDIX XVIII(contd.)

Sr. No.	Department	Expenditure for 1999-2000 not reconciled (Rupees in crore)	Month for which expenditure was not reconciled (Grant/Major Head within bracket)
(1)	(2)	(3)	(4)
77.	Tribal Development	0.50	March 2000 (T.5-2810 Non-Conventional Source of Energy)
78.	-do-	0.60	April 1999 to March 2000 (T.9-7610 Loans to Government Servants, etc.)
79.	- do -	0.05	September 1999 to March 2000 (T.10-6217 Loans for Urban Development)
80.	- do -	25.75	January 2000 to March 2000 (T.10-6225 Loans for Welfare of Scheduled Castes, Scheduled Tribes and Other Backward classes.)
81.	- do -	0.12	September 1999 to March 2000 (T.10-6250 Loans for Other Social Services)
82.	Co-operation and Textiles	1.00	April 1999 to March 2000 (V.11-4860 Capital Outlay on Consumer Industries)
83.	- do -	4.50	April 1999 to March 2000 (V.6-3451 Secretariat - Economic Services)
84.	-do-	0.08	July 1999 to March 2000 (V.15-6425 Loans for Co-operation)
85.	- do -	0.03	July 1999 to March 2000 (V.18-7475 Loans for Other General Economic Services)
86.	Higher and Technical Education	3.99	April 1999 to March 2000 (W.10-7610 Loans to Government Servants etc.)

APPENDIX XVIII(concl.)

Sr. No.	Department	Expenditure for 1999-2000 not reconciled (Rupees in crore)	Month for which expenditure was not reconciled (Grant/Major Head within bracket)
(1)	(2)	(3)	(4)
87.	Woman and Child Development	0.21	April 1999 to March 2000 (X.4-2515 Other Rural Development Programmes)
88.	-do-	0.34	April 1999 to March 2000 (X.8-7610 Loans to Government Servants, etc.)
89.	Water Supply and Sanitation	1.73	April 1999 to March 2000 (Y.5-3451 Secretariat - Economic Services)
90.	- do -	14.43	April 1999 to March 2000 (Y.8-4402 Capital Outlay on Soil and Water Conservation)
91.	Trade, Commerce and Mining	0.56	April 1999 to March 2000 (Z.6-3451 Secretariat - Economic Services)
92.	- do -	0.02	April 1999 to March 2000 (Z.9-7610 Loans to Government Servants etc.)
93.	Maharashtra Legislature Secretariat	21.26	April 1999 to March 2000 (Z.B.1-2011 Parliament/State/ Union Territory Legislature)
94.	- do -	0.12	April 1999 to March 2000 (Z.B.3-7610 Loans to Government Servants etc.)
Total		3699.40	

APPENDIX XIX

(Reference : Paragraph 2.15; Page 34)

Cases of withdrawal of funds in advance to avoid lapse of grants

Sr. No.	Government Department	Name of the Drawing and Disbursing Officer	Major Head	Amount (Rupees)	Date of Drawal	Amount not utilised in the same Financial Year (Rupees)	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Industries, Energy and Labour	The Manager, District Industries Centre, Kolhapur	2852 Industries	44,75,000	March 31, 2000	44,75,000	As per General Manager, District Industries Centre, Kolhapur's sanction order dated 31.3.2000. The recipients of the subsidy for 1999-2000, under 12 talukas have not been decided by the Department. Thus, the amount has been withdrawn only to avoid lapse of grant.

APPENDIX XX						
(Reference : Para :3.2.6.5.1, Page: 57)						
Statement indicating requirement, supply and use of CC and OP						
Year	Conventional Contraceptive			Oral Pills		
	Number of users reported	Number of pieces required as per scale	Number supplied	Number of users reported	Number of cycles as per scale	Number of cycles supplied
1995-96	1361344	98016768	78919000	435341	5659433	4600000
1996-97	964771	69463512	65984000	375537	4881981	4266000
1997-98	592367	42650424	54898000	375187	4877431	2996000
1998-99	586489	42227208	39192000	358821	4664673	5550000
Total	3504971	252357912	238993000	1544886	20083518	17412000

APPENDIX XXI				
(Reference : Para: 3.2.6.6, Page : 57)				
Statement indicating the sterilisation performed by PMPs				
Name of the centre	Period	Total number of sterilisation	Number of sterilisation done by the PMP	Per cent of PMP to Total
1) District Family Welfare Bureau, Mumbai	1995-96 to 1998-99	177242	56387	32
2) City Family Welfare Bureau, Pune	1995-96 to 1999-2000	72303	38819	54
3) Civil Surgeon, Akola	1995-96 to December 1999	1085	1009	93
4) Civil Surgeon, Jalgaon	1995-96 to 1999-2000	4004	1804	45

APPENDIX XXII

(Reference: Para: 3.2.8.1, Page : 59)

Statement indicating the performance of PPCs of the State relating to direct acceptors

	1995-96	1996-97	1997-98	1998-99
Number of delivery (OB) cases	196851	203734	222090	206345
Number of abortion (AB) cases	35545	36766	36173	36993
Total	232396	240500	258263	243338
i) with 0-1 children	99023	106430	111901	107486
ii) with 2 or more children (A)	133373	134070	146362	135852
Target of direct acceptors (75 per cent of A)	100029	100552	109771	101889
Actual number of direct acceptors of sterilisation	45181	44181	45546	41371
Percentage of sterilisation to the target of direct acceptors	45.16	43.94	41.49	40.60

APPENDIX XXIII

(Reference: Para: 3.2.10, Page : 60)

Statement indicating the release of grants to ZPs in excess of admissible expenditure for payments to acceptors of sterilisation and IUDs

Year	Performance (in lakh) and Rate in rupees			Total amount payable	Actual amount paid	Excess (+)/ Saving (-)
	V	T	I			
(Rupees in crore)						
1995-96	0.08/ 140	5.57/ 170	4.71/ 34	11.18	11.66	(+)0.48
1996-97	0.05/ 180	5.13/ 200	4.48/ 16	11.07	11.96	(+)0.89
1997-98	0.08/ 180	5.66/ 200	4.19/ 16	12.13	11.55	(-)0.58
1998-99	0.05/ 180	5.28/ 200	4.02/ 16	11.29	11.84	(+)0.55
1999-2000 provisional	0.05/ 180	5.54/ 200	4.11/ 0	11.17	11.17	Nil
Total	0.31	27.28	21.51	56.84	58.18	(+)1.34

V= Vasectomy, T= Tubectomy, I= IUD

APPENDIX-XXIV

(Reference : Paragraph : 3.3.5 , Page : 64)

Statement indicating the targets and achievements for various activities for rehabilitation of earthquake affected people

Sr.No	Activities	Target	Achievement
1.	Number of villages relocated	52	52
2.	Number of houses constructed in the relocated villages	27944	27649
3.	Number of model houses	475	475
4.	Repairs and Strengthening of houses (Numbers)	203657	200926
5.	Infrastructure		
5.1	Amenity Buildings/culverts/minor bridges (Numbers)	803	803
5.2	Access roads(km)	370.78	370.78
6.	Water supply to villages (Numbers)	161	161
7.	Repairs and strengthening of KT weirs and dams (Numbers)	729	729
8.	Construction of School buildings/Public buildings (Numbers)	5380	5380
9.	Economic rehabilitation (Replacement of farm implements, Milch, Cattle, Sheep, Goats, Bullocks and reconstruction of dug wells)	52104	52104
10.	Social rehabilitation		
10.1	Construction of Anganwadis, Community centres, District Resource centre, Home for handicapped, Old age home, Trauma centre, Educational complex etc. (Numbers)	1199	1199
10.2	Setting up of self help groups (Numbers)	500	493

APPENDIX XXV

Reference : Paragraph 3.18 ; Page : 98)

Statement showing number of paragraphs/reviews in respect of which Government explanatory memoranda (UORs) had not been received

Sr. No	Name of Department	Upto 1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	Agriculture, Animal Husbandry, Dairy Development and Fisheries	4	1	--	--	--	2	7
2.	Co-operation and Textiles	--	--	--	--	2	2	4
3.	Environment	--	--	--	1	--	--	1
4.	Food, Civil Supplies and Consumer Protection	--	--	--	--	--	1	1
5.	General Administration	--	--	--	--	--	2	2
6.	Higher and Technical Education	--	--	--	--	--	1	1
7.	Home	--	--	--	--	2	3	5
8.	Housing and Special Assistance	6	4	--	--	4	9	23
9.	Industries, Energy and Labour	--	--	--	--	--	1	1
10.	Irrigation	2	--	--	1	1	9	13
11.	Law and Judiciary	--	1	--	--	--	--	1
12.	Public Health	1	--	2	2	2	3	10
13.	Public Works	--	--	--	--	4	4	8
14.	Revenue and Forests	6	1	--	1	3	5	16
15.	Rural Development and Water Conservation	12	10	2	2	4	6	36
16.	Social Welfare, Cultural Affairs and Sports	2	3	--	--	--	1	6
17.	Tribal Development	--	--	--	--	1	1	2
18.	Urban Development	3	3	--	--	1	3	10
19.	Water Supply and Sanitation	--	--	--	--	1	--	1
20.	Woman and Child Welfare	1	--	--	1	--	2	4
	Total	37	23	4	8	25	55	152

APPENDIX XXVI

(Reference : Paragraph 3.20; Page : 99)

Statement showing Outstanding Inspection Reports and Paragraphs issued upto December 1999 but outstanding as of June 2000

Name of the Department		Upto 1994-95		1995-96		1996-97		1997-98		1998-99		1999-2000		Total	
		IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras
1	Agriculture, Animal Husbandry, Dairy Development and Fisheries	315	514	79	156	133	259	131	267	78	185	87	270	823	1651
2	Co-operation and Textiles	100	187	51	115	33	82	80	132	90	217	44	94	398	827
3	Finance	8	10	1	2	7	16	6	11	8	13	12	24	42	76
4	General Administration	17	30	7	9	7	12	13	19	23	44	12	20	79	134
5	Higher and Technical Education	172	249	77	146	115	179	148	242	326	616	194	446	1032	1878
6	Home	115	200	33	82	51	103	62	177	89	257	69	256	419	1075
7	Housing and Special Assistance	24	39	11	18	2	5	3	5	16	34	1	1	57	102
8	Industries, Energy and Labour	22	35	19	30	13	27	18	45	22	50	27	62	121	249
9	Irrigation	1322	3018	123	368	157	448	132	587	139	615	70	326	1943	5362
10	Law and Judiciary	16	20	3	3	14	21	15	28	42	72	21	47	111	191
11	Medical Education and Drugs	74	183	23	55	16	31	24	91	33	109	25	125	195	594
12	Public Health	168	259	46	78	50	114	77	172	131	272	99	277	571	1172
13	Public Works	212	373	28	66	63	218	72	261	103	359	80	379	558	1656
14	Planning	-	-	-	-	1	1	1	1	1	6	1	3	4	11
15	Revenue and Forests	545	928	139	305	168	391	142	345	201	492	175	525	1370	2986
16	Rural Development and Water Conservation	629	1216	113	255	163	423	129	371	142	456	142	620	1318	3341
17	Social Welfare, Cultural Affairs and Sports	133	195	19	39	20	60	50	154	52	125	37	120	311	693
18	School Education	34	46	2	4	11	21	12	24	19	40	5	22	83	157
19	Urban Development	21	31	2	6	6	9	9	21	7	18	4	14	49	99
20	Tribal Development	31	51	8	23	12	21	17	38	22	55	14	38	104	226
21	Employment and Self-employment	1	1	-	-	-	-	-	-	1	2	-	-	2	3
22	Food, Civil Supplies and Consumer Protection	3	3	-	-	-	-	1	1	4	11	1	3	9	18
23	Woman and Child Welfare	36	54	10	19	23	34	11	17	23	40	26	50	129	214
24	Water and Sanitation	7	10	5	8	2	4	2	3	4	14	3	13	23	52
25	Maharashtra Legislature Secretariat	3	12	-	-	-	-	-	-	-	-	-	-	3	12
26	Trade, Commerce and Mining	-	-	-	-	-	-	-	-	1	5	-	-	1	5
Total		4008	7664	799	1787	1067	2479	1155	3012	1577	4107	1149	3735	9755	22784

APPENDIX XXVII

(Reference : Para 3.22; Page : 101)

**Statement showing cases of misappropriation reported upto March 2000
and pending finalisation as on 30 September 2000**

Sr. No.	Name of Department	Reported upto March 1996		Reported during 1996-97		Reported during 1997-98		Reported during 1998-99		Reported during 1999-2000		Total	
		Cases	Amo- unts	Cases	Amo- unts	Cases	Amo- unts	Cases	Amo- unts	Cases	Amo- unts	Cases	Amo- unts
(Rupees in lakh)													
1.	Agriculture, Animal Husbandry, Dairy Development and Fisheries	53	24.43	-	-	-	-	1	0.42	-	-	54	24.85
2.	Finance	4	25.20	2	85.89	-	-	-	-	-	-	6	111.09
3.	Food, Civil Supplies and Consumer Protection	17	31.79	-	-	-	-	-	-	-	-	17	31.79
4.	General Administration	2	1.35	-	-	-	-	-	-	-	-	2	1.35
5.	Housing and Special Assistance	4	0.81	-	-	-	-	-	-	-	-	4	0.81
6.	Higher and Technical Education	8	2.28	-	-	-	-	-	-	1	0.70	9	2.98
7.	Home	29	16.48	-	-	-	-	-	-	-	-	29	16.48
8.	Industries, Energy and Labour	1	0.78	-	-	-	-	-	-	-	-	1	0.78
9.	Irrigation	3	2.48	-	-	1	0.34	-	-	-	-	4	2.82
10.	Law and Judiciary	3	0.61	-	-	1	0.97	-	-	1	0.06	5	1.64

APPENDIX XXVII (concl.d.)

Sr. No.	Name of Department	Reported upto March 1996		Reported during 1996-97		Reported during 1997-98		Reported during 1998-99		Reported during 1999-2000		Total	
		Cases	Amo- unts	Cases	Amo- unts	Cases	Amo- unts	Cases	Amo- unts	Cases	Amo- unts	Cases	Amo- unts
(Rupees in lakh)													
11.	Medical Education and Drugs	5	7.67	-	-	-	-	-	-	-	-	5	7.67
12.	Public Health	21	12.50	-	-	-	-	-	-	-	-	21	12.50
13.	Public Works	3	2.14	-	-	-	-	-	-	-	-	3	2.14
14.	Revenue and Forests	257	37.63	-	-	-	-	-	-	4	1.63	261	39.26
15.	Rural Development and Water Conservation	33	135.55	-	-	1	67.84	-	-	-	-	34	203.39
16.	School Education	2	2.63	-	-	-	-	-	-	-	-	2	2.63
17.	Social Welfare, Cultural Affairs and Sports	9	84.95	-	-	-	-	-	-	-	-	9	84.95
Total		454	389.28	2	85.89	3	69.15	1	0.42	6	2.39	466	547.13

APPENDIX XXVIII

(Reference : Para 4.12.6; Page : 123)

Statement indicating lack of input, process and output controls by pilot officers

Omission pointed out by Audit

Reply of the Department

1) Rest House Management System

SE, PW Circle, Mumbai

a) The software was not being utilised by the Circle office due to various problems e.g., even though a suite was allotted the report showed the same as vacant.

b) In the data entry screen for check out, the user was required to enter all the details regarding name of suite, check in time etc. even though the same was available in the database (already entered at the time of check in). This may result in duplication of data.

c) The charges in respect of suites were not calculated based on tariff entered in the master files. These were required to be entered manually by the user. Again there was a separate screen for entering the phone calls made by the occupant and charges thereof. The charges of phone were again required to be entered in the checkout screen.

d) There is a screen for entering the details of pending bills. When all the information in respect of check in, check out, charges etc. were already entered in the database/files, the data entry in respect of pending bills could have been avoided.

e) There was no provision for cancellation of reservation.

It is installed on trial basis. The results are communicated to C-DAC for making necessary changes.

APPENDIX XXVIII (contd.)	
<p>EE., PW Division Aurangabad</p> <p>(a) Data entry in respect of master screens for suite information is not possible because of errors in programme and problem in ISM 3.04 (The alphabets ‘ ‘ and ‘ ‘ does not appear).</p> <p>a) Out of six master database, two (Rest House Master and Facilities Master) were filled in at ITCC, Pune itself and the rest have not been filled at all</p> <p>b) No reports could be seen as the data entry was not completed and also because of errors in software.</p>	<p>Due to problem of ISM 3.04 data entry in Marathi in respect of Rest House application is not feasible. Feed back is also given to C-DAC for sorting out this problem.</p>
2) Employee Information System	
<p>EE., Presidency Division, Mumbai</p> <p>The entire service details (from the date of joining service to date) were not entered.</p>	<p>The remaining information will be entered and verified.</p>
<p>Scrutiny and verification aspect of some of the critical fields in this package was not present viz. Date of Birth, Nomination, Pay Fixation etc. The Date of Birth, Caste, Declaration of Home town once entered for a person after proper verification should not be allowed to be altered. Also, log in respect of changes made in fields like nomination was not generated/kept.</p>	<p>Auditing features in respect of some important fields have been built in. However this feature has been temporarily suspended.</p>
<p>ITCC, Pune</p> <p>a) The data in some databases was incorrect which could have been controlled by having some input validations e.g., a) City class entry – In this master database the city name was entered both in small as well as in upper case. Thus Aururgabad has been entered twice as “AURANGABAD” and “Aurangabad”</p> <p>b) In ‘Employee Personal Details’, birth date in some of the cases has been entered as “00/00/0000”. However, his date of retirement has been entered as “29/02/2020”. The date of retirement is thus modifiable.</p> <p>c) In the master database for ‘Caste’ the reservation percentage for SC/ST/DT/VJ/NT has been entered as “00”.</p>	<p>This will be incorporated during finalisation of master databases.</p> <p>As retirement date is editable, user may manually change the retirement date. However, the reported problem will be fixed.</p> <p>Same as 3(a)</p>

APPENDIX XXVIII (contd.)

<p>d) In 'Employee Family Details' – 'Nominee Details', the fraction of pension is shown as 100 <i>per cent</i> in the name of wife and again 100 <i>per cent</i> in the name of son.</p>	<p>This validation can be incorporated</p>
<p>e) The data in respect of 'Designation' of employee has not been entered in 'First Order Information' in some cases. As such, the office to which these employees belong was not assigned. As a result of this, there were 5315 records in 'Employee Master' but only 4487 records in 'First Order Master'. As such, outputs such as pay (in respect of 828 employees) cannot be drawn using the EIS/Paybill package.</p>	<p>Data entry and validation is still under process and the reported discrepancy will be resolved once the process gets completed.</p>
<p>f) In 'Leave' module, the balance of leave at credit is worked out automatically. However the additions to leave are to be entered manually and the balance is also susceptible to modification. The balance of leave also accepts negative figures. Further there is a module for monitoring sanction of leave. This module does not provide for rejection of leave. Similarly, there is no provision for taking care of extensions to leave. Also, there is validation for the date of receipt of application before the date of commencement of leave. It does not therefore provide for post-facto sanction to leave granted including casual leave. The data is thus incomplete and unreliable.</p>	<p>Same as above.</p>
<p>No data was entered in some of the databases such as a) Hospital master b) Doctors master c) Medical – Patient information d) Employee permanency process e) Employee deputation details f) Award information g) Memo information h) Database of leave module. Some of the above databases were not being used for any outputs <i>viz.</i>, Doctors master, Hospital master etc. It was, therefore, not necessary to create and maintain these redundant databases.</p>	<p>Data entry work is in process.</p>

APPENDIX XXVIII (contd.)

3) Paybill

<p>EE, Presidency Division, Mumbai</p> <p>The master databases contain improper data leading to erroneous results. For instance, the data in respect of HRA, CCA was found incorrect.</p>	<p>The master data updation facility has currently been decentralised. This was proposed to be centralised at a later date once the data is made available.</p>
<p>Paybill package was unable to calculate transport allowance.</p>	<p>This feature is being provided in the next release.</p>
<p>The 'Basic Pay' field in the Payroll package has no relation with the payscale. It has no range validation and accept values below the minimum and above the maximum value in the pay scales. It was also seen that the field accepted minus value and decimal value and generated paybill based on such incorrect data.</p>	<p>Instructions are noted.</p>
<p>SE, PW Circle, Mumbai</p> <p>There were errors in pay scale (e.g. Intermediate slab of pay was more than maximum as shown in the scale).</p>	<p>The basic pay was correct but pay scale was incorrect.</p>
<p>The names of employees and their addresses had to be entered in the 'Service Master Screen' of the Paybill package even though the same was available in 'EIS' database. This had resulted into same data entry two times and possibility of storing different details in 'EIS' and 'Paybill'.</p>	<p>Software is under development.</p>
<p>As there were errors in the applications or due to non-availability of such facilities in the packages, the following data elements/works were being done manually even though there were master databases available for the same.</p> <p>a) Annual increment b) Profession tax c) Transport/ conveyance allowance d) GIS in respect of newly recruited/promoted staff e) Supplementary paybills/calculation of arrears f) Calculation of arrears for fraction of the month. g) Printing of GPF schedule. h) Interest on HBA/MCA schedule i) No provision for deputation allowance.</p>	<p>Changes in software are under development by C-DAC.</p>

APPENDIX XXVIII (contd.)

<p>CE, PW Region, Pune</p> <p>The following reports were not generated by using a single menu and separate menus were required to be invoked for getting the following outputs (27 in number) eventhough some of these were a compulsory part of paybill a) Employee payslip b) Employee classwise abstract c) GPF schedule d) Income tax e) Festival advance f) House building advance g) Motor Cycle advance h) Professional tax.</p>	<p>It is felt that the Paybill package developed by C-DAC needs separate menus so as to avoid wastage of stationery and saving in printer time of printing. However this problem of getting these 27 outputs (such as payslip, GPF schedules and other schedules, etc.) automatically is referred to C-DAC.</p>
<p>SE, PW Circle, Aurangabad</p> <p>a) There was no provision for calculation of surrender leave. b) Separate schedules of GPF for PW/MH and BRBN series etc. are not generated. A combined schedule is generated through the application and schedules are required to be prepared manually.</p>	<p>This will be referred to C-DAC for required modifications.</p>
<p>EE, PW Division, Aurangabad</p> <p>In Employees Salary Generation Screen, there is no validation in the fields for 'Total Instalment Number' and 'House Building Instalment Number' (i.e. correct instalment number). The application accepts 'Total Instalment Number' less than the 'Current Instalment Number'. This has also resulted in showing of wrong closing balance.</p>	<p>The work of final valuation in Paybill software is in progress at ITCC, Pune.</p>
<p>In the schedule of 'Computer Advance' of December 1999 Shri G.B. Chalwade, Executive Engineer, an amount of Rs 45,000/- was shown as total advance paid and to be recovered in 100 installments of Rs 375/- per month. But, upto December 1999, 27 instalments have been recovered (Rs 10125/-) leaving a balance of Rs 37845/- which has to be recovered in balance 73 instalments. The calculation is incorrect as 73 installments of Rs 375/- works out to Rs 27375/- only. Further, 100 instalments of Rs 375/- comes to only Rs 37500/-, though, Rs 45,000/- was paid as advance to the above official.</p>	<p>The computer advance was sanctioned for an amount of Rs 45000/- to be recovered in 120 instalments of Rs 375/-. At the time of resuming the charge of this Division only 100 instalments were to be recovered. However, the amount of Rs 45,000/- was fed in the computer erroneously.</p>

APPENDIX XXVIII (contd.)

4) Works Management System

<p>ITCC, Pune</p> <p>a) DSR once finalised should not be allowed to be modified as the rates given in the DSR were adopted for estimation/payment purpose. It was however, seen that the DSR for 1997-98 (old one) could also be modified at any given point of time. This may result into giving unnecessary scope for manipulation/ unauthorised changes.</p> <p>b) The rates for certain items in DSR (1997-98) were entered as "00". As such, the estimates based on these DSRs could not give correct results. Similarly in respect of many items labour rate was entered as "00" whereas labour were employed for execution of that item.</p>	<p>The system was not finalised. The linking of estimate and DSR is also not completed. After finalisation of complete system the validation of DSR rate shall be given and then there will be no scope to modify the rates, unless authorised by higher authorities.</p>
<p>In the master database for 'Contractor Class', the 'from amount' and 'to amount' fields were left blank. As such the databases could not be used for deciding the eligibility of contractors for executing the work.</p>	<p>The data will be entered in this master.</p>
<p>a) In the menu for 'Estimate Preparation', the user has an option to change the rate of an item which comes from DSR. Thus, there was a risk of manipulation to this figure.</p> <p>b) There was no validation for entering details of estimates before entering details of technical sanction. Thus, technical sanction details could be entered even when estimate did not exist.</p> <p>c) Technical sanction details such as DSR Year and DSR Region are subject to change at any time.</p>	<p>After finalisation of system the validation to DSR rates shall be given and then there will be no scope for manipulation.</p>
<p>For 'Percent below' in 'Quotations' details, a minus figure had to be entered otherwise the entry is treated as 'Percentage above' by default. There is also no online help for the same. Thus, there is a risk of overpayment because of entry of such wrong percentage.</p>	<p>The provision to consider below/above will be made.</p>
<p>In 'Work Extension Details' there are fields for extension and compensation. However, as these items were not linked to actual recoveries, there was no provision for recovery of the compensation levied on the contractors, from the RA – Bill.</p>	<p>This will be considered and necessary provisions will be made.</p>
<p>Some other modules of this application could not be scrutinised as there was no data entered in it.</p>	<p>The data entering work is in process.</p>

APPENDIX XXVIII (contd.)

5) Accounts Management System

<p>ITCC, Pune Work can be started on this application by specifying a date on which the opening balance is required to be specified. The system allows the opening balance to be modified upto 10 days from the date of starting of application. After that, this menu for opening balance gets deactivated.</p>	<p>After finalisation of system the validation for opening balance shall be given and there will be no scope for modification.</p>
<p>The above software is not being used extensively. Only in respect of Public Works Division, Pune, data was entered for August 1999. The application has not been used after August 1999.</p>	<p>For testing purpose, the account of Pune Public Works Division of August 1999 has been entered. Yet linking work of TEO stock with account has not been completed. After finalisation of system, all divisions will use the software.</p>
<p>The following outputs are not generated by this application : a) Form 73 – Deposits b) Form 105 – MPWA c) Form 96 – CSSA</p>	<p>Opening balances of these schedules are not yet entered. However after finalisation of account module, this will be entered and these forms will be generated.</p>
<p>Omnibus transfer entry orders in respect of purchase transactions are not reflecting in the accounts. It was stated that the module is being incorporated. In the absence of provision for the above transaction, the accuracy of the accounts is in doubt.</p>	<p>Purchase Accounts are not yet linked with the Work Account.</p>
<p>When the outputs of the system were tested, it was found that Form-97 (Schedule of Works Expenditure) and Form-101 (Monthly Account) were having the required figures whereas Form-100 (Classified Abstract of Expenditure) which is a consolidation of Form-97, was blank.</p>	<p>For the testing purpose only Major/Minor Headwise figures are entered and therefore Form-97 and Form-100 are not generated.</p>
<p>Form-98 and Form-99 (Store Account) is required to be furnished alongwith Monthly Account. However the same are not being generated as the required link with Stores module is not there.</p>	<p>The Stores Account not yet linked with the Works Account.</p>

APPENDIX XXVIII (contd.)

<p>(a) The data entry module for Works Cash Book showed that a blank voucher without any details and amount is also acceptable, as the necessary validation is not present. As voucher number is automatically generated, the blank voucher is also allotted a voucher number. This voucher number of blank voucher is not reflected in the Cash Book generated by the system. The entries in the Cash Book are also not in the serial order. This blank voucher is also susceptible to modification even at a later stage. Thus there is a risk of manipulation in the Cash Book at a later stage.</p>	<p>This will be incorporated in the system.</p>
<p>(b) The cheque numbers should appear in the Cash Book in the same ascending order as they are issued serially. This validation is however not built into the data entry module.</p>	
<p>(c) The data entry module for Cash Book allows entry of vouchers pertaining to the date upto which last voucher has been entered. It has no relation with the system date (Current date). As such entries for previous dates is also possible and entries for 31st March can be continued upto any date till the entry for April is started.</p>	

6) Stores Management System

<p>ITCC, Pune</p> <p>Most of the payments in Public Works Department are made on the basis of entries in Measurement Books (MBs), Form-22 (Stock Receipts), Form -33 (Receipt of T and P), Nominal Muster Rolls (NMRs) etc. As these Forms are of critical importance, there is a procedure for maintaining a stock and issue of all these forms. In the application on Stores Management, it was seen that no such cognizance of keeping a stock and monitoring issue of these critical forms was taken. Thus, the risk of using unauthorised forms was not covered in the application.</p>	<p>Prescribed Proforma No. 92 for receipt of MB and Form No.23 for maintaining Register of Stock Receipt and Register of NMR will be provided in the system.</p>
<p>In the 'detail item entry', the data entry module accepts minimum stock level which can be more than the maximum stock level. In order to avoid incorrect data going into the system, such validations are necessary.</p>	<p>Validation will be provided.</p>

APPENDIX XXVIII (concl.d.)	
When an item is issued, the issue rate is again required to be entered using 'Issue of Goods' screen. The issue rate which is already available is not used for calculating the value of goods issued. Also, the issue rates which are entered in the 'Issue rate Master' are not used in the application anywhere.	After finalisation of system, this will be considered.
Form 99 (Stock Account) is generated by the system and the output (Report) has column for 'Reserve Stock limit' and another column for 'Remarks' which cannot be filled in through the application and have to be entered manually (ink entry). This may defeat the concept of total computerisation.	This will be considered after finalisation of system.
No live data was available for T and P articles. Hence the module could not be tested.	The data entry is in process.
As already mentioned, form 22 and form 33 are very important as they form a basis for making payments. However, it is seen that, all the data in these forms are modifiable. Hence the risk of manipulation is not covered in the application.	Security module is provided for Access control. Validation for the entry in form 22 and 33 shall be provided on finalisation of system.
There is no validation for issue of stock in excess of available stock.	It can be provided.

7) Accommodation Information System

CE, PW Region, Aurangabad	
a) In the Accommodation Information Master Screen, the quarters are shown by default as 'occupied' and not modifiable except through backend. Due to this no quarters is available for allotment in the Allotment Screen. Hence the package could not be used.	This feedback will be given to C-DAC, Pune.
b) No provision has been made for entering data in respect of allotments already made. As such, data entry in respect of present occupants is not possible.	
Ranges of pay are entered as per recommendations of IVth Pay Commission in the Pay Group Masters Screen for determining the eligibility criterion for the type of accommodation to be allotted.	This will be updated as the Vth Pay Commission.
The data entry was done only in 'Type of Accommodation Details' in Master Menu	Data entry in other screen will start soon.

Appendix XXIX

(Reference : Paragraph 6.2; Page : 134)

Departmentwise break up of outstanding Utilisation certificates (Grants)

Sr. No.	Department	Number of certificates	Amount (Rupees)
1	Agriculture, Animal Husbandry, Dairy Development and Fisheries	5910	2,09,64,54,345
2	Co-operation and Textiles	1454	25,48,43,079
3	Environment	3	57,000
4	Finance	722	2,91,09,69,555
5	Food, Civil Supplies and Consumer Protection	124	3,16,16,050
6	General Administration	609	89,59,28,618
7	Higher and Technical Education	350	49,99,04,446
8	Home	152	7,90,14,784
9	Housing and Special Assistance	59	2,32,31,637
10	Industries, Energy and Labour	135	31,44,94,491
11	Irrigation	60	4,36,13,165
12	Law and Judiciary	1	4,75,581
13	Medical Education and Drugs	27	3,73,87,034
14	Planning	9190	8,09,52,11,759
15	Public Health	1217	67,83,74,273
16	Public Works	27	4,30,65,762
17	Revenue and Forests	1985	70,62,02,613
18	Rural Development and Water Conservation	133	62,83,56,042
19	School Education	2022	9,77,45,96,520
20	Social Welfare, Cultural Affairs and Sports	24674	6,02,89,64,004
21	Tribal Development	50	27,97,13,707
22	Urban Development	87	59,66,20,197
23	Water Supply and Sanitation	209	11,57,30,23,409
24	Women and Child Welfare	56	2,89,62,729
	Total	49256	45,62,10,80,800

Departmentwise break up of outstanding Utilisation certificates (Loans)

1.	Agriculture, Animal Husbandry, Dairy Development and Fisheries	155	1,51,83,67,622
2.	Co-operation and Textiles	423	1,26,69,25,719
3.	Housing and Special Assistance	213	9,41,62,734
4.	Industries, Energy and Labour	1817	31,45,70,708
5.	Revenue and Forests	275	6,79,93,086
6.	Rural Development and Water Conservation	23	1,47,45,475
7.	Tribal Development	476	26,35,07,267
8.	Urban Development	412	24,11,05,840
	Total	3794	3,78,13,78,451

APPENDIX XXX

(Reference : Para 6.5.6; Page : 143)

Statement indicating water quality of important rivers in the State

Name of the City/River	Class of water	Period	Dissolved Oxygen		Biochemical Oxygen Demand	
			Prescribed standards	Result of sampling (Min-Max. of monthly samples)	Prescribed standards	Result of sampling (Min-Max. of monthly samples)
Mumbai/ Bhatsa Dam	AI	95-96	Not less than 5 mg. per litre	5.3 - 7.3	Not more than 2 mg. per litre	4 - 6
		97-98		5.9 - 7.2		3 - 6
		98-99		6.2 - 9.1		3 - 6.5
Kalyan/ Dombivili/ Ulhas River - Badlapur Water Works	-''-	97-98	-''-	6.1 - 6.9	-''-	4 - 7
		98-99		6.5 - 7.1		3 - 7.5
Ulhasnagar City/Ulhas River - NRC Bund	-''-	98-99	-''-	6.1 - 7	-''-	3 - 7
Nagpur/ Bhandara - Wainganga River	-''-	97-98	-''-	2 - 6.8	-''-	3 - 7.7
		98-99		4 - 8		3 - 11
Satara Krishna River - Dhom Dam	-''-	94-95		5.6 - 6.8		2 - 7.4
		95-96		6.2 - 7.2		2.8 - 9.5
		96-97		4 - 6.9		3.3 - 12
		97-98		4.2 - 7.2		3 - 10
		98-99		6.6 - 43.5		3 - 16
Navi Mumbai/ Patalganga River - Chawne Weir	AII	97-98	Not less than 4 mg. Per litre	3.5 - 6.8	Not more than 5 mg. Per litre	3 - 20
		98-99		6.4 - 8.3		3 - 8
Pune - Mutha River, Vitthal Wadi	AII	94-95	-''-		-''-	3.5 - 7.2
		95-96		3.5 - 6.5		3.3 - 14.5
		96-97		3.1 - 7		4 - 17
		97-98		4.4 - 6.6		4 - 9
		98-99		6.2 - 7.1		3 - 16

APPENDIX XXX (concl.)						
Name of the City/River	Class of Water	Period	Dissolved Oxygen		Biochemical Oxygen Demand	
			Prescribed Standards	Result of sampling (Min-Max. of monthly samples)	Prescribed Standards	Result of Sampling (Min-Max. of monthly samples)
Pune – Nira River – Sarola Bridge	AII	94-95 95-96 96-97 97-98 98-99	Not less than 4 mg. per litre	5.3 – 6.9 3.8 – 7.2 3.4 – 7.32 4.6 – 7.3 5.4 – 7.3	Not more than 5 mg. per litre	2 – 6.8 2.8 – 10 3.5 – 12 4 – 13 3 – 9
Pimpri/Chinchwad/Pawana River	-''-	94-95 95-96 96-97	-''-	5 – 7.3 4.1 – 8.7 5.2 – 7	-''-	0.3 – 2.9 1 – 41 1 – 14
Nashik City/ Godavari – Gangapur Dam	-''-	94-95 95-96 96-97 97-98 98-99	-''-	5.3 – 6.8 5.7 – 6.5 4 – 6.5 3 – 8 4.2 – 6.3	-''-	2 – 8.4 3.6 – 10 3.6 – 10 2.5 – 7 4.6 – 7.2
Nanded City/ Godavari River – D.S. Nanded (20709)	-''-	94-95 95-96	-''-	1.3 – 6 3.5 – 6.5	-''-	3.6 – 40 2 – 150

APPENDIX XXXI

(Reference : Para 6.5.8.2; Page : 145)

Statement indicating status of sewage treatment plants in 14 Municipal Corporations of the State as of March 2000

Name of the Local Body	Domestic effluent discharged (MLD)	Effluent in MLD		Percentage of effluent		Type of treatment available in the Municipal Corporations	Area/ Mode of disposal
		Treated	Untreated	Treated	Untreated		
Thane	200	54	146	27	73	Screen, Grit Chambers, Sedimentation	Into creek
Pimpri/ Chinchwad	108	16	92	15	85	Screen, Sedimentation, aeration, Digestion	Land irrigation and Mulla-Mutha river
Pune	480	90	390	19	81	Screen, Grit Chambers	Land irrigation and Mulla-Mutha river
Kolhapur	57	29	28	51	49	Screen, Grit Chambers, Sedimentation, Drying Beds	Land irrigation and Panchganga river
Solapur	100	Nil	100	Nil	100	Screen Sedimentation (not working)	Land Irrigation and Nullah
Navi Mumbai	122	Nil	122	Nil	100	Areated lagoons (not working)	Into creek
Sangli/Miraj	63	49	14	78	22	Oxidation Ponds	Irrigation and into Krishna River
Aurangabad	65	Nil	65	Nil	100	Oxidation Ponds	Land irrigation and into nullah
Kalyan/ Dombivili	132	Nil	132	Nil	100	Screen grit chambers (not working)	Into creek
Ulhasnagar	90	28	62	31	69	Activated Sludge process	Into creek and into Ulhas river
Nashik	80	Nil	80	Nil	100	Screen Grit Chambers	On land and into Godavari river
Nanded	80	Nil	80	Nil	100	Screen Grit Chambers	Into nullah
Nagpur	300	100	200	33	67	Activated Sludge process	Land irrigation and Nag and Palli river
Amravati	14	Nil	14	Nil	100		Into nullah and Padi river

APPENDIX XXXII

(Reference : Paragraph :6.12.4.1, Page: 197)

Statement indicating the position of enrolment of students *vis-à-vis* the population of children and the difference in enrolment between boys and girls

District	Year	Population of children in age group of 6-11 years (Number in lakh)			Enrolment of students (Number in lakh)			Percentage of enrolment			Gender difference
		Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total	
Phase-I											
Aurangabad	1994-95	1.68	1.60	3.28	2.15	1.79	3.94	127.98	111.87	120.12	16.11
	1999-2000	2.18	2.01	4.19	2.18	2.02	4.20	100.00	100.50	100.24	0.50
Latur	1994-95	1.23	1.24	2.47	1.46	1.38	2.84	118.70	111.29	114.98	7.41
	1999-2000	1.46	1.49	2.95	1.60	1.50	3.10	109.59	100.67	105.08	8.92
Nanded	1994-95	1.97	1.93	3.90	2.11	1.94	4.05	107.10	106.52	103.85	6.58
	1999-2000	2.27	2.21	4.48	2.25	2.10	4.35	99.12	95.02	97.10	4.10
Parbhani	1994-95	2.06	2.06	4.12	1.76	1.50	3.26	85.44	72.82	79.13	12.62
	1999-2000	1.73	1.70	3.43	2.05	1.88	3.93	118.50	110.59	114.58	7.91
Osmanabad	1994-95	0.92	0.93	1.85	1.00	0.93	1.93	108.70	100.00	104.32	8.70
	1999-2000	1.03	1.00	2.03	1.03	0.97	2.00	100.00	97.00	98.52	3.00
Phase-II											
Beed	1996-97	1.44	1.41	2.85	1.44	1.30	2.74	100.00	92.20	96.14	7.80
	1999-2000	1.53	1.50	3.03	1.82	1.71	3.53	118.95	114.00	116.50	4.95
Dhule	1996-97	2.05	1.94	3.99	1.66	1.48	3.14	80.98	76.29	78.70	4.69
	1999-2000	2.17	2.06	4.23	2.01	1.81	3.82	92.63	87.86	90.31	4.77
Gadchiroli	1996-97	0.57	0.58	1.15	0.52	0.47	0.99	91.23	81.03	86.09	10.20
	1999-2000	0.60	0.61	1.21	0.63	0.59	1.22	105.00	96.72	100.83	8.28
Jalna	1996-97	1.27	1.27	2.54	1.00	0.87	1.87	78.74	68.50	73.62	10.24
	1999-2000	1.46	1.45	2.91	1.33	1.22	2.55	91.10	84.14	87.63	6.96

Note : More number of children were enrolled than the population of children in the age group of 6-11 due to enrolment of children below 6 years and above 11 years also. Details of children below 6 years and above 11 years are not available.

APPENDIX XXXIII

(Reference: Para: 6.12.4.2, Page: 198)

Statement indicating dropout percentage of students genderwise and social groupwise PHASE-I

District	Year of enrolment (Class-I) and Dropout (Class-V)	Percentage of dropout			Percentage of dropout			Differences between	
		Boys	Girls	Total	SC	ST	Others	Gender	Social Groups
Aurangabad	92-93 (I) 96-97 (V)	26.61	31.02	28.66	NA	NA	NA	4.41	NA
	93-94 (I) 97-98 (V)	22.62	25.52	23.98	28.80	Nil	30.80	2.90	Others:SC 2.00
	94-95 (I) 98-99 (V)	19.68	17.97	18.89	15.52	Nil	29.85	(-)1.71	Others:SC 14.33
Nanded	92-93 (I) 96-97 (V)	47.68	49.22	48.42	NA	NA	NA	1.54	NA
	93-94 (I) 97-98 (V)	42.94	46.31	44.62	44.30	Nil	58.80	3.37	Others:SC 14.50
	94-95 (I) 98-99 (V)	42.98	44.09	43.52	44.61	Nil	58.32	1.11	Others:SC 13.71
	95-96 (I) 99-2000 (V)	34.51	34.23	34.38	31.15	Nil	55.01	0.28	Others:SC 23.86
Parbhani	92-93 (I) 96-97 (V)	60.02	62.00	60.95	NA	NA	NA	1.98	NA
	93-94 (I) 97-98 (V)	33.07	40.28	36.57	40.16	Nil	47.55	7.21	Others:SC 7.39
	94-95 (I) 98-99 (V)	29.58	37.77	33.56	35.79	Nil	47.82	8.19	Others:SC 12.03
	95-96 (I) 99-2000 (V)	25.74	31.83	28.64	29.25	Nil	44.21	6.09	Others:SC 14.96
Latur	92-93 (I) 96-97 (V)	27.13	30.60	28.87	NA	NA	NA	3.47	NA
	93-94 (I) 97-98 (V)	26.75	31.20	28.97	38.61	Nil	37.18	4.45	SC:Others 1.43
	94-95 (I) 98-99 (V)	23.11	25.18	24.12	28.70	Nil	35.37	2.07	Others:SC 6.67
Osmanabad	92-93 (I) 96-97 (V)	30.16	34.90	32.46	NA	NA	NA	4.74	NA
	93-94 (I) 97-98 (V)	28.49	32.17	30.31	35.03	Nil	34.39	3.68	SC:Others 0.64
	94-95 (I) 98-99 (V)	25.99	29.16	27.56	31.76	Nil	32.47	3.17	Others:SC 0.71
	95-96 (I) 99-2000 (V)	12.21	16.08	14.11	17.37	Nil	22.89	3.87	Others:SC 5.52

APPENDIX XXXIII(concl.)									
PHASE-II									
District	Year of enrolment (Class-I) and Dropout (Class-V)	Percentage of dropout			Percentage of dropout			Differences between	
		Boys	Girls	Total	SC	ST	Others	Gender	Social Groups
Beed	93-94(I) 97-98(V)	36.54	41.40	38.81	44.84	Nil	48.20	4.86	Others:SC 3.36
	94-95(I) 98-99(V)	33.54	32.21	32.95	33.20	Nil	51.14	(-)-1.33	Others:SC 17.94
Dhule	93-94 (I) 97-98 (V)	33.04	41.00	36.87	20.72	43.68	33.34	7.96	ST:SC 22.96 ST:Others 10.34 Others:SC 12.62
	94-95 (I) 98-99 (V)	39.00	40.55	39.72	39.09	50.84	43.48	1.55	ST:SC 11.75 ST:Others 7.36 Others:SC 4.39
Gadchi -roli	93-94 (I) 97-98 (V)	30.26	25.30	27.97	22.15	21.64	35.29	(-)-4.96	Others:SC 13.14 Others:ST 13.65
	94-95 (I) 98-99 (V)	18.26	14.04	16.32	21.26	7.74	22.33	(-)-4.22	SC:ST 13.52 Others:ST 14.59
Jalna	94-95 (I) 98-99 (V)	32.26	37.57	34.71	41.10	Nil	45.51	5.31	Others:SC 4.41

NA: Not Available.

APPENDIX-XXXIV

(Reference: Para : 6.12.6; Page: 199)

Statement indicating position of civil work and other infrastructural activities as of January 2000

Activity	Phase	Target	Total cost	Contract signed	Works completed	Works in progress	Works not started	Expenditure incurred
		Number	Rupees in lakh	(.....Numbers.....)				Rupees in lakh
BRC	I	34	263.70	34	2	29	3	NA
Construction of one additional room for existing school building	I	1017	1428.55	1011	942	68	1	1326.30
	II	490	710.50	230	13	197	20	184.75
New school building with two rooms	I	441	1231.05	441	361	78	2	1072.36
	II	420	1218.50	203	2	175	26	303.95
Toilets	I	2485	162.04	2485	2242	101	142	157.12
	II	1650	165.00	748	196	275	277	81.70
Bore-wells	I	1248	374.40	1248	975	133	140	279.74
	II	599	179.70	599	379	220	Nil	129.44

APPENDIX XXXV

(Reference: Para: 6.12.8; Page : 202)

Statement indicating actual inspection carried out by Project Officer and Deputy Project Officer

Phase-I

Districts	Aurangabad		Latur		Nanded		Parbhani		Osmanabad	
Year	PO	Dy.PO	PO	Dy.PO	PO	Dy.PO	PO	Dy.PO	PO	Dy.PO
(.....Number of inspections carried out.....)										
1994-95 (6/94)	53	35	17	22	39	30	37	41	24	26
1995-96	60	92	37	51	46	91	59	107	54	113
1996-97	93	131	29	31	89	127	38	43	56	63
1997-98	67	141	63	117	77	133	84	147	69	105
1998-99	93	184	96	167	67	117	83	154	81	131
Total	366	583	242	388	318	498	301	492	284	438
Shortfall	134	417	258	612	182	502	199	508	216	562
Percentage of shortfall	26.80	41.70	51.60	61.20	36.40	50.20	39.80	50.80	43.20	56.20

Phase-II

Districts	Beed		Dhule		Gadchiroli		Jalna	
Year	PO	Dy.PO	PO	Dy.PO	PO	Dy.PO	PO	Dy.PO
1996-97	19	27	14	31	19	23	23	39
1997-98	39	83	33	61	37	58	41	92
1998-99	62	86	56	79	53	73	67	91
Total	120	196	103	171	109	154	131	222
Shortfall	180	404	197	429	191	446	169	378
Percentage of shortfall	60.00	67.33	65.66	71.50	63.66	74.33	56.33	63.00

Appendix XXXVI

(Reference : Paragraph 6.18; Page : 212)

Statement showing details of additional expenditure**Rupees in lakh**

1)	Cost of sacrificial cover (as per award)		
	<u>450 mm diameter</u>	<u>550 mm diameter</u>	
Quantity (in Rmt ⁺)	8319.26	29661.35	
Rate per Rmt	Rs 718	Rs 845	
Total cost	Rs 59.73 lakh	Rs 250.64 lakh	310.37
2)	Extra payment for pre-cast bored piles @ Rs 14055 per tenement		30.97
3)	Interest (13.12 + 0.42 + 14.31)		27.85
4)	Cost of Arbitration		<u>1.14</u>
	Total payable/paid		370.33
Less	Cost of sacrificial cover worked by MHADA *		
	<u>450 mm diameter</u>	<u>550 mm diameter</u>	
Rate per Rmt	Rs 207	Rs 433	
Total cost	Rs 17.22 lakh	Rs 128.43 lakh	145.65
Less	Extra payment for pre-cast bored piles		<u>30.97</u>
	Additional expenditure		<u>193.71</u>
	i.e.		<u>Rs 1.94 crore</u>

+ Running Metre

• Based on DSR 1996-97 loaded with overhead charges of 25 per cent (in terms of provision of Maharashtra Public Works Manual)

Appendix XXXVII
 (Reference : Paragraph 6.19; Page : 213)
Statement showing loss of interest on blocked capital

1. Cost of the Project	Rs 2.49 crore
2 Cost of construction (including establishment but excluding interest capitalised)	Rs 1,41,21,003
3 Interest capitalised (as worked out by Board for the period May 1995 to November 1998 and included in the total cost)	Rs 83,43,043
4 Commercial tenements (Built up area)	5004 sq.ft.
a. Blocked Capital :	
Proportionate Cost of construction : $\frac{14121003 \times 5004}{17,787}$	Rs 39,72,648
b Interest on Blocked capital :	
i) Proportionate Interest capitalised (as per Sr.No.3 above)	$\frac{8343043 \times 5004}{17,787}$ Rs 23,47,140
ii) Interest from December 1998 to March 2000 at the rate of 16.5 per cent per annum	$\frac{3972648 \times 16.5 \times 16}{100 \times 12}$ Rs 8,73,983
Total Interest lost	Rs <u>32,21,123</u>

APPENDIX – XXXVIII -A

(Reference : Paragraph 7.1; Page : 221)

Departmentally managed Commercial and Quasi-Commercial undertakings whose *pro forma* accounts are in arrears

Agriculture, Animal Husbandry, Dairy Development and Fisheries Department			
Sr. No.	Milk Schemes	Arrears since	Number of accounts
1.	Greater Mumbai Milk Scheme, Worli	1998-99	1
2.	Aarey Milk Scheme, Goregaon	1998-99	1
3.	Mother Dairy, Kurla	1998-99	1
4.	Milk Transport Scheme, Worli	1998-99	1
5.	Electricity Scheme, Mumbai	1998-99	1
6.	Water works Scheme, Mumbai	1998-99	1
7.	Government Milk Chilling Centre, Wada	1998-99	1
	Others		
8.	Land Development by Bulldozer Scheme, Amravati	1996-97	3
9.	Land Development by Bulldozer Scheme, Aurangabad	1996-97	3
10.	Land Development by Bulldozer Scheme, Pune	1995-96	4
11.	Land Development by Bulldozer Scheme, Nagpur	1997-98	2
Food, Civil Supplies and Consumer Protection Department			
12.	Procurement, Distribution and Price Control Scheme (Mumbai and Thane Rationing Area)	1998-99	1
13.	Procurement, Distribution and Price Control Scheme (Mofussil)	1998-99	1
Revenue and Forests Department			
14.	Allapalli and Pedigundam Forest Ranges of Forest Divisions including Saw Mills and Timber Depot	1986-87	13
15.	Integrated Unit, Paratwada	1993-94	6

APPENDIX – XXXVIII - B

(Reference: Paragraph 7.1; Page : 221)

Summarised statement of finalisation of accounts and the government investment thereon in departmentally managed commercial and quasi-commercial undertakings

Sr. No	Department	Number of undertakings under the Department	Account not finalised (Name of undertakings)	Year from which accounts are due	Investment as per last accounts (Rupees in crore)	Remarks
1.	Agriculture, Animal Husbandry, Dairy Development and Fisheries	45	Milk Scheme, Mumbai Region			
			Greater Mumbai Milk Scheme, Worli	1998-99	4.47	
			Mother Dairy, Kurla	1998-99	(-) 2.81	Accumulated loss had eroded capital
			Aarey Milk Scheme, Goregaon	1998-99	(-) 1.96	Accumulated loss had eroded capital
			Milk Transport Scheme, Worli	1998-99	5.15	
			Paragrass Production Scheme, Mumbai	1998-99	0.91	
			Unit scheme, Mumbai	1998-99	3.46	
			Electricity Scheme, Mumbai	1998-99	5.20	
			Cattle Feed Scheme, Mumbai	1998-99	0.59	
			Water Works Scheme, Mumbai	1998-99	1.11	
			Dairy Project, Dapchari	1998-99	6.45	
			Government Milk Scheme, Chiplun	1999-2000	0.95	
			Government Milk Scheme, Mahad	1999-2000	0.55	
			Government Milk Scheme, Ratnagiri	1999-2000	1.34	
			Government Milk Scheme, Khopoli	1999-2000	1.41	
			Government Milk Scheme, Kankavali	1999-2000	3.43	
			Government Milk Scheme, Saralgaon	1999-2000	0.44	

APPENDIX – XXXVIII - B (contd.)

Sr. No	Department	Number of undertakings under the Department	Account not finalised (Name of undertakings)	Year from which accounts are due	Investment as per last accounts (Rupees in crore)	Remarks
			Cattle Breeding and Rearing Farm, Palghar	1998-99	1.44	
			Government Milk Distribution Depot, Gove, Bhiwandi	1999-2000	0.76	
			Milk Scheme, Pune Region			
			Government Milk Scheme, Pune	1999-2000	7.80	
			Government Milk Scheme, Solapur	1999-2000	1.54	
			Government Milk Scheme, Miraj	1999-2000	15.22	
			Government Milk Scheme, Mahabaleshwar	1999-2000	2.53	
			Government Milk Scheme, Satara	1999-2000	10.06	
			Milk Scheme, Nagpur Region			
			Government Milk Scheme, Nagpur	1999-2000	1.44	
			Government Milk Scheme, Wardha	1999-2000	1.88	
			Government Milk Scheme, Chandrapur	1998-99	2.28	
			Government Milk Scheme, Gondia	1999-2000	4.00	
			Milk Scheme, Aurangabad Region			
			Government Milk Scheme, Aurangabad	1999-2000	4.47	
			Government Milk Scheme, Udgir	1999-2000	6.20	
			Government Milk Scheme, Beed	1999-2000	29.56	
			Government Milk Scheme, Nanded	1999-2000	7.63	
			Government Milk Scheme, Bhoom	1999-2000	4.95	

APPENDIX – XXXVIII - B (contd.)

Sr. No	Department	Number of undertakings under the Department	Account not finalised (Name of undertakings)	Year from which accounts are due	Investment as per last accounts (Rupees in crore)	Remarks
			Government Milk Scheme, Parbhani	1999-2000	3.67	
			Milk Scheme, Nashik Region			
			Government Milk Scheme, Nashik	1999-2000	3.67	
			Government Milk Scheme, Dhule	1999-2000	13.27	
			Government Milk Scheme, Chalisgaon	1999-2000	2.09	
			Government Milk Scheme, Ahmednagar	1999-2000	28.22	
			Government Milk Scheme, Wani	1999-2000	0.17	
			Milk Scheme, Amravati Region			
			Government Milk Scheme, Amravati	1999-2000	2.04	
			Government Milk Scheme, Akola	1999-2000	10.76	
			Government Milk Scheme, Nandura	1999-2000	1.83	
			Others			
			Land Development by Bulldozers Scheme, Pune	1994-95	1.11	
			Land Development by Bulldozers Scheme, Aurangabad	1997-98	0.27	
			Land Development by Bulldozers Scheme, Amravati	1995-96	0.01	
			Land Development by Bulldozers Scheme, Nagpur	1996-97	0.03	

APPENDIX – XXXVIII - B (concl.)

Sr. No	Department	Number of undertakings under the Department	Account not finalised (Name of undertakings)	Year from which accounts are due	Investment as per last accounts (Rupees in crore)	Remarks
2.	Food, Civil Supplies and Consumer Protection	2	Procurement, Distribution and Price Control Scheme (Mumbai and Thane Rationing Areas)	1998-99	182.50	
			Public Distribution and Price Control Scheme of Mofussil	1998-99	28.18	
3.	Revenue and Forests	2	Allapalli and Pedigundam Forest Ranges of Forest Division including Saw Mills and Timber Depot	1985-86	N.A.	
			Integrated Unit Paratavada	1992-93	N.A.	

APPENDIX – XXXIX

(Reference : Paragraph 7.1; Page : 221)

**Summarised financial statement of departmentally managed commercial/
quasi-commercial undertakings**

Sl. No.	Particulars of Undertaking	Year of commencement of activities	Period of accounts	Government capital (Mean capital)	Block assets at depreciated cost	Depreciation provided during the year	Turn over	Net Profit(+)/ Net Loss(-)	Interest on mean capital	Total return (9 + 10)	Percentage of return on mean capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(Rupees in lakh)											
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT											
A	Mumbai Region	Government Milk Scheme									
1.	Greater Mumbai Milk Scheme, Worli	1947	1998-99	1485.16	348.96	37.40	18284.10	(-)1864.06	190.67	(-)1673.39	
2.	Mother Dairy, Kurla	1975	1998-99	638.30	618.52	40.62	11528.84	(-)1837.81	84.57	(-)1753.24	
3.	Aarey Milk Scheme, Goregaon	1950	1998-99	631.40	170.35	26.98	7161.11	(-)1813.54	87.30	(-)1726.24	
4.	Milk Transport Scheme, Worli	1951	1998-99	528.99	445.02	61.95	32.00	(-)1363.17	73.95	(-)1289.22	
5.	Paragrass Production Scheme, Mumbai	1950	1998-99	228.20	77.37	0.60	87.14	(-)326.01	32.01	(-)294.00	
6.	Unit Scheme, Mumbai	1950	1998-99	385.70	355.54	17.99	100.76	(-)288.69	54.13	(-)234.56	
7.	Electricity Scheme, Mumbai	1950	1998-99	548.59	21.24	3.27	528.87	(-)75.75	78.68	(+)2.93	
8.	Cattle Feed Scheme, Mumbai	1950	1998-99	67.29	1.95	0.13	104.81	(-)38.52	9.40	(-)29.12	
9.	Water Works Scheme, Mumbai	1950	1998-99	158.60	58.00	0.72	125.97	(-)108.74	28.41	(-)80.33	
10.	Dairy Project, Dapchari	1960	1998-99	908.70	532.12	21.42	174.04	(-)640.36	135.33	(-)505.03	
11.	Government Milk Scheme, Chiplun	1966	1999-2000	168.28	60.02	4.70	377.26	(-)123.22	22.13	(-)101.09	
12.	Government Milk Scheme, Mahad	1966	1999-2000	173.77	49.48	3.51	63.59	(-)100.77	12.85	(-)87.92	
13.	Government Milk Scheme, Ratnagiri	1966	1999-2000	156.25	91.41	6.10	193.46	(-)126.59	20.55	(-)106.04	
14.	Government Milk Scheme, Khopoli	1966	1999-2000	177.65	135.48	6.16	191.69	(-)86.58	48.81	(-)108.07	
15.	Government Milk Scheme, Kankavali	1967	1999-2000	375.44	329.08	16.22	220.81	(-)156.88	48.81	(-)108.07	
16.	Government Milk Chilling Centre, Saralgaon	1979	1999-2000	59.58	11.25	0.59	20.71	(-)34.78	8.82	(-)25.96	
17.	Cattle Breeding and Rearing Farm, Palghar	1979	1998-99	172.32	72.67	2.94	65.54	(-)32.97	18.43	(-)14.54	
18.	Government Milk Distribution Depot, Gove, Bhiwandi	1987	1999-2000	20.96	41.20	2.44	515.35	(-)83.70	5.43	(-)78.27	

APPENDIX - XXXIX (contd.)

Sl. No.	Particulars of Undertaking	Year of commencement of activities	Period of accounts	Government capital (Mean capital)	Block assets at depreciated cost	Depreciation provided during the year	Turn over	Net Profit(+)/ Net Loss(-)	Interest on mean capital	Total return (9 + 10)	Pe nt re n ce
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(Rupees in lakh)											
Pune Region											
19.	Government Milk Scheme, Pune	1950	1999-2000	1079.83	537.91	31.05	5155.04	(-)709.08	143.08	(-)566.00	
20.	Government Milk Scheme, Solapur	1960	1999-2000	288.25	102.47	7.64	349.69	(-)229.85	37.79	(-)192.06	
21.	Government Milk Scheme, Miraj	1961	1999-2000	2287.08	499.44	38.46	5229.60	(-)1482.77	300.38	(-)1182.39	
22.	Government Milk Scheme, Mahabalesh-war	1966	1999-2000	281.35	62.42	2.73	455.57	(-)89.39	36.79	(-)52.60	
23.	Government Milk Scheme, Satara	1979	1999-2000	1254.96	302.47	9.03	3190.91	(-)367.49	164.32	(-)203.17	
Nagpur Region											
24.	Government Milk Scheme, Nagpur	1958	1999-2000	655.18	261.97	26.40	4128.98	(-)756.80	86.81	(-)669.99	
25.	Government Milk Scheme, Wardha	1976	1999-2000	335.50	53.82	3.95	323.37	(-)223.33	44.18	(-)179.15	
26.	Government Milk Scheme, Chandrapur	1979	1999-2000	220.82	192.44	7.52	1021.45	(-)82.57	27.75	(-)54.82	
27.	Government Milk Scheme, Gondia	1979	1999-2000	414.94	82.15	4.97	1078.53	(-)221.06	54.71	(-)166.35	
Aurangabad Region											
28.	Government Milk Scheme, Aurangabad	1962	1999-2000	485.47	287.64	7.02	1221.04	(-)361.48	64.32	(-)297.16	
29.	Government Milk Scheme, Udgir	1971	1999-2000	1704.00	597.67	22.34	2259.03	(-)1253.61	110.41	(-)1143.20	
30.	Government Milk Scheme, Beed	1977	1999-2000	2814.36	423.07	12.83	4636.01	(-)998.23	395.33	(-)602.90	
31.	Government Milk Scheme, Nanded	1977	1999-2000	815.43	115.78	7.32	1040.43	(-)395.20	96.82	(-)298.38	
32.	Government Milk Scheme, Bhoom	1978	1999-2000	526.14	192.65	5.27	557.94	(-)285.70	69.71	(-)215.99	
33.	Government Milk Scheme, Parbhani	1979	1999-2000	258.62	86.12	2.83	320.64	(-)330.48	34.86	(-)295.62	
Nashik Region											
34.	Government Milk Scheme, Nashik	1960	1999-2000	459.26	79.40	4.65	1338.62	(-)250.87	60.15	(-)190.72	
35.	Government Milk Scheme, Dhule	1962	1999-2000	1336.13	381.72	34.95	1642.52	(-)596.46	173.76	(-)422.70	
36.	Government Milk Scheme, Chalisgaon	1969	1999-2000	215.47	10.56	1.06	245.13	(-)90.20	28.13	(-)62.07	
37.	Government Milk Scheme, Ahmednagar	1969	1999-2000	2811.43	364.13	15.27	6209.85	(-)630.26	369.63	(-)260.63	

APPENDIX – XXXIX (concl.)

Sl. No.	Particulars of Undertaking	Year of commencement of activities	Period of accounts	Government capital (Mean capital)	Block assets at depreciated	Depreciation provided the year	Turn over	Net Profit(+)/ Net Loss(-)	Interest on mean	Total return (9 + 10)	Percentage of return on mean capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(Rupees in lakh)											
38.	Government Milk Scheme, Wani	1978	1999-2000	52.57	16.61	0.79	177.78	(-)61.32	6.72	(-)54.60	
Amaravati Region											
39.	Government Milk Scheme, Amaravati	1962	1999-2000	276.26	196.64	4.68	368.81	(-)251.36	36.58	(-)214.78	
40.	Government Milk Scheme, Akola	1962	1999-2000	2297.00	737.90	44.86	3133.49	(-)1379.78	303.04	(-)1076.74	
41.	Government Milk Scheme, Nandura	1978	1999-2000	273.37	112.93	2.09	136.34	(-)277.46	37.41	(-)240.05	
B OTHERS											
42.	Land Development by Bulldozers Scheme, Pune	1944	1994-95	144.26	77.47	4.52	46.75	(-)72.83	18.75	(-)54.08	
43.	Land Development by Bulldozers Scheme, Aurangabad	1960	1997-98	23.95	1.69	--	2.56	(-)21.89	4.49	(-)17.4	
44.	Land Development by Bulldozers Scheme, Amravati	1965	1995-96	2.82	0.41	--	1.80	(-)4.46	0.40	(-)4.06	
45.	Land Development by Bulldozers Scheme, Nagpur	1966	1996-97	6.55	0.52	--	0.08	(-)5.63	0.94	(-)4.69	
FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT											
46.	Procurement, Distribution and Price Control Scheme (Mumbai and Thane Rationing Areas)	1959	1998-99	17702.28	19.31	1.89	46383.69	(-)5461.40	3451.47	--	
47.	Public Distribution and Price Control Scheme of Mofussil	1957	1998-99	(-)21.17	452.00	33.19	82294.71	(+)377.48	--	--	
REVENUE AND FORESTS DEPARTMENT											
48.	Allapalli and Pedigundam Forest Ranges of Forest Divisions including Saw Mills and Timber Depot	1926	1985-86	1857.85	15.57	9.27	826.24	(+)383.32	170.74	(+)554.06	29.82
49.	Integrated Unit, Paratavada	1962	1992-93	6.01	5.82	0.17	1.22	(-)9.74	0.81	(-)8.93	

Year	Month	Day	Hour	Location	Event	Remarks
1917	Jan	1	10:00	...	...	...
1917	Jan	2	11:00	...	...	...
1917	Jan	3	12:00	...	...	...
1917	Jan	4	13:00	...	...	...
1917	Jan	5	14:00	...	...	...
1917	Jan	6	15:00	...	...	...
1917	Jan	7	16:00	...	...	...
1917	Jan	8	17:00	...	...	...
1917	Jan	9	18:00	...	...	...
1917	Jan	10	19:00	...	...	...
1917	Jan	11	20:00	...	...	...
1917	Jan	12	21:00	...	...	...
1917	Jan	13	22:00	...	...	...
1917	Jan	14	23:00	...	...	...
1917	Jan	15	24:00	...	...	...
1917	Jan	16	25:00	...	...	...
1917	Jan	17	26:00	...	...	...
1917	Jan	18	27:00	...	...	...
1917	Jan	19	28:00	...	...	...
1917	Jan	20	29:00	...	...	...
1917	Jan	21	30:00	...	...	...
1917	Jan	22	31:00	...	...	...
1917	Jan	23	32:00	...	...	...
1917	Jan	24	33:00	...	...	...
1917	Jan	25	34:00	...	...	...
1917	Jan	26	35:00	...	...	...
1917	Jan	27	36:00	...	...	...
1917	Jan	28	37:00	...	...	...
1917	Jan	29	38:00	...	...	...
1917	Jan	30	39:00	...	...	...
1917	Jan	31	40:00	...	...	...