

सत्यमेव जयते

**REPORT**

**OF THE**

**COMPTROLLER AND  
AUDITOR GENERAL OF INDIA**

**FOR THE YEAR ENDED 31 MARCH 1995**

**NO.3**

**(CIVIL)**

**GOVERNMENT OF RAJASTHAN**



REPORT

OF THE

AUDITOR GENERAL AND  
COMPTROLLER OF INDIA

FOR THE YEAR ENDED 31 MARCH 1962

VOL. I

(CIVIL)

GOVERNMENT OF INDIA



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## **PREFATORY REMARKS**

This Report has been prepared for submission to the Governor under Article 151 of the Constitution. It relates mainly to matters arising from the Appropriation Accounts for the year 1994-95 together with other points arising from audit of the financial transactions of the Government of Rajasthan. It also includes certain points of interest arising from the Finance Accounts for the year 1994-95.

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

3. The cases mentioned in this Report are among those which came to notice in the course of test audit of accounts during the year 1994-95 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 1994-95 have also been included, wherever considered necessary.



## UNIVERSITY REPORT

The Report has been prepared for the purpose of providing a summary of the work done during the year 1951. It is intended to be a guide to the work done and to the results obtained. It is not intended to be a detailed account of the work done, but rather a summary of the work done and the results obtained. It is intended to be a guide to the work done and to the results obtained. It is not intended to be a detailed account of the work done, but rather a summary of the work done and the results obtained.

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## OVERVIEW

This Report contains two chapters on the observations of Audit on the State's Finance Accounts and Appropriation Accounts for the year 1994-95 and five chapters which include 4 reviews on schemes and 45 individual audit observations.

### 1. Accounts of the State Government

The assets of the State stood at Rs.10671.36 crores at the end of 1994-95 as against the liabilities of Rs.11868.34 crores. While the assets have grown by 73 *per cent* at the end of 1994-95 over the level of 1990-91, the liabilities have grown by 80 *per cent* during the same period.

The revenue expenditure during 1994-95 was Rs.6746.48 crores as against the revenue receipts of Rs.6321.73 crores. During 1990-95, revenue receipts had grown by 73 *per cent* as against the growth of 94 *per cent* in revenue expenditure.

As against the budget estimates of revenue deficit of Rs.482.77 crores which was revised to Rs.420.57 crores in the revised estimates, the actual revenue deficit was Rs.424.75 crores during 1994-95.

Financial assistance extended to local bodies and others during 1994-95 aggregated Rs.1247.62 crores. There was a growth of 68 *per cent* on this account during the five years period from 1990-91 to 1994-95. The flow of assistance to local bodies ranged between 20 and 24 *per cent* of the revenue receipts during 1990-95.

The debt and other obligations of the State increased by 73 *per cent* from Rs.5888.42 crores in 1990-91 to Rs.10198.10 crores in 1994-95, and interest payments during 1994-95 amounted to Rs.1035.93 crores. The outflow of funds on this account ranged between 14 and 15 *per cent* of the revenue expenditure during 1990-95. The repayment of Internal debt (other than ways and means advances and overdrafts) and Central loans and payment of interest thereon ranged between 65 and 88 *per cent* and 77 and 115 *per cent* of the Internal debt

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The abbreviations used in this Report are listed in the Glossary in *Appendix -13* (Pages 215-220).



and loans received from the Central Government respectively during the five year period 1990-95.

During 1990-95, tax revenue increased progressively from Rs.1216.50 crores to Rs.2307.16 crores. The growth in tax revenue during this period was 90 *per cent*. The aggregate of the amount received by the State on account of share of net proceeds of taxes and duties and grant-in-aid from the Government of India increased from Rs.1611.34 crores in 1990-91 to Rs.2719.00 crores in 1994-95 representing an increase of 69 *per cent*.

Government's investments in the share capital and debentures of various statutory corporations, Government companies, etc at the end of 1994-95 was Rs.1254.72 crores. The dividend/interest received during the year was Rs.0.91 crore only, representing a meagre return of 0.07 *per cent*. The accumulated loss of 32 companies/statutory corporations, in which Government had invested Rs.733.60 crores as on 31 March 1995, was Rs.759.22 crores as disclosed in the latest accounts rendered by them for various years from 1983-84 to 1994-95.

The loans and advances given by the State Government stood at Rs.2241.36 crores at the end of 1994-95. Information regarding arrears in recovery of loans had not been received from 100 Controlling Officers. According to the information made available by 99 Controlling Officers, the total amount overdue for recovery was Rs.96.83 crores (inclusive of interest of Rs.45.72 crores) as of 31 March 1995.

As of March 1995, the contingent liability of Government in respect of guarantees given for repayment of loans, etc. was Rs.3928.84 crores (inclusive of interest of Rs.41.51 crores).

(Paragraphs 1.1 to 1.18)

## **2. Appropriation Audit and Control over Expenditure**

During 1994-95, the expenditure of the State Government exceeded the budget provision in 11 grants and 7 appropriations (19 cases), by amounts aggregating Rs.121.07 crores and Rs.729.86 crores respectively. The excess expenditure requires regularisation under Article 205 of the Constitution.



The supplementary provision of Rs.1342.58 crores obtained during 1994-95 constituted 15 *per cent* of the original budget provision of Rs.8859.94 crores. In 14 cases, supplementary provision aggregating Rs.60.17 crores obtained in October 1994/March 1995 proved wholly unnecessary while in 10 other cases, supplementary grants totalling Rs.635.39 crores proved insufficient by more than Rs.10 lakhs in each case leaving an aggregate uncovered excess expenditure of Rs.833.63 crores. Supplementary grants aggregating Rs.564.10 crores were obtained in 21 cases when the additional requirement of funds was Rs.490.89 crores only, the saving in each case being in excess of Rs.10 lakhs.

Persistent savings (5 cases) and excesses (1 case) of 10 *per cent* or more ranged between 12 and 59 *per cent* during the period 1992-95.

Augmentation/reduction of provision by way of reappropriation in 22 cases proved either excessive or unnecessary.

Rupees 7.99 crores were reappropriated on 2 cases of new service in disregard of provisions of the Budget Manual. Similarly, expenditure totalling Rs.1.50 crores was incurred in one case without provision having been made either in the original estimates or in the supplementary demand.

**(Paragraphs 2.1 and 2.2)**

### **3. National Watershed Development Programme for Rainfed Areas (NWDPR)**

The programme NWDPR introduced in 1990-91 and converted into a major programme under the VIII Plan aimed at scientific use of land through development of integrated farming in the watershed area by conserving and harvesting rain water in order to benefit the under-privileged rural population. The programme covered blocks with less than 30 *per cent* arable area under assured means of irrigation.

Against Rs.7035.08 lakhs released by the Government of India budget provision of Rs.5030.24 lakhs was made and Rs.5135.33 lakhs only were spent during 1990-94. Shortfall in utilisation against funds available ranged from 11 to 63 *per cent* during the period. Rupees 620.26 lakhs were transferred to Personal Deposit Account during 1990-91 of which Rs.329.74 lakhs remained unutilised



for a period of over 3 years and were deposited back in 1994-95 as minus expenditure under the scheme. While Rs.25.68 lakhs were incurred on items not covered under the programme, Rs.9 lakhs were spent on equipment not included in the Action Plan, Rs.7.01 lakhs were diverted to other schemes and details of material received against advance payments of Rs.45.61 lakhs were not available.

As against 3,39,950 hectares (ha) proposed to be covered under 204 watersheds, 2,25,070 ha were actually covered during 1990-94.

Twenty four watersheds on which Rs.351.22 lakhs had been spent did not fulfil the basic requirement for selection of a watershed.

Contour Vegetative Hedges work worth Rs.22.18 lakhs was done on field boundaries instead of on contour alignment thus depriving beneficiaries of optimum benefit of moisture conservation. Wasteful expenditure of Rs.10 lakhs was incurred on Kanna bunding not provided under the programme. Expenditure of Rs.35.12 lakhs incurred on watersheds abandoned subsequently proved infructuous.

Activities under livestock and fodder development were not taken up till 1992-93 and 1993-94 respectively due to delay in sanction of Action Plan.

(Paragraphs 3.1)

#### **4. Revamped Public Distribution System (RPDS) for Tribal and Backward Areas**

To improve the availability of essential commodities to the rural population of the most socio-economically disadvantaged areas which are covered under various developmental schemes, the scheme "Revamped Public Distribution System" (RPDS) was launched by the Government of India covering tribal and backward areas in April 1992. Following points emerged during test-check of records:

Rupees 140 lakhs released (November 1993) by the Government of India for purchase of mobile vans were utilised during 1993-94, but the utilisation certificate was not submitted to the Government of India. Central assistance of Rs.104 lakhs for purchase of 26 vans released by the Government of India in January 1995 was not utilised by State Government till November 1995. No



funds were received from the Government of India for manpower training, seminars, holding of workshops, etc. during 1992-95.

Against the norm of 2,000 units per fair price shop, the average number of units per fair price shop ranged between 2,987 and 3,060 units during 1993-95.

As of March 1993 ration card units in existence were in excess of the total population by 10 *per cent* (43.19 lakh). Of these, 2.34 lakh units were eliminated by the State Government up to end of March 1995. There was short lifting of wheat against allotment by 20 to 52 *per cent* which deprived the beneficiaries of intended benefits during 1992-95.

**(Paragraph 3.4)**

## **5. Modernisation of Prison Administration**

With a view to improving security and discipline in prisons, the Government of India introduced a Centrally sponsored scheme 'Modernisation of Prison Administration' in 1986-87. A test-check revealed following points:

Expenditure of Rs.418.40 lakhs was incurred on construction of new jail buildings instead of on improvement and renovation of old jail buildings as envisaged in the scheme.

Jail Training Institute, Ajmer constructed at the cost of Rs.113.16 lakhs was not being utilised due to absence of basic amenities. High security enclosures in two existing jails to lodge terrorist prisoners were not created, even after provision of Central assistance of Rs.50 lakhs, due to non-finalisation of detailed proposals. Security arrangements were not adequate in most of the jails as essential facilities like generator sets, halogen lights, hand held search lights, door and hand metal detectors, intercom system, etc. were either not in use or not functioning properly.

The arrangements for vocational training were not effective due to large number of posts of instructors remaining vacant, absence of basic amenities and obsolete/defective equipment.

**(Paragraph 3.5)**



## 6. National Programme on Improved *Chulhas* (NPIC)

To attain the objectives of conserving fuel, reducing smoke emanating from kitchen stoves, checking deforestation, upgrading the environment and reducing the drudgery of women and children in cooking and collecting fuel, the National Programme on Improved *Chulhas* was taken up from April 1985. The programme was implemented in the State as a Centrally sponsored scheme fully funded by the Government of India. A review of the scheme revealed that:

Of Rs.507.40 lakhs received from the Government of India, Rs.6.54 lakhs were spent on activities not approved under the programme. Excess subsidy and supervision charges (Rs.3.50 lakhs) were claimed by the State Government from the Central Government on the basis of net approved unit cost instead of the actual expenditure during 1991-94.

In 14 *Panchayat Samitis* as against 41,217 *chulhas* reported installed, 7,664 *chulhas* were actually installed and only 2,838 (7 per cent) *chulhas* were in use. In two *Panchayat Samitis* excess installation of 2,406 *chulhas* was reported.

Only 111 women (18.5 per cent) out of 600 Self Employed Workers were trained during 1990-95.

No Extension Technical Back-up Unit was established as the State Government did not recommend its establishment.

Purchase of *Chulhas* without inviting tenders resulted in avoidable extra expenditure of Rs.11.87 lakhs.

(Paragraph 3.11)

## 7. Sawan Bhadon Irrigation Project

The Sawan Bhadon Irrigation Project estimated to cost Rs.418.88 lakhs was taken up for execution in 1980-81. The estimates of the Project were revised to Rs.1372.58 lakhs in 1986 and to Rs. 2500 lakhs in 1993; actual expenditure of Rs.2177.03 lakhs had been incurred upto March 1995. The cost of irrigation per hectare consequently increased from Rs. 6,017 (1980 estimates) to Rs.42,735 (1993 estimates). The Project, originally envisaged to be completed by June 1986, had not been completed as of March 1995. Delay in execution of the works of the



Project, major changes in its design and scope, and remedial measures undertaken due to leakage in the dam resulted in time and cost overrun. The Project is anticipated to be completed by June 1996.

The shortfall in actual irrigation with reference to the irrigation potential to be created ranged between 66 and 96 *per cent*, and with reference to water available in the dam the same was 83 and 24 *per cent* during 1991-92 and 1992-93 respectively. The Department had not worked out the irrigation potential actually created. The Project on completion is to provide irrigation to a Culturable Command Area of 5,850 hectares.

Due to the use of dispersive soil and loose pockets in the body of the dam, leakage in the dam was noticed in August 1989. For its protective and remedial measures, Government will have to incur extra avoidable expenditure to the tune of Rs.8.07 crores thereby increasing the cost of the Project.

**(Paragraph 4.10)**

#### **8. Rajasthan State Pollution Control Board**

The Rajasthan State Pollution Control Board was constituted in September 1975 in pursuance of Section 4 of Water (Prevention and Control of Pollution) Act, 1974. The Board's main functions were to prevent, control or reduce water and air pollution in the State, levy and collect water cess, enforce provisions of Environment (Protection) Act, 1986, etc.

Following points emerged as a result of test-check of the activities of the Board for the period 1989-95:

Equipment costing Rs.24.79 lakhs gifted by various business concerns and Indo-German Bilateral Project was not accounted for in the annual accounts of the Board.

There was a shortfall in collection of water cess ranging from 8 to 81 *per cent* during 1989-95; Rs.81.43 lakhs were reimbursed less to the Board by the Government of India during this period. Of the water cess received from the Government of India, Rs.150 lakhs were deposited in Personal Deposit Account contrary to the guidelines of Government of India. An amount of Rs.707.30 lakhs towards water cess including interest was outstanding against four defaulting



units. Reimbursement of Rs.12.73 lakhs spent on the establishment of 16 State Ambient Air Monitoring stations transferred under National Ambient Air Quality Monitoring Programme was not obtained from the Government of India.

Of 1,104 industries identified under the Red\* Category, 219 industries were functioning without consent. Another 374 out of the 1,198 industries identified under Orange\* and Green (Others)\* categories were operating without consent.

Effluent treatment plants in 611 out of 2,302 units were not in operation/installed. Only four out of 269 industries generating hazardous waste were issued authorisation for collection, treatment, transportation and storage of hazardous waste. None was authorised to dispose of hazardous waste as sites for such disposal were not notified by the State Government.

Of the sanctioned technical posts, 28 to 35 *per cent* remained vacant during 1989-95.

**(Paragraph 6.5)**

## **9. Other points of interest**

(a) In order to increase milk production and improve the stock of cows, bulls were supplied to Key Village Scheme for natural insemination. Eight posts of bull attendants were sanctioned to look after bulls for Key Village Scheme, Jasol (Barmer). Though no bull was made available to the centre after February 1985, 5-8 bull attendants remained posted during 1986-95 resulting in nugatory expenditure of Rs.6.75 lakhs on their pay and allowances.

**(Paragraph 3.2)**

(b) Two Chinese Hatcheries at Chandlai and Gilwa of Tonk district constructed at a total cost of Rs.10.91 lakhs in March 1991 and 1992, could not be used due to defective construction, resulting in wasteful expenditure of Rs.10.91 lakhs on construction of hatcheries and Rs.10.01 lakhs on the pay and allowances of the hatchery staff.

**(Paragraph 3.3)**

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\*Red-Highly polluting and/or of hazardous nature; Orange-Comparatively less polluting; Green (Others)-Least polluting.



(c) In order to provide clean air in the operation theatre of Jawahar Lal Nehru Medical Hospital, Ajmer, a Vertical Laminar Flow Ventilation System was purchased in November 1990 at a cost of Rs.14.03 lakhs. The equipment, however, could not be used since November 1990 till January 1993 except for a brief period of 6 months. This resulted in blocking of funds of Rs.15.70 lakhs inclusive of Rs.1.67 lakhs incurred on construction of Anti Static Floor required for the equipment.

**(Paragraph 3.7)**

(d) Construction of Mahi dam at Banswara was completed in 1984-85. A well furnished 5 bed room rest house existed at dam site which did not remain fully occupied. Between 22 and 70 visitors stayed in the rest house during 1984-85 to 1994-95 and there was a decreasing trend in the occupancy during 1989-90 to 1994-95. Despite this, construction of a second rest house at dam site was started in September 1992 at an estimated cost of Rs.32.74 lakhs; of which expenditure of Rs.24.99 lakhs had been incurred up to April 1995.

**(Paragraph 4.4)**

(e) The contract for earth work of Narwali Distributary RD 19,775 to RD 20,675 was awarded to a contractor on 29 September 1988 for completion by 28 September 1989. The contractor executed work up to August 1989 and sought extension of time for its completion on various grounds. The Department instead of considering the request for extension ordered withdrawal of work on mis-conceived grounds and allotted the same to another contractor at higher rates which resulted in avoidable extra expenditure of Rs.18.20 lakhs.

**(Paragraph 4.6)**

(f) A contractor executing the work of construction of Canal Syphon at Mahi river crossing of Sagwara Canal requested the Department to allot another work to avoid his men and machinery remaining idle during the rainy season. The Chief Engineer without inviting tenders and approval of Government, allotted the work to the contractor on verbal orders and followed it by written orders on 16 September 1992 which were subsequently withdrawn on 20 September 1992. Despite this, the contractor continued execution of work and was paid Rs.50.14 lakhs in January 1994 for partially executed work which remained unutilised up



to November 1995. *Prima facie* additional work was irregularly allotted and provided undue financial aid to the contractor.

**(Paragraph 4.9)**

(g) Rajasthan Water Supply and Sewerage Corporation obtained loan of Rs.367 lakhs on 31 March 1990 from Life Insurance Corporation of India for various Water Supply and Sewerage Schemes. The entire amount remained unutilised for one year. The amount was distributed (March 1991) to various water supply/sewerage schemes. A sum of Rs.80 lakhs allotted to Public Health Engineering Division, Deeg remained unutilised up to March 1995. This resulted in avoidable payment of interest amounting to Rs.67.48 lakhs.

**(Paragraph 4.13)**

(h) Housing and Urban Development Corporation (HUDCO) released loan of Rs.84.33 lakhs on 11 February 1994 for reorganisation of urban water supply schemes of Bilara and Jaitaran towns of Jodhpur district. The loan obtained was neither utilised within the stipulated period of six months nor refunded to HUDCO. Drawal of loan without proper planning for its utilisation resulted in the loan remaining idle for six months and unnecessary burden of interest on the State *exchequer* aggregating Rs.6.21 lakhs.

**(Paragraph 4.15)**

(i) Settlement Department purchased 6 Engineering Plan Printers (EPPs) in March 1991 at a total cost of Rs.17.13 lakhs for making copies of old maps of village land and files of land records. These EPPs were installed in the office of the Commissioner and 5 Settlement offices. The Department again purchased 6 more EPPs in October 1991 at a cost of Rs.17.69 lakhs and installed them in six other Settlement offices even though the 6 EPPs purchased earlier were not functioning properly. Of the 12 EPPs purchased, 7 were not working properly and were giving inaccurate results, 4 were not functioning and one was lying unutilised. This resulted in unfruitful expenditure of Rs.34.82 lakhs.

**(Paragraph 5.3)**



(j) To strengthen the machinery for implementation, planning, evaluation and monitoring of reservation orders relating to scheduled caste/scheduled tribe candidates, the University Grants Commission (UGC) sanctioned on 19 March 1983 six posts for creation of a special cell in Mohanlal Sukhadia University, Udaipur. The University operated these posts and obtained reimbursement of Rs.15.35 lakhs from UGC for expenditure incurred against this cell during 1983-93 but utilised the services of the staff meant for the cell for other regular work. This resulted in irregular diversion of staff paid out of grant from the UGC.

**(Paragraph 6.3)**

(k) With a view to providing shops as a means of self employment to scheduled caste families living below the poverty line in urban areas, 197 shops were constructed during the years 1983-84 to 1990-91 in Ajmer district by 6 Municipal Councils and Urban Improvement Trust, Ajmer for which subsidy of Rs.9.95 lakhs was paid. However out of 197, only 50 beneficiaries were found using the shops for bonafide purposes. The remaining 147 shops were found either sold, let out, closed since allotment or not transferred to the allottees. Thus the payment of subsidy of Rs.7.35 lakhs was rendered unfruitful and objective of scheme was defeated.

**(Paragraph 6.7)**

(l) The construction of Minor Irrigation Projects at Naveli and Ahmadi (Kota district) was started in 1984-85. After incurring expenditure of Rs.18.05 lakhs (Naveli) and Rs.29.57 lakhs (Ahmadi) up to March 1989 and March 1993 respectively, the works were stopped owing to land dispute with the Forest Department and were lying incomplete as of February 1995. This led to blocking of funds of Rs.47.62 lakhs besides defeating the intended purpose.

**(Paragraph 6.8)**

(m) To set-up Rural Craft Training Centres in each *Panchayat Samiti* 5 buildings were constructed between June 1988 and April 1990 in Sriganganagar district at a total cost of Rs.5.19 lakhs. Out of the five, only one building was being utilised, three were utilised in 1989-90 only and one was not utilised at all. Thus four buildings constructed at the cost of Rs.4.26 lakhs were not utilised for



imparting training to rural youths from 1990-91 and onwards, resulting in non-fulfilment of objectives of the programmes and unproductive expenditure.

**(Paragraph 6.12)**

(n) Under a Centrally Sponsored Scheme "Training of Rural Youth for Self Employment" (TRYSEM) started in 1979, the State Government issued instructions in March 1992 for setting up training centres at *Panchayat Samiti* level at a place nearest to their villages. Contrary to the provisions of the scheme, District Rural Development Agency, Jaisalmer constructed 2 buildings for training centres at Jaisalmer in 1993-94 at a total cost of Rs.7.60 lakhs instead of at places nearer to the villages. Whereas in one building only one course of 4 months was organised in 1993-94 for imparting training to 20 youths, of which 19 left the training without completion, in other building a course of 4 months was organised in 1994-95 for 9 youths only. Thus buildings costing Rs.7.60 lakhs were not effectively used defeating the intended purpose.

**(Paragraph 6.13)**



## **CHAPTER-I**

### **ACCOUNTS OF THE STATE GOVERNMENT**

#### **1.1 Summarised financial position**

The summarised financial position of the Government of Rajasthan as on 31 March 1995 emerging from the Appropriation Accounts and the Finance Accounts for the year 1994-95, the abstract of Receipts and Disbursements and the details of the Sources and Application of Funds for the year are given in the following statements:



## I. Summarised Financial Position of the

Amount as on 31 March 1994	Liabilities	Amount as on 31 March 1995
		(Rupees in crores)
1892.98	<b>Internal Debt</b>	2251.34
	Market loans	
	bearing interest	2032.97
	Market loans not	
	bearing interest	1.77
	Loans from Life Insurance Corporation of India	44.31
	Loans from the General Insurance Corporation of India	17.82
	Loans from the National Bank for Agriculture and Rural Development	32.73
	Loans from the National Co-operative Development Corporation	89.83
	Compensation and other bonds	0.32
	Loans from other institutions	31.59
4726.63	<b>Loans and Advances from the Central Government</b>	5420.83
	Pre- 1984-85 Loans	902.51
	Non-Plan Loans	2324.73
	Loans for State Plan Schemes	2099.44
	Loans for Central Plan Schemes	6.79
	Loans for Centrally Sponsored Plan Schemes	87.36
35.00	<b>Contingency Fund</b>	35.00
2080.91	<b>Small Savings, Provident Funds, etc.</b>	2525.93
1115.32	<b>Deposits</b>	1429.91
189.95	<b>Reserve Funds</b>	205.33
<b>10040.79</b>		<b>11868.34</b>



## Government of Rajasthan as on 31 March 1995

Amount as on 31 March 1994	Assets	Amount as on 31 March 1995
		(Rupees in crores)
7304.35	<b>Gross Capital Outlay</b>	8364.96
	Investment in Shares of Companies, Corporations, etc.	1254.72
	Other Capital Outlay	7110.24
1964.03	<b>Loans and Advances</b>	2241.36
	Loans for Power Projects	1781.47
	Other Development Loans	393.32
	Loans to Government Servants and Miscellaneous Loans	66.57
2.38	<b>Advances</b>	2.10
71.75	<b>Remittance Balances</b>	58.13
	<b>Suspense and Miscellaneous Balances</b>	
(-)5.13	<b>Cash at end</b>	16.34
(-)68.78	Cash in Treasuries and Local Remittances	(-)11.53
	Deposits with Reserve Bank	(-)0.86
	Departmental Cash Balances including Permanent Advance	(-)105.44
	Cash Balance	3.36
	Investment	91.41
772.19	<b>Deficit on Government Account</b>	1196.98
	Accumulated deficit up to 31 March 1994	772.19
	Add: Deficit of current year	424.75
	Refund of Capital Receipts	0.04
	Miscellaneous Government Accounts	*
<b>10040.79</b>		<b>11868.34</b>



### Explanatory Notes

1. The summarised financial statements are based on the statements of the Finance Accounts and the Appropriation Accounts for the year 1994-95 of the State Government and are subject to notes and explanations contained therein.
2. Government accounts being mainly on cash basis, the revenue surplus or deficit has been worked out on cash basis. Consequently, items payable and receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts.
3. Although a part of revenue expenditure (grants) and the loans are used for capital formation by the recipients, its classification in the accounts of the State Government remains unaffected by end use.
4. Under Government system of accounting, the revenue surplus or deficit is closed annually to Government account with the result that cumulative position of such surplus or deficit is not ascertainable. The balancing figure of Rs.129.50 crores as on 31 March 1983 was, therefore, treated as cumulative surplus for drawing up the first statement of financial position for 1983-84 which took the place of a Balance Sheet.
5. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of states and others pending settlement, etc. The balance under Suspense and Miscellaneous had increased from Rs.(-)5.13 crores as on 31 March 1994 to Rs.16.34 crores as on 31 March 1995.



6. The closing cash balance as per Reserve Bank of India was Rs.(-)99.41 crores against the general cash balance of Rs.(-)105.44 crores shown in the accounts. As a result of reconciliation and subsequent adjustments, the difference of Rs.0.33 crore remained to be reconciled as of June 1995.



## II- Abstract of Receipts

### Receipts

(Rupees in crores)

Section 'A'

6321.73

#### I. Revenue Receipts

(i)	Tax Revenue	2307.16
(ii)	Non-Tax Revenue	1295.57
(iii)	State's share of Union taxes and duties	1291.69
(iv)	Non-Plan Grants	227.85
(v)	Grants for State Plan Schemes	595.08
(vi)	Grants for Central and Centrally Sponsored Plan Schemes	604.38

#### II. Revenue deficit carried over to Section 'B'

424.75

6746.48

Section 'B'

#### III. Opening Cash Balance including Permanent Advances and Cash Balance Investment

(-)68.78

#### IV. Capital Receipts

(-)0.04



## and Disbursements for the year 1994-95

Disbursements			
(Rupees in crores)			
<b>- Revenue</b>			
<b>I. Revenue Expenditure</b>			6746.48*
<b>Sector</b>	<b>Non-Plan</b>	<b>Plan</b>	<b>Total</b>
(i) General Services	2433.46	54.57	2488.03
(ii) Social Services	1961.67	564.18	2525.85
(iii) Agriculture and Allied Activities	173.74	242.43	416.17
(iv) Rural Development	53.48	325.03	378.51
(v) Special Areas Programme	5.22	20.10	25.32
(vi) Irrigation and Flood Control	346.68	56.01	402.69
(vii) Energy	175.58	6.14	181.72
(viii) Industry and Minerals	33.34	70.52	103.86
(ix) Transport	143.09	27.23	170.32
(x) Science, Technology and Environment	0.35	4.16	4.51
(xi) General Economic Services	17.33	17.63	34.96
(xii) Grants-in-aid and Contributions	14.54	-	14.54
	<b>5358.48</b>	<b>1388.00</b>	<b>6746.48</b>
			6746.48
<b>- Others</b>			
<b>II. Capital Outlay</b>			1060.61*
<b>Sector</b>	<b>Non-Plan</b>	<b>Plan</b>	<b>Total</b>
(i) General Services	(-)10.66	25.27	14.61
(ii) Social Services	(-)0.01	352.40	352.39
(iii) Agriculture and Allied Activities	-	52.77	52.77
(iv) Rural Development	-	0.22	0.22
(v) Special Areas Programme	-	23.93	23.93
(vi) Irrigation and Flood Control	-	420.25	420.25
(vii) Industry and Minerals	-	33.60	33.60
(viii) Transport	-	153.06	153.06
(ix) Science, Technology and Environment	-	0.03	0.03
(x) General Economic Services	0.19	9.56	9.75
	<b>(-)10.48</b>	<b>1071.09</b>	<b>1060.61</b>

\* The figures of actuals shown in these accounts are net, after taking into account the recoveries.



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**Receipts**


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(Rupees in crores)

**Section 'B'****V. Recoveries of Loans and Advances**

128.43

(i)	From Power Projects	42.28
(ii)	From Government Servants	54.99
(iii)	From Others	31.16

**VI. Public Debt Receipts**

2604.02

(i)	Internal Debt other than Ways and Means Advances and Overdrafts	373.54
(ii)	Ways and Means Advances from Reserve Bank of India including overdraft	1343.01
(iii)	Loans and Advances from the Central Government	887.47

**VII. Public Account Receipts**

11590.58

(i)	Small Savings, Provident Funds, etc.	639.33
(ii)	Reserve Funds	216.26
(iii)	Suspense and Miscellaneous	113.03
(iv)	Remittances	1936.44
(v)	Deposits and Advances	8685.52

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**14254.21**


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**Disbursements**


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(Rupees in crores)

**- Others**

<b>III.</b>	<b>Loans and Advances disbursed</b>		405.76
	(i) For Power Projects	276.10	
	(ii) To Government Servants	66.34	
	(iii) To Others	63.32	
<b>IV.</b>	<b>Revenue Deficit brought down</b>		424.75
<b>V.</b>	<b>Repayment of Public Debt</b>		1551.46
	(i) Internal Debt other than Ways and Means Advances and Overdrafts	15.18	
	(ii) Ways and Means Advances from Reserve Bank of India including overdraft	1343.01	
	(iii) Repayment of Loans and Advances to Central Government	193.27	
<b>VI.</b>	<b>Public Account Disbursements</b>		10823.16
	(i) Small Savings, Provident Funds, etc.	194.31	
	(ii) Reserve Funds	200.88	
	(iii) Suspense and Miscellaneous	134.50	
	(iv) Remittances	1922.82	
	(v) Deposits and Advances	8370.65	
<b>VII.</b>	<b>Cash Balance at end</b>		(-)11.53
	(i) Cash in Treasuries and Local Remittances	(-)0.86	
	(ii) Deposits with Reserve Bank	(-)105.44	
	(iii) Departmental Cash Balances including Permanent Advance	3.36	
	(iv) Cash Balance Investment	91.41	

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**14254.21**


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## III-Sources and Application

Sources		(Rupees in crores)
1.	Revenue Receipts	6321.73
2.	Capital Receipts	(-)0.04
3.	Recoveries of loans and advances	128.43
4.	Increase in Public Debt	1052.56
5.	Net receipts from Public Account	767.42
(i)	Increase in Small Savings, Provident Funds, etc.	445.02
(ii)	Increase in Deposits and Advances	314.87
(iii)	Increase in Reserve Funds	15.38
(iv)	Effect of Remittance Balance	13.62
(v)	Effect in Suspense and Miscellaneous Balance	(-)21.47
<b>Total</b>		<b>8270.10</b>



## of Funds for 1994-95

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**Application**

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**(Rupees in crores)**

<b>1. Revenue Expenditure</b>	<b>6746.48</b>
<b>2. Loans for Development and other purposes</b>	<b>405.76</b>
<b>3. Capital Expenditure</b>	<b>1060.61</b>
<b>4. Increase in cash balance</b>	<b>57.25</b>

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**8270.10**

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of funds for 1942

Application

Income in excess of

100,000

Revenue for the year

1. Funds for the year  
and other purposes

100,000

2. Capital expenditures

100,000

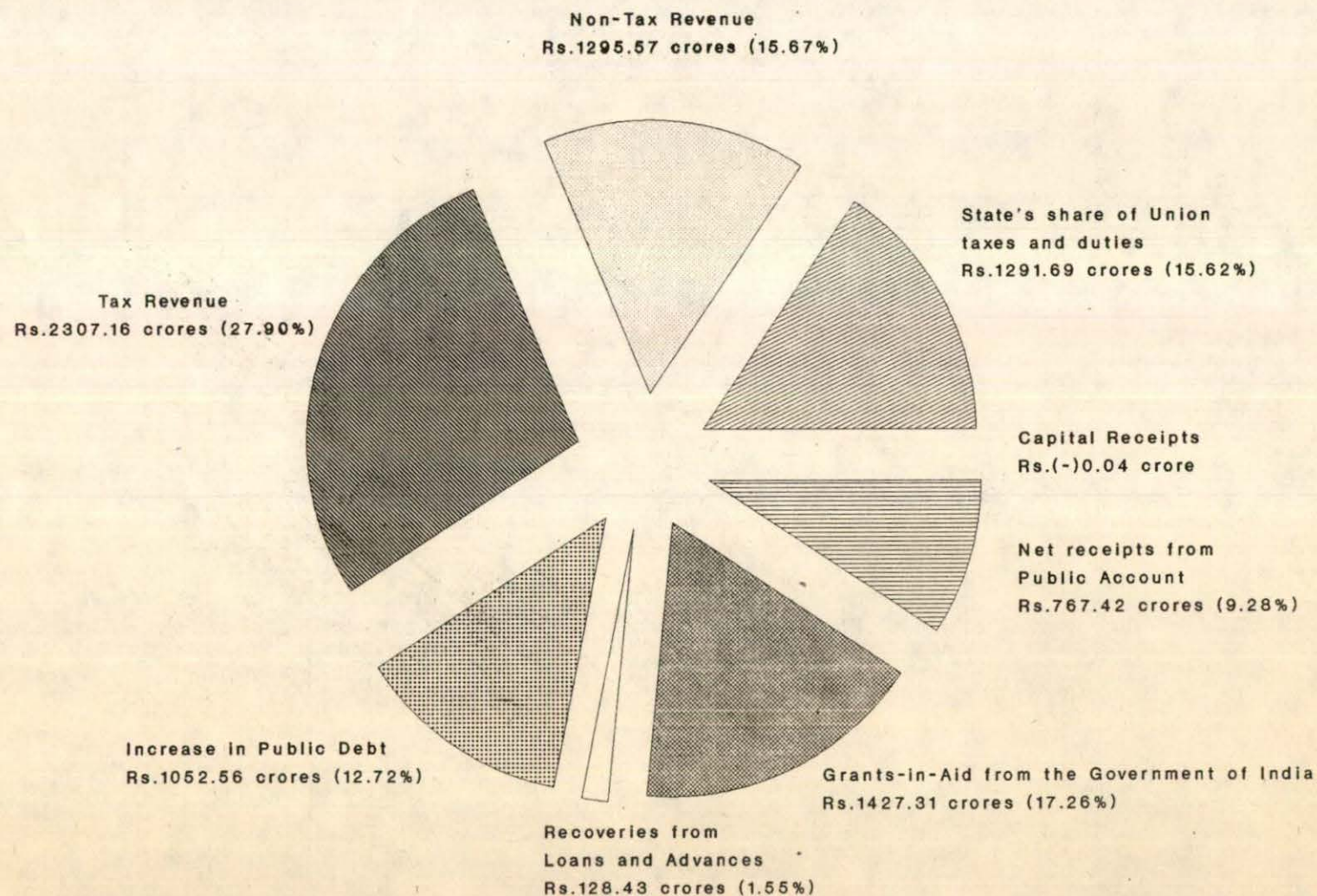
3. Income in cash balance

100,000

81,000



# SOURCES OF FUNDS OF THE STATE: 1994-95



Total Rs. 8270.10 crores



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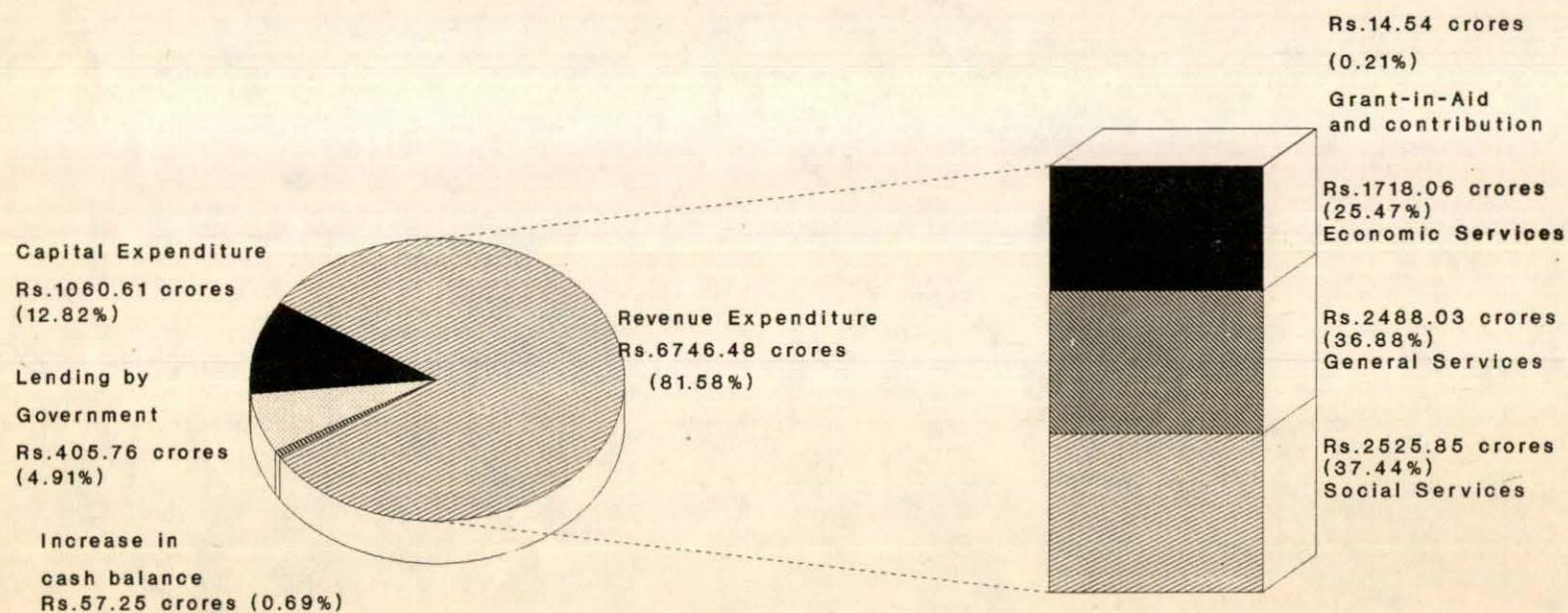
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# APPLICATION OF FUNDS OF THE STATE (1994-95)



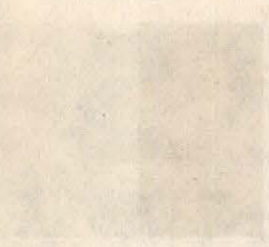
Total Rs.8270.10 crores



TO THE HONORABLE SENATE

(1334-82)

APPLICATION OF FUNDS OF THE STATE





Revenue deficit surplus

Amount in crores

00

00

0

00

000

000

000

000

1950-51 1951-52 1952-53 1953-54 1954-55

500

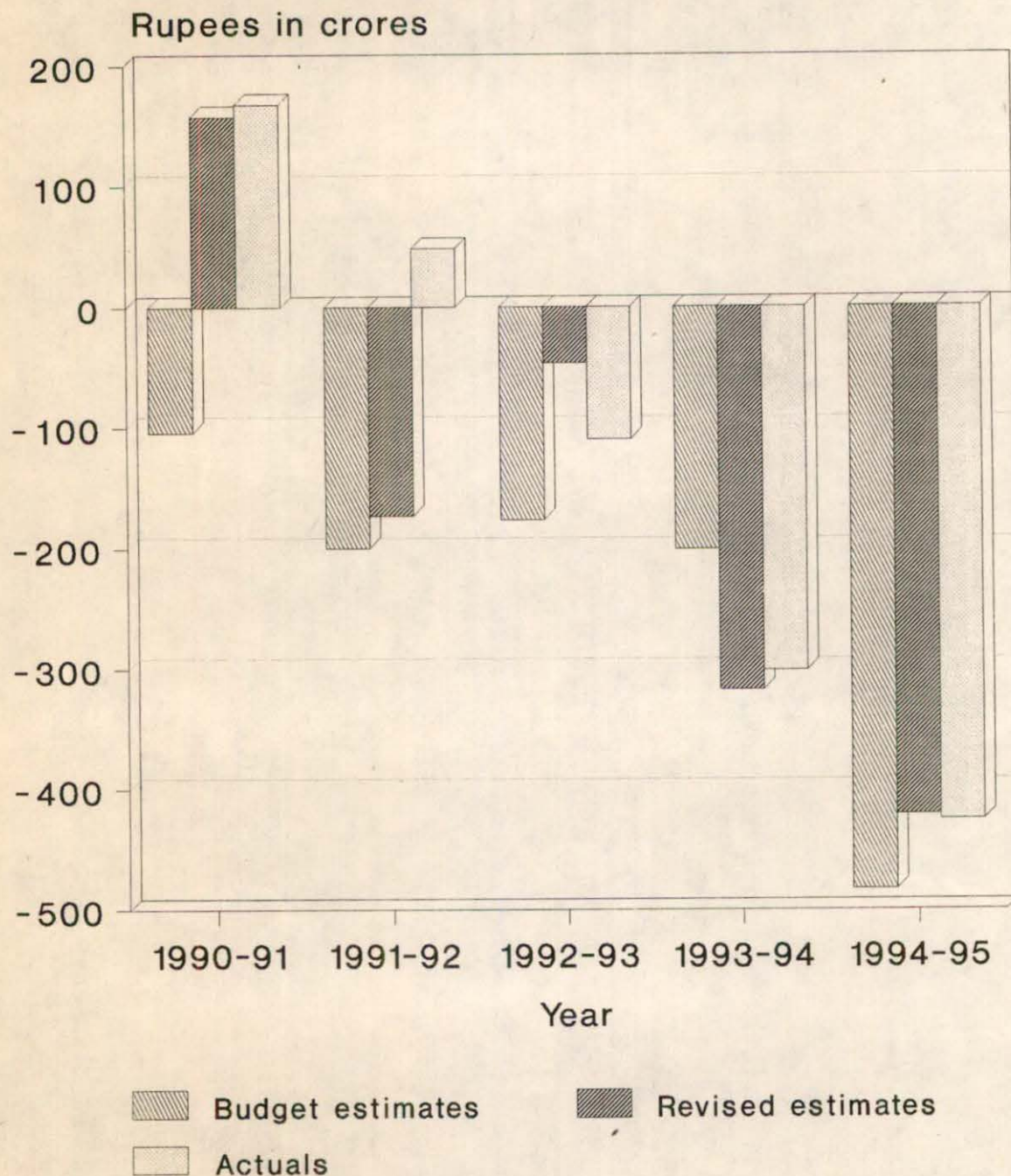
Revenue deficit

Revenue surplus

Revenue



# Revenue deficit/surplus





Revenue Receipts - Expenditure

Revenue Receipts

1000

2000

3000

4000

5000

6000

7000

8000

9000

1990 - 1991 - 1992 - 1993 - 1994 - 1995

1991

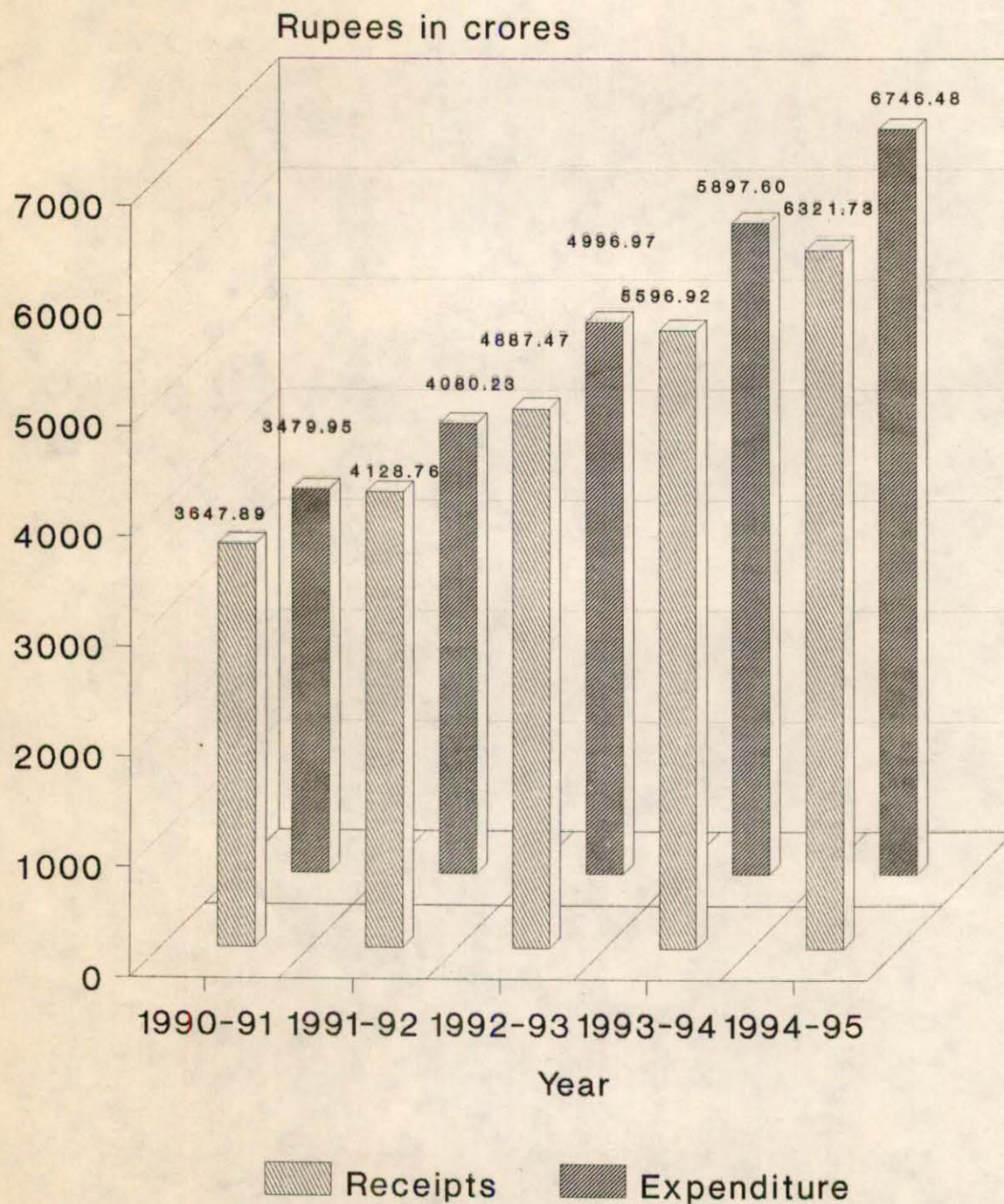
1992

Expenditure

Revenue Receipts



# Revenue receipts-expenditure

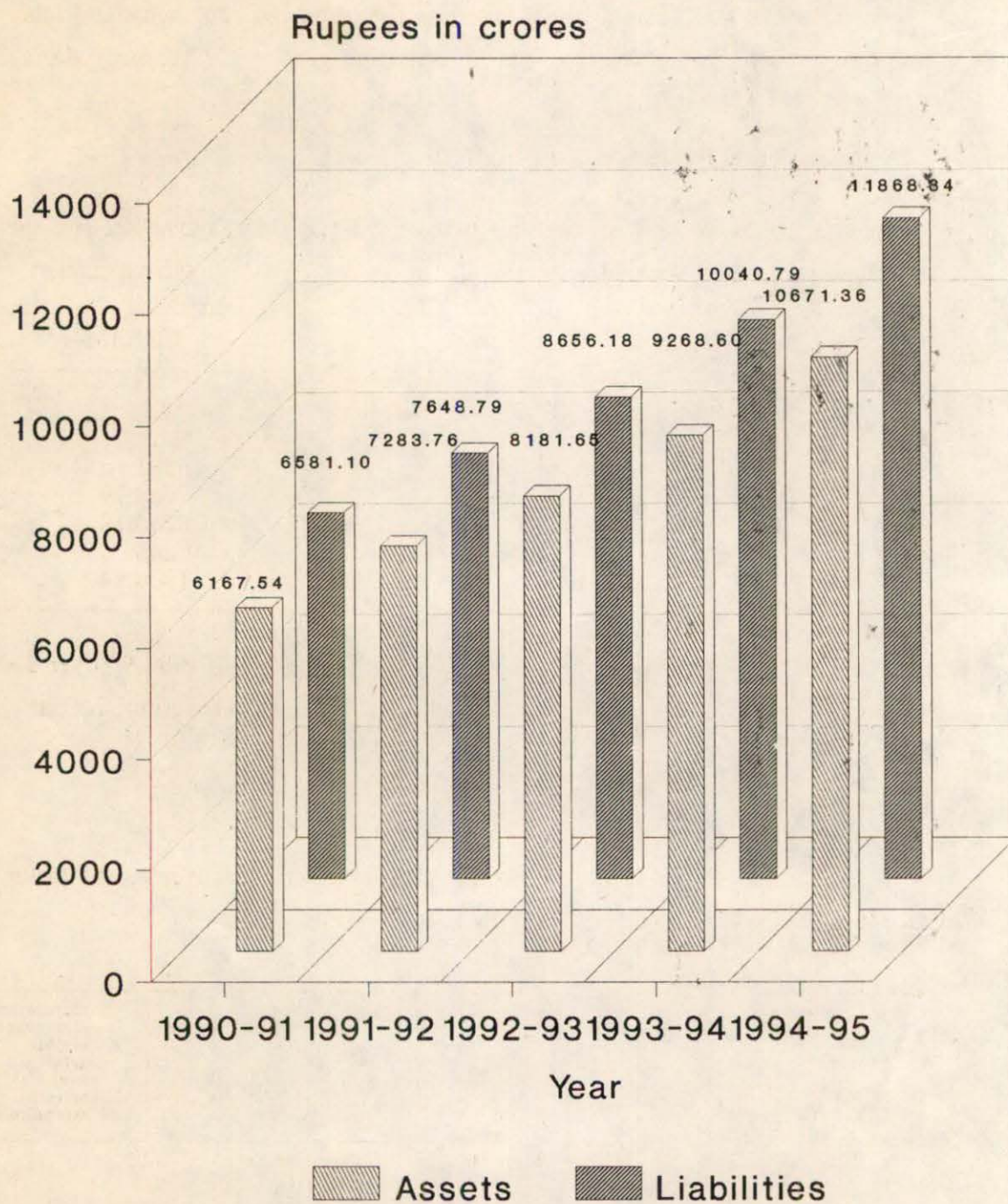








# Assets and Liabilities of the State





The following is an analysis based on the foregoing statements and other supporting data of the management of the finances of Government during 1994-95.

### 1.2 Assets and liabilities of the State

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

Year	Assets	Liabilities
(Rupees in crores)		
1990-91	6167.54	6581.10
1991-92	7283.76	7648.79
1992-93	8181.65	8656.18
1993-94	9268.60	10040.79
1994-95	10671.36	11868.34

While the assets have grown by 73 per cent at the end of 1994-95 over the level of 1990-91, the liabilities have grown by 80 per cent during the same period.

### 1.3 Growth of revenue deficit

The following table shows that the revenue expenditure increased a faster pace than the revenue receipts during the last five years:

Year	Revenue receipts	Revenue expenditure	Revenue surplus (+)/deficit (-) Budget estimates	Revised estimates	Actuals	Percentage of revenue surplus/deficit to total revenue expenditure
(Rupees in crores)						
1990-91	3647.89	3479.95	(-)103.93	(+)157.68	(+)167.94	5
1991-92	4128.76	4080.23	(-)199.35	(-)172.77	(+)48.53	1
1992-93	4887.47	4996.97	(-)176.03	(-)46.65	(-)109.50	2
1993-94	5596.92	5897.60	(-)200.50	(-)317.17	(-)300.68	5
1994-95	6321.73	6746.48	(-)482.77	(-)420.57	(-)424.75	6



As a result of the growing gap between revenue receipts and revenue expenditure, the trend of revenue surplus during the years 1990-91 and 1991-92 was reversed during the years 1992-93 to 1994-95. The deficit in the revenue account increased by 288 *per cent* from Rs.109.50 crores in 1992-93 to Rs.424.75 crores in 1994-95, the deficit of 1994-95 being higher by 41 *per cent* of that of the previous year *i.e.* Rs.300.68 crores. The percentage of revenue deficit to total revenue expenditure ranged between 2 and 6 during the years 1992-95.

#### 1.4 Revenue receipts

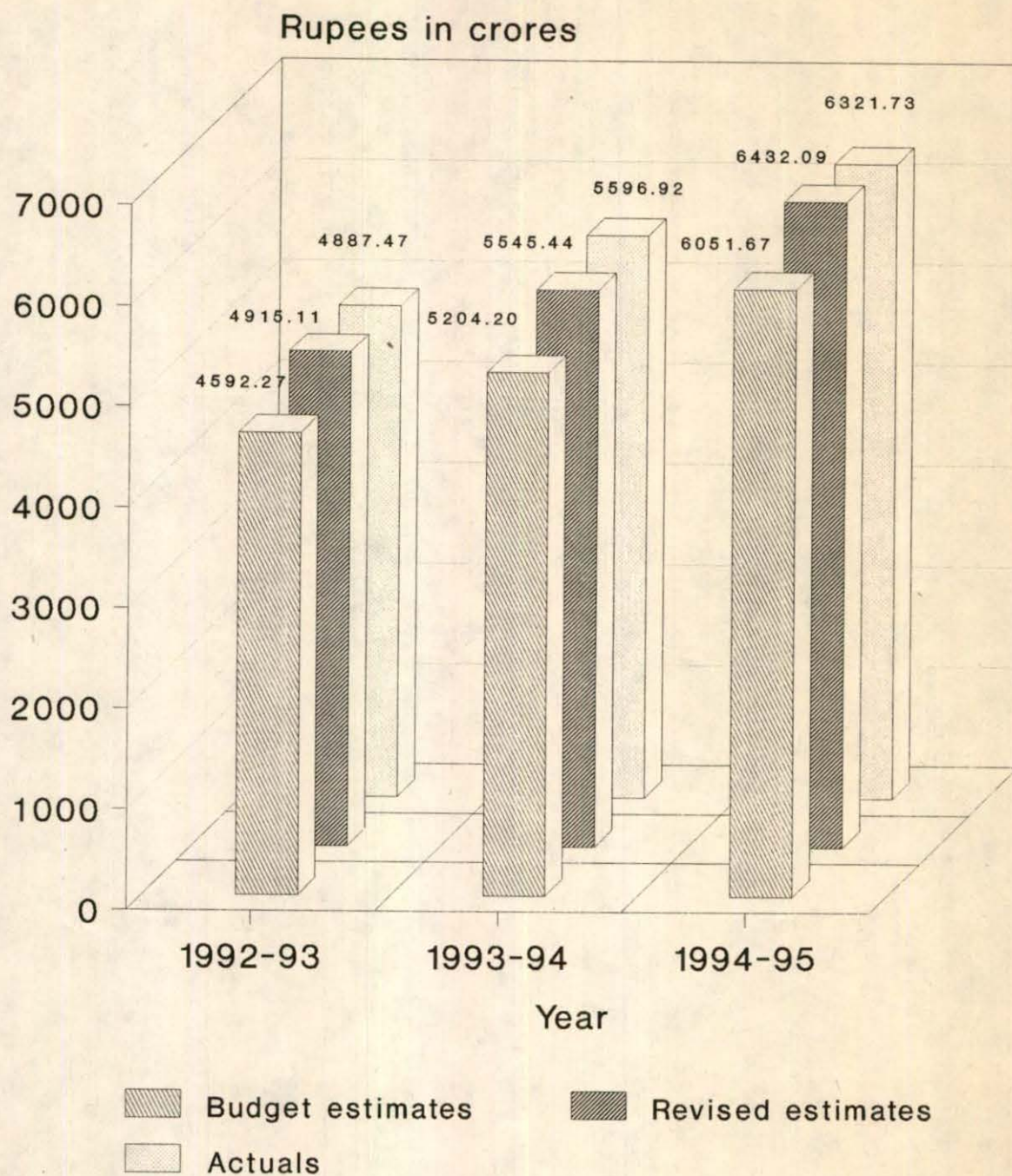
The actual revenue receipts during the five years ending 1994-95 are given below:

Year	Budget Estimates	Revised Estimates	Actuals	
			Amount	Percentage growth over the pre- vious year
(Rupees in crores)				
1990-91	3358.98	3657.73	3647.89	37
1991-92	3820.69	4040.81	4128.76	13
1992-93	4592.27	4915.11	4887.47	18
1993-94	5204.20	5545.44	5596.92	15
1994-95	6051.67	6432.09	6321.73	13

During the period 1990-95, the revenue receipts had grown by 73 *per cent*. The position of revenue raised by the State and of the State's share of Union



# Revenue receipts





# Revenue Receipts

Revenue in class

1993-94

1994-95

1995-96

1996-97

7000

6000

5000

4000

3000

2000

1000

0

1993-94

1994-95

1995-96

est

Budget estimates

Actuals



taxes and duties and grants-in-aid received from the Government of India was as follows:

	1990-91	1991-92	1992-93	1993-94	1994-95
(Rupees in crores)					
I. Revenue raised by the State Government					
(a) Tax Revenue	1216.50	1548.79	1734.29	1950.22	2307.16
(b) Non-Tax Revenue	820.05	731.63	1005.04	1181.37	1295.57
<b>Total</b>	<b>2036.55</b>	<b>2280.42</b>	<b>2739.33</b>	<b>3131.59</b>	<b>3602.73</b>
II. State's share of net proceeds of taxes on income other than corporation tax	199.28	246.77	293.51	373.79	413.96
III. Receipts from the Government of India					
(i) State's share of Union Excise Duties	559.59	649.48	779.90	780.35	877.73*
(ii) Grants-in-aid	852.47	952.09	1074.73	1311.19	1427.31
<b>Total (II+III)</b>	<b>1611.34</b>	<b>1848.34</b>	<b>2148.14</b>	<b>2465.33</b>	<b>2719.00</b>
IV. Total receipts of State Government (I+II+III) (Revenue Account)	<b>3647.89</b>	<b>4128.76</b>	<b>4887.47</b>	<b>5596.92</b>	<b>6321.73</b>
V. Percentage of revenue raised to total receipts	56	55	56	56	57

The revenue raised by the State Government as a percentage of the total revenue receipts ranged from 55 to 57 between 1990-91 and 1994-95. The aggregate of the amount received by the State Government on account of share of net proceeds of taxes and duties and grant-in-aid from the Central Government increased by 69 per cent during the period 1990-95.

\* Inclusive of share of net proceeds assigned to State in respect of 'Estate Duty' during 1994-95.



### 1.5 Tax revenue

The growth of tax revenue mobilised by the State Government during the last five years is indicated below:

Year	Tax Revenue	Percentage growth over the previous year
	(Rupees in crores)	
1990-91	1216.50	13
1991-92	1548.79	27
1992-93	1734.29	12
1993-94	1950.22	12
1994-95	2307.16	18

The tax revenue during 1990-95 increased by 90 *per cent*. While the revenue receipts of Government during 1994-95 in relation to 1993-94 increased by 13 *per cent*, the tax revenue increased by 18 *per cent*.

### 1.6 Non-tax revenue

The growth/decline of non-tax revenue during the last five years is indicated below:

Year	Non-tax revenue	Percentage growth(+)/ decline (-) over the previous year
	(Rupees in crores)	
1990-91	820.05	(+)74
1991-92	731.63	(-)11
1992-93	1005.04	(+)37
1993-94	1181.37	(+)18
1994-95	1295.57	(+)10

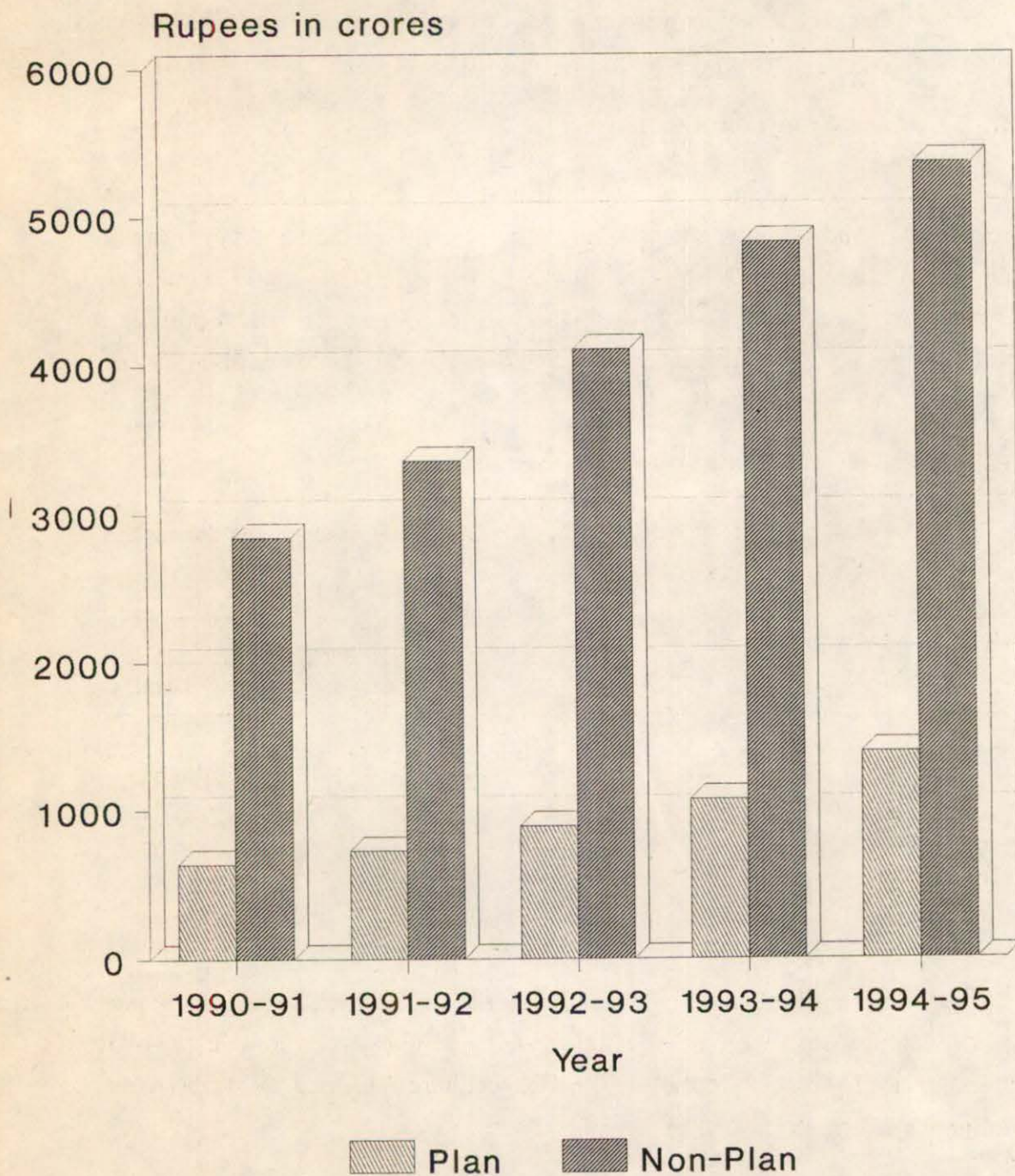
Non-tax revenue for the year 1990-91 included receipts on account of write off of the balance of Rs.324.35 crores outstanding on 31 March 1989 out of the drought loan assistance advanced by the Government of India during the years 1986-87 to 1988-89. The non-tax revenue for the years 1991-92, 1992-93, 1993-94 and 1994-95 included the amount of accrued interest of Rs.148.54 crores, Rs.295.97 crores, Rs.383.83 crores and Rs.175.02 crores respectively on loans







# Growth of revenue expenditure





advanced to the Rajasthan State Electricity Board (RSEB) by the State Government and adjusted as interest receipts by sanction of assistance in the shape of grant. The actual increase in non-tax revenue for the years 1990-95 over the respective previous years was thus 5, 18, 22, 12 and 40 *per cent* respectively.

### 1.7 Revenue expenditure

The revenue expenditure (Plan) during 1994-95 was Rs.1388.00 crores against the Budget provision of Rs.1591.16 crores (including supplementary provision) disclosing a shortfall of Rs.203.16 crores. The non-Plan revenue expenditure during the year was Rs.5358.48 crores against the Budget provision of Rs.5670.23 crores (including supplementary provision) disclosing a shortfall of Rs.311.75 crores in expenditure.

### 1.8 Growth of revenue expenditure

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

Year	Revenue Expenditure		
	Plan	Non-Plan	Total
	(Rupees in crores)		
1990-91	637.62	2842.33	3479.95
1991-92	726.26	3353.97	4080.23
1992-93	891.82	4105.15	4996.97
1993-94	1072.08	4825.52	5897.60
1994-95	1388.00	5358.48	6746.48

During the period 1990-95, the revenue expenditure increased by 94 *per cent*. While there was increase of 118 *per cent* under Plan expenditure in 1994-95 over the level of 1990-91, the non-Plan expenditure increased by 89 *per cent* during the same period.



### 1.9 Non-Plan revenue expenditure

The following table shows the details of non-Plan revenue expenditure, other than interest payments, where there has been a significant increase over the five years 1990-91 to 1994-95:

	1990-91	1994-95	Percentage increase
	(Rupees in crores)		
Administration of Justice	23.06	43.53	89
Elections	2.40	6.77	182
State Excise	20.99	89.35	326
Other Fiscal Services	6.79	16.44	142
Pension and Other Retirement Benefits	156.97	299.89	91
Miscellaneous General Services	81.36	378.22	365
Water Supply and Sanitation	140.44	259.39	85
Other Rural Development Programme	21.13	53.49	153
Major and Medium Irrigation	149.02	288.20	93

### 1.10 Analysis of projections made by the Ninth Finance Commission in respect of Non-Plan expenditure and the actuals

In making their recommendations for the period 1990-95, the Ninth Finance Commission (NFC) had made certain projections of revenue receipt and expenditure. The projection of NFC in respect of interest payments from 1991-92 have been computed with reference to actual payments as per accounts for the year 1990-91 and growth of 12 *per cent* per annum thereafter. The projections in respect of other non-plan revenue expenditure (excluding interest payments) have been worked out at the annual growth rate of 7 *per cent* except in the case of compensation and assignment to local bodies which was increased by 9 *per cent* over the actuals of 1989-90.

While interest payments would be independent of variations in price rise, the other non-plan revenue expenditure would not be. The following equation has



been used to adjust this component to neutralise the effect of variation in price rise and bring it to a level which can be compared with the projection of the NFC.

$$\begin{array}{rcl} \text{Other non-plan} & & \\ \text{revenue} & & \\ \text{expenditure} & = & \text{Other non-plan} \\ \text{adjusted for} & & \text{revenue expen-} \\ \text{changes in} & & \text{diture} \\ \text{price rise} & & \end{array} \quad \begin{array}{c} \times \\ \\ \\ \\ \\ \end{array} \quad \begin{array}{c} 100 + \text{Price rise} \\ \text{assumed by Finance} \\ \text{Commission} \\ \hline 100 + \text{Price rise} \\ \text{actuals} \end{array}$$

Following table would indicate year-wise comparison between the forecasts of the NFC and actuals in respect of Non-Plan revenue expenditure of 1990-95:

Year	Interest Payments		Other non-plan revenue expenditure			Total overall non-plan revenue expenditure		
	NFC projections <sup>1</sup>	Actuals	NFC projections <sup>2</sup>	Actuals	Actuals adjusted for variations in price rise assumed by NFC <sup>3</sup>	NFC projections	Actuals	Actuals adjusted for variations in price rise assumed by NFC
(Rupees in crores)								
1990-91	498.60	498.60	1903.39	2343.73	2263.95	2401.99	2842.33	2762.55
1991-92	558.43	615.74	2036.90	2738.23	2315.49	2595.33	3353.97	2931.23
1992-93	625.44	742.77	2179.78	3362.38	3193.58	2805.22	4105.15	3936.35
1993-94	700.49	885.41	2332.69	3940.11	4023.26	3033.18	4825.52	4908.67
1994-95	784.55	1035.93	2496.33	4322.55	4144.15	3280.88	5358.48	5180.08
Total	3167.51	3778.45	10949.09	16707.00	15940.43	14116.60	20485.45	19718.88

Thus, even after making adjustment for increased growth in prices than that assumed by NFC, the State Government has not been able to contain the non-plan revenue expenditure during 1990-95 within the limit assumed by NFC necessary for prudent management of their finances.

1. Para 3.36 of NFC's second report.

2. Para 3.81 of NFC's second report.

3. Percentage of price rise during 1990-95 assumed by NFC was 5, against this actual percentages were 8.70, 24.17, 10.55, 2.83 and 9.52 (provisional) respectively during these years as given in Budget Study-Rajasthan 1994-95 (1990-94) and Economic Review 1994-95 - Government of Rajasthan (1994-95).



### 1.11 Capital expenditure

The position of shortfall of capital expenditure during the last five years as against the budget estimates (including supplementary provision) is indicated below:

Year	Budget estimates (including supplementary provision)	Actuals	Shortfall
(Rupees in crores)			
1990-91	534.88	490.05	44.83
1991-92	1255.60	1212.23	43.37
1992-93	700.72	700.13	0.59
1993-94	841.89	782.55	59.34
1994-95	1621.09	1060.61	560.48

The shortfall during the five years ranged between Rs.0.59 crore and Rs.560.48 crores.



### 1.12 Financial assistance to local bodies and others

The quantum of assistance provided to local bodies during the period of five years ended 1994-95 is given below:

Name of Body	1990-91	1991-92	1992-93	1993-94	1994-95
(Rupees in crores)					
I. Panchayat Samitis, Zila Parishads and Municipalities	357.31	283.74	326.59	313.30	445.04
II. Educational institutions (including Universities)	79.95	107.16	116.83	132.86	138.37
III. Co-operative Societies and co-operative institutions	33.22	36.59	54.86	44.14	34.57
IV. Other Institutions and Bodies	272.62	421.78	632.75	826.99	629.64
<b>Total</b>	<b>743.10</b>	<b>849.27</b>	<b>1131.03</b>	<b>1317.29</b>	<b>1247.62</b>
V. Total Revenue Receipts	3647.89	4128.76	4887.47	5596.92	6321.73
VI. Percentage of assis- tance to total Revenue Receipts	20	21	23	24	20
VII. Revenue Expenditure	3479.95	4080.23	4996.97	5897.60	6746.48
VIII. Percentage of assistance to Revenue Expenditure,	21	21	23	22	18

Financial assistance to local bodies and others during the period 1990-95 registered a growth of 68 per cent. Assistance of Rs.148.54 crores, Rs.295.97 crores, Rs.383.83 crores and Rs.175.02 crores was sanctioned to RSEB for adjustment of interest due from it on loans advanced by the State Government during 1991-92, 1992-93, 1993-94 and 1994-95 respectively. Actual assistance provided to local bodies and others during 1991-92, 1992-93, 1993-94 and



1994-95 was thus Rs.700.73 crores, Rs.835.06 crores, Rs.933.46 crores and Rs 1072.60 crores respectively which was 17 per cent of the total revenue receipts during each year and 17,17,16 and 16 per cent respectively of the total revenue expenditure during these years.

### 1.13 Investment and returns

During 1994-95, Government invested a net amount of Rs.40.60 crores as share capital in statutory corporations (Rs.4.86 crores), government companies and joint stock companies (Rs.25.42 crores) and co-operative banks and societies (Rs.10.32 crores).

The total investments of Government in the share capital and debentures of different undertakings and the dividend and interest received thereon during the five year period 1990-95 were as follows:

At the end of	Investments	Dividend and interest received during the year	Percentage of dividend and interest received to the total investment
(Rupees in crores)			
1990-91	423.46*	2.75	0.65
1991-92	1089.94	3.27	0.30
1992-93	1153.96**	5.44	0.47
1993-94	1214.12***	5.44	0.45
1994-95	1254.72	0.91	0.07

\* Includes refund of Rs.0.43 crore pertaining to the year 1991-92 information of which received from the Government during the year 1992-93.

\*\* Includes investment of Rs.0.30 crore made during 1990-91 which could not be depicted in the Finance Accounts for the year 1990-91 due to late receipt of information from the State Government.

\*\*\* Excludes Rs.0.07 crore as a result of rectification of misclassification of earlier period.



It would be seen that the total investments of Government in statutory corporations, government and other joint stock companies, co-operative banks and societies, *etc.* increased from Rs.423.46 crores on 31 March 1991 to Rs.1254.72 crores on 31 March 1995—an increase of 196.3 *per cent*. This included Rs.613.09 crores which had been converted as equity from loans in respect of Rajasthan State Electricity Board during 1991-92. Dividend and interest worth Rs.0.91 crore only (0.07 *per cent*) was received from 8 enterprises (investment:Rs.23.43 crores-31 March 1995) and a few co-operative banks/societies during 1994-95. Dividend and interest received on Government investments during the five year period 1990-95 ranged between 0.07 and 0.65 *per cent*.

The accumulated loss of 32 companies/statutory corporations in which Government had invested Rs.733.60 crores as on 31 March 1995 was Rs.759.22 crores as disclosed in the latest accounts rendered by them for various years from 1983-84 to 1994-95. Nine companies in which Government had invested Rs.0.23 crore were under liquidation.

In 15 statutory corporations/companies, 5 showed profits during the years 1992-93 (2) and 1993-94 (3), one company showed a net loss of Rs.21.30 crores during 1989-90, one had not been formed, one corporation had been decided to be wound up, one company was not functioning and in respect of remaining 6, accounts for various years were awaited (September 1995).

#### **1.14 Public Debt and other obligations**

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

Public Debt of the State consists of internal debt and loans and advances from the Central Government. Internal debt comprises long-term loans raised in the open market and loans received from financial institutions, *etc.* This also include ways and means advances from the Reserve Bank of India and other bonds issued by the State Government. Loans and Advances from the Central



Government represent loans received from the Government of India for execution of various Plan and non-Plan schemes. Besides, Government had other obligations on account of funds raised through small savings, provident funds, etc.

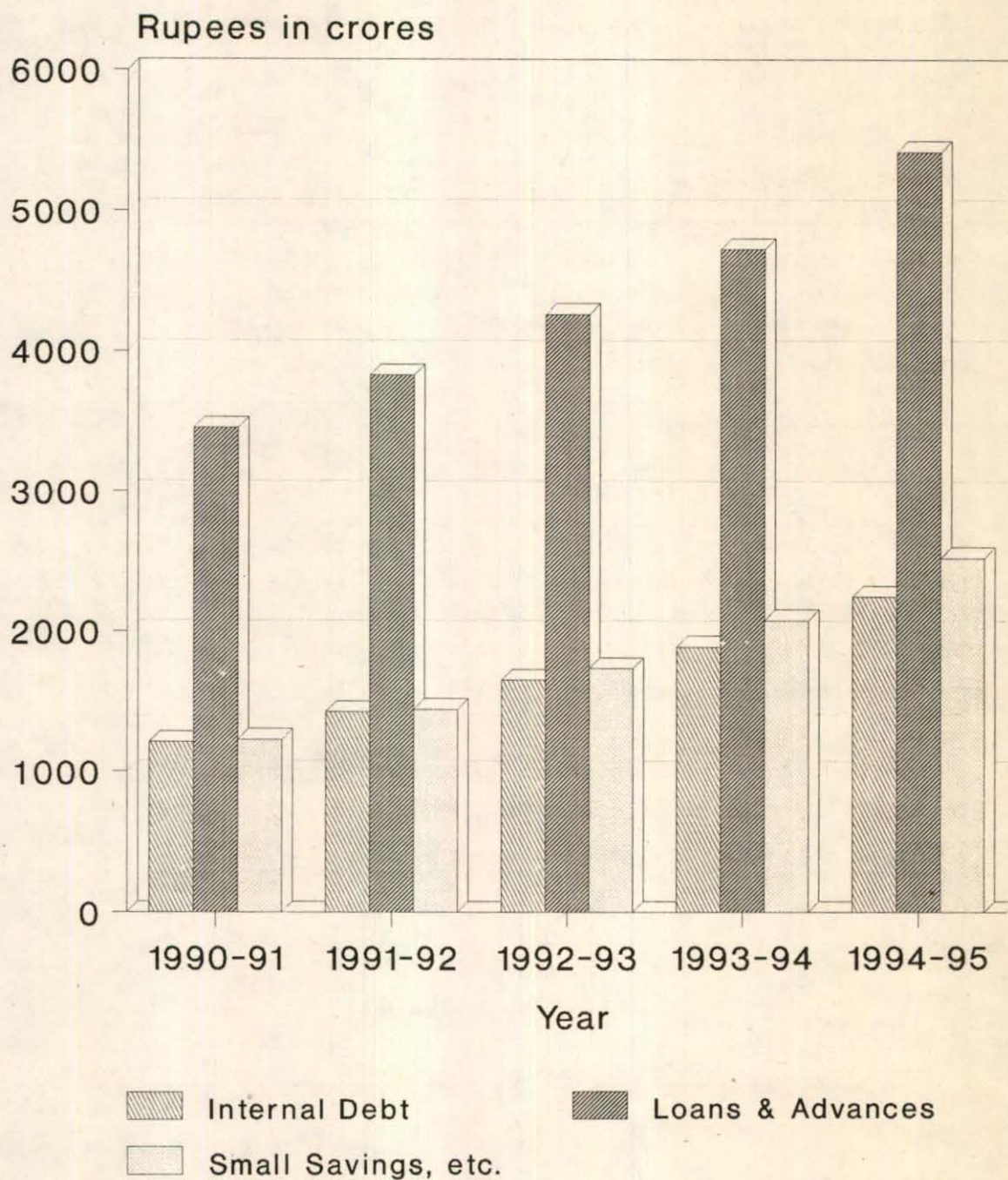
The details of such obligations of the State Government during the five years ending March 1995 are given below:

Year	Internal Debt	Loans and Advances from the Central Government	Total Public Debt	Small Savings, Provident Funds, etc.	Total obligations
(Rupees in crores)					
1990-91	1209.24	3452.61	4661.85	1226.57	5888.42
1991-92	1425.62	3829.94	5255.56	1443.15	6698.71
1992-93	1654.69	4263.60	5918.29	1737.77	7656.06
1993-94	1892.98	4726.63	6619.61	2080.91	8700.52
1994-95	2251.34	5420.83	7672.17	2525.93	10198.10

It would be seen that the total obligations of Government had increased from Rs.5888.42 crores at the end of 1990-91 to Rs.10198.10 crores at the end of 1994-95 i.e. an increase of 73 per cent over a period of four years.



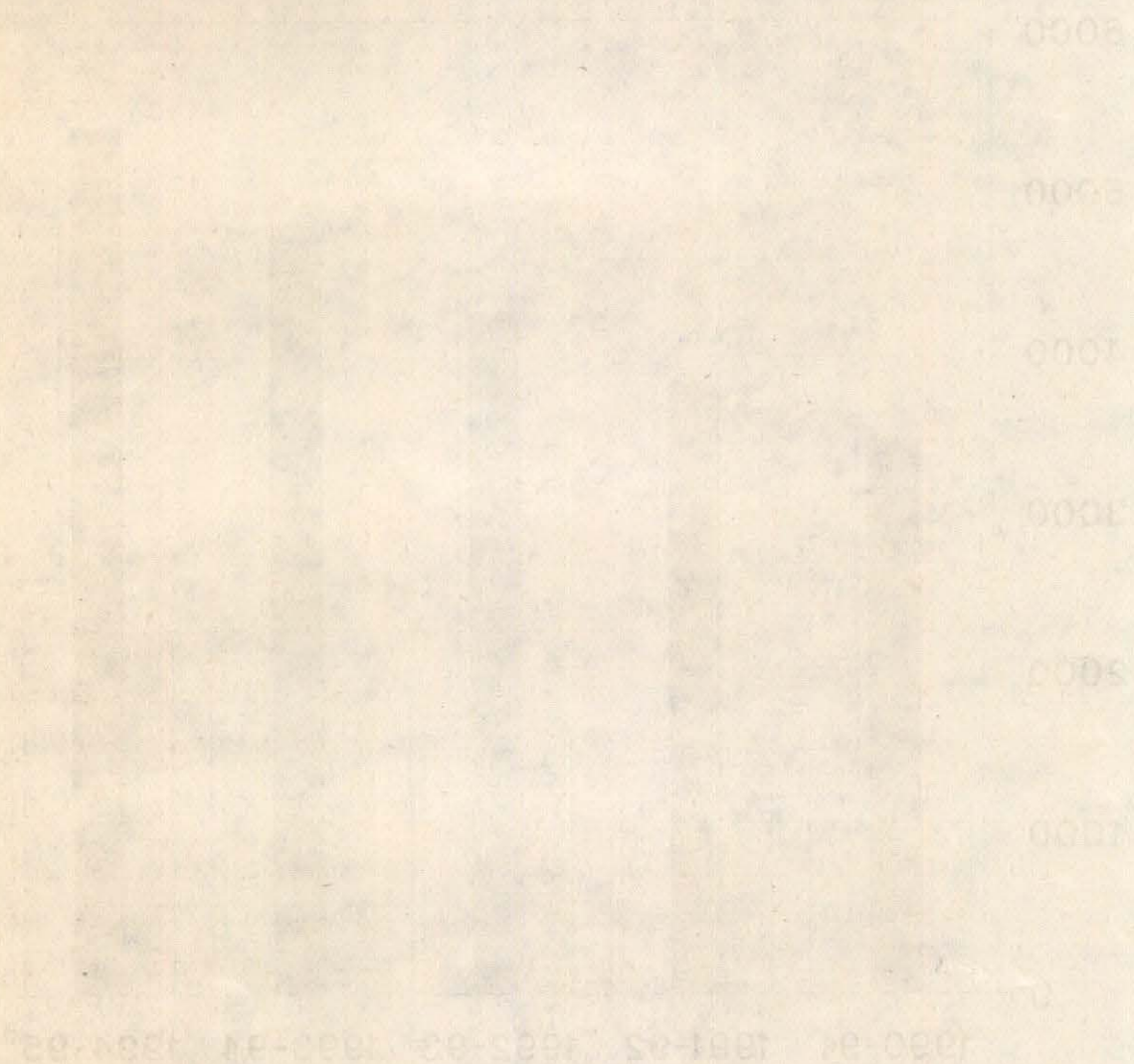
# Public debt and other obligations





# Public debt and other obligations

Values in Crores



Internal Debt

External Debt



### 1.15 Debt service

The following table shows the outgo of funds on account of interest payments (gross) during the five years ending 31 March 1995:

Year	Interest paid	Opening balances of					Percentage of interest to	
		Internal Debt	Loans and advances from the Central Government	Small Savings, Provident Funds, etc.	Other liabilities/obligations	Total obligations	Total obli-gations	Revenue Expend-iture
(Rupees in crores)								
1990-91	498.60	1083.17	3299.78	1028.51	238.71	5650.17	9	14
1991-92	615.74	1209.24	3452.61	1226.57	193.02	6081.44	10	15
1992-93	742.77	1425.62	3829.94	1443.15	352.69	7051.40	11	15
1993-94	885.41	1654.69	4263.60	1737.77	364.24	8020.30	11	15
1994-95	1035.93	1892.98	4726.63	2080.91	465.37	9165.89	11	15

It would be seen that the outflow of funds for payment of interest during the period from 1990-91 to 1994-95 ranged between 14 and 15 *per cent* of the revenue expenditure.

During 1994-95, while Rs.1035.93 cores was paid as interest on debt and other obligations, the interest received was Rs.422.87 crores only. Thus, the net interest burden during the year was Rs.613.06 crores (9.7 *per cent* of the total revenue receipts).

The repayment of Internal Debt other than ways and means advances and overdrafts and payment of interest thereon by the State Government during the



last five years was as follows:

Year	Repayments		Internal Debt received during the year	Percentage of repayments to internal debt received
	Principal	Interest		
(Rupees in crores)				
1990-91	8.34	105.55	113.89	65
1991-92	9.07	137.00	146.07	65
1992-93	34.15	158.69	192.84	73
1993-94	53.97	202.52	256.49	88
1994-95	15.18	240.09	255.27	68

During 1994-95, 68 *per cent* of the fresh internal debts received was consumed by the repayment of outstanding debts and payment of interest thereon.

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

Year	Repayments			Loans received during the year	Percentage of repayments to loans received
	Principal	Interest	Total		
(Rupees in crores)					
1990-91	473.88	249.08	722.96	626.71	115
1991-92	180.24	310.97	491.21	557.57	88
1992-93	171.43	363.92	535.35	605.09	88
1993-94	198.22	425.22	623.44	661.25	94
1994-95	193.27	494.11	687.38	887.47	77

During 1994-95, 77 *per cent* of the fresh loans received was consumed by the repayment of outstanding loan and payment of interest thereon.

### 1.16 Loans and advances by the State Government

The State Government advances loans to Government companies, corporations, autonomous bodies, co-operatives, non-Government institutions, etc., for developmental and non-developmental activities. The position of such



loans for the five years 1990-91 to 1994-95 is given below:

	1990-91	1991-92	1992-93	1993-94	1994-95
(Rupees in crores)					
Opening balance	1376.74	1599.45	1228.21	1577.26	1964.03
Amount advanced during the year	275.48	327.62	444.65	494.40	405.76
Amount repaid during the year	52.77	698.86	95.60	107.63	128.43
Closing balance	1599.45	1228.21	1577.26	1964.03	2241.36
Net addition(+)/ reduction(-)	(+)222.71	(-)371.24	(+)349.05	(+)386.77	(+)277.33
Interest received and credited to revenue	8.97	162.55	308.05	397.76	198.21

Of the loans advanced to various bodies (other than RSEB), the detailed accounts of which are kept in the office of the Accountant General (A&E), recovery of Rs.18.12 crores (principal : Rs.4.50 crores and interest : Rs.13.62 crores) was in arrears as on 31 March 1995. In the case of RSEB, loans totalling Rs.1781.47 crores were outstanding at the end of March 1995 and the amount of interest due for recovery was Rs.201.73 crores. In the absence of detailed terms and conditions for repayment of these loans in Government sanctions, the amount of principal overdue for recovery could not be worked out.

In respect of loans the detailed accounts of which are maintained by the Departmental Officers, the Controlling Officers are required to furnish to the Accountant General a statement showing details of arrears in recovery of loan instalments and interest by June every year. Against 199 statements due for 1994-95, only 99 statements were received by July 1995. According to these statements, the total amount overdue for recovery against loan advanced as on 31 March 1995 of Rs.222.64 crores was Rs.96.83 crores including Rs.45.72 crores on account of interest. The major portion of the arrears related to loans for 'Crop



Husbandry' (Rs.42.55 crores), 'Co-operation' (Rs.21.29 crores), 'Food Storage and Warehousing' (Rs.21.07 crores) and 'Village and Small Industries' (Rs.5.93 crores).

Agriculture, Rural Development and Panchayati Raj, Tribal Area Development and Relief Departments were the main defaulters in furnishing the statements of overdue loans.

### 1.17 Ways and Means advances and overdraft

Under an agreement with the Reserve Bank of India, the State Government has to maintain a minimum daily cash balance of Rs.60 lakhs with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ways and means advances/overdraft from the Bank.

The extent to which Government maintained the minimum balance with the Bank during the period 1990-91 to 1994-95 is given below:

	1990-91	1991-92	1992-93	1993-94	1994-95
(i) Number of days on which minimum balance was maintained					
(a) without obtaining any advance	333	273	350	358	138
(b) by obtaining ways and means advances	26	72	10	7	168
(ii) Number of days on which overdraft was taken	6	21	5	-	59



The position of ways and means advances and overdraft taken by the State Government and interest paid thereon during 1990-91 to 1994-95 is detailed below:

	1990-91	1991-92	1992-93	1993-94	1994-95
<b>(Rupees in crores)</b>					
<b>Ways and Means Advances</b>					
(i) Advances taken during the year (Gross)	53.59	148.84	37.51	17.61	577.49
(ii) Advances outstanding at the end of the year	-	-	-	-	-
(iii) Interest paid	0.20	0.49	0.08	0.02	1.92
<b>Overdraft</b>					
(i) Overdraft taken during the year (Gross)	21.76	138.07	94.65	-	765.52
(ii) Overdraft outstanding at the end of the year	-	-	-	-	-
(iii) Interest paid	0.02	0.20	0.15	-	0.95



### 1.18 Guarantees given by the State Government

The position of contingent liability for guarantees given by the State Government for repayment of loans and payment of interest thereon by the statutory corporations, government companies and co-operatives, etc. was as follows:

At the end of	Maximum amount guaranteed (Principal only)	Amount outstanding	
		Principal	Interest
(Rupees in crores)			
1991	3341.55	2188.42	37.27
1992	3942.41	2685.87	42.86
1993	4356.40	3082.11	60.82
1994	4896.28	3490.00	83.08
1995	5201.93	3887.33	41.51

It would be seen that the outstanding guarantees increased from Rs.2225.69 crores (including interest) in 1990-91 to Rs.3928.84 crores in 1994-95 an increase of 76.5 *per cent*. An amount of Rs.9.04 crores was received as guarantee commission during 1994-95.



Guarantees given by Government were invoked in three cases between February 1984 and November 1989 involving principal amount of Rs.789.80 lakhs as tabulated below:

Name of the Institution to whom guarantee was given	Date of invoking of guarantee	Amount to be paid to honour the guarantee	Rate of interest	Remarks
(Rupees in lakhs)				
M/s. Jaipur Spinning and Weaving Mills Limited, Jaipur	23 February 1984	504.76	18 <i>per cent</i> per annum till the date of payment	The case was pending in the court of law. Further progress was awaited (September 1995).
M/s. Jaipur Udyog Limited, Sawaimadhopur	30 June 1988	274.14	16.5 <i>per cent</i> per annum till the date of payment	The case was pending in the court of law. The matter regarding settlement of case outside the court was under consideration of Government.
M/s. Man Industrial Corporation Limited, Jaipur	November 1989	10.90	Rate of interest not available	The Board for Industrial and Financial Reconstruction, New Delhi sanctioned (August 1994) the scheme for rehabilitation of M/s. Man Industrial Corporation Limited. Further progress was awaited (September 1995).



No guarantee was invoked during 1994-95.

No law under Article 293 of the Constitution has been passed by the Legislature laying down the maximum limits for Government for giving guarantees on the security of the Consolidated Fund of the State.



## CHAPTER-II

### APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

#### 2.1 General

2.1.1 The summarised position of the actual expenditure during 1994-95 against grants/appropriations\* was as follows:

	Original grant/ appro- piation	Supplementary grant/ appropriation	Total	Actual expenditure	Variation savings(-)/ excess(+)
(Rupees in crores)					
<b>I-REVENUE</b>					
Voted	5758.32	724.20	6482.52	6158.07	(-)324.45
Charged	1068.26	2.75	1071.01	1045.60	(-)25.41
<b>II-CAPITAL</b>					
Voted	1195.27	200.36	1395.63	1396.37	(+)0.74
Charged	0.03	1.14	1.17	1.22	(+)0.05
<b>III-PUBLIC DEBT</b>					
Charged	421.76	400.02	821.78	1551.46	(+)729.68
<b>IV-LOANS AND ADVANCES</b>					
Voted	416.30	14.11	430.41	405.76	(-)24.65
<b>GRAND TOTAL</b>	8859.94	1342.58	10202.52	10558.48	(+)355.96

#### 2.2 Results of appropriation audit

2.2.1 The overall excess of Rs.355.96 crores was the net result of saving of Rs.494.97 crores in 104 cases and excess of Rs. 850.93 crores in 19 cases as

\* In a demand the grants are voted and appropriations are charged.



shown below:

	Savings		Excess		Net Savings(-)/Excess(+)	
	Revenue	Capital	Revenue	Capital	Revenue	Capital
(Rupees in crores)						
Voted	365.84 (In 42 grants)	103.59 (In 21 grants)	41.39 (In 7 grants)	79.68 (In 5 grants)	(-)324.45	(-)23.91
Charged appropri- ations	25.54 (In 40 appropri- ations)	* (In 1 appropri- ation)	0.13 (In 5 appropri- ations)	729.73 (In 2 appropri- ations)	(-)25.41	(+)729.73

\* Rs.25,000 only.

### 2.2.2 Supplementary provision

The supplementary provision of Rs.1342.58 crores obtained during 1994-95 constituted 15 *per cent* of the original budget provision against 9 *per cent* during the preceding year. Supplementary provision of Rs.60.17 crores obtained in 12 grants and one charged appropriation (14 cases) during October 1994/March 1995 proved unnecessary as the expenditure did not come up in these cases even to the level of the original provision, saving in each case exceeding Rs.10 lakhs, as detailed in *Appendix-1*.

In 18 grants and two charged appropriations (21 cases), the additional funds required were only Rs.490.89 crores against the supplementary provision of Rs.564.10 crores, saving in each case exceeding Rs.10 lakhs. Relevant details are given in *Appendix-2*.

The supplementary provision of Rs.635.39 crores obtained in 8 grants and one charged appropriations (10 cases) in October 1994/March 1995 proved insufficient by more than Rs.10 lakhs in each case, leaving an aggregate uncovered excess expenditure of Rs.833.63 crores as detailed in *Appendix-3*.

### 2.2.3 Excess over grants/appropriations

In the revenue section, there was an excess expenditure of Rs.41,38,82,069 in 7 grants and Rs.13,39,817 in 5 appropriations and in the



capital section, the excess expenditure was Rs.79,68,31,375 in 5 grants, and Rs.7,29,73,16,722 in 2 appropriations as detailed below, which requires regularisation under Article 205 of the Constitution of India:

S.No.	Number and name of the grant/ appropriation	Total grant/ appropriation	Actual expenditure	Excess
<b>Revenue-Voted</b>			<b>(In rupees)</b>	
1.	8- Revenue	78,40,65,000	78,61,13,826	20,48,826
2.	15- Pension and other Retirement Benefits	2,94,43,04,000	2,99,88,52,044	5,45,48,044
3.	19- Public Works	1,50,41,09,000	1,52,45,78,104	2,04,69,104
4.	24- <u>Education, Art and Culture</u>	13,74,15,68,000	13,84,56,10,738	<u>10,40,42,738</u>
5.	26- <u>Medical and Public Health and Sanitation</u>	4,35,27,99,000	4,45,76,88,684	<u>10,48,89,684</u>
6.	27- Drinking Water Supply Scheme	3,31,13,13,000	3,31,33,65,454	20,52,454
7.	46- Irrigation	3,58,65,88,000	3,71,24,19,219	12,58,31,219
<b>Revenue-Charged</b>				
1.	6- Administration of Justice	5,28,65,000	5,36,16,875	<u>7,51,875</u>
2.	12- Other Taxes	93,000	98,000	<u>5,000</u>
3.	16- Police	4,10,000	9,75,338	5,65,338
4.	24- <u>Education, Art and Culture</u>	1,30,000	1,46,300	<u>16,300</u>
5.	38- Minor Irrigation and Soil Conservation	2,99,000	3,00,304	1,304
<b>Capital-Voted</b>				
1.	16- Police	19,09,000	24,06,421	4,97,421
2.	21- Roads and Bridges	1,41,76,05,000	1,47,76,56,300	6,00,51,300
3.	27- Drinking Water Supply Scheme	3,75,14,89,000	4,33,43,58,140	58,28,69,140
4.	42- Industries	45,84,21,000	50,12,34,514	4,28,13,514
5.	48- Power	2,65,04,00,000	2,76,10,00,000	11,06,00,000
<b>Capital-Charged</b>				
1.	Public Debt	8,21,78,06,000	15,51,45,62,644	7,29,67,56,644
2.	46- Irrigation	1,16,50,000	1,22,10,078	5,60,078



### 2.2.4 Unutilised provision

The expenditure in the following grants fell short by more than Rs.1 crore and also by more than 10 *per cent* of the total provision :

S.No.	Description of the grant/ appropriation	Amount of saving (Rupees in crores)	Main reasons for savings
	<b>Revenue - Voted</b>		
1.	7-Election	39.85 (57)	Due mainly to non-submission of bills by the firms pertaining to electoral identity cards.
2.	11-Miscellaneous Social Services	1.84 (19)	Due mainly to some posts remaining vacant, reduction in Plan ceiling and less grants to Rajasthan State Water Pollution and Protection Board.
3.	22-Area Development	18.91 (19)	Due mainly to non-implementation of schemes of innovative/ decentralised development and issuing identity cards to inhabitants of border areas, less expenditure on Rajasthan Area Development Project (C.D. assistance), some posts remaining vacant and economy measures.
4.	23-Labour and Employment	5.26 (18)	Due mainly to receipt of less grants from the Government of India for quality improvement programme, urban employment wages scheme and various programmes under Nehru Rojgar Yojana and some posts remaining vacant.
5.	28-Special Programmes for Rural Development	15.11 (13)	Due mainly to less grants/ subsidies from the Government of India for execution of afforestation works under Desert Development Programme and Integrated Rural Development Programme.



S.No.	Description of the grant/ appropriation	Amount of saving (Rupees in crores)	Main reasons for savings
6.	33-Social Security and Welfare	41.05 (26)	Due mainly to non-receipt of grants from the Government of India for emancipation from scavenging and rehabilitation schemes, reduction in Plan ceiling, less expenditure on food and medicines under nutrition crash programme and economy measures.
7.	36-Co-operation	18.61 (29)	Due mainly to less demand/proposals from co-operative societies and some posts remaining vacant.
8.	37-Agriculture	40.29 (25)	Due mainly to abolition of chemical fertiliser subsidy scheme by the Government of India and less expenditure on various agriculture development and improvement programmes; detailed reasons of which have not been intimated (October 1995).
9.	43-Mines	29.06 (48)	Due mainly to less purchase of material for processing because of availability of steelish lime stone at cheaper rates in the international market.
10.	44-Stationery and Printing	2.83 (16)	Due mainly to (i) non-receipt of materials from the Director General of Supplies and Disposals against rate contract, (ii) purchase of paper out of separate funds allotted by the State Election Commission (iii) non-supply of material by the suppliers and (iv) economy measures.



S.No.	Description of the grant/ appropriation	Amount of saving (Rupees in crores)	Main reasons for savings
11.	48-Power	24.55 (12)	Not intimated (October 1995).
12.	50-Rural Employment	46.48 (21)	Due mainly to release of less grants by the Government of India.
13.	<b>Capital-Voted</b> 19-Public Works	10.83 (18)	Due mainly to execution of less construction works of buildings relating to various departments.
14.	22-Area Development	12.23 (15)	Due mainly to execution of less works relating to water courses and buildings under Command Area Development of Indira Gandhi Nahar Pariyojana and economy measures.
15.	24-Education, Art and Culture	6.03 (44)	Due mainly to non-sanction of extension to World Bank financed scheme for construction of building under technical education- Polytechnics.
16.	26-Medical and Public Health and Sanitation	1.10 (44)	Not intimated (October 1995).
17.	29-Town Planning and Regional Development	6.69 (55)	Due mainly to release of less funds (i) by the National Capital Region Board for development of National Capital Regions Alwar and Kota and (ii) by the Government of India for integrated development of small and medium towns resulting in distribution of less loans than envisaged.



S.No.	Description of the grant/ appropriation	Amount of saving (Rupees in crores)	Main reasons for savings
18.	30- Tribal Area Development	9.51 (33)	Due mainly to (i) non-execution of works through World Bank assistance under technical education, (ii) non-sanction/ less sanction of loans to Tribal Areas Development Co-operative Corporation and the Rajasthan Financial Corporation and slow progress of works.
19.	36-Co-operation	7.32 (23)	Due mainly to non-sanction of short term loans to Rajasthan Rajya Kraya-Vikraya Sangh Limited for agricultural inputs because of economy measures, less proposals for loans from co-operative societies and release of less assistance from the Government of India.
20.	37-Agriculture	20.29 (32)	Due mainly to non-sanction of loans to the Rajasthan State Agro Industries Corporation Limited and the Rajasthan State Seeds Corporation and less execution of works.
21.	38-Minor Irrigation and Soil Conservation	2.06 (63)	Due mainly to less purchase of machinery for Ground Water Department and less requirement of loans for repatriates.
22.	43-Mines	2.25 (40)	Due mainly to post budget decision to sanction grants to Rajasthan State Mines and Minerals Limited, instead of making investments in its share capital.
23.	45-Loans to Government Servants	7.96 (11)	Due mainly to less demand of foodgrain advance by employees.
24.	47-Tourism	1.36 (12)	Due mainly to receipt of less funds from the Government of India for development of tourist places.

Figures within parentheses represent percentage of saving to total provision.



### 2.2.5 Persistent savings/excesses

Persistent savings/excesses of 10 *per cent* or more were noticed in the following grants:

S.No.	Number and name of the grant	Percentage of savings/excesses		
		1992-93	1993-94	1994-95
<b>I-Savings REVENUE-VOTED</b>				
1.	7-Election	14	22	57
2.	22-Area Development	17	19	19
3.	23-Labour and Employment	21	19	18
<b>CAPITAL-VOTED</b>				
4.	36-Co-operation	16	32	23
5.	37-Agriculture	12	59	32
<b>II-Excesses CAPITAL-VOTED</b>				
6.	27-Drinking Water Supply Scheme	14	12	16

### 2.2.6 Re-appropriation of funds

#### (i) Excessive/unnecessary re-appropriation of funds

Re-appropriation is transfer of funds, after due consideration, within a particular section of a grant, from one unit of appropriation where savings are anticipated to another unit where additional funds are needed. In view of the final savings/excesses, the augmentation/reduction of provision by way of re-appropriation in the cases mentioned in *Appendix-4* proved to be excessive/unnecessary.

#### (ii) Re-appropriation of funds on new service(s)

As envisaged in the Budget Manual, re-appropriation is not possible to meet expenditure on a new service not contemplated in the Budget. It was,



however, noticed that expenditure incurred in the following cases of new services was covered by diverting funds through re-appropriation from other heads:

S.No.	Grant No.	Head of Account	Funds obtained through re-appropriation	Actual expenditure	Excess
(Rupees in crores)					
1.	26-Medical and Public Health and Sanitation	2211-Family Welfare 103-Maternity and Child Health (iv) C.S.S.M. Project with External Assistance	6.41	20.41	14.00
2.	37-Agriculture	4401-Capital Outlay on Crop Husbandry 105-Manures and Fertilisers (ii) Through the agency of Agriculture Department 1. Buildings	1.58	1.58	Nil

### 2.2.7 Surrender of savings

(a) Financial Rules prescribe that all anticipated savings should be surrendered as soon as these are foreseen without waiting till the end of the financial year. However, in all cases of savings surrenders aggregating Rs.533.26 crores were made on the last date (31 March 1995) of the financial year.



(b) In the following grants, the amount of savings not surrendered exceeded Rs.50 lakhs in each case:

S.No.	Number and name of the grant	Total grant	Savings	Amount surrendered	Unsurrendered saving and its percentage to total savings (In brackets)
(Rupees in crores)					
<b>REVENUE-VOTED</b>					
1.	20-Housing	22.85	2.39	1.08	1.31 (55)
2.	22-Area Development	97.33	18.91	17.41	1.50 (8)
3.	30-Tribal Area Development	192.51	15.96	11.62	4.34 (27)
4.	34-Relief from Natural Calamities	330.33	7.24	4.62	2.62 (36)
5.	41-Community Development	51.72	1.74	1.02	0.72 (41)
<b>CAPITAL-VOTED</b>					
6.	26-Medical and Public Health and Sanitation	2.48	1.10	0.01	1.09 (99)
7.	38-Minor Irrigation and Soil Conservation	3.25	2.06	1.28	0.78 (38)
8.	45-Loans to Government Servants	74.03	7.96	7.25	0.71 (9)



(c) In the following grants, surrenders made in March 1995, exceeding Rs.50 lakhs in each case, were in excess of the saving actually available for surrender by Rs.10 lakhs or more:

S.No.	Number and name of the grant	Total grant	Savings	Amount surrendered	Amount surrendered in excess
(Rupees in crores)					
<b>REVENUE-VOTED</b>					
1.	4-District Administration	91.40	0.68	0.78	0.10
2.	14-Sales Tax	24.38	1.93	2.03	0.10
3.	16- Police	296.28	0.68	1.65	0.97
4.	21-Roads and Bridges	158.12	14.09	17.73	3.64
5.	23- Labour and Employment	29.68	5.26	5.61	0.35
6.	25-Treasury and Accounts Administration	20.21	1.36	1.47	0.11
<b>CAPITAL-VOTED</b>					
7.	19-Public Works	59.64	10.83	11.66	0.83
8.	20-Housing	20.10	1.84	2.16	0.32
9.	30-Tribal Area Development	29.21	9.51	9.64	0.13
10.	46-Irrigation	580.88	13.26	22.42	9.16



(d) In the following grants, surrenders were made on the last day of the financial year even though the expenditure had exceeded the budget provision:

S.No.	Number and name of the grant	Total grant	Excesses	Amount surrendered
(Rupees in crores)				
<b>REVENUE-VOTED</b>				
1.	8-Revenue	78.41	0.20	1.10
2.	15-Pension and other Retirement Benefits	294.43	5.45	0.20
3.	19-Public Works	150.41	2.05	2.04
4.	24-Education, Art and Culture	1374.16	10.40	6.28
5.	26- Medical and Public Health and Sanitation	435.28	10.49	10.47
6.	27- Drinking Water Supply Scheme	331.13	0.21	0.68
<b>CAPITAL-VOTED</b>				
7.	27- Drinking Water Supply Scheme	375.15	58.29	16.35
8.	42- Industries	45.84	4.28	5.96

### 2.2.8 Expenditure without provision

As envisaged in the Budget Manual, expenditure should not be incurred on a scheme/service without provision therefor. It was, however, noticed that expenditure of Rs.1.50 crores was incurred without the provision having been made either in the original estimates or in the supplementary demand in respect of one grant viz., 27-Drinking Water Supply Scheme under Head of account 4215-Capital Outlay on Water Supply and Sanitation-02-Sewerage and Sanitation-106-Sewerage Services- I-General Sewerage Services- (iv) Sewerage Services, Jaipur.



### 2.2.9 Shortfall/excess in recoveries

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

During 1994-95, such receipts and recoveries were estimated at Rs. 481.97 crores (Revenue:Rs.292.13 crores; Capital:Rs.189.84 crores). Actual receipts and recoveries during the year were Rs.794.17 crores (Revenue:Rs.457.19 crores; Capital: Rs.336.98 crores). A few significant cases of variation are detailed below:

S. No.	Number and name of the grant	Budget estimates	Actuals	Excess
(Rupees in crores)				
1.	19-Public Works Revenue-Voted	115.66	125.68	10.02
	Capital-Voted	0.11	10.77	10.66
2.	27-Drinking Water Supply Scheme Revenue-Voted	51.29	58.05	6.76
	Capital-Voted	54.50	125.92	71.42
3.	34-Relief from Natural Calamities Revenue-Voted	54.00	199.08	145.08
4.	46-Irrigation Revenue-Voted	49.34	52.55	3.21
	Capital-Voted	135.14	199.95	64.81

### 2.3 Non-receipt of explanations for savings/excesses

After the close of each financial year, the detailed appropriation accounts showing the final grants/appropriations, the actual expenditure and the resultant variations are sent to the controlling officers who are required to explain the



significant variations under the heads of account. Out of 380 heads of account, explanations for variations were not received in respect of 196 heads of account (52 per cent) as of October 1995.

#### **2.4 Advances from the Contingency Fund**

The corpus of the State Contingency Fund is Rs.35 crores from which advances is sanctioned by Government for meeting unforeseen expenditure of an emergent nature as cannot be postponed till the vote of Legislature is obtained.

During 1994-95, 15 sanctions aggregating Rs.1928.01 lakhs were issued by the State Government for grant of advance from the Contingency Fund.

It was, however, noticed in audit that a sum of Rs.1000 lakhs was drawn (June 1994) from the Contingency Fund for payment to various departments under the Border Area Development Programme (BADP), to be utilised up to August 1994. The entire amount was recouped in September 1994. Of this, only Rs.487.14 lakhs were utilised up to March 1995 and Rs.512.86 lakhs remained unutilised. Thus, funds drawn from the Contingency Fund for meeting expenditure were not of an emergent nature.

The matter was referred to Government in July 1995; reply has not been received (July 1995).



## CHAPTER-III CIVIL DEPARTMENTS

### Agriculture Department

#### 3.1 National Watershed Development Programme for Rainfed Areas

##### 3.1.1 Introduction

Watershed is a geohydrological unit or a piece of land that drains out at a common point evolving through the interaction of rain water with land mass and typically comprises arable lands, non arable lands and natural drainage lines in rainfed areas. For scientific utilisation of the natural resource base of land and water, the ideal geographical unit would be the product of interaction of rain with land which is the watershed.

On the basis of the experience gained in pilot and other projects i.e., the research findings and the pattern of their adoption by farmers, a programme named National Watershed Development Programme for Rainfed Areas (NWDPA) was started in 1990-91 and was converted into a major programme under the VIII plan (1992-97) by the Government of India (GOI).

The programme aimed at scientific use of land through development of integrated farming in the watershed area. The main objectives were:

- (i) promotion of holistic farming systems by conserving rain water and upgradation and scientific utilisation of land, water, plant and human resources for continuous availability of food, fodder, fuel, fibre and bio-mass for rural needs, and
- (ii) reinforcement of production environment through moisture conservation and run-off management with a net work of small re-charge dugout structures and soil erosion control with vegetative measures.

Of the 34 million hectares (ha) land in the State, only 1.20 million ha (roughly 3.5 *per cent*) land is irrigated, remaining 32.80 million ha (96.5 *per*

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The abbreviations used in this review have been listed in the Glossary in *Appendix-13* ( Pages 215-220 ).



cent) being dependent on rains. Since only 11 *per cent* of the precipitation annually available is harvested and balance is wasted and flows out causing heavy erosion of soil, conservation and harvesting of rain water assumes critical significance for the State.

The programme covered blocks less than 30 *per cent* arable area under assured means of irrigation; 204 watersheds were sanctioned during the period 1991-94 as per details given in *Appendix-5*.

### 3.1.2 Organisational set up

Prior to January 1991, this programme was being implemented by the Director of Agriculture. In January 1991, the State Government established a separate Directorate of Watershed Development and Soil Conservation (Directorate) under the Agriculture Department with its own field staff drawn from the different line departments<sup>1</sup> assisted by 2 zonal offices, 3 circle offices, 17 divisional offices and 63 field unit offices. The Director was responsible for monitoring the implementation of the programme in the State. For this purpose, Additional Director, Jaipur was functioning as the nodal officer of the programme.

### 3.1.3 Audit coverage

A test-check of implementation of the programme was conducted during December 1994 to April 1995 in the Directorate office and one watershed each in two different agro climatic zones<sup>2</sup> with their adjacent watersheds<sup>3</sup>, covering the period 1990-94. This was supplemented by the irregularities noticed during local audit of the divisional and field units offices.

Important points noticed during test-check are embodied in the succeeding paragraphs.

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1. Animal Husbandary, Agriculture, Forest, Horticulture, Sheep and Wool and Fisheries.  
 2. Aarna Dharampura (Jodhpur), Dorawali (Sawaimadhopur)  
 3. Kui (Jodhpur), Talawara (Sawaimadhopur)



### 3.1.4 Highlights

- Against Rs.7035.08 lakhs released during 1990-94 by the Government of India budget-provision of Rs.5030.24 lakhs was made and Rs.5135.33 lakhs were reported as spent resulting in shortfall in utilisation of funds ranging from 11 to 63 *per cent* during the period. Rupees 620.26 lakhs were transferred to Personal Deposit (PD) Accounts during 1990-91 of which Rs.329.74 lakhs remained unutilised for a period of over 3 years and were deposited in 1994-95 as minus expenditure under the scheme. Unspent balance of Seventh Five Year Plan amounting to Rs.81.45 lakhs has remained unaccounted for under the programme. A sum of Rs.25.68 lakhs was incurred on items not covered under the programme, Rs.9.00 lakhs were spent on equipments not approved in Action Plan, Rs.7.01 lakhs were diverted to other schemes and details of material received against advance payment of Rs.45.61 lakhs were not available. Fifteen photocopiers worth Rs.10.26 lakhs were purchased, of which 6 costing Rs.4.08 lakhs were not in working order.

(Paragraph 3.1.5)

- Twenty four watersheds on which Rs.351.22 lakhs had been spent did not fulfil the basic requirement for selection of a watershed.

(Paragraph 3.1.6 (d))

- Of the 3,39,950 ha proposed to be covered in the scheme under 204 watersheds, 2,25,070 ha only were covered during 1990-94.

(Paragraph 3.1.6(e))

- Contour Vegetative Hedges (CVH) work worth Rs.22.18 lakhs was done on field boundaries instead of on contour alignment thus depriving beneficiaries of optimum benefit of moisture conservation. Work costing Rs.5.19 lakhs was below specification.

(Paragraph 3.1.6(f))



- Wasteful expenditure of Rs.10 lakhs on kanna bunding not provided under the programme was incurred.

(Paragraph 3.1.6(g))

- Expenditure of Rs.35.12 lakhs on watersheds abandoned due to their selection not being in accordance with the revised guidelines of Eighth Five Year Plan proved infructuous.

(Paragraph 3.1.6(h))

- No activities under livestock and fodder development were taken up till 1992-93 and 1993-94 respectively due to delay in sanction of Action Plan. The percentage of shortfall under livestock development ranged from 13 to 86 during 1993-94.

(Paragraph 3.1.6(l)(m))

- Expenditure of Rs.17.27 lakhs was incurred on water harvesting structures in watershed areas out of funds provided under other schemes in contravention of the programme.

(Paragraph 3.1.7.(a))

- Research project of CAZRI worth Rs.15.23 lakhs was taken up to continue up to 1995-96 without benefiting the on-going watersheds. No research project was sent to the Government of India for approval to serve as a model.

(Paragraph 3.1.8)

### 3.1.5 Financial outlay and expenditure

Expenditure during the Seventh Five Year Plan period was to be shared equally between the Government of India (GOI) and the State Government. From 1990-91 onwards, the programme was fully financed by the Government of India in the form of 75 per cent grant-in-aid and 25 per cent interest bearing loan. The funds released by the Government of India and expenditure incurred thereagainst



are detailed below:-

Year	Opening balance	Released by the GOI			Total funds available	Budget allotment/ funds released by the State Government	Expenditure	Closing balance with reference to total funds available	Percentage of shortfall in utilisation with reference to total funds available
		Grant-in-aid	Loan	Total					
(Rupees in lakhs)									
1990-91	91.22	845.08	-	845.08	936.30	617.66	833.64	102.66	11
1991-92	102.66	1455.00	485.00	1940.00	2042.66	837.61	750.81	1291.85	63
1992-93	1291.85	1489.40	860.60	2350.00	3641.85	1487.59	1464.01	2177.84	60
1993-94	2177.84	1465.00	435.00	1900.00	4077.84	2087.38	2086.87	1990.97	49
Total		5254.48	1780.60	7035.08		5030.24	5135.33		

There was a shortfall in utilisation of funds ranging from 11 to 63 *per cent* during 1990-94. Following further points emerged as a result of test-check.

(i) Against an unspent balance of Rs. 91.22 lakhs in respect of Central funds under the old scheme at the end of Seventh Five Year Plan, the Government of India while releasing funds to the State Government in December 1990, showed deduction of Rs.9.77 lakhs only on this account, on the basis of information supplied by the State Government, leaving a balance of Rs.81.45 lakhs as unaccounted for and unrecovered (December 1994) under the programme.

(ii) Of the Rs.833.64 lakhs spent during 1990-91, Rs.620.26 lakhs were shown as utilised by transferring to Personal Deposit (PD) Account of District Rural Development Agency (DRDA), Jaipur. During 1991-92, this amount was placed in the PD Accounts of 17 divisional offices and Assistant Engineer, Headquarter. In April 1994, Directorate issued instructions to the field offices to refund the balance amount, if any, lying with them. Of the Rs.620.26 lakhs transferred during 1990-91, a sum of Rs.329.74 lakhs (53 *per cent*) was deposited back to the Directorate in 1994-95 and accounting adjustment was made by treating it as minus expenditure instead of adjusting it in grants of subsequent years. This resulted in blocking of capital for over 3 years.



(iii) During 1991-94, expenditure of Rs.7.01 lakhs (Ajmer Rs.2.32 lakhs and Nagaur Rs.4.69 lakhs) on Pushkar Valley Project and Desert Development Programme (DDP)/Jawahar Rojgar Yojana (JRY) was met out of funds provided under this scheme. The amounts had not been recouped as of January 1995.

(iv) A review of the watersheds test checked revealed that the implementation of the programme lacked integration of all activities of the watershed and the pace of progress was slow. During 1991-94, the percentage shortfall in utilisation of funds on project activities ranged from 14 to 100 (survey 60 to 89, establishment of nurseries 14 to 36, training 75 to 92, research support 95 to 100, conservation measures 26 to 69, production system 52 to 95, home stead/kitchen garden 100, house hold production system 100, treatment of drainage lines 30 to 75).

No expenditure was incurred under the activities of homestead/kitchen garden and house hold production system in all the watersheds. There was no provision for house hold production system in the project report of Kui watershed.

(v) As envisaged in the action plan for livestock development under this programme, Animal Husbandry Department was responsible for regular supply of liquid nitrogen and semen to Gopal units for artificial insemination (AI) purposes for which payment was made separately. Though there was no provision in the action plan approved by the Government of India, Rs.9.00 lakhs were provided (October 1993) to the Director, Animal Husbandry, Rajasthan, Jaipur for the purchase of liquid nitrogen tanker. The tanker was stated to have been received (August 1995).

(vi) (a) In accordance with the scheme, 10 *per cent* of the sanctioned amount could be spent on the establishment and management of full time project workers. Overheads, if any, were to be borne by the State Government. It was, however, observed that the expenditure of Rs.25.68 lakhs incurred between May 1991 and May 1993 on 2 cars, 3 jeeps, 15 photocopiers, 20 coolers, etc. was not covered under the programme.

(b) Fifteen photocopiers (cost Rs.10.26 lakhs) purchased (March 1992) from Hindustan Computer Limited (HCL), Jaipur, were distributed among field



offices. It was observed that photocopier supplied to Ajmer office worked up to 7 May 1992 and thereafter started giving trouble, going completely out of order from 15 October 1994. The photocopier in Jodhpur office commissioned in April 1992, was reported to be out of order since October 1993 and had not been repaired (August 1995). Photocopiers supplied to Banswara, Chittorgarh, Nagaur and Pali were also out of order. The expenditure of Rs.4.08 lakhs on procurement of these 6 photocopiers proved unfruitful.

The information regarding performance of the remaining 9 photocopiers was awaited from the Department.

(vii) Advance payments of Rs.34.96 lakhs were made against *pro forma* invoices (March 1992-Rs.13.59 lakhs and March 1994-Rs.21.37 lakhs) by Directorate to Rajasthan Seeds Corporation Limited, Jaipur/Agro Industries Corporation, Jaipur for the purchase of seeds and fertilisers. The position of material received against the payments, and utilisation thereof by the various units was not available with Directorate. Government stated (August 1995) that the position was being reconciled.

In Sawaimadhopur division, advance payments of Rs.10.65 lakhs for the purchase of seeds and fertilisers were made against *pro forma* invoices to local suppliers during February and March 1993. The details of material received were not available in the division. It was stated that the position of receipt of material in the unit offices would be ascertained and intimated. The final reply was awaited (May 1995).

(viii) Of the Rs.1780.60 lakhs received by the State Government as loan from the Government of India during 1991-94, test-check of records revealed that Rs.496.75 lakhs had remained unutilised as of August 1995.

### **3.1.6 Implementation of the programme**

(a) The State Watershed Development Committee was to send one model project for each agro climatic zone to the Government of India for approval. Thereafter, on the basis of these approved model projects, watershed projects were to be sanctioned by State Level Sanctioning Committee (SLSC).



The State was divided into 9 agro climatic zones but 10 project reports for 8 agro climatic zones were forwarded to the Government of India, out of which 9 model projects<sup>4</sup> were approved. In the case of one agro climatic zone (Semi Arid Eastern Plain) two models were approved. In respect of one agro climatic zone (Southern Humid Plain) no project was submitted.

During 1991-94, 204 watershed projects<sup>5</sup> were sanctioned by SLSC.

It was, however, noticed that of 34 watersheds approved (December 1990) by the SLSC for the Seventh Plan period, 9 watersheds were not taken up at all and work on 15 watersheds only (sanctioned afresh by SLSC in 1991-92) was continued leaving 10 watersheds incomplete/abandoned.

(b) The rates approved for model watersheds by SLSC ranged from Rs.2,872 to Rs.3,500 per ha as against Rs.1,940 to Rs.2,280 per ha approved by GOI, exceeding these by 48 to 53 *per cent*.

(c) (i) During test-check of Arna Dharampura and Dorawali watersheds it was noticed that the cost of project activities, and the nature of activities deviated from the projects approved by the Government of India. Instances of

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4. (i) Arid Western Plain (090)-Arna Dharampura
  - (ii) Irrigated North Western Plain (091)-Wali
  - (iii) Transitional Plain Zone of Inland Drainage (092)-Palasara
  - (iv) Transitional Plain Zone of Luni Basin (093)-Atabra
  - (v) Semi Arid Eastern Plain Zone (094)-Andheri Deori
  - (vi) Semi Arid Eastern Plain Zone (094)-Cheeta khera
  - (vii) Flood Prone Eastern Plain Zone (095)-Dorawali
  - (viii) Sub Humid Southern Plain and Arawali Hill Zone (096)-Khedli
  - (ix) South Eastern Humid Plain Zone (098)-Bambuli

5. 1991-92:193; 1992-93:10 and 1993-94:1



significant deviations are given below:

Activity	Dorawali			Arna Dharampura		
	Original project approved by the GOI	As per project estimate revised by SLSC	Deviation (per cent)	Original project approved by the GOI	As per project estimate revised by SLSC	Deviation (per cent)
(Rupees in lakhs)						
1. Basic activities	22.55	20.48	9	-	-	-
2. Project activities						
(a) Arable land	19.56	11.45	41	12.05	16.74	39
(b) Non-arable land and drainage line	10.84	6.90	36	4.70	3.83	19

(ii) It was also observed that in case of 7 offices, expenditure of Rs. 13.05 lakhs was incurred on 10 works on water harvesting structures, dead wood/stone wall fencing, retaining wall, peripheral bund, etc. which were not approved in the project reports.

(d) It was noticed from the Geographical Topography (GT) sheets and project reports that in 24 watersheds, on which an expenditure of Rs.351.22 lakhs was incurred up to 1993-94, the water did not drain out at a common point and as such their selection was contrary to the guidelines under the programme. Moreover, these watersheds were cluster or index catchment where activities under Desert Development Programme were being undertaken. In reply to Audit query, it was admitted (January 1995) by the Department that such catchment could neither be designated as watershed nor a catchment contributing run off to a particular point.

(e) As envisaged in the programme 3,39,950 ha area (about one *per cent* of the total rainfed area) was to be covered during 1990-97 with the proposed allocation of Rs.15905 lakhs. The State Government, however, approved coverage of 3,72,283 ha area (under 204 watersheds) at a project cost of Rs.12285.46 lakhs. The year-wise position of area treated and expenditure



incurred was as under:

Year	Area (hectares)	Expenditure (Rupees in lakhs)
1990-91	NA	833.64
1991-92	24,633	750.81
1992-93	95,555	1464.01
1993-94	1,04,882	2086.87
<b>Total</b>	<b>2,25,070</b>	<b>5135.33</b>

NA:-Not available

The pace of financial and physical progress was not as envisaged in the programme. Up to March 1994, total area of 2,25,070 ha only had been covered as against 3,39,950 ha at the estimated cost of Rs.15905 lakhs targeted up to 1997 under the programme. Even the GOI observed (April 1994) that against the estimated cost of the project amounting to Rs.12285.46 lakhs, it had released Rs.7122.40 lakhs till February 1994 against which expenditure of Rs.4306 lakhs had been incurred which was only 35 *per cent* of the project cost. As less than 3 years of the Eighth Five Year Plan were left, the balance funds could be utilised only if the State Government prepared concrete annual action plans showing specific physical and financial targets for each of the three years and strictly adhered to it. The State Government attributed lower expenditure to non-availability of the proposed area for treatment due to encroachment, and insistence of the local community to set apart area for open grazing. No concrete action plans for the remaining 3 years were submitted to the Government of India.

(f) According to the guidelines of the programme, contour bunds with vegetative support on contour alignments was to be deployed for moisture conservation. However, scrutiny of records of 5 watersheds revealed that contour bunds with vegetative support were not constructed on contour alignments, instead these were constructed on farmers existing field boundaries and the benefit of optimum moisture conservation could not be fully derived. The



expenditure of Rs.22.18 lakhs incurred on Contour Vegetative Hedges (CVH) of 5 watersheds<sup>6</sup> was, thus, not in accordance with the programme. On enquiry, the Department stated (March 1995) that the deviation was made so that the individual holdings may not be affected. This was contrary to the scheme of conservation of water.

As per specification, the cross section of contour bunds for CVH work comprised 0.27 cum earth work per running metre. In the test-check of Talawara watershed (Sawaimadhopur), it was noticed that during the years 1992-93 and 1993-94, contour bunds in 2,37,177 metres length were constructed with 56,539.42 cum earth work at the cost of Rs.5.19 lakhs instead of 64,037.79 cum earth work.

It was also noticed that in the measurement books and vouchers the details of *Khasra* number and name of beneficiary was not indicated, in the absence of which details of the work done in the field of individual cultivators was not available.

(g) The model watersheds of various climatic zones technically approved by the Government of India envisaged sustainable vegetative measures in arable land for optimum rain water conservation and did not include kanna bunding<sup>7</sup>. Contrary to this, it was, however, noticed that in 3 watersheds (Jodhpur division) test-checked, expenditure of Rs.10 lakhs was incurred on kanna bunding in 7,63,930 metres as detailed below:

Name of watershed	Length (In metres)	Amount (In rupees)
Arna Dharampura	2,34,224	3,27,508
Kui	1,46,706	2,07,612
Osian Bigmi	3,83,000	4,65,000
<b>Total</b>	<b>7,63,930</b>	<b>10,00,120</b>

6. Dorawali-Rs.6.00 lakhs, Dujod-Rs.3.11 lakhs, Kandra-Rs.4.62 lakhs, Napania-Rs.1.20 lakhs and Talawara-Rs.7.25 lakhs.

7. Kanna bund- A device to control soil erosion by wind in desert area by locally available dry vegetation put in 3 tiers (in soil covers) about 20 to 25 metres apart in rows across the wind direction.



The Department admitted (February 1995) that the work of kanna bunding done is destroyed by the farmers at the time of ploughing the field and as such it was not sustainable. The expenditure incurred on the work done at the cost of Rs.10 lakhs was, thus, wasteful.

It was also noticed that in Osian Bigmi (Jodhpur) 2,70,000 running metres kanna bunding in 675 ha of arable land at 400 metres per ha was to be executed against which 3,83,000 running metres kanna bunding was undertaken up to March 1994. Thus, expenditure of Rs.1.70 lakhs incurred on excess length of 1,13,000 running metres was irregular. It was intimated (August 1995) by the Government that the area was extended to 2,756 ha but in its support no approval of extended area was furnished.

(h) (i) The Government of India issued (December 1990) instructions that action to select land and infrastructural development for laying nurseries, etc. be taken up to enable vegetative conservation measures in *kharif* 1991 from the funds released during that year. Without observing these instructions, some watersheds were taken up on the basis of the criterion laid down for selection in the Seventh Five Year Plan which was for treatment of arable land only. These watersheds had to be abandoned subsequently as they did not fulfill the condition for selection according to the revised guidelines. The expenditure of Rs.35.12 lakhs incurred, on these watersheds did not prove fruitful. The details of nature of activities done, along with expenditure incurred and area covered were not made available by the Department.

Government confirmed (August 1995) the view that these watersheds did not fit in the revised criterion of selection.

(ii) The watershed Gowti (Sikar) sanctioned by SLSC during 1991-92, was abandoned due to resistance of local beneficiaries after incurring an expenditure of Rs.1.11 lakhs on it up to 1992-93, which thus proved unfruitful.

(I) (i) Soil survey was required to be carried out before starting work on a watershed to determine land capability, salinity, alkalinity, etc. to provide suitable treatment. It was, however, noticed that soil survey of 24 watersheds had not been



conducted up to 1993-94, by which time expenditure of Rs.396.33 lakhs had been incurred on them.

(ii) According to the guidelines, in addition to soil survey and topographical survey, water resources survey, vegetative resources survey, production system survey and socio economic survey were also required to be conducted for each watershed. The Department stated (March 1995) that in the watersheds test-checked these surveys were not conducted due to lack of proper instruction and guidance. Non-conducting of survey could adversely affect proper planning and implementation of the programme.

(j) (i) Crop demonstration was to be given on arable land to demonstrate the effectiveness of conservation measures, initially one season after completing the work of CVH in the field. It was, however, noticed that in 3 watersheds (Jujharpur, Sanwlad and Mandrela) of Sikar division 150 crop demonstrations (1991-92) were done prior to conservation measures by incurring expenditure of Rs.1.27 lakhs. The objectives of demonstrations were thus, not achieved.

(ii) Percentage of shortfall in single crop demonstration in watersheds test-checked was 65,36 and 6 in Arna Dharampura, Kui (Jodhpur) and Talawara (Sawaimadhopur) respectively. Reasons for shortfall were not intimated by the Department (August 1995).

(iii) Under double crop and inter-crop system of farming, no demonstrations were taken up in watersheds of Sawaimadhopur Division. This was attributed to lack of interest by cultivators in such demonstration due to small land holdings. The reply was not tenable as these demonstrations could be held in holding of 0.5 ha.

(k) To reduce and control runoff velocity and to impound water for increasing moisture regime, the guidelines of the programme provided for construction of small runoff management structures in upper and middle reaches of the drainage line, at the cost ranging from Rs.500 to Rs.7,500. At the lower reach, water storage structures were to be constructed at the cost not exceeding Rs.25,000 each. Test-check of measurement books, vouchers and pre/post outlay plans, etc. revealed that execution of works on private non-arable land was not permitted



under the programme. In the Senani Chitani watershed (Nagaur), contrary to the guidelines 2,352 running metre stone wall terraces were constructed (in June-July 1991) in non-arable land of 9 farmers at the cost of Rs.1.56 lakhs. No estimates for these works were technically sanctioned.

(I) Action plan for livestock development under the programme was approved by SLSC during 1993-94. No activities were taken up, up to 1992-93.

(i) The position of physical targets and achievements thereagainst for 1993-94 for the State as a whole was as under:

Activity	Targets	Achievements	Shortfall	Percentage of shortfall
(In numbers)				
1) Castration				
(a) Large animals	8,080	3,027	5,053	63
(b) Small animals	9,750	3,083	6,667	68
2) Artificial insemination (AI)	10,870	1,533	9,337	86
3) Training camps sheep breeders/ cattle breeders	204	156	48	24
4) Surgical camps	354	308	46	13

Shortfall was attributed to late approval of action plan and in respect of AI it was on account of shortage of liquid nitrogen.

(ii) In test-checked watershed Arna Dharampura, no activity was taken up except organising training camps. In Kui watershed, percentage of shortfall was 95, 90 and 100 in respect of castration, AI and surgical camps respectively. The shortfall was attributed to late supply of Burdizzoes and AI kits to the units. In Dorawali watershed (Sawaimadhopur), Gopal unit was not sanctioned till February 1994.



(m) The programme was to be implemented in the State from 1990-91 and was intended to develop in an integrated manner all the activities under the scheme simultaneously. However, action plan for fodder development of all the watersheds was got approved from SLSC at the end of 1993-94.

As per approved action plan, activities of fodder demonstration for production of good quality fodder and seed, fodder demonstration under rainfed areas, free distribution of fodder minikits, distribution of chaff cutters, distribution of feeding troughs/construction of mangers, training of farmers, inservice persons and Gopals and dry fodder quality improvement demonstrations were required to be taken up.

It was noticed that 275 fodder demonstrations (9 *per cent*) were held and 758 minikits (24 *per cent*) were distributed against the target of 3,200 under both the items for the year 1993-94 for the State. Other activities approved under the action plan were not taken up. The shortfall was attributed to the late approval of the action plan, delay in preparation of action plan being attributed to non-availability of specialists in animal husbandry in the related subject.

In the test-checked watersheds Arna Dharampura and Kui (Jodhpur), other than imparting training to farmers, no other activities were taken up, up to 1993-94. In Dorawali watershed (Sawaimadhopur) during 1992-93, 154 fodder demonstrations were organised against the target of 200 demonstrations, no activities were taken up during 1993-94 except imparting training to farmers. Shortfall was attributed to non-receipt of guidelines from the directorate. Information regarding Talawara watershed was not furnished to Audit.

(n)(i) In accordance with the Director, Watershed Development and Soil Conservation, Rajasthan, circular dated 7 July 1992, one raingauge was to be installed in each watershed. It was, however, noticed in audit that no raingauge was installed in any of the watersheds test-checked. The State Government attributed (August 1995) this to non-availability of raingauge of the required specifications.

(ii) As envisaged in the scheme, cut and carry system was to be adopted in respect of fodder developed on common lands. While in Arna Dharampura and Kui watersheds (Jodhpur) this system was not being followed due to non-



acceptance by villagers, in Dorawali watershed (Sawaimadhopur) it was reported that some farmers removed the grass from the roots adversely effecting the 'cut and carry' system.

(iii) A Sumangal diary, source of data for evaluation purposes, was to be issued to each farmer of the watershed area which would have a record of all the benefits the farmer was likely to derive as well as his achievements under the project. In Arna Dharampura and Kui watersheds of Jodhpur division and Dorawali watershed of Sawaimadhopur division, Sumangal diaries were not issued to the farmers as it was stated (August 1995) by the State Government that completing and updating the diaries would involve excess work.

(iv) The project was to focus on activities of women to reduce their drudgery and increase their efficiency through use of fuel efficient stoves, etc. However, no such activities had been taken up in test-checked watersheds.

### **3.1.7 Other points of interest**

(a) Under the programme, no activities were to be taken up out of funds meant for other schemes. The directorate issued (January 1994) sanction for Rs.19 lakhs for construction of one water harvesting structure each in 5 watersheds through the departmental budget head. It was, further observed that expenditure of Rs. 2.61 lakhs in Sayla watershed (Tonk) and Rs. 3.52 lakhs in Sultanpura Khatipura watershed (Sawaimadhopur) was incurred out of funds provided under other schemes. Similarly 3 anicuts costing Rs.11.14 lakhs were constructed in Arna Dharampura (Rs.4.48 lakhs) and Kui (Rs.3.93 lakhs) watersheds of Jodhpur division and in Talawara (Sawaimadhopur division) watershed (Rs.2.73 lakhs) under Jawahar Rojgar Yojana (JRY). Government intimated (August 1995) that execution of water harvesting structures from other schemes had now been dropped.

(b) Fencing around pasture land was to be done as ditch-cum-bund fencing with fuel and fodder plants. It was, however, noticed that in Rabdiyad Khanpur (Nagaur) watershed 'Thor fencing'<sup>8</sup> in 7,455 metres around pasture land was done during June 1991 at the cost of Rs.0.32 lakh. Thereafter, in August/September 1991 since this fencing did not survive, ditch-cum-bund fencing was done

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8. Thor fencing :Thor is a cactus plant used for live fencing.



resulting in the expenditure of Rs.0.32 lakh on the fencing proving wasteful. Similarly, in Arna Dharampura watershed (Jodhpur) Thor fencing was done in 4,480 running metres around Pasture Development/Silvi Pastoral area at the cost of Rs.0.26 lakh during 1991-92 which did not survive.

(c) As envisaged in the programme, one Barani Chetna Kendra<sup>9</sup> was to be constructed in each watershed and a composite nursery was to be established adjacent to it. It was noticed during the audit of unit office Tonk that the Director of Horticulture sanctioned (June 1992) one ha of land in the 'Farm Bagh' of the Department for establishment of nursery for Jeevali watershed in *panchayat samiti*, Niwai (Tonk). The unit office constructed *pucca* boundary wall as against live fencing around the piece of land at the cost of Rs.0.41 lakh, purchased at the cost of Rs.0.52 lakh 3 HP Motor and pipes, etc. which were lying in the stores of unit office, Tonk and deposited Rs.0.15 lakh in RSEB for electric connection. However, Government transferred (May 1993) the land to Rajasthan State Road Transport Corporation (RSRTC) for the establishment of new bus stand. The RSRTC refused to pay the cost of boundary wall which resulted in unfruitful expenditure of Rs.0.41 lakh. The amount (Rs.0.15 lakh) deposited with RSEB had not been refunded as of January 1995.

(d) The actual expenditure incurred by the users committee on provision of drinking water facility to labour at the site of work was to be reimbursed to the committee against the contingency charges provided in the project to the extent of 3 *per cent* of the project cost. It was, however, noticed in 6 units test-checked that Rs.1.74 lakhs were paid in excess of the prescribed limit of 3 *per cent*. The Department intimated (August 1995) that the overall water charges of all the watershed was within the permissible limit of 3 *per cent*. This was not tenable as this limit was to be observed in respect of individual watershed.

(e) The programme provided for audio visual aids for training of contact farmers/field level staff for which Rs.10 lakhs were provided (1991-92) to the Director of Agriculture. The funds, however, were utilised for procurement of map litho paper, copier paper for printing on Riso, Riso ink, V-Matic VTR tapes, running and maintenance of photocopiers etc. for strengthening the publicity wing of the Directorate of Agriculture and did not serve the purpose of providing

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9. Centre point for inter-action of project staff and the project community.



training or publicity on the watershed development programme. However, no publicity was done in the watersheds test-checked by Audit.

### 3.1.8 Research support

(a) The programme provided for 5 *per cent* of the funds being used for research support to integrated farming system, further 10 *per cent* of the research proposals of the State Government were to be submitted for clearance to the Government of India for use as model. SLSC in its meeting (25 November 1993) approved 3 research projects of International Crop Research Institute for Semi Arid Tropics (ICRISAT) (Rs.7.75 lakhs), Central Arid Zone Research Institute (CAZRI) (Rs.15.23 lakhs) and Rajasthan Agriculture University, Bikaner (Rs.1.98 lakhs).

Information about progress of the projects undertaken and their results/findings with their implementation were not made available to Audit.

It was further observed that the site for research activities selected by CAZRI was not part of a watershed; and the research project by CAZRI was likely to continue up to 1995-96 with its findings available thereafter which would not be useful for the work of watersheds in hand and was thus, not in conformity with the guidelines. Government intimated (August 1995) that research findings would be used in the last year of Eighth Five Year Plan and Ninth Five Year Plan.

(b) Except for a meagre expenditure of Rs.0.03 lakh in watershed 'Kui' no research activities were undertaken in other 3 watersheds test-checked against the overall provision of Rs.4.54 lakhs in 4 test-checked watersheds. Government intimated (August 1995) that no research was undertaken in the watersheds.

Further, no research project had been submitted to the Government of India for clearance to serve as a model project.



### 3.1.9 Involvement of non-government organisation (NGO)

Though the WARASA guidelines provided for involvement of NGOs in the activities of the projects within the ceiling of 2.5 *per cent* of the project cost, the Department stated (January 1995) that no such arrangements had been entered into and the matter was under pursuance with NGOs.

### 3.1.10 Monitoring

The State Government constituted State Watershed Development Implementation Committee, District Level Committee and Watershed Co-ordination Committee for monitoring and implementation of the programme, at the State, district and watershed level respectively. No periodicity was prescribed by Government in respect of the State Watershed Development Implementation Committee. Information regarding dates and number of meetings held was not furnished to Audit.

The meetings of district and watershed level committee were to be held quarterly/monthly. It was, however, noticed in watersheds test-checked that while only one meeting was held (by the District Level Committee) in respect of Arna Dharampura (Jodhpur) watershed, two meetings (of committee at watershed level) were held in respect of Dorawali (Sawaimadhopur) watershed. Information in respect of Talawara watershed (Sawaimadhopur) was not made available and no records in respect of Arna Dharampura and Kui watersheds (Jodhpur) were maintained at divisional/sub-divisional level. Reasons for sufficient number of meetings not being held were not intimated to Audit.

The Directorate laid down (August 1991) norms of inspections by Divisional and higher level officers according to which minimum of one inspection a month for each watershed was to be conducted by divisional officer and one inspection in a year of each divisional offices was to be conducted by the Superintending Engineer. No records with regard to the inspections conducted by the supervisory officers were produced to Audit.

The nodal officer, Additional Director, Watershed Development and Soil Conservation, Rajasthan, Jaipur did not possess information regarding watershed-wise physical and financial achievements. In the absence of this information, the



overall impact of the integrated development of the programme in each area could not be assessed.

### **3.1.11 Evaluation**

Evaluation of the programme was entrusted to Society for Promotion of Wastelands Development for which payment of Rs. 2.40 lakhs was approved by SLSC in December 1992. The report was stated (January 1995) to have been received in the directorate in October 1994 and was under scrutiny of the Department. The findings and action taken thereon were awaited from Government (August 1995).

## **Animal Husbandry Department**

### **3.2 Nugatory expenditure on pay and allowances of Bull Attendants**

In order to increase milk production and improve the stock of cows, bulls were supplied for natural insemination to the Key Village Scheme. The Director, Animal Husbandry Department sanctioned (1986-87) 8 posts of bull attendants for Key Village Scheme, Jasol (Barmer), against which 5-8 bull attendants remained posted during 1986-95 as of June 1994.

During test-check of the records of the office of Key Village Scheme, Jasol, it was noticed (December 1991 and July 1994) in audit that during 1986-87 to 1994-95 the services of bull attendants were continued even though no bull was made available to the centre after February 1985. This resulted in nugatory expenditure of Rs.6.75 lakhs on their pay and allowances from 1986-87 to June 1994.

While accepting the fact of non-availability of bulls, Government stated (June 1995) that the services of bull attendants were being utilised in assisting artificial insemination (AI) of cows and for sweeping and cleaning of centres. Government was informed (July 1995) that their reply was not tenable as bull attendants were posted to look after the bulls and not for the purpose mentioned by the Department. Moreover, Government on introduction (1986-87) of AI scheme did not abolish the posts.



### Fisheries Department

#### 3.3 Wasteful expenditure due to defective construction of Chinese Hatcheries

The State Government sanctioned construction of two Chinese Hatchery units at Chandlai and Gilwa dam near village Nahara-Nahari (Tonk district) as per details given below:

Sl. No.	Name	Month of sanction	Date of start of construction	Date of completion	Expenditure	Executing agency
(Rupees in lakhs)						
1.	Chandlai	January 1989	March 1989	March 1991	4.80	Rajasthan State Bridge and Construction Corporation Limited (RSBCC)
2.	Gilwa	June 1989	February 1989	March 1992	6.11	Irrigation Department

During the course of audit of Fisheries Development Office, Tonk it was noticed (June 1994) that Hatchery at Chandlai had not been used for intended purpose due to defective construction of over head tank, breeding and spawn tanks, hatching and incubation ponds and drainage system. On this being pointed out (June 1994) in audit, the Department accepted (June 1994) the position regarding defective construction of the hatchery and its non-utilisation since its completion. Notwithstanding the fact that the hatchery was non-functional, expenditure of Rs.4.28 lakhs had been incurred on pay and allowances of the hatchery staff during 1991-94 (up to May 1994).

Similarly, hatchery at Gilwa was not in use since its completion. The Assistant Commissioner, Fisheries Engineering, Government of India, in his Inspection Report of 4 February 1993, pointed out that apart from other defects, aspects of land level and outlet for water drainage had not been considered before starting construction. It was also stated that any modification may not be economically feasible and the entire construction was defective. Despite non-use of hatchery, expenditure of Rs.5.73 lakhs was incurred during 1991-94 (up to May 1994) on pay and allowances of the hatchery staff.



Thus, defective construction of hatcheries resulted in wasteful expenditure of Rs.10.91 lakhs. As a consequence thereof, expenditure of Rs.10.01 lakhs on pay and allowances of staff had also been rendered nugatory.

Government accepted the facts (October 1995) in respect of hatchery at Gilwa. Reply in respect of hatchery at Chandlai was awaited (November 1995).

### **Food and Civil Supplies Department**

#### **3.4 Revamped Public Distribution System (RPDS) for Tribal and Backward Areas**

**3.4.1** The Revamped Public Distribution System (RPDS) for the tribal and backward areas was launched by the Government of India in April 1992 to improve the availability of essential commodities to the rural population of the most socio-economically disadvantaged areas which are covered under various developmental schemes viz., Drought Prone Area Programme (DPAP), Integrated Tribal Development Project (ITDP) and Desert Development Programme (DDP). Under RPDS, the Central Issue Price (CIP) of wheat and rice was fixed at a rate lower by Rs.50 per quintal than the Public Distribution System rate. The scheme, was launched in June 1992 in the State in 122 blocks (85 of DDP, 30 of DPAP and 23 of ITDP blocks including 16 overlapping blocks of DPAP and ITDP) of 22 districts covering tribal and backward areas.

A test-check of the records was conducted in the office of the Commissioner, Food and Civil Supplies Department, Rajasthan and District Supply Officers in six districts<sup>1</sup> covering 31 blocks. The following points were noticed.

**3.4.2 (i)** The Central Government provided assistance to the State in the form of loan and subsidy for purchase of vans and construction of godowns at 75 *per cent* and 25 *per cent* respectively of the sanctioned cost up to 19 August 1992 and thereafter at 50 *per cent* each. While for construction of godowns there was no ceiling limit for financial assistance, for purchase of vans maximum financial

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The abbreviations used in this paragraph have been listed in the Glossary in *Appendix-13* (Pages 215-220).

1. Bikaner, Chittorgarh, Churu, Dungarpur, Pali and Tonk



assistance of Rs.2.50 lakhs up to 19 August 1992 and thereafter Rs.4.00 lakhs was stipulated.

Position of funds received and expenditure incurred thereagainst by the State Government under these schemes was as under:

Year	Amount sanctioned/ released by the Government of India		Amount released by the State Government		Expenditure incurred on		Savings	
	Construc- tion of godowns	Purchase of vans	Construc- tion of godowns	Purchase of vans	Construc- tion of godowns	Purchase of vans	Construc- tion of godowns	Purchase of vans
(Rupees in lakhs)								
1993-94	20.70	140.00	-	140.00	-	140.00	20.70	-
1994-95	61.90*	104.00	61.90	-	32.19	-	29.71	104.00

\* Includes Rs.20.70 lakhs of previous year

No funds were received from the Central Government during 1992-93. Similarly, funds for manpower training/seminars, holding of work shops *etc.* had not been received during 1992-95 and these activities were not undertaken.

(ii) The scheme of financial assistance for purchase of vans was intended for distribution of essential commodities in identified blocks of RPDS where static fair price shops were not found viable. The loan was repayable in five equal instalments from the first anniversary of the sanction along with interest thereon.

The Government of India sanctioned (June 1993) and released (November 1993) Rs. 140 lakhs (subsidy: Rs. 70 lakhs and loan: Rs. 70 lakhs) against these proposals to the State Government which distributed (January 1994) these funds to the Co-operative Department for purchase of mobile vans. Though the funds were utilised during 1993-94, the utilisation certificate (UC) had not been submitted to the Government of India as of September 1995.

Of the 31 blocks selected for test-check, only three blocks were provided with one mobile van each. The utilisation of these three vans for the scheme ranged between 33 and 51 *per cent*. The poor utilisation was due to the vans being utilised for other than RPDS purpose.



Proposals for purchase of 30 mobile vans for the year 1993-94 involving an amount of Rs. 120 lakhs (subsidy: Rs. 60 lakhs and loan: Rs. 60 lakhs) were submitted (October 1993) by the State Government against which the Government of India sanctioned (December 1994) purchase of 26 vans and released (January 1995) Rs. 104 lakhs (subsidy: Rs. 52 lakhs and loan: Rs. 52 lakhs). The State Government, however, had not utilised the amount for purchase of vans till November 1995.

**3.4.3 (i)** The State Government issued (February 1992) directions for strengthening the Public Distribution System (PDS) and, *inter alia*, decided that one fair price shop should be opened for every 2,000 units of ration cards. No separate fair price shops were, however, opened under RPDS but the existing fair price shops were allowed to work under the system.

Against the norm of 2,000 units per fair price shop, the average units per fair price shop in the State were 2,987 as on 31 March 1993, which subsequently increased to 3,042 units and 3,060 units in March 1994 and March 1995 respectively.

(ii) The State Government, *inter alia*, instructed (April 1992) that the co-operative sector should be given priority in the allotment of fair price shops. It was noticed that only 37 *per cent* (5,916) of the total fair price shops (16,178) in the State as on 31 March 1993 were in the co-operative sector, which came down to 35 *per cent* in March 1995 despite 5 *per cent* increase in the total number of fair price shops during 1993-95.

**3.4.4** The State Government directed (February 1992) that ration cards were to be made available to all beneficiaries of the identified areas who had not been provided any ration card and further desired effective checks to be taken for preventing the menace of bogus/duplicate ration cards. Against the State population of 4,40,05,990 (census 1991), Government had provided (March 1993) ration cards to 4,83,25,149 units, which indicated that the State Government had 43,19,159 ration card units in excess (10 *per cent*) of the total population of the State. The State Government, however, had cancelled 2,34,318 bogus units by 31 March 1995.



In the 5 districts<sup>2</sup> (28 blocks) test-checked, there were 48,19,342 ration card units as against the population of 40,57,497 (census 1991) as on 31 March 1993 indicating an over all excess of 7,61,845 ration card units. The number of bogus units identified and cancelled in these blocks was not made available to Audit by the Department as of September 1995.

**3.4.5** Against the allotment of 21.03 lakh tonnes of wheat and 0.69 lakh tonnes of rice, the lifting by the State in RPDS blocks during 1992-95 was 13.48 lakh tonnes and 0.28 lakh tonnes respectively. The short-lifting of wheat by 20.25 to 51.84 *per cent* and rice from 51.67 to 74.20 *per cent* by the various blocks during 1992-95 deprived the beneficiaries of intended benefits.

In 31 blocks of six districts test-checked the percentage of short lifting against allotment of wheat of 2,14,621 tonnes to 2,71,583 tonnes increased from 27 in 1992-93 to 51 in 1994-95 and that of rice against allotment of 9,145 tonnes to 6,347 tonnes from 51 in 1992-93 to 59 in 1994-95.

Reasons for short lifting of wheat were stated (April/May 1995) by the various District Supply Officers and the State Government to be availability of wheat at cheaper rate in the open market, cheaper coarse grains popular with the rural population not being distributed through the fair price shops, non-availability of foodgrains at times with the Food Corporation of India (FCI), lack of credit arrangements with wholesale/retail dealers; and distribution of imported wheat not liked by the consumer under RPDS. No remedial action was taken by the State Government. Short lifting of rice was attributed to rice not being a popular diet in the rural areas of the State and non-availability of rice of good quality under the scheme.

**3.4.6** No scheme for providing assistance or credit arrangement at wholesale/retail level was launched by the State Government under the system during the period (1992-95).

**3.4.7 (i)** The rate for wheat being charged from wholesale dealers was revised from Rs. 310 to Rs. 385 per quintal with effect from 1 February 1994 by the State Government in March 1994 on the direction of the Government of India. It was further decided that the foodgrains lifted during the period 25 January 1994

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2. Bikaner (4), Chittorgarh (2), Churu (7), Dungarpur (5) and Pali (10).



to 31 January 1994 by the wholesale dealers from the FCI godowns would be treated as pipe line stocks for calculating the difference amount between revised and pre-revised rates, and recovery would be effected from them accordingly by 31 March 1994. During test-check of records of the District Supply Officer, Bikaner, it was noticed that 4,548 tonnes of wheat was lifted by the wholesale dealers during the aforesaid period, on which difference amount of Rs. 3.41 lakhs was recoverable from them, of which Rs. 1.87 lakhs was recovered. The balance amount of Rs. 1.54 lakhs had not been recovered as of May 1995. The reasons for non-recovery were awaited (September 1995).

(ii) On promulgation (June 1992) of RPDS scheme, the distribution rate of wheat per quintal was reduced from Rs. 320 to Rs.255 in the identified areas. In Pali district, it was, however, noticed that 2,036 quintals of wheat lying with wholesale dealer on 1 June 1992 were distributed through the fair price shops to the beneficiaries of RPDS blocks at the higher price of Rs. 320 per quintal due to which the beneficiaries of 5 RPDS blocks of Pali district had to bear unavoidable financial burden of Rs.1.32 lakhs.

**3.4.8** The RPDS scheme is monitored in the district by the District Collector and evaluated at the State level to assess real benefit to society. No such evaluation of the programme either at State level or in any of the six districts test-checked was got conducted.

The matter was referred to Government in July 1995, and the State Government merely accepted (September 1995) the facts without any specific comments.

### **Home Department**

## **3.5 Modernisation of Prison Administration**

### **3.5.1 Introduction**

With a view to improving security and discipline in prisons, the Government of India introduced a Centrally sponsored scheme (CSS) of 'Modernisation of Prison Administration' in 1986-87 for a period of 4 years ending 1989-90. It was extended initially up to 1991-92 and thereafter from



1993-94 to 1996-97. Besides improving security measures, the scheme contemplated repair and renovation of old jail buildings, strengthening of prison administration, training arrangements for prison staff, provision of facilities to women offenders, setting up of clinical laboratories, vocational programmes for prisoners and creation of additional capacity within existing jails to accommodate high security risk terrorist prisoners. In the State, the scheme was implemented in all the central/district jails, 28 sub-jails, Reformatory for Women, Jaipur; Reformatory for Young Offenders, Udaipur; Jail Training Institute, Ajmer and Open Camp Jail, Bharatpur.

### **3.5.2 Organisational set up**

The scheme was being implemented by the Director and Inspector General of Prisons, Rajasthan, Jaipur at the State level, Superintendents/Sub-Divisional Officers at the central/district or sub-jails level and by the Principal, Jail Training Institute, Rajasthan, Ajmer, under the overall administrative control of the Home Department.

### **3.5.3 Audit coverage**

The implementation of the scheme for the period from 1987-88 to 1994-95 was test-checked (February-May 1995) in 2 out of 6 central jails<sup>1</sup>, 3 out of 24 district jails<sup>2</sup>, 2 out of 28 sub-jails<sup>3</sup>, Open Camp jail (Bharatpur), Jail Training Institute (Ajmer), the offices of Director and Inspector General of Prisons, Rajasthan, Jaipur (Directorate/Department), the Chief Engineer, Public Works Department (PWD), Rajasthan, Jaipur and the PWD divisions concerned. The results of the test-check are mentioned in the succeeding paragraphs.

### **3.5.4 Highlights**

- **The scheme envisaged renovation of old jail buildings. However, expenditure of Rs.418.40 lakhs was incurred on construction of new jail buildings.**

**(Paragraph 3.5.6(iv)(a))**

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1. Ajmer and Udaipur.

2. Baran, Bharatpur and Churu.

3. Deeg (Bharatpur) and Kotra (Udaipur).



- The Jail Training Institute, Ajmer completed in August 1992 at the cost of Rs.113.16 lakhs was not being utilised due to absence of basic amenities including furniture and fixtures.

(Paragraph 3.5.6(iv)(d))

- Security arrangements were not adequate in most of the jails as essential facilities like generator sets, halogen lights, hand held search lights, door and hand metal detectors, intercom system etc. were either not in use or were not functioning properly.

(Paragraphs 3.5.6(i)(iii) and(vi))

- Vocational training to prisoners was not effective on account of the large number of posts of instructors remaining vacant, absence of basic amenities and obsolete/ defective equipment.

(Paragraph 3.5.6(v)(c)(i))

- The Central assistance of Rs.50 lakhs provided for the creation of high security enclosures was not utilised due to non-finalisation of detailed proposals.

(Paragraph 3.5.6(v)(f))

- Two Maruti gypsies and one Tempo traveller purchased against two vehicles meant for movement of prisoners at district jails, Jhunjhunu and Sikar were being utilised in directorate and Central jail, Jaipur.

(Paragraph 3.5.6(ii))

- Board of Visitors to oversee the conditions of prisoners was not constituted in the test-checked districts except Bharatpur, where, however, no visit was made by such Board (March 1995).

(Paragraph 3.5.6(v)(a))

### 3.5.5 Financial arrangements

The scheme was to be financed by the State and Central Governments in the ratio of 50:50. The pattern of Central assistance was reviewed in 1988 and 100 *per cent* grant was made available to identified high security prisons for modernisation of security, communication and transport and 50 *per cent* for construction of buildings for State Training Centres/Schools and other items. While the Central assistance for strengthening of security arrangements and



communication was reduced (November 1994) from 100 *per cent* to 75 *per cent*, the ratio of 50:50 remained applicable for all other items including transport. The Central assistance was also approved in June 1993 for creation of high security enclosures within the premises of existing jails at Bharatpur and Udaipur to accommodate 200 high security risk terrorist prisoners. Expenditure on additional staff was to be borne by the State Government as no Central assistance was admissible on these items.

The position of Central assistance released by the Government of India, budget provision made and expenditure incurred thereagainst by the State Government was as under:

Year	<u>Amount of Central assistance sanctioned and released</u>			State share of 50 per cent	<u>Budget Provision</u>			<u>Expenditure</u>		
	On cent per cent grant basis	On 50 per cent matching basis	Total		Plan	Centrally sponsored scheme	Total	Plan	Centrally sponsored scheme	Total
(Rupees in lakhs)										
1987-88	Nil	25.12	25.12	25.12	25.00	Nil	25.00	18.06	Nil	18.06
1988-89	Nil	57.80	57.80	57.80	50.00	25.12	75.12	48.00	23.63	71.63
1989-90	Nil	Nil	Nil	Nil	50.00	Nil	50.00	51.12	28.62	79.74
1990-91	9.99	55.00	64.99	55.00	55.00	64.99	119.99	25.28	20.19	45.47
1991-92	84.20	9.61	93.81	9.61	56.00	36.47	92.47	110.00	65.97	175.97
1992-93	*	*	*	*	70.00	83.16	153.16	93.89	68.08	161.97
1993-94	Nil	Nil	Nil	Nil	70.00	42.87	112.87	76.11	52.04	128.15
1994-95	50.00	Nil	50.00	Nil	67.50	23.56	91.06	66.68	26.70	93.38 <sup>#</sup>
Total	144.19	147.53	291.72	147.53	443.50	276.17	719.67	489.14	285.23	774.37

No Central assistance was provided by the Government of India in 1989-90 and 1993-94 as the assistance provided during 1987-89 was not fully utilised and no proposals for Central assistance were submitted by the State Government for 1993-94.

\* During 1992-93, the scheme was not in operation.

# Unreconciled figures.



### 3.5.6 Physical performance

#### (i) Security

(a) Against the actual requirement of 3 generating sets one each for 3 central jails<sup>4</sup> the State Government submitted proposals for 5 generating sets costing Rs.19.30 lakhs<sup>5</sup>, which were accordingly approved by the Government of India.

As against the proposals approved, the State Government released Rs.15.55 lakhs including Central assistance of Rs.9.65 lakhs for 4 generating sets in November 1988 (Rs.3.75 lakhs) and February 1991 (Rs.11.80 lakhs). However, only 3 sets were procured and installed through contractors for Rs.12.93 lakhs<sup>6</sup>. Thus, while the amount of Rs.3.75 lakhs was not released by the State Government, Rs.2.67 lakhs<sup>7</sup> remained unutilised with PWD, Ajmer as of April 1995. The Department admitted that the proposals for 2 additional sets for Ajmer were submitted by mistake.

The generator set commissioned (June 1991) at Central Jail, Ajmer by incurring total expenditure of Rs.4.08 lakhs did not work properly since its commissioning due to mechanical defects, lack of funds for maintenance and repair and for want of operator (May 1995).

At Central Jail, Udaipur, the work of providing and fixing of generator set at the cost of Rs.4.74 lakhs was stated to be completed in April 1992 by PWD Electrical Division, Udaipur but the set was actually fixed in February 1993. It was not formally taken over by the jail authorities owing to certain manufacturing defects noticed at the time of installation. The matter was under correspondence between jail/PWD and supplier and the set had not been replaced/repared (May 1995).

(b) In order to provide halogen lights, transformers and generator sets, the Government of India provided Rs.8.52 lakhs for two central jails<sup>8</sup> in 1991-92 for

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4. Ajmer, Jaipur and Udaipur

5. Ajmer: Three (Rs.10.50 lakhs: November 1987, March 1989 and December 1990); Jaipur: one (Rs.4.40 lakhs: December 1990) and Udaipur: one (Rs.4.40 lakhs: December 1990).

6. Ajmer: Rs.4.08 lakhs, Jaipur: Rs.4.69 lakhs and Udaipur: Rs.4.16 lakhs.

7. Rs.0.05 lakh in excess of the sanctioned amount was spent on procurement of generating sets at Jaipur and Udaipur.

8. Central Jail, Bikaner (Rs.3.52 lakhs), Central Jail, Udaipur (Rs.5.00 lakhs).



which financial and administrative sanctions were issued in February 1994 by the State Government.

PWD Electrical Division, Bikaner spent Rs.3.82 lakhs on purchase of 27 halogen lights and one generator set in 1993-94. The generator set was installed (November 1994) after a delay of 8 months due to lack of proper synchronization. The set was not being utilised as of March 1995 due to leakage in radiator and defective electric wiring. As regards halogen lights, Superintendent, Central Jail, Bikaner intimated (April 1995) that due to insufficient electricity load, only half of the 27 halogen lights could be put to use at a time.

Of the 17 halogen lights provided to Central Jail, Udaipur in 1990-91 (under another scheme) at the cost of Rs.0.38 lakh, 15 were not being used due to insufficient electricity load which necessitated installation of transformer, which had not been provided (May 1995) despite payment (December 1994) of Rs.2.15 lakhs to Rajasthan State Electricity Board.

(c) Proposals for Rs.14.61 lakhs<sup>9</sup> for providing door metal detectors and hand metal detectors to identified central, district and sub-jails were approved by the Government of India during 1987-89. The detailed requirement furnished with the proposals for 1987-88 indicated that 20 door metal detectors (at Rs.0.29 lakh each) and 48 hand metal detectors (at the rate of Rs.0.03 lakh each) were to be provided to 20 important central, district and sub-jails at the rate of one door and one hand metal detector each and only one hand metal detector each to other 28 district and sub-jails. The jail-wise detailed requirement for 1988-89 was not sent by the Department. The Department, instead of purchasing door metal detectors (estimated cost:Rs.0.29 lakh each), purchased 20 door frame metal detectors (unit cost:Rs.17,005 each) at the cost of Rs.3.41 lakhs (inclusive of installation charges, etc. ) and 48 hand metal detectors (unit cost: Rs.1,041 each) at the cost of Rs.0.50 lakh in March/April 1989. The balance of Rs.10.70 lakhs remained unutilised with the Department.

It was noticed that metal detectors in the following cases were not

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9. 1987-88: Rs.7.24 lakhs, 1988-89: Rs.7.37 lakhs.



provided to the jails for which these were procured:

S.No.	Name of Jail	<u>Metal detectors to be provided</u>		<u>Actually provided</u>	
		Door metal detector	Hand metal detector	Door frame metal detector	Hand metal detector
1.	Central Jail, Bikaner	1	1	Not provided	Not provided
2.	District Jail, Sriganganagar	1	1	--do--	--do--
3.	Jail Training Institute, Ajmer	Nil	Nil	1 (April 1989)	1 (April 1989)
4.	Central Jail, Jodhpur	Nil	1	Nil	2 (March 1991)

No reasons for these deviations were intimated to Audit.

Further, all the 6 door frame metal detectors costing Rs.1.02 lakhs and 7 hand metal detectors (out of 8) costing Rs.0.07 lakh provided to the jails test-checked were not being utilised; of these 2 door frame metal detectors and 5 hand metal detectors were lying out of order from various dates ranging from July 1989 to 1994.

This resulted in blocking of funds to the extent of Rs.1.09 lakhs and also defeated the very purpose of security of prisons.

(d) The Department purchased 11 hand held search lights in March 1993 at the cost of Rs.0.47 lakh and supplied the same to Central Jail, Ajmer. Of these, 8 were out of order (February 1995) and were not repaired for want of funds.

## (ii) Transport

Against the provision of Rs.6.00 lakhs (Central assistance : Rs. 3.00 lakhs; State share: Rs 3.00 lakhs) for purchase of one vehicle each for movement of prisoners for district jails at Sikar and Jhunjhunu, the Department purchased (March 1991) 3 vehicles viz., one tempo traveller costing Rs.2.92 lakhs and two Maruti gypsies costing Rs.3.41 lakhs. While the tempo traveller and one Maruti gypsy were provided to Central Jail, Jaipur in March 1991 and February 1992



respectively, one Maruti gypsy was being utilised in the directorate since March 1991. No reasons for diversion of funds were indicated by the Department (March 1995).

**(iii) Intercom system**

Three intercom systems costing Rs.1.91 lakhs were installed one each at the Directorate, Central Jail, Ajmer and Central Jail, Jodhpur in March 1991, March 1992 and June 1992 respectively. While position of the working of intercom system installed at Jodhpur was not made available, the intercom systems installed in Central Jail, Ajmer and in the Directorate were not working properly for want of regular repair and maintenance (March 1995).

**(iv) Improvement, repair and renovation of old jail buildings**

To strengthen security in jails, 118 works relating to improvement, repair and renovation of old jail buildings in the State at the estimated cost of Rs.466.93 lakhs were sanctioned by the Government of India during 1987-92. Of the 118 works, 90 works were completed (as of March 1995) at the cost of Rs.277.84 lakhs, 4 works (estimated cost: Rs.8.61 lakhs) were not taken up as of March 1995 and 24 works (estimated cost: Rs.220.57 lakhs) were lying incomplete (as of March 1995) after incurring expenditure of Rs.276.42 lakhs.

During the course of review of relevant records of the jails test-checked following points were noticed in the execution of works:

**(a)** Notwithstanding that the scheme initially envisaged improvement and renovation of old jail buildings and construction of new buildings for State training centres/schools for training of prison staff, the Department took up construction of new buildings and other works and incurred a sum of Rs.432.48 lakhs on them during the period 1987-95 as indicated in the *Appendix-6*. Further, except for construction of additional barracks at sub-jail, Karanpur (Sriganganagar) at the cost of Rs.2.22 lakhs the works were either in progress or partly/defectively completed, resulting in blocking of Rs.430.26 lakhs. Although no reasons for deviation in execution of works were furnished by the Department, the reasons for non-completion of works were attributed mainly to the escalation of cost and execution of works in phases.



(b) Subsequent to the escape of prisoners from sub-jail at Deeg in February 1994, the work of laying of live wires on the boundary wall of the old sub-jail building was completed in May 1994, but the electrification of wires was still to be done. The Directorate stated (May 1995) that electrification could not be done as the work had not been sanctioned.

(c) A part of the work of construction of district jail building at Churu was allotted (August 1993) at the cost of Rs.13.56 lakhs to a contractor of Bhadra (Sriganganagar) for completion within one year. The work was left incomplete in October 1994. The Superintending Engineer, Circle II, Bikaner imposed a penalty of Rs.1.36 lakhs and ordered that the work be executed at the risk and cost of the contractor. Neither the remaining work had been allotted to another contractor nor recovery of penalty made. Further details were awaited (May 1995). Another part of the aforesaid work was allotted (October 1988) at the cost of Rs.33.71 lakhs to a contractor of Sardarshahar (Churu). According to the agreement, PWD was to supply cement, if available, to the contractor at the rate of Rs.57.75 per bag including 5 *per cent* storage charges. Even though the cement was not available with PWD, it was provided to the contractor during April 1989 to April 1990 by procuring from the market at Rs.60 (200 bags) and Rs.70 per bag (8,099 bags) excluding storage charges. This resulted in unauthorised financial assistance of Rs.1.29 lakhs to the contractor. No reasons therefor were furnished by the Department (May 1995).

(d) The Jail Training Institute, Ajmer is presently being run in a building initially constructed for Juvenile Reformatory. In October 1982, the building was developed as Borstal School at the cost of Rs.57.40 lakhs (December 1990). It could not be utilised for this purpose as the Borstal School Act was not enacted.

Construction of new building for Jail Training Institute, Ajmer was sanctioned (December 1990) for Rs.100 lakhs by the State Government which was completed (August 1992) at the cost of Rs.113.16 lakhs. The reasons for cost over-run were not intimated. Delay in handing/taking over of possession of main building and 9 residential quarters ranged between 13 and 19 months after their completion. Hostel building completed in May 1994 had not been handed over (February 1995) for want of inspection certificate from the Superintending Engineer, PWD.



The main building and 3 residential quarters though completed during the period February 1992 to August 1992 were not being utilised (February 1995) due to absence of basic amenities including furniture and fixtures. The Principal intimated (February 1995) that the proposals for providing such amenities in new building were sent to the directorate in September 1992, approval for which was awaited.

**(v) Organisational arrangements to strengthen prison administration**

**(a)** With a view to oversee matters relating to inspection of barracks, cells, health and hygienic conditions in prisons and grievances of prisoners, a Board of Visitors was required to be constituted in each district. No such Board was constituted in 4 test-checked districts<sup>10</sup>. Superintendent, District Jail, Bharatpur intimated (March 1995) that Board of Visitors was being constituted by the Director for every two years but no visit to the jails was made by the Board.

**(b)** Prisoners' Welfare Fund was to be created in each central and district jail out of receipts from visitors fees, donations and contributions by Government, for financing various correctional activities of prisoners during imprisonment, for their rehabilitation on release and to help their dependents in emergencies. Information regarding creation of fund in various jails was not furnished by the directorate. However, no fund was created at District Jail, Baran (out of jails test-checked).

**(c) (i)** With a view to rehabilitate the convicts, the scheme envisaged providing of 'vocational training' in various trades and crafts including agriculture. Proposals for procuring modern machinery and equipment for industries and agriculture were not submitted to the Government of India for approval (December 1994). However, vocational training in 12 trades were in existence in central and 'A' class district jails. The number of prisoners to whom training was imparted in all the jails in the State, was not intimated to audit. However, in the districts test-checked, out of 7,406, 4,778 and 1,627 convicts, 624 (8 *per cent*), 1,398 (29 *per cent*) and 342 (21 *per cent*) were imparted training in various trades and crafts at Central Jails, Ajmer and Udaipur and District Jail, Bharatpur during

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10. Ajmer, Baran, Churu and Udaipur.



1986-94, 1988-95 and 1987-94 respectively. No training was imparted in District Jails, Baran and Churu.

The posts of instructors/vocational teachers in central and district jails test-checked remained vacant as under:

S. No.	Name of Jail	Name of trade	Number of sanctioned posts	Number of posts vacant	Period from which vacancy exists
1.	Central Jail, Ajmer	(i) Industry instructor	1	1	February 1993
		(ii) Dyer	1	1	January 1993
2.	Central Jail, Udaipur	(i) Dyer	1	1	August 1986
		(ii) Industry instructor	1	1	July 1992
		(iii) Vocational teacher	3	1	August 1990
		(iv) Tailor	1	1	January 1987 to March 1993
		(v) Assistant industry instructor	1	1	May 1990 to August 1991
3.	District Jail, Bharatpur	(i) Dyer	1	1	August 1991
		(ii) Assistant industry instructor	1	1	August 1991

Test-check of records of the selected jails relating to vocational training revealed the following points:

District Jail, Bharatpur had 36 acres (approximately 53 *bighas*) of agricultural land which was not being utilised fully due to scarcity of water and the tractor being out of order since 1987-88. The post of tractor driver, however, remained in operation with the incumbent being without work since 1987-88. The Superintendent requested (November 1994) the directorate to transfer the driver elsewhere. Further developments were awaited (March 1995).



(ii) Superintendent, Central Jail, Ajmer intimated (March 1995) that the existing machinery and equipment of powerloom, niwarloom and carpentry had become outdated and were not being utilised.

(iii) At Central Jail, Udaipur, out of 18 sewing machines, 3 had become obsolete and the remaining 15 were lying out of order since 1993-94. Likewise out of 16 handloom and 6 powerloom machines, 8 and 3 machines respectively were lying out of order from 1993-94 for want of repair and maintenance, for which no funds were made available by the Department.

Thus, the arrangement for vocational training was not effective.

(d) Construction of factory sheds at Central Jail, Bikaner and District Jail, Tonk at an estimated cost of Rs. 5 lakhs each, was approved by the Government of India in 1988-89, as against which funds of Rs.1.50 lakhs (Bikaner: Rs.1.00 lakh and Tonk: Rs.0.50 lakh) were received (March 1989). The construction could not be started because of non-issue of financial and administrative sanctions by the State Government and the amount was lying unutilised.

(e) In order to impart education to illiterate prisoners, one post of teacher was sanctioned and operated in Central Jail, Ajmer. Out of total 270 illiterate prisoners (identified during 1987-94) only 139 (51 *per cent*) were made literate. At Central Jail, Udaipur and District Jail, Bharatpur, 2,075 and 516 illiterate prisoners respectively were identified during 1987-94 but none was made literate, as in District Jail, Bharatpur no post of teacher was sanctioned and the posts sanctioned for Udaipur remained vacant during 1988-95. Identification of volunteers among staff to educate illiterate prisoners was also not made. In District Jails, Baran and Churu, no post of teacher was sanctioned.

(f) For security reasons, the Government of India decided (June 1993) to disperse terrorist prisoners geographically and to lodge them in jails outside their home State. Under this scheme, security arrangements such as flood lights, closed circuit TVs, VHF system, generators, metal detectors and pistols, etc. apart from construction of enclosures, were to be made. Accordingly, the Government of India sanctioned (January 1995) construction of high security risk enclosures in 2 existing jails of the State (Central Jail, Udaipur and District Jail, Bharatpur) to accommodate 200 high security risk terrorist prisoners and released first



instalment of Rs. 50 lakhs for both the jails for utilisation in 1994-95. The assistance could not be utilised since the detailed proposals had not been finalised by the Department (April 1995) and as such adequate security for high security risk terrorist prisoners could not be ensured, as intended in the scheme.

**(vi) Overall position of security and emergency arrangements**

It was observed that out of 91 jails (6 central jails, 24 district jails and 61 sub-jails) existing in the State, none of the jails had important facilities like hotline telephone, closed circuit TVs, VHF system and walkie-talkie. Facility of electric siren, hand held search lights, intercom system, generator sets, vehicles and telephone was available only in 1, 1, 2, 5, 15 and 34 jails respectively. Besides, there was no alternative arrangement for electricity in 95 *per cent* of the jails and transportation facility in 84 *per cent* of the jails to enable authorities to have effective security arrangements, to provide medical aid to the prisoners and to contact police/district authorities in emergency.

The State Government, did not make any provision for these items in the annual plans for 'Modernisation of Prison Administration' (December 1994). Further no proposals for (i) improvement in the existing facilities for women offenders, (ii) introduction of systems like Borstal Schools, (iii) providing medical and dispensary facilities including clinical laboratory, (iv) strengthening arrangements for training of prison staff (except construction of building for training institute) and (v) providing training and vocational programmes for prisoners, were incorporated by the Department in these plans (December 1994). Director and Inspector General of Prisons stated that due to financial stringency, items relating to security alone could be incorporated.

**3.5.7 Evaluation and Monitoring**

No evaluation of the scheme was conducted by the Department or any other agency. Further no system to monitor the progress of the scheme was evolved by the Department. The Director, however, stated (May 1995) that the monthly returns prescribed for monitoring the implementation of the scheme were not being submitted timely and were also lacking in credibility.



These points were referred to Government in July 1995; reply has not been received (December 1995).

### Medical and Health Department

#### 3.6 Avoidable expenditure on pay and allowances of hospital staff

Government upgraded (23 April 1992) three existing 3 bed Ayurvedic hospitals<sup>1</sup> at district Headquarters to 5 bed hospitals and sanctioned one additional post of Ayurved doctor, compounder/nurse, lower division clerk and attendant for each hospital. The doctor and compounder joined their duties at Barmer in February 1993 and lower division clerk in July 1992.

During the course of audit of Ayurved Hospital, Barmer, it was noticed that prior to upgradation there was not even a single indoor patient in the existing hospital during the last five years (1987-92) and even after upgradation there were no indoor patients up to January 1995. Moreover, even the number of outdoor patients declined during 1992-95 (January 1995) as tabulated below:

#### Position of staff and patients treated

Sl. No.	Year	<u>Existing 3 bed hospital</u>		Sl. No.	Year	<u>Upgraded 5 bed hospital</u>	
		Outdoor patients	Indoor patients			Outdoor patients	Indoor patients
1.	1987-88	22,005	Nil	1.	1992-93	35,954	Nil
2.	1988-89	26,352	Nil	2.	1993-94	32,885	Nil
3.	1989-90	24,801	Nil	3.	1994-95	16,703	Nil
4.	1990-91	35,920	Nil		(as on 31 January 1995)		
5.	1991-92	48,573	Nil				

Thus, upgradation of the hospital and posting of additional staff and their continuation was, *prima facie*, without requirement. This resulted in avoidable expenditure of Rs.2.16 lakhs on pay and allowances of additional staff as of December 1994.

On being pointed out (February 1995) in audit the hospital authorities intimated (July 1995) that for want of proper building indoor facilities were not started since 1971.

1. Baran, Barmer and Nagaur.



### 3.7 Blocking of funds

In order to provide clean air in the operation theatre of Orthopaedics Department of Jawahar Lal Nehru Medical Hospital, Ajmer, the State Government sanctioned (August 1990) Rs.12.00 lakhs for purchase of Vertical Laminar Flow Ventilation System. The equipment was purchased in November 1990 at the cost of Rs.14.03 lakhs and was installed in March 1991. The Head of Orthopaedics Department furnished (June 1991) report of the equipment being in order and payment of Rs.14.03 lakhs was released (June 1992) to the supplier. In the meanwhile, the work order for the construction of Anti Static Floor required for the equipment was also placed (July 1991) with the same supplier which was completed at the cost of Rs.1.67 lakhs.

Tenders were invited for the running and maintenance of the equipment and work was awarded (December 1991) to the same supplier for one year effective from 12 November 1991. The equipment started functioning in December 1991 but went out of order in May 1992. Subsequently, a blast occurred (September 1992) which, *inter alia*, damaged the building, AC plant and the equipment. A Committee, constituted (September 1992) by the Principal to enquire into the matter, reported (October 1992) that the mishap took place during the running and maintenance of equipment by the supplier and was not due to any electric fault and the supplier as such was responsible for the repair and replacement of the whole equipment.

It was noticed (January 1993) in audit that the equipment received in November 1990 could not be put to use till January 1993, except for a brief period (December 1991 to May 1992). This resulted in blocking of funds of Rs.15.70 lakhs.

On this being pointed out (March 1994) in audit, the Department stated (between April and October 1994) that Unit Head certified (11 June 1991) the equipment to be in working order. The work of Anti Static Floor was completed on 15 October 1991. Thereafter, operation theatre actually started functioning from 12 December 1991, but no log book was maintained for the equipment. Government endorsed (September 1994) the reply of the Department. However, in their latest reply, the Department intimated (May and September 1995) that the



equipment could not be restarted for want of repairs by the suppliers. Final reply of Government was awaited (November 1995).

### 3.8 Loss of interest on amount of grant-in-aid

The Government of India sanctioned (March 1990) grant-in-aid of Rs.12 lakhs to Sawai Man Singh (SMS) Hospital, Jaipur during 1989-90 for setting up a cobalt therapy unit. The Central assistance was subject to the condition, *inter alia*, that the institution shall maintain an account with a bank or post office in the name of the institution and the interest on grant-in-aid be not diverted from the sanctioned purpose. The amount was paid to the hospital through a demand draft dated 4 April 1990 which was received by the hospital on 6 June 1990 and was utilised for purchase of cobalt therapy unit in June 1992.

During test-check of records of SMS Hospital, Jaipur it was noticed (July/August 1992) that contrary to the condition of the sanction, the amount of grant was kept in Personal Deposit Account instead of in an interest bearing account with a bank or a post office. This resulted in loss of interest amounting to Rs.1.21 lakhs at the savings bank rate of 5 *per cent per annum* from June 1990 to April 1992 and 6 *per cent* for May 1992.

On this being pointed out (September 1992) in audit, the Department stated (April 1994) that there were no instructions to keep the amount in a term deposit account. The reply of the Department was not tenable as the terms and conditions of the sanction of grant specifically provided for keeping the amount either in a bank or post office with the interest earned also to be used for the sanctioned purpose. Meanwhile, Government stated (August 1995) that necessary action was being taken against the officers/officials responsible for the loss of interest. Further progress was, however, awaited (November 1995).

### 3.9 Non-recovery of dues from cycle/scooter stand contractors

To safeguard cycles/scooters, etc. of the patients and/or their wards visiting Mahatma Gandhi Hospital and New Teaching Hospital, Jodhpur, contracts for two cycle/scooter stands were awarded to contractor 'A' initially for one year beginning from 29 August 1990 at an annual sum of Rs.0.97 lakh<sup>1</sup>. The

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1. Mahatma Gandhi Hospital, Jodhpur: Rs.0.77 lakh and New Teaching Hospital, Jodhpur: Rs.0.20 lakh.



contract, *inter alia*, provided that the contractor shall deposit a sum of Rs.10,000 as security for both stands and shall install a sub-meter for measuring electricity consumption for payment as per meter reading, failing which a sum of Rs.100 per month for each stand was payable as electricity charges. For the extended period, the same terms and conditions were to apply. After expiry of contracts of 'A' on 28 August 1991, the contracts continued up to 14 November 1991. The contracts were subcontracted to 'B' from 15 November 1991 initially for one year at an annual sum of Rs.1.26 lakhs<sup>2</sup> with electricity charges at the rate of Rs.100 per month for each stand in the absence of sub-meter installation. The contract expired on 14 November 1992 but continued up to 17 October 1993 and 25 November 1993 for stands at New Teaching Hospital and Mahatma Gandhi Hospital respectively.

During the test-check of records of the Superintendent, Associated Group of Hospitals, Jodhpur it was noticed (April-May 1994) in audit that the recovery of rent of cycle/scooter stands, amounting to Rs.0.14 lakh and Rs.0.95 lakh was not made from contractors 'A' and 'B' respectively for the extended periods of their contracts and recovery of electricity charges amounting to Rs.0.08 lakh was not made at all. This resulted in non-recovery of rent and electricity charges amounting to Rs.1.17 lakhs. It was also noticed that security deposit was not obtained on both occasions as per terms and conditions of the contracts. While accepting the facts, the Superintendent, Associated Group of Hospitals, Jodhpur intimated (January-February 1995) that action to recover the amount under Public Demand Recovery Act was being initiated.

The matter was referred to Government in December 1994; reply has not been received (November 1995).

### **Power Department**

#### **3.10 Non-utilisation of funds**

To promote use of low grade solar thermal devices by domestic, industrial and commercial sectors, Solar Thermal Extension Programme was launched in 1986-87 in the State. Under this programme, solar water heating systems having

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2. Mahatma Gandhi Hospital, Jodhpur: Rs.1.01 lakhs and New Teaching Hospital, Jodhpur:Rs.0.25 lakh.



capacity of 100 to 5,000 litres per day (LPD) were to be installed by the nodal agency<sup>1</sup> to conserve energy resources and tap non-conventional sources of energy. To motivate the users, Central subsidy at the rate of 30 to 100 *per cent* of the cost of the project was allowed depending upon the capacity of heating system installed .

The scheme envisaged that after completion of the projects, the Government of India, Department of Non-Conventional Energy Sources (DNES) shall pay to the nodal agency service charges at the rate of 10 *per cent* of subsidy provided for the project. These service charges were payable for monitoring and for ensuring smooth functioning of the installed systems. For this purpose, survey of atleast 20 *per cent* of the systems installed in the State was to be carried out either by the nodal agency or through an independent agency. Fifty *per cent* cost of such survey was to be borne by DNES and the remaining 50 *per cent* was to be paid by the nodal agency out of service charges paid to it by DNES or from its own budget.

During 1987-90, 127 systems with total capacity of 68,000 LPD were installed in the State by Rajasthan State Agro Industries Corporation (RSAIC) at various places at total cost of Rs.44.73 lakhs for which subsidy of Rs.24.45 lakhs was paid by DNES to it. Accordingly, DNES also paid to RSAIC Rs.2.45 lakhs towards service charges for the year 1988-90.

During the test-check of records of RSAIC it was noticed (July/August 1992) in audit that RSAIC neither conducted any survey of the systems installed nor got them surveyed from an independent agency; yet service charges amounting to Rs.2.45 lakhs were retained by it.

Government accepted the facts and stated (February 1993) that no survey was conducted by RSAIC due to shortage of staff and it had been directed to start it. The position of utilisation of service charges amounting to Rs.2.45 lakhs received from DNES was, however, not intimated (December 1995).

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1. Rajasthan State Agro Industries Corporation (RSAIC) up to March 1990 and Rajasthan Energy Development Agency (REDA) thereafter.



## Rural Development and Panchayati Raj Department

### 3.11 National Programme on Improved *Chulhas*

#### 3.11.1 Introduction

In order to attain the objectives of conserving fuel, reducing smoke emanating from kitchen stoves, checking deforestation, upgrading the environment and reducing the drudgery of women and children in cooking and in collecting fuel, the National Programme on Improved *Chulhas* (NPIC) was taken up as a national programme from April 1985. The programme was implemented in the State as a Centrally sponsored scheme fully funded by the Central Government, under which two type of *chulhas* viz., fixed and portable were to be installed/sold to the rural households at subsidised rate.

NPIC was implemented through State/UT Governments and agencies, voluntary organisations, autonomous bodies like Khadi and Village Industries Commission (KVIC), National Dairy Development Board (NDDB), etc.

Department of Non-Conventional Energy Sources (DNES), a unit of Ministry of Non-Conventional Energy Sources (MNES), was to monitor the implementation of the programme at the level of the Central Government. The implementation of the programme vested with the Rural Development and Panchayati Raj Department at the State level where a special wing had been created for this purpose. The Chief Executive Officer of *zila parishad* was the incharge at district level assisted by a Programme Extension Officer (PEO). *Vikas Adhikari* was the overall incharge at the *panchayat samiti* level but the actual monitoring was done by the PEO in *panchayat samiti*, who was required to make *cent per cent* verification of improved *chulhas* constructed/installed by the Self Employed Workers (SEWs).

With the objectives of arranging training programmes, conducting studies for further improvement in efficiency of identified models, keeping close liaison to advise and to extend technical support to the implementing agencies, a Technical Back-Up Unit (TBU) was set up at Udaipur in 1984-85. Out of the



various models of *chulhas* produced, 'sukhad', 'sugam' (New Sahyog) and 'Udai' models were adopted in the State.

The records relating to the programme for the period 1990-91 to 1994-95 were test-checked in the office of the Director, Rural Development and Panchayati Raj Department (Director), 7 out of 31 *zila parishads*<sup>1</sup> and 14 out of 64 *panchayat samitis* (PS) of the test-checked *zila parishads* and TBU, Udaipur between December 1993 and May 1995. Following points emerged as a result of test-check.

### 3.11.2 Financial outlay and expenditure

The details of Central assistance and the expenditure incurred thereagainst during the period 1990-95 were as under:

Year	Funds released by the Central Government to the State Government	Budget provision of the State Government	Funds released by the State Government	Expenditure incurred	Excess(+)/ savings(-)
(Rupees in lakhs)					
1990-91	89.32	89.32	89.34	87.58	(-)1.74
1991-92	97.20	97.20	97.12	97.13	(-)0.07
1992-93	111.88	111.80	111.88	111.78	(-)0.02
1993-94	114.75	114.75	117.72	115.46	(+)0.71
1994-95	94.25	94.15	94.15	90.53	(-)3.62
<b>Total</b>	<b>507.40</b>	<b>507.22</b>	<b>510.21</b>	<b>502.48</b>	

Of Rs.507.40 lakhs received from the Government of India for the programme, Rs.6.54 lakhs were spent by Directorate and *zila parishad* on activities like purchase of photocopiers, electronic typewriters, furniture and maintenance of vehicles, not approved under the programme. It was also noticed that the funds were released inordinately late each year by the State Government which consequently affected the implementation of the programme adversely.

1. Alwar, Hanumangarh, Jaipur, Jodhpur, Sikar, Sriganganagar and Udaipur.



### 3.11.3 Implementation of the programme

(a) The target fixed and the achievements shown thereagainst regarding installation of *chulhas* during the period 1990-95 were as under:

Year	Targets	Achievements
(Number in lakhs)		
1990-91	1.45	1.76
1991-92	1.45	1.88
1992-93	1.25	1.83
1993-94	1.80	1.96
1994-95	2.00	2.03

The records relating to *chulhas* in working condition/not in use and dismantled were not found maintained at any stage. However, as reported by *Vikas Adhikaris* of 14 *panchayat samitis* test-checked, only 2,838 improved *chulhas* (7 per cent) were in use out of 41,217 *chulhas* reported as installed during 1990-95. The maximum life of improved *chulha* was two years and its destruction by vagaries of weather and subsequent conversion into conventional *chulhas* were the reasons for their low usage as stated by the State Government (October 1995).

Comparing the supervision charges (Rs.0.79 lakh) paid to SEWs for 6,296 *chulhas*<sup>2</sup> during 1990-93 and for 1,368 *chulhas*<sup>3</sup> during 1993-95 in 14 *panchayat samitis* with the figures of *chulhas* reported as installed indicated that the *chulhas* actually installed were 7,664 as against the reported figure of 41,217.

Further, in *panchayat samitis* Badgaon and Girwa, the number of *chulhas* reported as installed (6,483) was in excess of the *chulha* sets purchased (4,077) by 2,406 units.

(b) Subsidy/Central assistance was payable to the State Government on the basis of actual expenditure (limited to approved unit cost minus beneficiary's

2. 1990-91: 823, 1991-92: 3,884 and 1992-93: 1,589.

3. 1993-94: 1,338 and 1994-95: 30.



share) incurred on the fixed *chulhas* and supervision charges actually paid to SEWs. A scrutiny of the utilisation certificates of 14 *panchayat samitis* test-checked for the years 1991-92 to 1993-94 revealed that the subsidy and supervision charges were claimed by the State Government from the Central Government on the basis of net approved unit cost instead of the actual expenditure incurred on these two items. This resulted in excess adjustment of subsidy/Central assistance to the extent of Rs.3.50 lakhs in the *panchayat samitis* test-checked as detailed below:

**(i) Subsidy for fixed *chulhas***

Year	Number of <i>chulhas</i> installed	Net rate per <i>chulha</i> at which subsidy adjusted (In rupees)	Amount of subsidy adjusted	Actual expenditure on <i>chulha</i> sets less beneficiaries share	Subsidy/ Central assistance excess adjusted
(Rupees in lakhs)					
1991-92	9,206	45	4.14	3.19	0.95
1992-93	7,344	40	2.94	2.89	0.05
1993-94	7,317	22.50	1.65	1.56	0.09
<b>Total</b>	<b>23,867</b>		<b>8.73</b>	<b>7.64</b>	<b>1.09</b>



**(ii) Supervision charges**

Year	Number of <i>chulhas</i>	Rate per <i>chulha</i> (In rupees)	Supervision charges cla- imed from the GOI	Supervision charges actually paid	Central assistance excess adjusted
(Rupees in lakhs)					
1991-92	9,206	10	0.92	0.38	0.54
1992-93	7,344	10	0.73	0.16	0.57
1993-94	7,317	20	1.46	0.16	1.30
<b>Total</b>	<b>23,867</b>		<b>3.11</b>	<b>0.70</b>	<b>2.41</b>

The details of expenditure incurred on different components were not available with the Department. The claims instead of being based on the actual expenditure were made on maximum Central assistance admissible.

**(c) Grant-in-aid for training**

Separate funds for training purposes were not received from MNES. Nodal/implementing agencies did not maintain proper accounts of expenditure on training.

In the State, 111 women (18.5 *per cent*) were trained among 600 SEWs during 1990-91 to 1994-95. The reasons for not giving training to women in majority cases could not be ascertained from TBU. However, *Vikas Adhikaris* of *panchayat samitis* stated (September 1994) that women were not interested in receiving such training.

In 14 *panchayat samitis* test-checked, only 28 SEWs were employed for construction of *chulhas* and in most cases supervision charges were not found to have been paid to them. It was thus, seen that SEWs were not available for maintenance and repairs of old *chulhas*. According to the Evaluation Department, the SEWs had to visit the office of *panchayat samitis*, time and again for the



collection of the meagre amount which was not being paid to them regularly. This dissuaded them from active involvement in implementation of the programme.

**(d) Grant-in-aid to TBU**

One TBU was set up for identified regions of the State during 1984-85 at the College of Technology and Agriculture Engineering, Rajasthan and Agricultural University, Udaipur. Extension Technical Back-up units (ETBU) were also to be opened in the unrepresented areas which were to be attached to the existing TBU.

No ETBU was established as the State Government did not recommend its establishment. The TBU received a grant of Rs.18.49 lakhs against which the expenditure incurred was Rs.24.43 lakhs during the period 1990-95. The excess over grant was met from the University funds.

**(e) Grant-in-aid for publicity programme**

Grant-in-aid equivalent to 4 *per cent* of the cost of *chulhas* subject to a maximum of Rs.1.50 lakhs was to be provided by the Department to cover the cost for publicity of the programme through mass media including posters in regional languages, short documentaries, demonstration fairs, organisation of demonstration camps, cooking competitions and users training camps. 75 *per cent* of the amount was to be utilised for bringing out publicity material and 25 *per cent* for organisation of users training camps. According to the evaluation report of DNES (December 1993), only 24 *per cent* of the beneficiary households were trained in the use of *chulha*. Besides, it was noticed that Rs.1.42 lakhs and Rs.0.10 lakh were incurred on publicity by the Directorate during 1992-93 and 1994-95 respectively, no expenditure being incurred in other years.

**3.11.4 Other points of interest**

**(i) Short recovery of material cost**

According to the programme, material cost at Rs.5 per fixed *chulha* from 1990-93 and 50 *per cent* of cost of pipe sets from 1993-95 were to be recovered from beneficiaries. During test-check of 14 *panchayat samitis* it was noticed that only Rs.1.21 lakhs were recovered against the required recovery of Rs.4.21 lakhs.



The *Vikas Adhikaris* of all the *panchayat samitis* intimated that the remaining amounts would be recovered after due verification.

**(ii) Irregular purchase of portable *chulhas***

During the test-check of records of the Directorate, it was noticed that 98,937 portable *chulhas* (value Rs.133.23 lakhs) were purchased from firm 'A' (26,188 medium and 10,977 large size *chulhas*) and firm 'B' (61,772 medium size *chulhas*) at the maximum approved rate through supply orders placed during June 1992 to June 1993 without inviting tenders.

In June 1993, notice inviting tenders were issued for purchase of 0.30 lakh *chulhas* of medium size against which three firms including firm 'B' quoted their rates. Rate of Rs.114.50 quoted by a firm other than firm 'B' was the lowest. During negotiations, firm 'B' which had earlier supplied at Rs.128 per *chulha*, also agreed to supply these *chulhas* at Rs.114.50. *Chulhas* (9,600) were purchased from this firm by the Department in December 1993. Thus while the purchase of *chulhas* for Rs.133.23 lakhs was not only irregular due to non-invitation of tenders, it also resulted in avoidable extra expenditure of Rs.11.87 lakhs on the purchase of 87,960 medium size *chulhas*.

On this being pointed out (March 1994) the Director stated (May 1994) that the purchase was approved (May 1991) by a committee constituted by the Deputy Development Commissioner, Rajasthan which considered that the price of *chulha* was not negotiable since it had been fixed by Government. The reply was, however, not tenable as Government had fixed the ceiling rate and not the absolute rate for a *chulha*. The State Government further stated (October 1995) that the State Finance Department relaxed the provisions of invitation of tenders.

**(iii) Non-maintenance of proper records of portable *chulhas***

The details of amount recovered/due to be recovered from beneficiaries in respect of portable *chulhas* were not available with the *panchayat samitis*. In the absence of these details, it was seen that the achievement was shown only with reference to the issue of portable *chulhas* to the *Gram Sewaks* and not to the beneficiaries. Hence achievement against targets did not depict the actual position.



### 3.11.5 Monitoring and Evaluation

Co-ordination committees at State and district levels were to be set up to review and monitor the monthly progress of the programme under the Chairmanship of the head of the Administrative Department and District Magistrate respectively. They were also required to receive feed back of the programme from the grass root levels.

According to the Evaluation Report of the Evaluation Department, the record of inspections made by the officials did not indicate, *inter alia*, whether the *chulhas* inspected were found as per design, modified or destroyed or maintained properly, as a result of which the analysis of the data could not be done. Even the Directorate did not remind the districts to send the information correctly and regularly. The *panchayat samitis* test-checked also did not maintain such records.

The Evaluation Report of Evaluation Department, Rajasthan indicated that out of 4,747 *chulhas* selected for test-check in 32 villages, 1,163 (25 per cent) were not found installed. Of the remaining 3,584 *chulhas*, 429 (12 per cent) were found working, 437 (12 per cent) not working and 2,718 (76 per cent) destroyed.

The non-working/destruction of these *chulhas* was attributed in the Evaluation Report to non-maintenance, technical defects, breakage of pipes and non-availability of new pipes, etc.

According to the Evaluation Department, this programme was a total failure for the following reasons:

- (i) The targets of installation were generally shown as fulfilled at the fag end of the financial year,
- (ii) SEWs were not selected from the same village and were also not trained in certain cases,
- (iii) supervision made by the *Vikas Adhikaris*/other staff was negligible,
- (iv) pipes and covels used in the construction of *chulhas* were generally of poor quality and the construction of *chulhas* was not in accordance with the needs of the beneficiaries,



- (v) pipes were used by the beneficiaries for drainage purposes,
- (vi) SEWs felt discouraged due to delay/non-payment of supervision charges, and
- (vii) funds were generally received late.

DNES in their Evaluation Report stated (December 1993) that Rajasthan, which was among the top 3 States with record achievement of over 120 *per cent* had just not bothered to look into the quality of construction as a result of which most of the *chulhas* had become non-operational after installation. Of the total number of *chulhas* installed in the country, 9 *per cent* were installed in Rajasthan and against the national average of 56 *per cent* working *chulhas*, 30 *per cent* only were stated to be working in Rajasthan. Analysing the remaining 70 *per cent*, 4 *per cent* were found working but not in use, 31 *per cent* not working, 23 *per cent* destroyed while 12 *per cent* were not found to have been installed at all. Government in its reply (December 1995) stated that necessary instructions have been issued to *zila parishads/panchayat samitis* for taking remedial action to overcome the deficiencies pointed out in the Evaluation Report.

### General

#### 3.12 Misappropriation and defalcation of Government funds

General Financial and Accounts Rules provide that any loss of public money, departmental revenue or receipts, stamps, stores or other property held by or on behalf of Government caused by misappropriation, fraudulent drawal/payment, loss, etc. or otherwise should immediately be reported by the officer concerned to the next higher authority as well as to the Accountant General.

The position of number of cases of misappropriation and defalcation, *etc.*, of Government funds, reported to Audit up to the end of March 1995 and on



which final action was pending till June 1995 was as follows:


	<b>Number of cases</b>	<b>Amount (Rupees in lakhs)</b>
Cases reported up to March 1991 and outstanding at the end of June 1991	741	327.39
Cases reported during 1991-92 to 1994-95	169	76.93
Cases disposed of between July 1991 and June 1995	267	8.66
Cases outstanding at the end of June 1995	643	395.66

The Public Accounts Committee (1986-87) took a serious view of the large number of pending cases and while suggesting measures for their expeditious finalisation stressed the need for monitoring these cases by the Treasury and Accounts Department. In spite of these recommendations, the position has not improved.

A review of pending cases revealed that these cases were pending with 54 departments/offices for want of recovery, decision of court of law and sanction of Government for write off for periods ranging between 2 and 43 years as indicated below:

<b>Sl.No.</b>	<b>Number of cases</b>	<b>Amount</b>	<b>Reasons</b>
		<b>(Rupees in lakhs)</b>	
1.	498	328.59	For want of recovery/ investigation
2.	113	59.03	For want of decision of court
3.	32	8.04	For want of sanction of the competent authority for write off





The departments having pendency are detailed below:

Sl.No.	Name of the Department	Number of cases	Amount (Rupees in lakhs)
1.	Works	192	114.07
2.	Medical and Health	35	38.88
3.	Revenue	88	10.71
4.	Others	328	232.00
<b>Total</b>		<b>643</b>	<b>395.66</b>

Government stated (September 1995) that the concerned heads of the departments had been instructed (27 July 1995) to initiate action and furnish reply to Audit within a month. Further progress was awaited (November 1995).

### 3.13 Write off of losses, revenues, etc.

During 1994-95, losses of Rs.57.55 lakhs in 66 cases of irrecoverable revenue, excess payment, loss of books, death of animals, embezzlement, theft of machines, etc. were written off by competent authorities as reported (between April 1994 and March 1995) to Audit by Government. Relevant details are indicated in *Appendix-7*.

Of the aforementioned amount, sanctions for write off of Rs.49.43 lakhs relating to the Agriculture Department (Rs.46.51 lakhs) and Rajasthan Public Service Commission (Rs.2.92 lakhs) were not admitted in Audit and the cases have been referred to Government. Necessary clarifications have, however, not been received as of November 1995.

## Finance and Agriculture Departments

### 3.14 Outstanding inspection reports

For early settlement of Audit inspection reports and paragraphs, Government issued (August 1969) instructions to all departmental officers for sending the first reply to inspection reports within a month and replies to further



observations from Audit within a fortnight. In September 1987, the Finance Department, while reiterating the instructions issued from time to time, stressed that there should be no delay in dealing with inspection reports. Half-yearly reports of outstanding inspection reports and paragraphs are sent by the Accountant General to the Administrative Secretaries and Heads of Departments so that paragraphs contained in the inspection reports receive the desired attention.

At the end of June 1995, there were 6,690 inspection reports containing 27,072 paragraphs issued during the period 1982-83 to 1994-95 up to 31 December 1994 which were pending settlement. Details are indicated below (with corresponding figures for the earlier two years):

	1993 (At the end of June each year)	1994	1995
Number of inspection reports not settled	6,532	5,548	6,690
Number of pending paragraphs	27,955	23,793	27,072
Earliest year of issue	1982-83	1982-83	1982-83

The year-wise break up of the outstanding inspection reports at the end of June 1995 is given below:

Year	Inspection reports	Paragraphs
Up to 1989-90	1,404	4,212
1990-91	601	1,949
1991-92	715	2,460
1992-93	780	3,084
1993-94	1,429	7,067
1994-95	1,761	8,300
<b>Total</b>	<b>6,690</b>	<b>27,072</b>



For prompt settlement of inspection reports, Audit Committees (consisting of the Secretary of the Administrative Department, Head of the Department, Deputy Secretary of Finance Department, Financial Advisor of the Department and representatives of the Accountant General) were constituted in 17 out of 62 civil departments of Government between July 1985 and January 1995 including six existing Audit Committees as detailed in *Appendix-8*. It would be seen therefrom that as against prescribed 2 meetings to be held every year by each Audit Committee, only 1 meeting was held during 1994-95, by Audit Committees of Agriculture, Rural Development and Panchayati Raj, Education and Medical and Health Departments. However, in the Departments of Relief and Social Welfare, no meetings were held after 19 July 1990 and 8 June 1992 respectively. Similarly, no meetings were held of any of the newly constituted 11 Audit Committees up to 31 March 1995.

An analysis of the position of outstanding inspection reports relating to the Agriculture Department revealed that 294 paragraphs contained in 123 inspection reports issued during the period 1982-83 to 1994-95 (reports issued up to December 1994) remained unsettled at the end of June 1995. Year-wise details of these outstanding inspection reports and paragraphs are given below:

Year	Number of inspection reports	Number of paragraphs
Up to 1989-90	41	90
1990-91	10	19
1991-92	5	13
1992-93	17	47
1993-94	26	53
1994-95	24	72
<b>Total</b>	<b>123</b>	<b>294</b>

Of these 123 inspection reports, replies to only 6 inspection reports containing 9 paragraphs were furnished within the prescribed time of one month. First reply to 14 inspection reports containing 57 paragraphs had not been



received as of June 1995; the earliest report pertained to the year 1990-91. In the remaining 103 reports first reply was sent belatedly as detailed below:

Sl. No.	Period of delay	Number of inspection reports	Number of paragraphs
1.	Less than one year	76	167
2.	One year but less than 2 years	18	38
3.	Two years but less than 3 years	5	8
4.	Three years but less than 4 years	2	2
5.	Four years and more	2	13
<b>Total</b>		<b>103</b>	<b>228</b>

A review of the inspection reports of Agriculture Department further revealed that important irregularities such as non-recovery of outstanding dues/loans, want of sanctions for write off, non-regularisation of purchases, non-receipt of utilisation certificates and stamped receipts, irregular/excess payment of grant, etc. contained in 294 paragraphs having money value of Rs.254.04 crores (details in *Appendix-9*) were commented upon in the inspection reports.

Government stated (September 1995) that efforts were being made for expeditious settlement of the outstanding paragraphs.



## CHAPTER - IV

### WORKS EXPENDITURE

#### Public Works Department

##### **4.1 Avoidable extra expenditure owing to non-acceptance of tender within validity period**

The State Government accorded (September 1989) administrative sanction for Rs.6 lakhs for construction of a 5 kilometres road from Devnagar to Khangta via Basni (Jodhpur). However, the technical sanction accorded (December 1989) by the Additional Chief Engineer, Public Works Department (PWD) restricted the length of road to 3 kilometres only thereby reducing estimated cost to Rs.5.93 lakhs. The Executive Engineer, PWD District Division I, Jodhpur, invited (27 July 1990) tenders for construction of road in first 3 kilometres. The Schedule 'G' of the work amounted to Rs.4.02 lakhs and was based on the Basic Schedule of Rates (BSR), 1988. On the date of opening (30 August 1990), 3 tenders were received, the lowest offer being that of contractor 'A' at 39.99 *per cent* above Schedule 'G' with the condition that royalty and sales tax be paid by the Department; the validity period was 90 days from 30 August 1990 and the condition involved the financial implication of Rs.0.38 lakh. The Executive Engineer forwarded (12 September 1990) the case to the Superintending Engineer who forwarded (25 September 1990) the tenders to the Additional Chief Engineer for sanction stating that the validity period would expire on 30 November 1990. The Additional Chief Engineer conveyed his approval on 28 November 1990. Accordingly, the Executive Engineer issued (28 November 1990) work order to the contractor. The contractor, however, informed (7 March 1991) the Executive Engineer that validity period of the tender for 90 days had already expired on 27 November 1990 and refused to undertake the work.

On Additional Chief Engineer's directions (6 July 1992), fresh tenders were invited (6 August 1992) and lowest offer at 95.21 *per cent* above Schedule 'G' of the same contractor 'A' was approved (25 September 1992) by the Superintending Engineer. The work order for Rs.7.85 lakhs was issued (8 October 1992) by the Executive Engineer with stipulated dates of commencement and completion as 25 October 1992 and 24 June 1993



respectively. The contractor 'A', however, executed the work up to stage of water bound macadam (WBM) and did not execute carpeting work of the road. Payment of Rs.7.37 lakhs was made (25 May 1994) in IVth running bill for the work. The carpeting work was completed in May 1995 under special repairs programme of 1995-96 through another contractor at 22.27 *per cent* below BSR, 1993 which worked out to 47.99 *per cent* above BSR, 1988.

Thus, failure to take notice of validity period of 90 days expiring on 27 November 1990 and not issuing the work order within the validity period resulted in avoidable expenditure of Rs.1.76 lakhs.

While accepting the facts, Government intimated (June and August 1995) that the loss was caused due to non-issuance of sanction within validity period and that action was being taken against the defaulting officials.

### **Indira Gandhi Nahar Pariyojana Department**

#### **4.2 Avoidable extra expenditure owing to non-acceptance of lower rates**

The Executive Engineer, 18th Division, Indira Gandhi Nahar Pariyojana (IGNP), Bajju (Bikaner) awarded (November 1988) the work of manufacture and supply of 25 lakh and 2 lakh *pucca* tiles and bricks respectively to a contractor at his tendered premium of 59.98 *per cent* above Basic Schedule of Rates (BSR), 1987. The dates of commencement and completion were 21 November 1988 and 20 March 1990 respectively. However, date of completion was extended (October 1993) to 20 June 1991 by *ex-post-facto* sanction. The contractor supplied required quantity of tiles and bricks and his final bill was paid (February 1994).

The Department needed further supply of 12.50 lakh *pucca* tiles. The schedule of powers provide that repeat order to the extent of 50 *per cent* of the quantity of original work order could be issued to the same contractor at the rate of the original work order and on the same conditions. The Executive Engineer accordingly, enquired (September 1989) from the contractor his willingness and consent to supply additional tiles. The contractor agreed (January 1990) to supply 12.50 lakh tiles on the original rates and conditions provided order was issued by 15 January 1990 to avoid problems in re-arranging labour. The Executive



Engineer forwarded (10 January 1990) the case to the Superintending Engineer for obtaining sanction of the Chief Engineer. However, no action was taken by the Superintending Engineer on the recommendation.

It was noticed (January 1994) in audit that while the original contract was still in force and work was in progress, tenders for supply of 10 lakh tiles were invited (26 December 1990) and lowest tender of the same contractor at 106.42 *per cent* above BSR, 1987 was sanctioned. The work was allotted (May 1991) to him with date of commencement and stipulated date of completion as 10 June 1991 and 9 April 1992 respectively. The contractor supplied 7,68,100 tiles up to IIIrd running bill paid in October 1992. The contractor had further manufactured 2.20 lakh tiles approximately but neither the supply had been taken nor final payment made (June 1995).

The action of the Department in not accepting the offer made by the contractor for additional supply at rates under existing contract was thus not prudent. This resulted in avoidable extra expenditure of Rs.1.47 lakhs on supply of 7.68 lakh tiles already obtained.

The matter was referred to Government in March 1995; reply has not been received (November 1995).

#### **4.3 Extra expenditure owing to non-finalisation of tenders within the validity period**

Estimates for construction of a medical dispensary building at Taranagar (Churu) for Rs.6.88 lakhs were sanctioned (1987-88) by the Additional Chief Engineer, Indira Gandhi Nahar Pariyojana (IGNP), Bikaner. The estimates were based on Public Works Department (PWD), Basic Schedule of Rates (BSR) of May 1987. Tenders were invited in September 1987. The lowest tendered rates of contractor 'A' at 46.51 *per cent* above Schedule 'G' were considered reasonable. The Executive Engineer submitted (3 December 1987) this tender case, duly recommended, to the Superintending Engineer, who in turn forwarded (18 December 1987) the same to the Chief Engineer for sanction. However, the Chief Engineer conducted negotiations and contractor 'A' lowered his tender premium to 42 *per cent* above Schedule 'G'.



In the meantime, the validity of tenders expired on 17 May 1988 but was got extended up to 30 May 1989. The case was forwarded (14 June 1988) by the Chief Engineer, to the Indira Gandhi Nahar Board (Board), Jaipur for approval. The matter remained under correspondence up to May 1989 because of certain observations raised by the Board in July 1988 and April 1989. However, in its 125th meeting the Board observed (29 May 1989) that validity period in this case was up to 30 May 1989 and resolved that the Chief Engineer re-examined the tender and put up to the Board for approval. Contractor 'A' extended the validity period up to June 1989, but the Chief Engineer instead of re-submitting the case to the Board rejected the tenders on 3 May 1990.

Meanwhile, fresh estimates for Rs.8.78 lakhs (inclusive of some additional items) based on PWD, BSR of April 1989, were sanctioned (March 1990) by the Additional Chief Engineer in 1989-90. Even before the rejection of earlier tenders, fresh tenders were invited (November 1989) by the Executive Engineer and lowest negotiated tender of contractor 'B' at the rate of 84.90 *per cent* above Schedule 'G' (Rs.6.37 lakhs) aggregating Rs.11.78 lakhs was approved (May 1990) by the Additional Chief Engineer, who had since been delegated higher financial powers for sanction of tenders.

Contractor 'B' took up the work and completed (September 1992) it at the total cost of Rs.12.78 lakhs as against Rs.7.95 lakhs which would have been payable to contractor 'A' had his tender been approved. This resulted in avoidable extra expenditure of Rs.4.83 lakhs.

The matter was referred to Government in March 1995; reply has not been received (November 1995).

### **Irrigation Department**

#### **4.4 Avoidable expenditure on construction of an additional rest house**

The Mahi Bajaj Sagar Project, a joint venture of Rajasthan and Gujarat Governments, was sanctioned in April 1959. It was converted into a major irrigation scheme in 1966. The scheme was cleared by the Central Water and Power Commission in March 1967. The project report was revised in 1971 and again in June 1986.



The revised project report of 1971 did not contain any provision for construction of rest house at dam site. However, provision of Rs.20 lakhs for construction of an additional rest house was made in the project report of June 1986. Accordingly, the Chief Engineer sanctioned (November 1987) estimate for construction of the rest house at Mahi dam amounting to Rs.15.89 lakhs (revised to Rs.32.74 lakhs in September 1992). In the technical report of the sanctioned estimate, the construction of the rest house at dam site was for the officers/staff inspecting the dam. The work was allotted (September 1992) to a contractor and an expenditure of Rs.24.99 lakhs was incurred as of April 1995. The work was in progress (November 1995).

In the course of audit, it was noticed (December 1992 - January 1993) that the construction of Mahi dam at Banswara had already been completed in 1984-85 and there existed a well furnished five bed room rest house at dam site which never remained fully occupied. Between 22 and 70 visitors stayed in the existing rest house in a year during 1984-85 to 1994-95 and there was a decreasing trend in the occupancy during 1989-90 to 1994-95. Thus, construction of additional rest house was without actual requirement. This led to avoidable expenditure of Rs.24.99 lakhs as of April 1995.

Government stated (November 1995) that the existing rest house at dam site was a temporary building meant for inspection staff and was not suitable for VIP's visiting the dam. The reply was not tenable as the Executive Engineer had stated (April 1993) that the existing rest house contained well furnished five bed rooms which should have served the purpose of the inspection officers as well as VIP's.

#### **4.5 Avoidable extra expenditure due to withdrawal of work**

The work of the construction of waste-weir and wingwall of Mogra Irrigation Project (Jhalawar) up to natural soil level (NSL) was allotted (January 1987) to contractor 'A' for Rs.27.53 lakhs at 19.91 *per cent* above Schedule 'G'. The work was required to be completed by 24 March 1989. The contract agreement, *inter alia*, provided that the quantum of additional work, if any, for each item shall not exceed 50 *per cent* of the original quantity in Schedule 'G' and total value of additional and/or extra items shall not exceed 20 *per cent* of the



total value of the contract unless otherwise mutually agreed upon by the Engineer incharge and the contractor.

During execution of work, the quantity of one item of work "Excavation in hard rock blasted" exceeded by more than 50 *per cent* of the quantity shown in Schedule 'G' due to change in strata. Accordingly, the contractor demanded increased rates for work executed over 50 *per cent* of the original quantity. The Department, however, after negotiations with the contractor agreed (21 November 1990) to increase tender premium from 19.91 to 115.83 *per cent* for this item of work already executed in excess of 50 *per cent* of the original quantity and 120 *per cent* on the further quantity of this item to be executed. The payments for rest of the items of Schedule 'G' were to be made as per original contract rates. Accordingly, payment of Rs.1.57 lakhs for hard rock blasted already executed in excess of 50 *per cent* was made on 28 November 1990. After receiving payment the contractor refused to start the remaining work as agreed, and requested (25 April 1991) finalisation of his contract alleging that working reach had not been made available after clearance of silt though the working reach was made available in January 1991 at RD 900 to RD 925 where there was no silt and RD 925 to RD 960 duly cleared. The Department ordered (12 June 1991) withdrawal of the remaining work without invoking the penal clauses of the agreement. The remaining work up to NSL estimated to Rs.3.91 lakhs together with additional work above NSL was awarded (31 August 1991) to contractor 'B' at 147.52 *per cent* above Schedule 'G'.

Had the Department invoked the penal clauses of the agreement and allotted the remaining work to another contractor at the risk and cost of the original contractor, the extra expenditure of Rs.2.87 lakhs incurred as of March 1995 would have been recoverable from the original contractor. As the work was still in progress (April 1995), the actual extra expenditure was likely to be higher.

Government in their reply stated (October 1995) that the work was withdrawn without invoking penal clauses of agreement as proposal for revision of design and drawing of the work was under consideration of the Department. The reply was, however, not tenable as there was no change in design except variation in different quantities of work.



#### 4.6 Avoidable extra expenditure owing to unjustified withdrawal of work

The Executive Engineer, Rehabilitation and Survey Division, Mahi Project, Banswara executed (September 1988) an agreement with contractor 'A' for earth work of Narwali Distributary RD 19,775 to RD 20,675 at 99 *per cent* above Schedule 'G' amounting to Rs.46.41 lakhs with stipulated dates of commencement and completion as 29 September 1988 and 28 September 1989 respectively. The Schedule 'G' of this work amounting to Rs.23.32 lakhs was based on Basic Schedule of Rates (BSR) of 1980. The above tender premium of 99 *per cent* worked out to 1.03 *per cent* below the rates of BSR, 1987.

Even though the contractor executed work amounting to Rs.51.43 lakhs (August 1989) the work was still incomplete. The contractor applied (1 September 1989) to the Executive Engineer for extension of 326 days to complete the work without levy of compensation. The extension was sought on various grounds, *inter alia*, execution of excess quantity of work, obstructions caused by cultivators/villagers due to non-payment of compensation for their land acquired, non-provision of passage to cross the distributary, State level strike of junior engineers, heavy rains, non-dewatering, etc. The Executive Engineer intimated (16 September 1989) the contractor that his request for extension of time was under examination and would be decided on merits. The contractor was also intimated that the provisions of price escalation clause of the agreement would not be attracted in this case even if the extension sought was granted as the original stipulated period of completion was not more than 12 months. The contractor was asked to furnish an undertaking that he would not claim payment of price escalation charges in case extension was granted and if the said undertaking was not received he or his authorised representative be present at site on 26-27 September 1989 for taking final measurements. A copy of this letter was endorsed to the Superintending Engineer stating that contractor's request for extension was under scrutiny and comments thereon would be submitted separately. The Executive Engineer further stated incorrectly that in case extension was granted, the contractor would be entitled to payment of price escalation which would be higher than the extra cost involved in getting the remaining work executed from other agency. The Chief Engineer issued (28 September 1989) orders for withdrawal of the remaining work from the contractor due to paucity of funds during the financial year.



Tenders for the balance work were invited in March 1990 and the work was allotted (July 1990) to contractor 'B'. However, contractor 'B' failed to commence work and as such his tender was cancelled and earnest money of Rs.0.21 lakh forfeited (February 1991). The remaining work was again put to tender (March 1992) and was allotted (June 1992) to contractor 'C' at 178.10 *per cent* above Schedule 'G' based on BSR, 1987 (as against 1.03 *per cent* below for contractor 'A') aggregating Rs.28.25 lakhs. Contractor 'C' executed work amounting to Rs.27.73 lakhs up to VIIIth running bill paid in September 1994. The work was in progress (March 1995).

During the course of audit of the Right Main Canal Division I, Mahi Project, Banswara, it was noticed (between December 1992 and February 1993) that the action to withdraw the work was not prudent and based on facts. Firstly, the contractor had not asked for extension subject to payment of price escalation which required specific undertaking and secondly the Executive Engineer in his letter to the contractor had clearly mentioned that price escalation clause was operative only where original stipulated period of completion exceeded 12 months and was not applicable to the extended period. The Executive Engineer, however, mis-represented to the Superintending Engineer that extension in time may attract provisions of price escalation clause which would involve payment higher than the extra cost involved on execution of balance work by other agency. It was also noticed in audit that grounds mentioned by the Chief Engineer for withdrawal of work due to paucity of funds during 1989-90 were not correct as the division had budget provision of Rs.141.60 lakhs of which Rs.83.86 lakhs only had been spent up to September 1989. The withdrawal of work on misconceived grounds thus resulted in avoidable extra cost of Rs.18.20 lakhs.

Government stated (April 1995) that allotment of Rs.141.60 lakhs made during 1989-90 was for urgent works whereas this work was given low priority (category II) and hence not taken up for completion. The reply was not tenable as per the details of items, as furnished by Government in August 1995, on which expenditure was incurred out of the revised provision, only Rs.7.50 lakhs had been incurred on items of priority fixed by the Chief Engineer.



#### 4.7 Extra expenditure

Construction of the Sita Diversion Dam (estimated cost: Rs.1.80 lakhs) was allotted (February 1982) to contractor 'A' at his tendered cost of Rs.2.03 lakhs including tender premium of 12.50 *per cent* above Schedule 'G' with the stipulated dates of commencement and completion being 18 February 1982 and 17 October 1982 respectively. The contractor, after executing work amounting to Rs.0.65 lakh (excluding tender premium), left the work incomplete in October 1983. The Superintending Engineer, Irrigation Circle, Bharatpur, while issuing (July 1989) order for withdrawal of work, levied 10 *per cent* compensation under clause 2 of the agreement for not maintaining *pro rata* progress of work and ordered under clause 3 *ibid* that the remaining work be executed at the cost and risk of the contractor. The contractor filed (10 June 1991) a suit in the court against this action alleging failure of the Department in acquiring land for borrow area, arranging for cement for sluice work, intimating site for sluice and arranging for watering and consolidation. The Department in their defence statement held (24 June 1991) the contractor responsible for the delay and for leaving the work incomplete and refuted all the charges framed by the contractor. The contractor, thereafter, withdrew (October 1991) the petition and consequently the case was dismissed (October 1991) by the court. Of the remaining work, the work of earthen dam and filter toe was allotted (January 1992) to contractor 'B' at a premium of 379 *per cent* above Schedule 'G' and sluice work (June 1991) to contractor 'C' at a tender premium ranging from 350 to 490 *per cent* above Schedules 'G' for various items of work. These were completed on 28 May 1992 and April 1992 at an extra expenditure of Rs.2.53 lakhs and Rs.1.37 lakhs respectively.

During the course of audit of the accounts of the Executive Engineer, Irrigation Division, Bharatpur it was noticed (April-May 1994) that on representation (30 December 1992) by contractor 'A', the Superintending Engineer, Irrigation Circle, Bharatpur though not competent to do so, withdrew (January 1993) the orders issued in July 1989 for action under clauses 2 and 3 of the agreement and levied token penalty of Rs.500 only. This irregular action of the Superintending Engineer resulted in extra expenditure of Rs.3.90 lakhs due to execution of work at higher rates, becoming irrecoverable.



Government accepted the facts and stated (October 1995) that the Superintending Engineer on re-consideration of the request of the contractor and reports of Assistant Engineer/Executive Engineer withdrew the orders passed by his predecessor. Government reply is not tenable as the contractor had *suo moto* withdrawn the case from the court unconditionally. Moreover, Superintending Engineer was not competent to change the orders of his predecessor.

#### **4.8 Idle investment on boring machine lying unutilised**

The Executive Engineer, Material Testing Division, Irrigation, Jaipur prepared (May 1985) a technical report for purchase of a boring machine for use in the division. The report was approved (May 1985) by the Director, Design and Research, Irrigation, Jaipur. In the technical report, it was, *inter alia*, mentioned that such a machine was required for conducting field tests requiring bore holes at various depths on all the minor, medium and major irrigation projects and also in conducting tests on spot as well as in collecting samples for laboratory tests.

The Director, Design and Research, Irrigation, Jaipur submitted (May 1985) estimates for purchase of this machine to the Chief Engineer, Irrigation for sanction which was accorded on 27 May 1985 for Rs.4.20 lakhs; the cost was to be reimbursed under the United State Agency for International Development (USAID) Programme. Accordingly, the Executive Engineer issued (30 May 1985) supply order to the lowest tenderer for supply of machine and its accessories at the cost of Rs.3.75 lakhs. The supplier was paid Rs.3.90 lakhs (between 12 August 1985 and 24 September 1985) for supply of machine, accessories and Central sales tax thereon.

During test-check of the accounts of the Executive Engineer, Material Testing Division, Irrigation, Jaipur it was noticed (in December 1991 and again in September 1994) that during last nine years, the machine remained idle except for 7 hours in 1985-86 (27-28 February 1986) and 161 hours in 1986-87 (April-June 1986 and January-February 1987). It was also noticed that no operator was appointed for operation of the machine as of September 1994 even though proposal for appointment of operator was sent in August 1987 to the Chief Engineer, Irrigation Department. The machine was operated by the staff of borrowing divisions with the result that many accessories and items were reported lost and machine damaged. After this was pointed out (January 1995) in audit, the



machine was transferred (May 1995) to Indira Gandhi Nahar Pariyojana (IGNP) Phalodi. Progress of utilisation by IGNP was awaited (June 1995).

Government confirmed (October 1995) the Department's reply that the machine was purchased on the basis of the expected demand from the divisions. Purchase was made from USAID funds without any burden on Central or State finance. However, in absence of any demand from the divisions the machine could not be used for more than 168 hours resulting in idle investment of Rs.3.90 lakhs. Government reply *prima facie* is an admission that the machine was purchased without proper assessment of the requirement in order to utilise USAID funds.

#### **4.9 Irregular allotment of additional work without inviting tenders**

Government approved (31 December 1988) the tender amounting to Rs.59.31 lakhs of a contractor for the work "Construction of canal syphon at Mahi River crossing of Sagwara Canal" at his lowest negotiated rate of 68 *per cent* above Schedule 'G' (Basic Schedule of Rates (BSR), 1987). The Executive Engineer, Building and Right Canal (B and RC) Division, Mahi Project, Banswara, issued work order on 3 March 1989 to be completed within 18 months excluding the rainy season period. Under the agreement premium on any extra item not provided in the agreement, if executed, was payable at the rate of 22.30 *per cent* above BSR, 1987 instead of 68 *per cent*. The contractor executed the work amounting to Rs.48.20 lakhs up to February 1990. However, the work was suspended due to objection by Forest Department for want of sanction for dereservation of forest land. The issue was resolved (January 1992) and work resumed in February 1992. The work was still in progress (August 1995).

The contractor applied (20 July 1992) to the Department to allot another work of Mahi-Sagwara canal from kilometre 0 to 5 as extra item at the rate and on the conditions of the existing contract for canal syphon work to utilise his men and machinery remaining idle due to arrival of rains. The Executive Engineer recommended (4 September 1992) allotment of the second work to the contractor as extra item at 22.30 *per cent* above the rates in BSR, 1987. The Chief Engineer (CE) approved (16 September 1992) the proposals. The CE, however, withdrew his orders on 20 September 1992 without recording any reasons but



simultaneously recommended the proposals to Government for approval. Government, however, did not convey their approval to the CE's proposals. However, before issue of written orders on 16 September 1992 by the CE, the contractor had already started the work claiming to be on verbal orders of the CE and continued execution thereof even after issue of orders for stoppage by the CE on 20 September 1992. The contractor demanded (10 May 1993) payment for work already done following with a legal notice (12 May 1993) for payment of Rs.22.50 lakhs. The CE accordingly requested (3 June 1993 and 10 October 1993) Government that in view of legal notice, payment of Rs.16.80 lakhs for work already done as per Executive Engineer's report may be sanctioned being unavoidable. On Government enquiring (26 October 1993) as to how the contractor could execute the work to the extent of Rs.16.80 lakhs, when the CE stayed his orders of 16 September 1992 on 20 September 1992, the CE admitted (2 November 1993) that the work was started prior to 16 September 1992. Thereupon, Government conveyed sanction (17 December 1993) for payment for work done. The Department, however, paid (27 January 1994) Rs.50.14 lakhs as 80 *per cent* payment of estimated work done but not measured (against Rs.16.80 lakhs sanctioned by Government). On measurement (August 1994) the total value of the work done by the contractor was found to be of Rs.46.70 lakhs only. The excess payment of Rs.3.44 lakhs was adjusted in XVIIIth running bill paid in March 1995.

It was noticed in audit that despite no legal binding on the Department to allot additional work to the contractor to keep his men and machinery engaged, the Department irregularly allotted the work without sanction of estimates or inviting tenders and without immediate requirement. The partially executed work costing Rs.46.70 lakhs was neither in use since September 1992 nor likely to be used in near future as the syphon and canal work in subsequent reaches had not been completed (November 1995). The additional work was, thus, irregularly allotted to provide undue financial aid to the contractor.

On this being pointed out (October 1994) in audit, the Chief Engineer admitted (March 1995) that even after stoppage order (20 September 1992) the contractor continued to carry out disposal of earth work/stone excavated due to negligence of the Divisional Engineers.



The matter was referred to Government in October 1994; reply has not been received (November 1995).

#### **4.10 Sawan Bhadon Irrigation Project**

##### **4.10.1 Introduction**

The Sawan Bhadon, a medium irrigation project, on the river Aru, a tributary of river Kali Sindh in Chambal basin, taken up in 1980-81 was originally designed to provide irrigation to a Culturable Command Area (CCA) of 6,962 hectares (ha) of the Gross Command Area (GCA) of 8,190 ha covering 22 villages of Sangod tehsil (Kota district). The intensity of irrigation was to be 70.50 *per cent* (50.50 *per cent* for *Rabi* and 20 *per cent* for *Kharif*) with Irrigable Command Area (ICA) of 4,908 ha. The Project contemplated construction of 3.67 kilometres (km) long and 27 metres (M) high rolled earth fill dam across river Aru with 500 M long ungated ogee crest spillway of masonry gravity type, 115 M long bye-wash on the left flank of the dam, wingwall, guide bund inclined with the dam and 18.3 km long canal for irrigation. The Top Bund Level (TBL) and Full Reservoir Level (FRL) of dam were to be at Elevation Level (EL) 317.75M and 313.60M respectively having gross storage as 30 million cubic metres (Mcum) with dead storage as 2.15 Mcum and live storage as 27.85 Mcum. The top width of the earthen dam was to be 4 M and upstream and down stream slopes 2.5:1 and 2:1 respectively.

The Project, after having been cleared by the Planning Commission in July 1980, was administratively approved by the State Government for Rs.418.88 lakhs in December 1980. The Project was initially targeted to be completed by June 1986.

The Project was incorporated under United States Agency for International Development (USAID) Credit Assistance Programme during August 1982. The estimate was revised to Rs.1372.58 lakhs to make it up to date and to suit the USAID criterion as per Project Report, 1986 and was targeted to be completed by June 1991. The Project estimate of 1986 was, however, not



approved and the Project was also dropped from USAID Credit Assistance Programme with effect from June 1986.

The earthen dam was almost complete (August 1989) up to the top in the entire length except for three small reaches between chainage 63 and 122 when the reservoir for the first time was filled up to 308.5 M during the rainy season of 1989. A concentrated leakage was noticed on 24 August 1989 and the matter was referred (December 1989) to the Dam Safety Organisation of the Central Water Commission (CWC) for suggesting necessary investigations to find out the causes of failure and measures for restoring the damaged reach. Keeping in view the major changes suggested by CWC and projected increase in the irrigation net work over the revised estimates of 1986 viz., main canal : 14.7 km; 9 minors : 27.3 km and water courses and channels : 5,850 ha, the cost of the Project was assessed at Rs.2500 lakhs as per Project Report, 1993. According to this Project Report, the GCA and CCA for irrigation were also reduced to 6,517 ha and 5,850 ha respectively covering 20 villages with irrigation intensity of 98.72 *per cent* (85.94 *per cent* for *Rabi* and 12.78 *per cent* for *Kharif*) providing annual irrigation in 5,779 ha. The expenditure incurred on the Project as of March 1995 was Rs. 2177.03 lakhs.

#### **4.10.2 Organisational set up**

The execution of the Project was entrusted to the Sawan Bhadon Irrigation Division, Kota subsequently merged in Irrigation Division, Kota under the control, supervision and guidance of the Superintending Engineer, Irrigation circle, Kota and the Additional Chief Engineer, Irrigation, Kota.

#### **4.10.3 Audit coverage**

Test-check of the records of the Sawan Bhadon Irrigation Project covering the period from 1982-83 to 1994-95 was conducted during October to December 1994 and was updated in February and June 1995. The results of test-check are brought out in the succeeding paragraphs.

#### **4.10.4 Highlights**

- Against the estimated cost of the Project of Rs.418.88 lakhs (1980) subsequently revised to Rs.1372.58 lakhs in 1986 and to Rs.2500 lakhs



in 1993, the actual expenditure was Rs.2177.03 lakhs up to March 1995. Consequently the cost of irrigation per hectare of land increased from Rs.6,017 (1980 estimates) to Rs.42,735 (1993 estimates).

(Paragraphs 4.10.5 and 4.10.6)

- The Project, envisaged to be completed by June 1986, had not been completed as of March 1995. Delay in execution of the works of the Project and major changes in the design, scope and remedial measures undertaken due to leakage in the dam resulted in time and cost overrun. According to the Project Report of 1993, the Project was anticipated to be completed by June 1996.

(Paragraph 4.10.7)

- Shortfall in actual irrigation with reference to the irrigation potential to be created ranged between 66 and 96 *per cent*, with reference to Project Report of 1993 shortfall was 44 *per cent* (1994-95) and with reference to water available in the dam the same was 83 and 24 *per cent* during 1991-92 and 1992-93 respectively. The Department had not worked out the irrigation potential actually created. The Project on completion is to provide irrigation to a Culturable Command Area of 5,850 hectares.

(Paragraph 4.10.8)

- Due to the use of dispersive soil and loose pockets in the body of the dam, leakage in the dam was noticed. For its protective and remedial measures, Government will have to incur extra avoidable expenditure to the tune of Rs.8.07 crores thereby increasing the cost of the Project.

(Paragraph 4.10.9)

#### 4.10.5 Financial arrangement and expenditure

The Project was financed from the State Plan funds except during the period 1981-82 to 1985-86 when it was financed by assistance received from



United States Agency for International Development (USAID) up to the limit of Rs. 165 lakhs. Year-wise details of budget provision and expenditure incurred thereagainst were as follows:

Year	Budget Provision	Expenditure
	(Rupees in lakhs)	
1981-82	10.00	11.94
1982-83	21.50	18.24
1983-84	35.00	40.65
1984-85	65.00	66.24
1985-86	120.00	123.77
1986-87	150.00	150.50
1987-88	160.50	207.36
1988-89	319.51	319.02
1989-90	300.00	284.32
1990-91	200.79	244.90
1991-92	146.00	151.56
1992-93	90.00	91.71
1993-94	200.00	241.35
1994-95	211.00	225.47
<b>Total</b>	<b>2,029.30</b>	<b>2,177.03</b>

#### 4.10.6 Revision of Estimates

The original estimate of the Sawan Bhadon Irrigation Project for Rs. 418.88 lakhs was sanctioned in December 1980. The estimate was revised to Rs. 1372.58 lakhs in 1986 and further revised to Rs. 2500 lakhs in 1993. Both the revised estimates had not been sanctioned as of April 1995.



The sub-head-wise comparative position of the aforesaid three estimates was as under :

Sub-head	Cost as per sanctioned estimate (1980)	Cost as per revised estimate (1986)	Cost as per revised estimate (1993)
(Rupees in lakhs)			
<b>I- Head Works</b>			
A- Preliminary	3.56	10.80	17.96
B- Land	-	-	26.00
C- Works	294.84	960.65	1521.20
D- Head Regulator	-	-	11.45
K- Buildings	15.89	27.75	34.00
M- Plantation	0.10	4.94	3.89
O- Miscellaneous	13.26	44.91	71.83
P- Maintenance	3.31	10.12	17.30
Q- Special Tools and Plants	7.52	13.73	21.93
R- Communication	0.50	18.21	7.20
X- Environment and Ecology	-	-	58.60
Y- Losses on stock	0.87	1.00	4.32
Total I- Head works	<b>339.85</b>	<b>1092.11</b>	<b>1795.68</b>
<b>Main Canal and Branches</b>			
A- Preliminary	0.49	0.96	4.55
B- Land	1.50	5.06	37.97
D- Regulator	0.50	3.89	11.14
E- Falls	1.14	1.50	2.17
F- Cross drainage works	0.07	0.40	4.18
G- Bridges	2.50	3.87	7.58
H- Escape	0.05	3.50	1.30



Sub-head	Cost as per sanctioned estimate (1980)	Cost as per revised estimate (1986)	Cost as per revised estimate (1993)
(Rupees in lakhs)			
K- Buildings	2.96	5.41	18.00
L- Earth work and lining	35.34	62.66	169.43
M- Plantation	0.07	0.68	1.87
O- Miscellaneous	1.77	3.86	18.23
P- Maintenance	0.42	0.81	4.06
Q- Special Tools and Plants	2.50	4.58	7.31
U- Distributaries and Minors	16.50	61.96	98.50
V- Water courses/field channels	0.86	32.00	58.50
W- Drainage and Protective Works	0.05	10.00	10.00
Y- Losses on stock	0.05	1.00	1.02
Total-Canal and Branches	66.77	202.14	455.81
Total of I-Works on Dam and Canals	406.62	1294.25	2251.49
II- Establishment	17.85	80.00	212.89
III- Ordinary Tools and Plants	4.27	6.47	22.52
IV- Suspense	0.10	-	-
V- Receipt on Capital Outlay	(-)14.28	(-)25.97	(-)12.32
Total of direct charges	414.56	1354.75	2474.58
Indirect charges	4.32	17.83	25.12
<b>Grand Total</b>	<b>418.88</b>	<b>1372.58</b>	<b>2499.70</b>
			<b>say 2500</b>

The revisions in the cost of the Project were attributable to the following reasons:

- (i) In 1982, the Project was incorporated under USAID Credit Assistance scheme and to make the estimate up to date and to suit the USAID criterion the estimate was revised to Rs. 1372.58 lakhs and submitted to CWC during 1987-88.



The variation in the cost amounting to Rs.953.70 lakhs was due to (a) change in hydrology, re-designing of sections (Rs. 123.68 lakhs), (b) inadequate provisions under various heads (Rs. 139.00 lakhs), (c) increase in cost of material and labour (Rs. 614.86 lakhs) and (d) increase in cost of establishment and indirect charges, etc. (Rs. 76.16 lakhs).

(ii) The second revision in the estimated cost of the Project from Rs. 1372.58 lakhs to Rs. 2500 lakhs in 1993 was necessitated mainly by the leakage in the earthen dam detected while it was filled up to RL 308.5 M in August 1989, and by the projected increase in the irrigation net work.

The CWC after detailed examination suggested that both upstream and down stream portions of the dam be treated to provide preventive and additional protective measures.

For these changes and additions suggested in the dam, an additional provision of Rs. 560.55 lakhs had to be made in the revised estimate of 1993.

(iii) Since the land coming under submergence of the dam was forest land, no provision for land was made in the original and revised estimates. Provision of Rs. 26 lakhs for land and of Rs. 58.60 lakhs for "Environment and Ecology" in the revised estimate of 1993 was for payment of compensation for afforestation work to forest authorities.

(iv) The increase of Rs.253.67 lakhs in the revised estimate (1993) over the revised estimate (1986) under the head main canal and branches was due to increase in the length of the main canal, distributaries and minors, and water courses and field channels involving cost of land, earth work, lining, cross drainage works regulators and bridges, etc. This shows that the initial planning was defective.

(v) The increase under the sub-head "Establishment" was due to longer span of construction and revision of pay scales and dearness allowance of the employees of the State Government.

The cost of the Project increased considerably due to rise in cost of material and labour over years on account of time overrun. Consequently the



estimated cost of irrigation per hectare of land increased from Rs. 6,017 (1980 estimates) to Rs. 42,735 (1993 estimates).

#### 4.10.7 Physical Performance

The Project, according to original estimates of 1980, was to be completed by June 1986 but was incomplete as of March 1995. Though the Project was started in 1981-82, most of the works were taken up during 1984-85. The Department stated in the Project Report, 1986 that due to lower allocation of funds the scheduled construction programme as envisaged in the Project Report, 1980 could not be adhered to. Subsequently due to incorporation of the Project under USAID Credit Assistance Programme, the Project was redesigned to meet USAID criterion and the scheduled date of completion was fixed as June 1991. Further, keeping in view the changes suggested by CWC on account of leakage observed (August 1989) in the reservoir and also due to increase in the irrigation net work, the estimate of the Project had to be revised during 1993 and the probable date of its completion has now been fixed as June 1996. In the Project Report, 1993, the Department again stated that insufficient budget allocation and difficulties encountered during construction were the reasons for the Project being incomplete.

The physical progress of the various works of the Project at the end of 1994-95 was as under:

Items of work		Unit	Quantity to be executed	Actually executed up to March 1995	Balance Quantity (Percentage)
<b>Dam Work</b>					
(a)	Earth work	cum	24,17,200	21,96,400	2,20,800(9)
	Rock toe	cum	1,33,665	75,714	57,951(43)
	Lip cutting	cum	2,86,600	31,700	2,54,900(89)
	Road	metre	3,670	-	3,670(100)
	Riprap	cum	1,06,000	11,000	95,000(90)
	Vertical chimney	cum	8,500	4,000	4,500(53)
	Fine filter and				
	Coarse filter	cum	71,200	15,800	55,400(78)



Items of work	Unit	Quantity to be executed	Actually executed up to March 1995	Balance Quantity (Percentage)
(b) Spill way Masonry/concretecum		32,800	2,000	30,800(94)
<b>Main canal/distributaries and Minor</b>				
Earth work	cum	4,19,009	2,49,009	1,70,000(41)
	Km	14.70	10.35	4.35(30)
Lining	Sqm	80,210	56,310	23,900(30)
Pucca works	Nos	121	88	33(27)
Lining	Km	27.33	-	27.33(100)
Water courses	ha	5,850	480	5,370 (92)
Wing wall	cum	110	110	-
Guide bund				
Earth work excavation	cum	22,523	15,980	6,543(29)
Quarry spaul	cum	1,800	-	1,800(100)
Riprap	cum	590	-	590(100)

It would be seen that many items of works viz., road on top of the dam, spillway and lining work of distribution system, etc had not been awarded as of June 1995. However, remedial measures and protective works of earthen dam aggregating Rs.806.63 lakhs were awarded (July 1993) to contractor 'A' and were stipulated to be completed by 12 February 1995, only 17 *per cent* of these works were executed as of March 1995 as discussed in the paragraph 4.10.9.

#### 4.10.8 Utilisation of irrigation potential

According to the original Project Report of 1980, the full development of irrigation was anticipated in 1990-91 i.e. four years after completion (June 1986) of the Project. Irrigation was, however, started for the first time in 1991-92. According to the Project Report 1993, the total CCA under the command of the Project was revised to 5,850 ha with 98.72 *per cent* irrigation intensity and annual irrigation of 5,779 ha with full development of irrigation expected to be achieved by 1995-96. The year-wise details of total irrigation anticipated according to the



Project Report and actual irrigation done during 1991-92 to 1994-95 was as under:

Year	Irrigation potential to be created	Area to be irrigated according to the Project Report, 1993	Water available in the Dam	Irrigation that could be done with available water	Area actually covered under irrigation	Short-fall with reference to			Short-fall in percentage with reference to		
						Col.2	Col.3	Col.5	Col.2	Col.3	Col.5
	(ha)	(ha)	(mcum)	(ha)	(ha)	(ha)	(ha)	(ha)			
1	2	3	4	5	6	7	8	9	10	11	12
1991-92	5,779	200	6.56	1,263	217	5,562	-	1,046	96	-	83
1992-93	5,779	878	9.26	1,783	1,357	4,422	-	426	77	-	24
1993-94	5,779	1,755	9.26	1,783	1,843	3,936	-	-	68	-	-
1994-95	5,779	3,510	9.26	1,783	1,950	3,829	1,560	-	66	44	-

It would be seen that the shortfall in actual irrigation with reference to the full irrigation potential of 5,779 ha to be created ranged between 66 and 96 *per cent*; with reference to the Project Report of 1993 it was 44 *per cent* during 1994-95 in comparison with the target for that year. The shortfall with reference to possible irrigation from the water available in the dam ranged between 83 and 24 *per cent* in 1991-92 and 1992-93 respectively. The reasons for the shortfall can be attributed to :

- (i) non-completion of the Dam and Spillway with the result that as against the designed capacity of the reservoir of 30 mcum of water, only 9.26 mcum of water was being stored in the dam up to RL 308.5 M, and
- (ii) non-completion of the canals, distributaries and minors and non-construction of water courses and channels in 5,370 ha out of 5,850 ha.



The Department had not worked out the irrigation potential actually created.

The delay in completion of the Project, caused due to leakage in the earthen dam and non-completion of irrigation net work resulted in delay in accrual of benefits to the farmers.

#### **4.10.9 Execution**

##### **(a) Dam**

The construction of the earthen dam was started during 1984-85 and the work was awarded to 8 contractors by dividing it into 8 suitable reaches of different lengths. The earth required for the dam was procured from nearby borrow areas on forest land/private land. While the construction of the dam was nearing completion, leakage was observed (August 1989) and the matter was referred to the Dam Safety Organisation of CWC in December 1989. Geotechnical investigations for safety evaluation of the dam and other essential tests were conducted by the Central Soil and Material Research Station (CSMRS), New Delhi during February/March 1990. Special dispersivity identification tests carried out indicated that soil used in the dam were generally prone to dispersion and one third of the soil samples were susceptible to piping. The CSMRS in their report submitted in April 1990 indicated that the leakage in the dam was due to the use of dispersive soil, loose pockets and shrinkage/settlement cracks in the body of the dam.

An expenditure of Rs. 10.39 lakhs was incurred departmentally up to March 1992 in investigating and locating the leakage points in the *nallah* portion of the dam and in plugging the entry points of leakage.

On the recommendation of CSMRS, CWC suggested provision of an impervious blanket of non-dispersive soil of 1.5 metre thickness over the entire upstream face after removing the existing riprap. Filter was to be provided to insulate the inner dispersive layers from the reservoir. Secondly the existing riprap in the dam was found to be inadequate and was not in conformity with the IS code 8237-1985 though it fulfilled the tender specification. The Department stated (June 1995) that the existing riprap had been got provided according to IS code available in 1980-81. The technique according to IS code 8237-1985 was



better and was based on advanced technology and required thickness of riprap, coarse filter and fine filter at 450 mm, 150 mm and 150 mm respectively which were considered adequate and in conformity with IS code of practice. Thirdly a chimney filter was proposed to be introduced from down stream berm at EL 306.25.

This entire work was awarded in July 1993 to contractor 'A' at the cost of Rs. 806.63 lakhs with stipulated date of completion as 12 February 1995. A test-check of the relevant records revealed as under:

(i) The works relating to the provision of an impervious non-dispersive layer of 1.5 metre thickness on the upstream face of the dam awarded to contractor 'A' as per item no. 2A to 5 of Schedule 'G' would cost Rs. 191 lakhs on their completion. This extra expenditure could have been avoided had the non-dispersive soil been used at the time of initial construction. The contractor had executed these items of works for Rs. 56.47 lakhs, up to March 1995.

(ii) The existing dry stone masonry (riprap) on 15,100 cum, constructed at the cost of Rs.10.81 lakhs was dismantled at the rate of Rs.50 per cum after incurring expenditure of Rs.7.55 lakhs. As such the expenditure of Rs.18.36 lakhs was rendered infructuous as the same was being replaced by a new riprap of 1.06 lakh cum in accordance with the approved design and drawing of the CWC, at the rate of Rs. 235 per cum costing Rs. 249.10 lakhs. In addition, the firm was also required to execute 32,800 cum of Random Rubble (RR) stone masonry with projection at the rate of Rs. 350 per cum costing Rs. 114.80 lakhs. Thus, total cost on completion would amount to Rs. 363.90 lakhs. The contractor had executed these items of works for Rs.25.93 lakhs up to March 1995.

(iii) According to clause 4 of the Agreement, the stones available after dismantling were to be utilised by the contractor on works viz., rock-toe, soling of the road and masonry work for construction of panels for pitching. The Department was to recover the cost of the stone at the rate of Rs. 32.50 per cum. Of the total estimated quantity of 15,100 cum stones worth Rs. 4.91 lakhs, 9,017.62 cum of stones worth Rs. 2.93 lakhs actually excavated was not taken to Material-at-Site Account. Reasons were not on record (June 1995).



(iv) According to the recommendations of the CSMRS, CWC had also suggested the need to treat the down stream portion of the dam with a critical vertical chimney which was being provided by the same contractor at the cost of Rs. 29.75 lakhs. The contractor had executed work costing Rs.14.17 lakhs up to March 1995. This extra expenditure could also have been avoided had the dispersive soil not been used on the construction of the dam initially.

(v) Apart from the aforesaid items of works, the Department had also to incur extra expenditure on other items of works viz., jungle clearance : Rs. 2.31 lakhs; lip cutting : Rs.21.45 lakhs; fine filter : Rs.93.15 lakhs; coarse filter : Rs.76.75 lakhs and rock toe : Rs. 14.25 lakhs totalling Rs. 207.91 lakhs. This expenditure could also have been avoided had the dispersive soil not been used on the dam. The contractor had executed these items of works for Rs. 37.61 lakhs paid up to March 1995.

It was observed by CSMRS in their report that the works on different reaches of the dam were not allotted to contractors at one time and the work was also got executed in stages resulting in loose pockets and shrinkage/settlement cracks.

#### **(b) Distributaries and Minors**

Minors were to be executed for a length of 27.33 km against which the earth work executed was for 17.33 km up to March 1995 and the balance earth work had not been executed in remaining 10 km. Lining work of the minors had not been started as of June 1995.

While accepting the facts, Government stated (September 1995) that revision of the estimate, delay in completion of the project and incurring of extra/avoidable and wasteful expenditure was not because of leakage but was for better utilisation, better stability and longer life of the dam. The contention of Government is not tenable in audit in view of the fact that the concentrated leakage in the earthen dam had occurred due to inadequate soil tests and improper checking of stability analysis.



#### 4.11 Undue payment of extra lead to the contractor

Construction of intake structure of inlet channel for Parwan Lift Scheme was allotted (January 1992) to a contractor at 171 *per cent* above Schedule 'G' amounting to Rs.57.65 lakhs. The stipulated date for commencement of work was 25 January 1992 and the work was to be completed within one year. According to the contract agreement, the source of procurement of broken grit was Gadepan quarry. Prior permission was to be obtained before transportation of the grit from any other source.

During execution of work, the contractor demanded (September 1992) payment for extra lead involved in transportation of broken grit from Kota during February and March 1992 on the plea that broken grit was not available at Gadepan quarry. The Executive Engineer, Irrigation Division, Kota, however, rejected (September 1992) the claim stating that sufficient quantity of grit was available at Gadepan and that the contractor had not obtained prior permission for change in source of supply as required under the contract agreement. In November 1992, the Executive Engineer, however, forwarded the case to the Superintending Engineer for seeking sanction of the Additional Chief Engineer for payment of extra lead for transportation of 900 cubic metres of stone grit actually transported from Kota as an extra item. The Additional Chief Engineer sanctioned (December 1992) Rs.1.04 lakhs on account of extra lead claimed by the contractor. However, the Department paid (March 1994) an amount of Rs.1.08 lakhs for transportation of 930.26 cum grit.

As according to the Executive Engineer's own admission the stone grit was available at Gadepan quarry and prior permission for change of specified source was not obtained, sanction of extra item led to undue payment of Rs.1.08 lakhs to the contractor.

Government confirmed (October 1995) the Department's reply that the grit was actually transported by the contractor from Kota and added that though the claim for extra lead was rejected by the Executive Engineer in September 1992, payment was subsequently made on the recommendations (October 1992) of the Assistant Engineer. The reply of Government was not tenable since the payment was to be made as per terms and conditions of the contract which stipulated prior permission for change in source of supply of grit.



## Public Health Engineering Department

### 4.12 Avoidable extra expenditure owing to splitting of work

Under the Rajasthan Public Works Financial and Account Rules (PWF & AR), the Executive Engineers were empowered to issue work orders up to Rs.10,000 (Rs.50,000 with effect from 30 August 1993) for original or repair works at rates up to Basic Schedule of Rates (BSR) without inviting tenders. These powers were to be exercised in emergent cases or where exercise of such power was beneficial to Government. The rule also required the Executive Engineers to check the validity of rates in the Schedule, from time to time, by inviting bids for sufficiently large items of work covered by these rates.

Contrary to these provisions, the Executive Engineer, Public Health Engineering Department (PHED), City (Production and Distribution) Division II, Jodhpur without checking the validity of rates of Schedule, issued 179 work orders between 20 September 1993 and 27 September 1993 aggregating Rs.16.05 lakhs on rates approved in BSR of June 1993 for strengthening and repair works in various reaches of Jawai Hemawas Water Supply (JHWS) and Sumer Samand Water Supply (SSWS) canals, including RD 190 to 196 and RD 273 to 295 of SSWS canal. The work was split by the Executive Engineer to bring the same within his financial powers as 2 to 7 work orders were issued to one and same contractor on the same day.

During the course of audit of the accounts of the division, it was noticed (August 1994) that tenders for strengthening and repair works in respect of three reaches of the SSWS canal viz., RD 190 to 196; RD 196 to 273 and RD 273 to 325 were invited by the Executive Engineer on 31 July 1993 and the lowest rates received were 16 *per cent*, 18 *per cent* and 22 *per cent* below BSR of June 1993 respectively. The lowest tender for RD 196 to 273 was approved (September 1993) by the Executive Engineer and the work was got done during the closure period of the canal from 21 September 1993 to 2 October 1993. The tenders for the other two reaches were not approved before the closure period of the canal.

Allotment of work on the 179 work orders resulted in avoidable extra expenditure of Rs.2.57 lakhs on the basis of maximum tender premium of 16 *per cent* below BSR received in respect of the above reaches.



While accepting the facts, Government intimated (July 1995) that the said works were got executed during closure period of canals and that all the works could not be got done simultaneously through the contractor who had quoted the lowest rates in July 1993. The reply of Government was not tenable as 11 contractors who participated in tenders in July 1993 and had quoted rates below BSR, were not called for negotiations for entrustment of work before issuing 179 work orders to other contractors on BSR. Further, closure period of canals could have been decided well in time and works got executed at prevalent rates which were below BSR.

#### **4.13 Avoidable payment of interest to Life Insurance Corporation of India**

The Rajasthan Water Supply and Sewerage Corporation (RWSSC) secured (31 March 1990) loan of Rs.367 lakhs from Life Insurance Corporation (LIC) of India on the guarantee issued (27 March 1990) by the State Finance Department for various water supply and sewerage schemes. The amount was deposited (6 April 1990) in the non-interest bearing Personal Deposit account of RWSSC and was not transferred to the respective executing divisions as of December 1990.

In January 1991, the RWSSC issued sanction for allotment of funds to the schemes and the amount was transferred (12 March 1991) to the executing divisions. The entire loan of Rs.367 lakhs thus remained unutilised for a period of one year. The loan had been obtained without immediate requirement and resulted in avoidable payment of interest of Rs.34.68 lakhs to LIC for the period 31 March 1990 to February 1991.

A test-check in audit revealed that of this amount funds of Rs.80 lakhs transferred to the Public Health Engineering Division, Deeg in March 1991 for Water Supply Scheme, Deeg could not be utilised as of March 1995 due to non-settlement of water supply arrangements with Uttar Pradesh Government. Interest amounting to Rs.32.80 lakhs on this amount from March 1991 to 28 February 1995 was paid on 1 March 1995.

Thus, due to non-utilisation of loan the Department had to incur avoidable expenditure of Rs.67.48 lakhs on account of interest charges.



While confirming the facts, Government stated (September 1995) that if the loan had not been drawn by 31 March 1990, the sanction would have lapsed which would have deprived the State Government of Rs.367 lakhs in the annual plan for various water supply schemes. The reply of Government was not tenable as the loan amount was not transferred to Division for one complete year and an amount of Rs.80 lakhs was not utilised up to February 1995.

#### **4.14 Irregular expenditure**

Contingency plan for summer, 1993 approved by Government in May 1993 included construction of a Reinforced Cement Concrete, Clear Water Reservoir (RCC, CWR) of 3.70 lakh litres capacity at Amarpura for improvement of Urban Water Supply Scheme, Shahpura (Bhilwara).

Accordingly, tenders for construction of the reservoir were invited (February 1993) by the Executive Engineer, Public Health Engineering Department (PHED), Division Shahpura. The lowest lumpsum offer of a contractor for Rs.1.93 lakhs was approved (March 1993) by the Superintending Engineer. Accordingly, the Executive Engineer issued (23 March 1993) the work order to the contractor.

For augmentation of water supply to villages of Borda Bishniya Regional Water Supply Scheme, the Superintending Engineer directed (20 March 1993) before commencement of the work at Amarpura, the Executive Engineer to construct reservoir at Dantra under Regional Water Supply Scheme instead of at Amarpura under Urban Water Supply Scheme, Shahpura. These orders were confirmed by the Additional Chief Engineer on 10 April 1993. No fresh tenders were invited for the new site. The Executive Engineer allotted the work at Dantra to the contractor at lumpsum rate of Rs.1.93 lakhs tendered by him for the reservoir at Amarpura and issued (11 June 1993) corrigendum in work order issued on 23 March 1993 mentioning the change of site from Amarpura to Dantra. The work was completed on 22 December 1993 at the cost of Rs.1.93 lakhs; pump house was also constructed at Dantra by the same contractor at the cost of Rs.0.81 lakh.

The work order for construction of RCC reservoir of same capacity at Amarpura was again issued (11 June 1993) by the Executive Engineer to the same



contractor at lumpsum rate of Rs.1.93 lakhs tendered earlier. The work was started on 14 June 1993. However, the Technical Member, Rajasthan Water Supply and Sewerage Management Board rejected (16 June 1993) the work of reservoir at Amarpura for want of separate sources of water. Despite rejection of the work, the Executive Engineer got the reservoir completed (Rs.1.93 lakhs), for which a pump house was also got constructed (Rs.0.69 lakh) by October 1993. Thus, against provision of one reservoir in the contingency plan, two reservoirs were constructed without sanction of the competent authority. The reservoir constructed in October 1993 at Amarpura was not put to use as of November 1995. This resulted in avoidable and irregular expenditure of Rs.2.62 lakhs.

While accepting the facts, Government stated (September 1995) that chargesheet had been issued (June 1995) to the defaulting officer. Further progress was awaited (November 1995).

#### **4.15 Unnecessary payment of interest on loan from HUDCO**

The Policy Planning Committee (PPC) of the Rajasthan Water Supply and Sewerage Management Board (RWSSMB) accorded (September 1993) administrative sanction for re-organisation of urban water supply schemes of Bilara and Jaitaran (Jodhpur district). The schemes were to be financed from loan sanctioned by the Housing and Urban Development Corporation (HUDCO). The terms and conditions of loan, *inter alia*, provided that the amount of loan was to be utilised within a period of six months from the date of payment. In the event of non-utilisation, the loan amount was to be refunded. HUDCO released (11 February 1994) first and second instalment of loan aggregating Rs.84.33 lakhs (Bilara: Rs.43.98 lakhs and Jaitaran: Rs.40.35 lakhs) after deducting front end fees and bank commission (Bilara: Rs.2.32 lakhs and Jaitaran: Rs.2.12 lakhs). The amount was credited (17 February 1994) in the non-interest bearing Personal Deposit Account of Rajasthan Water Supply and Sewerage Corporation (RWSSC). The RWSSC released (11 March 1994) Rs.43.98 lakhs and Rs.40.35 lakhs to the Executive Engineers, Public Health Engineering Department (PHED), District Division I, Jodhpur and PHED Division, Sojat City respectively.

During the course of test-check of records of office of the Chief Engineer, PHED, Jaipur, it was noticed (January 1995) in audit that the loan obtained for both the schemes was neither utilised within the stipulated period of six months



nor refunded to HUDCO. In case of Bilara scheme, the cheque for Rs.43.98 lakhs was not even encashed within the validity period. Accordingly, RWSSC issued (4 October 1994) a fresh cheque. In case of Jaitaran scheme, the utilisation of loan amount started only after 10 August 1994. Drawal of loan without proper planning for its utilisation resulted in the loan amount remaining idle for six months and unnecessary burden of interest on the State *exchequer* aggregating Rs.6.21 lakhs which was paid to HUDCO for the period 11 February 1994 to 10 August 1994.

The matter was referred to Government in May 1995; reply has not been received (November 1995).

### Forest Department

#### 4.16 Unfruitful expenditure

The Principal Chief Conservator of Forests (PCCF) had categorised (November 1990) plantation under any scheme as good, ordinary and as a failure where survival rate of plantation was above 70 *per cent*, between 40 to 70 *per cent* and below 40 *per cent* respectively.

The Divisional Forest Officer, Tonk undertook plantation work under National Social Forestry Project covering an area of 95 hectares during the years 1988-90 and incurred an expenditure of Rs.6.35 lakhs. However, during test-check of survival of this plantation, the Deputy Conservator of Forests (DCF), Ajmer observed in 1992-93 that the survival rate of plantations was between 0.83 and 6.76 *per cent* only as indicated below:

Sl.No.	Name of plantation site	Number of plantation	Number of plants survived	Percentage
1.	Badagaon	35,802	2,420	6.76
2.	Panwalia	27,500	228	0.83
3.	Rampura	4,000	64	1.60
<b>Total</b>		<b>67,302</b>	<b>2,712</b>	



The failure of the plantation was attributed by the DCF, Ajmer mainly to inadequate fencing, unauthorised grazing, non-use of insecticides, etc. and lack of supervision by various officers. Thus, the expenditure of Rs.6.35 lakhs was rendered unfruitful and the intended purpose was not achieved.

While accepting the facts, Government intimated (August 1995) that action against defaulting officers was being proposed. Further progress was awaited (November 1995).



## **CHAPTER-V**

### **STORES AND STOCK**

#### **Civil Defence Department**

##### **5.1 Idle investment**

Fourteen chassis for medium fire tenders were purchased by the Department at the cost of Rs.51.59 lakhs in September 1992 (9: Rs.32.73 lakhs) and in November 1993 (5: Rs.18.86 lakhs). It was, however, noticed (April 1995) in audit that these chassis were lying unutilised for want of fabrication of body thereon. This resulted in blocking of funds amounting to Rs.51.59 lakhs for the last 2 to 3 years.

On this being pointed out (July 1995) in audit, the Department stated (July 1995) that the fabrication of body on these chassis could not be carried out owing to non-receipt of financial sanction from Government. Government also endorsed (August 1995) the reply of the Department.

#### **Indira Gandhi Nahar Pariyojana Department**

##### **5.2 Idle expenditure on purchase of X-ray machine**

The Superintending Engineer, World Food Programme, Project Circle, Indira Gandhi Nahar Pariyojana (IGNP), Bikaner decided (February 1987) to purchase X-ray machine urgently. The machine was to be installed in Canal Colony dispensary, Bikaner. Accordingly, the Executive Engineer, Procurement Division, IGNP, Bikaner issued (April 1987) supply order to a firm of Jaipur for supply of X-ray machine at their rate contract price with the Medical and Health Department. On receipt of supply order, the firm intimated (27 May 1987) to the Executive Engineer that they would execute the supply order at the earliest but requested to be informed of the place where the machine was to be installed. The firm also enquired about the availability of X-ray dark room with accessories and power line of the requisite specifications. The firm advised that the aforesaid pre-requisites be arranged well in advance and confirmation thereof intimated. However, no reply was sent to the firm. The firm supplied (June 1987) the X-ray machine (cost: Rs.2.68 lakhs) and 90 *per cent* payment (Rs.2.41 lakhs) was made



in June 1987. However, pending testing of the machine by the technician, payment of balance amount of Rs.0.27 lakh had not been made as of July 1995.

In the course of audit of Executive Engineer, 16th Division,IGNP, Bikaner, it was noticed (November-December 1994) that the decision to purchase the machine was taken without any requisition from the Medical Officer in-charge of the dispensary. Moreover, the X-ray machine received (June 1987) could not be put to use due to non-availability of dark room up to January 1995 and thereafter up to July 1995 for want of X-ray films and plates despite a rate contract in existence since January 1995. The machine is being put to use with effect from 24 August 1995.

The expenditure of Rs. 2.41 lakhs incurred on purchase of the machine thus remained idle for over 8 years.

Government admitted (September 1995) that the X-ray machine could not be utilised for want of regular dark room.

### **Settlement Department**

#### **5.3 Unfruitful expenditure owing to non-functioning of Engineering plan printers**

The Settlement Commissioner, Rajasthan, Jaipur, submitted (November 1989) a project report to the State Government under the Centrally sponsored scheme "Strengthening of land revenue administration and updating land records". These proposals were technically approved by the Government of India at the estimated cost of Rs.108 lakhs. The scheme envisaged making of copies of old maps of village land, files of land records (misal) numbering thousands, etc. to eliminate chances of manipulations in the land records. The scheme, *inter alia*, included purchase of 12 Engineering Plan Printers (EPPs) at the rate of Rs.2.80 lakhs each.

The State Government appointed (24 January 1991) a Committee for purchase of these EPPs. The Committee in its meeting held on 7 March 1991 recommended purchase of EPPs from a firm on the basis of their Proprietary Article Certificate at the rate of Rs.2.83 lakhs each. The State Government issued (15 March 1991) financial sanction for purchase of these printers. Accordingly,



the Settlement Commissioner issued (20 March 1991) supply order for supply of 6 EPPs on the basis of *pro forma* invoice of the firm with instructions that the printers be installed before 26 March 1991. The firm supplied the printers within the stipulated time and were paid (25 March 1991) Rs.17.13 lakhs including octroi. The EPPs were installed (April to October 1991) in the office of Settlement Commissioner, Jaipur and in five offices of the Department<sup>1</sup>.

The Department again issued (30 September 1991) supply order to the same firm for supply of 6 more EPPs at the cost of Rs.17.58 lakhs on the basis of their *pro forma* invoice. The EPPs were supplied on 9 October 1991 and payment of Rs.17.69 lakhs including octroi was made on 14 October 1991. These EPPs were installed (25 October 1991) in six Settlement Offices<sup>2</sup>.

During the course of audit of Settlement Commissioner, Jaipur it was noticed (April 1993) that second purchase of 6 EPPs was made without assessing the proper functioning of 6 EPPs already purchased. Whereas 7 Settlement Officers<sup>3</sup> had reported that EPP in their office was not working properly and giving inaccurate results since its installation, EPPs installed (between June-August 1995) in other 4 offices<sup>4</sup> were not functioning. The EPP in remaining one office (Jaipur) was lying unutilised since its receipt.

On this being pointed out (July 1993) in audit, the Department stated (August 1994) that annual service contract for regular control and proper functioning of EPPs was under consideration and the same would eliminate malfunctioning of the EPPs. On enquiry, the Settlement Commissioner, Jaipur informed (August 1995) that the annual service contract had not been finalised as of July 1995. Government endorsed (July 1995) the reply of the Department.

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1. Alwar, Jaipur, Jodhpur, Kota and Udaipur.

2. Ajmer, Bharatpur, Bhilwara, Bikaner, Sikar and Tonk.

3. Ajmer, Bharatpur, Bikaner, Jodhpur, Kota, Sikar and Udaipur.

4. Alwar, Bhilwara, Jaipur and Tonk.



## CHAPTER-VI

### FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

#### Finance Department

#### 6.1 General

(a) During 1994-95, Government disbursed Rs.1247.62 crores as grants to various local bodies and authorities. A broad category-wise analysis of the assistance is furnished below:

S.No.	Categories of bodies/authorities	Amount (Rupees in crores)
1.	Educational institutions (including universities)	138.37
2.	Municipalities	5.84
3.	<i>Panchayat samitis and zila parishads</i>	439.20
4.	Rajasthan State Electricity Board	178.15
5.	Co-operative societies and co-operative institutions	34.57
6.	Other institutions and bodies	451.49
<b>Total</b>		<b>1247.62</b>

(b) Under Section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, the accounts of bodies and authorities substantially financed by grants and /or loans from the Consolidated Fund of India or of a State are to be audited by the Comptroller and Auditor General of India. For this purpose, a body or an authority is deemed to be substantially financed in a year if the total amount of grants and loans received by it during the year, including the unutilised balance, if any, of the grants or/and loans of the previous year(s) is not less than Rs. 25 lakhs and is also not less than 75 per cent of the total expenditure of the body/or authority in that year. In cases where the audit of a body/authority becomes due under Section 14(1) of the Act in a particular year, the audit of the body/authority in the next two years is also



conducted under Section 14(3) notwithstanding the fact that the prescribed conditions are not fulfilled during any of the two subsequent years.

For identification of such bodies and authorities, all administrative departments of the State Government are required to furnish the names of the bodies/authorities, substantially financed by Government, through payments of grants and loans not less than Rs. 25 lakhs, to the Accountant General by 15 May of the following year. Despite repeated instructions from the Finance Department, the relevant information for the years 1991-92 (7 departments), 1992-93 (6 departments), 1993-94 (16 departments) and 1994-95 (18 departments) had not been furnished to Accountant General. This requirement was brought to the notice of the Finance Department several times; the latest reminder had been issued in July 1995.

Further, on the basis of information received from the various departments, the details of the number of bodies/authorities which received grants/loans of Rs.25 lakhs or more during 1991-92 to 1994-95 and from whom the annual accounts were awaited are given below:

		1991-92	1992-93	1993-94	1994-95
(i)	Number of bodies/authorities which received grants/ loans of not less than Rs.25 lakhs	88	89	86	75
(ii)(a)	Number of bodies/authorities from which accounts have been received	78	77	67	21
(b)	Number of bodies/authorities from which accounts have not been received	10	12	19	54

The reasons for non-submission of annual accounts were not intimated (September 1995).

Government stated (September 1995) that instructions had been issued to all the heads of the departments to furnish the requisite information to Audit



immediately and ensure that such information is furnished by the target date in future.

**Audit under Section 14 of Comptroller and Auditor General's  
(Duties, Powers and Conditions of Service) Act, 1971**

**Agriculture Department**

**6.2 Loss due to non-utilisation of cement**

(a) The District Rural Development Agency (DRDA), Jaipur sanctioned (October 1989) construction of 21 anicuts in the catchment area of Jamwa Ramgarh Dam (Jaipur district) under the Jawahar Rojgar Yojana (JRY). While the work was in progress, Government issued (16 July 1990) instructions to stop the work with immediate effect as the anicuts could hinder flow of water to the dam, the main source of water supply to Jaipur city. Accordingly, the work was stopped by the Department.

During test-check in audit of Agriculture Officer, Watershed Development and Soil Conservation Department (WDSCD), Jaipur, it was noticed (July 1994) that 4,079 cement bags were purchased between March-July 1990 for construction of six<sup>1</sup> anicuts. At the time of stoppage of work, 1,382 cement bags (value: Rs.1.01 lakhs) were lying unutilised in various godowns. The Department neither utilised these bags on other on-going works nor transferred them to other units. Deputy Director, WDSCD, Jaipur during his inspection (June 1994) of godown found that the cement bags had set and thus could not be put to use. Moreover, the Department incurred an expenditure of Rs.0.40 lakh on godown rent up to December 1994. Thus, want of timely action for utilisation/transfer of cement resulted in avoidable loss of Rs.1.41 lakhs as of December 1994.

While accepting the facts, Government intimated (June 1995) that disciplinary action was being taken against the defaulting officers. Further progress was awaited (July 1995).

(b) Similarly, the Agriculture Officer WDSCD, Bharatpur purchased 2,220 cement bags between March 1991 and March 1992 for construction of anicuts under Jawahar Rojgar Yojana and 15 bags were already in stock. During test-

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1. Bahrawada, Dagota Bassi, Mehangi, Pali, Narpatia-bas and Sau.



check of the records of WDSCD it was noticed (May 1994) in audit that of the 2,235 cement bags, only 1,292 bags were used and 943 bags (cost: Rs.1.07 lakhs) remained unutilised as of September 1994 in various godowns. The cement in these bags became set and lost its strength due to humidity. Non-utilisation of cement, thus, resulted in loss of Rs.1.07 lakhs.

On this being pointed out in audit, the Agriculture Officer intimated (January 1995) that the fact of setting of the cement bags was brought to the notice of higher authorities on 27 December 1993 who were reminded from time to time (between December 1993 and December 1994) for their disposal. However, on the verbal instructions of the higher authorities 352 bags being in good condition were stated to have been utilised in construction of mangers. But the Agriculture Officer failed (August 1995) to produce records to verify the utilisation of cement and the position of remaining bags also remained unexplained.

The matter was referred to Government in December 1994; reply has not been received (November 1995).

### Education Department

#### 6.3 Irregular diversion of staff paid out of grant from University Grants Commission

To strengthen the machinery for implementation, planning, evaluation and monitoring of reservation orders relating to scheduled caste/scheduled tribe candidates, guidelines were issued by the University Grants Commission (UGC) from time to time. To facilitate the machinery, the UGC sanctioned (19 March 1983) six posts<sup>1</sup> for creation of a special cell for Mohanlal Sukhadia University, Udaipur. Notwithstanding the guidelines of the UGC, the University did not create the cell though it operated these posts. Instead, these posts were utilised for other regular work. The University incurred expenditure of Rs.15.35 lakhs during 1983-93 on the pay and allowances of the personnel shown against the cell which was subsequently reimbursed by the UGC in July 1992 (Rs.8.66 lakhs) and May

1. One each of Deputy Registrar, Section Officer, Statistical Assistant, Upper Division Clerk, Junior Steno (Steno Typist) and Peon.

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1994 (Rs.6.69 lakhs). This resulted in irregular diversion of staff paid out of grants from the UGC.

Government stated (October 1995) that the staff of the cell instead of sitting together were posted in the various sections/colleges to make available information relating to SC/ST students. Government was intimated (November 1995) that their reply was not tenable as the cell was never in existence as per University's own records; final reply was awaited (December 1995).

#### 6.4 Wasteful expenditure on maintenance of college buses and pay and allowances of operating staff

To provide conveyance facility to girl students, Maharani's College of University of Rajasthan, Jaipur had been maintaining three buses.

During the course of audit (November 1993 - June 1994) of the University of Rajasthan, it was noticed that these buses were lying idle since 1988-89. Despite the buses not being in use, an expenditure of Rs.4.89 lakhs was incurred during 1988-89 to 1993-94 on their maintenance (Rs.0.77 lakh) and pay and allowances of the operating staff (Rs. 4.12 lakhs) as of 31 March 1994. Information regarding payment made after March 1994 was not made available .

On this being pointed out (May 1994) in audit, college administration failed to intimate reasons for expenditure on maintenance on idle buses and continuation of services of operating staff.

The matter was referred to Government in March 1995; reply has not been received (June 1995).

### Environment Department

#### 6.5 Rajasthan State Pollution Control Board

##### 6.5.1 Introduction

The Rajasthan State Pollution Control Board (Board) was constituted in September 1975 in pursuance of Section 4 of Water (Prevention and Control of



Pollution) Act, 1974 (Water Act) enacted by Parliament. Subsequently with a view to control air pollution, Air (Prevention and Control of Pollution) Act, 1981 (Air Act) was also enacted by Parliament in May 1981. Implementation of both these Acts was entrusted to the Board. The main functions of the Board are:

- to give consent to person who shall bring into use any new or altered outlet for the discharge of sewage or trade effluent, besides promoting cleanliness of wells and streams and to improve the quality of air and to prevent, control or reduce water/air pollution in the State;
- to advise the State Government with respect to the location or suitability of any premises for setting up of any industry which is likely to cause water/air pollution and to plan and execute state-wide programmes on pollution control;
- to identify the sources of water and air pollution as also sites for storage and disposal of hazardous chemicals and waste;
- to lay down standards for treatment of sewage and trade effluent and for exhaust and stack gas cleaning systems for industrial plants, automobiles and for other polluting sources and to evolve economical and reliable methods of treatment of sewage and trade effluents, and
- to disseminate the collected information relating to water and air pollution and to perform other such functions as may be prescribed by the State Government or Central Pollution Control Board (CPCB).

The scope of the Board was further, widened by entrustment to it of the enforcement of provisions of Environment (Protection) Act, 1986 and rules made thereunder.

In addition, the Board was empowered to levy and collect cess on water consumption by certain industries/local authorities under the Water (Prevention and Control of Pollution) Cess Act, 1977 (Cess Act).

### **6.5.2 Organisational set up**

The Board has a full time Chairman and a Member Secretary, five members representing the State Government, five members nominated from the



members of local bodies, three non-officials to represent interest of industry, trade, etc. and two members representing corporations and boards. The Chairman is assisted by a full time Member Secretary and eight Regional Environmental Engineers (REEs)<sup>1</sup>.

### 6.5.3 Audit coverage

The review is based on test-check of activities of the Board for the period from 1989-90 to 1994-95 conducted from November 1993 to April 1994 and May 1995 to July 1995 in the head office of the Board and three regional offices<sup>2</sup>. The results of the test-check are mentioned in the succeeding paragraphs.

### 6.5.4 Highlights

- Equipment valuing Rs.24.79 lakhs received during 1985-95 as gifts from various business concerns and Indo - German Bilateral Project were not accounted for.

(Paragraph 6.5.5(b))

- Of the 1,104 industries identified under the Red category<sup>\$</sup>, 219 industries were functioning without consent of the Board. Similarly, of the 1,198 industries identified under Orange<sup>\$</sup> and Other<sup>\$</sup> categories 374 industries were operating without consent.

(Paragraph 6.5.7)

- The shortfall in collection of water cess ranged from 8 to 81 *per cent* during 1989-95. Rupees 81.43 lakhs were reimbursed less to the Board by the Government of India during 1989-95. Of the water cess received from GOI, Rs.150 lakhs were deposited in Personal Deposit Account contrary to guidelines. An amount of Rs.707.30 lakhs (inclusive of interest of Rs.221.34 lakhs) towards water cess was outstanding for recovery from four defaulting units.

(Paragraph 6.5.8(b),(e),(f)&(g))

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1. One each at Alwar, Bhilwara, Bhiwadi, Jaipur, Jodhpur, Kota, Pali and Udaipur.

2. Alwar, Jaipur and Kota

\$ Red-Highly polluting and/or of hazardous nature

\$ Orange-Comparatively less polluting

\$ Green (Others)-Least polluting



- Of the 2,302 polluting industries, pollution control measures were not installed/were under construction in 611 industries.

(Paragraph 6.5.9)

- Only four out of 269 industrial units identified by the Board as hazardous waste generating units were issued authorisation for collection, treatment, transporation and storage. None was authorised to dispose of hazardous waste as sites for such disposal were not notified by the State Government.

(Paragraph 6.5.10(c))

- Only 215 units had been prosecuted during 1989-95 of which 24 units had been convicted. The position of cases pending in the courts was not made available by the Board.

(Paragraph 6.5.11)

- The Board had not obtained reimbursement from the Government of India of additional expenditure of Rs.12.73 lakhs incurred on the establishment of 16 State Ambient Air Monitoring stations transferred under National Ambient Air Quality Monitoring Programme.

(Paragraph 6.5.13(a))

- The Board had not taken up schemes "Study on Noise Pollution in selected cities" and "Inventorisation of highly polluting small scale industries".

(Paragraph 6.5.13(d))

- Of the sanctioned technical posts, 28 to 35 *per cent* were lying vacant during 1989-95.

(Paragraph 6.5.14(a))

#### 6.5.5 Financial arrangements

The main sources of revenue of the Board were grants-in-aid from the Central and State Governments, re-imbursement of water cess collection from the



Government of India, consent fees leviable on industries established in the pollution control areas and interest on deposits.

(a) Year-wise details of revenue and expenditure of the Board for the period 1989-95 were as follows. Data in respect of 1993-94 and 1994-95 are provisional as annual accounts were yet to be finalised (September 1995).

Receipts	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
(Rupees in lakhs)						
(a) Opening balance	41.50	43.42	48.10	62.44	51.77	158.95
(b) Board's share of water cess	22.13	6.60	20.43	36.37	101.13	113.00
(c) Consent fees	6.30	5.95	10.96	12.45	20.22	18.23
(d) Grant-in-aid from the State Government	55.00	80.50	108.70	115.00	147.00	160.00
(e) Grant-in-aid from the Government of India	7.00	-	-	-	11.22	3.99
(f) (i) Interest	0.49	0.12	2.04	2.93	0.89	12.14
(ii) Miscellaneous receipts	1.86	0.41	1.85	0.68	0.41	0.90
(g) Advances and deposits	5.90	31.78	5.45	20.82	-	-
<b>Total receipts</b>	<b>140.18</b>	<b>168.78</b>	<b>197.53</b>	<b>250.69</b>	<b>332.64</b>	<b>467.21</b>
<b>Expenditure</b>	<b>96.76</b>	<b>120.68</b>	<b>135.09</b>	<b>198.92</b>	<b>173.69</b>	<b>203.07</b>
<b>Closing balance</b>	<b>43.42</b>	<b>48.10</b>	<b>62.44</b>	<b>51.77</b>	<b>158.95</b>	<b>264.14</b>



(b) The Board's resources are augmented, *inter alia*, by way of gifts, grants, donations, benefaction, fees, etc. During test-check it was noticed that gifted equipment valued at Rs.24.79 lakhs given by various business concerns and Indo-German Bilateral Project during the period 1985-95 were not accounted for in the annual accounts for the respective years.

(c) Of the unspent balance of Rs.264.14 lakhs, Rs.150 lakhs relating to Board's share of water cess were lying in interest bearing Personal Deposit Account of the Board. Besides, an examination of the activities conducted by the Board for the years 1989-95 revealed that Rs. 43.75 lakhs were provided for new items of works during 1993-95 viz., purchase of two cars and furniture, etc. (Rs. 7.80 lakhs), creation of posts and purchase of laboratory equipment under National Ambient Air Quality Monitoring (NAAQM) and Monitoring of Indian National Aquatic Resources System (MINARS) (Rs.5.00 lakhs), study on noise pollution (Rs.1.45 lakhs), increasing working system of the Board (Rs.1.00 lakh), inventorisation of highly polluting small scale industries (Rs.1.00 lakh), construction of office buildings (Rs.20.00 lakhs) and purchase of computers and photostate machines (Rs.7.50 lakhs), which remained unutilised (July 1995).

(d) The annual accounts of the Board have been compiled up to 1993-94. The accounts for the period 1989-93 have been audited by the Chartered Accountant appointed under Section 40 of the Water Act during February-March 1995; the audit of accounts for 1993-94 is still to be taken up. Audit under Section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 has been conducted up to 1988-89 only and accounts for the years 1989-93 were received in Audit in September 1995.

(e) According to the provision of Section 35(2) of the Air Act and Section 39(2) of the Water Act, the Board was required to submit annual report on its activities to the State Government by succeeding May each year (September from 1994-95) in respect of the previous year. This report was to be laid before the State Legislature by the State Government within a period of nine months from the date of its receipt from the Board.

It was observed that the Board did not prepare the annual reports for the period 1987-92. Thus, the State Government and the State Legislature, could not



be apprised of the Board's activities. The Board attributed (April 1994) non-submission of these five annual reports to administrative constraints. The annual reports for the years 1992-93 and 1993-94 were submitted to the State Government and the State Legislature in April/May 1995.

#### **6.5.6 Survey**

Under the provisions of the various pollution control Acts, the Board was to conduct a survey of industrial units for planning a comprehensive programme of pollution control and for enforcing the provisions of the Acts including those for according consent. This survey had, however, not been conducted by the Board.

On this being pointed out (May 1995) in audit, the Board, stated (July 1995) that the identification of polluting units which was a continuing process was being done on the basis of applications received for consent, inspection of field units and complaints. The contention of the Board is not tenable in audit as identification of polluting units by consent applications, complaints and inspections cannot be treated as a fool proof system for identification of all such units.

#### **6.5.7 Consent under Water and Air Acts**

Consent of the Board under Section 25 of Water Act is necessary for every industrial unit to discharge sewage or effluent into streams, wells, sewer on land. Similarly consent of the Board is necessary under Section 21 of the Air Act to operate any industrial unit/plant in an air pollution control area. In the cases of water pollution, the consent unless given or refused earlier would be deemed to have been given unconditionally on the expiry of a period of four months from the date of application by an industrial unit. In the cases of air pollution, Board is either to accord consent or refuse the same within a period of four months from the date of application under Section 21(4) of Air Act.

The consent policy was revised (December 1993) by the Board under which industries were categorised as Red (highly polluting and/or of hazardous nature), Orange (comparatively less polluting) or Green (others) (least polluting), consent accorded to operate industry under red, orange and other category was to be valid for 3, 5 and 15 years respectively.



The details of total number of applications received for consent during 1989-95 and consent refused or given or deemed to have been given on account of non-issue of consent within the prescribed period, was not made available to audit. The registers prescribed for this purpose under Section 25(6) of the Water Act and Section 51 of Air Act were also not maintained. The consent cases of industries of Red category were dealt-with in the office of the Board. The Board had identified up to July 1995, on the basis of inspections and complaints, 442 units for air and 662 units for water pollution under this category. Consent cases in respect of the other two categories were dealt with by the regional offices which were also identified on the basis of inspections and complaints.

The position of consent cases, indicating the units identified as causing water and air pollution under the various categories as on 31 March 1995 was as under:

Particulars	Red *		Orange **		Green ** (Others)	
	Air	Water	Air	Water	Air	Water
1. Total number of identified industries	442	662	583	556	36	23
2. Consent given	294	509	387	393	6	10
3. Units closed	43	39	14	14	-	-
4. Consent applications pending	17	20	7	6	-	-
5. Consent expired but not renewed	49	35	7	8	1	1
6. Consent not applied	19	34	159	127	29	12
7. Consent refused but not re-applied	20	25	9	8	-	-

\* Relates to entire State.

\*\* Relates to regional offices test-checked only



Of the 1,104 units of Red category relating to air and water pollution, consent was given only in 803 cases and 82 units were closed. In the remaining 219 units consent was either pending or had been refused or had expired or the units had not applied for consent but were continuing to function.

Similarly, of the 1,198 units of 'Orange' and 'Green' (Others) categories in respect of the three Regional Offices consent was given in 796 cases. After excluding 28 closed units, there were 374 units where consent was either pending or had been refused or had expired or the units had not applied for consent but were functioning without it.

The Board had shown 50 cases under Red and Orange categories where consent applications were pending. Consent in 24 cases under Air Act should either have been accorded or refused. In remaining 26 cases relating to consent under Water Act, applications were shown pending even after expiry of the prescribed period of four months after which consent would be deemed to have been accorded.

According to information furnished by the Regional office, Jaipur, of 348 small scale industries relating to Orange and other categories, only 6 had valid consent.

A test-check revealed that in 31 cases of 'Red' category the Board took 8 to 73 months in refusing consent against the prescribed period of 4 months, and in 9 cases it failed to take legal action on consent applications not being submitted despite issue of notices. The Board initiated legal action only in one case after the expiry of 14 years.

Of the 139 complaints of water, air and noise pollution received in the State during 1991-93 from Government/non-government organisations and public for taking suitable action against polluting industries, 54 complaints were lying undisposed of (July 1995) for want of inspection, collection of samples from defaulting units and legal opinion. 400 complaints were further received during 1993-95, of which 107 complaints remained pending, the total aggregating 161 as of July 1995.

Neither any action was taken nor any system for disposal of complaints in a time bound manner devised by the Board.



### 6.5.8 Collection of Water cess

(a) Water cess, under the provisions of Cess Act, was required to be levied on local bodies and industrial units, etc. based on water consumed by them. The cess collected by the Board was to be remitted to the Government of India. A specific percentage of the cess collected is reimbursed by the Government of India to the Board.

Under the Cess Act, an industry was required to furnish monthly returns showing consumption of water during the preceding month and pay the amount of cess specified in the assessment order every month within the stipulated period. The Board was not authorised to make any change in the existing procedure. The Board, however, introduced (April 1992) a new scheme named "Self Assessment Scheme" (SAS) under which the assessee was required to submit a self assessment for water cess due for the ensuing year based on earlier years data and in accordance with the criteria prescribed in the scheme. This scheme was introduced to make the procedure of assessment of cess more convenient both for the Board and for the entrepreneurs.

Test-check of records/returns up to 1994-95 revealed that the units were assessing cess on an annual basis at a level lower than the cess amount paid by them before the introduction of the scheme, 107 industries had paid cess less by Rs.0.95 lakh during 1992-95.

(b) The Government of India fixed targets of Rs.65 lakhs, Rs.100 lakhs and Rs.110 lakhs for collection of water cess by the State Board for the years 1992-93, 1993-94 and 1994-95 respectively. While the position of targets for earlier years was not intimated, the basis adopted for fixation of targets in later years could also not be ascertained from the records of the Board. The year-wise



position of assessment and collection of water cess was as under:

Year	Amount assessed	Amount collected	Shortfall	Percentage of shortfall with reference to amount assessed
(Rupees in lakhs)				
1989-90	45.34	11.43	33.91	75
1990-91	73.45	20.25	53.20	72
1991-92	70.72	40.50	30.22	43
1992-93	617.05	114.77	502.28	81
1993-94	318.48	115.56	202.92	64
1994-95	175.70	162.20	13.50	8

The basis of assessment was not on record with the Board. The State Government, accepted (November 1994) that the assessment of water cess was not made on realistic and sound basis.

The shortfall in collection with reference to assessment was attributed to non-payment by some large units viz., Kota Thermal Power Station (Rs.86.11 lakhs), Public Health Engineering Department (Rs.383.13 lakhs), Anta Gas Power Station (Rs.13.91 lakhs) for the period 1993-95 and other units. The Board stated (July 1995) that action had been initiated to get the outstanding amount recovered from the units concerned.

(c) The Board authorised (1979), the United Commercial Bank (UCO), Bani Park, Jaipur and its branches in the State to collect water cess and remit it to the Pay and Accounts Officer, Ministry of Works and Housing, New Delhi by 10th of the succeeding month through demand draft/cheque. No formal agreement was, however, made by the Board with the Bank.

During the course of test-check, it was noticed that UCO Bank, Kota collected (15 April 1991) Rs.18.08 lakhs on account of cess from Kota Thermal Power Project and transferred (July 1991) it to Bani Park Branch, Jaipur which



remitted the amount to the Government of India on 4 January 1992. The Board claimed interest of Rs.1.50 lakhs at the rate of 12 *per cent* per annum for the delay in remitting the amount which had not been paid by the bank as of July 1995.

(d) The Government of India reimbursed Rs.94.57 lakhs on account of water cess to the State Government during the period 1979-90 for onward transmission to the Board, against which the State Government released only Rs.77.49 lakhs to the Board retaining Rs.17.08 lakhs. No action was taken by the Board for the release of this amount, reasons for which were not intimated.

(e) According to the formula devised in February 1979, 7.5 *per cent* of the gross proceeds was to be paid to the Board as cost of collection of cess. The Government of India was to retain 17.5 *per cent* of the net proceeds for distribution among Central Board and State Boards as discretionary grant for specific works /projects of inter-state importance and eighty *per cent* of net proceeds were to be released to the Board as its share, 2.5 *per cent* of the net proceeds being released as incentive for prompt collection of cess. The Government of India revised (April 1992) this criteria according to which 25 *per cent* of the total amount was to be retained by the Central Government to encourage research and development and the balance 75 *per cent* was to be released to the State Boards concerned.

The details of water cess collected by the Board, amount remitted to the Government of India and the amount received by the Board from the Government



of India (GOI) were as under:

S. No.	Year	Amount collected	Amount remitted to the GOI	Amount to be released to the Board as per formula	Actual receipt from the GOI	Excess/less (+)/ (-)
(Rupees in lakhs)						
1.	1989-90	11.43	9.56	8.01	5.68	(-)2.33
2.	1990-91	20.25	22.33	18.71	18.41	(-)0.30
3.	1991-92	40.50	33.27	27.89	27.89	-
4.	1992-93	114.77	97.81	73.36	55.79	(-)17.57
5.	1993-94	115.56	136.84	102.63	108.82	(+)6.19
6.	1994-95	162.20	145.75	109.31	41.89	(-)67.42
<b>Total</b>		<b>464.71</b>	<b>445.56</b>	<b>339.91</b>	<b>258.48</b>	<b>(-)81.43</b>

Reasons for less reimbursement of Rs.81.43 lakhs were not on record.

(f) The guidelines issued by the Government of India stipulated utilisation of  $33\frac{1}{3}$  per cent of the amount received from the Government of India on pollution control measures,  $33\frac{1}{3}$  per cent for assisting industrial units in the adoption of clean process technologies and sewage treatment system in class II and III towns and balance  $33\frac{1}{3}$  per cent according to the decisions of the State Pollution Control Board. Of the amount of Rs.206.50 lakhs received from the Central Government during 1992-95, the Board deposited Rs.150 lakhs in interest bearing Personal Deposit Account. No reasons for deviation were furnished by the Board (July 1995).

(g) Under Section 10 of the Cess Act, interest from defaulting units at the rate of 12 per cent per annum (revised to 2 per cent per month from January 1992) was leviable on the cess amount from the date on which such payment was due till the date of actual payment.

During test-check, it was noticed that interest amounting to Rs.221.34



lakhs was leviable on Rs.485.96 lakhs of arrears from the defaulting units as under:

S. No.	Name of Unit	Amount of arrears	Period for which interest leviable	Amount of interest due
(Rupees in lakhs)				
1.	Kota Thermal Power Plant	35.53	1 April 1993 to 31 March 1995	17.05
		50.58	1 April 1994 to 31 March 1995	12.14
2.	Anta Gas Thermal Power Plant	6.89	1 April 1993 to 31 March 1995	3.31
		7.02	1 April 1994 to 31 March 1995	1.68
3.	Municipalities	2.03	1 April 1988 to 31 March 1995	2.50
		0.78	1 April 1989 to 31 March 1995	0.76
4.	Public Health Engineering Department	383.13	1 April 1993 to 31 March 1995	183.90
<b>Total</b>		<b>485.96</b>		<b>221.34</b>

The Board intimated (July 1995) that the interest would be levied at the time of the recovery of principal amount.

#### 6.5.9 Construction of Effluent Treatment Plants (ETPs)

To control quality of effluent discharged in water and emission in air, every industry was required to install effluent treatment plant (ETP) and air pollution control equipment.

The position of pollution control measures installed by industrial units in respect of Red category in the State and Orange and Other categories for the test-



checked regional offices were as under :

S. No.	Status of pollution control measures	RED		ORANGE		OTHERS	
		Air	Water	Air	Water	Air	Water
1	Effluent Treatment Plant/air pollution control equipment						
(a)	installed	326	328	351	338	9	10
(b)	partially installed	76	45	102	86	18	3
(c)	under construction	2	5	-	-	-	-
(d)	not installed	38	47	88	94	5	2
(e)	not required	-	1	42	38	4	8
2	common effluent <sup>@</sup> treatment plant installed	-	236	-	-	-	-
<b>Total</b>		<b>442</b>	<b>662</b>	<b>583</b>	<b>556</b>	<b>36</b>	<b>23</b>

Of the 2,302 units, effluent treatment plants were not in operation in 611 cases which were thus polluting air and water; no measures were taken by the Board to control the pollution. Thus, the Board failed to discharge its statutory functions effectively.

#### 6.5.10 Management of hazardous waste/chemicals

(a) The Government of India, Ministry of Environment and Forest, released financial assistance of Rs.7.00 lakhs in January 1989 to the State Government for creation of infrastructure for management of hazardous substances. Of this, Rs.5.32 lakhs was to be spent on equipments and Rs.1.68 lakhs on establishment; and the assistance was to be utilised within one year from the date of issue. The State Government, however, transferred the amount to Board in March 1990. The Board incurred an expenditure of Rs.0.80 lakh on purchase of a computer and

<sup>@</sup> Common effluent treatment plant is a plant to treat the effluent of the units of a similar nature discharging similar effluent.



Rs.5.60 lakhs on pay and allowances of staff out of Rs.7.00 lakhs during 1991-95. The balance amount was lying with the Board.

(b) A comprehensive scheme, required to be prepared for the transportation of hazardous chemicals in pursuance of the decision (November 1989) taken by the Board had not been prepared as of July 1995.

(c) Out of 269 industrial units identified by the Board as hazardous waste generating units in the State, 38 industries submitted applications for obtaining authority for collection, treatment, transportation and storage of hazardous waste. Of these, only 4 industries were issued authorisation and the remaining applications were pending. Further the Board did not issue any authorisation for disposal of hazardous waste as sites for such disposal were not notified by the State Government. The Board stated (July 1995) that it had neither adequate equipment nor facilities for testing hazardous waste in accordance with the required norms.

#### **6.5.11 Launching of prosecutions**

Rajasthan Pollution Control Board is required to prosecute an industry failing to comply with directions issued under various provisions of Water and Air Acts.

It was, noticed that the Board prosecuted only 215 units (96 under Water Act and 119 under Air Act) during 1989-95. The position of cases pending in courts was not made available. However, only 97 cases including the cases launched in earlier years had been decided as on 31 March 1995, of which, only 24 cases resulted in conviction.

#### **6.5.12 Purchase of laboratory equipments**

(a) The Government of India sanctioned (March 1987) Rs.5.90 lakhs for the purchase of Sulphur Dioxide Analyser required for field ambient air monitoring. The Board placed (January 1992) a supply order with a Bombay firm and opened a letter of credit for Rs.6 lakhs. The Board received the equipment in March 1993 while payment of Rs.5.58 lakhs was made to the firm in February 1993.



The equipment was, however, not installed as of July 1995. The Board stated (July 1995) that the equipment could not be commissioned for want of air conditioning facility. It was, however, noticed in audit that the equipment could not be installed as it was not in accordance with the specifications indicated in the supply order, due to non-receipt of in-built printer, and the kit and spares received being of different model. The defects were not brought to the notice of the firm except for the defect of non-supply of printer. No action was taken by the Board for replacement of the equipment and for refund of Rs.0.42 lakh from the bank.

(b) For development of field monitoring facilities for surface and ground water, industrial effluents, ambient air, etc. a field mobile laboratory was required to be set up. For this purpose, the Indo-German Bilateral Project (IGBP) proposed (November 1990) to equip the vans if provided by the Board. For monitoring facilities of surface and ground water, IGBP recommended TATA 407 Mobile vehicle while for industrial effluent and ambient air it recommended Bajaj Tempo Traveller.

Accordingly, Rs.10 lakhs were provided by the State Government in 1990-91 for the purchase of 3 vehicles. The amount was, however, utilised for construction of building for the Board. During 1991-93, Rs.27 lakhs were provided in the Board's budget for procurement of vans but the amount could not be utilized for want of approval from CPCB. In the meanwhile, the Board received Rs.3.50 lakhs from CPCB for purchase of one Bajaj Tempo Traveller. The vehicle was purchased (June 1993) and equipped by IGBP in May 1995. A provision of Rs.7.50 lakhs was again made in 1993-94, for the purchase of two trucks but the Board again failed to utilise the amount. The monitoring network, thus could not be strengthened due to non-procurement of 2 Mobile Vans, and the one Tempo-Treveller procured having been equipped for the purpose at a belated stage.

### **6.5.13 Other topics of interest**

(a) Assessment of the existing water and air quality is a pre-requisite for effective and proper planning of pollution control and implementation of pollution control measures. To assess the nature and extent of the requirement for pollution control measures and their impact on ambient air and water quality, CPCB sanctioned establishment of National Ambient Air Quality Monitoring



(NAAQM) stations in 1985 and Monitoring of Indian National Aquatic Resource System (MINARS) in August 1988.

The CPCB sanctioned 16 NAAQM stations, from time to time, in five centres<sup>3</sup>. The sanctions for two stations of Kota along with sanctions for 5,2 and 2 stations at Jaipur, Jodhpur and Udaipur respectively were withdrawn in August 1992 due to financial constraints. The Board further decided (April 1993) to start 10 monitoring stations under State Ambient Air Quality Monitoring (SAAQM) programme. These were, however, treated as transferred (September 1994) to NAAQM, programme and one left over station under NAAQM in Chittorgarh was to be installed by December 1994. The position of establishment of NAAQM stations was as under (July 1995):

S. No.	Centre	Number of stations	Month of start
1.	Kota	3	March 1985
2.	Alwar	2 1	December 1991 June 1993
3.	Jaipur	3	June 1994
4.	Jodhpur	3	July 1994
5.	Udaipur	3	June 1993
6.	Chittorgarh	1	Not yet started
<b>Total</b>		<b>16</b>	

The Board incurred an expenditure of Rs.37.06 lakhs on NAAQM stations during 1984-85 against Rs.24.33 lakhs received from the Central Pollution Control Board. No action was taken to obtain reimbursement of the balance Rs.12.73 lakhs (July 1995).

The reasons for not starting/delay in starting these stations were attributed by Board to constraints of man-power and equipment. This contention of the

<sup>3</sup> Alwar: 2(1986-87), Jaipur: 5(1988-89), Jodhpur: 2(1990-91), Kota :5(1985) and Udaipur :2(1990-91)



Board was not tenable in audit, as the Board could not utilise the amount of Rs.5.00 lakhs provided by the State Government during 1993-94 for creation of posts and purchase of laboratory equipment under NAAQM and MINARS. Neither details of performance of these stations were maintained nor any Action Plan to reduce air pollution had been prepared despite Board's resolution to this effect in September 1994.

(b) With a view to monitoring the quality of water, CPCB sanctioned 12 water quality monitoring stations during August 1988 to November 1991 under the scheme 'Monitoring of Indian National Aquatic Resources Systems (MINARS)'. These stations were reported to be in operation.

During test-check of record of 9 stations, it was noticed that according to the norms prescribed by CPCB 281, samples were required to be collected and analysed during the period 1989 to March 1995. However, only 166 samples had been collected and analysed indicating that no regular monitoring was done. Regional Officers, Jaipur and Pali attributed (August 1995) the shortfall to the lack of water in the sources and shortage of vehicles and staff.

(c) At the instance of the Central Ganga Authority, the CPCB identified Chambal river as a polluted river and envisaged preparation of feasibility reports for abatement of pollution, the cost of which was to be shared between the Central and the State Governments. An amount of Rs. 2.50 lakhs was released (November 1993) to the Board for carrying out investigation and survey of pollution load in Kota and Keshoraipatan and preparation of feasibility reports of pollution abatement schemes. The Board submitted its report to the Government of India in April 1994 on which an expenditure of Rs.0.11 lakh had been incurred. The unutilised balance of Rs. 2.39 lakhs was lying with the Board (July 1995).

(d) The State Government made provision of Rs.2.45 lakhs during the period 1993-95, in the Board's budget for "Study on Noise Pollution in selected cities" (1993-94: Rs.0.95 lakh and 1994-95: Rs.0.50 lakh) and "Inventorisation of highly polluting small scale industries " (Rs.1.00 lakh : 1993-94) under new items. The Board did not implement the schemes and the amount remained unutilised.



(e) The Board's request (January 1992) to the State Government for approval of installation of an EPABX system at an estimated cost of Rs.0.80 lakh in the new office building, was not acceded to (February 1992). The Board's second request was also turned down (March 1992) as there was no justification for it. Thereafter, the Board in its 83rd meeting (May 1992) ignoring the refusal by the State Government, approved installation of EPABX which was commissioned on 19 September 1992 for Rs.1.28 lakhs.

The Board stated (July 1995) that the approval of the State Government was necessary only in cases of expenditure out of grant-in-aid and since the EPABX was purchased from Board's own income, the same was not necessary. The contention of Board was not tenable as under the provisions of rule 20 of Rajasthan Water (Prevention and Control of Pollution) Rules, 1975, the expenditure of the Board was regulated by the provisions of General Financial and Accounts Rules and required Government's approval.

(f) According to Government orders (January 1990), rent was to be increased by 20 *per cent* in respect of buildings on hire after a period of every five years. In case of buildings already on hire continuously for a period of five years or more as on 1 April 1990, rent was to be increased by 20 *per cent*. It was, however, observed that the Board increased rent either at the rate of 5 *per cent* every year or on lump sum basis which resulted in overpayment of Rs.2.42 lakhs.

On this being pointed out in Audit, Board intimated (May 1994) that the decisions taken by it in respect of conducting its business and activities were final and supreme, and did not require any ratification from the State Government since the Additional Secretary, Department of Environment and Deputy Secretary, Finance were members of the Board. The contention of the Board was not tenable, as under the provisions of rule 20 of Rajasthan Water (Prevention and Control of Pollution) Rules, 1975 the expenditure of the Board was regulated by the instructions issued by Government from time to time.



### 6.5.14 Man Power Evaluation

(a) Year-wise position of sanctioned and working strength of total staff during 1989-95 was as under:

Year	Sanctioned strength			Working strength			Vacant			Percentage of vacancies	
	T*	NT@	Total	T	NT	Total	T	NT	Total	T	NT
1989-90	114	76	190	74	76	150	40	-	40	35	NIL
1990-91	119	99	218	83	79	162	36	20	56	30	20
1991-92	128	101	229	92	96	188	36	5	41	28	5
1992-93	138	111	249	93	98	191	45	13	58	33	12
1993-94	145	119	264	95	101	196	50	18	68	34	15
1994-95	137	126	263	90	108	198	47	18	65	34	14

The percentage of vacancies in respect of the technical posts ranged between 28 and 35 during 1989-95 which had an adverse impact on the working of the Board.

The Board stated (May 1994) that no norms for staffing pattern with reference to work load were fixed for technical/non-technical staff. In absence thereof, the justification of various posts sanctioned/created by Board/Government could not be examined. As regards vacancies, the Board stated (June 1995) that the posts could not be filled due to administrative reasons and non-availability of suitable candidates.

(b) The Rajasthan State Pollution Control Board Employees Service Rules and Regulations, 1993 were operative with effect from March 1993. Prior to this, the procedure for recruitment was prescribed (March 1984) by the Board which, *inter alia*, laid down that recruitment shall be made on the basis of written test and interview. The Board further decided (April 1989) not to make any *ad hoc* appointment. The following irregularities were noticed in appointment of officials.

\* T - Technical

@ NT - Non-technical



(i) The services of 16 persons initially appointed for 3 to 6 months were extended, from time to time, for one to five years. Thereafter, the services of these *ad hoc* employees were regularised by obtaining the approval of the Board.

(ii) In spite of the Board's restrictions not to make *ad hoc* appointment, the Board recruited 9 junior engineers between July 1989 and December 1989 and one stenographer on 28 October 1989 on *ad hoc* basis. Of the 9 junior engineers, 8 were subsequently appointed (June 1990) on temporary basis. At the instance of State Government, the services of these 8 junior engineers were terminated on 21 September 1990 but the termination orders were stayed (October 1990) by the High Court. The Board had to terminate its orders of September 1990 and regularised their appointments with effect from the date of their temporary appointment (June 1990).

(iii) A Law Officer was recruited (April 1985) on purely *ad hoc* basis for 4 months or till the selection of a regular officer, whichever was earlier. However, no action was taken to recruit any official to the post. The incumbent was allowed to continue till his regular appointment (February 1990) as Law Officer by the Board. The Board admitted the irregularities in this appointment.

(iv) A Store *Munshi* was appointed (August 1986) on work charged basis at the age of 31 years and 4 months against the maximum age limit of 31 years prescribed by the State Government for appointment to Government service. The employee was later on appointed (March 1987) as lower division clerk on *ad hoc* basis.

In reply to Audit, the State Government stated (November 1994) that these appointments were made due to the reasons best known to the then Chairman and Member-Secretary of the Board.

#### **6.5.15 Monitoring and Inspection**

The Board was required to conduct inspection and collect samples of waste (treated and untreated) to assess the efficiency of pollution control measures adopted by industrial units. Before carrying out the inspection, the units were required to be categorised according to the guidelines issued by the Government of India (August 1988). While the guidelines issued by the Government of India contained a definite periodicity of inspections, the



periodicity prescribed (June 1994) by the State Government was not definite as it laid down only the upper limit of inspection as would be evident from the table given below:

S. No.	Scale of Industries	Category of Industries	Frequency of Inspections	
			As per Government of India	As per State Government
1.	Large	All units will be under Red	Once in a month to once in six months	Red-Not exceeding once in a month
2.	Medium	Red	Once in three months	Orange- Not exceeding once a quarter
		Orange	Once in six months	Green - Not exceeding once in six months
		Green	Once in a year	
3.	Small	Red	Once in six months	
		Orange	Once in a year	
		Green	Once in two years	

The Board, categorised the industries in June 1994 but did not have any consolidated record indicating the number of units required to be inspected and actually inspected prior to 1994-95. However, 3,869 inspections were conducted during 1994-95.

#### 6.5.16 Training and research

Under Section 17(e) of Water Act and Section 17(d) of Air Act, the State Board with the collaboration of CPCB was to organise training of persons engaged on programmes relating to prevention, control or abatement of air/water pollution and was also to organise mass education programmes relating thereto.

It was, however, observed that the Board had not imparted any training to the staff during the period 1989-95 and expenditure of Rs.0.57 lakh on mass education was incurred on publication of guidelines on consent policy (Rs.0.41 lakh), Indian Science Congress (Rs.0.10 lakh) and World Environment Day (Rs.0.06 lakh). No research activity was undertaken by the Board.



### 6.5.17 Evaluation

Though the Board had been functioning since February 1975, its activities had not been evaluated since inception by any outside agency. On enquiry, the Board stated (July 1995) that evaluation had been done by the State Government from time to time, but the reports had not been received by it (June 1995).

The State Government while analysing the Annual Report for 1992-93, observed (January 1994) that the activities of the Board were moving around "No objection certificate" and "Consent administration to industries", and further observed that the Board had failed to enforce environmental pollution control measures and resultantly industrial pollution was increasing.

The matter was referred to Government in September 1995; reply has not been received (December 1995).

## Power Department

### 6.6 Extra expenditure owing to non-inclusion of penalty clause in the contract agreements

Under the solar energy programme, Solar Thermal Extension Programme was started during 1986-87 in the State. Rajasthan Energy Development Agency (REDA) was the nodal agency under the overall control of the Power Department from April 1990.

The Government of India, Ministry of Non-Conventional Energy Sources (MNES) agreed (April 1990) to provide Central assistance for a project of installation of 85 Solar Water Heating (SWH) System having total capacity of 0.55 lakh litre per day (LPD) at Birla Institute of Technology and Science (BITS), Pilani, Rajasthan at the cost of Rs.44.26 lakhs. The expenditure was to be shared between BITS and REDA. The project was taken up in April 1991 and completed in February 1994 at the cost of Rs.51.76 lakhs. BITS paid Rs.26.22 lakhs and remaining Rs.25.54 lakhs was borne by REDA (Grant: Rs.22.21 lakhs, State Plan: Rs.3.33 lakhs).

During test-check of records of REDA, Jaipur it was noticed (July/August 1992) that the work was allotted to four contractors with stipulated date of



commencement as April 1991 and completion as June 1991 (subsequently extended up to September 1991). While contractors 'C' and 'D' completed the works allotted to them, contractors 'A' and 'B' failed to start the work. Enquiry in audit further revealed ( July 1994 ) that in the absence of a penal clause in the agreements, contractors 'A' and 'B' were black listed and the works allotted to contractor 'D' at higher rates were completed in February 1994. This resulted in extra expenditure of Rs.7.34 lakhs of which Rs.3.33 lakhs were borne by REDA from State plan funds and the balance was paid by BITS.

On this being pointed out (September 1992/February 1995) in audit, Government admitted (August 1995) that due to non-inclusion of risk factor clause in the work order, action could not be taken against the contractors and now this clause was being included in the work orders.

### **Social Welfare Department**

#### **6.7 Subsidy under Urban Shop Scheme rendered unfruitful**

With a view to providing shops as a means of self employment to scheduled caste families living below the poverty line<sup>@</sup> in urban areas, the Rajasthan Scheduled Caste Development Co-operative Corporation (RSCDCC) sanctioned a scheme in 1983-84. Under this scheme, land was to be provided free of cost by Municipalities, Urban Improvement Trusts (UIT), Housing Board, etc. The estimated cost of construction of each shop was fixed as Rs.10,000 (Rs.12,000 in special circumstances). RSCDCC was to provide Rs.5,000 for each shop as subsidy and the balance Rs.5,000-7,000, as the case may be, was to be borne by the beneficiary either from his own resources or by bank loan. The subsidy was to be paid through District Rural Development Agency (DRDA) to the respective agencies viz., Municipalities, UIT, Housing Board, etc., as the case may be. DRDA was made responsible for overall implementation of the scheme.

For construction of shops in Ajmer district, RSCDCC paid subsidy of Rs.10.75 lakhs to DRDA, Ajmer during the years 1983-84 to 1990-91. Of this DRDA paid Rs.9.95 lakhs to 6 Municipal Councils<sup>1</sup> (Rs.8.05 lakhs) and UIT,

<sup>@</sup> Poverty line is the annual household income of Rs.7,300 in urban area, and Rs.6,400 in rural area.

1. Beawar (25 shops: Rs.1.25 lakhs); Kekri (31 shops: Rs.1.55 lakhs); Kishangarh (40 shops: Rs.2 lakhs); Pushkar (10 shops: Rs.0.50 lakh); Sarwad (24 shops: Rs.1.20 lakhs); Vijaynagar (31 shops: Rs.1.55 lakhs).



Ajmer (Rs.1.90 lakhs) for construction and allotment of shops to scheduled caste residents of the area. The balance amount of Rs.0.80 lakh was reported to be lying unutilised with DRDA, Ajmer as of January 1995.

Six Municipal Councils and UIT, Ajmer constructed 161 shops and 36 shops respectively. Reasons for not constructing the remaining 2 shops (subsidy: Rs.0.10 lakh) out of the subsidy were neither on record nor intimated by the UIT, Ajmer as of January 1995.

During test-check of records of DRDA, Ajmer it was noticed (October 1991-January 1992) that contrary to the provisions of the scheme, out of 197 shops constructed with subsidy of Rs.9.85 lakhs only 50 shops were being used by the beneficiaries for bonafide purposes. The remaining shops (subsidy: Rs.7.35 lakhs) were found to have been sold, let out, closed or not given possession of to the allottees.

Government stated (August 1995) that notices had been issued to defaulter allottees of 62 shops at Kekri and Vijaynagar and allotment of 38 shops at Ajmer had been made but possession of 11 shops only was obtained by the allottees. Progress in remaining cases was awaited (November 1995).

### **Special Schemes and Integrated Rural Development Department**

#### **6.8 Blocking of funds on incomplete works**

The State Government on 18 December 1984 and 12 January 1985 accorded sanctions for construction of Minor Irrigation Projects at Naveli and Ahmadi (Kota district) at an estimated cost of Rs.49.04 lakhs and Rs.95.67 lakhs respectively under National Rural Employment Programme (NREP). The work was to be executed by Irrigation Department.

During test-check of records of District Rural Development Agency (DRDA), Kota it was noticed (between April-June 1994) that construction of these projects started in 1984-85 and expenditure of Rs.18.05 lakhs (Naveli) and Rs.29.57 lakhs (Ahmadi) was incurred up to March 1989 and March 1993 respectively. However, the work on these projects was stopped thereafter leaving the projects incomplete owing to land dispute as land admeasuring 107 and 228.76 hectares falling in the catchment area of these projects belonged to Forest



Department. The dispute was not resolved despite being under correspondence between August 1985 and May 1993. The projects were, thus, lying incomplete (February 1995).

On this being pointed out in audit, DRDA, while accepting the facts, stated (16 May 1994) that they had transferred funds for these projects to Irrigation Department which had prepared and sanctioned estimates of these projects and as such should be held responsible for taking up works without getting forest land converted. Entrustment of works by DRDA without proper acquisition/conversion of the forest land, thus resulted in the blocking of Government funds of Rs.47.62 lakhs besides defeating the intended purpose.

Government accepted (September 1995) the facts endorsing the reply of DRDA.

#### **6.9 Idle investment on purchase of truck chassis**

Under Ravine Reclamation Programme (RRP), the State Government sanctioned (30 March 1990) Rs.12.50 lakhs for purchase of vehicles and other equipment for Forest Department. However, the amount remained unutilised. Government issued (23 March 1991) a revised sanction for Rs.12.50 lakhs to District Rural Development Agency (DRDA), Bharatpur for the same purpose. The DRDA transferred (27 March 1991) these funds to the Conservator of Forests (CF), RRP, Bharatpur for procurement of vehicles and other equipment at Director General, Supplies and Disposals (DGSD) rates. The CF, RRP, Bharatpur procured (30 March 1991) vehicles<sup>1</sup> costing Rs.12.29 lakhs and allotted (April 1991) these vehicles to 5 field offices<sup>2</sup> of the Forest Department.

During test-check of records of Deputy Conservator of Forests (DCF), Karauli, it was noticed (January 1994) in audit that of 6 vehicles one Truck Chassis (Rs.3.86 lakhs) remained unutilised as of June 1995. The chassis was first allotted (April 1991) by CF, RRP, Bharatpur to DCF (Social Forestry), Sawaimadhopur. However, DCF, Sawaimadhopur refused to take delivery as it was not required by the division. This chassis was, thereafter allotted (May 1991) to DCF, Karauli without any requisition. The DCF, Karauli, took delivery

1. Motor Cycles:2 (Rs.0.53 lakh); Tractor:1 (Rs.2.01 lakhs); Jeep:1 (Rs.2.03 lakhs) and Truck Chassis:2 (Rs.7.72 lakhs).

2. Dholpur, Jaipur, Karauli, Kota and Sawaimadhopur.



reluctantly on 27 August 1991 and requested between October 1991 and January 1994 CF, RRP, Bharatpur and CF (Soil Conservation), Jaipur for allotment of funds for fabrication of body on the chassis but requisite funds were not made available. The DCF, Karauli intimated (March 1994) to audit that the truck chassis was not likely to be utilised by them. Thereafter, the chassis was allotted (June 1994) by Chief Conservator of Forests (CCF) (Development), Jaipur to CF and Director, World Food Programme Project, Udaipur but its delivery was not obtained by that division. The truck chassis was, therefore, sent (27 April 1995) by the Karauli Division to Udaipur through its own driver and delivered (29 April 1995) at Udaipur.

The truck chassis had thus been lying idle at Karauli in the open up to 26 April 1995 for 4 years for want of fabrication of body. *Prima facie* its purchase was without requirement. This resulted in idle investment of Rs.3.86 lakhs.

Government intimated (29 May 1995) to audit that the then CF, RRP, Bharatpur and DCF, Karauli were held responsible for the idle investment and the Principal Chief Conservator of Forests, Jaipur had been asked to submit proposals for disciplinary action against the defaulting officers after preliminary enquiry. Further progress was awaited (June 1995).

#### **6.10 Irregular expenditure on development works undertaken on private land**

Under the Centrally sponsored scheme "Assistance to Small and Marginal Farmers for Increasing Agricultural Production" (MASSIVE), the State Government issued (25 July 1986) instructions for implementation of community land development works. According to these instructions, development works on community basis were to be undertaken, where more than 50 *per cent* of the land holders were small and marginal farmers and they owned not less than 25 *per cent* of land proposed for development. The total number of farmers covered by such works was to be not less than ten. The small and marginal farmers were eligible to get *cent per cent* subsidy on the expenditure apportionable to their land; the cost was to be borne by the individual farmers concerned in other cases. These works were to be executed by the Soil Conservation Department.



During test-check of records of District Rural Development Agency (DRDA), Bhilwara it was noticed (January-April 1992) that DRDA, Bhilwara sanctioned execution of community land development works through the Soil Conservation Department. On these works expenditure of Rs.3.47 lakhs was incurred during 1991-92, of which Rs.1.09 lakhs related to development works on land belonging to farmers not covered by the scheme and was recoverable from them. No recovery had been made as of August 1995.

On this being pointed out in audit, the DRDA, Bhilwara stated (December 1994) that other farmers whose land was situated in the area of community development works were not agreeable to pay the development charges but the development works had to be carried out for the benefit of small and marginal farmers on their land also without recovery.

While accepting the facts, Government stated (August 1995) that DRDA had been directed (July 1995) to recover the irregular expenditure of Rs.1.09 lakhs and initiate enquiry to fix the responsibility.

#### **6.11 Irregular payment of subsidy**

During 1983-84, the State Government launched a Centrally sponsored scheme "Assistance to Small And Marginal Farmers For Increasing Agricultural Production" (MASSIVE) in all the blocks of the State. The scheme aimed at increasing agricultural production of small and marginal farmers who were to be identified for this purpose by the District Rural Development Agencies (DRDAs). Under this scheme, the subsidy was to be paid for construction of new wells, purchase of pump sets, sprinklers etc., at 25, 33<sup>1</sup>/<sub>3</sub> and 50 *per cent* to small, marginal and SC/ST farmers respectively.

The State Government issued (2 June 1992 and 27 May 1993) instructions that such small and marginal farmers who were actually land holders, according to revenue records would alone be eligible for subsidy. No assistance was admissible on the basis of notional shareholding of land under the scheme.

During test-check in audit of records of DRDA, Churu it was noticed (between November 1994 and February 1995) that during 1991-93 subsidy of Rs.1.92 lakhs was paid to 12 ineligible beneficiaries. Of these, subsidy of Rs.1.49 lakhs in 7 cases was paid to the wives of original land holders by showing



sale/transfer of 10 to 12 *bighas* of land to them though they were members of the same family. In another 4 cases, subsidy of Rs.0.29 lakh was paid to notional share holders who were not holding the land according to revenue records. In remaining one case, subsidy of Rs.0.14 lakh was paid for water tank, not an approved unit under the scheme, without obtaining any required documents.

On this being pointed out (March 1995) in audit, Government accepted (July and October 1995) the facts and stated that the DRDA had been directed to initiate action for recovery from the concerned beneficiaries. Further progress was awaited (November 1995).

### 6.12 Non-utilisation of infrastructure

The State Government decided (August 1987) to establish a Rural Craft Training Centre (RCTC) in each *Panchayat Samiti* during the three years period 1987-88 to 1990-91. It was proposed to establish 65 such centres during 1987-88 through District Rural Development Agencies (DRDAs) in two most suitable trades. Accordingly, DRDA, Sriganganagar sanctioned (May 1988) construction of five mini Industrial Training Institute (ITI) buildings<sup>1</sup> at an estimated cost of Rs.4.93 lakhs (Rs.98,500 each) to be met from Famine Relief Fund (Rs.22,200 for labour component in each case) and Integrated Rural Development Programme (Rs.76,300 for infrastructure in each case). The construction was to be completed by 30 June 1988.

During test-check of records of DRDA, Sriganganagar it was noticed (April-July 1992) in audit that construction of these five buildings was started between May and October 1988 and completed between June 1988 and April 1990 after incurring an expenditure of Rs.5.19 lakhs<sup>1</sup>. Of the five mini ITI buildings, only one building at Shrikaranpur was being utilised whereas three buildings were utilised in 1989-90 only and one was not utilised at all. Thus, four buildings constructed at the cost of Rs. 4.26 lakhs were not utilised for imparting training to rural youths from 1990-91 and onwards.

The Project Director, DRDA, Sriganganagar informed (June 1992) audit that the mini ITIs could not be run successfully as the boys/girls living in remote

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1. Bhadra (Rs.0.98 lakh), Nohar (Rs.0.99 lakh), Raisinghnagar (Rs.1.12 lakhs), Sadulshahar (Rs.1.17 lakhs) and Shrikaranpur (Rs.0.93 lakh).



villages were interested in being trained in their own villages. Thus, expenditure of Rs.4.26 lakhs was rendered unproductive and resulted in non-fulfilment of the objectives of the programme.

While accepting the facts, Government stated (July 1994) that the scheme could not succeed due to lack of technical personnel at *Panchayat Samiti* level and that these buildings would be used for the ITIs as and when opened at these places in future. The reply is not tenable as all possible constraints should have been examined before taking-up the project.

### **6.13 Blocking of funds owing to selection of unsuitable site**

A Centrally sponsored scheme - Training to Rural Youth for Self Employment (TRYSEM) was started (1979) in the State. The scheme envisaged provision of training facility to rural youths for self employment at a place nearest to their village. Accordingly, the State Government issued (March 1992) instructions for submission of proposals for setting up of training centres at *Panchayat Samiti* level for approval. Places with training institutions like Industrial Training Institute (ITI), Mini-ITI, District Rural Vocational and Development Centres, etc. were not to be selected.

The State Government sanctioned (March 1991 and February 1992) Rs.10 lakhs (building: Rs.7.60 lakhs and equipment: Rs.2.40 lakhs) to District Rural Development Agency (DRDA), Jaisalmer for setting up 2 training centres in Jaisalmer district. Accordingly, DRDA, Jaisalmer paid (January - March 1993) Rs.7.60 lakhs to *Panchayat Samiti*, Jaisalmer (Rs.3.80 lakhs each) and *Panchayat Samiti*, Sam (Headquarter Jaisalmer) (Rs.3.80 lakhs ) for construction of these centres. The construction of both the centres was completed during 1993-94 at the cost of Rs.7.60 lakhs.

During test-check of the records of DRDA, Jaisalmer, it was noticed (August - October 1994) that contrary to Government instructions, both the *Panchayat Samitis* constructed training centres at one and the same place (Jaisalmer) where ITI already existed. Moreover, Rs.2.40 lakhs sanctioned for purchase of tools and equipment for training remained unutilised with DRDA. It was further noticed that only one course of 4 months was organised in 1993-94 at training centre of *Panchayat Samiti*, Sam by Wool Development Board. Of a



batch of 20 trainees, 19 left the training without completion. The building constructed by *Panchayat Samiti*, Jaisalmer was utilised for imparting training for 4 months in 1994-95 to 9 youths only. Thus these buildings costing Rs.7.60 lakhs were not effectively used.

Government intimated (13 June 1995) that the DRDA had been advised to hand over one building each to Wool Development Board and *Nehru Yuva Kendra* till such time the buildings were taken over by the Directorate of Technical Education for regular use as training centres. Accordingly, DRDA, Jaisalmer issued (29 July 1995) orders for handing over these two buildings to aforesaid allottees. Further progress of taking over possession by the allottees and use of the buildings for training purposes was awaited (November 1995).

#### **6.14 Wasteful expenditure on tube well bored at unsuitable site**

With a view to providing drinking water to more than 3,000 college students, the Principal, Government Maharani Shri Jaya (MSJ) College, Bharatpur requested (November 1989) Senior Hydrologist, Ground Water Department (GWD) to explore availability of drinking water in the college campus for boring an Artesian well. The Assistant Engineer, GWD, Alwar while forwarding test-report submitted (December 1989) a *pro forma* bill for Rs.2.38 lakhs for the work. Test report, however, indicated that quality of water was expected to be salty/saline/potable which could be used for agricultural purposes. The Principal ignoring the test report requested (July 1990) Collector, Bharatpur for grant-in-aid of Rs.1.50 lakhs for construction of an Artesian well. The remaining expenditure was to be met out of College Students Union Fund.

The Collector, Bharatpur, sanctioned (February 1991) grant-in-aid of Rs.1.40 lakhs from Untied Funds of District Rural Development Agency (DRDA). The remaining amount of Rs.0.98 lakh was arranged from the college funds. The work was completed on 13 August 1991 at the cost of Rs.2.63 lakhs. The well was handed over to the college on the same day with the handing over report of GWD showing water as sweet-fit for irrigation/drinking purposes.

During the course of audit of DRDA, Bharatpur it was noticed (between August and October 1994) that the college had reported (29 August 1991) to



GWD that the water of the tube well was heavily muddy, non-transparent and bitter in taste.

Boring of the tube well despite an adverse test report from GWD, thus, resulted in wasteful expenditure of Rs.2.63 lakhs and failed to meet the desired purpose.

### **Tribal Area Development Department**

#### **6.15 Wasteful expenditure on incomplete works**

The Government of India, sanctioned (12 May 1990) Rs.137.10 lakhs for implementation of a project for integrated development of wasteland in Deval Microshed number 5, 6 and 15 in Bichhiwara block of Dungarpur district during 1990-95. The programme, *inter alia*, included works relating to soil conservation (731 hectares) and afforestation (640 hectares).

The District Rural Development Agency (DRDA), Dungarpur, in its meeting held on 18 May 1990 decided to allot the works in watershed number 6 to Peoples Education and Development Organisation (PEDO) (a voluntary organisation). Accordingly, DRDA paid Rs.11.25 lakhs to PEDO between June 1990 and February 1991 as advance for executing various works under this project. The works were started in May 1990 by PEDO. However, sanction of the competent authority had not been obtained.

The Commissioner, Tribal Area Development (TAD), Udaipur (May 1991) and Government (June 1991) objected to the allotment of these works to PEDO without written sanction of the appropriate authority. In view of these developments, DRDA directed (May 1991) PEDO to suspend the execution of works and submit detailed report of works executed alongwith accounts. Accordingly, PEDO stopped the works and submitted (June 1991) detailed accounts to DRDA of expenditure of Rs.10.23 lakhs and deposited balance of Rs.1.02 lakhs in May 1993.

During test-check of records of DRDA, Dungarpur it was noticed (May - August 1994) that on the orders (August 1991) of DRDA, Forest Department conducted (August - October 1991) physical verification of the works executed by PEDO during which it was noticed that the quantum of work done was less by



Rs. 2.39 lakhs, which was not recovered from PEDO. The programme was also evaluated by the Evaluation Department who observed that the entire expenditure proved wasteful due to stoppage of the work midway by DRDA.

Thus, implementation of the programme without prior approval of the competent authority and stoppage thereof • midway resulted in wasteful expenditure of Rs.7.84 lakhs which was also accepted (July 1994) by DRDA, Dungarpur.

The Commissioner, TAD, intimated ( September 1995 ) that action to issue technical, administrative and financial sanction and recovery of Rs. 2.39 lakhs from PEDO was being taken. Further progress was awaited ( December 1995 ). Government endorsed the reply ( November 1995 ).



## CHAPTER-VII

### COMMERCIAL ACTIVITIES

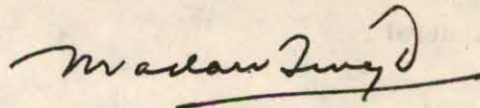
#### 7.1 General

As on 31 March 1995, there were 20 departmentally managed Government commercial undertakings in the State as indicated in *Appendix-10*.

The *pro forma* accounts of 11 undertakings, including three undertakings relating to Agriculture Department (1) and Ground Water Department (2) which have been declared non-commercial with effect from October 1985 and December 1987 respectively and were exempted from preparation of *pro forma* accounts in future were in arrears for 3 years and more as indicated in *Appendix-11*. As regards the cases where preparation of *pro forma* accounts had been exempted, the Agriculture Department and the Ground Water Department, Jodhpur had repeatedly requested Government for exemption from preparation of such accounts in respect of earlier years as well. However, decision of Government on these proposals was awaited (November 1995). In the case of the scheme for purchase and distribution of seeds and manures, the Agriculture Department had stated (April 1991) that the scheme was closed from 1979-80 and there were no transactions thereafter. The Department was requested several times by Audit between June 1991 and October 1994 to obtain exemption from Government from preparation of *pro forma* accounts. Further progress was awaited (November 1995).



A synoptic statement showing the financial results of the working of 20 undertakings on the basis of the latest accounts made available is indicated in Appendix-12.

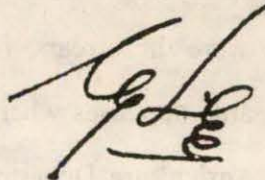


JAIPUR,  
The

6 MAR 1996

(M.S.SHEKHAWAT)  
Accountant General (Audit) I, Rajasthan

Countersigned



NEW DELHI

The

7 MAR 1996

(C.G. SOMIAH)  
Comptroller and Auditor General of India



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## APPENDICES

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## APPENDICES

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**APPENDIX - 1**  
(Refer paragraph 2.2.2; page 50)

**Statement showing cases where supplementary provision (Rs.10 lakhs or more) was unnecessary**

S. No.	Number and name of the grant	Original provision	Supplementary provision	Total provision	Expenditure	Saving
(Rupees in lakhs)						
<b>Revenue-Voted</b>						
1.	7-Election	5524.94	1517.75	7042.69	3057.93	3984.76
2.	22-Area Development	8150.86	1582.47	9733.33	7842.74	1890.59
3.	32-Civil Supplies	951.56	30.00	981.56	891.64	89.92
4.	36-Co-operation	6300.79	93.18	6393.97	4532.59	1861.38
5.	37-Agriculture	15572.78	455.95	16028.73	12000.03	4028.70
6.	38-Minor Irrigation and Soil Conservation	9790.09	578.50	10368.59	9464.56	904.03
7.	49-Compensation and Assignment to Local Bodies and Panchayati Raj Institution	1480.39	13.02	1493.41	1453.74	39.67
<b>Revenue-Charged</b>						
8.	Interest Payments	105979.55	100.11	106079.66	103593.29	2486.37
<b>Capital-Voted</b>						
9.	19-Public Works	5278.91	685.02	5963.93	4881.31	1082.62
10.	24-Education, Art and Culture	1315.10	46.93	1362.03	758.91	603.12
11.	29-Town Planning and Territory Development	1170.00	38.06	1208.06	539.22	668.84
12.	30-Tribal Area Development	2902.50	18.12	2920.62	1969.62	951.00
13.	36-Co-operation	2455.18	707.65	3162.83	2430.49	732.34
14.	43-Mines	417.35	150.00	567.35	342.49	224.86
<b>Total</b>		<b>167290.00</b>	<b>6016.76</b>	<b>173306.76</b>	<b>153758.56</b>	<b>19548.20</b>



## APPENDIX-2

(Refer paragraph 2.2.2; page 50)

**Statement showing cases where supplementary provision was made in excess of actual requirement (where saving is exceeding Rs.10 lakhs in each case)**

S. No.	Number and name of the grant/appropriation	Original provision	Supplementary provision	Total provision	Expenditure	Saving
(Rupees in lakhs)						
<b>Revenue-Voted</b>						
1.	5- Administrative Services	1646.94	110.50	1757.44	1725.63	31.81
2.	6- Administration of Justice	3741.86	89.50	3831.36	3816.92	14.44
3.	9- Forest	8630.63	2515.26	11145.89	10028.97	1116.92
4.	13- Excise	6749.52	2222.00	8971.52	8935.22	36.30
5.	14- Sales Tax	2115.39	322.91	2438.30	2245.47	192.83
6.	16- Police	27568.37	2060.01	29628.38	29560.30	68.08
7.	29- Town Planning and Territory Development	2095.30	779.52	2874.82	2768.55	106.27
8.	30- Tribal Area Development	17434.29	1816.40	19250.69	17654.55	1596.14
9.	34- Relief on Account of Natural Calamities	17799.99	15232.99	33032.98	32308.49	724.49
10.	35- Miscellaneous Community and Economic Services	17241.10	23400.86	40641.96	40325.19	316.77
11.	40- Government Enterprises	206.74	2723.26	2930.00	2911.80	18.20
12.	41- Community Development	4746.54	425.94	5172.48	4998.56	173.92
13.	42- Industries	6418.45	1000.01	7418.46	7000.72	417.74



S. No.	Number and name of the grant/appropriation	Original provision	Supplementary provision	Total provision	Expenditure	Saving
(Rupees in lakhs)						
<b>Revenue-Charged</b>						
14.	President/Vice-President/ Governor/Administrator of the Union Territories	112.67	33.45	146.12	117.89	28.23
15. 21-	Roads and Bridges	0.01	17.45	17.46	1.16	16.30
<b>Capital-Voted</b>						
16. 20-	Housing	1439.20	571.08	2010.28	1826.22	184.06
17. 22-	Area Development	5970.49	2381.42	8351.91	7128.94	1222.97
18. 26-	Medical and Public Health and Sanitation	30.50	217.10	247.60	137.57	110.03
19. 40-	Government Enterprises	24.00	197.37	221.37	208.96	12.41
20. 45-	Loans to Government Servants	7360.40	42.48	7402.88	6606.66	796.22
21. 47-	Tourism	892.70	250.00	1142.70	1006.25	136.45
<b>Total</b>		<b>132225.09</b>	<b>56409.51</b>	<b>188634.60</b>	<b>181314.02</b>	<b>7320.58</b>



### APPENDIX-3

(Refer paragraph 2.2.2; page 50)

**Statement showing cases where supplementary provision was inadequate, by more than Rs.10 lakhs in each case**

S. No.	Number and name of grant	Original provision	Supplementary provision	Total provision	Expenditure	Excess
(Rupees in lakhs)						
<b>Revenue-Voted</b>						
1.	8-Revenue	7669.65	171.00	7840.65	7861.14	20.49
2.	15-Pension and other Retirement Benefits	27358.31	2084.73	29443.04	29988.52	545.48
3.	19-Public Works	14676.05	365.04	15041.09	15245.78	204.69
4.	24-Education, Art and Culture	129504.67	7911.01	137415.68	138456.11	1040.43
5.	26-Medical and Public Health and Sanitation	43457.95	70.04	43527.99	44576.89	1048.90
6.	27-Drinking Water Supply Scheme	28575.75	4537.38	33113.13	33133.65	20.52
7.	46-Irrigation	35828.01	37.87	35865.88	37124.19	1258.31
<b>Capital-Voted</b>						
8.	27-Drinking Water Supply Scheme	29316.65	8198.24	37514.89	43343.58	5828.69
9.	42-Industries	4422.20	162.01	4584.21	5012.35	428.14
<b>Capital-Charged</b>						
10.	Public Debt	42176.23	40001.83	82178.06	155145.63	72967.57
<b>Total</b>		<b>362985.47</b>	<b>63539.15</b>	<b>426524.62</b>	<b>509887.84</b>	<b>83363.22</b>



# APPENDIX-4

## (Refer paragraph 2.2.6; page 56) Excessive/Unnecessary Re-appropriation

S. No.	Number and name of the grant and head of account	Provision (original plus supplementary)	Re-appropriation made addition(+)/reduction(-)	Total grant	Actual Expenditure	Excess(+)/Saving(-)
(Rupees in lakhs)						
20-	<b>Housing</b>					
1.	2216- Housing					
	01- Government Residential Buildings					
	106- General pool accommodation					
	(ii) Maintenance and Repairs					
	2. General Repairs	600.00	(-)31.55	568.45	596.88	(+)28.43
21-	<b>Roads and Bridges</b>					
2.	3054- Roads and Bridges					
	03- State Highways					
	337- Road Works					
	(i) Maintenance and Restoration	4800.00	(-)335.00	4465.00	4698.90	(+)233.90
3.	04- District and Other Roads					
	800- Other expenditure					
	(i) District Roads					
	1 Maintenance and Restoration	1775.00	(-)124.00	1651.00	1756.43	(+)105.43
4.	800 (ii) Rural Roads					
	1. Maintenance and Restoration	4600.00	(-)321.00	4279.00	4546.53	(+)267.53
5.	800 (vi) Metropolitan Roads					
	1. Maintenance and Restoration	650.00	(-)45.00	605.00	689.48	(+)84.48
6.	80 General					
	797 Transfer to/from Reserve Fund/Deposit Account					
	(ii) Transfer to/from State Road Development Fund	0.01	(+)199.99	200.00	-	(-)200.00
26-	<b>Medical and Public Health and Sanitation</b>					
7.	2210- Medical and Public Health					
	06- Public Health					
	101 Prevention and Control of diseases					
	(i)- National Malaria Eradication Programme	2375.74	(-)196.77	2178.97	2387.91	(+)208.94



S. No.	Number and name of the grant and head of account	Provision (original plus supplementary)	Re-appropriation made addition(+)/reduction(-)	Total grant	Actual Expenditure	Excess(+)/Saving(-)
(Rupees in lakhs)						
8.	101 (iv) National T.B. Control Programme	242.29	(+)128.05	370.34	245.55	(-)124.79
9.	4211- Capital Outlay on Family Welfare 800- Other expenditure					
	(ii)- Works through the District Rural Development agencies/Rajasthan State Bridge and Construction Corporation	20.00	(-)20.00	-	68.07	(+)68.07
<b>27- Drinking Water Supply Scheme</b>						
10.	2215- Water Supply and Sanitation 02- Sewerage and Sanitation 001- Direction and Administration (iii)- Execution	3166.46	(-)45.05	3121.41	3278.55	(+)157.14
11.	01- Water Supply 102- Urban Water Supply Scheme, Ajmer	1098.16	(+)119.15	1217.31	1105.70	(-)111.61
12.	4215-Capital Outlay on Water Supply and Sanitation 01-101 Urban Water Supply					
	I(v)- Re-organisation of Jodhpur Water Supply Scheme 1- Major Works	3333.33	(-)920.22	2413.11	2784.58	(+)371.47
13.	01-102 Rural Water Supply (vi) Water Supply Scheme with the Assistance of KFW Germany (through the agency of Chief Engineer, Project Management Cell, Churu)	0.01	(+)625.54	625.55	-	(-)625.55



S. No.	Number and name of the grant and head of account	Provision (original plus supplementary)	Re-appropriation made addition(+)/reduction(-)	Total grant	ActualExcess(+)/expen-Saving(-) diture
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(Rupees in lakhs)

14.	01 - 101 Urban Water Supply				
	I(ii) Other Urban Water Supply Schemes				
	1 Major Works	3454.27	(+)2046.72	3700.99	3601.54 (-)99.45
15.	02- Sewerage and Sanitation				
	106- Sewerage Services				
	1- General Sewerage Services				
	(ii) Other Sewerage Schemes	135.15	(+)162.54	297.69	129.24 (-)168.45
	<b>34- Relief from Natural Calamaties</b>				
16.	2245- Relief on account of Natural Calamities				
	02-122 Repairs and restoration of damaged Irrigation and flood control works	1520.00	(-)116.09	1403.91	1453.49 (+)49.58
	<b>46- Irrigation</b>				
17.	2701- Major and Medium Irrigation				
	01 - 105-Indira Gandhi Canal Feeder (Punjab Portion) (through the agency of Chief Engineer, Irrigation (Canals) North Department, Punjab)				
	(i) Expenditure on maintenance				
	1- Indira Gandhi Canal Feeder	379.81	(-)32.96	346.85	464.95 (+)118.10
18.	2702- Minor Irrigation				
	01- Surface Water				
	800- Other expenditure				
	(i) Other Irrigation Works				
	1- Maintenance	1574.33	(-)138.59	1435.74	1764.21 (+)328.47



S. No.	Number and name of the grant and head of account	Provision (original plus supplementary)	Re-appropriation made addition(+)/ reduction(-)	Total grant	Actual Expenditure	Excess(+)/ Saving(-)
19.	4701- Capital outlay on Major and Medium Irrigation 01- Major Irrigation Commercial 104- Indira Gandhi Canal Project III stage II (vi) Phalodi Lift Scheme	340.00	(-)125.00	215.00	383.51	(+)168.51
20.	01-104 Indira Gandhi Canal Project III Stage II (xii) Suspense 1. Viklan	6014.98	(-)125.37	5889.61	6700.90	(+)811.29
21.	01-206- Sidhmukh Project through the agency of Chief Engineer, Irrigation (North) Department Add- Prorata Charges transferred from Major Head '2701' 1- Establishment	85.66	(-)75.66	10.00	140.67	(+)130.67
22.	01 204-Narbada Project (iv)- Suspense 1- Viklan	0.02	(+)100.28	100.30	-	(-)100.30



## APPENDIX-5

(Refer paragraph 3.1.1(ii); page 64)

Statement showing districtwise number of watersheds with Project cost and

Project area

Sl. No.	Name of District	Number of water-sheds	Total Project area (ha)	Total Project cost (Rupees in lakhs)
1.	Jaipur/Dausa	5	16456.97	575.26
2.	Alwar	6	14182.00	483.98
3.	Sikar	7	12281.00	421.26
4.	Jhunjhunu	8	16867.00	589.74
5.	Kota	2	3860.00	134.80
6.	Baran	6	14119.00	490.73
7.	Jhalawar	6	10610.00	371.31
8.	Bundi	1	1891.00	65.78
9.	Ajmer	8	12000.00	416.88
10.	Tonk	6	12597.17	387.13
11.	Sawaimadhopur	12	18693.48	631.27
12.	Bharatpur	4	8243.41	288.42
13.	Dholpur	2	5688.49	199.11
14.	Udaipur	13	24778.00	849.26
15.	Rajsamand	6	9974.00	318.54
16.	Pali	13	18413.71	669.77
17.	Sirohi	5	10151.00	341.88
18.	Banswara	8	15128.50	519.97
19.	Dungarpur	6	11109.68	388.61
20.	Chittorgarh	15	23007.00	805.25
21.	Bhilwara	11	20583.00	678.31
22.	Barmer	8	18481.90	498.51
23.	Jodhpur	10	14290.04	426.87
24.	Nagaur	12	21779.10	707.46
25.	Jaisalmer	3	5319.00	140.27
26.	Jalore	7	9049.00	257.74
27.	Bikaner	4	4773.74	149.73
28.	Churu/Sriganganagar	10	17956.00	477.72
<b>Total</b>		<b>204</b>	<b>372283.19</b>	<b>12285.56</b>



## APPENDIX -6

(Refer paragraph 3.5.6(iv)(a);page 95)

### Schedule of construction of new buildings instead of repair/renovation of old jail buildings, etc.

S. No.	Name of sanctioned works	Estimated cost (Rupees in lakhs)	Works executed	Actual expenditure (Rupees in lakhs)	Period of execution	Present position
1.	Renovation of 4 district jails and 8 sub-jails	288.04 (released by Government of India Rs.60.33 lakhs-1987-91)	Construction of New Jail Buildings of 12 Jails	418.40	1987-95	All works in progress
2.	Deepening of existing well at Meersshah Ali at Central Jail, Ajmer	2.20 (March 1989)	New well	1.94	November 1991	Completed but not working properly due to defects in construction
3.	Repair work of existing barracks at Open Camp Jail, Bharatpur	1.10 (November 1987)	Construction of 20 cubicles	1.22	January 1989 to November 1989	13 completed in November 1989, 7 left incomplete upto plinth level
4.	Raising of boundary wall of District Jail, Bharatpur	7.25 (December 1990)	Raising of boundary wall of District Jail, Bharatpur	8.70	May 1991 (work continued)	Incomplete (March 1995)
5.	Construction of barracks at District Jail, Nagaur	2.00 (December 1990)	Construction of additional barracks at Sub-jail, Karanpur (Sriganganagar)	2.22	1991-92 to 1992-93	Completed
<b>Total</b>		<b>300.59</b>		<b>432.48</b>		



**APPENDIX-7**  
(Refer paragraph 3.13; page 116)  
**Department-wise details of losses written off, etc.**

Sl. No.	Name of Department	Write off of losses, etc.	
		Number of cases	Amount (Rupees in lakhs)
1.	Agriculture	5	48.28
2.	Animal Husbandry	9	0.47
3.	Art and Culture	1	0.07
4.	Education (including Technical, Adult and College Education)	17	0.81
5.	Finance	1	0.07
6.	Food	1	0.10
7.	General Administration	6	1.69
8.	Ground Water	2	0.32
9.	Home	1	0.27
10.	Irrigation	1	0.02
11.	Jagir	1	0.03
12.	Law	1	0.01
13.	Local Fund Audit	2	0.09
14.	Medical and Health	6	0.39
15.	Police	3	0.88
16.	Printing and Stationery	1	0.07
17.	Rajasthan Public Service Commission	1	2.92
18.	Relief	1	0.04
19.	District Administration	3	0.93
20.	Sheep and Wool	1	0.01
21.	Settlement	1	0.04
22.	Evaluation	1	0.04
<b>Total</b>		<b>66</b>	<b>57.55</b>



**APPENDIX - 8**  
**(Refer paragraph 3.14; page 118)**  
**Details of Departments in which Audit Committee has been constituted**

Sl. No.	Name of the Department	Date of constitution	Number of meetings held during 1994-95	Date of last meeting	Number of paragraphs settled during 1994-95
1*	Agriculture	3 July 1985	1	15 June 1994	Nil
2.*	Relief	3 July 1985	Nil	19 July 1990	Nil
3.*	Rural Development and Panchayati Raj	3 July 1985	1	22 July 1994	Nil
4.*	Education	6 August 1991	1	24 October 1994	Nil
5.*	Medical and Health	6 August 1991	1	22 November 1994	Nil
6.*	Social Welfare	6 August 1991	Nil	8 June 1992	Nil
7.**	Power	31 January 1995	-	-	-
8.**	Co-operative	31 January 1995	-	-	-
9.**	Animal Husbandry	31 January 1995	-	-	-
10.**	Fisheries	31 January 1995	-	-	-
11.**	Sheep and Wool	31 January 1995	-	-	-
12.**	Ground Water	31 January 1995	-	-	-
13.**	Jails	31 January 1995	-	-	-
14.**	Industries	31 January 1995	-	-	-
15.**	Police	31 January 1995	-	-	-
16.**	Special Schemes and Integrated Rural Development	31 January 1995	-	-	-
17.**	Women and Child Development	31 January 1995	-	-	-

(\*) Existing Audit Committees

(\*\*) Constituted during 1994-95



## APPENDIX - 9

( Refer paragraph 3.14; page 119)

### Important irregularities commented upon in the inspection reports of Agriculture Department

Sl. value No.	Nature of irregularities	Number of paragraphs	Money (Rupees in lakhs)
1.	Irregularities relating to cash and cash book	5	6.36
2.	Irregularities relating to local purchase of stationery	5	1.71
3.	Overpayments of amounts disallowed in audit (T.A., medical, I.T., Telephone, pay fixation, etc.)	45	10.32
4.	Other types of irregularities (Purchases, Utilisation certificates, Targets, Drawal of money to avoid lapse, Blocking of funds, Stamped Receipts, Theft and Embezzlements)	107	9133.39
5.	Excess payment of Grants-in-aid	11	334.03
6.	Non-recovery of loans, advances, etc.	58	15881.37
7.	Log book of staff cars	31	14.57
8.	Stores Accounts	32	22.44
<b>Total</b>		<b>294</b>	<b>25404.19</b>



## APPENDIX-10

(Refer paragraph 7.1; page 193)

### List of departmental undertakings as on 31 March 1995

S. No.	Name of departmental undertakings	Number of schemes
1.	<b>Home Department</b>	
	Jail Manufactures at Ajmer, Alwar, Bikaner, Jaipur, Jodhpur, Kota and Udaipur	7
2.	<b>Forest Department</b>	
	Departmental Trading of forest coupes	1
	Patta Tendu Scheme	1
3.	<b>Printing and Stationery Department</b>	
	Government Publication Branch, Government Central Press, Jaipur	1
4.	<b>State Enterprises Department</b>	
	Rajasthan State Chemical works at Didwana (Sodium Sulphate Works, Sodium Sulphate Plant and Sodium Sulphide Factory)	3
	Government Salt Works at Pachpadra and Didwana	2
5.	<b>Medical and Health Department</b>	
	Government Ayurvedic Rasayanshalas at Ajmer, Bharatpur, Jodhpur and Udaipur	4
6.	<b>Public Health Engineering Department</b>	
	Rajasthan Water Supply and Sewerage Management Board, Jaipur	1
<b>Total</b>		<b>20</b>



## APPENDIX-11

(Refer paragraph 7.1; page 193)

### Undertakings whose accounts were in arrears for 3 years or more

S. No.	Name of departmental undertakings	Years for which accounts were in arrears	Remarks
<b>Agriculture Department</b>			
1.	Scheme for purchase and distribution of seeds and manures	1969-70 to 1985-86 (up to September 1985)	The scheme was declared non-commercial with effect from October 1985.
<b>Ground Water Department</b>			
2.	Scheme for purchase and sale of pumping sets, Jodhpur	1975-76 to 1987-88 (up to November 1987)	The scheme was declared non-commercial with effect from December 1987.
3.	Rajasthan Ground Water Department, Jodhpur	1974-75 to 1987-88 (up to November 1987)	The Department was declared non-commercial with effect from December 1987.
<b>Home Department</b>			
4.	Jail Manufacture, Udaipur	1992-93 to 1994-95	
5.	Jail Manufacture, Alwar	1991-92 to 1994-95	



S. No.	Name of departmental undertakings	Years for which accounts were in arrears
<b>Printing and Stationery Department</b>		
6.	Government Publication Branch, Government Central Press, Jaipur	1990-91 to 1994-95
<b>Medical and Health Department</b>		
7.	Government Ayurvedic Rasayanshala, Ajmer	1990-91 to 1994-95
8.	Government Ayurvedic Rasayanshala, Bharatpur	1990-91 to 1994-95
9.	Government Ayurvedic Rasayanshala, Jodhpur	1990-91 to 1994-95
10.	Government Ayurvedic Rasayanshala, Udaipur	1990-91 to 1994-95
<b>Forest Department</b>		
11.	Departmental Trading of forest coupes	1992-93 to 1994-95



## APPENDIX - 12

### (Refer paragraph 7.1; page 194) Financial results of departmental undertakings for the latest year audited

Sl. No.	Name of departmental undertakings	Period of accounts	Government capital	Mean capital	Block assets (Net)	Depreciation	Gross profit(+)/loss(-)	Interest charged	Net profit(+)/loss(-)
(Rupees in lakhs)									
<b>Home Department</b>									
1.	Jail Manufacture, Ajmer	1993-94	3.07	3.07	1.13	0.12	(-)2.56	0.18	(-)2.38
2.	Jail Manufacture, Alwar	1990-91	0.16	0.16	0.12	0.002	(-)0.81	0.09	(-)0.72
3.	Jail Manufacture, Bikaner	1992-93	0.29	0.29	0.08	0.01	(-)2.41	0.03	(-)2.38
4.	Jail Manufacture, Jodhpur	1993-94	1.74	1.74	0.66	0.05	(-)2.78	0.50	(-)2.28
5.	Jail Manufacture, Kota	1992-93	0.12	0.12	0.05	0.04	(-)0.82	Nil	(-)0.82
6.	Jail Manufacture, Udaipur	1991-92	2.06	2.06	0.63	0.07	(-)1.94	0.44	(-)1.50
7.	Jail Manufacture, Jaipur	1993-94	7.56	7.48	3.10	0.30	(-)3.96	3.21	(-)0.75
<b>Forest Department</b>									
8.	Departmental Trading of forest coupes	1991-92	89.18	88.71	24.34	2.67	(+)72.26	Nil	(+)72.26
9.	Patta Tendu Scheme	1993-94	3422.68	3045.26	12.10	0.72	(+)366.83	Nil	(+)366.83
<b>Printing and Stationery Department</b>									
10.	Government Publication Branch, Government Central Press, Jaipur	1989-90	0.04	0.04	0.02	0.001	(-)2.16	0.52	(-)1.64
<b>State Enterprises Department</b> Rajasthan State Chemical Works-									
11.	Sodium Sulphate Works, Didwana	1993-94	9.59	9.59	7.66	0.40	(+)8.00	Nil	(+)8.00
12.	Sodium Sulphide Factory, Didwana	1993-94	15.83	15.83	4.20	0.29	(-)7.69	7.53	(-)0.16
13.	Government Salt Works at Didwana	1993-94	60.66	59.01	35.83	2.46	(+)17.41	-	(+)17.41
14.	Government Salt Works at Pachpadra	1992-93	27.78	27.78	17.15	1.23	(-)15.28	3.53	(-)11.75
15.	Sodium Sulphate Plant, Didwana	1993-94	103.40	103.40	20.32	1.25	(-)25.50	24.09	(-)1.41



Sl. No.	Name of departmental undertakings	Period of accounts	Government capital	Mean capital	Block assets (Net)	Depreciation	Gross profit(+)/loss(-)	Interest charged	Net profit(+)/loss(-)
(Rupees in lakhs)									
<b>Medical and Health Department</b>									
16.	Government Ayurvedic Rasayanshala, Ajmer	1989-90	14.08	13.93	4.02	0.40	(+)0.08	6.41	(+)6.49
17.	Government Ayurvedic Rasayanshala, Udaipur	1989-90	6.96	6.95	1.82	0.19	(-)0.82	2.77	(+)1.95
18.	Government Ayurvedic Rasayanshala, Jodhpur	1989-90	7.35	7.35	1.94	0.23	(+)1.65	2.62	(+)4.27
19.	Government Ayurvedic Rasayanshala, Bharatpur	1989-90	3.30	3.29	0.79	0.08	(-)5.45	0.69	(-)4.76
<b>Public Health Engineering Department</b>									
20.	Rajasthan Water Supply and Sewerage Management Board, Jaipur	1992-93	83729.78	74777.76	16519.55	675.78	(-)10131.93	2066.55	(-)8065.38



## APPENDIX-13

### Glossary of Abbreviations

AC	:	Air Conditioner
ADSO	:	Assistant District Supply Officer
AI	:	Artificial Insemination
B and RC	:	Building and Right Canal
BIFR	:	Board for Industrial and Financial Reconstruction
BITS	:	Birla Institute of Technology and Science
Board	:	Indira Gandhi Nahar Board
BSR	:	Basic Schedule of Rates
CAZRI	:	Central Arid Zone Research Institute
CCA	:	Culturable Command Area
CCS	:	Centrally Sponsored Scheme
CE	:	Chief Engineer
CF	:	Conservator of Forests
CIP	:	Central Issue Price
CLIS	:	Community Lift Irrigation Scheme
CPCB	:	Central Pollution Control Board
CSMRS	:	Central Soil and Material Research Station
CVH	:	Contour Vegetative Hedges
CWC	:	Central Water Commission
DCF	:	Deputy Conservator of Forests
DDP	:	Desert Development Programme
DGSD	:	Director General Supplies and Disposals



DLC	:	District Level Committee
DNES	:	Department of Non-Conventional Energy Sources
DPAP	:	Drought Prone Area Programme
DRDA	:	District Rural Development Agency
DSO	:	District Supply Officer
EI	:	Enforcement Inspector
EL	:	Elevation Level
EO	:	Enforcement Officer
EPABX	:	Electronic Private Automatic Branch Exchange
ETBU	:	Extension Technical Back-up Unit
ETP	:	Effluent Treatment Plant
FCI	:	Food Corporation of India
FPS	:	Fair Price Shop
FRL	:	Full Reservoir Level
GCA	:	Gross Command Area
GF&AR	:	General Financial and Account Rules
GOI	:	Government of India
GWD	:	Ground Water Department
Ha	:	Hectares
HUDCO	:	Housing and Urban Development Corporation
ICA	:	Irrigable Command Area
IGBP	:	Indo-German Bilateral Project
IGNP	:	Indira Gandhi Nahar Pariyojana